

BURLESON ISD

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FISCAL YEAR ENDED
JUNE 30, 2021
BURLESON, TEXAS

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**Independent School District
Burleson, Texas**



Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2021

Prepared by:
Brenda Mize, Chief Financial Officer

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Burleson Independent School District
Annual Comprehensive Financial Report

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Burleson Independent School District
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Introductory Section

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1160 SW Wilshire Blvd. • Burleson, Texas 76028 • 817.245.1000 • Fax: 817.447.5737 • www.burlesonisd.net

November 8, 2021

Board of Trustees and Citizens of
Burleson Independent School District

Dear Board Members and Citizens:

In accordance with §44.008 of the Texas Education Code, an annual audit shall be performed by a certified public accountant (CPA), internal auditor and/or state auditor holding a permit from the Texas State Board of Public Accountancy. The audit must be completed at the close of each fiscal year and shall include an audit of the accuracy of the fiscal information provided by the District through the Public Education Information System (P.E.I.M.S.).

The Annual Comprehensive Financial Report (ACFR) of the Burleson Independent School District (District), approved by the Board of Trustees, is filed with the Texas Education Agency no later than the 150th day after the end of the fiscal year for which the audit was made. All District funds have been audited and the auditor's reports are included within this report.

The ACFR consists of management's representations concerning the finances of the District. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District's administration. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

The District engaged Weaver and Tidwell, L.L.P., Certified Public Accountants, to audit the District's financial statements. Their unmodified opinion based upon the audit of the Burleson Independent School District's financial statements for the fiscal year ended June 30, 2021 is presented as the first component of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the report of the independent auditors and provides a narrative introduction, overview, and analysis to accompany the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the District

In 1901, Burleson's first school, the Red Oak Academy was constructed. It was destroyed by fire in 1909. The State of Texas granted a charter for an independent school district and the citizens of Burleson voted to construct a new school. By 1910 the new school was opened. Burleson Independent School District is located just south of Fort Worth in Tarrant and Johnson Counties. Burleson ISD covers 52 square miles. Burleson ISD has a tradition of providing an excellent education with highly-qualified teachers passionate and dedicated to student success. Burleson ISD has 18 schools serving 12,474 students. The District provides approximately 10,275 students a full range of educational services appropriate to grade levels pre-Kindergarten through twelve. These include regular and enriched academic education, special education, occupational education, and language training for those with limited English proficiency. BISD employs approximately 1,587 staff members with 60% serving as classroom instructional employees.

Governing Body

Residents of the district elect a seven member Board of Trustees, each of which serves for three years without compensation. On a rotating basis, two or three places are filled during annual elections held the second Saturday in May.

Regular meetings are normally scheduled the second Monday of the month and are held in the District's administration building. Special meetings are scheduled as needed and announced in compliance with public notice requirements. The Board shall constitute a body corporate and shall have the exclusive power to govern and oversee the management of the public schools of the District. Decisions of the Board are based on a majority vote of the quorum present.

Governing the school district is the primary role of a school board. School board members are guardians of the public trust by adopting policies that inform district actions. Key roles and responsibilities of a school board are ensuring creation of a vision and goals for the district and evaluating district success, hiring a superintendent to serve as the chief executive officer of the District and evaluating the superintendent's success, approving an annual budget consistent with the District vision, and communicating the District's vision and success to the community.

Strategic Plan

Core Values:

- We believe in setting high expectations for all.
- We believe in cultivating and sustaining intellectual curiosity.
- We believe each student's voice is important in the decisions made about their education.
- We believe families matter and deserve the opportunity to be heard and considered.
- We believe strong, positive relationships develop engaged students, respectful communities and a sense of belonging.
- We believe in nurturing each individual's strengths and talents.
- We believe in honoring the unique needs of the individual while creating a physically and emotionally safe learning environment.
- We believe that fun is an integral part of the learning process.
- We believe growth occurs through challenge.

Objectives:

- Each student will be able to communicate and compete globally.
- Each student will graduate with the ability to showcase and communicate their unique talents and achievements.
- Each student will be able to independently identify a problem, effectively collaborate, and communicate innovative solutions that positively impact society.
- Each student will successfully transition out of high school with the opportunity to earn a debt-free college degree or post-secondary certification.

Strategies:

- We will design an engaging and challenging curriculum that develops each student's ability to read, write, think, and defend.
- We will provide students with multiple avenues for specialized instruction and opportunities to advance at their own pace.
- We will equip teachers with the resources, training, and time necessary to achieve our strategic objectives.
- We will establish a college-going culture on every BISD campus that intentionally prepares students for future endeavors.
- We will offer educational programs of choice that nurture students' unique talents and promote global citizenship.

Budget Process

Budget Adoption. The District annually adopts legally authorized appropriated budgets for the general fund, debt service fund, and National School Lunch Program special revenue fund. The following procedures are followed in establishing the budgetary data reflected in the fund financial schedules:

1. Before June 19 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days public notice of the meeting has been given.
3. Before July 1, the Board legally enacts the budget through passage of a resolution.

The appropriated budget is prepared by fund, function, major object, and campus/department. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the function level within a fund. All annual appropriations lapse at fiscal year end.

Tax Rate Adoption. The District Tax Assessor-Collector and Chief Financial Officer calculated the estimated rollback tax rate and published the required legal notice in June 2020. The Board of Trustees held the required public meeting on June 22, 2020, to discuss the proposed tax rate of \$1.0383 maintenance and operations (General Fund) + \$.50 interest and sinking (Debt Service Fund) = \$1.5383 per \$100 taxable valuation, however no action was taken. The Board of Trustees held the required public meeting on September 14, 2020, to discuss and adopt the 2020 proposed tax rate.

Accounting System

The District follows certain methods and procedures of accounting for revenues and disbursements as required by Texas Education Code. These methods and procedures are outlined by TEA Financial Accountability System Resource Guide. The business and purchasing operations of the District are under the direction of the Superintendent and the Chief Financial Officer.

The District contracts with Skyward for computer services, which record all revenues realized and all expenditures made during the fiscal year. The records include a statement showing total receipts from each fund, itemized according to source; total disbursements, itemized according to the nature of expenditures; and the balance on hand in each fund. The records are kept in the business office under the direction of the Chief Financial Officer.

The annual operating budget is a site-based decision making process. This process is designed to allow schools and central office departments to plan future operations in a manner which best serves the needs of students. Each principal/supervisor works with a total appropriation. Individual allocations will be determined at the campus level and site based shared decision making requires input from the faculty.

Economic Condition and Outlook

Located within the Dallas-Fort Worth metropolitan area, Burleson is Fort Worth's closest and largest neighbor to the south. It is strategically bisected by one of the most traveled interstates in America, I-35 West, the NAFTA corridor that supports North American manufacturing. The city surrounds this massive commerce pipeline, providing over nine miles of interstate frontage, including the steadily expanding Highpoint business park. I-35 West connects to a number of other interstates, including I-30 and I-20, which traverse the state of Texas and branch across the country, allowing for the wide distribution of goods.

According to statistics from the Burleson's Economic Development, sales tax increased 6.9% in 2020 over the prior year. New home starts grew by 150. In 2020, the city's population reached just over 49,000 residents, doubling from just over 23,400 in the year 2000. Prices in Burleson's housing market typically exceed regional averages due to quality of life and have increased the growth in population and employment.

The COVID-19 pandemic creates a significant amount of economic uncertainty. Because the underlying economy was strong prior to this situation, the decline is likely to be more of a pause than a fundamental change, particularly if safe and effective measures to resume activity are successful. There will definitely be some lasting shifts in both attitudes and actions. Certain behaviors will change and we will forever view the economy through a different lens.

State Funding Components

- Maintenance and Operations Tax Rate – \$0.9946
- Interest and Sinking Tax Rate – \$0.50
- Basic Allotment – \$6,160
- Per Capita Rate – 404.428

State Accountability System

TEA submitted a federal assessment and accountability waiver on March 24, 2020, and issued labels indicating Not Rated: Declared State of Disaster for 2020 to recognize that the closure of schools during the state's testing window inhibited the ability of the state to accurately measure district and campus performance.

Awards

GFOA Certificate of Achievement. Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Burleson Independent School District for its annual financial report for the fiscal year ended June 30, 2020. This was the eleventh consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine eligibility for another certificate.

Texas Comptroller Financial Transparency Stars. The Texas Comptroller of Public Accounts' Transparency Stars program recognizes local governments for going above and beyond in their transparency efforts. The program recognizes government entities that provide clear and meaningful financial information not only by posting financial documents, but also through summaries, visualizations, downloadable data and other relevant information. The Burleson Independent School District has been awarded a Transparency Star in Traditional Finances and Debt Obligation.

The previous transparency system, the Texas Transparency Leadership Circle, was an online system which ensured that taxpayer dollars were spent efficiently by ensuring decisions were made in the open and on the record. Burleson ISD maintains the Gold Level **Leadership Circle** for Financial Transparency.

Acknowledgements

The presentation and development of this report would not have been possible without the special efforts of the business office and cooperation of contributing staff members. We would also like to express our appreciation to the Board of Trustees for their interest and support regarding District financial operations.

Sincerely,


Dr. Bret Jimerson
Superintendent
Brenda Mize
Chief Financial Officer

Burleson Independent School District
Board of Trustees, Administrators, and Consultants

Board of Trustees

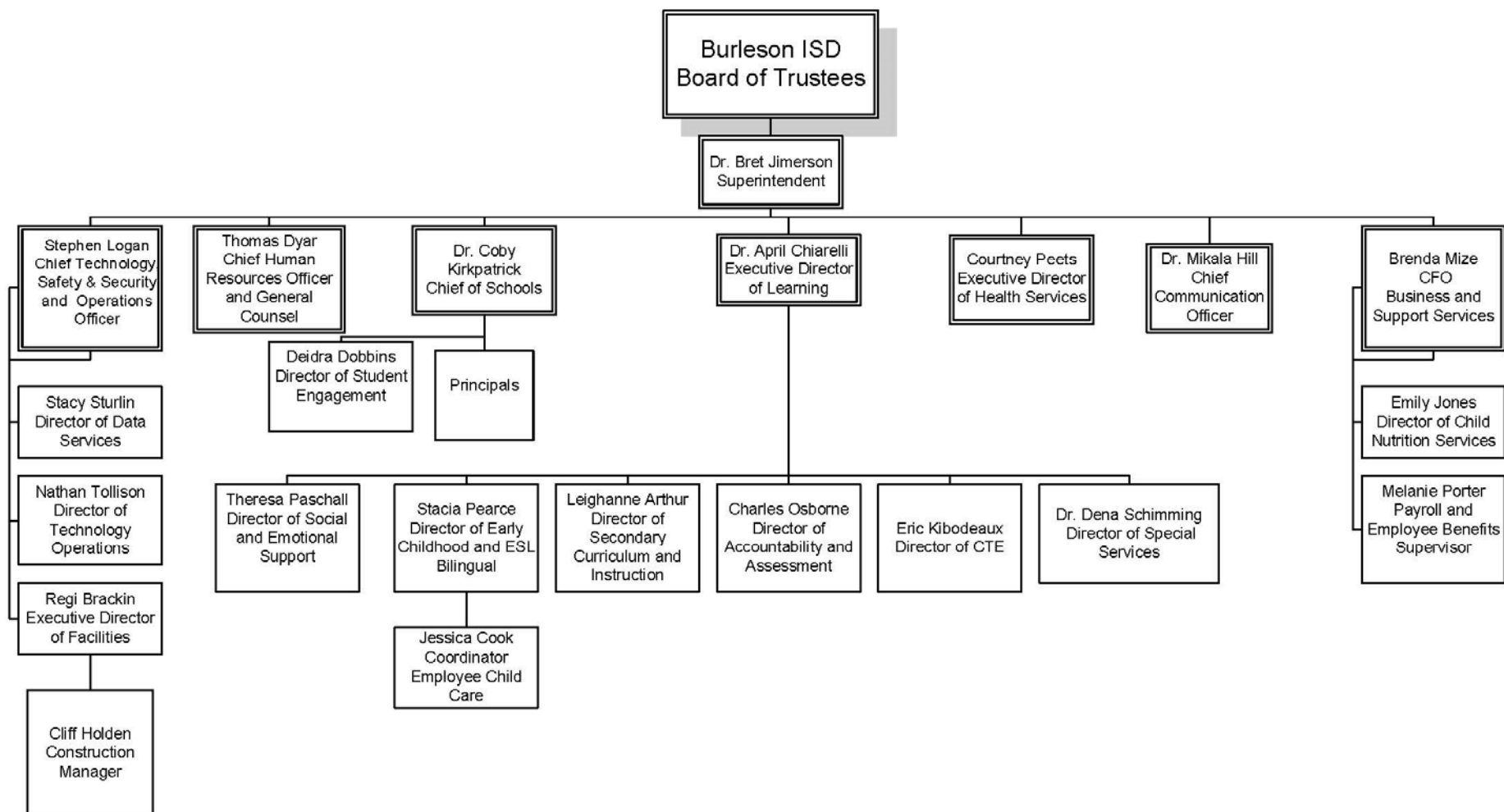
Pat Worrell	President
Staci Eisner	Vice-President
Ryan Richardson	Secretary
Michael Ancy	Member
Jerri McNair	Member
Shawn Minor	Member
Andy Pickens	Member

Administrative Staff

Dr. Bret Jimerson	Superintendent of Schools
Dr. April Chiarelli	Chief Academic Officer
Thomas Dyar	Chief Human Resources Officer and General Counsel
Dr. Coby Kirkpatrick	Chief of Schools
Dr. Mikala Hill	Chief Communication Officer
Steve Logan	Chief Technology, Safety & Security and Operations Officer
Brenda Mize	Chief Financial Officer
Courtney Peets	Executive Director of Health Services

Consultants and Advisors

Weaver and Tidwell, L.L.P.	Independent Auditor
Brackett & Ellis	Legal Counsel
Underwood Law Firm	Legal Counsel
SAMCO Capital	Financial Advisor
Norton Rose Fulbright	Bond Counsel





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Burleson Independent School District
Texas**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

Certificate of the Board

Burleson Independent School District
Name of School District

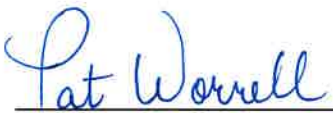
Johnson
County

126-902
Co. – Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) ✓ approved _____disapproved for the year ended June 30, 2021 at a meeting of the Board of Trustees of such school district on the 8th day of November 2021.



Signature of Board Secretary



Signature of Board President

Financial Section

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Independent Auditor's Report

To the Board of Trustees of
Burleson Independent School District
Burleson, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Burleson Independent School District (the District), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

The District's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Weaver and Tidwell, L.L.P.
2821 West 7th Street, Suite 700 / Fort Worth, Texas 76107
Main: 817.332.7905

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the basic financial statements, during year ended June 30, 2021, the District implemented Government Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities*. Beginning net position in the custodial fiduciary fund has been restated as a result of the implementation of this statement. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, schedules – required by the Texas Education Agency and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulation (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is also not a required part of the basic financial statements.

The Board of Trustees of
Burleson Independent School District

The combining and individual nonmajor fund financial statements, schedules – required by the Texas Education Agency, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedules – required by the Texas Education Agency and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 8, 2021, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
November 8, 2021

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**BURLESON INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021
(UNAUDITED)**

As management of Burleson Independent School District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2021. Please read this narrative in conjunction with the independent auditor's report on page 3, and the District's Basic Financial Statements that begin on page 17.

Financial Highlights

- On a government-wide basis, the liabilities and deferred inflows of Burleson Independent School District exceeded its assets and deferred outflows at the close of the most recent fiscal year by \$9,020,870 (net position). Unrestricted net position was (\$30,824,423) as of June 30, 2021.
- The District's total net position increased by \$10,423,126 which is due to an increase in attendance and property tax revenue.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$84,108,684. Approximately 43% of this total amount, \$35,903,246, is unassigned and available for use within the District's designations and policies.
- At the end of the current fiscal year, the unassigned fund balance of the general fund was \$35,909,306 or 34% of the total general fund expenditures.
- The District's Enterprise Fund net position decreased by \$53,375 from operations with net position of \$120,807. Decrease in the Enterprise Fund was a result of the daycare maintaining healthy environments and operations to lower the risk of COVID-19 spread in their program.

Overview of the Financial Statements

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 17 and 18). These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (starting on page 20) report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental funds, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the District.

The District maintains a proprietary type fund shown as an Enterprise Fund for the business-type activity in the government-wide financial statements. This fund is used to account for the District's Day Care Fund. The District also maintains a proprietary type fund shown as an Internal Service Fund for the governmental activities in the government-wide financial statements. This fund is used to account for the District's Insurance Fund.

These proprietary fund statements may be found on pages 27-29 of this report. The notes to the financial statements (starting on page 33) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining statements for nonmajor funds contain even more information about the District's individual funds. The sections labeled TEA Required Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the District's overall financial condition and operations begins on page 17. Its primary purpose is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the District's assets, deferred outflows, liabilities, and deferred inflows at the end of the fiscal year while the Statement of Activities includes all revenues and expenses generated by the District's operations during the year. These apply the accrual basis of accounting (the basis used by private sector companies).

All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as tuition received from students from outside the district and grants provided by the U.S. Department of Education to assist children with disabilities or from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers or by TEA in equalization funding processes (general revenues). All the District's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the District's net position and changes in them. The District's net position (the difference between assets, deferred outflows, liabilities and deferred inflows) provides one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

In the Statement of Net Position and the Statement of Activities, we divide the District into two kinds of activities:

- Governmental activities- Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- Business-type activities- The District does have a program in which it charges a fee to "customers" to help it cover all or most of the cost of services it provides. Thus, the District Daycare was a business-type activity during the current fiscal year.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 20 and provide detailed information about the most significant funds- not the District as a whole. Laws and contracts require the District to establish some funds such as grants received under the Every Student Succeeds Act from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities).

- Governmental funds- Most of the District's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.
- Proprietary funds- Accounted and budgeted for using the full-accrual basis of accounting. Under this method, revenues are recognized when they are earned and measurable, while expenses are recognized when they are incurred. These are used to account for operations that provide services and/or goods for a fee.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or fiduciary, for money raised by student activities. The District's fiduciary activity is reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position on pages 30 and 31. We exclude these resources from the District's other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in this fund are used for their intended purposes.

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. On June 30, 2021, assets and deferred outflows have fallen behind liabilities and deferred inflows by \$9 million with an increase in net position of \$10,423,126 indicating that the District's overall financial position remains sound. A portion of the District's net position represented resources subject to external restrictions on how they may be used. As of June 30, 2021, the District's restricted net position for grant funds was \$472,943 and restricted net position for debt service was \$14.5 million. As of June 30, 2021, the unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or legal requirements were a deficit of \$30.8 million.

The net investment in capital assets is \$6.8 million. The District uses capital assets to provide services; consequently, these assets are not available for future appropriation. Although the District's investment in its capital assets is reported net of related debt, it should be understood that the resources needed to repay District debt is provided from other resources, since the capital assets themselves cannot be used to meet debt obligations.

Business-type Activities

The only business-type activity operated by the District is the child care center.

The following table presents a comparison summary of the District's net assets for the fiscal year ended June 30, 2021 and fiscal year ended June 30, 2020:

	Governmental Activities		Business-type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Current and other assets	\$ 105,718,773	\$ 94,704,255	\$ 207,076	\$ 267,051	\$ 105,925,849	\$ 94,971,306
Capital assets	337,645,182	335,726,287	-	-	337,645,182	335,726,287
Long term investments	250,931	1,002,506	-	-	250,931	1,002,506
Total assets	<u>443,614,886</u>	<u>431,433,048</u>	<u>207,076</u>	<u>267,051</u>	<u>443,821,962</u>	<u>431,700,099</u>
Deferred outflow of resources	37,191,856	40,969,632	-	-	37,191,856	40,969,632
Current Liabilities	24,439,300	33,892,262	86,269	92,869	24,525,569	33,985,131
Long-term liabilities	436,859,712	433,980,529	-	-	436,859,712	433,980,529
Total liabilities	<u>461,299,012</u>	<u>467,872,791</u>	<u>86,269</u>	<u>92,869</u>	<u>461,385,281</u>	<u>467,965,660</u>
Deferred inflow of resources	28,649,407	24,148,067	-	-	28,649,407	24,148,067
Net position						
Net investment in capital assets	6,835,778	(2,523,086)	-	-	6,835,778	(2,523,086)
Restricted	14,967,775	8,808,618	-	-	14,967,775	8,808,618
Unrestricted	(30,945,230)	(25,903,710)	120,807	174,182	(30,824,423)	(25,729,528)
Total net position	<u>\$ (9,141,677)</u>	<u>\$ (19,618,178)</u>	<u>\$ 120,807</u>	<u>\$ 174,182</u>	<u>\$ (9,020,870)</u>	<u>\$ (19,443,996)</u>

Table I presents a summary of the changes in net position for the fiscal year ended June 30, 2021 with a comparison to the fiscal year ended June 30, 2020. Net position of the District's governmental activities increased \$10.4 million from \$19.6 in the prior year.

Costs in the business-type activities exceeded revenues, resulting in a \$53,375 decrease in net position. This decrease is primarily due to increased payroll for maintaining COVID-19 safety protocols.

Government Activities

As shown in Table II, the cost of all governmental activities for the current fiscal year was \$159,418,220. However, as shown in the Statement of Activities on page 18, the amount that our taxpayers ultimately financed for these activities through District taxes was only \$83,119,344 because some of the costs were paid by those who directly benefited from the programs (\$2,053,556) or by other governments and organizations that subsidized certain programs with grants and contributions offset by NECE contributions related to OPEB (\$22,486,186) or by State equalization funding (\$61,455,084).

	Governmental Activities		Business-type Activities		Total	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Revenues						
Program Revenues						
Charges for Services	\$ 2,053,556	\$ 5,368,444	\$ 671,300	\$ 558,003	\$ 2,724,856	\$ 5,926,447
Operating grants and contributions	22,486,186	18,090,460	47,815	45,463	22,534,001	18,135,923
General Revenues						
Maintenance and operations taxes	56,142,675	53,982,021	-	-	56,142,675	53,982,021
Debt service taxes	26,976,669	25,234,174	-	-	26,976,669	25,234,174
State aid	61,455,084	64,798,129	-	-	61,455,084	64,798,129
Investment Earnings	103,366	1,193,675	-	-	103,366	1,193,675
Miscellaneous	677,185	587,058	-	-	677,185	587,058
Total Revenue	169,894,721	169,253,961	719,115	603,466	170,613,836	169,857,427
Expenses						
Instruction, curriculum and media services	85,250,468	90,668,591	-	-	85,250,468	90,668,591
Instructional and school leadership	10,827,421	11,600,007	-	-	10,827,421	11,600,007
Student support services	12,240,646	11,581,473	-	-	12,240,646	11,581,473
Child nutrition	6,923,853	7,589,065	-	-	6,923,853	7,589,065
Extracurricular activities	4,210,331	4,707,026	-	-	4,210,331	4,707,026
General administration	4,218,465	4,585,909	-	-	4,218,465	4,585,909
Plant maintenance, security & data processing	17,066,309	16,409,898	-	-	17,066,309	16,409,898
Community Services	936,122	1,173,873	772,490	755,873	1,708,612	1,929,746
Debt service	17,744,605	12,794,886	-	-	17,744,605	12,794,886
Intergovernmental charges	-	-	-	-	-	-
Total Expenses	159,418,220	161,110,728	772,490	755,873	160,190,710	161,866,601
Excess (deficit) before transfers	10,476,501	8,143,233	(53,375)	(152,407)	10,423,126	7,990,826
Transfers in (out)	-	-	-	-	-	-
Change in net position	10,476,501	8,143,233	(53,375)	(152,407)	10,423,126	7,990,826
Net position at beginning of year	(19,618,178)	(27,761,411)	174,182	326,589	(19,443,996)	(27,434,822)
Net position at end of year	\$ (9,141,677)	\$ (19,618,178)	\$ 120,807	\$ 174,182	\$ (9,020,870)	\$ (19,443,996)

The increase in net position resulted primarily from property tax revenue increases and an increase in operating grants and contributions.

Revenues for the District's governmental activities increased just under \$1 million for the year ended June 30, 2021. Approximately 48.9% of the District's revenues came from property taxes, with an additional 49.1% derived from state funding formulas and federal grants. Last fiscal year 46.8 % of the District's revenues came from property taxes and 48.9% came from state funding formulas and federal grants.

Expenses for the District's governmental activities decreased over prior year \$1.7 million for the year ended June 30, 2021. The majority of the District's governmental activities expenses (74.9%) pay for direct instructional and student support services and for plant maintenance, security and data processing (10.7%). The remainder (14.4%) is divided into general administration, debt service payments, community related services, and miscellaneous expenses.

The District's Funds

As the District completed the fiscal year, its governmental funds (as presented in the balance sheet on page 20) reported a combined fund balance of \$84,108,684, which is \$5,775,648 more than last year's total of \$78,333,036. Included in this year's total change in fund balance is an increase of \$4,795,958 in the District's Debt Service Fund and an increase of \$1,113,472 in the District's Capital Projects Fund.

Over the course of the fiscal year, the Board of Trustees revised the District's budget several times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the fiscal year and reflect the actual beginning balances (versus the amounts we estimated in June 2020). The second category includes changes that the Board made during the fiscal year to reflect new information regarding revenue sources and expenditure needs. The third category involves amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

The District's General Fund balance of \$36,222,707 reported on pages 20 does not differ from the General Fund's budgetary fund balance of \$36,222,707 reported in the budgetary comparison schedule on page 70. This is principally due to a board approval of a resolution to move excess funds to Capital Projects in the amount of \$13,077,610.

The debt service fund has a total fund balance of \$20,982,247, all of which is restricted for the payment of debt service. The District makes semi-annual debt service payments in February and August of each year. Debt service payments including bond fees for the year ended June 30, 2021 were \$22,615,896.

The capital projects fund has a total fund balance of \$24,732,407 of which \$23,444,305 is committed for authorized construction and technology projects/enhancements and \$1,288,102 is restricted related to bond proceeds. The net increase in fund balance during the current year of \$1,113,472 was primarily due to the transfer from General Fund of \$13,077,610 and the expenditure of funds in completing construction projects in the amount of \$12,392,131.

The day care fund has total net position of \$120,807, after recording a decrease of \$53,375 for the year.

Capital Assets and Debt Administration

Capital Assets

At June 30, 2021, the District had \$337,645,182 invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents a net increase of \$1,918,895 above last year.

More detailed information about the District's capital assets is presented in Note 3 to the financial statements.

Debt Administration

At year-end, the District had \$424,296,265 in bonds and other long-term liabilities outstanding (including accreted interest on bonds) versus \$433,980,529 last year-a decrease of \$9,684,264. This decrease was largely driven by refunding of \$16,700,000 in school building bonds and OPEB liability of \$31,613,166. The District's general obligation bond rating is AAA (as a result of guarantees of the Texas Permanent School Fund) according to national rating agencies.

More detailed information about the District's long-term liabilities is presented in Note 4 to the financial statements.

Land	\$ 12,228,033
Buildings	411,142,802
Furniture and Equipment	10,071,509
Construction in Progress	9,553,599
Total Capital Assets	<u>442,995,943</u>
Less Accumulated Depreciation	<u>(105,350,761)</u>
Related Debt	
Bonds Payable and Capital Leases	317,975,196
Premium on Capital Appreciation Bonds	31,727,140
Less Deferred Loss on Refunding	<u>(17,604,830)</u>
Net Related Debt	<u>332,097,506</u>
Unspent Bond Proceeds	<u>1,288,102</u>
Net Investment in capital assets	<u><u>\$ 6,835,778</u></u>

Net position: Net Investment in Capital Assets

At June 30, 2021, the District had invested \$337,645,182 in capital assets with \$332,097,506 from debt financing. Then the amount of unspent bond proceeds totaled \$1,288,102. The net position of \$6,835,778 is derived from netting the total assets, net of related debt with accumulated depreciation (non-cash expenditure) resulting in a current year calculation of \$6,835,778 for Net Investment in Capital Assets.

Economic Factors and Next Year's Budgets and Rates

- The General Fund budgeted expenditures for the 2021-2022 year increased \$2.9 million compared to the 2020-2021 budgeted expenditures.
- The District decreased the maintenance and operations property tax rate at \$0.9946 per \$100 valuation. The debt service rate remained \$0.50 per \$100 valuation. Based on this information and these rates, budgeted local tax revenues increased by approximately \$1.5 million and State foundation funding decreased approximately \$1.5 million.

Contacting the District's Financial Management

- This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's business office, at Burleson Independent School District, 1160 SW Wilshire Blvd., Burleson, Texas 76028 (817) 245-1000.

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Basic Financial Statements

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Burleson Independent School District

Statement of Net Position

June 30, 2021

Exhibit A-1

Control Data Codes		Primary Government		
		Governmental Activities	Business-Type Activities	Total
ASSETS				
1110	Cash and temporary investments	\$ 81,565,291	\$ 130,442	\$ 81,695,733
1220	Property taxes receivable (delinquent)	2,463,108	-	2,463,108
1230	Allowance for uncollectible taxes	(323,703)	-	(323,703)
1240	Due from other governments	21,675,998	-	21,675,998
1250	Accrued Interest	23	-	23
1290	Other receivables, net	16,000	76,634	92,634
1300	Inventories	97,521	-	97,521
1410	Prepaid expenses	224,535	-	224,535
	Capital assets:			
1510	Land	12,228,033	-	12,228,033
1520	Buildings, net	314,131,515	-	314,131,515
1530	Furniture and equipment, net	1,732,035	-	1,732,035
1580	Construction in progress	9,553,599	-	9,553,599
1910	Long term investments	250,931	-	250,931
1000	Total assets	443,614,886	207,076	443,821,962
DEFERRED OUTFLOWS OF RESOURCES				
1700	Deferred loss on refunding	17,604,830	-	17,604,830
1705	Deferred outflows - pension	12,617,749	-	12,617,749
1706	Deferred outflows - OPEB	6,969,277	-	6,969,277
	Total deferred outflows of resources	37,191,856	-	37,191,856
LIABILITIES				
2110	Accounts payable	1,929,692	742	1,930,434
2140	Accrued interest payable	7,149,270	-	7,149,270
2150	Payroll deductions and withholdings	1,332,954	6,214	1,339,168
2160	Accrued wages payable	10,924,935	79,313	11,004,248
2180	Due to other governments	3,102,449	-	3,102,449
2300	Unearned revenues	-	-	-
	Noncurrent liabilities:			
2501	Due within one year	12,563,447	-	12,563,447
2502	Due in more than one year:	360,214,989	-	360,214,989
2540	Net pension liability	32,468,110	-	32,468,110
2545	OPEB liability	31,613,166	-	31,613,166
2000	Total liabilities	461,299,012	86,269	461,385,281
DEFERRED INFLOWS OF RESOURCES				
2605	Deferred inflows - pension	5,496,211	-	5,496,211
2606	Deferred inflows - OPEB	23,153,196	-	23,153,196
	Total deferred inflows of resources	28,649,407	-	28,649,407
NET POSITION				
3200	Net investment in capital assets	6,835,778	-	6,835,778
3820	Restricted for federal and state programs	472,943	-	472,943
3850	Restricted for debt service	14,494,832	-	14,494,832
3900	Unrestricted net position	(30,945,230)	120,807	(30,824,423)
3000	Total net position	\$ (9,141,677)	\$ 120,807	\$ (9,020,870)

The Notes to Financial Statements are an integral part of this statement.

Burleson Independent School District

Statement of Activities

Year Ended June 30, 2021

Data Control Codes		Program Revenues		
		Expenses	Charges for Services	Operating Grants and Contributions
	PRIMARY GOVERNMENT			
	Governmental activities			
11	Instruction	\$ 81,677,558	\$ 1,344,009	\$ 9,176,321
12	Instructional resources and media services	1,464,491	-	99,535
13	Curriculum and staff development	2,108,419	-	297,076
21	Instructional leadership	2,351,077	-	353,569
23	School leadership	8,476,344	-	859,458
31	Guidance, counseling and evaluation services	6,746,291	-	766,815
32	Social work services	422,699	-	124,707
33	Health services	1,972,822	-	137,521
34	Student (pupil) transportation	3,098,834	-	65,512
35	Food services	6,923,853	484,777	8,658,407
36	Extracurricular activities	4,210,331	224,075	356,995
41	General administration	4,218,465	-	239,368
51	Plant maintenance and operations	12,946,367	695	658,531
52	Security and monitoring services	850,878	-	28,707
53	Data processing services	3,269,064	-	191,270
61	Community services	936,122	-	470,160
72	Debt service - interest on long term debt	17,744,605	-	2,234
	Total governmental activities	159,418,220	2,053,556	22,486,186
	Business-type activities			
	Child care	772,490	671,300	47,815
	Total business-type activities	772,490	671,300	47,815
[TP]	TOTAL PRIMARY GOVERNMENT	\$ 160,190,710	\$ 2,724,856	\$ 22,534,001

Data
Control
Codes

General revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

State aid - formula grants, unrestricted

Investment earnings

Miscellaneous revenue

Total general revenues

CN

Change in net position

NB

Net position, beginning

NE

Net position, ending

The Notes to Financial Statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ (71,157,228)	\$ -	\$ (71,157,228)
(1,364,956)	-	(1,364,956)
(1,811,343)	-	(1,811,343)
(1,997,508)	-	(1,997,508)
(7,616,886)	-	(7,616,886)
(5,979,476)	-	(5,979,476)
(297,992)	-	(297,992)
(1,835,301)	-	(1,835,301)
(3,033,322)	-	(3,033,322)
2,219,331	-	2,219,331
(3,629,261)	-	(3,629,261)
(3,979,097)	-	(3,979,097)
(12,287,141)	-	(12,287,141)
(822,171)	-	(822,171)
(3,077,794)	-	(3,077,794)
(465,962)	-	(465,962)
(17,742,371)	-	(17,742,371)
(134,878,478)	-	(134,878,478)
-	(53,375)	(53,375)
-	(53,375)	(53,375)
\$ (134,878,478)	\$ (53,375)	\$ (134,931,853)
56,142,675	-	56,142,675
26,976,669	-	26,976,669
61,455,084	-	61,455,084
103,366	-	103,366
677,185	-	677,185
145,354,979	-	145,354,979
10,476,501	(53,375)	10,423,126
(19,618,178)	174,182	(19,443,996)
\$ (9,141,677)	\$ 120,807	\$ (9,020,870)

Burleson Independent School District

Balance Sheet – Governmental Funds

June 30, 2021

Data Control Codes		10 General Fund	50 Debt Service Fund
ASSETS			
1110	Cash and temporary investments	\$ 37,427,877	\$ 21,016,104
1220	Property taxes receivable (delinquent)	1,709,873	753,235
1230	Allowance for uncollectible taxes	(223,061)	(100,642)
1240	Due from other governments	16,030,336	-
1250	Accrued interest	17	-
1260	Due from other funds	5,448,978	-
1290	Other receivables	-	-
1300	Inventories	88,866	-
1410	Prepaid items	224,535	-
1910	Long term investments	250,931	-
1000	Total assets	60,958,352	21,668,697
1000A	TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 60,958,352	\$ 21,668,697
LIABILITIES			
2110	Accounts payable	\$ 750,356	\$ -
2150	Payroll deductions and withholdings	1,294,443	-
2160	Accrued wages payable	10,341,865	-
2170	Due to other funds	6,427,337	-
2181	Due to state	3,067,798	33,857
2000	Total liabilities	21,881,799	33,857
DEFERRED INFLOWS OF RESOURCES			
2600	Deferred revenue and property taxes	2,853,846	652,593
FUND BALANCES			
	Nonspendable		
3410	Inventories	88,866	-
3430	Prepaid items	224,535	-
	Restricted		
3480	Debt service	-	20,982,247
3470	Capital acquisitions	-	-
3450	Grant funds	-	-
	Committed		
3545	Other purposes	-	-
3600	Unassigned	35,909,306	-
3000	Total fund balances	36,222,707	20,982,247
4000	TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	\$ 60,958,352	\$ 21,668,697

The Notes to Financial Statements are an integral part of this statement.

EXHIBIT C-1

60 Capital Projects	Other Funds	Total Governmental Funds
\$ 19,675,678	\$ 2,373,928	\$ 80,493,587
-	-	2,463,108
-	-	(323,703)
-	5,645,662	21,675,998
-	6	23
6,104,792	20,142	11,573,912
-	16,000	16,000
-	8,655	97,521
-	-	224,535
-	-	250,931
25,780,470	8,064,393	116,471,912
<u>\$ 25,780,470</u>	<u>\$ 8,064,393</u>	<u>\$ 116,471,912</u>
\$ 1,048,063	\$ 124,120	\$ 1,922,539
-	38,511	1,332,954
-	583,070	10,924,935
-	5,146,575	11,573,912
-	794	3,102,449
1,048,063	5,893,070	28,856,789
-	-	3,506,439
-	8,655	97,521
-	-	224,535
-	-	20,982,247
1,288,102	-	1,288,102
-	472,943	472,943
23,444,305	1,695,785	25,140,090
-	(6,060)	35,903,246
24,732,407	2,171,323	84,108,684
<u>\$ 25,780,470</u>	<u>\$ 8,064,393</u>	<u>\$ 116,471,912</u>

Burleson Independent School District**Exhibit C-2**

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2021

Total fund balances - governmental funds	\$ 84,108,684
Capital assets used in governmental activities are not financial resources; therefore are not reported in the fund financial statements.	442,995,943
Accumulated depreciation is not reported in the fund financial statements.	(105,350,761)
Bonds payable, capital leases and accumulated sick leave benefits are not reported in the fund financial statements.	(318,545,525)
Net pension liability is not reported in the fund financial statements.	(32,468,110)
Net OPEB liability is not reported in the fund financial statements.	(31,613,166)
Accreted interest on capital appreciation bonds is not reported in the fund financial statements.	(22,263,025)
Bond premiums on outstanding bonds payable are not recorded in the fund financial statements.	(31,727,140)
Deferred loss on bond refunding has not been reflected in the fund financial statements.	17,604,830
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.	(7,149,270)
Property tax and other revenue reported as deferred inflows in the fund financial statements is recognized as revenue in the government-wide financial statements.	3,506,439
Deferred outflows of resources for pension related liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.	12,617,749
Deferred inflows of resources for pension related liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.	(5,496,211)
Deferred outflows of resources for OPEB related liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.	6,969,277
Deferred inflows of resources for OPEB related liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.	(23,153,196)
The District uses internal service funds to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.	821,805
Net position of governmental activities	<u>\$ (9,141,677)</u>

The Notes to Financial Statements are an integral part of this statement.

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Burleson Independent School District

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds Year Ended June 30, 2021

Data Control Codes		10 General Fund	50 Debt Service Fund
	REVENUES		
5700	Local and intermediate sources	\$ 56,680,239	\$ 26,971,314
5800	State program revenues	61,014,626	554,969
5900	Federal program revenues	2,000,317	-
5020	Total revenues	119,695,182	27,526,283
	EXPENDITURES		
	Current		
0011	Instruction	62,385,730	-
0012	Instructional resources and media services	1,239,428	-
0013	Curriculum and instructional staff development	1,491,045	-
0021	Instructional leadership	1,569,476	-
0023	School leadership	6,609,125	-
0031	Guidance, counseling and evaluation services	5,143,008	-
0032	Social work services	177,154	-
0033	Health services	1,689,848	-
0034	Student (pupil) transportation	3,087,765	-
0035	Food services	131,068	-
0036	Extracurricular activities	3,768,448	-
0041	General administration	2,895,479	-
0051	Facilities maintenance and operations	11,590,212	-
0052	Security and monitoring services	828,768	-
0053	Data processing services	2,939,327	-
0061	Community services	126,647	-
	Debt service		
0071	Principal on long-term debt	112,322	6,288,837
0072	Interest on long-term debt	-	16,054,250
0073	Bond issuance cost and fees	-	272,809
	Capital outlay		
0081	Facilities acquisition and construction	-	-
	Intergovernmental		
0093	Payments to fiscal agent/member districts of SSA	-	-
0099	Other intergovernmental charges	820,737	-
6030	Total expenditures	106,605,587	22,615,896
1100	Excess (deficiency) of revenues over (under) expenditures	13,089,595	4,910,387
7900	OTHER FINANCING SOURCES (USES)		
7911	Issuance of refunding bonds	-	16,700,000
7915	Transfers in	-	-
7916	Premium or discount on issuance of bonds	-	4,839,483
8911	Transfers out	(13,089,595)	-
8949	Payment to refunded bond escrow agent	-	(21,653,912)
7080	Total other financing sources (uses)	(13,089,595)	(114,429)
1200	Net change in fund balances	-	4,795,958
0100	FUND BALANCE at July 1 (beginning)	36,222,707	16,186,289
3000	FUND BALANCE at June 30 (ending)	\$ 36,222,707	\$ 20,982,247

The Notes to Financial Statements are an integral part of this statement.

60 Capital Projects	Other Funds	Total Governmental Funds
\$ 427,993	\$ 1,831,424	\$ 85,910,970
-	1,097,823	62,667,418
-	12,330,849	14,331,166
427,993	15,260,096	162,909,554
2,688	6,380,340	68,768,758
-	7,319	1,246,747
-	315,566	1,806,611
-	383,298	1,952,774
-	510,042	7,119,167
-	580,660	5,723,668
-	210,000	387,154
-	8,516	1,698,364
-	-	3,087,765
-	5,869,739	6,000,807
-	225,546	3,993,994
17,568	725	2,913,772
391,798	85,308	12,067,318
-	21,154	849,922
7,110	79,700	3,026,137
-	707,425	834,072
-	-	6,401,159
-	-	16,054,250
-	-	272,809
11,972,967	-	11,972,967
-	20,525	20,525
-	-	820,737
12,392,131	15,405,863	157,019,477
(11,964,138)	(145,767)	5,890,077
-	-	16,700,000
13,077,610	11,985	13,089,595
-	-	4,839,483
-	-	(13,089,595)
-	-	(21,653,912)
13,077,610	11,985	(114,429)
1,113,472	(133,782)	5,775,648
23,618,935	2,305,105	78,333,036
\$ 24,732,407	\$ 2,171,323	\$ 84,108,684

Burleson Independent School District**Exhibit C-4**

Reconciliation of the Governmental Funds Statement of
Revenues, Expenditures, and Changes in Fund Balances to
the Statement of Activities
Year Ended June 30, 2021

Total net change in fund balances - governmental funds	\$ 5,775,648
Current year capital asset additions are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The effect of reclassifying the current year capital asset additions is to increase net position.	12,140,233
Depreciation is not recognized as an expense in the governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position in the government-wide financial statements.	(10,221,338)
The current year refunding of bonds and capital leases are shown as an other resource in the fund financial statements but are shown as an increase in long term debt in the government-wide financial statements.	(16,700,000)
Current year payments to bond refunding escrow agent are included as other uses in the fund financial statements but are shown as reductions in long term debt and as a deferred loss on bond refunding in the government-wide financial statements.	16,700,000
Current year long-term debt principal payments on bonds payable and capital leases are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.	6,401,159
The change in current year accretion on capital appreciation bonds is not reflected in the fund financial statements.	(4,414,905)
Outstanding debt in the government-wide financial statements, including capital leases, in the fund financial statements.	1,418,332
The change in other long-term debt for local leave payable is not recognized in the fund financial statements.	4,312
Changes in the net pension liability, and related deferred inflows and outflows are recognized in the government-wide financials but are not reported in the fund financial statements. The effect of the change is an decrease to net position.	(3,305,692)
Changes in the OPEB liability, and related deferred inflows and outflows are recognized in the government-wide financials but are not reported in the fund financial statements. The effect of the change is an decrease to net position.	647,188
Revenues from property taxes and other sources are deferred in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed, net of an allowance for uncollectible amounts, in the government-wide financial statements.	435,070
Premiums associated with bonds payable are reported as revenue on the fund financial statements when bonds are issued. Amounts are reported net of amortization on the government-wide financial statements.	(4,839,483)
Current year amortization and refunding of the premium on bonds payable is not recorded in the fund financial statements, but is shown as a decrease in long-term debt in the government-wide financial statements.	3,423,106
Current year deferred loss on refunding associated with bonds payable is reported net of amortization on the government-wide financial statements.	3,109,833
The District uses internal service funds to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The net income of internal service funds is reported with governmental activities. The net effect of this consolidation is to increase net position.	(96,962)
Change in net position of governmental activities	<u>\$ 10,476,501</u>

The Notes to Financial Statements are an integral part of this statement.

Burleson Independent School District
Statement of Net Position – Proprietary Funds
June 30, 2021

Exhibit D-1

	Business-type Activities Enterprise Fund Day Care Fund	Governmental Activities Internal Service Fund Insurance Fund
ASSETS		
Current assets		
Cash and temporary investments	\$ 130,442	\$ 1,071,704
Other receivables	76,634	-
Total current assets	207,076	1,071,704
TOTAL ASSETS	207,076	1,071,704
LIABILITIES		
Current liabilities		
Accounts payable	742	7,153
Payroll deductions and withholdings	6,214	-
Accrued wages payable	79,313	-
Claims payable	-	182,019
Total current liabilities	86,269	189,172
Noncurrent liabilities		
Claims payable	-	60,727
Total noncurrent liabilities	-	60,727
TOTAL LIABILITIES	86,269	249,899
NET POSITION		
Unrestricted	120,807	821,805
TOTAL NET POSITION	\$ 120,807	\$ 821,805

The Notes to Financial Statements are an integral part of this statement.

Burleson Independent School District**Exhibit D-2**

Statement of Revenues, Expenses, and Changes In
Net Position – Proprietary Funds
Year Ended June 30, 2021

	Business-type Activities Enterprise Fund Day Care Fund	Governmental Activities Internal Service Fund Insurance Fund
OPERATING REVENUES		
Charges for services	\$ 671,300	\$ 236,827
Total operating revenues	671,300	236,827
OPERATING EXPENSES		
Personnel services	705,917	-
Contractual services	8,485	-
Utilities	25,769	-
Other supplies and expenses	31,015	-
Other operating costs	1,304	333,789
Total operating expenses	772,490	333,789
Operating income (loss)	(101,190)	(96,962)
NONOPERATING REVENUES		
State on-behalf revenue	47,815	-
Total nonoperating revenue	47,815	-
Income (loss) before contributions and transfers	(53,375)	(96,962)
Change in net position	(53,375)	(96,962)
TOTAL NET POSITION, beginning	174,182	918,767
TOTAL NET POSITION, ending	\$ 120,807	\$ 821,805

The Notes to Financial Statements are an integral part of this statement.

Burleson Independent School District
Statement of Cash Flows – Proprietary Funds
Year Ended June 30, 2021

Exhibit D-3

	Business-type Activities Enterprise Fund Day Care Fund	Governmental Activities Internal Service Fund Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers and interfund services	\$ 639,204	\$ 236,827
Payments to suppliers	(66,374)	(292,825)
Payments to employees	(664,901)	-
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	(92,071)	(55,998)
	<hr/>	<hr/>
Net increase (decrease) in cash and temporary investments	(92,071)	(55,998)
	<hr/>	<hr/>
BALANCES, beginning of the year	222,513	1,127,702
	<hr/>	<hr/>
BALANCES, end of the year	<u>\$ 130,442</u>	<u>\$ 1,071,704</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Operating income (loss)	\$ (101,190)	\$ (96,962)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities		
State on-behalf revenue	47,815	-
Change in assets and liabilities		
Other receivables	(32,096)	-
Accounts payable	199	4,324
Payroll deductions and withholdings	(1,938)	
Accrued wages payable	(4,861)	-
Claims payable	-	36,640
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	<u>\$ (92,071)</u>	<u>\$ (55,998)</u>

The Notes to Financial Statements are an integral part of this statement.

Burleson Independent School District**Exhibit E-1**Statement of Fiduciary Net Position – Fiduciary Funds
June 30, 2021

	Private Purpose Trust Fund	Custodial Fund
ASSETS		
Cash and temporary investments	\$ 33,108	\$ 114,935
Accounts receivable	-	1,038
Total assets	<u>\$ 33,108</u>	<u>\$ 115,973</u>
LIABILITIES		
Accounts payable	\$ -	\$ 1,054
Total liabilities	<u>-</u>	<u>1,054</u>
Total Net Position	<u>\$ 33,108</u>	<u>\$ 114,919</u>

The Notes to Financial Statements are an integral part of this statement.

Burleson Independent School District**Exhibit E-2**Statement of Changes in Fiduciary Net Position
Year Ended June 30, 2021

	Private Purpose Trust Fund	Custodial Fund
Additions		
Miscellaneous revenue from student activities	1,393	85,743
Other miscellaneous operating revenues	-	26
Total additions	1,393	85,769
Deductions		
Supplies	-	105,938
Contracted services	-	2,695
Other miscellaneous operating expenses	-	39
Total deductions	-	108,672
Change in net position	1,393	(22,903)
Net position:		
Net position, beginning	31,715	-
Cumulative effect of implementation of GASB 84	-	137,822
Net position, beginning, restated	31,715	137,822
Net position, ending	33,108	114,919

The Notes to Financial Statements are an integral part of this statement.

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Burleson Independent School District

Notes to the Basic Financial Statements

Note 1. Summary of Significant Accounting Policies

Burleson Independent School District's (the District) basic financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide (FAR). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

Reporting Entity

The Board of Trustees, a seven-member group, has fiscal accountability over all activities related to public elementary and secondary education within the jurisdiction of the District. The public elects the Board of Trustees (the Board). The trustees as a body corporate have the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency (Agency) or to the State Board of Education are reserved for the trustees, and the Agency may not substitute its judgment for the lawful exercise of those powers and duties by the trustees.

The District's basic financial statements include the accounts of all District operations. The District is not included in any other governmental reporting entity as defined by GASB. And based on the criteria set forth by GASB, the District has no component units.

Basis of Presentation

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity within the governmental activities columns has been removed from these statements. Taxes and intergovernmental revenues normally support governmental activities.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

The District segregates transactions related to certain functions or activities in separate, self-balancing funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column. Governmental funds are those funds through which most governmental functions typically are financed. The District has presented the following major governmental funds:

Burleson Independent School District

Notes to the Basic Financial Statements

General Fund – This fund is established to account for resources financing the fundamental operations of the District, in partnership with the community, in enabling and motivating students to reach their full potential. All revenues and expenditures not required to be accounted for in other funds are included here. This is a budgeted fund and any fund balances are considered resources available for current operations. Fund balances may be committed or assigned by the Board of Trustees to implement its responsibilities.

Debt Service Fund – This fund is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. This is a budgeted fund. Any unused debt service fund balances are transferred to the General Fund after all of the related debt obligations have been met.

Capital Projects Fund – This fund is established to account for proceeds from the sale of bonds and other resources to be used for Board authorized acquisition, construction, or renovation as well as furnishings and equipping of major capital facilities. Upon completion of a project, any unused bond proceeds are used to retire related bond principal. The fund balance is restricted for capital acquisition to the extent that bond proceeds remain while the remaining portion of fund balance has been committed by the Board for future capital projects.

Other Funds – These special revenue funds are established to account for federal, state and local funds received mostly through grants. In many special revenue funds, any unused balances are returned to the grantor at the close of specified project periods. For funds in this fund type, project accounting is employed to maintain integrity for the various sources of funds. Fund balance is either restricted or committed for purposes specified by grant requirements or board policy.

Additionally, the District reports the following fund types:

Enterprise Fund – This fund is a proprietary fund used to account for the operations of the District's day care program. The enterprise fund reports the same functions presented as business-type activities in the government-wide financial statements. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Revenues are distinguished between operating and non-operating. Operating revenues are derived primarily from charges to users. Non-operating revenues are derived from state on-behalf contributions to the employees' pension plan and retiree health plan. All expenses are considered operating.

Internal Service Fund – This fund is a proprietary fund used to account for accumulation of resources for the payment of employee workers' compensation and claims. Accrued liabilities include provisions for claims reported and claims incurred but not reported. The provision for claims is determined by estimating the amount which will ultimately be paid to each claimant. The provision for claims incurred but not yet reported is estimated based on District experience and that of similar districts.

Custodial Fund – The District accounts for resources held for others in a custodial capacity in a custodial fund. The fund is used to account for assets held by the District as an agent for student and other organizations. These funds were previously reported in an agency fund. The implementation of GASB 84 resulted in reporting more detail of additions to and deductions from custodial funds than was reported for agency funds.

Private Purpose Trust Funds – These funds are used to account for donations for which the donor has stipulated that both the principal and the income may be used for purposes that benefit parties outside the District. The District has funds that have been received for scholarships that are to be awarded to current and former students for post-secondary education purposes.

Burleson Independent School District

Notes to the Basic Financial Statements

Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the statement of activities presents increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

The enterprise and internal service fund financial statements use the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the statement of revenues, expenses, and changes in net position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available.

The private purpose trust funds and custodial funds are reported using the economic resources measurement focus and the accrual basis of accounting. Reporting is oriented towards providing accountability for the sources, uses, and balances or resources held in trust for others, therefore, the additions and deductions in fiduciary balances are reported. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the funds' statement of net position. The funds' equity is segregated into restricted net position and unrestricted net position.

Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year-end. The property taxes received after the 60 day period are recorded as a deferred inflow of resources. A one year availability period is used for recognition of all other governmental fund revenue. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

The revenues susceptible to accrual are property taxes, charges for services, interest income and intergovernmental revenues.

Revenues from state and federal grants are recognized as earned when the related program expenditures are incurred or other compliance requirement is met. Funds received but unearned are reflected as unearned revenues, and funds expended but not yet reimbursed are shown as receivables. Funds received before time requirements are met but after all other eligibility requirements have been met will be reported as a deferred inflow of resources.

Burleson Independent School District

Notes to the Basic Financial Statements

In accordance with the FAR, the District has adopted and installed an accounting system which exceeds the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure is presented in the Accounting Code Section of the FAR.

Budgetary Control

Formal budgetary accounting is employed for all required Governmental Fund Types, as outlined in TEA's FAR module, and is presented on the modified accrual basis of accounting consistent with generally accepted accounting principles. The budget is prepared and controlled at the function level within each organization to which responsibility for controlling operations is assigned.

The official school budget is prepared for adoption for required Governmental Fund Types prior to June 19 of the preceding fiscal year for the subsequent fiscal year beginning July 1. The budget is formally adopted by the Board of Trustees at a public meeting held at least ten days after public notice has been given.

The budget is prepared by fund, function, object, and organization. The budget is controlled at the organizational level by the appropriate department head or campus principal within Board allocations. Therefore, organizations may transfer appropriations as necessary without the approval of the board unless the intent is to cross fund, function or increase the overall budget allocations. Control of appropriations by the Board of Trustees is maintained within Fund Groups at the function code level and revenue object code level.

Annual budgets are legally adopted on a basis consistent with generally accepted accounting principles for the General Fund, the Debt Service Fund and the Child Nutrition Program. TEA requires these budgets to be filed with the Agency. The budget should not exceed expenditures in any function and expenditure category under TEA requirements. The original and amended budgets are included in this report as schedules G-1, J-3 and J-4.

The other special revenue funds and the Capital Projects Fund adopt project-length budgets which do not correspond to the District's fiscal year. Each annual budget is presented on the modified accrual basis of accounting.

The budget is amended throughout the year by the Board of Trustees. Such amendments are reflected in the official minutes of the Board.

Encumbrance Accounting

The District employs encumbrance accounting, whereby encumbrances for goods or purchased services are documented by purchase orders and contracts. An encumbrance represents a commitment of Board appropriation related to unperformed contracts for goods and services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period, only a commitment to expend resources. Appropriations lapse at June 30 and encumbrances outstanding at that time are either canceled or appropriately provided for in the subsequent year's budget.

As of June 30, 2021, there were no outstanding purchase orders.

Cash and Temporary Investments

For purposes of the statement of cash flows, temporary investments are considered to be cash equivalents if they are short term, highly liquid with a maturity within three months or less.

Burleson Independent School District

Notes to the Basic Financial Statements

Prepaid Items

The consumption method is used to account for prepayments. Under this method, these items are carried in a prepaid account at the respective fund at cost and are subsequently charged to expenditures when used. Prepaid balances are for payments made by the District in the current year to provide services occurring in the subsequent fiscal year, and the prepaid items have been recognized as nonspendable to signify that a portion of fund balance is not available for other subsequent expenditures.

Investments

Investments, except for the investment pools, are recorded at fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. External investment pools operate in accordance with appropriate state laws and regulations and may be reported at amortized cost. The non-TRS pension trust fund investment is a fixed annuity contract and is reported at contract value (a cost-based measure).

Inventories

The consumption method is used to account for inventories of food products and school supplies. Under this method, these items are carried in an inventory account of the respective fund at cost, using the first-in, first-out method of accounting and are subsequently charged to expenditures when consumed. Reported inventories are classified as a nonspendable fund balance indicating that they are unavailable as current expendable financial resources.

Interfund Receivables and Payables

Short-term amounts owed between funds are classified as due to/from other funds.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental activities columns in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets, works of art and similar items, and capital assets received in a service concession arrangement are valued at the acquisition value. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized.

Assets capitalized have an original cost of \$5,000 or more and over one year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	25-50 years
Furniture and equipment	10 years

Categories and Classifications of Fund Balances

Fund balance classifications comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Burleson Independent School District

Notes to the Basic Financial Statements

Fund balance categories are Nonspendable and Spendable. Classifications under the Spendable category are Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details on the various fund balance classifications, refer to Note 15.

Net Position

Net position equals assets plus deferred outflows minus deferred inflows and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

When both restricted and unrestricted net position is available, restricted net position is expended before unrestricted net position if such use is consistent with the restricted purpose.

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the current period.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Oil and Gas Royalties

The District receives royalties related to various oil and gas leases for which the District acts as lessor. The royalties are generally payable to the District when production begins at the lease site, and revenue is recognized at the time the royalty is earned. These revenues have been committed in the Capital Projects Fund by the Board for future capital projects.

GASB Pronouncements implemented by the District

GASB Statement No. 84, *Fiduciary Activities*. This Statement was issued in January 2017 and provides guidance to enhance the consistency and comparability of fiduciary activities reporting by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Burleson Independent School District

Notes to the Basic Financial Statements

The amount of state revenue from the Foundation School Program a school district earns for a year can and does vary until the time when final values for each of the factors in the formula becomes available.

Availability can be as late as midway into the next fiscal year. It is at least reasonably possible that the foundation revenue estimate as of June 30, 2021 will change.

Deferred Outflows and Deferred Inflows of Resources

The statement of net position includes a separate section, in addition to assets, for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position/fund balance that applies to a future period(s) and therefore will not be recognized as an expense/expenditure until that time. In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. Deferred inflows of resources, represents an acquisition of net position/fund balance that applies to a future period(s) and so will not be recognized as revenue until that time.

If a balance previously reported as an asset or liability does not meet the definition of an asset, deferred outflow, liability, or deferred inflow, then it must be reported as a current inflow or outflow of resources (revenue, expense, or expenditure).

The portion of the District's property tax levy that was not collected until more than 60 days after the end of the current year and therefore not considered available has been reported as a deferred inflow of resources in the Governmental Funds Balance Sheet totaling \$1,486,812 and \$652,593 in the General Fund and Debt Service Fund, respectively. The remaining amounts reported in the General Fund represent governmental revenue not expected to be collected within one year and has therefore, been reported as deferred inflow of resources.

Defined Benefit Pension Plan

The District participates in a cost-sharing, multiple-employer defined benefit pension that has a special funding situation. The Teacher Retirement System of Texas (TRS) administers the plan. The fiduciary net position of the TRS of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes, for purposes of measuring the net pension liability reported by the District, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Post-Employment Benefits

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

Burleson Independent School District

Notes to the Basic Financial Statements

Note 2. Deposits and Investments

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust, with the District's agent bank, approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

Investments

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy.

That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

Cash and investments as of June 30, 2021 are classified in the accompanying financial statements as follows:

Primary government	\$ 81,946,664
Fiduciary funds	148,043
	<hr/>
	\$ 82,094,707
	<hr/>

Cash and investments as of June 30, 2021 consist of the following:

Cash	\$ 8,092,403
Temporary investments	73,751,373
Long term investments	250,931
	<hr/>
	\$ 82,094,707
	<hr/>

In compliance with the Public Funds Investment Act, the District has adopted a deposit and investment policy. That policy addresses the following risks:

Custodial Credit Risk- Deposits: In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it.

Burleson Independent School District

Notes to the Basic Financial Statements

In addition, the following is disclosed regarding coverage of combined balances on the date of the highest cash balance:

- Depository: Wells Fargo;
- Securities pledged as of the date of the highest balance: \$18,027,527;
- Largest cash, savings, and certificate of deposit combined account balance amounted to \$12,385,833 and occurred during December 2020;
- Total amount of FDIC coverage at the time of the largest combined balance was \$250,000.

The District was fully collateralized throughout the fiscal year ended June 30, 2021, including the date of the highest combined balance.

Custodial Credit Risk – Investments: The District's investments are insured, registered, or the District's agent holds the securities in the District's name; therefore, the District is not exposed to custodial risk. Custodial risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party.

The District generally holds securities to maturity. The District did not purchase any derivative investment products during the current year nor did the District participate in any repurchase agreements or security lending agreements during the current year.

Credit Risk: State Law and the District's investment policy limits investments in all categories to top ratings issued by nationally recognized statistical rating organizations. The credit risk is such that an issuer or other counterparty to an investment will be unable to fulfill its obligations. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk. The credit quality rating for Lone Star Investment Pool at year-end was AAA (Standard & Poor's). The credit quality rating for TexPool Investment Pool at year-end was AAAM (Standard & Poor's). The credit quality rating for Wells Fargo at year end was AAAM (Standard & Poor's).

Interest Rate Risk: This is the risk that changes in interest rates will adversely affect the fair value of an investment.

The District does not have a formal policy relating to investment-related risks.

Foreign Currency Risk: This is the risk that exchange rates will adversely affect the fair value of an investment. At June 30, 2021, the District was not exposed to foreign currency risk.

Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of the District's investment in a single issuer (i.e., lack of diversification). Concentration risk is defined as positions of 5 percent or more in the securities of a single issuer. Investment pools are excluded from the 5 percent disclosure requirement. The District did not have any other investments that exceeded 5 percent.

The District is a voluntary participant in TexPool Investment Pool and Lone Star Investment Pool. The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool operates in a manner consistent with the SEC's Rule 2A7 of the Investment Company Act of 1940.

Burleson Independent School District

Notes to the Basic Financial Statements

The Lone Star Investment Pool is governed by an 11-member board, all of whom are participants in the Pool. This ensures that the policies they set affect not only other entities' assets, but their own as well. The Board meets quarterly to review Pool operations, adopt or make changes to the investment policy, review the Pool's financial statements, and approve Pool contractor agreements. The Pool is tailored to comply with the Public Funds Investment Act.

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the Act), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the fair value of its underlying investment portfolio within one half of one percent of the value of its shares.

The District categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The framework provides for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs – other than quoted prices included within Level 1 – that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

The Texpool and Lone Star investment pools are external investment pools measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. Investment Pools measured at amortized cost are exempt from fair value reporting. Certificates of deposits are valued based on current market rates offered for deposits with similar remaining maturities and are considered level 2 investments in the fair value hierarchy.

Burleson Independent School District

Notes to the Basic Financial Statements

The District has the following amount invested in external investment pools and certificates of deposits. The District's investment balances and weighted average maturity of such investments are as follows:

	Value at June 30, 2021	Percent of Total Investments	Weighted Average Maturity (Days)	Credit Risk
Investments measured at amortized cost				
Investment pools				
TexPool	\$ 42,079,820	57%	46	AAAm
Lonestar	31,671,553	43%	39	AAA
Other investments				
Certificates of deposit	250,931	0%	-	AAAm
Total	<u>\$ 74,002,304</u>	<u>100%</u>		
Portfolio weighted average maturity			<u>43</u>	

The investment pools meet the criteria to be recorded at amortized cost, which in most cases approximates fair value. The objective of the external investment pools is to maintain a stable \$1.00 net asset value. The investment pools have weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by nationally recognized statistical rating organizations, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. Texpool and Lone Star have a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

Burleson Independent School District

Notes to the Basic Financial Statements

Note 3. Capital Assets

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance June 30, 2020	Additions/ Completions	(Retirements)/ Adjustments	Balance June 30, 2021
Governmental activities				
Capital assets not being depreciated				
Land	\$ 12,020,716	\$ 207,317	\$ -	\$ 12,228,033
Construction in progress	-	9,553,599	-	9,553,599
Total capital assets not being depreciated	12,020,716	9,760,916	-	21,781,632
Capital assets being depreciated				
Buildings	409,648,338	1,494,464	-	411,142,802
Furniture and equipment	9,287,910	884,853	(101,254)	10,071,509
Total assets being depreciated	418,936,248	2,379,317	(101,254)	421,214,311
Less accumulated depreciation for				
Buildings	(87,376,603)	(9,634,684)	-	(97,011,287)
Furniture and equipment	(7,854,074)	(586,654)	101,254	(8,339,474)
Total accumulated depreciation	(95,230,677)	(10,221,338)	101,254	(105,350,761)
Total capital assets being depreciated, net	323,705,571	(7,842,021)	-	315,863,550
Governmental activities capital assets, net	\$ 335,726,287	\$ 1,918,895	\$ -	\$ 337,645,182

Burleson Independent School District

Notes to the Basic Financial Statements

Depreciation expense was charged as direct expense as follows:

Governmental activities	
Instruction	\$ 6,900,748
Instructional resources and media services	125,960
Curriculum and staff development	155,253
Instructional leadership	181,351
School leadership	788,635
Guidance, counseling and evaluation services	450,255
Social services	19,678
Health services	151,575
Student (pupil) transportation	7,431
Food services	353,780
Extracurricular activities	26,329
General administration	268,837
Plant maintenance and operations	637,789
Security and monitoring services	56
Data processing services	146,659
Community services	7,002
	<hr/>
Total depreciation expense - governmental activities	<u><u>\$ 10,221,338</u></u>

Note 4. Long-Term Debt

Long-term debt includes par bonds, capital appreciation (deep discount) serial bonds, capital leases and accumulated sick leave benefits. All long-term debt represents transactions in the District's governmental activities.

The District has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas (SID), which is the Municipal Advisory Council.

This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the District.

Burleson Independent School District

Notes to the Basic Financial Statements

The following is the Bond debt payable as of June 30, 2021 as follows:

	Interest Rate Payable	Amounts Outstanding 7/1/2020	Issued Current Year	Refunded Current Year	Retired	Amounts Outstanding 6/30/2021	Due Within One Year
Bond indebtedness							
1995 Refunding bonds	5.90-5.95%	\$ 65,852	\$ -	\$ -	\$ 18,837	\$ 47,015	\$ 15,416
2009 School building bonds	2.45-5.00%	20,000	-	-	20,000	-	-
2010 School building and refunding bonds	4.00%	1,450,000	-	-	1,450,000	-	-
2011 School building and refunding bonds	2.00-5.00%	21,210,000	-	16,700,000	320,000	4,190,000	335,000
2012 School building and refunding bonds	.057-3.00%	7,275,000	-	-	230,000	7,045,000	230,000
2015 School building and refunding bonds	2.00-5.00%	17,675,000	-	-	2,160,000	15,515,000	2,265,000
2016 School building and refunding bonds	2.00-5.00%	118,335,000	-	-	390,000	117,945,000	400,000
2017 School building and refunding bonds	2.00-5.00%	15,335,000	-	-	740,000	14,595,000	760,000
2017 School building bonds	4.00-5.00%	41,340,000	-	-	795,000	40,545,000	835,000
2017A School building and refunding bonds	3.00-6.00%	63,965,000	-	-	-	63,965,000	965,000
2018 School building bonds	5.00%	19,685,000	-	-	-	19,685,000	-
2020 School building and refunding bonds	2.00-5.00%	17,700,000	-	-	165,000	17,535,000	2,015,000
2020 Taxable school building and refunding bonds	1-2.812%	-	16,700,000	-	-	16,700,000	220,000
Total bonded indebtedness		<u>324,055,852</u>	<u>16,700,000</u>	<u>16,700,000</u>	<u>6,288,837</u>	<u>317,767,015</u>	<u>8,040,416</u>

The following is a summary of the changes in the District's long-term debt for the year ended June 30, 2021:

	Beginning Balance	Additions	Refunded	Ending Balance	Due within One Year
Governmental activities					
Building bonds	\$ 61,045,000	\$ -	\$ -	\$ 60,230,000	\$ 835,000
Refunding bonds	65,852	-	-	47,015	15,416
Building and Refunding bonds	262,945,000	16,700,000	16,700,000	257,490,000	7,190,000
Accreted interest on Capital appreciation bonds	17,848,120	5,959,907	-	22,263,025	2,389,584
Premium on bonds	30,310,763	4,839,483	-	31,727,140	1,789,816
Accumulated unpaid sick leave benefits	574,641	24,781	-	570,329	49,290
Capital Lease	320,503	-	-	208,181	112,322
Claims payable	206,106	80,039	-	242,746	182,019
Net Pension Liability	33,480,793	3,274,961	-	32,468,110	-
Net OPEB Liability	39,330,928	1,781,307	-	31,613,166	-
Total other obligations	<u>\$ 446,127,706</u>	<u>\$ 32,660,478</u>	<u>\$ 16,700,000</u>	<u>\$ 436,859,712</u>	<u>\$ 12,563,447</u>

Burleson Independent School District

Notes to the Basic Financial Statements

Debt service requirements by fiscal year on the District's outstanding bonds were as follows:

	Principal	Interest	Requirements
2022	\$ 8,040,416	\$ 14,582,989	\$ 22,623,405
2023	7,862,650	14,887,066	22,749,716
2024	8,145,411	14,540,642	22,686,053
2025	8,078,538	14,607,916	22,686,454
2026	10,655,000	11,969,079	22,624,079
2027-2031	58,990,000	54,079,616	113,069,616
2032-2036	77,280,000	34,566,495	111,846,495
2037-2041	92,375,000	17,959,003	110,334,003
2042-2046	39,745,000	4,735,674	44,480,674
2047	6,595,000	252,150	6,847,150
	<u>\$ 317,767,015</u>	<u>\$ 182,180,630</u>	<u>\$ 499,947,645</u>

The 1995, 2009, 2010 and 2011 bond series include Capital Appreciation Bonds. No interest is paid on these bonds prior to maturity. The bonds mature variously in 2021 through 2047. Interest accrues on these bonds each February 1 and August 1 even though the interest is not paid until maturity.

General Obligation Bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the District. General Obligation Bonds require the District to compute, at the time taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity. The District is in compliance with this requirement.

There are a number of limitations and restrictions contained in the various general obligation bonds indentures. The District is in compliance with all significant limitations and restrictions at June 30, 2021.

The General Fund has been used to liquidate the liability for compensated absences.

On July 1, 2020, the District issued Unlimited Tax Refunding Bonds, Taxable Series 2020 for \$16,700,000 to refund a portion of the Unlimited Tax Refunding Bond, Series 2011. The bonds bear accrued interest at rates from 1% to 2.8%, which is due and payable on February 1 and August 1 of each year. The bonds are scheduled to mature between 2021 to 2029. The refunding was undertaken to reduce the District's total debt service payments over the next 20 years by \$ 10,716,534 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$6,632,089.

In fiscal year 2018, the District entered into a capital lease arrangement in the amount of \$545,147. Amortization of the equipment under the capital lease is included in depreciation expense and began on July 1, 2019. As of June 30, 2021, the cumulative amortization totaled \$218,058 resulting a Net Book Value of \$327,089. The capital lease matures on February 2023 and requires total payments of \$561,610, of which \$20,731 represents interest for a present value of net minimum lease payments of \$540,879. For the remaining two years on the lease, the District will pay an annual payment of \$112,322 of which \$6,298 represents interest and \$218,346 represents principal.

Burleson Independent School District

Notes to the Basic Financial Statements

Note 5. Property Taxes

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District levies its taxes on October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code.

Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. The assessed value of the property tax roll upon which the levy for the 2021 fiscal year was based was \$5,691,305,452. Taxes are delinquent if not paid by June 30. Delinquent taxes are subject to both penalty and interest charges plus 15% delinquent collection fees for attorney costs.

The tax rates assessed for the fiscal year ended June 30, 2021 to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$1.03830 and \$0.50 per \$100 valuation, respectively, for a total of \$1.5383 per \$100 valuation.

Current tax collections for the year ended June 30, 2021 were 100% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of June 30, 2021, property taxes receivable, net of estimated uncollectible taxes, totaled \$1,486,812 and \$652,593 for the General and Debt Service Funds, respectively.

Property taxes are recorded as receivables and unearned revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected.

Note 6. Defined Benefit Pension Plans

Plan Description

The District participates in and contributes to a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). TRS's defined benefit pension plan is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempt from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at https://www.trs.texas.gov/TRS%20Documents/cafr_2019.pdf; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Burleson Independent School District

Notes to the Basic Financial Statements

Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, where the three highest annual salaries are used. The normal service retirement is at age 65 with five years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with five years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic cost of living adjustments (COLAs). Ad hoc postemployment benefit changes, including ad hoc COLAs, can be granted by the Texas Legislature as noted in the Plan description above.

Contributions

Employee contribution rates are set in state statute, Texas Government Code 825.402. Contribution requirements are established or amended pursuant to Article XVI, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than six percent of the member's annual compensation and a state contribution rate of not less than six percent and not more than ten percent of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements, if as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Rates for such plan fiscal years are as follows:

	Contribution Rates	
	2020	2021
Member	7.7%	7.7%
Non-employer contributing entity (state)	7.5%	7.5%
Employers (District)	7.5%	7.5%
Employers (District - Non-OASDI)*	1.5%	1.5%

* SB12 requires an increase in employer contributions by public school districts, charter schools and regional education service centers. Prior to SB12, only those employers not participating in social security were required to pay a 1.5% contribution (Non-OASDI surcharge). Beginning September 1, 2019, all employers are required to pay the Public Education Employer contribution irrespective of participation in social security.

The contribution amounts for the District's fiscal year 2021 as follows:

Employer #0442	2021
Employer contributions	\$ 2,501,296
Member contributions	6,290,143
NECE on-behalf contributions	4,384,294

Burleson Independent School District

Notes to the Basic Financial Statements

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

In addition to the employer contributions listed above, there are two additional surcharges an employer is subject to:

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.
- When a school district or charter school does not contribute to the Federal Old-Age, Survivors and Disability Insurance (OASDI) Program for certain employees, they must contribute 1.5% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

Burleson Independent School District

Notes to the Basic Financial Statements

Actuarial Assumptions

The actuarial valuation of the total pension liability was performed as of August 31, 2019. Update procedures were used to roll forward the total pension liability to August 31, 2020 and was determined using the following actuarial methods and assumptions:

Actuarial cost method	Individual entry age normal
Asset valuation method	Market value
Single discount rate	7.25%
Long-term expected rate of return	7.25
Municipal bond rate as of August 2020	2.33%. Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA index"
Last year ending August 31 in projection period (100 years)	2119
Inflation	2.30%
Salary increases	3.05% to 9.05% including inflation
Ad hoc postemployment benefit changes	None
Active mortality rates	Based on 90% of the RP 2014 Employing Mortality Tables for males and females with full generational mortality. The post-retirement mortality rates for healthy lives were based on the 2018 TRS Texas Health Pensioner Mortality Tables with full generational projection using the ultimate improvement rates from the most recently published projection scale U-MP.

The actuarial methods and assumptions are primarily based on a study of actual experience for the three year period ending August 31, 2018 and adopted in July 2018.

Burleson Independent School District

Notes to the Basic Financial Statements

Discount Rate and Long-Term Expected Rate of Return

A single discount rate of 7.25% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.25%. The projection of cash flows used to determine the single discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity will be made at the statutorily required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in TRS's target asset allocation as of August 31, 2021 are summarized below:

Asset Class	Target Allocation*	Long-Term Expected Geometric Real Rate of Return**	Contribution to Long Term Portfolio Returns***
Global Equity			
U.S.	18%	3.90%	0.99%
Non-U.S. Developed	13%	5.10%	0.92%
Emerging Markets	9%	5.60%	0.83%
Private Equity	14%	6.70%	1.41%
Stable Value			
Government Bonds	16%	-0.07%	-0.05%
Absolute return	0%	1.80%	0.00%
Stable value hedge funds	5%	1.90%	0.11%
Real Return			
Real Estate	15%	4.60%	1.02%
Energy, natural resources and inflation	6%	6.00%	0.42%
Commodities	0%	0.80%	0.00%
Risk Parity			
Risk Parity	8%	3.00%	0.30%
Asset Allocation Leverage			
Cash	2%	-1.50%	-0.03%
Asset Allocation Leverage	-6%	-1.30%	0.08%
Inflation Expectation			2.00%
Volatility Drag***			-0.67%
Total	100%		7.33%

* Target allocations are based on the FY2020 policy model

** Capital Market Assumptions come from Aon Hewitt (as of 8/31/2020)

*** The volatility drag results from the conversion between arithmetic and geometric mean returns

Burleson Independent School District

Notes to the Basic Financial Statements

Discount Rate Sensitivity Analysis

The following table presents the District's proportionate share of the TRS net pension liability calculated using the discount rate of 7.25%, as well as what the District's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease in discount rate (6.25%)	Discount rate (7.25%)	1% Increase in discount rate (8.25%)
District's proportionate share of the net pension liability \$	50,065,245	\$ 32,468,110	\$ 18,170,824

Change of Assumptions Since the Prior Measurement Date

There were no changes of assumptions that affected measurement of the total pension liability during the measurement period.

Change of Benefit Terms Since the Prior Measurement Date

There were no changes of benefit terms that affected measurement of the total pension liability during the measurement period.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the District reported a liability of \$32,468,110 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's Proportionate share of the collective net pension liability	\$ 32,468,110
State's proportionate share that is associated with District	56,910,483
Total	<u>\$ 89,378,593</u>

The net pension liability was measured as of August 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2019, rolled forward to August 31, 2020. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 30, 2019 through August 31, 2020.

At the measurement date of August 31, 2020, the employer's proportion of the collective net pension liability was 0.060622%, which was an decrease from 0.003785%, its proportion measured as of August 31, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$3,253,493 and revenue of \$6,845,067 for support provided by the State.

Burleson Independent School District

Notes to the Basic Financial Statements

At June 30, 2021, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 59,284	\$ 906,099
Changes in actuarial assumptions	7,533,757	3,203,301
Differences between projected and actual investment earnings	657,289	-
Changes in proportion and difference between the employer's contributions and the proportionate share of the contributions	2,981,863	1,386,811
Contributions paid to TRS subsequent to the measurement dates	1,385,556	-
	<u>\$ 12,617,749</u>	<u>\$ 5,496,211</u>

\$1,385,556 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended August 31:	Pension Expense Amount
2022	2,032,681
2023	2,160,418
2024	1,736,220
2025	440,720
2026	(548,754)
Thereafter	(85,303)
	<u>\$ 5,735,982</u>

Note 7. Defined Other Post-Employment Benefit Plan

Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The plan is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.

OPEB Plan Fiduciary Net Position

Detail information about the TRS-Care's fiduciary net position is available in the separately-issued TRS Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at https://www.trs.texas.gov/TRS%20Documents/cafr_2019.pdf; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Burleson Independent School District

Notes to the Basic Financial Statements

Benefits Provided

TRS-Care provides a basic health insurance coverage (TRS-Care 1), at no cost to all retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible retirees and their dependents not enrolled in Medicare may pay premiums to participate in one of two optional insurance plans with more comprehensive benefits (TRS-Care 2 and TRS-Care 3). Eligible retirees and dependents enrolled in Medicare may elect to participate in one of the two Medicare health plans for an additional fee. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. There are no automatic post-employment benefit changes; including automatic COLAs.

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for the average retiree with Medicare Parts A&B coverage, with 20 to 29 years of service for the basic plan and the two optional plans.

	Medicare	Non Medicare
Retiree*	\$ 135	\$ 200
Retiree and spouse	529	689
Retiree or surviving spouse and children	468	408
Retiree and Family	1,020	999

* or surviving spouse

Contributions

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based upon public school district payroll. The TRS Board of trustees does not have the authority to set or amend contribution rates.

Burleson Independent School District

Notes to the Basic Financial Statements

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

	2020	2021
Active employees	0.65%	0.65%
Non-employer contribution entity (State)	1.25%	1.25%
Employers/District	0.75%	0.75%
Federal/private funding remitted by Employers	1.25%	1.25%

The contribution amounts for the District's fiscal year 2021 are as follows:

Employer contributions	\$	632,080
Member contributions		517,741
NECE on-behalf contributions		849,352

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (*regardless of whether or not they participate in the TRS Care OPEB program*). When employers hire a TRS retiree, they are required to pay to TRS Care, a monthly surcharge of \$535 per retiree.

TRS-Care received a supplemental appropriation from the State of Texas as the Non-Employer Contributing Entity in the amount of \$2.2 million in fiscal year 2020

Actuarial Methods and Assumptions

The actuarial valuation of the total OPEB liability was performed as of August 31, 2019. Update procedures were used to roll forward the total OPEB liability to August 31, 2020.

Burleson Independent School District

Notes to the Basic Financial Statements

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The following assumptions used for the valuation of the TRS-Care OPEB liability are identical to the assumptions employed in the August 31, 2020 TRS annual pension actuarial valuation:

Rates of mortality	General inflation
Rates of retirement	Wage inflation
Rates of termination	Salary increases
Rates of disability	

Additional Actuarial Methods and Assumptions:

Actuarial cost method	Individual entry age normal
Single discount rate	2.33%
Aging factors	Based on plan specific experience
Election Rates	Normal retirement: 65% participation prior to age 65 and 40% after age 65. 25% of pre-65 retirees are assumed to discontinue coverage at age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Ad hoc post-employment benefit changes	None

Burleson Independent School District

Notes to the Basic Financial Statements

Discount Rate

A single discount rate of 2.33% was used to measure the total OPEB liability at August 31, 2020. This was a decrease of 0.3% in the discount rate since the August 31, 2019 measurement date. The plan is essentially a "pay-as-you-go" plan, and based on the assumption that contributions are made at the statutorily required rates, the OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments to current members and therefore, the single discount rate is equal to the prevailing municipal bond rate. The source for the rate is the Fixed Income Market Data / Yield Curve / Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".

Asset Class	Target Allocation*	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long Term Portfolio Returns
Global Equity			
U.S.	18%	3.90%	0.99%
Non-U.S. Developed	13%	5.10%	0.92%
Emerging Markets	9%	5.60%	0.83%
Private Equity	14%	6.70%	1.41%
Stable Value			
Government Bonds	16%	-0.07%	-0.05%
Absolute return	0%	1.80%	0.00%
Stable value hedge funds	5%	1.90%	0.11%
Real Return			
Real Estate	15%	4.60%	1.02%
Energy, natural resources and inflation	6%	6.00%	0.42%
Commodities	0%	0.80%	0.00%
Risk Parity			
Risk Parity	8%	3.00%	0.30%
Asset Allocation Leverage			
Cash	2%	-1.5%	-0.03%
Asset Allocation Leverage	-6%	-1.3%	0.08%
Inflation Expectation			2.00%
Volatility Drag***			-0.67%
Total	100%		7.33%

* Target allocations are based on the FY2020 policy model

** Capital Market Assumptions come from Aon Hewitt (as of 8/31/2020)

*** The volatility drag results from the conversion between arithmetic and geometric mean returns

Burleson Independent School District

Notes to the Basic Financial Statements

Discount Rate Sensitivity Analysis

The following table presents the District's proportionate share of the TRS-Care net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that was 1% less than and 1% greater than the discount rate that was used (2.33%) in measuring the net OPEB liability.

	1% Decrease (1.33%)	Current Single Discount Rate (2.33%)	1% Increase (3.33%)
District's proportionate share of the net OPEB liability	\$ 37,935,727	\$ 31,613,166	\$ 26,619,251

Healthcare Cost Trend Rates The following table presents the District's proportionate share of net OPEB liability using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is 1% lower or 1% higher than the assumed health-care cost trend rate:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the OPEB liability	\$ 25,823,907	\$ 31,613,166	\$ 39,323,641

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At June 30, 2021, the District reported a liability of \$31,613,166 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's Proportionate share of the collective net OPEB liability	\$ 31,613,166
State's proportionate share that is associated with District	42,480,518
Total	<u>\$ 74,093,684</u>

The net OPEB liability was measured as of August 31, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of August 31, 2019 rolled forward to August 31, 2020. The employer's proportion of the net OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2019 through August 31, 2020.

At August 31, 2020 the employer's proportion of the collective Net OPEB Liability was .083161% which was an decrease of .000007% from its proportion measured as of August 31, 2019.

Burleson Independent School District

Notes to the Basic Financial Statements

Changes Since the Prior Measurement Date – The following were changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period:

- The discount rate changed from 2.63% as of August 31, 2019 to 2.33% as of August 31, 2020. This change increased the total OPEB liability.
- The participation rate for pre-65 retirees was lowered from 50% to 40%. This change decreased the total OPEB liability.
- The ultimate health care trend assumption was lowered from 4.50% to 4.25% as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change decreased the total OPEB liability.

Change of Benefit Terms Since the Prior Measurement Date

There were no changes in benefit terms since the prior measurement date.

For the fiscal year ended June 30, 2020, the District recognized OPEB expense of \$3,253,493 and revenue of (\$294,969) for support provided by the State.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,655,253	\$ 14,467,801
Changes in actuarial assumptions	1,949,875	8,681,139
Differences between projected and actual investment earnings	10,273	-
Changes in proportion and difference between the employer's contributions and the proportionate share of the contributions	2,802,486	4,256
Contributions paid subsequent to the measurement dates	551,390	-
	<u>\$ 6,969,277</u>	<u>\$ 23,153,196</u>

Burleson Independent School District

Notes to the Basic Financial Statements

\$551,390 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the year ended June 30, 2022. Other amounts reported as deferred outflows of resources (deferred inflows of resources) related to OPEB will be recognized in OPEB expense as follows:

<u>Year ended August 31:</u>	<u>OPEB Expense Amount</u>
2022	(2,803,805)
2023	(2,805,178)
2024	(2,805,964)
2025	(2,805,749)
2026	(1,961,353)
Thereafter	<u>(3,553,260)</u>
	<u><u>\$ (16,735,309)</u></u>

Note 8. Medicare Part D

Plan Description

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District. For the years ended June 30, 2021, 2020 and 2019, the contributions made on behalf of the District were \$401,305, \$340,059 and \$274,832, respectively.

Note 9. Accumulated Unpaid Sick Leave Benefits

Upon retirement of certain employees with ten years or more service and other requirements, the District pays any accrued, unused local sick leave in a lump sum cash payment, at one-half of the employee's daily rate. A summary of changes in the accumulated local sick leave liability follows:

Balance at July 1, 2020	\$ 574,641
Additions	
New entrants, days earned (net), and salary increments	24,781
Deductions	
Payments to participants	<u>(29,093)</u>
Balance at June 30, 2021	<u><u>\$ 570,329</u></u>

The liability for unpaid sick leave benefits is reported in the District's government-wide financial statements as long-term debt. In prior years, the District's General Fund has been used to pay unused sick leave benefits to retiring employees.

Burleson Independent School District

Notes to the Basic Financial Statements

Note 10. Interfund Activity

Interfund balances consist of short-term borrowing arrangements that result primarily from payroll and other regularly occurring charges that are paid by the General Fund and then charged back to the appropriate other fund. Additionally, some borrowing may occur between two or more nonmajor governmental funds. The District had not cleared the following interfund payables and receivables at year-end. Most of the amounts represent short-term borrowings between funds for operating expense payments. All other interfund transactions are treated as transfers. During the year ended June 30, 2021, the District transferred \$13,077,610 from the general fund to the capital projects to commit funds for capital projects and \$11,985 from the general fund to the nonmajor funds for food service activities.

	Due from Other Funds	Due to Other Funds
Major governmental funds		
General fund	5,448,978	6,427,337
Capital projects fund	6,104,792	-
Nonmajor governmental funds		
Special revenue funds		
Federal (funds 200-289)	20,142	5,122,544
State (funds 385-429)	-	22,636
Local (461-482)	-	1,395
Total	<u>\$ 11,573,912</u>	<u>\$ 11,573,912</u>

Note 11. Risk Management

The District is exposed to various risks related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District's risk management program encompasses various means of protecting the District against loss through self-insurance, by obtaining property, casualty, and liability coverage through commercial carriers. The District's participation in the risk pool is limited to payment of premiums. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

Health Care

Employees of the District are covered under the State of Texas statewide health insurance plan (TRS Active-Care). TRS Active-Care is a fully insured plan. During 2020-2021, the District contributed \$235 per month per employee to the Plan and employees, at their option, authorized payroll withholdings to pay any additional contributions and contributions for dependents.

Burleson Independent School District

Notes to the Basic Financial Statements

Workers' Compensation Pool Self-funded

Starting October 1, 2012, the District self-insures against workers' compensation. The costs associated with the self-insurance plan are reported as operating revenues and operating expenses of the Internal Service fund. The total estimated claims payable at June 30, 2021, includes \$242,746 for workers' compensation case reserve losses, with \$182,019 of this amount due within one year. This liability includes estimated outstanding claims from August 12, 2020 to June 30, 2021. The liabilities reported in the fund at June 30, 2021 are based on the requirements of Governmental Accounting Standards Board Statement Nos. 10 and 30, which require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. This includes provisions for claims reported but not paid and claims incurred but not reported. The provision for reported claims is determined by estimating the amount which will ultimately be paid to each claimant. The provision for claims incurred but not yet reported is estimated based on the District's experience. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing claims liability does not necessarily result in an exact amount. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors. Workers' compensation liabilities for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time were computed by an actuary and are reported at their nominal value.

Unemployment Compensation Self-funded

During the year ended June 30, 2021, the District met its statutory unemployment compensation obligations by participating as a self-funded member of the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791, of the Texas Government Code and Chapter 504, Texas Labor Code. All members participating in the Fund execute interlocal agreements that define the responsibilities of the parties.

As a self-funded member of the TASB Risk Management Fund, the District is solely responsible for all claim costs, both reported and unreported. The Fund provides administrative services to its self-funded members including claims administration and customer service. The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2020 are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin, Texas.

Burleson Independent School District

Notes to the Basic Financial Statements

Note 12. Due from Other Governments

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of June 30, 2021, are summarized below:

	State Entitlements	Federal Grants	Total
General fund	\$ 14,663,301	\$ 1,367,035	\$ 16,030,336
Other funds	16,604	5,629,058	5,645,662
Total	<u>\$ 14,679,905</u>	<u>\$ 6,996,093</u>	<u>\$ 21,675,998</u>

Note 13. Litigation and Contingencies

The District participates in numerous state and Federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at June 30, 2021 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the opinion of the District's management, the outcome of any present legal proceedings will not have a material adverse effect on the accompanying financial statements. In the opinion of the District, there are neither significant contingent liabilities related to 2021 issues nor future costs that will have a material effect on the financial statements of the District.

Note 14. Revenues from Local and Intermediate Sources

During the year, revenues from local and intermediate sources consisted of the following:

	General Fund	Debt Service Fund	Capital Projects Fund	Other Funds	Total
Property taxes	\$ 55,699,562	\$ 26,805,509	\$ -	\$ -	\$ 82,505,071
Food sales	-	-	-	484,777	484,777
Investment income	54,627	13,671	34,641	427	103,366
Penalties, interest and other tax related income	424,372	147,420	-	-	571,792
Co-curricular student activities	224,075	-	-	1,343,934	1,568,009
Mineral Interests	-	-	393,352	-	393,352
Other	277,603	4,714	0	2,286	284,603
Total	<u>\$ 56,680,239</u>	<u>\$ 26,971,314</u>	<u>\$ 427,993</u>	<u>\$ 1,831,424</u>	<u>\$ 85,910,970</u>

Burleson Independent School District

Notes to the Basic Financial Statements

Note 15. Classification of Fund Balance

The District classifies governmental fund balances, as follows:

Nonspendable Fund Balance

This includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements. Examples include inventories, long-term receivables, endowment principal, and/or prepaid items.

Spendable Fund Balance

Restricted Fund Balance – includes amounts that can be spent only for the specific purposes as imposed by law, or imposed by creditors, grantors, contributors, or other governments' laws and regulations.

- The aggregate fund balance in the debt service fund is legally restricted for payment of bonded indebtedness and is not available for other purposes until all bonded indebtedness is liquidated.
- The proceeds of specific revenue sources that are restricted to expenditures for specified purposes as designated by grantors, contributors, or governmental entities over state or local program grants.

As of June 30, 2021, total restricted fund balance was \$22,743,292.

Committed Fund Balance – includes amounts that can be used only for the specific purposes as determined by the governing body by formal action recorded in the minutes of the governing body. Commitments may be changed or lifted only by the Board, considered the District's highest level of decision making authority taking the same formal action such as passing a board resolution that imposed the constraint originally. Examples include, but are not specifically limited to, Board action regarding construction, claims, and judgments, retirement of loans/notes payable, capital expenditures, and self-insurance. The District's Board must take action to commit funds for a specific purpose prior to the end of the fiscal year, but the amount of the commitment may be determined after the end of the fiscal year.

- Campus activity funds are considered committed by the governing body through adoption of board policy pertaining to the usage of these funds.
- Funds derived from oil and gas royalties are committed for future capital replacements in the Capital Projects Fund.

As of June 30, 2021, total committed fund balance was \$25,140,090.

Assigned Fund Balance – comprises amounts intended to be used by the District for specific purposes. This intent can be expressed by an official or body to which the governing body delegates that authority. That authority has not been delegated to any official or body. The Board of Trustees is the only governing body that can assign fund balance for specific purposes by formal action recorded in the official minutes. Examples take on the similar appearance as those enumerated for committed fund balance, but may also include the appropriation of existing fund balance to eliminate a deficit in next year's budget. At June 30, 2021, there were no assignments of fund balance.

Unassigned Fund Balance – is the residual classification of the General Fund and includes all amounts not contained in other classifications.

Per the District's policies, funds will be reduced in the following order: restricted, committed, assigned and unassigned.

Burleson Independent School District

Notes to the Basic Financial Statements

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers the amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

Per the District's Fiscal and Budget Strategy, the District will strive to maintain a General Fund balance in- the general operating fund in which the total fund balance is twenty-five percent (25%) of the total operating expenditures and the unassigned fund balance is twenty-nine percent (29%) of the total operating expenditures.

Note 16. Instructional Materials Allotment

In May 2011, Senate Rule 6 created an Instructional Materials Allotment (IMA) for the purchase of instructional materials, technology equipment, and technology related services. Under the IMA, instructional material purchases must be made through TEA's online registration system. Instructional materials acquired through the IMA totaling \$895,180 are recorded as revenues and expenditures in the State Instructional Materials Fund.

Ownership of textbooks previously purchased by the state and utilized by the District was transferred to the District. The majority of these textbooks were sold or otherwise disposed of in accordance with TEA guidelines. At June 30, 2021, the remainder of the textbooks, in possession of the District, have minimal value and are not otherwise reflected elsewhere in these statements.

Note 17. Recent Accounting Pronouncements

GASB Statement No. 87, *Leases* (GASB 87), establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement were originally effective for reporting periods beginning after December 15, 2019; however, issuance of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* (GASB 95), extended the effective date of GASB 87 to reporting periods beginning after June 15, 2021, with earlier application encouraged. GASB 87 will be implemented in the District's fiscal year 2022 financial statements and the impact has not yet been determined.

GASB Statement No. 89: Accounting for Interest Cost Incurred before the End of a Construction Period. Statement 89 was issued in June 2018. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. This Standard becomes effective for the District in fiscal year 2022. The District has not yet determined the impact of this statement.

GASB Statement No. 91: Conduit Debt Obligations. Statement 91 was issued in May 2019. This Statement establishes a single method of reporting conduit debt obligations by issuers to eliminate diversity in practice. This Standard becomes effective for the District in fiscal year 2021. The District has not yet determined the impact of this statement.

GASB Statement No. 92: Omnibus 2020. Statement 92 was issued in January 2020. This Statement establishes accounting and financial reporting requirements for specific issues related to leases, intra entity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. This Standard becomes effective for the District in fiscal year 2022. The District has not yet determined the impact of this statement.

Burleson Independent School District

Notes to the Basic Financial Statements

GASB Statement No. 93: Replacement of Interbank Offered Rates. Statement 93 was issued in March 2020. This Statement establishes accounting and financial reporting requirements related to the replacement of IBORs in hedging derivative instruments and leases. This Standard becomes effective for the District in fiscal year in fiscal year 2022. The District has not yet determined the impact of this statement.

GASB Statement No. 94: Public-Private and Public-Public Partnerships and Availability Payment Arrangements. Statement 94 was issued in March 2020. This Statement establishes standards of accounting and financial reporting for PPPs and APAs for governments. This Standard becomes effective for the District in fiscal year in fiscal year 2023. The District has not yet determined the impact of this statement.

GASB Statement No. 96: Subscription-Based Information Technology Arrangements. Statement 96 was issued in May 2020. This Statement establishes standards of accounting and financial reporting for Subscription-based information technology arrangements by a government end user (a government). This Standard becomes effective for the District in fiscal year in fiscal year 2023. The District has not yet determined the impact of this statement.

GASB Statement No. 97: Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32." Statement 97 was issued in June 2020. This Statement modifies the applicability of certain component unit criteria as they relate to defined contribution pension plans, defined contribution OPEB plans, and other employee benefit plans. This Standard becomes effective for the District in fiscal year in fiscal year 2022. The District has not yet determined the impact of this statement.

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Required Supplementary Information

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Burleson Independent School District

Exhibit G-1

Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - General Fund Year Ended June 30, 2021

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 58,343,098	\$ 56,525,000	\$ 56,680,239	\$ 155,239
5800	State program revenues	60,831,456	63,492,285	61,014,626	(2,477,659)
5900	Federal program revenues	1,620,000	1,620,000	2,000,317	380,317
5020	Total revenues	120,794,554	121,637,285	119,695,182	(1,942,103)
EXPENDITURES					
	Current				
0011	Instruction	66,939,695	66,560,464	62,385,730	4,174,734
0012	Instructional resources and media services	1,226,169	1,256,669	1,239,428	17,241
0013	Curriculum and instructional staff development	1,742,972	1,496,601	1,491,045	5,556
0021	Instructional leadership	1,752,118	1,637,397	1,569,476	67,921
0023	School leadership	6,985,859	6,682,144	6,609,125	73,019
0031	Guidance, counseling and evaluation services	4,664,879	5,163,979	5,143,008	20,971
0032	Social work services	180,276	180,276	177,154	3,122
0033	Health services	1,537,854	1,712,854	1,689,848	23,006
0034	Student (pupil) transportation	3,712,868	3,162,868	3,087,765	75,103
0035	Food services	75,000	145,000	131,068	13,932
0036	Extracurricular activities	3,674,553	3,843,869	3,768,448	75,421
0041	General administration	3,175,851	2,967,796	2,895,479	72,317
0051	Facilities maintenance and operations	10,811,264	12,123,576	11,590,212	533,364
0052	Security and monitoring services	785,837	889,702	828,768	60,934
0053	Data processing services	3,000,169	2,982,169	2,939,327	42,842
0061	Community services	41,057	141,057	126,647	14,410
0071	Principal on long-term debt	112,408	112,408	112,322	86
0095	Payments to juvenile justice alternative ed. prg.	3,500	3,500	-	3,500
0099	Other intergovernmental charges	822,882	822,882	820,737	2,145
6030	Total expenditures	111,245,211	111,885,211	106,605,587	5,279,624
1100	Excess of revenues over expenditures	9,549,343	9,752,074	13,089,595	3,337,521
OTHER FINANCING SOURCES (USES)					
8911	Transfers out	(6,900,000)	(9,752,074)	(13,089,595)	3,337,521
7080	Total other financing sources (uses)	(6,900,000)	(9,752,074)	(13,089,595)	3,337,521
1200	Net change in fund balances	2,649,343	-	-	-
0100	FUND BALANCE - July 1 (beginning)	36,222,707	36,222,707	36,222,707	-
3000	FUND BALANCE - June 30 (ending)	\$ 38,872,050	\$ 36,222,707	\$ 36,222,707	\$ -

Notes to the Required Supplementary Information are an integral part of this schedule.

Burleson Independent School District

Schedule of the District's Proportionate Share of the Net Pension Liability Year Ended June 30, 2021

	2021	2020	2019
District's Proportion of the Net Pension Liability (Asset)	0.0606223810%	0.0644070393%	0.063098416%
District's Proportionate Share of Net Pension Liability (Asset)	32,468,110	\$ 33,480,793	\$ 34,730,900
State's Proportionate Share of the Net Pension Liability (Asset) associated with the District	56,910,483	51,464,842	56,651,232
Total	<u>\$ 89,378,593</u>	<u>\$ 84,945,635</u>	<u>\$ 91,382,132</u>
District's Covered Payroll	\$ 79,652,594	\$ 73,515,250	\$ 71,885,704
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its covered Payroll	40.76%	45.54%	48.31%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.54%	75.24%	73.74%

*Note: Only seven years of data is presented in accordance with GASB Standard No. 68
as the data for the years prior to 2015 is not available.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.060151343%	0.056092500%	0.051144300%	0.028050900%
\$ 19,233,159	\$ 21,196,537	\$ 18,078,829	\$ 7,492,783
33,601,011	39,284,622	37,390,769	31,992,845
<u>\$ 52,834,170</u>	<u>\$ 60,481,159</u>	<u>\$ 55,469,598</u>	<u>\$ 39,485,628</u>
\$ 69,580,209	\$ 65,990,540	\$ 57,353,065	\$ 56,750,102
27.64%	32.12%	31.52%	13.20%
82.17%	78.00%	78.43%	83.25%

Burleson Independent School District

Schedule of the District's Contributions

Year Ended June 30, 2021

	2021	2020	2019
Contractually Required Contribution	\$ 1,635,637	\$ 1,554,068	\$ 1,390,203
Contribution in Relation to the Contractually Required Contribution	(1,635,637)	(1,554,068)	(1,390,203)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	81690151	78,898,605	72,980,410
Contributions as a Percentage of Covered Payroll	2.00%	1.97%	1.90%

Note 1: GASB 68, Paragraph 81 requires that the information on this schedule be data from the District's most recent fiscal year. Ten years of data is not available.

Exhibit G-3

2018	2017	2016	2015
\$ 1,278,781	\$ 1,151,179	\$ 980,294	\$ 767,797
(1,278,781)	(1,151,179)	(980,294)	(767,797)
\$ -	\$ -	\$ -	\$ -
\$ 70,639,806	\$ 66,995,472	\$ 62,059,880	\$ 56,750,102
1.81%	1.72%	1.58%	1.35%

Burleson Independent School District**Exhibit G-4**

Schedule of the District's Proportionate Share of the
Net OPEB Liability of a Cost-Sharing Multiple-Employer OPEB Plan –
Teacher Retirement System of Texas
Year Ended June 30, 2021

	2021	2020	2019	2018
District's proportion of the net OPEB liability	0.08316077570%	0.08316749510%	0.0821054138%	0.0765493643%
District's proportionate share of net OPEB liability	31,613,166	39,330,928	40,995,985	33,288,447
State's proportionate share of the net OPEB liability associated with the District	42,480,518	52,262,005	61,891,748	54,213,057
Total	74,093,684	91,592,933	102,887,733	87,501,504
District's covered payroll	79,652,594	73,515,250	71,885,704	69,580,209
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	39.69%	53.50%	57.03%	47.84%
Plan fiduciary net position as a percentage of the total OPEB liability	4.99%	2.66%	1.57%	0.91%

Note: Only four years of data is presented in accordance with GASB Standard No. 75 as the data for the years other than 2021, 2020, 2019 and 2018 are not available.

Burleson Independent School District**Exhibit G-5**Schedule of the District's Contributions to the OPEB Plan
Year Ended June 30, 2021

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 654,492	\$ 628,565	\$ 585,522	\$ 529,186
Contribution in relation to the contractually required contribution	<u>(654,492)</u>	<u>(628,565)</u>	<u>(585,522)</u>	<u>(529,186)</u>
Contribution deficiency (excess)	-	-	-	-
District's covered payroll	81,690,151	78,898,605	72,980,410	70,639,806
Contributions as a percentage of covered payroll	0.80%	0.80%	0.80%	0.75%

Note: Only four years of data is presented in accordance with GASB Standard No. 75 as the data for the years other than 2021, 2020, 2019 and 2018 are not available.

Burleson Independent School District

Notes to the Required Supplementary Information

Note 1. Budgetary Data

A. Budgetary Information

The official budget was prepared for adoption for the general, child nutrition, and debt service funds. The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

1. Prior to June 19 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 1.
2. A meeting of the Board is called for the purpose of adopting the proposed budget with public notice given at least 10 days prior to the meeting.
3. Prior to the expenditures of funds, the budget is adopted by the Board.

After adoption, the budget may be amended through action by the Board. Budget amendments are approved at the functional expenditure level. All amendments are before the fact and reflected in the official minutes of the Board. Budgets are controlled at the functional level by personnel responsible for the organizational financial reporting. All budget appropriations lapse at the year end. Budget amendments throughout the year were not significant.

B. Net Pension Liability and Net OPEB Liability

The following factors significantly affect trends in the amounts reported for the District's proportionate share of the net pension liability and net OPEB liability:

Changes in actuarial assumptions and inputs

Measurement Date August 31,	Net Pension Liability		Net OPEB Liability
	Discount Rate	Long-Term Expected Rate of Return	Discount Rate
2020	7.250%	7.250%	2.330%
2019	7.250%	7.250%	2.630%
2018	6.907%	7.250%	3.690%
2017	8.000%	8.000%	3.420%
2016	8.000%	8.000%	
2015	8.000%	8.000%	
2014	8.000%	8.000%	

Changes in demographic and economic assumptions

For measurement date August 31, 2018 – Net Pension Liability and Net OPEB Liability:

- Demographic assumptions including post-retirement mortality, termination rates, and rates of retirement and economic assumptions, including rates of salary increase for individual participants were updated based on the experience study performed for TRS for the period ending August 31, 2017.

Burleson Independent School District

Notes to the Basic Financial Statements

Changes in benefit terms

For Measurement Date August 31, 2018 – Net OPEB Liability:

- Changes of benefit terms were made effective September 1, 2017 by the 85th Texas Legislature.

Other changes

For Measurement Date August 31, 2019 – Net Pension Liability:

- With the enactment of SB3 by the 2019 Texas Legislature, an assumption was made about how this would impact future salaries. It is assumed that eligible active members will each receive a \$2,700 increase in fiscal year 2020. This is in addition to the salary increase expected based on the actuarial assumptions.

For Measurement Date August 31, 2019 – Net OPEB Liability:

- The participation rate for pre-65 retirees was lowered from 70% to 65%. The participation rate for post-65 retirees was lowered from 75% to 50%. 25% of pre-65 retirees are assumed to discontinue their coverage at age 65.
- The trend rates were reset to better reflect the plan's anticipated experience.
- The percentage of retirees who are assumed to have two-person coverage was lowered from 20% to 15%. In addition, the participation assumption for the surviving spouses of employees that die while actively employed was lowered from 20% to 10%.

For Measurement Date August 31, 2018 – Net OPEB Liability:

- Adjustments were made for retirees that were known to have discontinued their health care coverage in fiscal year 2018.
- The health care trend rate assumption was updated to reflect the anticipated return of the Health Insurer Fee (HIF) in 2020.

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Supplementary Information Combining Statements and Schedules

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Combining and Individual Nonmajor Fund Financial Statements

Burleson Independent School District

Combining Balance Sheet
Non Major Governmental Funds
June 30, 2021

Data Control Codes		211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 Child Nutrition Program
ASSETS					
1110	Cash and temporary investments	\$ -	\$ 953	\$ -	\$ 60,962
1240	Due from other governments	249,502	337,661	12,621	261,046
1250	Accrued interest	-	-	-	-
1260	Due from other funds	-	-	-	20,142
1290	Other receivables	-	-	-	10,832
1300	Inventories	-	-	-	8,385
1000	Total assets	249,502	338,614	12,621	361,367
	TOTAL ASSETS	\$ 249,502	\$ 338,614	\$ 12,621	\$ 361,367
LIABILITIES					
2110	Accounts payable	\$ 8,268	\$ 7,872	\$ 2,785	\$ 24,454
2150	Payroll deductions and withholdings	4,159	5,477	548	22,965
2160	Accrued wages payable	85,343	104,083	3,700	313,903
2170	Due to other funds	151,732	221,182	5,588	45
2181	Due to state	-	-	-	-
2000	Total liabilities	249,502	338,614	12,621	361,367
FUND BALANCES					
	Nonspendable				
3410	Inventories	-	-	-	8,385
	Restricted				
3450	Grant funds	-	-	-	(8,385)
	Committed				
3545	Other purposes	-	-	-	-
3600	Unassigned	-	-	-	-
3000	Total fund balances	-	-	-	-
4000	TOTAL LIABILITIES AND FUND BALANCES	\$ 249,502	\$ 338,614	\$ 12,621	\$ 361,367

Exhibit H-1

244 Career and Technical - Basic Grant	255 ESEA II, A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 ESSER I	277 Coronavirus Relief Fund (CRF) of the CARES Act	281 ESSER II	289 Summer School LEP
\$ -	\$ -	\$ -	\$ 2,359	\$ -	\$ -	\$ 7,559
16,126	58,851	21,744	302,254	-	4,356,980	12,273
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
16,126	58,851	21,744	304,613	-	4,356,980	19,832
<u>\$ 16,126</u>	<u>\$ 58,851</u>	<u>\$ 21,744</u>	<u>\$ 304,613</u>	<u>\$ -</u>	<u>\$ 4,356,980</u>	<u>\$ 19,832</u>
\$ -	\$ -	\$ 299	\$ -	\$ -	\$ -	\$ -
-	359	170	-	-	-	-
-	6,080	7,409	-	-	-	-
16,126	52,412	13,866	304,613	-	4,356,980	-
-	-	-	-	-	-	-
16,126	58,851	21,744	304,613	-	4,356,980	-
-	-	-	-	-	-	-
-	-	-	-	-	-	19,832
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	19,832
<u>\$ 16,126</u>	<u>\$ 58,851</u>	<u>\$ 21,744</u>	<u>\$ 304,613</u>	<u>\$ -</u>	<u>\$ 4,356,980</u>	<u>\$ 19,832</u>

Burleson Independent School District

Combining Balance Sheet
Non Major Governmental Funds
June 30, 2021

Data Control Codes		385 Visual Impairment	397 Advanced Placement Incentives	410 Instructional Materials Allotment
ASSETS				
1110	Cash and temporary investments	\$ -	\$ -	\$ 517,368
1240	Due from other governments	4,349	12,255	-
1250	Accrued interest	-	-	-
1260	Due from other funds	-	-	-
1290	Other receivables	-	-	-
1300	Inventories	-	-	-
1000	Total assets	4,349	12,255	517,368
	TOTAL ASSETS	<u>\$ 4,349</u>	<u>\$ 12,255</u>	<u>\$ 517,368</u>
LIABILITIES				
2110	Accounts payable	\$ 28	\$ -	\$ 57,476
2150	Payroll deductions and withholdings	-	-	-
2160	Accrued wages payable	-	-	-
2170	Due to other funds	4,321	18,315	-
2181	Due to state	-	-	-
2000	Total liabilities	4,349	18,315	57,476
FUND BALANCES				
3410	Nonspendable Inventories	-	-	-
3450	Restricted Grant funds	-	-	459,892
3545	Committed Other purposes	-	-	-
3600	Unassigned	-	(6,060)	-
3000	Total fund balances	-	(6,060)	459,892
4000	TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,349</u>	<u>\$ 12,255</u>	<u>\$ 517,368</u>

Exhibit H-1 (Continued)

429 DATE / Read to Succeed / Recycling Grant	461 Campus Activity Funds	482 Fuel Up To Play 60	Total Nonmajor Governmental Funds
\$ 185	\$ 1,783,123	\$ 1,419	\$ 2,373,928
-	-	-	5,645,662
-	6	-	6
-	-	-	20,142
-	5,168	-	16,000
-	270	-	8,655
185	1,788,567	1,419	8,064,393
<u>\$ 185</u>	<u>\$ 1,788,567</u>	<u>\$ 1,419</u>	<u>\$ 8,064,393</u>
\$ -	\$ 22,938	\$ -	\$ 124,120
-	4,833	-	38,511
-	62,552	-	583,070
-	1,395	-	5,146,575
-	794	-	794
-	92,512	-	5,893,070
-	270	-	8,655
185	-	1,419	472,943
-	1,695,785	-	1,695,785
-	-	-	(6,060)
185	1,696,055	1,419	2,171,323
<u>\$ 185</u>	<u>\$ 1,788,567</u>	<u>\$ 1,419</u>	<u>\$ 8,064,393</u>

Burleson Independent School District

Combining Statement of Revenues, Expenditures and Changes in
Fund Balances – Non Major Governmental Funds
Year Ended June 30, 2021

Data Control Codes		211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 Child Nutrition Program
REVENUES					
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ 485,204
5800	State program revenues	-	-	-	98,473
5900	Federal program revenues	939,957	1,348,254	35,132	5,270,375
5020	Total revenues	939,957	1,348,254	35,132	5,854,052
EXPENDITURES					
Current					
0011	Instruction	695,329	377,411	34,637	-
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and Instructional staff development	12,837	80,004	495	-
0021	Instructional leadership	4,000	379,298	-	-
0023	School leadership	550	-	-	-
0031	Guidance, counseling and evaluation services	550	488,208	-	-
0032	Social Work Services	210,000	-	-	-
0033	Health services	-	-	-	-
0035	Food services	-	-	-	5,869,739
0036	Extracurricular activities	1,691	2,808	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	15,000	-	-	-
Intergovernmental					
0093	Payments to fiscal agent/member districts of SSA	-	20,525	-	-
6030	Total expenditures	939,957	1,348,254	35,132	5,869,739
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-	(15,687)
OTHER FINANCING SOURCES (USES)					
7900					
7915	Transfers in	-	-	-	11,985
8911	Transfers out	-	-	-	-
7080	Total other financing sources (uses)	-	-	-	11,985
1200	Net change in fund balances	-	-	-	(3,702)
0100	Fund Balance - July 1 (Beginning)	-	-	-	3,702
3000	Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -

244 Career and Technical - Basic Grant	255 ESEA II, A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 ESSER I	277 Coronavirus Relief Fund (CRF) of the CARES Act	281 ESSER II	289 Summer School LEP
\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
-	-	-	32,981			-
89,051	146,554	73,320	405,119	9,725	3,965,288	47,157
89,051	146,554	73,320	438,100	9,725	3,965,288	47,157
89,051	-	17,556	6,076	-	3,965,288	39,500
-	-	-	-	-	-	-
-	146,554	37,096	-	-	-	-
-	-	-	-	-	-	-
-	-	-	423,574	-	-	-
-	-	18,668	-	-	-	-
-	-	-	-	-	-	-
-	-	-	8,450	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	9,725	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
89,051	146,554	73,320	438,100	9,725	3,965,288	39,500
-	-	-	-	-	-	7,657
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	7,657
-	-	-	-	-	-	12,175
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,832

Burleson Independent School District

Combining Statement of Revenues, Expenditures and Changes In
Fund Balances – Non major Governmental Funds
Year Ended June 30, 2021

Data Control Codes		385 Visual Impairment	397 Advanced Placement Incentives	410 Instructional Materials Allotment
REVENUES				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program revenues	6,488	12,305	895,180
5900	Federal program revenues	-	-	-
5020	Total revenues	6,488	12,305	895,180
EXPENDITURES				
Current				
0011	Instruction	6,428	-	954,006
0012	Instructional resources and media services	-	-	-
0013	Curriculum and Instructional staff development	60	29,232	-
0021	Instructional leadership	-	-	-
0023	School leadership	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-
0032	Social Work Services	-	-	-
0033	Health services	-	-	-
0035	Food services	-	-	-
0036	Extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	-	-	-
Intergovernmental				
0093	Payments to fiscal agent/member districts of SSA	-	-	-
6030	Total expenditures	6,488	29,232	954,006
1100	Excess (deficiency) of revenues over (under) expenditures	-	(16,927)	(58,826)
OTHER FINANCING SOURCES (USES)				
7915	Transfers in	-	-	-
8911	Transfers out	-	-	-
7080	Total other financing sources (uses)	-	-	-
1200	Net change in fund balances	-	(16,927)	(58,826)
0100	Fund Balance - July 1 (Beginning)	-	10,867	518,718
3000	Fund Balance - June 30 (Ending)	\$ -	\$ (6,060)	\$ 459,892

Exhibit H-2 (Continued)

429 DATE / Read to Succeed / Recycling Grant	461 Campus Activity Funds	482 Fuel Up To Play 60	Total Nonmajor Governmental Funds
\$ -	\$ 1,346,220	\$ -	\$ 1,831,424
37	52,359	-	1,097,823
-	917	-	12,330,849
37	1,399,496	-	15,260,096
-	195,058	-	6,380,340
-	7,319	-	7,319
-	9,288	-	315,566
-	-	-	383,298
-	85,918	-	510,042
-	73,234	-	580,660
-	-	-	210,000
-	66	-	8,516
-	-	-	5,869,739
-	221,047	-	225,546
-	725	-	725
-	75,583	-	85,308
-	21,154	-	21,154
-	79,700	-	79,700
-	692,425	-	707,425
-	-	-	20,525
-	1,461,517	-	15,405,863
37	(62,021)	-	(145,767)
-	-	-	11,985
-	-	-	-
-	-	-	11,985
37	(62,021)	-	(133,782)
148	1,758,076	1,419	2,305,105
\$ 185	\$ 1,696,055	\$ 1,419	\$ 2,171,323

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Texas Education Agency Required Schedules

Burleson Independent School District
Schedule of Delinquent Taxes Receivable
Year Ended June 30, 2021

Last Ten Years	(1)	(2)	(3)	(10)
	Tax Rates		Assessed/Appraised	Beginning
	Maintenance	Debt Service	Value for School Tax Purposes	Balance 7/1/2020
2012 and and prior years	Various	Various	Various	\$ 497,500
2013	1.040000	0.500000	3,434,466,119	78,466
2014	1.040000	0.500000	3,342,085,197	60,329
2015	1.040000	0.500000	3,639,098,970	47,673
2016	1.040000	0.500000	3,709,079,314	126,487
2017	1.040000	0.500000	3,880,366,485	115,064
2018	1.170000	0.500000	4,336,695,747	156,012
2019	1.170000	0.500000	4,785,058,271	269,477
2020	1.068350	0.500000	5,313,431,532	1,055,813
2021 (school year under audit)	1.038300	0.500000	5,691,305,452	
1000 TOTALS				<u>\$ 2,406,821</u>

(a) Current year's total levy is net of \$4,855,917 for levy loss due to frozen taxes on "over 65" accounts.

Exhibit J-1

(20)	(31)	(32)	(40)	(50)
Current Year's Total Levy (a)	Maintenance Collections	Debt Service Collections	Entire Year's Adjustments	Ending Balance 6/30/2021
\$ -	\$ 7,082	\$ 2,819	\$ (1,371)	\$ 486,228
-	1,753	584	(467)	75,662
-	3,810	1,391	(626)	54,502
-	6,021	2,895	(307)	38,450
-	9,977	4,797	(36)	111,677
-	17,514	8,420	1,246	90,376
-	35,516	17,075	2,634	106,055
-	160,035	68,391	121,968	163,019
-	374,483	175,262	(209,448)	296,620
81,211,192	55,082,106	26,525,140	1,436,573	1,040,519
<u>\$ 81,211,192</u>	<u>\$ 55,698,297</u>	<u>\$ 26,806,774</u>	<u>\$ 1,350,166</u>	<u>\$ 2,463,108</u>

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Budgetary Comparison Schedules

Burleson Independent School District**Exhibit J-3**

Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual - Child Nutrition Program
 Year Ended June 30, 2021

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Over or (Under)
		Original	Final		
	REVENUES				
5700	Local and intermediate sources	\$ 3,025,000	\$ 504,981	\$ 485,204	\$ (19,777)
5800	State program revenues	180,000	90,000	98,473	8,473
5900	Federal program revenues	3,500,000	4,988,206	5,270,375	282,169
5020	Total revenues	6,705,000	5,583,187	5,854,052	270,865
	EXPENDITURES				
0035	Food services	6,616,286	6,016,286	5,869,739	146,547
0051	Facilities maintenance and operations	35,000	35,000	-	35,000
6030	Total expenditures	6,651,286	6,051,286	5,869,739	181,547
1100	Excess (deficiency) of revenues over (under) expenditures	53,714	(468,099)	(15,687)	89,318
	OTHER FINANCING SOURCES (USES)				
7915	Transfers in	-	-	11,985	11,985
7080	Total other financing sources (uses)	-	-	11,985	11,985
1200	Net change in fund balances	53,714	(468,099)	(3,702)	464,397
0100	Fund balance - July 1 (beginning)	3,702	3,702	3,702	-
3000	Fund balance - June 30 (ending)	\$ 57,416	\$ (464,397)	\$ -	\$ 464,397

Burleson Independent School District**Exhibit J-4**

Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual - Debt Service Fund
 Year Ended June 30, 2021

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Over or (Under)
		Original	Final		
	REVENUES				
5700	Local and intermediate sources	\$ 27,122,191	\$ 27,122,191	\$ 26,971,314	\$ (150,877)
5800	State program revenues	-	553,553	554,969	1,416
5020	Total revenues	27,122,191	27,675,744	27,526,283	(149,461)
	EXPENDITURES				
0071	Debt service	23,163,198	22,663,198	22,615,896	47,302
6030	Total expenditures	23,163,198	22,663,198	22,615,896	47,302
1100	Excess (deficiency) of revenues over (under) expenditures	3,958,993	5,012,546	4,910,387	(102,159)
	OTHER FINANCING SOURCES (USES)				
7911	Issuance of refunding bonds	-	-	16,700,000	16,700,000
7916	Premium or discount on issuance of bonds	-	-	4,839,483	4,839,483
8949	Other uses - refunding of bonds	-	-	(21,653,912)	(21,653,912)
7080	Total other financing sources (uses)	-	-	(114,429)	(114,429)
1200	Net change in fund balances	3,958,993	5,012,546	4,795,958	(216,588)
0100	Fund balance - July 1 (beginning)	16,186,289	16,186,289	16,186,289	-
3000	Fund balance - June 30 (ending)	\$ 20,145,282	\$ 21,198,835	\$ 20,982,247	\$ (216,588)

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Statistical Section (Unaudited)

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Burleson Independent School District

Notes to the Basic Financial Statements

This statistical section is organized in five sections:

- **Financial Trends-** Compiles information reported in the Annual Comprehensive Financial Report over the past ten years (2012-2021) as a result of the implementation of GASB 34 reporting. Information for Government Wide statements dates back to 2002 when the District implemented GASB 34. These schedules report how the District's financial position has changed over time.
- **Revenue Capacity Information-** Provides information regarding the District's major own source revenue (property taxes) and the stability/growth of that revenue for the past ten year period.
- **Debt Capacity Information-** Provides information on the District's outstanding debt, the District's ability to repay the debt, and its ability to issue additional debt, if needed, for the past ten years, where applicable.
- **Demographic and Economic Information-** Provides information regarding the District's socioeconomic environment: specifically, its taxpayers, employers, and the changes to those groups over the past ten years, if applicable.
- **Operating Information-** Provides information on the District's employees, operations of the District, and facilities for the period stated in the reports.

Burleson Independent School District

Net Position by Component

Last Ten Years

(accrual basis of accounting)

(Unaudited)

	2012	2013	2014	2015
Governmental Activities				
Net investment in capital assets	\$ (18,016,518)	\$ (20,842,058)	\$(28,305,183)	\$ (30,697,028)
Restricted	15,934,357	12,663,826	10,081,840	8,800,546
Unrestricted	14,612,284	10,459,002	19,861,926	17,862,321
Business Type Activities				
Unrestricted	78,246	66,612	73,853	112,166
Total Primary Government Net Position	\$ 12,608,369	\$ 2,347,382	\$ 1,712,436	\$ (3,921,995)

Schedule 1

2016	2017	2018	2019	2020	2021
\$ (23,725,928)	\$ (18,985,241)	\$ (14,623,939)	\$ (6,871,592)	\$ (2,523,086)	\$ 6,835,778
9,356,974	9,598,901	11,320,215	11,206,645	8,808,618	14,967,775
11,252,600	6,423,062	(35,224,216)	(32,096,464)	(25,903,710)	(30,945,230)
119,030	159,743	241,509	326,589	174,182	120,807
\$ (2,997,324)	\$ (2,803,535)	\$ (38,286,431)	\$(27,434,822)	\$ (19,443,996)	\$ (9,020,870)

Burleson Independent School District

Governmental Activities Revenue and Expense

Last Ten Years

(accrual basis of accounting)

(Unaudited)

	2012	2013	2014	2015
Expenses by Function				
Governmental Activities				
Instruction	\$ 48,097,966	\$ 48,317,821	\$ 51,233,610	\$ 52,121,810
Instructional Resources & Media Services	1,090,999	1,176,099	1,241,127	1,174,637
Curriculum & Staff Development	1,394,480	1,387,812	1,324,047	1,412,597
Instructional Leadership	875,690	946,455	1,075,638	1,642,223
School Leadership	5,104,708	5,102,142	5,569,981	5,698,793
Guidance, Counseling, & Evaluation Services	2,911,712	3,096,151	3,330,123	3,432,098
Social Work Services	-	56,328	59,666	64,471
Health Services	1,011,880	1,093,506	1,042,166	1,088,384
Student (Pupil) Transportation	1,771,166	1,864,305	1,880,920	1,915,025
Food Services	4,351,854	4,750,681	5,188,060	5,371,267
Extracurricular Activities	2,825,755	3,026,639	3,117,749	3,753,960
General Administration	2,450,929	2,707,304	2,852,421	3,080,199
Plant Maintenance & Operations	7,997,299	9,040,355	8,584,064	8,936,625
Security & Monitoring Services	265,415	276,481	445,356	314,735
Data Processing Services	1,384,539	1,411,545	1,547,764	2,643,544
Community Services	1,391,995	643,776	687,624	671,939
Debt Service - Interest on Long Term Debt	15,522,282	15,492,377	14,959,125	15,143,300
Debt Service - Bond Insurance Cost & Fees	109,175	624,805	128,539	5,000
Facilities Acquisition & Construction	-	-	-	-
Total Governmental Activities Expense	98,557,844	101,014,582	104,267,980	108,470,607
Business Type Activities Expense				
Child Care	604,630	610,249	543,580	552,290
Program Revenues				
Charges for Services				
Instruction	44,285	2,573,230	2,775,865	2,908,785
Food Service	2,222,403	2,394,643	2,613,549	2,586,788
Extracurricular Activities	471,228	441,557	415,322	436,947
Community Services	-	-	-	-
Other	57,805	48,873	140,105	127,308
Operating Grants and Contributions	12,625,718	6,760,500	6,858,969	6,365,989
Total Governmental				
Activities Program Revenue	15,421,439	12,218,803	12,803,810	12,425,817
Business Type Activities Revenues				
Charges for Services	574,687	566,867	521,753	560,564
Operating Grants and Contributions	-	-	29,068	30,039
Net (Expense)/Revenue And				
Changes in Net Position	\$ (83,166,348)	\$ (88,839,161)	\$ (91,456,929)	\$ (96,006,477)

Source: District's Financial Audit, Exhibit B-1

Schedule 2

2016	2017	2018	2019	2020	2021
\$ 59,854,511	\$ 65,545,974	\$ 46,765,905	\$ 74,085,797	\$ 86,489,219	\$ 81,677,558
1,232,622	1,259,513	1,027,506	1,444,932	1,626,546	1,464,491
1,931,145	2,126,353	1,593,667	2,682,213	2,552,826	2,108,419
1,935,294	2,184,617	1,530,629	2,352,001	2,483,001	2,351,077
6,271,740	6,829,731	4,930,009	7,786,400	9,117,006	8,476,344
4,046,727	4,393,048	3,111,946	5,754,459	6,525,875	6,746,291
67,371	130,744	76,802	130,288	366,699	422,699
1,261,473	1,351,624	938,338	1,492,499	1,780,718	1,972,822
2,794,187	2,942,211	3,087,009	3,075,072	2,908,181	3,098,834
5,746,504	5,997,147	4,803,193	7,098,022	7,589,065	6,923,853
3,955,992	4,315,441	3,861,508	4,371,801	4,707,026	4,210,331
3,339,681	4,082,942	3,073,986	4,094,256	4,585,909	4,218,465
8,761,763	9,329,370	7,879,459	10,094,402	11,830,787	12,946,367
361,066	377,468	424,889	688,565	680,862	850,878
2,265,949	2,603,464	2,307,625	2,815,807	3,898,249	3,269,064
815,466	973,505	616,331	1,002,886	1,173,873	936,122
12,307,683	12,017,106	14,085,772	15,446,748	12,794,886	17,744,605
1,417,599	320,831	1,223,629	261,152	-	-
-	-	-	-	-	-
118,366,773	126,781,089	101,338,203	144,677,300	161,110,728	159,418,220
562,388	566,394	604,849	655,083	755,873	772,490
3,023,031	3,258,332	3,180,944	3,070,943	2,330,055	1,344,009
2,515,875	2,567,586	2,741,209	2,939,390	2,388,039	484,777
461,277	489,433	460,985	550,015	523,856	224,075
-	-	-	-	-	-
99,008	105,560	103,833	118,877	126,494	695
9,720,657	8,215,605	(7,555,283)	18,504,169	18,090,460	22,486,186
15,819,848	14,636,516	(1,068,312)	25,183,394	23,458,904	24,539,742
540,404	577,388	654,118	706,761	558,003	671,300
28,848	29,719	32,497	33,402	45,463	47,815
\$ (102,540,061)	\$ (112,103,860)	\$ (102,324,749)	\$ (119,408,826)	\$ (137,804,231)	\$ (134,931,853)

Burleson Independent School District

General Revenues And Changes In Net Position

Last Ten Years

(*accrual basis of accounting*)

(Unaudited)

	2012	2013	2014	2015
Net (Expense)/Revenue				
Governmental Activities	\$ (88,795,779)	\$ (88,839,161)	\$ (91,464,170)	\$ (96,044,790)
Business-type Activities	(2,339)	(11,634)	7,241	38,313
	<u>\$ (88,798,118)</u>	<u>\$ (88,850,795)</u>	<u>\$ (91,456,929)</u>	<u>\$ (96,006,477)</u>
General Revenue and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Property Taxes, Levied for General Purposes	\$ 35,171,679	\$ 35,332,535	\$ 34,367,419	\$ 37,232,750
Property Taxes, Levied for Debt Service	16,855,823	16,919,470	16,495,771	17,896,527
State Aid - Unrestricted Formula Grants	30,548,650	31,980,677	38,320,076	42,264,958
Investment Earnings	80,209	83,777	57,588	58,632
Miscellaneous Local and Intermediate Revenue	1,266,642	923,169	1,581,129	1,689,255
Total Governmental Activities	<u>83,923,003</u>	<u>85,239,628</u>	<u>90,821,983</u>	<u>99,142,122</u>
Business-type Activities:	-	-	-	-
Total Business-type Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 83,923,003</u>	<u>\$ 85,239,628</u>	<u>\$ 90,821,983</u>	<u>\$ 99,142,122</u>
Change in Net Position				
Governmental Activities	\$ 687,798	\$ (3,556,151)	\$ 3,097,332	\$ 1,029,973
Business-type Activities	78,246	(11,634)	7,241	38,313
Total Change in Net Position	<u>\$ 766,044</u>	<u>\$ (3,567,785)</u>	<u>\$ 3,104,573</u>	<u>\$ 1,068,286</u>

Source: District's Financial Audit, Exhibit B-1

Schedule 3

2016	2017	2018	2019	2020	2021
\$ (102,546,925)	\$ (112,144,573)	\$ (102,406,515)	\$ (119,493,906)	\$ (137,651,824)	\$ (134,878,478)
6,864	40,713	81,766	85,080	(152,407)	(53,375)
<u>\$ (102,540,061)</u>	<u>\$ (112,103,860)</u>	<u>\$ (102,324,749)</u>	<u>\$ (119,408,826)</u>	<u>\$ (137,804,231)</u>	<u>\$ (134,931,853)</u>
\$ 37,793,546	\$ 39,179,085	\$ 48,692,234	\$ 52,882,627	\$ 53,982,021	\$ 56,142,675
18,104,303	18,733,850	20,963,615	22,463,135	25,234,174	26,976,669
46,369,557	53,075,316	53,159,874	51,524,236	64,798,129	61,455,084
213,369	351,980	1,501,201	2,558,767	1,193,675	103,366
1,096,123	957,418	896,023	831,670	587,058	677,185
<u>103,576,898</u>	<u>112,297,649</u>	<u>125,212,947</u>	<u>130,260,435</u>	<u>145,795,057</u>	<u>145,354,979</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 103,576,898</u>	<u>\$ 112,297,649</u>	<u>\$ 125,212,947</u>	<u>\$ 130,260,435</u>	<u>\$ 145,795,057</u>	<u>\$ 145,354,979</u>
\$ 153,076	\$ 22,806,432	\$ 10,766,529	\$ 10,766,529	\$ 8,143,233	\$ 10,476,501
6,864	40,713	81,766	85,080	(152,407)	(53,375)
<u>\$ 159,940</u>	<u>\$ 22,847,145</u>	<u>\$ 10,848,295</u>	<u>\$ 10,851,609</u>	<u>\$ 7,990,826</u>	<u>\$ 10,423,126</u>

Burleson Independent School District

Fund Balances, Governmental Funds

Last Ten Years

(modified accrual basis of accounting)

(Unaudited)

	2012	2013	2014	2015
General Fund				
Nonspendable	\$ 226,556	\$ 304,651	\$ 250,157	\$ 400,292
Committed	99,806	149,325	20,706	287,680
Unassigned	20,112,493	19,596,818	23,647,503	24,524,180
Total General Fund	20,438,855	20,050,794	23,918,366	25,212,152
All Other Governmental Funds				
Nonspendable	58,212	11,495	34,886	30,963
Committed	14,827,092	15,071,963	15,068,464	18,835,540
Restricted for:				
Debt Service	19,707,583	17,694,475	15,061,089	14,137,487
Capital Acquisitions	4,647,629	3,469,281	1,934,410	-
Grant Funds	396,979	241,104	312,276	181,750
Unassigned	-	-	-	-
Total All Other Governmental Funds	39,637,495	36,488,318	32,411,125	33,185,740
Total All Government Funds	\$ 60,076,350	\$ 56,539,112	\$ 56,329,491	\$ 58,397,892
Change in Fund Balance for Governmental Funds	\$ 3,097,504	\$ (3,537,238)	\$ (209,621)	\$ 2,068,401

Source: District's Financial Audit, Exhibit C-1

Schedule 4

2016	2017	2018	2019	2020	2021
\$ 278,233	\$ 270,614	\$ 752,698	\$ 686,121	\$ 270,642	\$ 313,401
161,186	-	-	-	-	-
22,000,000	22,981,552	24,829,426	27,481,804	35,952,065	35,909,306
<u>22,439,419</u>	<u>23,252,166</u>	<u>25,582,124</u>	<u>28,167,925</u>	<u>36,222,707</u>	<u>36,222,707</u>
27,825	8,114	4,225	5,147	482	8,655
15,422,545	11,696,613	15,430,133	19,858,055	23,433,993	25,140,090
13,088,136	13,542,177	16,125,004	16,280,074	16,186,289	20,982,247
-	-	48,074,312	21,632,688	1,942,748	1,288,102
181,239	432,066	289,830	1,317,519	546,817	472,943
-	-	(451.00)	(19,907)	-	(6,060)
28,719,745	25,678,970	79,923,053	59,073,576	42,110,329	47,885,977
<u>\$ 51,159,164</u>	<u>\$ 48,931,136</u>	<u>\$ 105,505,177</u>	<u>\$ 87,241,501</u>	<u>\$ 78,333,036</u>	<u>\$ 84,108,684</u>
<u>\$ (7,238,728)</u>	<u>\$ (2,228,028)</u>	<u>\$ 56,574,041</u>	<u>\$ (18,263,676)</u>	<u>\$ (8,908,465)</u>	<u>\$ 5,775,648</u>

Burleson Independent School District

Governmental Funds Revenues

Last Ten Years

(Unaudited)

	2012	2013	2014	2015
Local Sources:				
Local Maintenance and Debt Service Tax	\$ 52,371,892	\$ 52,219,304	\$ 51,003,758	\$ 55,150,878
Tuition from Patrons	-	-	-	-
Other Revenue from Local Sources	4,199,895	3,444,393	3,888,383	3,961,718
Other Revenue from Intermediate Sources	-	-	-	-
Co-curricular Revenues	3,309,125	3,020,855	3,695,172	3,834,222
Total Local Sources	59,880,912	58,684,552	58,587,313	62,946,818
State Programs:				
Per Capita and Foundation	27,372,818	28,670,064	38,320,076	38,654,135
Other State Program Revenues	4,741,181	4,034,466	1,362,739	4,375,445
Total State Programs	32,113,999	32,704,530	39,682,815	43,029,580
Federal Programs:				
State Distributed Revenues from Federal Source:	7,180,955	5,654,017	5,652,580	5,650,616
Total Federal Programs	7,180,955	5,654,017	5,652,580	5,650,616
Other Financing Sources:				
Bond Proceeds and Other	13,874,622	12,031,542	-	-
Total Revenues	\$ 113,050,488	\$ 109,074,641	\$ 103,922,708	\$ 111,627,014

Schedule 5

2016	2017	2018	2019	2020	2021
\$ 55,876,497	\$ 58,023,847	\$ 69,455,629	\$ 75,409,200	\$ 79,096,498	\$ 83,076,863
-	-	-	-	-	-
3,868,962	4,000,853	5,244,204	3,556,885	1,910,702	781,321
-	-	-	-	-	-
3,539,722	3,729,456	3,637,408	6,512,777	5,238,475	2,052,786
63,285,181	65,754,156	78,337,241	85,478,862	86,245,675	85,910,970
42,197,507	43,220,942	47,478,657	46,283,554	58,660,171	54,539,627
5,447,670	6,719,491	6,400,187	7,248,181	7,259,502	8,127,791
47,645,177	49,940,433	53,878,844	53,531,735	65,919,673	62,667,418
6,171,935	6,981,525	7,193,578	8,712,408	7,234,139	14,331,166
6,171,935	6,981,525	7,193,578	8,712,408	7,234,139	14,331,166
-	-	-	-	-	-
\$ 117,102,293	\$ 122,676,114	\$ 139,409,663	\$ 147,723,005	\$ 159,399,487	\$ 162,909,554

Burleson Independent School District

Governmental Funds Expenditures By Function

Last Ten Years

(modified accrual basis of accounting)

(Unaudited)

	2012	2013	2014	2015
Expenditures by Function				
Current				
Instruction	\$ 44,241,226	\$ 43,964,457	\$ 46,101,876	\$ 47,663,770
Instructional Resources & Media Services	1,053,707	1,083,010	1,132,587	1,083,901
Curriculum & Staff Development	1,273,094	1,282,555	1,223,021	1,325,555
Instructional Leadership	804,834	866,516	975,378	1,504,517
School Leadership	4,561,622	4,600,600	4,967,091	5,167,382
Guidance, Counseling, & Evaluation Services	2,721,542	2,860,732	3,044,477	3,171,903
Social Work Services	-	56,328	59,666	64,471
Health Services	959,767	986,455	926,800	987,154
Student (Pupil) Transportation	1,761,046	1,854,085	1,871,241	1,906,042
Food Services	4,138,943	4,850,615	4,947,288	5,329,987
Extracurricular Activities	2,819,380	3,015,594	3,130,083	3,831,252
General Administration	1,869,336	2,127,303	2,190,131	2,237,327
Plant Maintenance & Operations	7,453,681	8,559,424	8,133,280	8,563,837
Security & Monitoring Services	264,347	317,253	445,368	314,811
Data Processing Services	1,274,022	1,316,464	1,432,054	2,671,521
Community Services	784,338	648,288	687,546	675,254
Debt Service				
Principal on Long Term Debt	2,140,256	2,864,688	3,175,487	3,681,207
Interest on Long Term Debt	16,736,906	16,691,000	17,086,032	16,646,700
Bond Issuance Cost & Fees	3,800	276,535	128,539	5,000
Capital Outlay				
Facilities Acquisition & Construction	719,626	3,624,760	1,881,859	2,057,524
Intergovernmental				
Payments to Fiscal Agent/Member Districts of SSA	6,192	40,048	63,532	74,669
Payments to Juvenile Justice Alternative Ed. Prg.	10,625	158	7,426	1,501
Other Governmental Charges	418,146	384,873	392,948	605,045
Total Expenditures	\$ 96,016,436	\$ 102,271,741	\$ 104,003,710	\$ 109,570,330
Debt Service as a percentage of noncapital expenditures	19.81%	20.10%	19.97%	18.91%

Source: District's Financial Audit, Exhibit C-3

Schedule 6

2016	2017	2018	2019	2020	2021
\$ 53,309,040	\$ 56,467,397	\$ 58,660,695	\$ 61,284,765	\$ 67,437,574	\$ 68,768,758
1,117,396	1,104,506	1,214,937	1,222,463	1,310,211	1,246,747
1,785,669	1,921,224	2,059,987	2,281,472	2,094,882	1,806,611
1,727,316	1,898,780	2,107,065	1,902,576	1,899,607	1,952,774
5,552,533	5,831,744	6,085,281	6,386,549	7,141,193	7,119,167
3,603,519	3,811,342	4,148,683	4,716,545	5,000,153	5,723,668
67,334	112,998	102,198	104,419	298,147	387,154
1,114,998	1,152,675	1,149,998	1,233,103	1,407,400	1,698,364
2,783,872	3,168,025	3,091,861	3,065,297	2,894,233	3,087,765
5,408,386	5,569,599	5,818,384	6,190,883	6,428,351	6,000,807
3,886,937	4,138,485	4,600,657	4,081,357	4,285,988	3,993,994
2,411,313	3,032,695	2,683,287	2,809,421	3,080,072	2,913,772
8,276,005	8,569,359	8,759,561	9,381,953	10,577,204	12,067,318
360,600	373,960	432,796	685,302	676,648	849,922
2,155,227	2,457,573	2,463,185	2,588,814	3,572,587	3,026,137
781,105	868,096	885,924	874,163	990,935	834,072
5,967,905	7,735,000	11,715,000	13,590,000	14,337,322	6,401,159
14,074,789	12,429,774	13,115,431	15,245,611	14,998,056	16,054,250
1,417,599	320,831	1,223,629	261,152	247,959	272,809
8,639,262	3,525,032	12,974,599	52,523,770	19,588,450	11,972,967
67,632	93,471	100,967	39,862	29,227	20,525
1,343	-	-	2,322	-	-
627,746	637,407	702,052	771,182	794,109	820,737
<u>\$ 125,137,526</u>	<u>\$ 125,219,973</u>	<u>\$ 144,096,177</u>	<u>\$ 191,242,981</u>	<u>\$ 169,090,308</u>	<u>\$ 157,019,477</u>
18.42%	16.83%	19.87%	20.79%	19.62%	15.50%

Burleson Independent School District

Governmental Funds Other Source, Uses and Changes in Fund Balance

Last Ten Years

(modified accrual basis of accounting)

(Unaudited)

	2012	2013	2014	2015
Excess of revenues over (under) expenditures	\$ 3,159,430	\$ (5,228,642)	\$ (81,002)	\$ 2,056,624
Other Financing Sources (Uses)				
Capital Related Debt Issued (Regular Bonds)	-	8,575,000	-	-
Transfers In	13,874,622	1,505,006	-	-
Transfers Out	(13,973,422)	(1,505,006)	-	-
Premium or Discount on proceeds from debt	-	529,340	-	-
Prepaid Interest	-	-	-	-
Other Uses (Refunding Bonds)	-	(9,013,270)	-	-
Capital Leases	-	1,422,196	-	-
Non-Current Loans	-	-	-	-
Sale of Real and Personal Property	-	-	-	11,776
Payment to Refunded Bond Escrow Agent	-	-	-	-
Other (Uses)	-	-	-	-
Total Other Financing Sources (Uses)	(98,800)	1,513,266	-	11,776
Net Change in Fund Balances	\$ 3,060,630	\$ (3,715,376)	\$ (81,002)	\$ 2,068,400

Source: District's Financial Audit, Exhibit C-3

Schedule 7

2016	2017	2018	2019	2020	2021
\$ (8,035,233)	\$ (2,543,859)	\$ (4,686,514)	\$ (43,519,976)	\$ (9,690,821)	\$ 5,890,077
146,039,656	17,630,000	118,064,151	24,955,000	17,700,000	16,700,000
5,558,760	-	8,519,602	8,868,513	6,957,289	13,089,595
(5,558,760)	-	(8,519,602)	(8,868,513)	(6,957,289)	(13,089,595)
16,247,550	832,340	13,805,714	301,300	2,927,009	4,839,483
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	545,147	-
-	-	-	-	-	-
-	-	-	-	-	-
(161,490,701)	(18,146,509)	(70,609,310)	-	(20,389,800)	(21,653,912)
-	-	-	-	-	-
796,505	315,831	61,260,555	25,256,300	782,356	(114,429)
\$ (7,238,728)	\$ (2,228,028)	\$ 56,574,041	\$ (18,263,676)	\$ (8,908,465)	\$ 5,775,648

Burleson Independent School District**Schedule 8**

Assessed and Actual Value - Real and Personal Property
Last Ten Years
(Unaudited)

Tax Roll for Fiscal Year	Actual Value		Less Exemptions	Total Taxable Assessed Value	Total Direct Tax Rate ¹	Estimated Actual Value ²	Assessed Value to Total Estimated Actual Value
	Real Property	Personal Property					
2012	3,714,753,439	576,869,842	848,822,476	3,442,800,805	1.54000	4,291,623,281	80.22%
2013	3,895,626,794	409,373,981	870,534,656	3,434,466,119	1.54000	4,305,000,775	79.78%
2014	3,836,856,513	426,168,092	920,219,408	3,342,805,197	1.54000	4,263,024,605	78.41%
2015	4,218,002,480	423,228,388	1,002,131,898	3,639,098,970	1.54000	4,641,230,868	78.41%
2016	4,516,474,211	355,362,516	1,162,757,413	3,709,079,314	1.54000	4,871,836,727	76.13%
2017	4,802,189,112	391,474,242	1,313,296,869	3,880,366,485	1.54000	5,193,663,354	74.71%
2018	5,466,621,379	378,701,859	1,508,627,491	4,336,695,747	1.67000	5,845,323,238	74.19%
2019	6,034,776,812	400,800,003	1,663,337,441	4,772,239,374	1.67000	6,435,576,815	74.15%
2020	6,566,676,678	440,629,420	1,693,874,566	5,313,431,532	1.56835	7,007,306,098	75.83%
2021	7,020,359,836	512,961,229	1,792,836,340	5,740,484,725	1.53830	7,533,321,065	76.20%

Sources: Johnson and Tarrant County Appraisal District

¹Per \$100 of assessed value.

²Estimated actual value includes real property, personal property, and oil, gas, and other minerals.

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Burleson Independent School District

Property Tax Rates - Direct And Overlapping Governments

(Per \$100 Valuation)

Last Ten Years

(Unaudited)

	2012	2013	2014	2015
Burleson ISD:				
Maintenance and Operations	1.04000	1.04000	1.04000	1.04000
Interest and Sinking	0.50000	0.50000	0.50000	0.50000
Total	1.54000	1.54000	1.54000	1.54000
City of Burleson ¹	0.69	0.690	0.690	0.740
City of Fort Worth ¹	0.855	0.855	0.855	0.855
City of Crowley ¹	0.669019	0.669029	0.676448	0.765515
Johnson County ¹	0.3305	0.333229	0.371154	0.445
Tarrant County ¹	0.264	0.264	0.264	0.264
Tarrant County College District ¹	0.1376	0.1376	0.1495	0.1495
Tarrant County Hospital District ¹	0.22789	0.227897	0.227897	0.227897

Sources: Johnson County and Tarrant County Tax Office, District Records

¹Overlapping rates

Schedule 9

2016	2017	2018	2019	2020	2021
1.04000	1.04000	1.17000	1.17000	1.06835	1.03830
0.50000	0.50000	0.50000	0.50000	0.50000	0.50000
1.54000	1.54000	1.67000	1.67000	1.56835	1.53830
0.740	0.646	0.735	0.735	0.72	0.71
0.855	0.835	0.805	0.785	0.785	0.785
0.718061	0.703351	0.719	0.709	0.681992	0.699806
0.448	0.431713	0.4417	0.472	0.425	0.425
0.264	0.264	0.244	0.234	0.234	0.234
0.1495	0.1447	0.1401	0.1361	0.1302	0.1302
0.227897	0.227897	0.224429	0.224429	0.224429	0.224400

Burleson Independent School District

Schedule 10

Ten Largest Taxpayers
Current Year and Nine Years Ago
(Unaudited)

Principal Employer	Rank	2021		Rank	2012	
		2020-2021 Total Taxable Assessed Value ¹	Percentage of Total Taxable Assessed Value		2011-2012 Total Taxable Assessed Value ²	Percentage of Total Taxable Assessed Value
Burleson Gateway	1	\$ 54,842,884	0.96%			
Halliburton	2	34,629,175	0.61%			
Golden State Foods	3	32,595,438	0.57%			
Burleson Manufacturing	4	31,720,263	0.56%			
Welltower TCG	5	30,284,006	0.53%			
Wagner Smith	6	28,867,753	0.51%			
Abbey Burleson MF	7	21,675,415	0.38%			
McSquare18 LLC	8	21,300,000	0.37%			
Sun Trust Equipment Finance	9	21,272,113	0.37%			
Oncor	10	20,969,639	0.37%			
Chesapeake Exploration, Inc.				1	147,378,062	4.28%
XTO Energy				2	114,859,279	3.34%
Devon Energy Production				3	53,568,173	1.56%
Williams Production				4	49,091,732	1.43%
EOG Resources				5	48,355,445	1.40%
Barnett Gathering				6	37,176,238	1.08%
Southwestern Gas Pipeline				7	27,352,786	0.79%
EE Burleson				8	25,532,120	0.74%
Burleson Commons				9	15,469,801	0.45%
HEB Grocery				10	12,816,248	0.37%
		<u>\$ 298,156,686</u>	<u>5.24%</u>		<u>\$ 531,599,884</u>	<u>15.44%</u>

Source: Johnson and Tarrant County Appraisal District

1Total 2020-2021 taxable assessed value equals \$5,691,305,452

2Total 2011-2012 taxable assessed value equals \$3,442,800,805

Burleson Independent School District**Schedule 11**

Property Tax Levies and Collections
 Current Year and Last Ten Years
 (Unaudited)

Fiscal Year	Total Tax Levy	Collected Within Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount ¹	Percentage of Levy		Amount	Percentage of Levy
2012	52,139,195	51,129,246	98.06%	590,759	51,720,005	99.20%
2013	51,689,326	50,678,921	98.05%	528,909	51,207,830	99.07%
2014	50,307,825	49,439,770	98.27%	631,035	50,070,805	99.53%
2015	54,704,182	53,835,542	98.41%	465,112	54,300,654	99.26%
2016	55,572,864	54,656,414	98.35%	231,401	54,887,815	98.77%
2017	57,723,302	56,990,775	98.73%	330,566	57,321,341	99.30%
2018	69,065,299	68,012,167	98.48%	554,633	68,566,800	99.28%
2019	75,474,090	74,483,216	98.69%	62,364	74,545,580	98.77%
2020	78,984,203	77,772,434	98.47%	355,293	78,127,728	98.92%
2021	82,649,690	81,607,246	98.74%	460,256	82,067,502	99.30%

¹Collected amounts represent total collections before refunds.

Source: Johnson County Tax Office

Burleson Independent School District**Schedule 12**

Outstanding Debt by Type
 Last Ten Years
 (Unaudited)

Fiscal Year	General Obligation Debt	Accreted interest on Capital Appreciation Bonds and Premium on Bonds	Capital Leases	Notes Payables	Total Primary Government	Percentage of Personal Income	Per Capita
2012	312,862,942	25,180,886	-	-	338,043,828	25.24%	9,841
2013	310,441,243	24,364,535	979,175	-	335,784,953	24.07%	9,775
2014	307,661,941	26,463,747	582,990	-	334,708,678	22.16%	9,744
2015	304,395,852	24,703,067	167,874	-	329,266,793	21.10%	9,586
2016	296,800,852	39,757,407	-	-	336,558,259	20.68%	9,798
2017	288,945,852	38,695,411	-	-	327,641,263	18.52%	9,538
2018	329,205,852	51,604,472	-	-	380,810,324	20.29%	11,086
2019	340,570,852	49,916,805	-	-	390,487,657	19.34%	11,368
2020	324,055,852	48,158,883	320,503	-	372,535,238	N/A	10,852
2021	317,767,015	53,990,165	208,181	-	371,965,361	N/A	10,829

Source: District's Financial Audit, Notes on Long-Term Debt

Note 1: See Schedule 15 for personal income and population data.

Burleson Independent School District**Schedule 13**

Direct and Overlapping Governmental Activities Debt

June 30, 2021

(Unaudited)

Taxing Body	Net Debt Outstanding	As of	Percent Overlapping ¹	Amount Overlapping Net Debt
City of Burleson	\$ 139,580,000	6/30/2021	76.21%	\$ 106,373,918
City of Crowley	37,850,000	6/30/2021	3.23%	1,222,555
City of Fort Worth	972,335,000	6/30/2021	0.91%	8,848,249
Johnson County	18,340,000	6/30/2021	24.95%	4,575,830
Tarrant County	240,445,000	6/30/2021	0.87%	2,091,872
Tarrant County College District	264,175,000	6/30/2021	0.87%	2,298,323
Tarrant County Hospital District	14,495,000	6/30/2021	0.87%	126,107
Total Overlapping Net Debt	1,687,220,000			125,536,854
Burleson ISD	317,975,196	6/30/2021	100%	317,975,196
Total Direct and Overlapping Debt				\$ 443,512,050
Ratio of Total Direct and Overlapping Net Debt to 2021 Taxable Assessed Valuation \$5,691,305,452				9.29%

Source: City of Burleson, Johnson County Appraisal District, Tarrant County Appraisal District

¹The percentage of overlapping debt is estimated using taxable assessed property values.

Percentages were estimated by determining the portion of the overlapping taxing authority's taxable assessed value that is within the District boundaries and dividing it by the overlapping taxing authority's total taxable assessed value.

Burleson Independent School District

Ratio of Net General Debt to Taxable Assessed Valuation
and Net Bonded Debt Per Capita
Last Ten Years
(Unaudited)

Fiscal Year	Total Taxable Assessed Value	Assessment Ratio	Gross Bonded Debt Outstanding at Year End ¹	Reserve for Retirement of Bonded Debt	Net Bonded Debt Outstanding at Year End
2012	3,442,800,805	100%	312,862,942	14,477,247	298,385,695
2013	3,434,466,119	100%	310,441,243	12,422,722	298,018,521
2014	3,342,805,197	100%	307,661,941	9,769,564	297,892,377
2015	3,639,098,970	100%	304,395,852	8,618,796	295,777,056
2016	3,709,079,314	100%	296,800,852	9,175,735	287,625,117
2017	3,880,366,485	100%	327,280,798	9,166,835	318,113,963
2018	4,336,695,747	100%	380,810,324	11,030,385	369,779,939
2019	4,772,239,374	100%	340,570,852	9,889,126	314,166,726
2020	5,313,431,532	100%	324,055,852	8,261,801	315,794,051
2021	5,691,305,452	100%	371,757,180	14,494,832	357,262,348

Sources: Johnson and Tarrant County Appraisal District, District records

¹The District's bonded indebtedness consists of general obligation debt.

Schedule 14

Fiscal Year	Ratio Bonded Debt to Taxable Assessed Valuation	Estimated Population	Net Bonded Debt Per Capita	Taxable Assessed Value Per Capita
2012	8.67%	38,130	7,825	90,291
2013	8.68%	39,010	7,640	88,041
2014	8.91%	40,714	7,317	82,105
2015	8.13%	41,213	7,177	88,300
2016	7.75%	42,560	6,758	87,149
2017	8.20%	43,960	7,236	88,270
2018	8.53%	45,016	8,214	96,337
2019	6.58%	46,145	6,808	103,418
2020	5.94%	47,282	6,679	112,377
2021	6.28%	49,192	7,263	115,696

Burleson Independent School District
Demographic and Economic Statistics
Last Ten Years
(Unaudited)

Schedule 15

Fiscal Year	Population ¹	Personal Income ² (thousands of dollars)	Per Capita Personal Income ³	Unemployment Rate ⁴	Residential Units ⁵	Assessed Value of Residential Units ⁵	Average Assessed Value of Residential Units ⁵	Average Daily Attendance
2012	38,130	1,339,430	35,128	7.1%	18,043	2,207,991,229	122,374	9,704
2013	39,010	1,394,880	35,757	6.7%	18,377	2,237,896,377	121,777	9,990
2014	40,714	1,510,733	37,106	6.0%	18,583	2,330,451,271	125,408	10,186
2015	41,213	1,560,530	37,865	4.4%	18,745	2,479,984,947	132,301	10,389
2016	42,560	1,627,792	38,247	4.6%	18,932	2,660,145,544	140,511	10,804
2017	43,960	1,768,819	40,237	4.7%	19,473	3,092,091,053	158,789	11,226
2018	45,016	1,877,032	41,697	3.9%	19,934	3,365,082,959	168,811	11,487
2019	46,145	2,019,259	43,759	3.4%	20,130	3,971,138,527	197,275	11,735
2020	47,282	N/A	N/A	6.8%	20,616	4,362,004,914	211,583	12,088
2021	49,192	N/A	N/A	6.5%	20,925	4,650,803,995	222,261	12,370

Sources:

¹City of Burleson Annual Comprehensive Financial Report and United States Census Bureau

²Personal Income is the per capita income multiplied by the population

³Bureau of Economic Analysis. Personal income for Johnson County updated through 2019.

⁴US Department of Labor - Bureau of Labor Statistics

⁵Johnson County and Tarrant County Appraisal District

Burleson Independent School District**Schedule 16**

Principal Employers
Current Year and Five Years Ago
(Unaudited)

Principal Employer	Business Type	Rank	2020-2021		Rank	2015-2016	
			Number of Employees	Percentage of Total Employment		Number of Employees	Percentage of Total Employment
Burleson ISD	Education	1	1587	6.67%	1	1382	9.21%
Wal-Mart	Retail	2	550	2.31%	3	385	2.57%
City of Burleson	Municipality	3	516	2.17%	2	405	2.70%
H.E.B. Grocery Store	Grocery	4	450	1.89%	4	353	2.35%
Champion Buildings	Manufacturing	5	320	1.34%	5	175	1.17%
Sam's Club	Retail	6	175	0.74%	7	170	1.13%
KWS Manufacturing	Manufacturing	7	160	0.67%			
Kroger Marketplace	Retail	8	160	0.67%			
Basden Steel	Manufacturing	9	150	0.63%	8	150	1.00%
Golden State	Manufacturing	10	150	0.63%			
Target	Retail				6	175	1.17%
Lowe's	Retail				9	145	0.97%
Thomas Conveyor	Manufacturing				10	126	0.84%
			<u>4218</u>	<u>17.73%</u>		<u>3466</u>	<u>23.11%</u>

Source: City of Burleson and Annual Comprehensive Financial reports from the corresponding fiscal years.

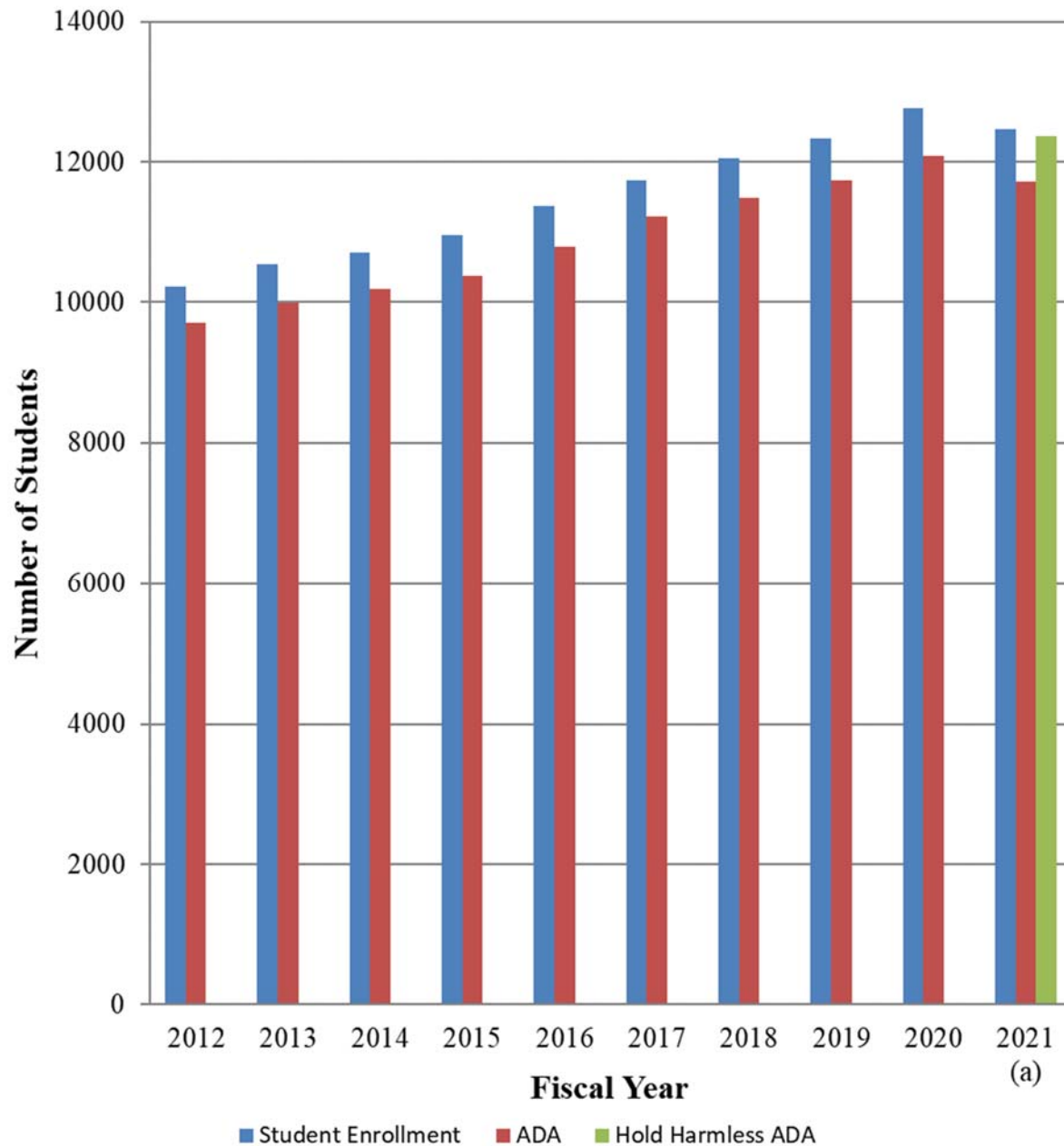
Burleson Independent School District

Schedule 17

Total Enrollment and Average Daily Attendance Data Chart

Last Ten Years

(Unaudited)



(a) The district's state funding is based on both enrollment and attendance. In recognition of the effects of the pandemic on both of those figures, TEA provided hold harmless funding if district maintained or increased current levels of on-campus attendance.

Burleson Independent School District
Full Time Equivalent Employees by Function
Last Nine Years
(Unaudited)

Schedule 18

	2013	2014	2015	2016	2017	2018	2019	2020	2021
Teaching									
Elementary Classroom Teachers	329	313	304	322	353	349	355	359	374
Secondary Classroom Teachers	260	323	324	344	374	386	388	407	417
Other Teachers	75	39	56	40	32	38	36	34	23
Total Teaching Staff	<u>664.00</u>	<u>675</u>	<u>684</u>	<u>706</u>	<u>759</u>	<u>773</u>	<u>780</u>	<u>800</u>	<u>813</u>
Support Staff									
Counselors	21	23	22	23	23	29	28	30	33
Therapists	16	17	17	17	19	19	21	20	22
Psychologists/Diagnosticians	16	16	15	17	20	13	16	15	19
Teacher Facilitators	7	8	8	14	13	12	13	11	13
Other Campus Professional	9	10	17	18	10	19	15	15	16
Other Non-Instructional	17	18	21	20	24	22	33	37	33
Athletic Trainer	3	3	2	4	3	5	4	3	3
Librarians	14	14	13	14	14	14	14	14	12
Nurses/Physicians	16	14	15	16	16	15	14	15	17
Total Support Staff	<u>119.00</u>	<u>123</u>	<u>130</u>	<u>143</u>	<u>142</u>	<u>148</u>	<u>157</u>	<u>160</u>	<u>168</u>
Administrative Staff									
Principals	15	15	14	15	17	17	17	18	18
Assistant Principals	25	24	26	26	26	28	30	27	28
Superintendent	1	1	1	1	1	1	1	1	1
Assistant Superintendent	1	1	2	2	2	1	0	1	1
Directors	11	13	15	14	19	13	12	10	9
Total Central Administration	<u>52.55</u>	<u>54</u>	<u>58</u>	<u>58</u>	<u>65</u>	<u>60</u>	<u>60</u>	<u>57</u>	<u>57</u>
Paraprofessional Staff									
Educational Aides	<u>121.75</u>	<u>119</u>	<u>128</u>	<u>126</u>	<u>134</u>	<u>155</u>	<u>150</u>	<u>136</u>	<u>144</u>
Auxiliary Staff									
Auxiliary	<u>390.00</u>	<u>363</u>	<u>369</u>	<u>349</u>	<u>382</u>	<u>399</u>	<u>404</u>	<u>408</u>	<u>404</u>
Total	<u>1,347</u>	<u>1,334</u>	<u>1,369</u>	<u>1,382</u>	<u>1,482</u>	<u>1,535</u>	<u>1,550</u>	<u>1,561</u>	<u>1,587</u>

Source: Texas Education Agency PEIMS Reports. Minor differences between this schedule and those on the internet are due to rounding.

Burleson Independent School District**Schedule 19**

Teacher Salary Data
Last Ten Years
(Unaudited)

<u>Fiscal Year</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>	<u>District Average Salary</u>	<u>Region Average Salary</u>	<u>State Average Salary</u>
2012	43,200	66,000	47,011	50,386	48,375
2013	43,200	66,000	47,795	51,130	48,821
2014	43,200	66,000	47,958	52,208	49,692
2015	46,000	67,200	49,601	53,291	50,715
2016	48,000	68,700	52,345	54,379	51,892
2017	49,000	69,700	53,322	55,194	52,525
2018	50,000	70,900	54,030	56,144	53,334
2019	51,000	71,609	54,961	56,985	54,122
2020	54,500	76,805	58,833	59,338	57,091
2021	55,500	77,273	59,532	60,025	57,641

Source: District Records and PEIMS Standards Report

Note 1: Minimum and Maximum Salary based on Bachelor's 187 Days.

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Burleson Independent School District

Operating Statistics

Last Ten Years

(Unaudited)

Fiscal Year	Total Enrollment	Average Daily Attendance	Operating Expenditures ¹	Cost Per Pupil	Percent Change	Operating Expenses	Cost Per Pupil
2012	10,160	9,705	75,980,885	7,829	2.09%	98,557,844	10,156
2013	10,457	9,990	78,814,758	7,890	0.77%	101,014,582	10,112
2014	10,618	10,186	81,731,793	8,024	1.70%	104,267,980	10,236
2015	10,805	10,389	87,023,734	8,377	4.40%	108,470,607	10,441
2016	11,376	10,804	94,337,802	8,731	4.24%	118,366,773	10,956
2017	11,748	11,226	100,028,328	8,910	2.05%	126,781,089	11,293
2018	12,054	11,487	104,797,465	9,123	2.39%	101,940,469	8,874
2019	12,340	11,735	109,436,472	9,326	2.22%	144,677,300	12,329
2020	12,775	12,088	119,918,521	9,921	6.38%	160,972,347	13,317
2021	12,474	12,370	122,011,446	9,863	-0.58%	159,418,216	12,887

Source: District's Financial Audit, Exhibit B-1 and C-3, District Records

¹Operating expenditures are total expenditures less debt service and capital outlays.

Percent Change	Teaching Staff	Pupil- Teacher Ratio	Percentage of Students Receiving Free or Reduced- Price Meals
-9.92%	652	14.9	37.0%
-0.43%	665	15.0	36.0%
1.23%	675	15.1	35.0%
2.00%	685	15.2	38.0%
4.93%	706	15.3	38.0%
3.09%	759	14.8	37.0%
-21.42%	772	14.9	37.0%
38.92%	780	15.1	39.0%
8.02%	800	15.1	39.0%
-3.23%	813	15.2	35.0%

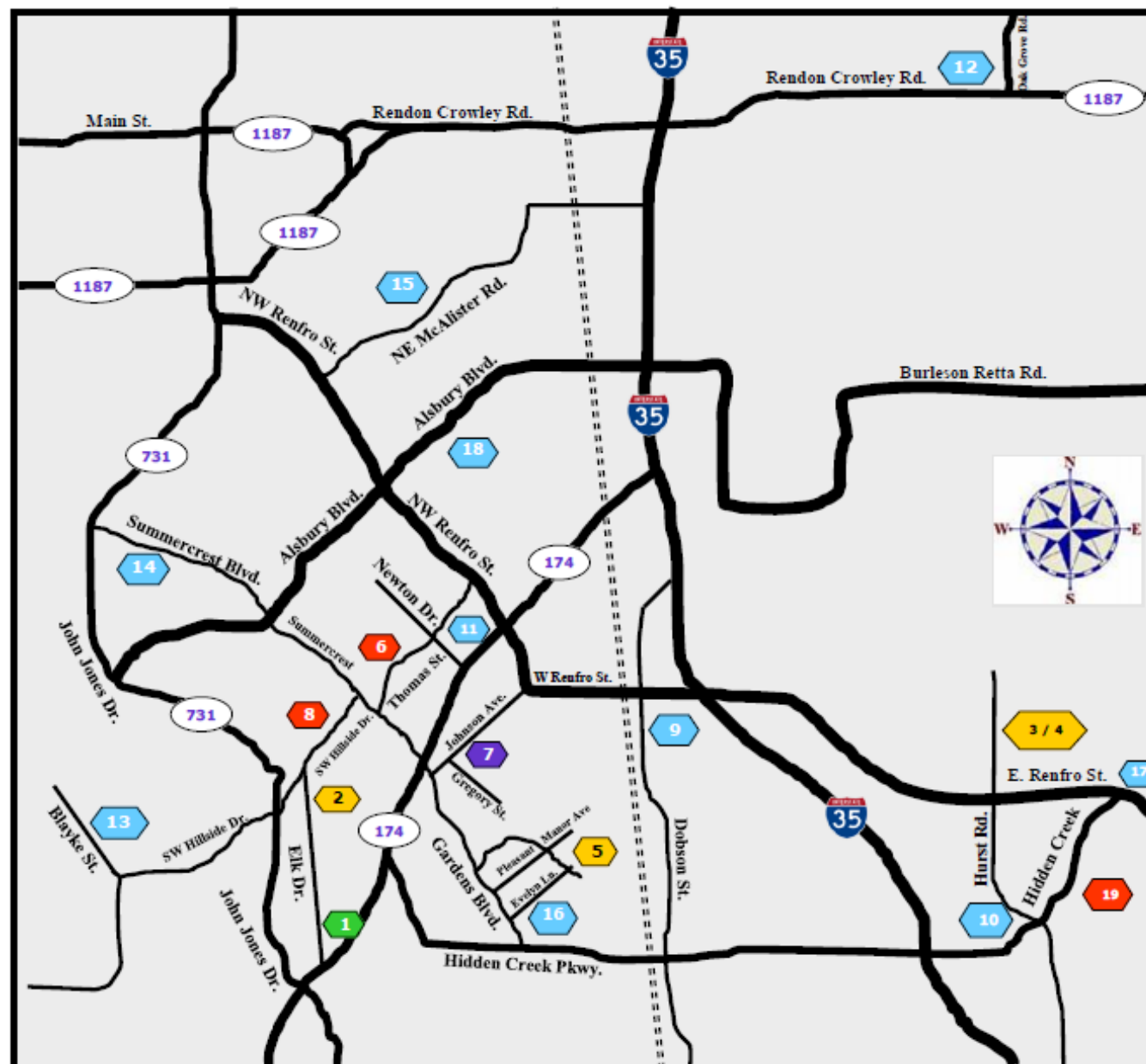
Burleson Independent School District

Schedule 21

School Building Information Last Ten Years (Unaudited)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Elementary										
# of Locations	10	10	10	10	10	10	10	10	10	10
Sq. Footage	854,479	854,479	854,479	854,479	854,479	854,479	854,479	854,479	854,479	854,479
Capacity	6,242	6,242	6,242	6,242	6,242	6,242	6,242	6,242	6,242	6,242
Enrollment	5,078	5,184	5,214	5,283	5,534	5,670	5,725	5,718	5,798	5,427
Middle Schools										
# of Locations	2	2	2	2	3	3	3	3	3	3
Sq. Footage	383,563	383,563	383,563	383,563	434,793	434,793	434,793	434,793	426,188	426,188
Capacity	2,200	2,200	2,200	2,200	2,700	2,700	2,700	2,700	3,300	3,300
Enrollment	2,331	2,342	2,388	2,446	2,571	2,750	2,896	3,011	2,827	2,839
High Schools										
# of Locations	3	3	3	3	3	4	4	4	4	4
Sq. Footage	947,947	947,947	947,947	947,947	947,947	947,947	947,947	947,947	947,947	947,947
Capacity	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150
Enrollment	2,750	2,931	3,016	3,076	3,271	3,328	3,433	3,611	3,853	3,856
Secondary Schools										
# of Locations									1	1
Sq. Footage									97,174	97,174
Capacity									600	600
Enrollment									297	352
Athletic Facilities										
Multi-purpose Buildings	1	1	1	1	1	1	1	1	2	2
Football fields	4	4	4	4	4	4	4	4	4	4
Running tracks	5	5	5	5	5	5	5	5	5	5
Ball Fields	4	4	4	4	4	4	4	4	4	4
Tennis Courts	28	28	28	28	28	28	28	28	28	28
Playgrounds	10	10	10	10	10	10	10	10	10	10
Administrative										
# of Locations	2	2	2	2	2	2	2	2	2	2
Sq. Footage	42,437	42,437	42,437	42,437	42,437	42,437	42,437	42,437	42,437	42,437
Agriculture Science Center										
Sq. Footage						28,900	28,900	28,900	28,900	28,900

Burleson ISD School Location Map



ADMINISTRATION

- 1** BISD Administration Bldg
160 SW Wilshire Blvd
817-245-1000

HIGH SCHOOLS

- 2** Burleson High School (001)
100 Elk Drive 817-245-0000
- 5** Crossroads High School (003)
505 Pleasant Manor 817-245-0500
- 3** Centennial High School (006)
201 N Hurst Rd 817-245-0250
- 4** Burleson Collegiate HS (007)
201 N Hurst Rd 817-245-1600

Secondary School

- 7** Realm (008)
517 SW Johnson Ave 817-245-1700

MIDDLE SCHOOLS

- 6** Hughes Middle School (041)
316 SW Thomas Street 817-245-0600
- 19** Kerr Middle School (042)
1320 E Hidden Creek Pkwy 817-245-0750
- 8** STEAM Middle School (043)
900 SW Hillside Dr 817-245-1500

ELEMENTARY SCHOOLS

- 9** Academy @ Nola Dunn (101)
201 S Dobson Street 817-245-3300
- 14** Frazier Elementary (102)
1125 NW Summercrest Blvd
817-245-3000
- 11** Academy of Leadership & Tech @ Mound (103)
205 SW Thomas St 817-245-3100
- 16** Norwood Elementary (104)
619 Evelyn Lane 817-245-3400
- 18** Taylor Elementary (105)
400 NE Alsbury Blvd 817-245-3200
- 17** STEAM Academy@Stribling(107)
1881 E Renfro Street 817-245-3500
- 10** Academy of Arts @ Bransom (108)
820 S Hurst Road 817-245-3600
- 15** Hajek Elementary (109)
555 NE McAlister Road 817-245-3700
- 12** Brock Elementary (110)
12000 Oak Grove Rd 817-245-3800
- 13** Clinkscale Elementary (111)
600 Blayke Street 817-245-3900

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Federal Awards Section

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**Independent Auditor's
Report on Internal Control over Financial Reporting
and on Compliance and Other Matters Based on
an Audit of Financial Statements Performed in Accordance
with *Government Auditing Standards***

Board of Trustees
Burleson Independent School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Burleson Independent School District (the District) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 8, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Weaver and Tidwell, L.L.P.
2821 West 7th Street, Suite 700 / Fort Worth, Texas 76107
Main: 817.332.7905

Board of Trustees
Burleson Independent School District

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
November 8, 2021



**Independent Auditor's Report on Compliance for Each
Major Federal Program and Report on Internal Control over
Compliance in accordance with the Uniform Guidance**

Board of Trustees
Burleson Independent School District

Report on Compliance for Each Major Federal Program

We have audited Burleson Independent School District's (the District) compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2021. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

Weaver and Tidwell, L.L.P.
2821 West 7th Street, Suite 700 / Fort Worth, Texas 76107
Main: 817.332.7905

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Fort Worth, Texas
November 8, 2021

Burleson Independent School District
Schedule of Findings and Questioned Costs
Year Ended June 30, 2021

Section I – Summary of Auditor’s Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weakness(es)? ☐ Yes ☒ None Reported
- Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiencies identified that are not considered to be material weakness(es)? ☐ Yes ☒ None Reported

An unmodified opinion was issued on compliance for all major programs.

- Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? ☐ Yes ☒ No

Identification of major programs:

10.553	School Breakfast Program ⁽¹⁾
10.553	COVID-19-Seamless Summer Option- School Breakfast Program ⁽¹⁾
10.555	National School Lunch Program - Cash Assistance ⁽¹⁾
10.555	COVID-19-Seamless Summer Option- National School Lunch Program- Cash Assistance ⁽¹⁾
10.555	National School Lunch Program- Non-Cash Assistance ⁽¹⁾
10.555	COVID-19 Emergency Operating Cost Reimbursement Program ⁽¹⁾
84.425D	COVID 19-ESSER II Grant (Cares Act)
84.425D	COVID-19-ESSER Grant (Cares Act)
84.425D	COVID-19-ESSER Grant (Cares Act)

(1) Child Nutrition Cluster

- Dollar threshold used to distinguish between type A and type B programs? \$750,000

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

Burleson Independent School District

Schedule of Findings and Questioned Costs – Continued
Year Ended June 30, 2021

Section II – Financial Statement Findings

There were no findings reported.

Section III – Federal Award Findings and Questioned Costs

There were no findings reported.

Burleson Independent School District
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2021

Exhibit K-1

(1) FEDERAL GRANTOR PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal Assistance Listing	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF DEFENSE			
<u>Direct Programs</u>			
Junior ROTC	12.000	126902	\$ 58,855
TOTAL DEPARTMENT OF DEFENSE			58,855
U.S. DEPARTMENT OF TREASURY			
<u>Direct Programs</u>			
Coronavirus Relief Fund	21.019	30004594	9,725
TOTAL DEPARTMENT OF TREASURY			9,725
U.S. DEPARTMENT OF EDUCATION			
<u>Passed Through State Department of Education</u>			
ESEA, Title I, Part A	84.010A	20610101126902	220,583
ESEA, Title I, Part A	84.010A	21610101126902	743,701
Total CFDA Number 84.010A			964,284
Special Education Cluster			
IDEA - Part B, Formula	84.027A ⁽¹⁾	206600011269026000	323,213
IDEA - Part B, Formula	84.027A ⁽¹⁾	216600011269026000	1,059,934
Total CFDA Number 84.027A			1,383,147
IDEA - Preschool	84.173 ⁽¹⁾	206610011269026000	9,427
IDEA - Preschool	84.173 ⁽¹⁾	216610011269026000	26,614
Total CFDA Number 84.173			36,041
Total Special Education Cluster			1,419,188
Career and Technical - Basic Grant	84.048	21420006126902	91,356
Total CFDA Number 84.048			91,356
Title III, Part A - English Language Acquisition	84.365A	20671001126902	17,426
Title III, Part A - English Language Acquisition	84.365A	21671001126902	57,792
Total CFDA Number 84.365A			75,218
Title II, Part A - Teacher & Principal Training	84.367A	20694501126902	94,227
Title II, Part A - Teacher & Principal Training	84.367A	21694501126902	56,121
Total CFDA Number 84.367A			150,348
ESEA, Title VI, Part A - Subpart 1	84.424A	21680101126902	40,522
Total CFDA Number 84.424A			40,522
COVID-19-ESSER II GRANT (CARES ACT)	84.425D	21521001126902	3,799,610
COVID-19-ESSER GRANT (CARES ACT)	84.425D	52102135	557,370
COVID-19-ESSER GRANT (CARES ACT)	84.425D	20521001126902	452,133
Total CFDA Number 84.425D			4,809,113
ESEA, Title VI, Part A - Summer School LEP	84.369A	69551902	7,657
Total CFDA Number 84.369A			7,657
Total Passed Through State Department of Education			7,557,686
TOTAL DEPARTMENT OF EDUCATION			7,557,686

Burleson Independent School District
Schedule of Expenditures of Federal Awards - Continued
Year Ended June 30, 2021

Exhibit K-1

(1) FEDERAL GRANTOR PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal Assistance Listing	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through State Department of Agriculture</u>			
Child Nutrition Cluster:			
COVID-19-School Breakfast Program	10.553 ⁽²⁾	71402001	133,773
School Breakfast Program	10.553 ⁽²⁾	71402101	935,055
Total CDFA Number 10.553			<u>1,068,828</u>
COVID-19 National School Program Lunch - Cash Assistance	10.555 ⁽²⁾	71302001	381,650
National School Program Lunch - Cash Assistance	10.555 ⁽²⁾	71302101	3,132,038
National School Program Lunch - Non-Cash Assistance	10.555 ⁽²⁾	71301001	<u>501,244</u>
COVID-19-Emergency Operating Cost Reimbursement Program	10.555 ⁽²⁾		<u>186,616</u>
Total CDFA Number 10.555			<u>4,201,548</u>
Total Passed Through the State Department of Agriculture			<u>5,270,376</u>
TOTAL DEPARTMENT OF AGRICULTURE			5,270,376
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 12,896,642</u>
Texas Division of Emergency Management			131,123
Donation of Federal Surplus Personal Property			913
School Health & Related Services (SHARS) ⁽³⁾			<u>1,302,488</u>
TOTAL FEDERAL REVENUES, RECONCILED TO EXHIBIT C-3			<u>\$ 14,331,166</u>

(1) Reported as Special Education Cluster, as required by Compliance Supplement August 2021

(2) Reported as Child Nutrition Cluster, as required by Compliance Supplement August 2021

(3) Amounts not considered federal financial assistance subject to requirements in accordance with Uniform Guidance

Note 1. Basis of Presentation

The District uses the fund types specified in the Texas Education Agency's *Financial Accountability System Resource Guide*. Special Revenue Funds are used to account for resources restricted to specific purposes by a grantor. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Government Fund types are accounted for using a current financial resources measurement focus. All federal grants were accounted for in a Special Revenue Fund or the General Fund which are Governmental Fund types. With this measurement focus, only current assets, deferred outflows, current liabilities, deferred inflows and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in fund balance. The modified accrual basis of accounting is used for the Governmental Fund types. This basis of accounting recognizes revenues on the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as deferred revenues until earned.

Note 2. Basis of Funding

The District participates in numerous state and federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at June 30, 2021, may be impaired. In the opinion of the District, there are not significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions has been recorded in the accompanying financial statements for such contingencies. Generally, unused balances are returned to the grantor at the close of specified project periods.

Note 3. Food Donation

Nonmonetary assistance is reported in the Schedule of Expenditures of Federal Awards at the fair market value of the commodities received and disbursed. As of June 30, 2021, the District recognized food commodities totaling \$501,244 with a remaining \$8,386 in inventory.

Note 4. Indirect Cost Rate

The District elected not to use the 10% de minimis cost indirect cost rate.