

# BURLESON ISD

## ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED  
JUNE 30, 2022  
BURLESON, TEXAS



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**Independent School District  
Burleson, Texas**



**Annual Comprehensive Financial Report**  
For the Fiscal Year Ended June 30, 2022

Prepared by:  
Brenda Mize, Chief Financial Officer

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**Burleson Independent School District**  
Annual Comprehensive Financial Report

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For the Year Ended June 30, 2022  
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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](http://www.burlesonisd.net)**

November 14, 2022

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 150<sup>th</sup> 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 of 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, 2022 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 approximately 12,532 students. The District provides 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 this with limited English proficiency. BISD employs approximately 1,598 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 2021. The Board of Trustees held the required public meeting on June 14, 2021, to discuss the proposed tax rate of \$.9946 maintenance and operations (General Fund) + \$.50 interest and sinking (Debt Service Fund) = \$1.4946 per \$100 taxable valuation, however no action was taken. The Board of Trustees held the required public meeting on September 13, 2021, to discuss and adopt the 2021 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, and the NAFTA corridor that supports North American manufacturing. The city surrounds this massive commerce pipeline, providing over nine miles of interstate frontage. 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 16.1% in 2021 over the prior year. New home starts grew by 220. Prices in Burleson's housing market typically exceed regional averages due to quality of life and have increased the growth in population and employment. Burleson has been progressive in attracting businesses for economic development to diversify its tax base, as well as establishing development agreements within its extraterritorial jurisdiction to manage growth strategically outside its current borders.

### State Funding Components

- Maintenance and Operations Tax Rate – \$0.9946
- Interest and Sinking Tax Rate – \$0.50
- Basic Allotment – \$6,160
- Per Capita Rate – \$510.890

### State Accountability System

The 85th Texas Legislature passed House Bill (HB) 22, establishing three domains for measuring the academic performance of districts and campuses: Student Achievement, School Progress, and Closing the Gaps. Districts will receive a rating of A, B, C, D, or F for overall performance, as well as for the performance in each domain. The District received an overall rating of B.

### 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, 2021. 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**

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

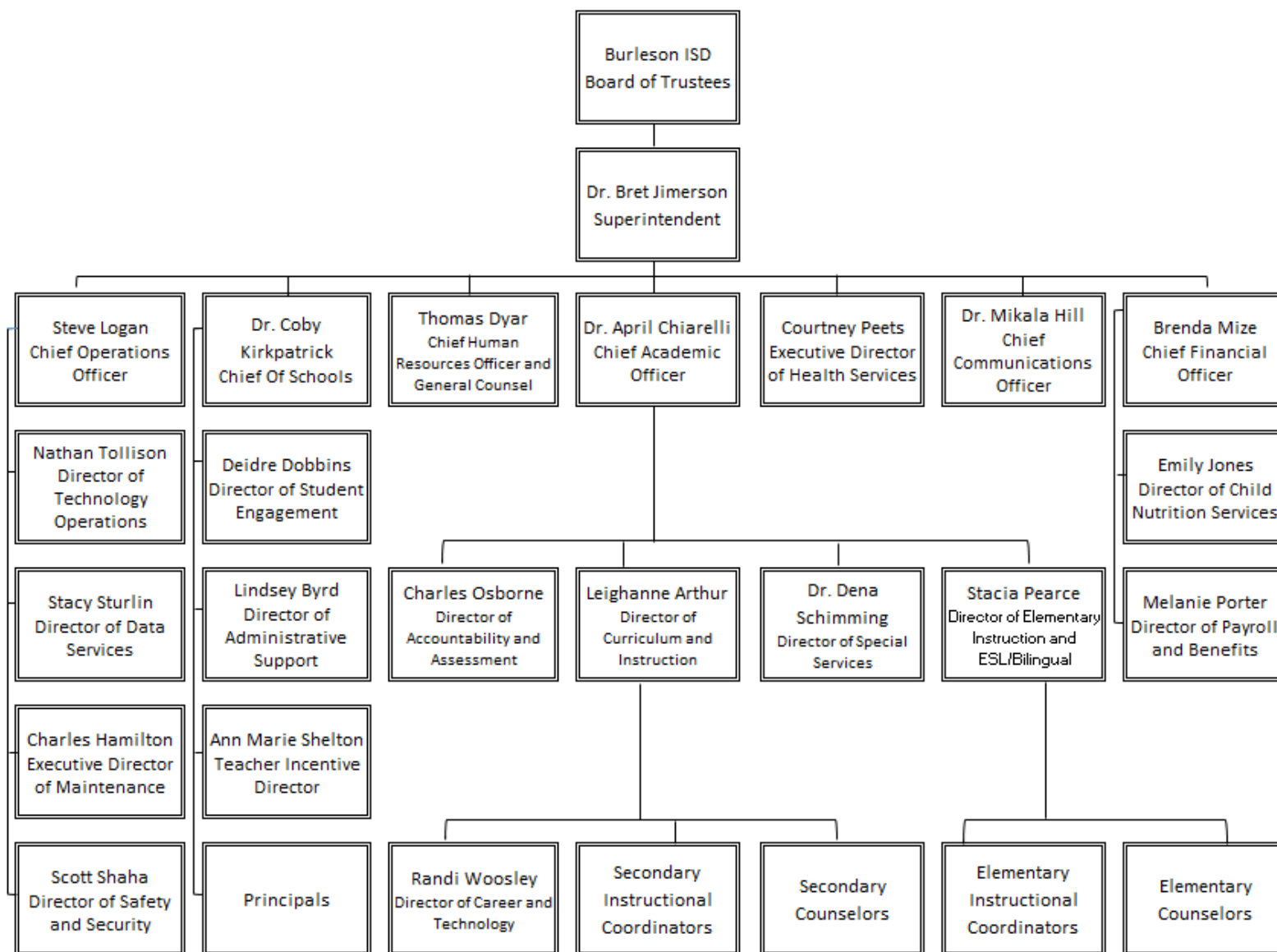
**Administrative Staff**

Dr. Bret Jimerson .....	Superintendent of Schools
Dr. April Chiarelli .....	Chief Academic Officer
Thomas Dyar .....	Chief Human Resources Officer and General Counsel
Charles Hamilton .....	Executive Director of Facilities
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
Underwood Law Firm.....	Legal Counsel
SAMCO Capital.....	Financial Advisor
McCall, Parkhurst & Horton.....	Bond Counsel

# BURLESON ISD





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Burleson Independent School District  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2021

*Christopher P. Morill*

Executive Director/CEO

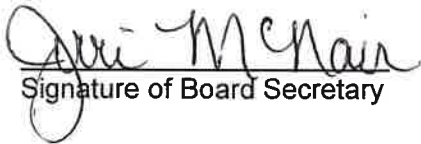
### Certificate of the Board

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, 2022 at a meeting of the Board of Trustees of such school district on the 14<sup>th</sup> day of November, 2022.

  
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 Audit of the Financial Statements

#### *Opinions*

We have audited 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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, 2022, 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.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Emphasis of Matter*

As discussed in Note 4 to the basic financial statements, during the year ended June 30, 2022, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

As discussed in Note 18 to the basic financial statements, the fund balance of the District as of June 30, 2022, have been restated to reflect an adjustment. Our opinion is not modified with respect to this matter.

#### *Responsibilities of Management for the Financial Statements*

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***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 *on pages 7-13 and 69-77* be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.



### ***Supplementary 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, statistical section *and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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 was derived from and relates 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.

### ***Other Information included in the Annual Comprehensive Financial Report (ACFR)***

Management is responsible for the other information included in the ACFR. The other information comprises the introductory section and statistical section but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statement, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 14, 2022 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 solely 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 the effectiveness of 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 14, 2022

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**BURLESON INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2022  
(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, 2022. 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 assets and deferred outflows of Burleson Independent School District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$15,809,447 (net position). Unrestricted net position was (\$33,166,755) as of June 30, 2022.
- The District's total net position increased by \$24,830,317 which is due to an increase in charges for services, property tax revenue and decrease in expenses.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$88,135,060. Approximately 33% of this total amount, \$29,409,212, 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 \$29,409,212 or 26% of the total general fund expenditures.
- The District's Enterprise Fund net position increased by \$62,343 from operations with net position of \$183,150. Increase in the Enterprise Fund was a result of the daycare resuming to normal operations from COVID.

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, 2022, assets and deferred outflows exceed liabilities and deferred inflows by \$15.8 million with an increase in net position of \$24,830,317 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, 2022, the District's restricted net position for grant funds was \$2,453,976 and restricted net position for debt service was \$21 million. As of June 30, 2022, 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 \$33.2 million.

The net investment in capital assets is \$25.5 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, 2022 and fiscal year ended June 30, 2021:

	Governmental Activities		Business-type Activities		Total	
	2022	Restated 2021	2022	Restated 2021	2022	Restated 2021
Current and other assets	\$ 108,560,854	\$ 105,718,773	\$ 323,897	\$ 207,076	\$ 108,884,751	\$ 105,925,849
Capital assets	350,037,614	338,547,126	-	-	350,037,614	338,547,126
Long term investments	975,367	250,931	-	-	975,367	250,931
<b>Total assets</b>	<b>459,573,835</b>	<b>444,516,830</b>	<b>323,897</b>	<b>207,076</b>	<b>459,897,732</b>	<b>444,723,906</b>
Deferred outflow of resources	34,794,485	37,191,856	-	-	34,794,485	37,191,856
Current Liabilities	24,265,406	25,341,244	140,747	86,269	24,406,153	25,427,513
Long-term liabilities	413,683,430	436,859,712	-	-	413,683,430	436,859,712
<b>Total liabilities</b>	<b>437,948,836</b>	<b>462,200,956</b>	<b>140,747</b>	<b>86,269</b>	<b>438,089,583</b>	<b>462,287,225</b>
Deferred inflow of resources	40,793,187	28,649,407	-	-	40,793,187	28,649,407
<b>Net position</b>						
Net investment in capital assets	25,472,654	6,835,778	-	-	25,472,654	6,835,778
Restricted	23,503,548	14,967,775	-	-	23,503,548	14,967,775
Unrestricted	(33,349,905)	(30,945,230)	183,150	120,807	(33,166,755)	(30,824,423)
<b>Total net position</b>	<b>\$ 15,626,297</b>	<b>\$ (9,141,677)</b>	<b>\$ 183,150</b>	<b>\$ 120,807</b>	<b>\$ 15,809,447</b>	<b>\$ (9,020,870)</b>

Table I presents a summary of the changes in net position for the fiscal year ended June 30, 2022 with a comparison to the restated fiscal year ended June 30, 2021. Net position of the District's governmental activities increased \$24.8 million from (\$9.1M) in the prior year.

Revenue in the business-type activities exceeded costs, resulting in a \$62,343 increase in net position. This increase is primarily due to resuming to normal operations from COVID.

### Government Activities

As shown in Table II, the cost of all governmental activities for the current fiscal year was \$144,313,863. 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 \$86,495,758 because some of the costs were paid by those who directly benefited from the programs (\$4,044,222) or by other governments and organizations that subsidized certain programs with grants and contributions offset by NECE contributions related to OPEB (\$18,042,389) or by State equalization funding (\$59,432,188).

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues						
Charges for Services	\$ 4,044,222	\$ 2,053,556	\$ 753,175	\$ 671,300	\$ 4,797,397	\$ 2,724,856
Operating grants and contributions	18,042,389	22,486,186	50,143	47,815	18,092,532	22,534,001
General Revenues						
Maintenance and operations taxes	57,722,680	56,142,675	-	-	57,722,680	56,142,675
Debt service taxes	28,773,078	26,976,669	-	-	28,773,078	26,976,669
State aid	59,432,188	61,455,084	-	-	59,432,188	61,455,084
Investment Earnings	190,159	103,366	-	-	190,159	103,366
Miscellaneous	877,121	677,185	-	-	877,121	677,185
Total Revenue	169,081,837	169,894,721	803,318	719,115	169,885,155	170,613,836
Expenses						
Instruction, curriculum and media services	73,642,506	85,250,468	-	-	73,642,506	85,250,468
Instructional and school leadership	9,688,042	10,827,421	-	-	9,688,042	10,827,421
Student support services	11,899,031	12,240,646	-	-	11,899,031	12,240,646
Child nutrition	7,199,693	6,923,853	-	-	7,199,693	6,923,853
Extracurricular activities	4,623,556	4,210,331	-	-	4,623,556	4,210,331
General administration	3,884,700	4,218,465	-	-	3,884,700	4,218,465
Plant maintenance, security & data processing	17,024,069	17,066,309	-	-	17,024,069	17,066,309
Community Services	988,576	936,122	740,975	772,490	1,729,551	1,708,612
Debt service	15,363,690	17,744,605	-	-	15,363,690	17,744,605
Intergovernmental charges	-	-	-	-	-	-
Total Expenses	144,313,863	159,418,220	740,975	772,490	145,054,838	160,190,710
Excess (deficit) before transfers	24,767,974	10,476,501	62,343	(53,375)	24,830,317	10,423,126
Transfers in (out)	-	-	-	-	-	-
Change in net position	24,767,974	10,476,501	62,343	(53,375)	24,830,317	10,423,126
Net position at beginning of year	(9,141,677)	(19,618,178)	120,807	174,182	(9,020,870)	(19,443,996)
<b>Net position at end of year</b>	<b>\$ 15,626,297</b>	<b>\$ (9,141,677)</b>	<b>\$ 183,150</b>	<b>\$ 120,807</b>	<b>\$ 15,809,447</b>	<b>\$ (9,020,870)</b>

The increase in net position resulted primarily from an increase in property tax revenue, charges for services and decrease in expense.

Revenues for the District's governmental activities decreased just over \$812,000 for the year ended June 30, 2022. Approximately 51% of the District's revenues came from property taxes, with an additional 46% derived from state funding formulas and federal grants. Last fiscal year 49% of the District's revenues came from property taxes and 49% came from state funding formulas and federal grants.

Expenses for the District's governmental activities decreased over prior year \$15.1million for the year ended June 30, 2022. The majority of the District's governmental activities expenses (74.2%) pay for direct instructional and student support services and for plant maintenance, security and data processing (11.8%). The remainder (14%) 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 \$88,135,060, which is \$4,928,320 more than last year's, restated, total of \$83,206,740. Included in this year's total change in fund balance is an increase of \$6,955,017 in the District's Debt Service Fund and an increase of \$2,075,851 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 2021). 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 \$29,683,069 reported on pages 20 does not differ from the General Fund's budgetary fund balance of \$29,683,069 reported in the budgetary comparison schedule on page 69. This is principally due to a board approval of a resolution to move excess funds to Capital Projects in the amount of \$15,125,030.

The debt service fund has a total fund balance of \$27,937,264, 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, 2022 were \$22,634,152.

The capital projects fund has a total fund balance of \$25,906,314 all of which is committed for authorized construction and technology projects/enhancements. The net increase in fund balance during the current year of \$2,075,851 was primarily due to the transfer from General Fund of \$15,125,030 and the expenditure of funds in completing construction projects in the amount of \$13,769,629.

The day care fund has total net position of \$183,150, after recording an increase of \$62,343 for the year.

## **Capital Assets and Debt Administration**

### Capital Assets

At June 30, 2022, the District had \$350,037,614 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 \$11,490,488 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 \$400,075,201 in bonds and other long-term liabilities outstanding (including accreted interest on bonds) versus \$424,296,265 last year-a decrease of \$24,221,064. This decrease was largely driven by bond reduction, refundings and leases. 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	\$ 12,229,213
Buildings	426,818,823
Furniture and equipment	9,981,689
Right-to-use asset	3,558,308
Construction in progress	<u>7,922,969</u>
Total capital assets	<u>460,511,002</u>
Less accumulated depreciation	<u>(110,473,388)</u>
Related debt	
Bonds payable and leases	311,153,302
Premium on capital appreciation bonds	29,937,294
Less deferred loss on refunding	<u>(16,525,636)</u>
Net related debt	<u>324,564,960</u>
Unspent bond proceeds	<u>-</u>
<b>Net investment in capital assets</b>	<u><u>\$ 25,472,654</u></u>

Net position: Net Investment in Capital Assets

At June 30, 2022, the District had invested \$350,037,614 in capital assets with \$324,564,960 from debt financing. The net position of \$25,472,654 is derived from netting the total assets, net of related debt with accumulated depreciation (non-cash expenditure) resulting in a current year calculation of \$25,472,654 for Net Investment in Capital Assets.

### **Economic Factors and Next Year's Budgets and Rates**

- The General Fund budgeted expenditures for the 2022-2023 year increased \$6.7 million compared to the 2021-2022 budgeted expenditures.
- The District decreased the maintenance and operations property tax rate at \$0.9429 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 \$2.5 million and State foundation funding decreased by \$1.7 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, 2022

# Exhibit A-1

Control Data Codes		Primary Government		
		Governmental Activities	Business-Type Activities	Total
ASSETS				
1110	Cash and temporary investments	\$ 89,819,038	\$ 245,499	\$ 90,064,537
1220	Property taxes receivable (delinquent)	2,191,736	-	2,191,736
1230	Allowance for uncollectible taxes	(261,585)	-	(261,585)
1240	Due from other governments	16,531,445	-	16,531,445
1290	Other receivables, net	-	78,398	78,398
1300	Inventories	61,182	-	61,182
1410	Prepaid expenses	219,038	-	219,038
	Capital assets:			
1510	Land	12,229,213	-	12,229,213
1520	Buildings, net	323,138,189	-	323,138,189
1530	Furniture and equipment and right-to-use assets, net	6,747,243	-	6,747,243
1580	Construction in progress	7,922,969	-	7,922,969
1910	Long term investments	975,367	-	975,367
1000	Total assets	459,573,835	323,897	459,897,732
DEFERRED OUTFLOWS OF RESOURCES				
1700	Deferred loss on refunding	16,525,636	-	16,525,636
1705	Deferred outflows - pension	9,367,108	-	9,367,108
1706	Deferred outflows - OPEB	8,901,741	-	8,901,741
	Total deferred outflows of resources	34,794,485	-	34,794,485
LIABILITIES				
2110	Accounts payable	3,177,151	60,650	3,237,801
2140	Accrued interest payable	7,485,471	-	7,485,471
2150	Payroll deductions and withholdings	1,444,632	5,615	1,450,247
2160	Accrued wages payable	11,122,494	74,482	11,196,976
2180	Due to other governments	904,045	-	904,045
2300	Unearned revenues	131,613	-	131,613
	Noncurrent liabilities:			
2501	Due within one year	13,608,229	-	13,608,229
2502	Due in more than one year:	351,455,212	-	351,455,212
2540	Net pension liability	15,912,770	-	15,912,770
2545	OPEB liability	32,707,219	-	32,707,219
2000	Total liabilities	437,948,836	140,747	438,089,583
DEFERRED INFLOWS OF RESOURCES				
2605	Deferred inflows - pension	18,039,902	-	18,039,902
2606	Deferred inflows - OPEB	22,753,285	-	22,753,285
	Total deferred inflows of resources	40,793,187	-	40,793,187
NET POSITION				
3200	Net investment in capital assets	25,472,654	-	25,472,654
3820	Restricted for federal and state programs	2,453,976	-	2,453,976
3850	Restricted for debt service	21,049,572	-	21,049,572
3900	Unrestricted net position	(33,349,905)	183,150	(33,166,755)
3000	TOTAL NET POSITION	\$ 15,626,297	\$ 183,150	\$ 15,809,447

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

# Burleson Independent School District

## Statement of Activities

Year Ended June 30, 2022

Data Control Codes		Program Revenues		
		Expenses	Charges for Services	Operating Grants and Contributions
	<b>PRIMARY GOVERNMENT</b>			
	Governmental activities			
11	Instruction	\$ 70,294,426	\$ 2,916,901	\$ 3,242,412
12	Instructional resources and media services	1,274,911	-	19,514
13	Curriculum and staff development	2,073,169	-	220,887
21	Instructional leadership	2,219,435	-	180,498
23	School leadership	7,468,607	-	277,048
31	Guidance, counseling and evaluation services	6,281,720	-	466,942
32	Social work services	473,361	-	129,012
33	Health services	1,704,556	-	35,149
34	Student (pupil) transportation	3,439,394	-	74,564
35	Food services	7,199,693	601,151	12,171,687
36	Extracurricular activities	4,623,556	444,554	356,860
41	General administration	3,884,700	-	53,927
51	Plant maintenance and operations	12,967,688	81,616	215,487
52	Security and monitoring services	1,024,823	-	118,890
53	Data processing services	3,031,558	-	45,733
61	Community services	988,576	-	392,059
72	Debt service - interest on long term debt	15,363,690	-	41,720
	Total governmental activities	144,313,863	4,044,222	18,042,389
	Business-type activities			
	Child care	740,975	753,175	50,143
	Total business-type activities	740,975	753,175	50,143
[TP]	<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 145,054,838</b>	<b>\$ 4,797,397</b>	<b>\$ 18,092,532</b>
	Data Control Codes	General revenues		
		Taxes		
	MT	Property taxes, levied for general purposes		
	DT	Property taxes, levied for debt service		
	SF	State aid - formula grants, unrestricted		
	IE	Investment earnings		
	MI	Miscellaneous revenue		
	TR	Total general revenues		
	CN	Change in net position		
	NB	Net position, beginning		
	NE	<b>NET POSITION, ending</b>		

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

**Net (Expense) Revenue and Changes in Net Position**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (64,135,113)	\$ -	\$ (64,135,113)
(1,255,397)	-	(1,255,397)
(1,852,282)	-	(1,852,282)
(2,038,937)	-	(2,038,937)
(7,191,559)	-	(7,191,559)
(5,814,778)	-	(5,814,778)
(344,349)	-	(344,349)
(1,669,407)	-	(1,669,407)
(3,364,830)	-	(3,364,830)
5,573,145	-	5,573,145
(3,822,142)	-	(3,822,142)
(3,830,773)	-	(3,830,773)
(12,670,585)	-	(12,670,585)
(905,933)	-	(905,933)
(2,985,825)	-	(2,985,825)
(596,517)	-	(596,517)
(15,321,970)	-	(15,321,970)
(122,227,252)	-	(122,227,252)
-	62,343	62,343
-	62,343	62,343
\$ (122,227,252)	\$ 62,343	\$ (122,164,909)
57,722,680	-	57,722,680
28,773,078	-	28,773,078
59,432,188	-	59,432,188
190,159	-	190,159
877,121	-	877,121
146,995,226	-	146,995,226
24,767,974	62,343	24,830,317
(9,141,677)	120,807	(9,020,870)
\$ 15,626,297	\$ 183,150	\$ 15,809,447

**Burleson Independent School District**

## Balance Sheet – Governmental Funds

June 30, 2022

<b>Data Control Codes</b>		<b>10 General Fund</b>	<b>50 Debt Service Fund</b>
<b>ASSETS</b>			
1110	Cash and temporary investments	\$ 36,439,449	\$ 27,942,373
1220	Property taxes receivable (delinquent)	1,521,598	670,138
1230	Allowance for uncollectible taxes	(179,964)	(81,621)
1240	Due from other governments	14,181,965	-
1260	Due from other funds	1,910,289	-
1300	Inventories	54,819	-
1410	Prepaid items	219,038	-
1910	Long term investments	975,367	-
1000	Total assets	55,122,561	28,530,890
1000A	<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 55,122,561</b>	<b>\$ 28,530,890</b>
<b>LIABILITIES</b>			
2110	Accounts payable	\$ 810,612	\$ -
2150	Payroll deductions and withholdings	1,390,466	-
2160	Accrued wages payable	10,278,311	-
2170	Due to other funds	9,014,037	-
2181	Due to state	898,580	5,109
2300	Unearned revenues	-	-
2000	Total liabilities	22,392,006	5,109
<b>DEFERRED INFLOWS OF RESOURCES</b>			
2600	Deferred revenue and property taxes	3,047,486	588,517
<b>FUND BALANCES</b>			
	Nonspendable		
3410	Inventories	54,819	-
3430	Prepaid items	219,038	-
	Restricted		
3480	Debt service	-	27,937,264
3470	Capital acquisitions	-	-
3450	Grant funds	-	-
	Committed		
3545	Other purposes	-	-
3600	Unassigned	29,409,212	-
3000	Total fund balances	29,683,069	27,937,264
4000	<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 55,122,561</b>	<b>\$ 28,530,890</b>

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



**EXHIBIT C-1**

<b>60 Capital Projects</b>	<b>Other Funds</b>	<b>Total Governmental Funds</b>
\$ 20,087,853	\$ 4,354,884	\$ 88,824,559
-	-	2,191,736
-	-	(261,585)
-	2,349,480	16,531,445
8,150,210	860,012	10,920,511
-	6,363	61,182
-	-	219,038
-	-	975,367
<u>28,238,063</u>	<u>7,570,739</u>	<u>119,462,253</u>
<u><u>\$ 28,238,063</u></u>	<u><u>\$ 7,570,739</u></u>	<u><u>\$ 119,462,253</u></u>
\$ 2,295,230	\$ 62,053	\$ 3,167,895
437	53,729	1,444,632
15,326	828,857	11,122,494
20,756	1,885,718	10,920,511
-	356	904,045
-	131,613	131,613
<u>2,331,749</u>	<u>2,962,326</u>	<u>27,691,190</u>
-	-	3,636,003
-	6,363	61,182
-	-	219,038
-	-	27,937,264
-	-	-
-	2,453,976	2,453,976
25,906,314	2,148,074	28,054,388
-	-	29,409,212
<u>25,906,314</u>	<u>4,608,413</u>	<u>88,135,060</u>
<u><u>\$ 28,238,063</u></u>	<u><u>\$ 7,570,739</u></u>	<u><u>\$ 119,462,253</u></u>

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

Reconciliation of the Governmental Funds Balance Sheet  
to the Statement of Net Position  
June 30, 2022

<b>TOTAL FUND BALANCES - GOVERNMENTAL FUNDS</b>	\$ 88,135,060
Capital assets used in governmental activities are not financial resources; therefore are not reported in the fund financial statements.	460,511,002
Accumulated depreciation is not reported in the fund financial statements.	(110,473,388)
Bonds payable, leases and accumulated sick leave benefits are not reported in the fund financial statements.	(311,575,901)
Net pension liability is not reported in the fund financial statements.	(15,912,770)
Net OPEB liability is not reported in the fund financial statements.	(32,707,219)
Accreted interest on capital appreciation bonds is not reported in the fund financial statements.	(23,299,080)
Bond premiums on outstanding bonds payable are not recorded in the fund financial statements.	(29,937,294)
Deferred loss on bond refunding has not been reflected in the fund financial statements.	16,525,636
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.	(7,485,471)
Property tax and other revenue reported as deferred inflows in the fund financial statements is recognized as revenue in the government-wide financial statements.	3,636,003
Deferred outflows of resources for pension related liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.	9,367,108
Deferred inflows of resources for pension related liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.	(18,039,902)
Deferred outflows of resources for OPEB related liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.	8,901,741
Deferred inflows of resources for OPEB related liabilities are recognized in the government-wide statements but are not recorded in the fund financial statements.	(22,753,285)
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.	734,057
<b>NET POSITION of GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 15,626,297</u></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, 2022

<b>Data Control Codes</b>		<b>10 General Fund</b>	<b>50 Debt Service Fund</b>
	<b>REVENUES</b>		
5700	Local and intermediate sources	\$ 58,633,240	\$ 28,988,375
5800	State program revenues	58,956,092	600,794
5900	Federal program revenues	2,315,141	-
5020	Total revenues	119,904,473	29,589,169
	<b>EXPENDITURES</b>		
	Current		
0011	Instruction	63,382,332	-
0012	Instructional resources and media services	1,230,245	-
0013	Curriculum and instructional staff development	1,565,197	-
0021	Instructional leadership	1,810,580	-
0023	School leadership	6,770,107	-
0031	Guidance, counseling and evaluation services	5,200,810	-
0032	Social work services	175,797	-
0033	Health services	1,827,677	-
0034	Student (pupil) transportation	3,437,609	-
0035	Food services	851	-
0036	Extracurricular activities	4,001,618	-
0041	General administration	2,957,325	-
0051	Facilities maintenance and operations	12,484,745	-
0052	Security and monitoring services	783,671	-
0053	Data processing services	3,033,857	-
0061	Community services	120,002	-
	Debt service		
0071	Principal on long-term debt	1,902,989	8,040,416
0072	Interest on long-term debt	-	14,582,986
0073	Bond issuance cost and fees	-	10,750
	Capital outlay		
0081	Facilities acquisition and construction	-	-
	Intergovernmental		
0093	Payments to fiscal agent/member districts of SSA	-	-
0099	Other intergovernmental charges	836,469	-
6030	Total expenditures	111,521,881	22,634,152
1100	Excess (deficiency) of revenues over (under) expenditures	8,382,592	6,955,017
7900	<b>OTHER FINANCING SOURCES (USES)</b>		
7913	Proceeds from right-to-use assets	202,800	-
7915	Transfers in	-	-
8911	Transfers out	(15,125,030)	-
7080	Total other financing sources (uses)	(14,922,230)	-
1200	Net change in fund balances	(6,539,638)	6,955,017
0100	<b>FUND BALANCE at July 1 (beginning), as restated</b>	36,222,707	20,982,247
3000	<b>FUND BALANCE at June 30 (ending)</b>	\$ 29,683,069	\$ 27,937,264

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

<b>60 Capital Projects</b>	<b>Other Funds</b>	<b>Total Governmental Funds</b>
\$ 709,840	\$ 3,485,059	\$ 91,816,514
10,610	865,502	60,432,998
-	15,896,613	18,211,754
720,450	20,247,174	170,461,266
-	5,694,098	69,076,430
-	19,469	1,249,714
-	486,559	2,051,756
-	395,743	2,206,323
-	542,270	7,312,377
-	1,019,392	6,220,202
-	294,000	469,797
-	43,046	1,870,723
-	-	3,437,609
-	7,326,847	7,327,698
-	706,628	4,708,246
31,345	1,278	2,989,948
435,979	73,488	12,994,212
6,462	235,578	1,025,711
240	-	3,034,097
-	950,417	1,070,419
-	-	9,943,405
-	-	14,582,986
-	-	10,750
13,295,603	-	13,295,603
-	21,271	21,271
-	-	836,469
13,769,629	17,810,084	165,735,746
(13,049,179)	2,437,090	4,725,520
-	-	202,800
15,125,030	-	15,125,030
-	-	(15,125,030)
15,125,030	-	202,800
2,075,851	2,437,090	4,928,320
23,830,463	2,171,323	83,206,740
\$ 25,906,314	\$ 4,608,413	\$ 88,135,060

**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, 2022

<b>TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS</b>	\$ 4,928,320
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.	16,647,548
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.	(8,778,413)
Gain on disposal of assets is not recognized in the governmental funds since no current financial resources are used. The net effect of this is to increase net position.	3,621,353
The current year refunding of bonds and 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.	(202,800)
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.	-
Current year long-term debt principal payments on bonds payable and leases are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.	9,835,055
The change in current year accretion on capital appreciation bonds is not reflected in the fund financial statements.	(1,036,055)
Outstanding debt in the government-wide financial statements, including leases, in the fund financial statements.	(336,201)
The current year lease of capital equipment is 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.	(2,810,361)
The change in other long-term debt for local leave payable is not recognized in the fund financial statements.	147,730
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.	761,008
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.	1,238,322
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.	129,564
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.	-
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.	1,789,846
Current year deferred loss on refunding associated with bonds payable is reported net of amortization on the government-wide financial statements.	(1,079,194)
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.	(87,748)
<b>CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES</b>	<u><u>\$ 24,767,974</u></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, 2022

**Exhibit D-1**

	Business-type Activities Enterprise Fund Day Care Fund	Governmental Activities Internal Service Fund Insurance Fund
<b>ASSETS</b>		
Current assets		
Cash and temporary investments	\$ 245,499	\$ 994,479
Other receivables	78,398	-
Total current assets	323,897	994,479
<b>TOTAL ASSETS</b>	323,897	994,479
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	60,650	9,256
Payroll deductions and withholdings	5,615	-
Accrued wages payable	74,482	-
Claims payable	-	186,589
Total current liabilities	140,747	195,845
Noncurrent liabilities		
Claims payable	-	64,577
Total noncurrent liabilities	-	64,577
<b>TOTAL LIABILITIES</b>	140,747	260,422
<b>NET POSITION</b>		
Unrestricted	183,150	734,057
<b>TOTAL NET POSITION</b>	\$ 183,150	\$ 734,057

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, 2022

	<b>Business-type Activities Enterprise Fund Day Care Fund</b>	<b>Governmental Activities Internal Service Fund Insurance Fund</b>
<b>OPERATING REVENUES</b>		
Charges for services	\$ 753,175	\$ 253,379
Total operating revenues	753,175	253,379
<b>OPERATING EXPENSES</b>		
Personnel services	670,456	-
Contractual services	9,486	-
Utilities	25,605	-
Other supplies and expenses	31,836	-
Other operating costs	3,592	341,127
Total operating expenses	740,975	341,127
Operating income (loss)	12,200	(87,748)
<b>NONOPERATING REVENUES</b>		
State on-behalf revenue	50,143	-
Total nonoperating revenue	50,143	-
Income (loss) before contributions and transfers	62,343	(87,748)
Change in net position	62,343	(87,748)
<b>TOTAL NET POSITION, beginning</b>	120,807	821,805
<b>TOTAL NET POSITION, ending</b>	\$ 183,150	\$ 734,057

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, 2022

**Exhibit D-3**

	<b>Business-type Activities Enterprise Fund Day Care Fund</b>	<b>Governmental Activities Internal Service Fund Insurance Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers and interfund services	\$ 751,411	\$ 253,379
Payments to suppliers	(10,611)	(330,604)
Payments to employees	(625,743)	-
Net cash provided by (used in) operating activities	115,057	(77,225)
Net increase (decrease) in cash and temporary investments	115,057	(77,225)
<b>BALANCES, beginning of the year</b>	130,442	1,071,704
<b>BALANCES, end of the year</b>	\$ 245,499	\$ 994,479
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Operating income (loss)	\$ 12,200	\$ (87,748)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities		
State on-behalf revenue	50,143	-
Change in assets and liabilities		
Other receivables	(1,764)	-
Accounts payable	59,908	2,103
Payroll deductions and withholdings	(599)	-
Accrued wages payable	(4,831)	-
Claims payable	-	8,420
Net cash provided by (used in) operating activities	\$ 115,057	\$ (77,225)

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, 2022

	<b>Private Purpose Trust Fund</b>	<b>Custodial Fund</b>
<b>ASSETS</b>		
Cash and temporary investments	\$ 32,918	\$ 155,107
Accounts receivable	-	966
Total assets	<u>\$ 32,918</u>	<u>\$ 156,073</u>
<b>LIABILITIES</b>		
Accounts payable	\$ -	\$ 1,618
Due to other governments	-	17
Total liabilities	<u>-</u>	<u>1,635</u>
<b>Total Net Position</b>	<u><u>\$ 32,918</u></u>	<u><u>\$ 154,438</u></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, 2022

	<b>Private Purpose Trust Fund</b>	<b>Custodial Fund</b>
<b>ADDITIONS</b>		
Miscellaneous revenue from student activities	\$ 560	\$ 228,145
Total additions	560	228,145
<b>DEDUCTIONS</b>		
Supplies	750	179,411
Contracted services	-	9,215
Total deductions	750	188,626
Change in net position	(190)	39,519
<b>NET POSITION</b>		
Net position, beginning	33,108	114,919
<b>NET POSITION, ending</b>	<u>\$ 32,918</u>	<u>\$ 154,438</u>

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 non-fiduciary 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 non-operating 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-2 and J-3.

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, 2022, 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 non-spendable 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 non-spendable 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

**Leases**

The District is a lessee for non-cancellable leases of property and equipment. The District recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more.

## **Burleson Independent School District**

### **Notes to the Basic Financial Statements**

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the District determined (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

The District monitors changes in circumstances that would require a re-measurement of its leases and will re-measure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

### **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.

Fund balance categories are Non-spendable 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.

## **Burleson Independent School District**

### **Notes to the Basic Financial Statements**

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**

Oil and gas royalties are generally payable to the District when production begins at which time revenue is considered earned and is therefore recognized. 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. 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 was implemented in the District's 2022 financial statements with no impact to amounts reported under previous standards.

#### **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.

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, 2022 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 assets 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 assets 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).

## **Burleson Independent School District**

### **Notes to the Basic Financial Statements**

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 \$1,341,634 and \$588,517 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.

#### **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.

## Burleson Independent School District

### Notes to the Basic Financial Statements

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, 2022 are classified in the accompanying financial statements as follows:

Primary government	\$ 91,039,904
Fiduciary funds	188,025
	<hr/>
	\$ 91,227,929
	<hr/>

Cash and investments as of June 30, 2022 consist of the following:

Cash	\$ 8,196,008
Temporary investments	82,056,554
Long term investments	975,367
	<hr/>
	\$ 91,227,929
	<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.

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: \$20,486,147;
- Largest cash, savings, and certificate of deposit combined account balance amounted to \$16,403,090 and occurred during October 2021;
- 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, 2022, 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.

## Burleson Independent School District

### Notes to the Basic Financial Statements

*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, 2022, 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.

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.

## Burleson Independent School District

### Notes to the Basic Financial Statements

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.

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, 2022	Percent of Total Investments	Weighted Average Maturity (Days)	Credit Risk
Investments measured at amortized cost				
Investment pools				
TexPool	\$ 46,280,052	56%	46	AAAm
Lonestar	35,030,800	42%	39	AAA
Other investments				
Certificates of deposit	1,721,069	2%	-	AAAm
<b>Total</b>	<b>\$ 83,031,921</b>	<b>100%</b>		
Portfolio weighted average maturity			<b>42</b>	

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, 2022, was as follows:

	Restated Balance June 30, 2021	Additions/ Completions	(Retirements)/ Adjustments	Balance June 30, 2022
Governmental activities				
Capital assets not being depreciated/amortized				
Land	\$ 12,228,033	\$ 1,180	\$ -	\$ 12,229,213
Construction in progress	10,455,543	7,298,369	(9,830,943)	7,922,969
Total capital assets not being depreciated/amortized	22,683,576	7,299,549	(9,830,943)	20,152,182
Capital assets being depreciated/amortized				
Buildings	411,142,802	5,845,078	9,830,943	426,818,823
Right-to-use leased equipment	545,147	3,013,161	-	3,558,308
Furniture and equipment	9,526,362	489,760	(34,433)	9,981,689
Total assets being depreciated/amortized	421,214,311	9,347,999	9,796,510	440,358,820
Less accumulated depreciation/amortized for				
Buildings	(97,011,287)	(8,321,896)	1,652,549	(103,680,634)
Right-to-use leased equipment	(9,086)	(9,086)	-	(18,172)
Furniture and equipment	(8,330,388)	(447,431)	2,003,237	(6,774,582)
Total accumulated depreciation/amortized	(105,350,761)	(8,778,413)	3,655,786	(110,473,388)
Total capital assets being depreciated/amortized, net	315,863,550	569,586	13,452,296	329,885,432
<b>Governmental activities capital assets, net</b>	<b>\$ 338,547,126</b>	<b>\$ 7,869,135</b>	<b>\$ 3,621,353</b>	<b>\$ 350,037,614</b>



## Burleson Independent School District

### Notes to the Basic Financial Statements

Depreciation/amortization expense was charged as direct expense as follows:

Governmental activities	
Instruction	\$ 5,865,925
Instructional resources and media services	101,224
Curriculum and staff development	133,404
Instructional leadership	164,397
School leadership	638,587
Guidance, counseling and evaluation services	482,619
Social services	16,749
Health services	146,404
Student (pupil) transportation	5,100
Food services	280,757
Extracurricular activities	21,065
General administration	220,014
Plant maintenance and operations	558,763
Security and monitoring services	145
Data processing services	132,058
Community services	11,202
	<hr/>
<b>Total depreciation/amortization expense - governmental activities</b>	<b>\$ 8,778,413</b>

#### Note 4. Long-Term Debt

Long-term debt includes par bonds, capital appreciation (deep discount) serial bonds, lease payable 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, 2022 as follows:

	Interest Rate Payable	Amounts Outstanding 7/1/2021	Issued Current Year	Refunded Current Year	Interest Accretion	Retired	Amounts Outstanding 6/30/2022	Due Within One Year
Bond indebtedness								
1995 Refunding bonds	5.90-5.95%	\$ 47,015	\$ -	\$ -	\$ -	\$ 15,416	\$ 31,599	\$ 12,650
2011 School building and refunding bonds	2.00-5.00%	4,190,000	-	-	-	335,000	3,855,000	-
2012 School building and refunding bonds	.057-3.00%	7,045,000	-	-	-	230,000	6,815,000	230,000
2015 School building and refunding bonds	2.00-5.00%	15,515,000	-	-	-	2,265,000	13,250,000	2,375,000
2016 School building and refunding bonds	2.00-5.00%	117,945,000	-	-	-	400,000	117,545,000	410,000
2017 School building and refunding bonds	2.00-5.00%	14,595,000	-	-	-	760,000	13,835,000	785,000
2017 School building bonds	4.00-5.00%	40,545,000	-	-	-	835,000	39,710,000	880,000
2017A School building and refunding bonds	3.00-6.00%	63,965,000	-	-	-	965,000	63,000,000	1,020,000
2018 School building bonds	5.00%	19,685,000	-	-	-	-	19,685,000	-
2020 School building and refunding bonds	2.00-5.00%	17,535,000	-	-	-	2,015,000	15,520,000	2,125,000
2020 Taxable school building and refunding bonds	1-2.812%	16,700,000	-	-	-	220,000	16,480,000	25,000
<b>Total bonded indebtedness</b>		<b>317,767,015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,040,416</b>	<b>309,726,599</b>	<b>7,862,650</b>

The following is a summary of the changes in the District's long-term debt for the year ended June 30, 2022:

	Beginning Balance	Additions	Refunded	Reductions	Ending Balance	Due within One Year
Governmental activities						
Building bonds	\$ 60,230,000	\$ -	\$ -	\$ 835,000	\$ 59,395,000	\$ 880,000
Refunding bonds	47,015	-	-	15,416	31,599	12,650
Building and Refunding bonds	257,490,000	-	-	7,190,000	250,300,000	6,970,000
Accreted interest on						
Capital appreciation bonds	22,263,025	1,036,055	-	-	23,299,080	2,392,350
Premium on bonds	31,727,140	-	-	1,789,846	29,937,294	1,789,846
Accumulated unpaid						
sick leave benefits	570,329	34,639	-	182,369	422,599	45,716
Leases	208,181	3,013,161	-	1,794,639	1,426,703	1,331,078
Claims payable	242,746	81,185	-	72,765	251,166	186,589
Net Pension Liability	32,468,110	970,418	-	17,525,758	15,912,770	-
Net OPEB Liability	31,613,166	4,800,323	-	3,706,270	32,707,219	-
<b>Total other obligations</b>	<b>\$ 436,859,712</b>	<b>\$ 9,935,781</b>	<b>\$ -</b>	<b>\$ 33,112,063</b>	<b>\$ 413,683,430</b>	<b>\$ 13,608,229</b>

## 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
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	11,070,000	11,539,229	22,609,229
2028-2032	62,440,000	50,610,287	113,050,287
2033-2037	80,010,000	31,535,787	111,545,787
2038-2042	92,210,000	14,403,385	106,613,385
2043-2047	29,255,000	3,504,250	32,759,250
	<u>\$ 309,726,599</u>	<u>\$ 167,597,641</u>	<u>\$ 477,324,240</u>

The 1995 and 2011 bond series include Capital Appreciation Bonds. No interest is paid on these bonds prior to maturity. The bonds mature variously in 2022 through 2041. 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, 2022.

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

### Lease Payable

The District has entered into multiple lease agreements as lessee. The leases allow the right-to-use equipment over the term of the lease. The District is make monthly or annual payments at its incremental borrowing rate or the interest rate stated or implied within the leases. The lease rate, term and ending liability are as follows:

Governmental activities	Interest Rate(s)	Liability at Commencement	Ending Balance
Copiers	4%	\$ 306,744	\$ 156,380
Computers	4%	2,515,019	1,018,952
Scoreboard	1.489%	208,182	110,674
Other leases	4%	<u>191,397</u>	<u>140,697</u>
		\$ 3,221,342	\$ 1,426,703

## Burleson Independent School District

### Notes to the Basic Financial Statements

The future principal and interest lease payments as of June 30, 2022, were as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 1,331,078	\$ 55,062	\$ 1,386,140
2024	46,875	3,825	50,700
2025	48,750	1,950	50,700
	<u>\$ 1,426,703</u>	<u>\$ 60,837</u>	<u>\$ 1,487,540</u>

The value of the right-to-use assets at the end of the current fiscal year was \$3,558,308 and had accumulated amortization of \$18,172.

#### 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 2022 fiscal year was based was \$6,125,438,813. 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, 2022 to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$.99460 and \$0.50 per \$100 valuation, respectively, for a total of \$1.4946 per \$100 valuation.

Current tax collections for the year ended June 30, 2022 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, 2022, property taxes receivable, net of estimated uncollectible taxes, totaled \$1,341,634 and \$588,517 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.

## **Burleson Independent School District**

### Notes to the Basic Financial Statements

#### **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 TRS' fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the internet at [https://www.trs.texas.gov/Pages/anout\\_archive\\_cafr.aspx](https://www.trs.texas.gov/Pages/anout_archive_cafr.aspx); by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

##### **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.

## Burleson Independent School District

### Notes to the Basic Financial Statements

Rates for such plan fiscal years are as follows:

	Contribution Rates	
	2022	2021
Member	8.0%	7.7%
Non-employer contributing entity (state)	7.5%	7.5%
Employers (District)	7.5%	7.5%

The contribution amounts for the District's fiscal year 2022 as follows:

Employer #0442	2022
Employer contributions	\$ 2,666,541
Member contributions	6,747,582
NECE on-behalf contributions	4,539,872

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.
- Public education employer contribution – all public schools, charter schools and regional education service centers must contribute 1.6% of the member's salary beginning in September 1, 2020, gradually increasing to 2.0% on September 1, 2024.

## 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, 2020. Update procedures were used to roll forward the total pension liability to August 31, 2021 and was determined using the following actuarial methods and assumptions:

Valuation Date	August 31, 2020 rolled forward to August 31, 2021
Actuarial cost method	Individual entry age normal
Asset valuation method	Fair Value
Single discount rate	7.25%
Long-term expected rate of return	7.25
Municipal bond rate as of August 2020	1.95%. 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)	2120
Inflation	2.30%
Salary increases	3.05% to 9.05% including inflation
Ad hoc postemployment benefit changes	None
Active mortality rates	Based on 90 percent of the RP 2014 Employee Mortality Tables for males and females with full generational mortality. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy 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, 2017 and adopted in July 2018.

#### 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.

## Burleson Independent School District

### Notes to the Basic Financial Statements

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:

<b>Asset Class*</b>	<b>Target Allocation**</b>	<b>Long-Term Expected Geometric Real Rate of Return***</b>	<b>Expected Contribution to Long Term Portfolio Returns</b>
Global Equity			
U.S.	18%	3.60%	0.94%
Non-U.S. Developed	13%	4.40%	0.83%
Emerging Markets	9%	4.60%	0.74%
Private Equity	14%	6.30%	1.36%
Stable Value			
Government Bonds	16%	-0.20%	0.01%
Absolute return	0%	1.10%	0.00%
Stable value hedge funds	5%	2.20%	0.12%
Real Return			
Real Estate	15%	4.50%	1.00%
Energy, natural resources and inflation	6%	4.70%	0.35%
Commodities	0%	1.70%	0.00%
Risk Parity			
Risk Parity	8%	2.80%	0.28%
Asset Allocation Leverage			
Cash	2%	-0.7%	-0.01%
Asset Allocation Leverage	-6%	-0.5%	0.03%
Inflation Expectation			2.20%
Volatility Drag****			-0.95%
<b>Total</b>	<b>100%</b>		<b>6.90%</b>

\* Absolute Return includes Credit Sensitive Investments

\*\* Target allocations are based on the FY2021 policy model

\*\*\* Capital Market Assumptions come from Aon Hewitt (as of 8/31/2021)

\*\*\*\* 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	\$ 34,771,929	\$ 15,912,770	\$ 612,268

#### 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, 2022, the District reported a liability of \$15,912,770 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	\$ 15,912,770
State's proportionate share that is associated with District	27,092,010
<b>Total</b>	<b>\$ 43,004,780</b>

The net pension liability was measured as of August 31, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of August 31, 2020, rolled forward to August 31, 2021. 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, 2020 through August 31, 2021.

At the measurement date of August 31, 2021, the employer's proportion of the collective net pension liability was 0.060622%, which was an increase from 0.001863%, its proportion measured as of August 31, 2020.

For the year ended June 30, 2022, the District recognized negative pension expense of \$652,698 and revenue of \$108,310 for support provided by the State.

## Burleson Independent School District

### Notes to the Basic Financial Statements

At June 30, 2022, 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	\$ 26,630	\$ 1,120,272
Changes in actuarial assumptions	5,624,853	2,451,954
Differences between projected and actual investment earnings	-	13,342,651
Changes in proportion and difference between the employer's contributions and the proportionate share of the contributions	2,073,686	1,125,025
Contributions paid to TRS subsequent to the measurement dates	1,641,939	-
	<u>\$ 9,367,108</u>	<u>\$ 18,039,902</u>

\$1,641,939 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, 2023. 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
2023	\$ (1,332,049)
2024	(1,758,288)
2025	(3,087,157)
2026	(4,102,428)
2027	(46,760)
Thereafter	11,949
	<u>\$ (10,314,733)</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 Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [https://www.trs.texas.gov/Pages/about\\_archive\\_cafr.aspx](https://www.trs.texas.gov/Pages/about_archive_cafr.aspx); 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 or Surviving spouse	\$ 135	\$ 200
Retiree and spouse	529	689
Retiree or surviving spouse and children	468	408
Retiree and Family	1,020	999

#### 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.

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.

	2022	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%

**Burleson Independent School District**

Notes to the Basic Financial Statements

The contribution amounts for the District’s fiscal year 2022 are as follows:

Employer contributions	\$	662,401
Member contributions		535,751
NECE on-behalf contributions		887,470

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 \$5.5 million in fiscal year 2021 for consumer protections against medical health care billing by certain out-of-network providers.

**Actuarial Methods and Assumptions**

The actuarial valuation of the total OPEB liability was performed as of August 31, 2020. Update procedures were used to roll forward the total OPEB liability to August 31, 2021.

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, 2021 TRS annual pension actuarial valuation:

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

***Additional Actuarial Methods and Assumptions:***

Actuarial cost method	Individual entry age normal
Inflation	2.30%
Single discount rate	1.95% as of August 31, 2021
Aging factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Salary Increases	3.05% to 9.05%, including inflation
Ad hoc post-employment benefit changes	None

# Burleson Independent School District

## Notes to the Basic Financial Statements

### Discount Rate

A single discount rate of 1.95% was used to measure the total OPEB liability at August 31, 2021. This was a decrease of 0.38% in the discount rate since the August 31, 2020 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" as of August 31, 2021.

Asset Class*	Target Allocation**	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long Term Portfolio Returns
Global Equity			
U.S.	18%	3.60%	0.94%
Non-U.S. Developed	13%	4.40%	0.83%
Emerging Markets	9%	4.60%	0.74%
Private Equity	14%	6.30%	1.36%
Stable Value			
Government Bonds	16%	-0.20%	0.01%
Absolute return	0%	1.10%	0.00%
Stable value hedge funds	5%	2.20%	0.12%
Real Return			
Real Estate	15%	4.50%	1.00%
Energy, natural resources and inflation	6%	4.70%	0.35%
Commodities	0%	1.70%	0.00%
Risk Parity			
Risk Parity	8%	2.80%	0.28%
Asset Allocation Leverage			
Cash	2%	-0.7%	-0.01%
Asset Allocation Leverage	-6%	-0.5%	0.03%
Inflation Expectation			2.20%
Volatility Drag****			-0.95%
<b>Total</b>	<b>100%</b>		<b>6.90%</b>

\* Absolute Return includes Credit Sensitive Investments

\*\* Target allocations are based on the FY2021 policy model

\*\*\* Capital Market Assumptions come from Aon Hewitt (as of 8/31/2021)

\*\*\*\* 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 (1.95%) in measuring the net OPEB liability.

	1% Decrease (.95%)	Current Single Discount Rate (1.95%)	1% Increase (2.95%)
District's proportionate share of the net OPEB liability	\$ 39,452,443	\$ 32,707,219	\$ 27,398,509

#### 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	\$ 26,491,764	\$ 32,707,219	\$ 41,046,817

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

At June 30, 2022, the District reported a liability of \$32,707,219 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	\$ 32,707,219
State's proportionate share that is associated with District	43,820,385
<b>Total</b>	<b>\$ 76,527,604</b>

The net OPEB liability was measured as of August 31, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as August 31, 2020 rolled forward to August 31, 2021. The District's proportion of the net OPEB liability was based on the District's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2020 through August 31, 2021.

At August 31, 2021 the employer's proportion of the collective Net OPEB Liability was .084790% which was an decrease of .001629% from its proportion measured as of August 31, 2020.

## 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 2.33% as of August 31, 2020 to 1.95% as of August 31, 2021. This change increased 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, 2022, the District recognized negative OPEB expense of \$2,855,629 and revenue of \$1,617,307 for support provided by the State.

At June 30, 2022, 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	\$ 1,408,201	\$ 15,832,582
Changes in actuarial assumptions	3,622,709	6,916,972
Differences between projected and actual investment earnings	35,509	-
Changes in proportion and difference between the employer's contributions and the proportionate share of the contributions	3,242,959	3,731
Contributions paid subsequent to the measurement dates	592,363	-
	<u>\$ 8,901,741</u>	<u>\$ 22,753,285</u>

\$592,363 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, 2023. Other amounts reported as deferred outflows of resources (deferred inflows of resources) related to OPEB will be recognized in OPEB expense as follows:

Year Ended August 31,	OPEB Expense Amount
2023	\$ (2,888,963)
2024	(2,889,764)
2025	(2,889,545)
2026	(2,028,608)
2027	(863,039)
Thereafter	(2,883,988)
	<u>\$ (14,443,907)</u>

**Burleson Independent School District**

Notes to the Basic Financial Statements

**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, 2022, 2021 and 2020, the contributions made on behalf of the District were \$358,614, \$401,305 and \$340,059, 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, 2021	\$	570,329
Additions		
New entrants, days earned (net), and salary increments		34,639
Deductions		
Payments to participants		(182,369)
<b>Balance at June 30, 2022</b>	<b>\$</b>	<b>422,599</b>

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, 2022, the District transferred \$15,125,030 from the general fund to the capital projects to commit funds for capital projects.

	Due from Other Funds	Due to Other Funds
Major governmental funds		
General fund	1,910,289	9,014,037
Capital projects fund	8,150,210	20,756
Nonmajor governmental funds		
Special revenue funds		
Federal (funds 200-289)	854,308	1,845,454
State (funds 385-429)	-	40,171
Local (461-482)	5,704	93
<b>Total</b>	<b>\$ 10,920,511</b>	<b>\$ 10,920,511</b>

#### 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 2021-2022, the District contributed \$250 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, 2022, includes \$251,166 for workers' compensation case reserve losses, with \$186,589 of this amount due within one year. This liability includes estimated outstanding claims from August 12, 2021 to June 30, 2022. The liabilities reported in the fund at June 30, 2022 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, 2022, 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, 2021 are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin, Texas.

#### 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, 2022, are summarized below:

	State Entitlements	Federal Grants	Total
General fund	\$ 12,475,588	\$ 1,706,377	\$ 14,181,965
Other funds	46,525	2,302,955	2,349,480
<b>Total</b>	<b>\$ 12,522,113</b>	<b>\$ 4,009,332</b>	<b>\$ 16,531,445</b>

## Burleson Independent School District

### Notes to the Basic Financial Statements

#### 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, 2022 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 2022 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	\$ 57,236,160	\$ 28,761,047	\$ -	\$ -	\$ 85,997,207
Food sales	-	-	-	601,151	601,151
Investment income	53,548	70,119	60,195	6,297	190,159
Penalties, interest and other tax related income	550,596	157,209	-	-	707,805
Co-curricular student activities	444,554	-	-	2,874,131	3,318,685
Mineral Interests	-	-	649,645	-	649,645
Other	348,382	-	-	3,480	351,862
<b>Total</b>	<b>\$ 58,633,240</b>	<b>\$ 28,988,375</b>	<b>\$ 709,840</b>	<b>\$ 3,485,059</b>	<b>\$ 91,816,514</b>

#### Note 15. Classification of Fund Balance

The District classifies governmental fund balances, as follows:

##### Non-spendable 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.

## Burleson Independent School District

### Notes to the Basic Financial Statements

#### 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, 2022, total restricted fund balance was \$30,391,240.

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, 2022, total committed fund balance was \$28,054,388.

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, 2022, 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.

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.

## Burleson Independent School District

### Notes to the Basic Financial Statements

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 \$394,252 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, 2022, 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.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 2023. 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. 100, *Accounting Changes and Error Corrections* (GASB 100), enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This statement 1) defines accounting changes and corrections of errors; 2) prescribes the accounting and financial reporting for each type of accounting change and error corrections; and 3) clarifies required note disclosures. The requirements of this statement are effective for reporting periods beginning after June 15, 2023, with earlier application encouraged. GASB 100 will be implemented in the District's fiscal year 2024 financial statements and the impact has not yet been determined.

GASB Statement No. 101, *Compensated Absences* (GASB 101), improves the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023, with earlier application encouraged. GASB 101 will be implemented in the District's fiscal year 2025 financial statements and the impact has not yet been determined.

**Burleson Independent School District**

Notes to the Basic Financial Statements

**Note 18. Prior Period Restatement**

During the year ended June 30, 2022, the District assessed its capital assets and identified that capital outlay expenditures and related account payable were understated by \$901,944 in the Capital Projects Fund and construction in progress on the statement of net position was also understated by the same amount as of and for the year ended June 30, 2021. The District’s previously-issued 2021 financial statements have been restated to correct misstatements in accruals, expenditures, and construction in progress. There was no effect on the government-wide net position previously reported as of June 30, 2021.

The effects on the District’s previously issued 2021 financial statements are summarized as follows:

	<u>As previously reported</u>	<u>Restatement</u>	<u>As restated</u>
Capital Projects fund balance as of June 30, 2021	\$ 24,732,407	(901,944)	\$ 23,830,463
Construction in Progress as of June 30, 2021	\$ 9,553,599	901,944	\$ 10,455,543

The effect on the 2021 change in fund balances of the Capital Projects Fund was a decrease of \$901,944.

## **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, 2022

Data Control Codes				Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
		Budgeted Amounts			
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 58,067,999	\$ 58,334,319	\$ 58,633,240	\$ 298,921
5800	State program revenues	61,939,498	56,992,807	58,956,092	1,963,285
5900	Federal program revenues	1,920,000	2,349,190	2,315,141	(34,049)
5020	Total revenues	121,927,497	117,676,316	119,904,473	2,228,157
EXPENDITURES					
	Current				
0011	Instruction	69,274,880	63,831,573	63,382,332	449,241
0012	Instructional resources and media services	1,314,153	1,254,690	1,230,245	24,445
0013	Curriculum and instructional staff development	1,742,562	1,601,616	1,565,197	36,419
0021	Instructional leadership	1,818,724	1,822,832	1,810,580	12,252
0023	School leadership	5,870,041	6,777,222	6,770,107	7,115
0031	Guidance, counseling and evaluation services	5,451,765	5,277,549	5,200,810	76,739
0032	Social work services	185,267	185,267	175,797	9,470
0033	Health services	1,634,134	1,837,912	1,827,677	10,235
0034	Student (pupil) transportation	3,355,838	3,455,838	3,437,609	18,229
0035	Food services	100,000	5,000	851	4,149
0036	Extracurricular activities	3,917,142	4,066,513	4,001,618	64,895
0041	General administration	3,199,796	3,024,796	2,957,325	67,471
0051	Facilities maintenance and operations	11,704,473	12,851,467	12,484,745	366,722
0052	Security and monitoring services	969,742	846,242	783,671	62,571
0053	Data processing services	3,186,366	3,186,366	3,033,857	152,509
0061	Community services	153,776	128,776	120,002	8,774
0071	Principal on long-term debt	112,408	1,962,408	1,902,989	59,419
0095	Payments to juvenile justice alternative ed. prg.	3,500	3,500	-	3,500
0099	Other intergovernmental charges	872,882	872,882	836,469	36,413
6030	Total expenditures	114,867,449	112,992,449	111,521,881	1,470,568
1100	Excess of revenues over expenditures	7,060,048	4,683,867	8,382,592	3,698,725
OTHER FINANCING SOURCES (USES)					
7913	Proceeds from right-to-use assets	-	202,800	202,800	-
8911	Transfers out	-	(11,899,105)	(15,125,030)	3,225,925
7080	Total other financing sources (uses)	-	(11,696,305)	(14,922,230)	3,225,925
1200	Net change in fund balances	7,060,048	(7,012,438)	(6,539,638)	472,800
0100	FUND BALANCE - July 1 (beginning)	36,222,707	36,222,707	36,222,707	-
3000	FUND BALANCE - June 30 (ending)	\$ 43,282,755	\$ 29,210,269	\$ 29,683,069	\$ 472,800

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, 2022

	2022	2021	2020	2019
District's proportion of the net pension liability (asset)	0.0624852044%	0.0606223810%	0.0644070393%	0.063098416%
District's proportionate share of net pension liability (asset)	15,912,770	32,468,110	\$ 33,480,793	\$ 34,730,900
State's proportionate share of the net pension liability (asset) associated with the district	27,092,010	56,910,483	51,464,842	56,651,232
<b>TOTAL</b>	<b>\$ 43,004,780</b>	<b>\$ 89,378,593</b>	<b>\$ 84,945,635</b>	<b>\$ 91,382,132</b>
District's covered payroll	84,131,725	\$ 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	18.91%	40.76%	45.54%	48.31%
Plan fiduciary net position as a percentage of the total pension liability	88.79%	75.54%	75.24%	73.74%

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

## Exhibit G-2

2018	2017	2016	2015
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, 2022

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Contractually required contribution	2,666,541	\$ 1,635,637	\$ 1,554,068	\$ 1,390,203
Contribution in relation to the contractually required contribution	(2,666,541)	(1,635,637)	(1,554,068)	(1,390,203)
<b>CONTRIBUTION DEFICIENCY (EXCESS)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
District's covered payroll	84,864,712	81,690,151	78,898,605	72,980,410
Contributions as a percentage of covered payroll	3.14%	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**

<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<u>\$ 1,278,781</u> <u>(1,278,781)</u>	<u>\$ 1,151,179</u> <u>(1,151,179)</u>	<u>\$ 980,294</u> <u>(980,294)</u>	<u>\$ 767,797</u> <u>(767,797)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
 \$ 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, 2022

	2022	2021	2020	2019	2018
District's proportion of the net OPEB liability	0.08%	0.08%	0.08%	0.08%	0.077%
District's proportionate share of net OPEB liability	32,707,219	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	43,820,385	42,480,518	52,262,005	61,891,748	54,213,057
<b>TOTAL</b>	<b>\$ 76,527,604</b>	<b>\$ 75,187,737</b>	<b>\$ 91,592,933</b>	<b>\$ 102,887,733</b>	<b>\$ 87,501,504</b>
District's covered payroll	84,131,725	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	38.88%	39.69%	53.50%	57.03%	47.84%
Plan fiduciary net position as a percentage of the total OPEB liability	6.18%	4.99%	2.66%	1.57%	0.91%

Note: Only five years of data is presented in accordance with GASB Standard No. 75 as the data for the years other than 2022, 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, 2022

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contribution	\$ 662,401	\$ 654,492	\$ 628,565	\$ 585,522	\$ 529,186
Contribution in relation to the contractually required contribution	<u>(662,401)</u>	<u>(654,492)</u>	<u>(628,565)</u>	<u>(585,522)</u>	<u>(529,186)</u>
<b>CONTRIBUTION DEFICIENCY (EXCESS)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered payroll	<u>84,864,712</u>	<u>81,690,151</u>	<u>78,898,605</u>	<u>72,980,410</u>	<u>70,639,806</u>
Contributions as a percentage of covered payroll	0.78%	0.80%	0.80%	0.80%	0.75%

Note: Only five years of data is presented in accordance with GASB Standard No. 75 as the data for the years other than 2022, 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
2021	7.250%	7.250%	1.950%
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%	



## **Burleson Independent School District**

### Notes to the Basic Financial Statements

#### **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.

#### **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 85<sup>th</sup> Texas Legislature.

#### **Other changes**

For Measurement Date August 31, 2020 – Net OPEB Liability:

- The participation rate for pre-65 retirees was lowered from 50% to 40%.
- The ultimate healthcare trend rate assumption decreased to reflect the repeal of the excise (Cadillac) tax on high-cost employer health plans.

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, 2022

<b>Data Control Codes</b>		<b>211 ESEA I, A Improving Basic Program</b>	<b>224 IDEA - Part B Formula</b>	<b>225 IDEA - Part B Preschool</b>	<b>240 Child Nutrition Program</b>
	<b>ASSETS</b>				
1110	Cash and temporary investments	\$ -	\$ -	\$ -	\$ 1,796,665
1240	Due from other governments	638,011	496,179	9,491	20,239
1260	Due from other funds	-	-	-	854,308
1300	Inventories	-	-	-	6,363
1000	Total assets	638,011	496,179	9,491	2,677,575
	<b>TOTAL ASSETS</b>	<b>\$ 638,011</b>	<b>\$ 496,179</b>	<b>\$ 9,491</b>	<b>\$ 2,677,575</b>
	<b>LIABILITIES</b>				
2110	Accounts payable	\$ -	\$ 575	\$ 2,454	\$ 21,401
2150	Payroll deductions and withholdings	7,421	3,938	574	27,192
2160	Accrued wages payable	147,417	96,562	3,769	323,546
2170	Due to other funds	483,173	395,104	2,694	33,994
2181	Due to state	-	-	-	-
2300	Unearned revenue	-	-	-	-
2000	Total liabilities	638,011	496,179	9,491	406,133
	<b>FUND BALANCES</b>				
	Nonspendable				
3410	Inventories	-	-	-	6,363
	Restricted				
3450	Grant funds	-	-	-	2,265,079
	Committed				
3545	Other purposes	-	-	-	-
3600	Unassigned	-	-	-	-
3000	Total fund balances	-	-	-	2,271,442
4000	<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 638,011</b>	<b>\$ 496,179</b>	<b>\$ 9,491</b>	<b>\$ 2,677,575</b>

Exhibit H-1

<b>244</b> <b>Career and</b> <b>Technical -</b> <b>Basic Grant</b>	<b>255</b> <b>ESEA II, A</b> <b>Training and</b> <b>Recruiting</b>	<b>263</b> <b>Title III, A</b> <b>English Lang.</b> <b>Acquisition</b>	<b>266</b>  <b>ESSER I</b>	<b>279</b>  <b>ESSER III-TCLAS</b>	<b>282</b>  <b>ESSER III -</b> <b>ARPA</b>	<b>283</b>  <b>ESSER</b> <b>Supplemental</b>	<b>289</b> <b>Summer</b> <b>School</b> <b>LEP</b>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 149,143
18,629	25,005	24,482	-	35,305	420,540	611,582	3,492
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
18,629	25,005	24,482	-	35,305	420,540	611,582	152,635
<u>\$ 18,629</u>	<u>\$ 25,005</u>	<u>\$ 24,482</u>	<u>\$ -</u>	<u>\$ 35,305</u>	<u>\$ 420,540</u>	<u>\$ 611,582</u>	<u>\$ 152,635</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	325	122	-	7	9,633	-	-
-	6,011	5,025	-	-	183,929	-	-
18,627	18,669	19,335	-	35,298	226,978	611,582	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	131,613
18,629	25,005	24,482	-	35,305	420,540	611,582	131,613
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	21,022
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	21,022
<u>\$ 18,629</u>	<u>\$ 25,005</u>	<u>\$ 24,482</u>	<u>\$ -</u>	<u>\$ 35,305</u>	<u>\$ 420,540</u>	<u>\$ 611,582</u>	<u>\$ 152,635</u>

# Burleson Independent School District

Combining Balance Sheet  
Non Major Governmental Funds  
June 30, 2022

<b>Data Control Codes</b>		<b>385 Visual Impairment</b>	<b>397 Advanced Placement Incentives</b>	<b>410 Instructional Materials Allotment</b>
	<b>ASSETS</b>			
1110	Cash and temporary investments	\$ -	\$ -	\$ 160,130
1240	Due from other governments	6,870	9,690	-
1260	Due from other funds	-	-	-
1300	Inventories	-	-	-
1000	<b>Total assets</b>	6,870	9,690	160,130
	<b>TOTAL ASSETS</b>	<u>\$ 6,870</u>	<u>\$ 9,690</u>	<u>\$ 160,130</u>
	<b>LIABILITIES</b>			
2110	Accounts payable	\$ 27	\$ -	\$ -
2150	Payroll deductions and withholdings	-	-	-
2160	Accrued wages payable	-	-	-
2170	Due to other funds	6,843	9,087	-
2181	Due to state	-	-	-
2300	Unearned revenue	-	-	-
2000	<b>Total liabilities</b>	6,870	9,087	-
	<b>FUND BALANCES</b>			
	Nonspendable			
3410	Inventories	-	-	-
	Restricted			
3450	Grant funds	-	603	160,130
	Committed			
3545	Other purposes	-	-	-
3600	Unassigned	-	-	-
3000	<b>Total fund balances</b>	-	603	160,130
4000	<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 6,870</u>	<u>\$ 9,690</u>	<u>\$ 160,130</u>



**Exhibit H-1 (Continued)**

<b>429 DATE / Read to Succeed / Recycling Grant</b>	<b>461 Campus Activity Funds</b>	<b>482 Fuel Up To Play 60</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ 2,247,527	\$ 1,419	\$ 4,354,884
29,965	-	-	2,349,480
-	5,704	-	860,012
-	-	-	6,363
29,965	2,253,231	1,419	7,570,739
<u>\$ 29,965</u>	<u>\$ 2,253,231</u>	<u>\$ 1,419</u>	<u>\$ 7,570,739</u>
\$ -	\$ 37,596	\$ -	\$ 62,053
1	4,514	-	53,729
-	62,598	-	828,857
24,241	93	-	1,885,718
-	356	-	356
-	-	-	131,613
24,242	105,157	-	2,962,326
-	-	-	6,363
5,723	-	1,419	2,453,976
-	2,148,074	-	2,148,074
-	-	-	-
5,723	2,148,074	1,419	4,608,413
<u>\$ 29,965</u>	<u>\$ 2,253,231</u>	<u>\$ 1,419</u>	<u>\$ 7,570,739</u>

# Burleson Independent School District

Combining Statement of Revenues, Expenditures and Changes in  
Fund Balances – Non Major Governmental Funds  
Year Ended June 30, 2022

<b>Data Control Codes</b>		<b>211 ESEA I, A Improving Basic Program</b>	<b>224 IDEA - Part B Formula</b>	<b>225 IDEA - Part B Preschool</b>	<b>240 Child Nutrition Program</b>
<b>REVENUES</b>					
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ 607,448
5800	State program revenues	-	-	-	54,214
5900	Federal program revenues	1,344,026	1,489,255	44,673	8,970,311
5020	<b>Total revenues</b>	<b>1,344,026</b>	<b>1,489,255</b>	<b>44,673</b>	<b>9,631,973</b>
<b>EXPENDITURES</b>					
Current					
0011	Instruction	1,085,782	353,262	44,673	-
0012	Instructional resources and media services	-	-	-	-
0013	Curriculum and Instructional staff development	20,898	85,988	-	-
0021	Instructional leadership	4,417	333,395	-	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	651,388	-	-
0032	Social Work Services	210,000	-	-	-
0033	Health services	-	-	-	-
0035	Food services	-	-	-	7,326,847
0036	Extracurricular activities	4,497	275	-	-
0041	General administration	-	325	-	-
0051	Facilities maintenance and operations	-	-	-	33,684
0052	Security and monitoring services	-	43,351	-	-
0061	Community services	18,432	-	-	-
Intergovernmental					
0093	Payments to fiscal agent/member districts of SSA	-	21,271	-	-
6030	<b>Total expenditures</b>	<b>1,344,026</b>	<b>1,489,255</b>	<b>44,673</b>	<b>7,360,531</b>
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-	2,271,442
7900	<b>OTHER FINANCING SOURCES (USES)</b>				
7915	Transfers in	-	-	-	-
8911	Transfers out	-	-	-	-
7080	<b>Total other financing sources (uses)</b>	-	-	-	-
1200	Net change in fund balances	-	-	-	2,271,442
0100	<b>Fund Balance - July 1 (Beginning)</b>	-	-	-	-
3000	<b>Fund Balance - June 30 (Ending)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,271,442</b>

Exhibit H-2

244 Career and Technical - Basic Grant	255 ESEA II, A Training and Recruiting	263 Title III, A English Lang. Acquisition	266 ESSER I	279 ESSER III-TCLAS	282 ESSER III- ARPA	283 ESSER Supplemental	289 Summer School LEP
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	6,434	-	-	-	-
100,532	149,215	63,944	380,484	64,836	2,653,249	548,538	87,550
100,532	149,215	63,944	386,918	64,836	2,653,249	548,538	87,550
100,532	-	18,198	-	-	2,258,751	505,265	24,997
-	-	-	-	-	-	-	-
-	148,357	32,548	-	8,930	33,343	-	-
-	858	-	-	55,906	-	-	-
-	-	-	386,918	-	1,015	33,248	-
-	-	13,198	-	-	245,557	-	3,407
-	-	-	-	-	84,000	-	-
-	-	-	-	-	30,583	10,025	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	57,956
-	-	-	-	-	-	-	-
100,532	149,215	63,944	386,918	64,836	2,653,249	548,538	86,360
-	-	-	-	-	-	-	1,190
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,190
-	-	-	-	-	-	-	19,832
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,022

# Burleson Independent School District

Combining Statement of Revenues, Expenditures and Changes In  
Fund Balances – Non major Governmental Funds  
Year Ended June 30, 2022

<b>Data Control Codes</b>		<b>385 Visual Impairment</b>	<b>397 Advanced Placement Incentives</b>	<b>410 Instructional Materials Allotment</b>
<b>REVENUES</b>				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program revenues	6,883	13,681	394,252
5900	Federal program revenues	-	-	-
5020	Total revenues	6,883	13,681	394,252
<b>EXPENDITURES</b>				
Current				
0011	Instruction	5,114	-	694,014
0012	Instructional resources and media services	-	-	-
0013	Curriculum and Instructional staff development	1,769	7,018	-
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	-	-	-
0061	Community services	-	-	-
Intergovernmental				
0093	Payments to fiscal agent/member districts of SSA	-	-	-
6030	Total expenditures	6,883	7,018	694,014
1100	Excess (deficiency) of revenues over (under) expenditures	-	6,663	(299,762)
<b>OTHER FINANCING SOURCES (USES)</b>				
7915	Transfers in	-	-	-
8911	Transfers out	-	-	-
7080	Total other financing sources (uses)	-	-	-
1200	Net change in fund balances	-	6,663	(299,762)
0100	Fund Balance - July 1 (Beginning)	-	(6,060)	459,892
3000	Fund Balance - June 30 (Ending)	\$ -	\$ 603	\$ 160,130

Exhibit H-2 (Continued)

<b>429 DATE / Read to Succeed / Recycling Grant</b>	<b>461 Campus Activity Funds</b>	<b>482 Fuel Up To Play 60</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ 2,877,611	\$ -	\$ 3,485,059
321,210	68,828	-	865,502
-	-	-	15,896,613
321,210	2,946,439	-	20,247,174
48,536	554,974	-	5,694,098
-	19,469	-	19,469
128,900	18,808	-	486,559
-	1,167	-	395,743
-	121,089	-	542,270
-	105,842	-	1,019,392
-	-	-	294,000
-	2,438	-	43,046
-	-	-	7,326,847
-	701,856	-	706,628
-	953	-	1,278
-	39,804	-	73,488
138,236	53,991	-	235,578
-	874,029	-	950,417
-	-	-	21,271
315,672	2,494,420	-	17,810,084
5,538	452,019	-	2,437,090
-	-	-	-
-	-	-	-
-	-	-	-
5,538	452,019	-	2,437,090
185	1,696,055	1,419	2,171,323
\$ 5,723	\$ 2,148,074	\$ 1,419	\$ 4,608,413

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## **Texas Education Agency Required Schedules**

**Burleson Independent School District**  
Schedule of Delinquent Taxes Receivable  
Year Ended June 30, 2022

Last Ten Years	(1)	(2)	(3)	(10)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes	Beginning Balance 7/1/2021
	Maintenance	Debt Service		
2013 and prior years	Various	Various	Various	\$ 561,890
2014	1.040000	0.500000	3,342,085,197	54,502
2015	1.040000	0.500000	3,639,098,970	38,450
2016	1.040000	0.500000	3,709,079,314	111,677
2017	1.040000	0.500000	3,880,366,485	90,376
2018	1.170000	0.500000	4,336,695,747	106,055
2019	1.170000	0.500000	4,785,058,271	163,019
2020	1.068350	0.500000	5,313,431,532	296,620
2021	1.038300	0.500000	5,691,305,452	1,040,519
2022 (school year under audit)	0.994600	0.500000	6,125,438,813	
<b>1000 TOTALS</b>				<u><u>\$ 2,463,108</u></u>

(a) Current year's total levy is net of \$5,379,008 for levy loss due to frozen taxes on "over 65" accounts.



Exhibit J-1

<b>(20)</b>	<b>(31)</b>	<b>(32)</b>	<b>(40)</b>	<b>(50)</b>
<b>Current Year's Total Levy (a)</b>	<b>Maintenance Collections</b>	<b>Debt Service Collections</b>	<b>Entire Year's Adjustments</b>	<b>Ending Balance 6/30/2022</b>
\$ -	\$ 5,165	\$ 2,153	\$ 16	\$ 554,588
-	1,898	693	-	51,911
-	3,169	1,524	-	33,757
-	5,300	2,548	-	103,829
-	5,609	2,697	(1,110)	80,960
-	9,991	4,803	(2,115)	89,146
-	35,345	15,105	(6,392)	106,177
-	53,829	25,192	(16,536)	201,063
-	306,596	147,643	(327,524)	258,756
85,928,246	56,809,154	28,558,795	151,252	711,549
<u>\$ 85,928,246</u>	<u>\$ 57,236,056</u>	<u>\$ 28,761,153</u>	<u>\$ (202,409)</u>	<u>\$ 2,191,736</u>

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## **Budgetary Comparison Schedules**

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

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
 Budget and Actual - Child Nutrition Program  
 Year Ended June 30, 2022

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Over or (Under)
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 1,000,000	\$ 592,541	\$ 607,448	\$ 14,907
5800	State program revenues	135,000	74,485	54,214	(20,271)
5900	Federal program revenues	5,412,453	8,925,797	8,970,311	44,514
5020	Total revenues	6,547,453	9,592,823	9,631,973	39,150
EXPENDITURES					
0035	Food services	6,509,677	7,505,738	7,326,847	178,891
0051	Facilities maintenance and operations	35,000	35,000	33,684	1,316
6030	Total expenditures	6,544,677	7,540,738	7,360,531	180,207
1100	Excess (deficiency) of revenues over (under) expenditures	2,776	2,052,085	2,271,442	219,357
1200	Net change in fund balances	2,776	2,052,085	2,271,442	219,357
0100	Fund balance - July 1 (beginning)	-	-	-	-
3000	Fund balance - June 30 (ending)	\$ 2,776	\$ 2,052,085	\$ 2,271,442	\$ 219,357

# Burleson Independent School District

# Exhibit J-3

## Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - Debt Service Fund Year Ended June 30, 2022

Data Control Codes		Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Over or (Under)
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 28,506,638	\$ 28,924,322	\$ 28,988,375	\$ 64,053
5800	State program revenues	431,809	455,571	600,794	145,223
5020	Total revenues	28,938,447	29,379,893	29,589,169	209,276
EXPENDITURES					
0071	Debt service	22,887,204	22,634,153	22,634,152	1
6030	Total expenditures	22,887,204	22,634,153	22,634,152	1
1100	Excess (deficiency) of revenues over (under) expenditures	6,051,243	6,745,740	6,955,017	209,277
OTHER FINANCING SOURCES (USES)					
7911	Issuance of refunding bonds	-	-	-	-
7916	Premium or discount on issuance of bonds	-	-	-	-
8949	Other uses - refunding of bonds	-	-	-	-
7080	Total other financing sources (uses)	-	-	-	-
1200	Net change in fund balances	6,051,243	6,745,740	6,955,017	209,277
0100	Fund balance - July 1 (beginning)	20,982,247	20,982,247	20,982,247	-
3000	Fund balance - June 30 (ending)	\$ 27,033,490	\$ 27,727,987	\$ 27,937,264	\$ 209,277

<b>Data Codes</b>		<b>Responses</b>
<b>Section A: Compensatory Education Programs</b>		
AP1	Did your LEA expend any state compensatory education program state allotment funds during the District's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 5,969,901
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30, 34)	\$ 2,192,457
<b>Section B: Bilingual Education Programs</b>		
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 536,108
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	\$ 329,278

## **Statistical Section (Unaudited)**

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## **Burleson Independent School District**

### Index for the Statistical Section

This statistical section is organized in five sections:

- Financial Trends- Compiles information reported in the Annual Comprehensive Financial Report over the past ten years (2013-2022) 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)

	2013	2014	2015	2016
Governmental activities				
Net investment in capital assets	\$ (20,842,058)	\$ (28,305,183)	\$(30,697,028)	\$ (23,725,928)
Restricted	12,663,826	10,081,840	8,800,546	9,356,974
Unrestricted	10,459,002	19,861,926	17,862,321	11,252,600
Business type activities				
Unrestricted	66,612	73,853	112,166	119,030
<b>Total primary government net position</b>	<b>\$ 2,347,382</b>	<b>\$ 1,712,436</b>	<b>\$ (3,921,995)</b>	<b>\$ (2,997,324)</b>

## Schedule 1

2017	2018	2019	2020	2021	2022
\$ (18,985,241)	\$ (14,623,939)	\$ (6,871,592)	\$ (2,523,086)	\$ 6,835,778	\$ 25,472,654
9,598,901	11,320,215	11,206,645	8,808,618	14,967,775	23,503,548
6,423,062	(35,224,216)	(32,096,464)	(25,903,710)	(30,945,230)	(33,349,905)
159,743	241,509	326,589	174,182	120,807	183,150
\$ (2,803,535)	\$ (38,286,431)	\$ (27,434,822)	\$ (19,443,996)	\$ (9,020,870)	\$ 15,809,447

# Burleson Independent School District

## Governmental Activities Revenue and Expense

Last Ten Years

(accrual basis of accounting)

(Unaudited)

	2013	2014	2015	2016
Expenses by function				
Governmental activities				
Instruction	\$ 48,317,821	\$ 51,233,610	\$ 52,121,810	\$ 59,854,511
Instructional resources and media services	1,176,099	1,241,127	1,174,637	1,232,622
Curriculum and staff development	1,387,812	1,324,047	1,412,597	1,931,145
Instructional leadership	946,455	1,075,638	1,642,223	1,935,294
School leadership	5,102,142	5,569,981	5,698,793	6,271,740
Guidance, counseling, and evaluation services	3,096,151	3,330,123	3,432,098	4,046,727
Social work services	56,328	59,666	64,471	67,371
Health Services	1,093,506	1,042,166	1,088,384	1,261,473
Student (Pupil) Transportation	1,864,305	1,880,920	1,915,025	2,794,187
Food Services	4,750,681	5,188,060	5,371,267	5,746,504
Extracurricular Activities	3,026,639	3,117,749	3,753,960	3,955,992
General Administration	2,707,304	2,852,421	3,080,199	3,339,681
Plant Maintenance & Operations	9,040,355	8,584,064	8,936,625	8,761,763
Security & Monitoring Services	276,481	445,356	314,735	361,066
Data Processing Services	1,411,545	1,547,764	2,643,544	2,265,949
Community Services	643,776	687,624	671,939	815,466
Debt Service - Interest on Long Term Debt	15,492,377	14,959,125	15,143,300	12,307,683
Debt Service - Bond Insurance Cost & Fees	624,805	128,539	5,000	1,417,599
Facilities Acquisition & Construction	-	-	-	-
Total Governmental Activities Expense	101,014,582	104,267,980	108,470,607	118,366,773
Business Type Activities Expense				
Child Care	610,249	543,580	552,290	562,388
Program Revenues				
Charges for Services				
Instruction	2,573,230	2,775,865	2,908,785	3,023,031
Food Service	2,394,643	2,613,549	2,586,788	2,515,875
Extracurricular Activities	441,557	415,322	436,947	461,277
Community Services	-	-	-	-
Other	48,873	140,105	127,308	99,008
Operating Grants and Contributions	6,760,500	6,858,969	6,365,989	9,720,657
Total Governmental Activities Program Revenue	12,218,803	12,803,810	12,425,817	15,819,848
Business Type Activities Revenues				
Charges for Services	566,867	521,753	560,564	540,404
Operating Grants and Contributions	-	29,068	30,039	28,848
<b>Net (Expense)/Revenue And Changes in Net Position</b>	<b>\$ (88,839,161)</b>	<b>\$ (91,456,929)</b>	<b>\$ (96,006,477)</b>	<b>\$(102,540,061)</b>

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

## Schedule 2

2017	2018	2019	2020	2021	2022
\$ 65,545,974	\$ 46,765,905	\$ 74,085,797	\$ 86,489,219	\$ 81,677,558	\$ 70,294,426
1,259,513	1,027,506	1,444,932	1,626,546	1,464,491	1,274,911
2,126,353	1,593,667	2,682,213	2,552,826	2,108,419	2,073,169
2,184,617	1,530,629	2,352,001	2,483,001	2,351,077	2,219,435
6,829,731	4,930,009	7,786,400	9,117,006	8,476,344	7,468,607
4,393,048	3,111,946	5,754,459	6,525,875	6,746,291	6,281,720
130,744	76,802	130,288	366,699	422,699	473,361
1,351,624	938,338	1,492,499	1,780,718	1,972,822	1,704,556
2,942,211	3,087,009	3,075,072	2,908,181	3,098,834	3,439,394
5,997,147	4,803,193	7,098,022	7,589,065	6,923,853	7,199,693
4,315,441	3,861,508	4,371,801	4,707,026	4,210,331	4,623,556
4,082,942	3,073,986	4,094,256	4,585,909	4,218,465	3,884,700
9,329,370	7,879,459	10,094,402	11,830,787	12,946,367	12,967,688
377,468	424,889	688,565	680,862	850,878	1,024,823
2,603,464	2,307,625	2,815,807	3,898,249	3,269,064	3,031,558
973,505	616,331	1,002,886	1,173,873	936,122	988,576
12,017,106	14,085,772	15,446,748	12,794,886	17,744,605	15,363,690
320,831	1,223,629	261,152	-	-	-
-	-	-	-	-	-
126,781,089	101,338,203	144,677,300	161,110,728	159,418,220	144,313,863
566,394	604,849	655,083	755,873	772,490	740,975
3,258,332	3,180,944	3,070,943	2,330,055	1,344,009	2,916,901
2,567,586	2,741,209	2,939,390	2,388,039	484,777	601,151
489,433	460,985	550,015	523,856	224,075	444,554
-	-	-	-	-	-
105,560	103,833	118,877	126,494	695	81,616
8,215,605	(7,555,283)	18,504,169	18,090,460	22,486,186	18,042,389
14,636,516	(1,068,312)	25,183,394	23,458,904	24,539,742	22,086,611
577,388	654,118	706,761	558,003	671,300	753,175
29,719	32,497	33,402	45,463	47,815	50,143
\$ (112,103,860)	\$ (102,324,749)	\$ (119,408,826)	\$ (137,804,231)	\$ (134,931,853)	\$ (122,164,909)

## Burleson Independent School District

### General Revenues And Changes In Net Position

Last Ten Years

(*accrual basis of accounting*)

(Unaudited)

	2013	2014	2015	2016
Net (Expense)/Revenue				
Governmental Activities	\$ (88,839,161)	\$ (91,464,170)	\$ (96,044,790)	\$ (102,546,925)
Business-type Activities	(11,634)	7,241	38,313	6,864
	<u>\$ (88,850,795)</u>	<u>\$ (91,456,929)</u>	<u>\$ (96,006,477)</u>	<u>\$ (102,540,061)</u>
General Revenue and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Property Taxes, Levied for General Purposes	\$ 35,332,535	\$ 34,367,419	\$ 37,232,750	\$ 37,793,546
Property Taxes, Levied for Debt Service	16,919,470	16,495,771	17,896,527	18,104,303
State Aid - Unrestricted Formula Grants	31,980,677	38,320,076	42,264,958	46,369,557
Investment Earnings	83,777	57,588	58,632	213,369
Miscellaneous Local and Intermediate Revenue	923,169	1,581,129	1,689,255	1,096,123
Total Governmental Activities	<u>85,239,628</u>	<u>90,821,983</u>	<u>99,142,122</u>	<u>103,576,898</u>
Business-type Activities:	-	-	-	-
Total Business-type Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Primary Government</b>	<u>\$ 85,239,628</u>	<u>\$ 90,821,983</u>	<u>\$ 99,142,122</u>	<u>\$ 103,576,898</u>
Change in Net Position				
Governmental Activities	\$ (3,556,151)	\$ 3,097,332	\$ 1,029,973	\$ 153,076
Business-type Activities	(11,634)	7,241	38,313	6,864
<b>Total Change in Net Position</b>	<u>\$ (3,567,785)</u>	<u>\$ 3,104,573</u>	<u>\$ 1,068,286</u>	<u>\$ 159,940</u>

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

# Schedule 3

2017	2018	2019	2020	2021	2022
\$ (112,144,573)	\$ (102,406,515)	\$ (119,493,906)	\$ (137,651,824)	\$ (134,878,478)	\$ (122,227,252)
40,713	81,766	85,080	(152,407)	(53,375)	62,343
<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>	<u>\$ (122,164,909)</u>
\$ 39,179,085	\$ 48,692,234	\$ 52,882,627	\$ 53,982,021	\$ 56,142,675	\$ 57,722,680
18,733,850	20,963,615	22,463,135	25,234,174	26,976,669	28,773,078
53,075,316	53,159,874	51,524,236	64,798,129	61,455,084	59,432,188
351,980	1,501,201	2,558,767	1,193,675	103,366	190,159
957,418	896,023	831,670	587,058	677,185	877,121
<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>146,995,226</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</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>\$ 146,995,226</u>
\$ 22,806,432	\$ 10,766,529	\$ 10,766,529	\$ 8,143,233	\$ 10,476,501	\$ 24,767,974
40,713	81,766	85,080	(152,407)	(53,375)	62,343
<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>	<u>\$ 24,830,317</u>

**Burleson Independent School District**

Fund Balances, Governmental Funds

Last Ten Years

*(modified accrual basis of accounting)*

(Unaudited)

	2013	2014	2015	2016
General Fund				
Nonspendable	\$ 304,651	\$ 250,157	\$ 400,292	\$ 278,233
Committed	149,325	20,706	287,680	161,186
Unassigned	19,596,818	23,647,503	24,524,180	22,000,000
<b>Total General Fund</b>	<b>20,050,794</b>	<b>23,918,366</b>	<b>25,212,152</b>	<b>22,439,419</b>
All Other Governmental Funds				
Nonspendable	11,495	34,886	30,963	27,825
Committed	15,071,963	15,068,464	18,835,540	15,422,545
Restricted for:				
Debt Service	17,694,475	15,061,089	14,137,487	13,088,136
Capital Acquisitions	3,469,281	1,934,410	-	-
Grant Funds	241,104	312,276	181,750	181,239
Unassigned	-	-	-	-
Total All Other Governmental Funds	36,488,318	32,411,125	33,185,740	28,719,745
<b>Total All Government Funds</b>	<b>\$ 56,539,112</b>	<b>\$ 56,329,491</b>	<b>\$ 58,397,892</b>	<b>\$ 51,159,164</b>
<b>Change in Fund Balance for Governmental Funds</b>	<b>\$ (439,734)</b>	<b>\$ (209,621)</b>	<b>\$ 2,068,401</b>	<b>\$ (7,238,728)</b>

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



## Schedule 4

2017	2018	2019	2020	2021	2022
\$ 270,614	\$ 752,698	\$ 686,121	\$ 270,642	\$ 313,401	\$ 273,857
-	-	-	-	-	-
22,981,552	24,829,426	27,481,804	35,952,065	35,909,306	29,409,212
23,252,166	25,582,124	28,167,925	36,222,707	36,222,707	29,683,069
8,114	4,225	5,147	482	8,655	6,363
11,696,613	15,430,133	19,858,055	23,433,993	25,140,090	28,054,388
13,542,177	16,125,004	16,280,074	16,186,289	20,982,247	27,937,264
-	48,074,312	21,632,688	1,942,748	386,158	-
432,066	289,830	1,317,519	546,817	472,943	2,453,976
-	(451.00)	(19,907)	-	(6,060)	-
25,678,970	79,923,053	59,073,576	42,110,329	46,984,033	58,451,991
\$ 48,931,136	\$ 105,505,177	\$ 87,241,501	\$ 78,333,036	\$ 83,206,740	\$ 88,135,060
\$ (2,228,028)	\$ 56,574,041	\$ (18,263,676)	\$ (8,908,465)	\$ 4,873,704	\$ 4,928,320

**Burleson Independent School District**

## Governmental Funds Revenues

Last Ten Years

(Unaudited)

	2013	2014	2015	2016
Local Sources:				
Local Maintenance and Debt Service Tax	\$ 52,219,304	\$ 51,003,758	\$ 55,150,878	\$ 55,876,497
Tuition from Patrons	-	-	-	-
Other Revenue from Local Sources	3,444,393	3,888,383	3,961,718	3,868,962
Other Revenue from Intermediate Sources	-	-	-	-
Co-curricular Revenues	3,020,855	3,695,172	3,834,222	3,539,722
Total Local Sources	58,684,552	58,587,313	62,946,818	63,285,181
State Programs:				
Per Capita and Foundation	28,670,064	38,320,076	38,654,135	42,197,507
Other State Program Revenues	4,034,466	1,362,739	4,375,445	5,447,670
Total State Programs	32,704,530	39,682,815	43,029,580	47,645,177
Federal Programs:				
State Distributed Revenues from Federal Source:	5,654,017	5,652,580	5,650,616	6,171,935
Total Federal Programs	5,654,017	5,652,580	5,650,616	6,171,935
Other Financing Sources:				
Bond Proceeds and Other	13,874,622	12,031,542	-	-
<b>Total Revenues</b>	<b>\$ 110,917,721</b>	<b>\$ 115,954,250</b>	<b>\$ 111,627,014</b>	<b>\$ 117,102,293</b>

## Schedule 5

2017	2018	2019	2020	2021	2022
\$ 58,023,847	\$ 69,455,629	\$ 75,409,200	\$ 79,096,498	\$ 83,076,863	\$ 86,705,012
-	-				
4,000,853	5,244,204	3,556,885	1,910,702	781,321	1,191,666
-	-				
3,729,456	3,637,408	6,512,777	5,238,475	2,052,786	3,919,836
65,754,156	78,337,241	85,478,862	86,245,675	85,910,970	91,816,514
43,220,942	47,478,657	46,283,554	58,660,171	54,539,627	52,993,849
6,719,491	6,400,187	7,248,181	7,259,502	8,127,791	7,439,149
49,940,433	53,878,844	53,531,735	65,919,673	62,667,418	60,432,998
6,981,525	7,193,578	8,712,408	7,324,139	14,331,166	18,211,754
6,981,525	7,193,578	8,712,408	7,324,139	14,331,166	18,211,754
-	-	-	-	-	-
\$ 122,676,114	\$ 139,409,663	\$ 147,723,005	\$ 159,489,487	\$ 162,909,554	\$ 170,461,266

# Burleson Independent School District

## Governmental Funds Expenditures By Function

Last Ten Years

(modified accrual basis of accounting)

(Unaudited)

	2013	2014	2015	2016
Expenditures by Function				
Current				
Instruction	\$ 43,964,457	\$ 46,101,876	\$ 47,663,770	\$ 53,309,040
Instructional Resources & Media Services	1,083,010	1,132,587	1,083,901	1,117,396
Curriculum & Staff Development	1,282,555	1,223,021	1,325,555	1,785,669
Instructional Leadership	866,516	975,378	1,504,517	1,727,316
School Leadership	4,600,600	4,967,091	5,167,382	5,552,533
Guidance, Counseling, & Evaluation Services	2,860,732	3,044,477	3,171,903	3,603,519
Social Work Services	56,328	59,666	64,471	67,334
Health Services	986,455	926,800	987,154	1,114,998
Student (Pupil) Transportation	1,854,085	1,871,241	1,906,042	2,783,872
Food Services	4,850,615	4,947,288	5,329,987	5,408,386
Extracurricular Activities	3,015,594	3,130,083	3,831,252	3,886,937
General Administration	2,127,303	2,190,131	2,237,327	2,411,313
Plant Maintenance & Operations	8,559,424	8,133,280	8,563,837	8,276,005
Security & Monitoring Services	317,253	445,368	314,811	360,600
Data Processing Services	1,316,464	1,432,054	2,671,521	2,155,227
Community Services	648,288	687,546	675,254	781,105
Debt Service				
Principal on Long Term Debt	2,864,688	3,175,487	3,681,207	5,967,905
Interest on Long Term Debt	16,691,000	17,086,032	16,646,700	14,074,789
Bond Issuance Cost & Fees	276,535	128,539	5,000	1,417,599
Capital Outlay				
Facilities Acquisition & Construction	3,624,760	1,881,859	2,057,524	8,639,262
Intergovernmental				
Payments to Fiscal Agent/Member Districts of SSA	40,048	63,532	74,669	67,632
Payments to Juvenile Justice Alternative Ed. Prg.	158	7,426	1,501	1,343
Other Governmental Charges	384,873	392,948	605,045	627,746
<b>Total Expenditures</b>	<b>\$ 102,271,741</b>	<b>\$ 104,003,710</b>	<b>\$ 109,570,330</b>	<b>\$ 125,137,526</b>
Debt Service as a percentage of noncapital expenditures	20.10%	19.97%	18.91%	18.42%

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

## Schedule 6

2017	2018	2019	2020	2021	2022
\$ 56,467,397	\$ 58,660,695	\$ 61,284,765	\$ 67,437,574	\$ 68,768,758	\$ 69,076,430
1,104,506	1,214,937	1,222,463	1,310,211	1,246,747	1,249,714
1,921,224	2,059,987	2,281,472	2,094,882	1,806,611	2,051,756
1,898,780	2,107,065	1,902,576	1,899,607	1,952,774	2,206,323
5,831,744	6,085,281	6,386,549	7,141,193	7,119,167	7,312,377
3,811,342	4,148,683	4,716,545	5,000,153	5,723,668	6,220,202
112,998	102,198	104,419	298,147	387,154	469,797
1,152,675	1,149,998	1,233,103	1,407,400	1,698,364	1,870,723
3,168,025	3,091,861	3,065,297	2,894,233	3,087,765	3,437,609
5,569,599	5,818,384	6,190,883	6,428,351	6,000,807	7,327,698
4,138,485	4,600,657	4,081,357	4,285,988	3,993,994	4,708,246
3,032,695	2,683,287	2,809,421	3,080,072	2,913,772	2,989,948
8,569,359	8,759,561	9,381,953	10,577,204	12,067,318	12,994,212
373,960	432,796	685,302	676,648	849,922	1,025,711
2,457,573	2,463,185	2,588,814	3,572,587	3,026,137	3,034,097
868,096	885,924	874,163	990,935	834,072	1,070,419
7,735,000	11,715,000	13,590,000	14,337,322	6,401,159	9,943,405
12,429,774	13,115,431	15,245,611	14,998,056	16,054,250	14,582,986
320,831	1,223,629	261,152	247,959	272,809	10,750
3,525,032	12,974,599	52,523,770	19,588,450	11,972,967	13,295,603
93,471	100,967	39,862	29,227	20,525	21,271
-	-	2,322	-	-	-
637,407	702,052	771,182	794,109	820,737	836,469
<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>	<u>\$ 165,735,746</u>
16.83%	19.87%	20.79%	19.62%	15.50%	16.45%

**Burleson Independent School District**

## Governmental Funds Other Source, Uses and Changes in Fund Balance

Last Ten Years

*(modified accrual basis of accounting)*

(Unaudited)

	2013	2014	2015	2016
Excess of revenues over (under) expenditures	\$ (5,228,642)	\$ (81,002)	\$ 2,056,624	\$ (8,035,233)
Other Financing Sources (Uses)				
Capital Related Debt Issued (Regular Bonds)	8,575,000	-	-	146,039,656
Transfers In	1,505,006	-	-	5,558,760
Transfers Out	(1,505,006)	-	-	(5,558,760)
Premium or Discount on proceeds from debt	529,340	-	-	16,247,550
Prepaid Interest	-	-	-	-
Other Uses (Refunding Bonds)	(9,013,270)	-	-	-
Proceeds from right-to-use assets	1,422,196	-	-	-
Non-Current Loans	-	-	-	-
Sale of Real and Personal Property	-	-	11,776	-
Payment to Refunded Bond Escrow Agent	-	-	-	(161,490,701)
Other (Uses)	-	-	-	-
Total Other Financing Sources (Uses)	1,513,266	-	11,776	796,505
<b>Net Change in Fund Balances</b>	<b>\$ (3,715,376)</b>	<b>\$ (81,002)</b>	<b>\$ 2,068,400</b>	<b>\$ (7,238,728)</b>

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

## Schedule 7

2017	2018	2019	2020	2021	2022
\$ (2,543,859)	\$ (4,686,514)	\$ (43,519,976)	\$ (9,690,821)	\$ 5,890,077	\$ 4,725,520
17,630,000	118,064,151	24,955,000	17,700,000	16,700,000	-
-	8,519,602	8,868,513	6,957,289	13,089,595	15,125,030
-	(8,519,602)	(8,868,513)	(6,957,289)	(13,089,595)	(15,125,030)
832,340	13,805,714	301,300	2,927,009	4,839,483	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	545,147	-	202,800
-	-	-	-	-	-
-	-	-	-	-	-
(18,146,509)	(70,609,310)	-	(20,389,800)	(21,653,912)	-
-	-	-	-	-	-
315,831	61,260,555	25,256,300	782,356	(114,429)	202,800
\$ (2,228,028)	\$ 56,574,041	\$ (18,263,676)	\$ (8,908,465)	\$ 5,775,648	\$ 4,928,320

**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 <sup>1</sup>	Estimated Actual Value <sup>2</sup>	Assessed Value to Total Estimated Actual Value
	Real Property	Personal Property					
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	6,971,180,563	512,961,229	1,792,836,340	5,691,305,452	1.53830	7,484,141,792	76.04%
2022	7,437,855,172	533,873,031	1,846,289,390	6,125,438,813	1.49460	7,971,728,203	76.84%

Sources: Johnson and Tarrant County Appraisal District

<sup>1</sup>Per \$100 of assessed value.

<sup>2</sup>Estimated 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)

	2013	2014	2015	2016
Burleson ISD:				
Maintenance and Operations	1.04000	1.04000	1.04000	1.04000
Interest and Sinking	0.50000	0.50000	0.50000	0.50000
<b>Total</b>	<b>1.54</b>	<b>1.54</b>	<b>1.54</b>	<b>1.54</b>
City of Burleson <sup>1</sup>	0.690	0.690	0.740	0.740
City of Fort Worth <sup>1</sup>	0.855	0.855	0.855	0.855
City of Crowley <sup>1</sup>	0.669029	0.676448	0.765515	0.718061
Johnson County <sup>1</sup>	0.333229	0.371154	0.445	0.448
Tarrant County <sup>1</sup>	0.264	0.264	0.264	0.264
Tarrant County College District <sup>1</sup>	0.1376	0.1495	0.1495	0.1495
Tarrant County Hospital District <sup>1</sup>	0.227897	0.227897	0.227897	0.227897

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

<sup>1</sup>Overlapping rates

## Schedule 9

2017	2018	2019	2020	2021	2022
1.04000	1.17000	1.17000	1.06835	1.03830	0.99460
0.50000	0.50000	0.50000	0.50000	0.50000	0.50000
1.54	1.67	1.67	1.57	1.54	1.49
0.646	0.735	0.735	0.72	0.7111	0.69
0.835	0.805	0.785	0.785	0.785	0.7325
0.703351	0.719	0.709	0.681992	0.699806	0.729545
0.459738	0.472	0.472	0.425	0.425	0.3797
0.264	0.244	0.234	0.234	0.234	0.229
0.1447	0.1401	0.1361	0.1302	0.1302	0.1302
0.227897	0.224429	0.224429	0.224429	0.224400	0.224429

# Burleson Independent School District

# Schedule 10

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

Principal Employer	Rank	2022		Rank	2013	
		2021-2022 Total Taxable Assessed Value <sup>1</sup>	Percentage of Total Taxable Assessed Value		2012-2013 Total Taxable Assessed Value <sup>2</sup>	Percentage of Total Taxable Assessed Value
Burleson Gateway	1	\$ 53,974,294	0.88%	6	27,174,150	0.79%
Oncor	2	38,194,321	0.62%			
Golden State Foods	3	35,801,001	0.58%			
Burleson Manufacturing	4	34,215,534	0.56%			
Welltower TCG	5	29,794,383	0.49%			
Wagner Smith	6	26,578,261	0.43%			
Abbey Burleson MF	7	22,328,637	0.36%			
Burleson Commons	8	20,966,323	0.34%	9	16,143,641	0.47%
McSquare18 LLC	9	20,623,803	0.34%			
JAHCO Burleson Town	10	19,454,403	0.32%			
XTO Energy, Inc.				1	105,404,203	3.07%
Chesapeake Operating, Inc.				2	94,339,536	2.75%
Devon Energy Operating Co, Inc.				3	72,886,643	2.12%
Barnett Gathering, LP				4	40,224,870	1.17%
WPX Energy				5	29,950,985	0.87%
EOG Resources, Inc.				7	20,766,124	0.60%
Haliburton				8	19,484,107	0.57%
McAlister Square				9	15,969,350	0.46%
		<u>\$ 301,930,960</u>	<u>4.93%</u>		<u>\$ 442,343,609</u>	<u>12.85%</u>

Source: Johnson and Tarrant County Appraisal District

1Total 2021-2022 taxable assessed value equals \$6,125,438,813

2Total 2012-2013 taxable assessed value equals \$3,434,466,119

**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 <sup>1</sup>	Percentage of Levy		Amount	Percentage of Levy
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%
2022	86,079,499	85,367,949	99.17%	259,688	85,627,636	99.48%

<sup>1</sup>Collected 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	Leases	Notes Payables	Total Primary Government	Percentage of Personal Income	Per Capita
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	16.80%	10,852
2021	317,767,015	53,990,165	208,181	-	371,965,361	N/A	10,829
2022	309,726,599	53,236,374	1,426,703	-	364,389,676	N/A	10,608

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 <sup>1</sup>	Amount Overlapping Net Debt
City of Burleson	\$ 127,825,000	6/30/2022	76.21%	\$ 106,373,918
City of Crowley	47,395,000	6/30/2022	3.23%	1,222,555
City of Fort Worth	908,665,000	6/30/2022	0.91%	8,848,249
Johnson County	18,735,000	6/30/2022	24.95%	4,575,830
Tarrant County	433,175,000	6/30/2022	0.87%	2,091,872
Tarrant County College District	255,995,000	6/30/2022	0.87%	2,298,323
Tarrant County Hospital District	12,825,000	6/30/2022	0.87%	126,107
Total Overlapping Net Debt	1,804,615,000			125,536,854
Burleson ISD	364,389,676	6/30/2022	100%	364,389,676
<b>Total Direct and Overlapping Debt</b>				<b>\$ 489,926,530</b>
<b>Ratio of Total Direct and Overlapping Net Debt to 2022 Taxable Assessed Valuation \$6,125,438,813</b>				<b>8.00%</b>

Source: Municipal Advisory Council of Texas

<sup>1</sup>The 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 <sup>1</sup>	Reserve for Retirement of Bonded Debt	Net Bonded Debt Outstanding at Year End
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%	317,767,015	14,494,832	303,272,183
2022	6,125,438,813	100%	309,726,599	21,049,572	288,677,027

Sources: Johnson and Tarrant County Appraisal District, District records

<sup>1</sup>The 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
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%	44,860	8,214	96,337
2019	6.58%	45,620	6,808	103,418
2020	5.94%	46,540	6,679	112,377
2021	5.33%	47,730	6,354	115,696
2022	4.71%	48,820	5,913	125,470

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

**Schedule 15**

Fiscal Year	Population <sup>1</sup>	Personal Income <sup>2</sup> (thousands of dollars)	Per Capita Personal Income <sup>3</sup>	Unemployment Rate <sup>4</sup>	Residential Units <sup>5</sup>	Assessed Value of Residential Units <sup>5</sup>	Average Assessed Value of Residential Units <sup>5</sup>	Average Daily Attendance
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	44,860	1,877,032	41,697	3.9%	19,934	3,365,082,959	168,811	11,487
2019	45,620	2,019,259	43,759	3.4%	20,130	3,971,138,527	197,275	11,735
2020	46,540	2,217,817	47,654	6.8%	20,616	4,362,004,914	211,583	12,088
2021	47,730	N/A	N/A	6.5%	20,925	4,650,803,995	222,261	11,722
2022	48,950	N/A	N/A	4.2%	21,247	5,649,697,305	265,906	11,465

Sources:

<sup>1</sup>City of Burleson Annual Comprehensive Financial Report and United States Census Bureau

<sup>2</sup>Personal Income is the per capita income multiplied by the population

<sup>3</sup>Bureau of Economic Analysis. Personal income for Johnson County updated through 2020.

<sup>4</sup>US Department of Labor - Bureau of Labor Statistics

<sup>5</sup>Johnson County and Tarrant County Appraisal District

**Burleson Independent School District****Schedule 16**

Principal Employers  
Current Year and Five Years Ago  
(Unaudited)

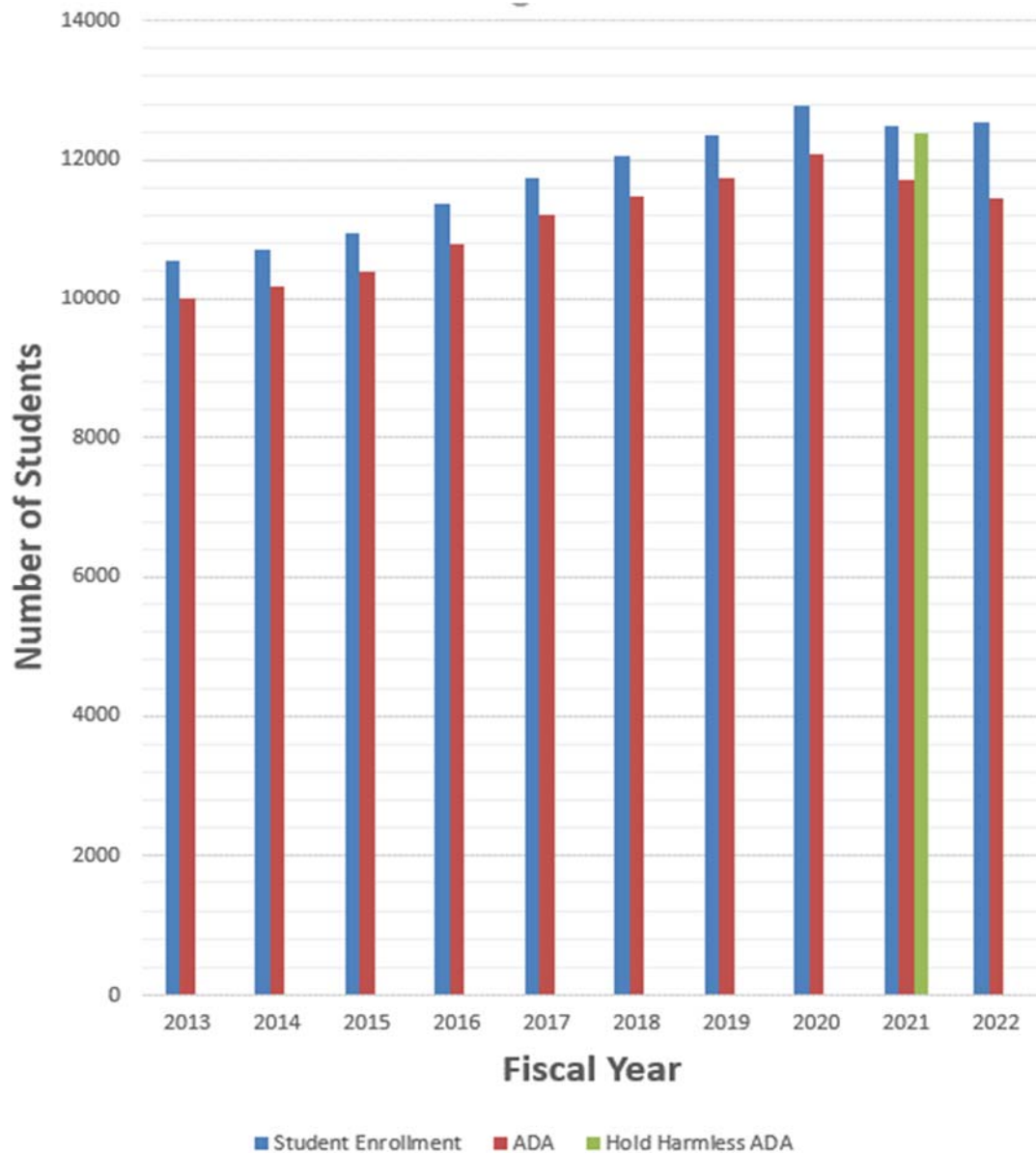
Principal Employer	Business Type	Rank	2021-2022		Rank	2016-2017	
			Number of Employees	Percentage of Total Employment		Number of Employees	Percentage of Total Employment
Burleson ISD	Education	1	1598	8.88%	1	1482	9.88%
H.E.B. Grocery Store	Grocery	2	610	3.39%	4	370	2.47%
City of Burleson	Municipality	3	479	2.66%	2	408	2.72%
Wal-Mart	Retail	4	460	2.56%	3	385	2.57%
Champion Buildings	Manufacturing	5	300	1.67%	5	335	2.23%
Lowe's	Retail	6	200	1.11%	10	140	0.93%
KWS Manufacturing	Manufacturing	7	160	0.89%			
Basden Steel	Manufacturing	8	150	0.83%	9	161	1.07%
Golden State	Manufacturing	9	150	0.83%			
Kroger Marketplace	Retail	10	150	0.83%	8	170	1.13%
Target	Retail				7	175	1.17%
			<u>4257</u>	<u>23.65%</u>		<u>3626</u>	<u>24.17%</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	2022
<b>Teaching</b>										
Elementary Classroom Teachers	329	313	304	322	353	349	355	359	374	356
Secondary Classroom Teachers	260	323	324	344	374	386	388	407	417	435
Other Teachers	75	39	56	40	32	38	36	34	23	37
Total Teaching Staff	664	675	684	706	759	773	780	800	813	828
<b>Support Staff</b>										
Counselors	21	23	22	23	23	29	28	30	33	34
Therapists	16	17	17	17	19	19	21	20	22	21
Psychologists/Diagnosticians	16	16	15	17	20	13	16	15	19	21
Teacher Facilitators	7	8	8	14	13	12	13	11	13	12
Other Campus Professional	9	10	17	18	10	19	15	15	16	12
Other Non-Instructional	17	18	21	20	24	22	33	37	33	39
Athletic Trainer	3	3	2	4	3	5	4	3	3	2
Librarians	14	14	13	14	14	14	14	14	12	13
Nurses/Physicians	16	14	15	16	16	15	14	15	17	18
Total Support Staff	119	123	130	143	142	148	157	160	168	172
<b>Administrative Staff</b>										
Principals	15	15	14	15	17	17	17	18	18	19
Assistant Principals	25	24	26	26	26	28	30	27	28	29
Superintendent	1	1	1	1	1	1	1	1	1	1
Assistant Superintendent	1	1	2	2	2	1	0	1	1	1
Directors	11	13	15	14	19	13	12	10	9	9
Total Central Administration	53	54	58	58	65	60	60	57	57	59
<b>Paraprofessional Staff</b>										
Educational Aides	122	119	128	126	134	155	150	136	144	145
<b>Auxiliary Staff</b>										
Auxiliary	390	363	369	349	382	399	404	408	404	394
<b>Total</b>	1,347	1,334	1,369	1,382	1,482	1,535	1,550	1,561	1,587	1,598

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>
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
2022	56,800	77,240	60,464	61,301	58,887

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 <sup>1</sup>	Cost Per Pupil	Percent Change	Operating Expenses	Cost Per Pupil
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	11,722	122,011,446	10,409	4.92%	159,418,216	13,600
2022	12,532	11,464	129,331,965	11,282	8.39%	144,313,863	12,588

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

<sup>1</sup>Operating 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
-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%
2.12%	813	14.4	35.0%
-7.44%	828	13.8	34.0%

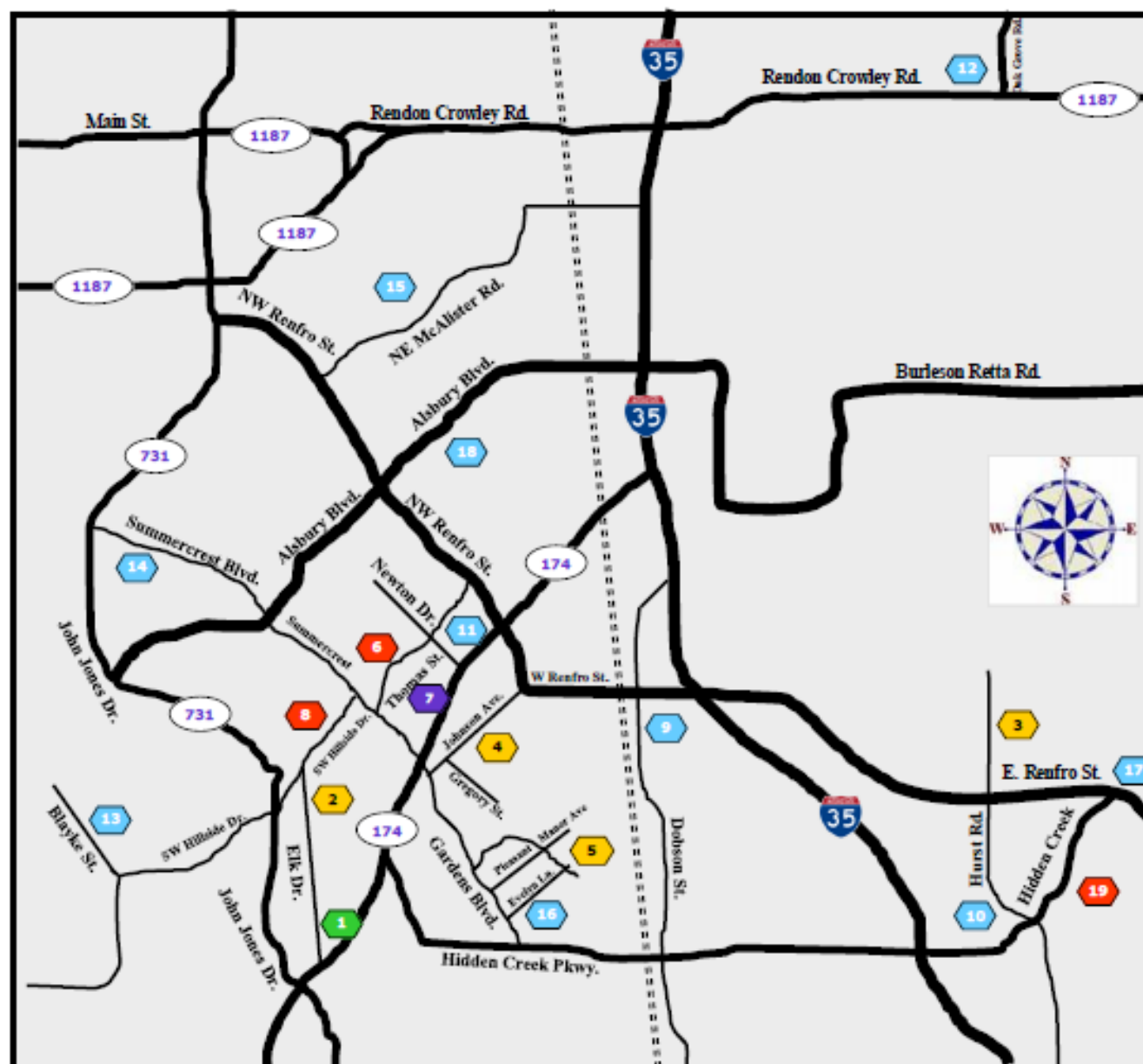
# Burleson Independent School District

# Schedule 21

## School Building Information Last Ten Years (Unaudited)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Elementary</b>										
# 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	5,184	5,214	5,283	5,534	5,670	5,725	5,718	5,798	5,427	5,427
<b>Middle Schools</b>										
# of Locations	2	2	2	3	3	3	3	3	3	3
Sq. Footage	383,563	383,563	383,563	434,793	434,793	434,793	434,793	426,188	426,188	426,188
Capacity	2,200	2,200	2,200	2,700	2,700	2,700	2,700	3,300	3,300	3,300
Enrollment	2,342	2,388	2,446	2,571	2,750	2,896	3,011	2,827	2,839	2,839
<b>High Schools</b>										
# of Locations	3	3	3	3	4	4	4	4	4	4
Sq. Footage	1,034,527	1,034,527	1,034,527	1,034,527	1,034,527	1,034,527	1,034,527	1,086,116	1,086,116	1,075,469
Capacity	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150	4,150
Enrollment	2,931	3,016	3,076	3,271	3,328	3,433	3,611	3,853	3,856	3,856
<b>Secondary Schools</b>										
# of Locations								1	1	1
Sq. Footage								40,942	40,942	52,263
Capacity								600	600	600
Enrollment								297	352	352
<b>Athletic Facilities</b>										
Multi-purpose Buildings	1	1	1	1	1	1	1	2	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
<b>Playgrounds</b>										
	10	10	10	10	10	10	10	10	10	10
<b>Administrative</b>										
# 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
<b>Agriculture Science Center</b>										
Sq. Footage					28,900	28,900	28,900	28,900	28,900	28,900

# Burleson ISD School Location Map



## ADMINISTRATION

- 1** **BISD Administration Building**  
1160 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)**  
517 SW Johnson Ave | 817-245-1600

## SECONDARY SCHOOL

- 7** **GDDS (008)**  
510 SW Wilshire Blvd | 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
- 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 McAllister 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**

To the Board of Trustees of  
Burleson Independent School District

We have audited, 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, 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, 2022, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued our report thereon dated November 14, 2022.

***Report on 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) as a basis for designing 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 District's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a significant deficiency.

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. We consider the deficiency described in the accompanying *schedule of findings and questioned costs* as item 2022-001 to be a significant deficiency.

***Report on 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 financial statements. 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.

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

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The Board of Trustees of  
Burleson Independent School District

### **The District's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the findings identified in our engagement and described in the accompanying *schedule of findings and questioned costs*. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **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 entity'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 entity'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 14, 2022



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

To the Board of Trustees of  
Burleson Independent School District

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited the District's compliance with the types of compliance requirements identified as subject to audit in the 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, 2022. 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.

In our opinion, the District complied, in all material respects, with the 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, 2022.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

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### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 a 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 audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The Board of Trustees of  
Burleson Independent School District

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 14, 2022

## Burleson Independent School District

### Schedule of Findings and Questioned Costs

Year Ended June 30, 2022

## 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:

84.425D	COVID 19-ESSER I Grant (Cares Act)
84.425D	COVID-19-ESSER II GRANT (CRRSA)
84.425U	COVID-19-ESSER III GRANT (TCLAS)
84.425U	COVID-19-ESSER III GRANT (ARP)
84.425U	COVID-19-ESSER III GRANT (ARP-SUPPLEMENTAL)

- 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, 2022

### **Section II – Financial Statement Findings**

#### **Finding 2022-01**

Significant Deficiency – Restatement of the prior year financials

**Conditions:** An invoice was not properly accrued for in the prior year capital projects liability and not included in the prior year construction in progress.

**Criteria:** The service dates within a fiscal year should be accrued for within that fiscal year and instead of the invoice date.

**Cause:** An invoice was not accrued for in the capital projects fund as of June 30, 2021.

**Effect:** The District restated the prior year to reflect the invoice in the proper period as well as the related construction in progress.

**Recommendation:** The District should review the service dates of the construction invoices to insure properly inclusion within its liability.

**View of Responsible Officials:** See Corrective Action Plan

### **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, 2022

**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
<b>U.S. DEPARTMENT OF DEFENSE</b>			
<u>Direct Programs</u>			
Junior ROTC	12.000	126902	\$ 66,803
<b>TOTAL DEPARTMENT OF DEFENSE</b>			66,803
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<u>Passed Through State Department of Education</u>			
ESEA, Title I, Part A	84.010A	21610101126902	76,629
ESEA, Title I, Part A	84.010A	22610101126902	1,300,984
Total Assistance Listing Number 84.010A			1,377,613
Special Education Cluster			
IDEA - Part B, Formula	84.027A <sup>(1)</sup>	206600011269026000	228,484
IDEA - Part B, Formula	84.027A <sup>(1)</sup>	216600011269026000	10,066
IDEA - Part B, Formula	84.027A <sup>(1)</sup>	226600011269026000	1,287,923
Total Assistance Listing Number 84.027A			1,526,473
IDEA - Preschool	84.173 <sup>(1)</sup>	216610011269026000	2,826
IDEA - Preschool	84.173 <sup>(1)</sup>	226610011269026000	42,964
Total Assistance Listing Number 84.173			45,790
Total Special Education Cluster			1,572,263
Career and Technical - Basic Grant	84.048	21420006126902	2,853
Career and Technical - Basic Grant	84.048	22420006126902	100,068
Total Assistance Listing Number 84.048			102,921
Title III, Part A - English Language Acquisition	84.365A	20671001126902	748
Title III, Part A - English Language Acquisition	84.365A	21671001126902	4,796
Title III, Part A - English Language Acquisition	84.365A	22671001126902	59,998
Total Assistance Listing Number 84.365A			65,542
Title II, Part A - Teacher & Principal Training	84.367A	21694501126902	62,976
Title II, Part A - Teacher & Principal Training	84.367A	22694501126902	89,968
Total Assistance Listing Number 84.367A			152,944
ESEA, Title IV, Part A - Subpart 1	84.424A	2680101126902	29,113
Total Assistance Listing Number 84.424A			29,113
COVID-19-ESSER II GRANT (CRRSA)	84.425D	21521001126902	(21)
COVID-19-ESSER I GRANT (CARES ACT)	84.425D	20521001126902	424,213
Total Assistance Listing Number 84.425D			424,192
COVID-19-ESSER III GRANT (TCLAS)	84.425U	21528042126902	72,288
COVID-19-ESSER III GRANT (ARP)	84.425U	21528001126902	2,958,187
COVID-19-ESSER III GRANT (ARP SUPPLEMENTAL)	84.425U	21528043126902	611,582
Total Assistance Listing Number 84.425U			3,642,057
ESEA, Title VI, Part A - Summer School LEP	84.369A	69551902	1,190
Total Assistance Listing Number 84.369A			1,190
Total Passed Through State Department of Education			7,367,835
<b>TOTAL DEPARTMENT OF EDUCATION</b>			7,367,835

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

**Burleson Independent School District****Exhibit K-1**Schedule of Expenditures of Federal Awards – Continued  
Year Ended June 30, 2022

(1) FEDERAL GRANTOR PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal Assistance Listing	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<u>Passed Through State Department of Agriculture</u>			
Child Nutrition Cluster:			
School Breakfast Program	10.553 <sup>(2)</sup>	71402101	263,492
School Breakfast Program	10.553 <sup>(2)</sup>	71402201	1,364,062
Total Assistance Listing Number 10.553			1,627,554
National School Program Lunch - Cash Assistance	10.555 <sup>(2)</sup>	71302101	1,124,765
National School Program Lunch - Cash Assistance	10.555 <sup>(2)</sup>	71302201	5,288,764
National School Program Lunch - Non-Cash Assistance	10.555 <sup>(2)</sup>	71301001	614,840
Supply Chain Assistance	10.555 <sup>(2)</sup>	226TX400N8903	260,843
Total Assistance Listing Number 10.555			7,289,212
Total Child Nutrition Cluster:			8,916,766
Child Nutrition Discretionary Grants Limited Availability	10.579	226TX355N8103	53,545
Total Passed Through the State Department of Agriculture			8,970,311
<b>TOTAL DEPARTMENT OF AGRICULTURE</b>			8,970,311
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<u>Passed Through the Texas Workforce Commission</u>			
COVID-19: Child Care and Development Block Grant	93.575	126902	57,954
<b>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			57,954
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ 16,462,903
School Health & Related Services (SHARS) <sup>(3)</sup>			1,748,851
<b>TOTAL FEDERAL REVENUES, RECONCILED TO EXHIBIT C-3</b>			\$ 18,211,754

(1) Reported as Special Education Cluster, as required by Compliance Supplement April 2022

(2) Reported as Child Nutrition Cluster, as required by Compliance Supplement April 2022

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

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

## **Burleson Independent School District**

Notes to the Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2022

### **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, 2022, 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, 2022, the District recognized food commodities totaling \$614,840 with a remaining \$6,363 in inventory.

### **Note 4. Indirect Cost Rate**

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





## **Finding 2022-001: Restatement of the Prior Year Financials**

### **Corrective Action Plan:**

The Business office will verify the service dates of the construction invoices to determine whether the invoice should be properly included or excluded from the liability.

Responsible Official: Brenda Mize, CFO  
Implementation Date: November 2022

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