

Bryan Independent School District

Annual Financial Report

For the Fiscal Year Ended June 30, 2025

Bryan Independent School District
Annual Financial Report
For the Fiscal Year Ended June 30, 2025
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Certificate of the Board

Bryan Independent School District

Name of School District

Brazos

County

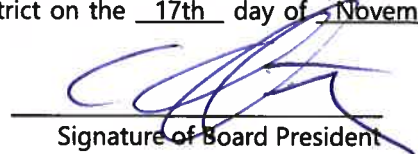
021-902

Co.-Dist Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and ✓ approved disapproved for the fiscal year ended June 30, 2025 at a meeting of the Board of Trustees of such school district on the 17th day of November, 2025.



Signature of Board Secretary



Signature of Board President

If the Board of Trustees disapproved the auditor's report, the reason(s) for disapproving it is/are (attach list as necessary):

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Financial Section

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Independent Auditor's Report

To the Board of Trustees of
Bryan Independent School District
Bryan, 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 Bryan Independent School District (the District), as of and for the fiscal year ended June 30, 2025, 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 referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, 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 1 to the basic financial statements, during the year ended June 30 2025, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Beginning net position has been restated as a result of the implementation of this statement. Our opinions are 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.

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, and *Government Auditing Standards* 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 and *Government Auditing Standards*, 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, 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 District's basic financial statements. The Supplementary Information 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* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Supplementary Information and 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 Report

Management is responsible for the other information included in the annual report. The other information comprises the Schedule of Required Responses to Selected School FIRST Indicators 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 statements, 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, 2025 on our consideration of 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 District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
November 14, 2025

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Management's Discussion and Analysis (Unaudited)

As management of the Bryan Independent School District (the District), we offer readers of the accompanying report this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2025. In reviewing this report, readers should be mindful that it is often necessary for management to make and use estimates in the preparation of financial statements. Examples of the use of such estimates may be found in amounts reported for depreciation, net taxes receivable, net other postemployment benefit and net pension liability.

Financial Highlights

- Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources at year-end by \$41,599,453 (net position). Of this amount, unrestricted net position was negative \$83,924,643 due to recognition of net pension liabilities, net OPEB liabilities and related deferrals.
- The District's total net position decreased by \$5,539,721 from current operations. Beginning net position decreased \$19,634,112 as a result of the implementation of GASB No. 101, *Compensated Absences*.
- As of the close of the current period, the District's governmental funds had combined ending fund balances of \$93,183,617, a decrease of \$33,643,045 as compared to the preceding period.
- At the end of the current period, fund balance of the general fund was \$41,072,329, or 22 percent of the period's total general fund expenditures.
- The District's net bonded debt increased by \$31,519,237 (11 percent) during the period.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains required supplementary information and supplementary information in addition to the basic financial statements.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector enterprise.

The *Statement of Net Position* (Exhibit A-1) presents information on all of the District's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as an indicator of how the financial position of the District is changing.

The *Statement of Activities* (Exhibit B-1) presents information showing how the District's net position changed during the year. Changes in net position are reported upon occurrence of the underlying event giving rise to the change, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some transactions that will not result in cash flows until future fiscal periods (e.g., uncollected taxes).

The government-wide financial operations (*governmental activities*) of the District are principally supported by taxes, intergovernmental revenues, and charges for services. The governmental activities of the District include *Instruction, Instructional Resources and Media Services, Curriculum and Instructional Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Cocurricular/Extracurricular Activities, General Administration, Plant Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Long-term Debt, Issuance costs and fees, Facilities Repair and Maintenance, Payments to Juvenile Justice Alternative Education Programs and Other Intergovernmental Charges*. The business-type activities of the District included *Concessions*.

The government-wide financial statements can be found as noted in the table of contents of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, as do other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of cash resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating near-term financing requirements.

Because the focus of governmental funds financial statements is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintained twenty-seven individual governmental funds during the year. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and capital projects funds, which are considered to be major funds. Data from the other twenty-four governmental funds are combined into a single, aggregated presentation titled *total nonmajor funds*.

The District adopts an annual revenue and appropriations budget for its general fund, debt service fund and child nutrition special revenue fund. All other governmental funds adopt project length budgets. Subsequent to adoption, amendments approved by the governing body are reflected in a revised budget column. A budgetary comparison schedule has been provided for the general fund, debt service fund and child nutrition special revenue fund to demonstrate compliance with its budget.

The basic governmental fund financial statements are noted in the table of contents of this report.

Proprietary Funds. The District maintains two different types of proprietary funds. Proprietary funds provide essentially the same type of information as the government-wide financial statements, only in more detail. Individual fund data for the internal service funds are provided in the form of combining statements elsewhere in this report, when applicable.

Enterprise Funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The District uses enterprise funds to account for its *Concession* operations.

The District uses internal service funds to account for the management of its retained risks and for its transportation, print shop, health care, and workers' compensation. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

The basic proprietary fund financial statements are noted in the table of contents of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of students and other organizations that benefit the students and the District. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs and activities.

The basic fiduciary fund financial statements are noted in the table of contents of this report.

Notes to the Basic Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements are noted in the table of contents of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report presents required supplementary information and supplementary information, including schedules required by the Texas Education Agency. Such information is noted in the table of contents of this report.

Government-wide Financial Analysis

As mentioned earlier, net position may, over time, serve as an indicator of a District's changing financial position. At the close of the District's most recent fiscal period, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$41,599,453.

Bryan Independent School District's Net Position

	Governmental Activities		Business-type Activities		Total	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Current and other assets	\$ 129,751,347	\$ 172,538,060	\$ 112,023	\$ 108,653	\$ 129,863,370	\$ 172,646,713
Capital assets, net of accumulated depreciation and amortization	333,245,998	334,944,176	-	-	333,245,998	334,944,176
Total assets	462,997,345	507,482,236	112,023	108,653	463,109,368	507,590,889
Total deferred outflows of resources	43,415,881	45,925,246	-	-	43,415,881	45,925,246
Other liabilities	30,101,697	38,792,156	-	-	30,101,697	38,792,156
Long-term liabilities outstanding	395,561,719	398,155,674	-	-	395,561,719	398,155,674
Total liabilities	425,663,416	436,947,830	-	-	425,663,416	436,947,830
Total deferred inflows of resources	39,262,380	49,795,019	-	-	39,262,380	49,795,019
Net position:						
Net investment in capital assets	110,432,218	97,855,393	-	-	110,432,218	97,855,393
Restricted	15,091,878	17,445,615	-	-	15,091,878	17,445,615
Unrestricted (deficit)	(84,036,666)	(48,636,375)	112,023	108,653	(83,924,643)	(48,527,722)
Total net position	\$ 41,487,430	\$ 66,664,633	\$ 112,023	\$ 108,653	\$ 41,599,453	\$ 66,773,286

The largest portion of the District's net position is net investment in capital assets, representing the District's investment in capital assets (e.g., land and improvements, construction in progress, buildings and improvements, furniture and equipment and right-to-use assets), less any related debt used to acquire those assets. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending.

Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Net position of \$15,091,878, which is the next largest positive category of net position, is restricted for future debt service and grant expenditures.

Unrestricted net position, reported as a negative \$83,924,643, represents the portion of net position not reported elsewhere. Unrestricted net position is negative primarily due to the recognition of the District's pension and OPEB liabilities as well as the implementation of GASB 101, *Compensated Absences* (GASB 101). The District implemented GASB 101 in fiscal year 2025 resulting in a restatement which decreased net position by \$19,634,112. Because the restatement is the result of a change in accounting principle, the information for 2024 in the tables in the MD&A have not been restated in accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections* - an amendment of GASB Statement No. 62. See Note 1 for more information.

At the end of the current period, the District is able to report positive balances in total net position for governmental and business-type activities.

Governmental Activities. Governmental activities decreased the District's net position by \$5,543,091 from current operations. Key elements of this change may be determined from the table below.

Bryan Independent School District Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	Twelve Months Ended June 30, 2025	Ten Months Ended June 30, 2024	Twelve Months Ended June 30, 2025	Ten Months Ended June 30, 2024	Twelve Months Ended June 30, 2025	Ten Months Ended June 30, 2024
Revenue						
Program revenues:						
Charges for services	\$ 2,942,335	\$ 2,450,927	\$ 87,471	\$ 71,045	\$ 3,029,806	\$ 2,521,972
Operating grants and contributions	41,672,055	50,666,948	-	-	41,672,055	50,666,948
General revenues:						
Property taxes, levied for general purposes	85,371,185	80,562,245	-	-	85,371,185	80,562,245
Property taxes, levied for debt service	34,239,423	32,492,502	-	-	34,239,423	32,492,502
Grants and contributions not restricted to specific programs	75,303,256	70,627,067	-	-	75,303,256	70,627,067
Investment earnings	6,014,626	6,606,524	-	-	6,014,626	6,606,524
Miscellaneous	368,322	470,457	-	-	368,322	470,457
Total revenues	245,911,202	243,876,670	87,471	71,045	245,998,673	243,947,715
Expenses						
Instruction	135,117,455	122,954,863	-	-	135,117,455	122,954,863
Instructional resources and media services	1,994,400	1,730,972	-	-	1,994,400	1,730,972
Curriculum and instructional staff development	7,532,296	7,959,331	-	-	7,532,296	7,959,331
Instructional leadership	5,124,407	4,998,601	-	-	5,124,407	4,998,601
School leadership	14,901,282	13,195,053	-	-	14,901,282	13,195,053
Guidance, counseling, and evaluation services	12,096,914	10,000,619	-	-	12,096,914	10,000,619
Social work services	1,023,043	1,059,927	-	-	1,023,043	1,059,927
Health services	2,734,329	2,394,404	-	-	2,734,329	2,394,404
Student transportation	8,443,816	6,646,611	-	-	8,443,816	6,646,611
Food services	15,139,936	11,626,326	-	-	15,139,936	11,626,326
Cocurricular/extracurricular activities	5,289,957	4,866,497	-	-	5,289,957	4,866,497
General administration	5,869,197	4,644,160	-	-	5,869,197	4,644,160
Plant maintenance and operations	19,386,155	15,982,990	-	-	19,386,155	15,982,990
Security and monitoring services	3,224,019	3,013,556	-	-	3,224,019	3,013,556
Data processing services	2,890,531	2,904,790	-	-	2,890,531	2,904,790
Community services	445,363	414,149	-	-	445,363	414,149
Interest on long-term debt	8,106,522	8,382,107	-	-	8,106,522	8,382,107
Issuance costs and fees	117,398	-	-	-	117,398	-
Facilities repair and maintenance	774,058	1,362,449	-	-	774,058	1,362,449
Payments to juvenile justice alternative education programs	44,528	37,121	-	-	44,528	37,121
Payments to related shared service arrangements	-	2,409	-	-	-	2,409
Other intergovernmental charges	1,198,687	932,370	-	-	1,198,687	932,370
Concessions	-	-	84,101	58,322	84,101	58,322
Total expenses	251,454,293	225,109,305	84,101	58,322	251,538,394	225,167,627
Change in net position before transfers	(5,543,091)	18,767,365	3,370	12,723	(5,539,721)	18,780,088
Transfers	-	1,675,424	-	-	-	1,675,424
Change in net position	(5,543,091)	20,442,789	3,370	12,723	(5,539,721)	20,455,512
Net position - beginning	66,664,633	46,221,844	108,653	95,930	66,773,286	46,317,774
Implementation of GASB 101, <i>Compensated Absences</i>	(19,634,112)	-	-	-	(19,634,112)	-
Net position - beginning, as restated	47,030,521	46,221,844	108,653	95,930	47,139,174	46,317,774
Net position - ending	\$ 41,487,430	\$ 66,664,633	\$ 112,023	\$ 108,653	\$ 41,599,453	\$ 66,773,286

Revenues are generated primarily from two sources. Grants and contributions (program and general revenues) totaling \$116,975,311 represent 48 percent of total revenues and property taxes totaling \$119,610,608 represent 49 percent of total revenues. The remaining 3 percent is generated from charges for services, investment earnings and miscellaneous sources. The decrease in grants and contributions is the result of a decrease in state allotment. The increase in property taxes is the result of an increase in taxable values.

The primary functional expense of the District is *Instruction* totaling \$135,117,455, which represents 54 percent of total expenses while all remaining expense categories are individually 8 percent or less of total expenses. The overall expenses increased primarily due to 10 months reported in the prior year while no other significant changes occurred.

Business-type Activities. Business-type activities increased the District's net position by \$3,370.

Financial Analysis of the Government's Funds

As mentioned earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. At the end of the fiscal period, the District's governmental funds had combined ending fund balances of \$93,183,617, a decrease of \$33,643,045 from the preceding year. Comments as to each individual major fund's change in fund balance follows.

The general fund is the primary operating fund of the District. At year-end, unassigned fund balance of the general fund was \$35,206,946, while total fund balance was \$41,072,329. To evaluate the general fund's liquidity, it may be helpful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 19 percent of total general fund expenditures, while total fund balance represents 22 percent of that same total. The fund balance of the general fund decreased \$12,304,614 during the period. The decrease in general fund balance was mainly due to an increase in payroll expenditures.

The debt service fund ended the period with a total fund balance of \$9,251,933, all of which is restricted for the payment of principal and interest on debt. The debt service fund balance decreased \$2,392,474 during the period, primarily due to the change in fiscal year, which resulted in recognition of more interest payments in the current period.

The capital projects fund has a total fund balance of \$35,085,213, all of which is restricted for future construction projects. The decrease in fund balance during the current year of \$17,608,129 was primarily due to planned construction expenditures.

Governmental funds financial statements may be found by referring to the table of contents.

Proprietary Funds. The District's proprietary fund financial statements provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of these funds have already been addressed in the discussion of the District's business-type activities.

General Fund Budgetary Highlights

The District amends the budget as needed throughout the year. The increase in revenues of \$12,107,000 was primarily due to an increase in State funding. The increase in expenditures of \$9,891,500 was primarily due to an increase in payroll and contracted services in Instruction.

There were no significant positive variances between the final amended budget and actual results of the General Fund. All negative variances between the final amended budget and actual results are disclosed in the notes to the required supplementary information.

Capital Assets and Long-term Liabilities

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2025 was \$333,245,998 (net of accumulated depreciation and amortization). This investment in capital assets includes land and improvements, buildings and improvements, furniture and equipment, right-to-use assets and construction in progress. The District's business-type activities does not have capital assets.

Bryan Independent School District's Capital Assets

(Net of Depreciation and Amortization)

	Governmental Activities			
	2025	2024	Increase (Decrease)	
	Amount	Amount	Amount	%
Land and improvements	\$ 16,793,050	\$ 16,809,775	\$ (16,725)	-
Buildings and improvements	283,367,673	216,286,695	67,080,978	31
Furniture and equipment	5,430,780	6,248,342	(817,562)	(13)
Construction in progress	25,782,805	93,681,036	(67,898,231)	(72)
Right-to-use lease assets	1,008,408	780,186	228,222	29
Right-to-use subscription assets*	863,282	1,138,142	(274,860)	(24)
Totals	\$ 333,245,998	\$ 334,944,176	\$ (1,698,178)	(1)

Capital Projects

The Board of Trustees has approved several projects as part of the District's bond program that have either started or are in various stages of completion. Capital outlay in the Capital Projects Fund was approximately \$19.8 million in the current fiscal period.

The District has the following construction projects with major additions during the year:

- Renovations at various locations
- Furniture and equipment of \$1,470,352
- New Intermediate School

Additional information on the District's capital assets can be found in the notes to the financial statements as per the table of contents of this report.

Long-term Liabilities. At year-end, the District had the following long-term liabilities:

Bryan Independent School District's Outstanding Long-term Liabilities

	Governmental Activities					
	2025		2024		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
General obligation bonds (net)	\$ 252,378,270	64	\$ 283,897,507	71	\$ (31,519,237)	(11)
Notes payable - SECO loan	3,554,579	2	4,312,657	2	(758,078)	(18)
Leases payable	1,012,992	-	775,686	-	237,306	31
Subscriptions payable	618,230	-	876,018	-	(257,788)	(29)
Arbitrage liability	1,371,749	-	1,046,037	-	325,712	100
Health insurance	1,595,604	-	1,591,512	-	4,092	-
Workers' compensation	147,768	-	179,998	-	(32,230)	(18)
Compensated absences	20,716,983	5	925	-	20,716,058	2,239,574
Net pension liability	70,393,135	18	75,006,474	19	(4,613,339)	(6)
Net OPEB liability	43,772,409	11	30,468,860	8	13,303,549	44
Totals	\$ 395,561,719	100	\$ 398,155,674	100	\$ (2,593,955)	

The District's net bonded debt decreased by \$31.5 million (11 percent) during the current fiscal period, which resulted primarily from scheduled principal payments.

The District's general obligation debt is backed by the full faith and credit of the District and is further guaranteed by the Permanent School Fund of the State of Texas. State statutes do not limit the amount of bonded indebtedness issued by school districts, so long as the debt service tax rate does not exceed the limit established in Texas Education Code 45.0031. Additionally, approval of the Attorney General of the State of Texas is required prior to the sale of bonds.

Additional information on the District's long-term debt can be found in the notes to the financial statements as per the table of contents of this report.

Economic Factors and Next Year's Budgets and Rates

- School year (2025-26) student enrollment is 15,733, a 2% decrease from the preceding year.
- District staff totals 2,507 employees in 2025-26, excluding substitutes and other part-time employees, of which 1,263 are teachers and 407 are teacher aides and secretaries.
- The District maintains twenty-three regular education campuses.
- Property values of the District are projected to increase approximately 4% for the 2025-26 year.
- A maintenance and operations tax rate of \$0.6769 and a debt service tax rate of \$0.2700, a total rate of \$0.9469 were adopted for 2025-26. Preceding year rates were \$0.6792, \$0.2700 and \$0.9492, respectively.

All of these factors and others were considered in preparing the District's budget for the 2025-26 fiscal year.

Requests for Information

This financial report is intended to provide a general overview of the District's finances for those with an interest in this information. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Assistant Superintendent for Business Operations, Bryan Independent School District, 801 South Ennis, Bryan, Texas 77803.

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Basic Financial Statements

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Bryan Independent School District
Statement of Net Position
June 30, 2025

Exhibit A-1

Data Control Codes		Primary Government		
		Governmental Activities	Business-type Activities	Total
ASSETS				
1110	Cash and cash equivalents	\$ 5,206,920	\$ 145,946	\$ 5,352,866
1120	Current investments	90,668,246	-	90,668,246
1220	Property taxes receivables	9,768,171	-	9,768,171
1230	Allowance for uncollectible taxes	(230,145)	-	(230,145)
1240	Due from other governments	21,324,864	-	21,324,864
1250	Accrued interest	53,209	-	53,209
1260	Internal balances	33,923	(33,923)	-
1290	Other receivables	1,821,828	-	1,821,828
1300	Inventories	1,070,916	-	1,070,916
1410	Prepaid items	33,415	-	33,415
	Capital assets, not being depreciated:			
1510	Land and improvements	16,793,050	-	16,793,050
1580	Construction in progress	25,782,805	-	25,782,805
	Capital assets, net of depreciation/amortization:			
1520	Buildings and improvements (net)	283,367,673	-	283,367,673
1530	Furniture and equipment (net)	5,430,780	-	5,430,780
1550	Right-to-use lease assets (net)	1,008,408	-	1,008,408
1553	Right-to-use subscription assets (net)	863,282	-	863,282
1000	Total assets	462,997,345	112,023	463,109,368
DEFERRED OUTFLOWS OF RESOURCES				
1705	Deferred outflows - pension	19,224,172	-	19,224,172
1706	Deferred outflows - OPEB	24,191,709	-	24,191,709
1700	Total deferred outflows of resources	43,415,881	-	43,415,881
LIABILITIES				
2110	Accounts payable	4,339,365	-	4,339,365
2140	Interest payable	2,884,722	-	2,884,722
2150	Payroll deductions and withholdings	2,276,150	-	2,276,150
2160	Accrued wages payable	18,551,976	-	18,551,976
2200	Accrued liabilities	325,823	-	325,823
2300	Unearned revenue	1,723,661	-	1,723,661
	Noncurrent liabilities:			
2501	Due within one year	24,609,655	-	24,609,655
2502	Due in more than one year	256,786,520	-	256,786,520
2540	Net pension liabilities	70,393,135	-	70,393,135
2545	Net OPEB liability	43,772,409	-	43,772,409
2000	Total liabilities	425,663,416	-	425,663,416
DEFERRED INFLOWS OF RESOURCES				
2605	Deferred inflows - pension	1,313,884	-	1,313,884
2606	Deferred inflows - OPEB	37,613,574	-	37,613,574
2610	Deferred gain on refunding	334,922	-	334,922
2600	Total deferred inflows of resources	39,262,380	-	39,262,380
NET POSITION				
3200	Net investment in capital assets	110,432,218	-	110,432,218
3820	Restricted for grants	6,259,777	-	6,259,777
3850	Restricted for debt service	8,832,101	-	8,832,101
3900	Unrestricted (deficit)	(84,036,666)	112,023	(83,924,643)
3000	TOTAL NET POSITION	\$ 41,487,430	\$ 112,023	\$ 41,599,453

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

Bryan Independent School District

Statement of Activities

For the Fiscal Year Ended June 30, 2025

Data Control Codes	Functions/Programs	1 Expenses	3 Program Revenues	
			Charges for Services	Operating Grants and Contributions
	PRIMARY GOVERNMENT			
	Governmental activities:			
0011	Instruction	\$ 135,117,455	\$ 1,403,370	\$ 9,860,047
0012	Instructional resources and media services	1,994,400	-	39,047
0013	Curriculum and instructional staff development	7,532,296	15,622	3,195,765
0021	Instructional leadership	5,124,407	74,613	602,788
0023	School leadership	14,901,282	15	768,422
0031	Guidance, counseling, and evaluation services	12,096,914	-	2,752,184
0032	Social work services	1,023,043	11,755	528,579
0033	Health services	2,734,329	200	109,581
0034	Student transportation	8,443,816	50	73,651
0035	Food services	15,139,936	326,320	12,291,060
0036	Cocurricular/extracurricular activities	5,289,957	860,360	58,589
0041	General administration	5,869,197	4,634	5,956,922
0051	Plant maintenance and operations	19,386,155	241,046	580,403
0052	Security and monitoring services	3,224,019	2,438	908,720
0053	Data processing services	2,890,531	-	25,335
0061	Community services	445,363	145	139,625
0072	Interest on long-term debt	8,106,522	1,767	3,206,513
0073	Issuance costs and fees	117,398	-	-
0081	Facilities repair and maintenance	774,058	-	574,824
0095	Payments to juvenile justice alternative education programs	44,528	-	-
0099	Other intergovernmental charges	1,198,687	-	-
TG	Total governmental activities	251,454,293	2,942,335	41,672,055
	Business-type activities:			
0002	BISD concessions	84,101	87,471	-
TB	Total business-type activities	84,101	87,471	-
TP	TOTAL PRIMARY GOVERNMENT	<u>\$ 251,538,394</u>	<u>\$ 3,029,806</u>	<u>\$ 41,672,055</u>
	General revenues:			
MT	Property taxes, levied for general purposes			
DT	Property taxes, levied for debt service			
GC	Grants and contributions not restricted to specific programs			
IE	Investment earnings			
MI	Miscellaneous			
TR	Total general revenues and extraordinary items			
CN	Change in net position			
NB	Net position - beginning, as originally reported			
PA	Implementation of GASB 101, <i>Compensated Absences</i>			
	Net position - beginning			
NE	NET POSITION - ENDING			

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

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (123,854,038)	\$ -	\$ (123,854,038)
(1,955,353)	-	(1,955,353)
(4,320,909)	-	(4,320,909)
(4,447,006)	-	(4,447,006)
(14,132,845)	-	(14,132,845)
(9,344,730)	-	(9,344,730)
(482,709)	-	(482,709)
(2,624,548)	-	(2,624,548)
(8,370,115)	-	(8,370,115)
(2,522,556)	-	(2,522,556)
(4,371,008)	-	(4,371,008)
92,359	-	92,359
(18,564,706)	-	(18,564,706)
(2,312,861)	-	(2,312,861)
(2,865,196)	-	(2,865,196)
(305,593)	-	(305,593)
(4,898,242)	-	(4,898,242)
(117,398)	-	(117,398)
(199,234)	-	(199,234)
(44,528)	-	(44,528)
(1,198,687)	-	(1,198,687)
(206,839,903)	-	(206,839,903)
-	3,370	3,370
-	3,370	3,370
(206,839,903)	3,370	(206,836,533)
85,371,185	-	85,371,185
34,239,423	-	34,239,423
75,303,256	-	75,303,256
6,014,626	-	6,014,626
368,322	-	368,322
201,296,812	-	201,296,812
(5,543,091)	3,370	(5,539,721)
66,664,633	108,653	66,773,286
(19,634,112)	-	(19,634,112)
47,030,521	108,653	47,139,174
<u>\$ 41,487,430</u>	<u>\$ 112,023</u>	<u>\$ 41,599,453</u>

Bryan Independent School District

Balance Sheet

Governmental Funds

June 30, 2025

		199	599
Data Control Codes		General Fund	Debt Service Fund
	ASSETS		
1110	Cash and cash equivalents	\$ 6,388,815	\$ 741,898
1120	Current investments	32,635,875	8,088,580
1220	Property taxes receivables	7,243,805	2,524,366
1230	Allowance for uncollectable taxes	(170,669)	(59,476)
1240	Due from other governments	17,595,101	-
1250	Accrued interest	53,209	-
1260	Due from other funds	8,436,642	-
1290	Other receivables	1,136,948	435,986
1300	Inventories	598,822	-
1410	Prepaid items	16,561	-
1000	Total assets	73,935,109	11,731,354
1000a	TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>\$ 73,935,109</u>	<u>\$ 11,731,354</u>
	LIABILITIES		
2110	Accounts payable	\$ 1,218,076	\$ -
2120	Deficit in cash	-	-
2150	Payroll deductions and withholdings	2,276,150	-
2160	Accrued wages payable	16,681,056	-
2170	Due to other funds	5,537,892	14,531
2200	Accrued liabilities	76,470	-
2300	Unearned revenue	-	-
2000	Total liabilities	25,789,644	14,531
	DEFERRED INFLOWS OF RESOURCES		
2600	Unavailable revenue - property taxes	7,073,136	2,464,890
	Total deferred inflows of resources	7,073,136	2,464,890
	FUND BALANCES		
3410	Nonspendable - inventories	598,822	-
3430	Nonspendable - prepaid items	16,561	-
3450	Restricted - grants	-	-
3470	Restricted - capital acquisitions and contractual obligations	-	-
3480	Restricted - debt service	-	9,251,933
3545	Committed - other	5,250,000	-
3600	Unassigned	35,206,946	-
3000	Total fund balances	41,072,329	9,251,933
4000	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u>\$ 73,935,109</u>	<u>\$ 11,731,354</u>

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

699		98
Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
\$ -	\$ 1,498,578	\$ 8,629,291
42,343,777	7,185,046	90,253,278
-	-	9,768,171
-	-	(230,145)
-	3,729,763	21,324,864
-	-	53,209
14,531	3,727,840	12,179,013
574	215,466	1,788,974
-	434,698	1,033,520
-	5,984	22,545
42,358,882	16,797,375	144,822,720
<u>\$ 42,358,882</u>	<u>\$ 16,797,375</u>	<u>\$ 144,822,720</u>
\$ 2,632,882	\$ 299,500	\$ 4,150,458
3,447,429	-	3,447,429
-	-	2,276,150
7,102	1,863,631	18,551,789
1,186,256	4,887,088	11,625,767
-	249,353	325,823
-	1,723,661	1,723,661
7,273,669	9,023,233	42,101,077
-	-	9,538,026
-	-	9,538,026
-	-	598,822
-	3,584	20,145
-	6,259,777	6,259,777
35,085,213	-	35,085,213
-	-	9,251,933
-	1,510,781	6,760,781
-	-	35,206,946
35,085,213	7,774,142	93,183,617
<u>\$ 42,358,882</u>	<u>\$ 16,797,375</u>	<u>\$ 144,822,720</u>

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Bryan Independent School District
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2025

Exhibit C-1R

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS (EXHIBIT C-1) \$ 93,183,617

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The governmental capital assets, excluding those capital assets reported in the internal service funds, at year-end consists of:

Governmental capital assets costs	\$ 681,663,048	
Accumulated depreciation and amortization of governmental capital assets	<u>(348,651,786)</u>	333,011,262

Property taxes receivable, which will be collected subsequent to year-end, but are not available soon enough to pay expenditures are deferred in the funds.		9,538,026
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Long-term liabilities, including bonds, arbitrage liability, loans, leases and subscriptions payable, compensated absences, and net pension and OPEB liability, are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Liabilities at year-end related to such items consist of:

Bonds payable, at original par	\$ (242,465,000)	
Premiums on bonds payable	(9,913,270)	
Arbitrage liability	(1,371,749)	
Accrued interest on bonds	(2,884,722)	
Notes payable - SECO loan	(3,554,579)	
Leases payable	(776,957)	
Subscriptions payable	(618,230)	
Compensated absences	(20,687,008)	
Net pension liability	(70,393,135)	
Net OPEB liability	<u>(43,772,409)</u>	(396,437,059)

Deferred outflows of resources represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expenses/expenditures) until then.

Pension	\$ 19,224,172	
OPEB	<u>24,191,709</u>	43,415,881

Deferred inflows of resources represents an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Deferred gain on refunding	\$ (334,922)	
Pension	(1,313,884)	
OPEB	<u>(37,613,574)</u>	(39,262,380)

The internal service funds are used by the District to charge the costs of various services to the individual funds. The assets and liabilities of the internal service fund are included with governmental activities:

Internal transportation services	\$ 1,485,003	
Print shop	220,414	
Supplemental - health care	37,443	
Group benefits - health care	(5,018,772)	
Workers' compensation fund	<u>1,313,995</u>	(1,961,917)

TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES (EXHIBIT A-1) \$ 41,487,430

Bryan Independent School District
Statement of Revenues, Expenditures, and Changes
in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2025

		199	599
Data Control Codes			
REVENUES		General Fund	Debt Service Fund
5700	Local and intermediate sources	\$ 88,195,295	\$ 34,301,166
5800	State program revenues	84,730,989	3,202,781
5900	Federal program revenues	6,639,201	-
5020	Total revenues	179,565,485	37,503,947
EXPENDITURES			
Current:			
0011	Instruction	113,304,237	-
0012	Instructional resources and media services	1,776,188	-
0013	Curriculum and instructional staff development	4,334,769	-
0021	Instructional leadership	3,994,921	-
0023	School leadership	12,715,636	-
0031	Guidance, counseling, and evaluation services	8,191,091	-
0032	Social work services	501,854	-
0033	Health services	2,429,266	-
0034	Student transportation	7,579,625	-
0035	Food services	9,846	-
0036	Cocurricular/extracurricular activities	4,327,976	-
0041	General administration	5,217,390	-
0051	Plant maintenance and operations	17,811,756	-
0052	Security and monitoring services	2,333,156	-
0053	Data processing services	2,737,542	-
0061	Community services	281,632	-
Debt service:			
0071	Principal on long-term debt	1,393,810	30,767,015
0072	Interest on long-term debt	76,527	9,012,008
0073	Issuance costs and fees	-	117,398
Capital outlay:			
0081	Facilities acquisition and construction	-	-
Intergovernmental:			
0095	Payments to juvenile justice alternative education programs	44,528	-
0099	Other intergovernmental charges	1,198,617	-
6030	Total expenditures	190,260,367	39,896,421
1100	Excess (deficiency) of revenues over (under) expenditures	(10,694,882)	(2,392,474)
OTHER FINANCING SOURCES (USES)			
7912	Sale of real and personal property	5,276	-
7913	Issuance of leases	329,683	-
7940	Issuance of subscriptions	55,309	-
8911	Transfers out	(2,000,000)	-
7080	Total other financing sources (uses)	(1,609,732)	-
1200	Net change in fund balances	(12,304,614)	(2,392,474)
Fund balances - beginning		53,376,943	11,644,407
3000	FUND BALANCES - ENDING	\$ 41,072,329	\$ 9,251,933

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

699

Capital Projects Fund	Total Nonmajor Funds	Total Governmental Funds
\$ 2,300,250	\$ 3,457,713	\$ 128,254,424
-	4,638,602	92,572,372
-	24,355,027	30,994,228
2,300,250	32,451,342	251,821,024
-	9,059,571	122,363,808
-	14,615	1,790,803
-	3,087,118	7,421,887
-	608,792	4,603,713
-	578,745	13,294,381
-	2,591,669	10,782,760
-	526,097	1,027,951
-	33,985	2,463,251
-	1,582	7,581,207
-	14,253,847	14,263,693
-	711,551	5,039,527
-	153,194	5,370,584
97,579	550,000	18,459,335
-	901,260	3,234,416
-	-	2,737,542
-	136,810	418,442
-	5,777	32,166,602
-	-	9,088,535
-	-	117,398
19,810,800	574,824	20,385,624
-	-	44,528
-	-	1,198,617
19,908,379	33,789,437	283,854,604
(17,608,129)	(1,338,095)	(32,033,580)
-	267	5,543
-	-	329,683
-	-	55,309
-	-	(2,000,000)
-	267	(1,609,465)
(17,608,129)	(1,337,828)	(33,643,045)
52,693,342	9,111,970	126,826,662
\$ 35,085,213	\$ 7,774,142	\$ 93,183,617

Bryan Independent School District

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended June 30, 2025

Exhibit C-3

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS (EXHIBIT C-2)

\$ (33,643,045)

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the costs of those assets are capitalized and allocated over their estimated useful lives as depreciation and amortization expense.

Capital assets increased	\$ 20,597,699	
Depreciation and amortization expense	(22,333,637)	(1,735,938)

The net effect of miscellaneous transactions involving capital assets (transfers, adjustments and dispositions) is a decrease to net position. (147,381)

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds. Deferred tax revenues increased (decreased) by this amount this year. 1,547,780

Issuance of long-term debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.

Leases payable	\$ (329,683)	
Subscriptions payable	(55,309)	(384,992)

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Bonds payable	\$ 30,767,015	
Notes payable - SECO loan	758,078	
Leases payable	328,412	
Subscriptions payable	313,097	32,166,602

Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The change reported in the statement of activities consists of the following:

Accrued interest on bonds payable (increased) decreased	\$ 492,690	
Interest accreted on the capital appreciation bonds	(17,745)	
Amortization of bond premium	769,967	
Amortization of deferred gain on refunding	95,387	
Amortization of deferred charge on refunding	(25,782)	1,314,517

The (increase) decrease in compensated absences is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. (1,079,338)

The (increase) decrease in arbitrage liability is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. (325,712)

An internal service fund is used by the District to charge the costs of various services to the individual funds. The net activity of the following internal service funds is reported in the government-wide statements:

Internal transportation services	\$ (177,911)	
Print shop	(13,934)	
Supplemental - health care	(53,705)	
Group benefits - health care	(2,363,174)	
Workers' compensation fund	89,681	(2,519,043)

The net change in net pension liability, deferred outflows, and deferred inflows is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. The net change consists of the following:

Deferred outflows increased (decreased)	\$ (12,451,326)	
Deferred inflows (increased) decreased	1,980,621	
Net pension liability (increased) decreased	4,613,339	(5,857,366)

The net change in net OPEB liability, deferred outflows, and deferred inflows is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. The net change consists of the following:

Deferred outflows increased (decreased)	\$ 9,967,743	
Deferred inflows (increased) decreased	8,456,631	
Net OPEB liability (increased) decreased	(13,303,549)	5,120,825

CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES (EXHIBIT B-1)

\$ (5,543,091)

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

Bryan Independent School District
Statement of Net Position
Proprietary Funds
June 30, 2025

Exhibit D-1

Data Control Codes		Business-type Activities	Governmental Activities
		Nonmajor Enterprise Fund	Internal Service Fund
ASSETS			
	Current assets:		
1110	Cash and cash equivalents	\$ 145,946	\$ 25,058
1120	Current investments	-	414,968
1260	Due from other funds	135,490	1,750,204
1290	Other receivables	-	32,854
1300	Inventories	-	37,396
1410	Prepaid items	-	10,870
	Total current assets	281,436	2,271,350
	Noncurrent assets:		
	Capital assets:		
1530	Furniture and equipment	-	968,639
1550	Right-to-use lease assets	-	302,831
1570	Accumulated depreciation and amortization	-	(1,036,734)
	Total noncurrent assets	-	234,736
1000	Total assets	281,436	2,506,086
LIABILITIES			
	Current liabilities:		
2110	Accounts payable	-	188,907
2123	Claims payable - due within one year	-	1,743,372
2125	Compensated absences - due within one year	-	10,852
2130	Leases payable - due within one year	-	74,155
2160	Accrued wages payable	-	187
2170	Due to other funds	169,413	2,269,527
	Total current liabilities	169,413	4,287,000
	Noncurrent liabilities:		
2531	Leases payable	-	161,880
2532	Compensated absences payable	-	19,123
	Total noncurrent liabilities	-	181,003
2000	Total liabilities	169,413	4,468,003
NET POSITION			
3200	Net investment in capital assets	-	(1,299)
3900	Unrestricted	112,023	(1,960,618)
3000	TOTAL NET POSITION	\$ 112,023	\$ (1,961,917)

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

Bryan Independent School District
Statement of Revenues, Expenses, and Changes
in Net Position – Proprietary Funds
For the Fiscal Year Ended June 30, 2025

Exhibit D-2

Data Control Codes		Business-type Activities	Governmental Activities
		Nonmajor Enterprise Fund	Internal Service Fund
OPERATING REVENUES			
5700	Charges for services	\$ 87,471	\$ 26,304,909
5020	Total operating revenues	87,471	26,304,909
OPERATING EXPENSES			
6100	Payroll costs	45,554	283,829
6200	Professional and contracted services	-	29,790,912
6300	Supplies and materials	33,773	465,502
6400	Other operating costs	4,774	171,715
6449	Depreciation and amortization expense	-	117,690
6030	Total operating expenses	84,101	30,829,648
1100	Operating income (loss)	3,370	(4,524,739)
NONOPERATING REVENUES (EXPENSES)			
7955	Earnings from temporary deposits and investments	-	12,488
6500	Interest	-	(6,792)
7080	Total nonoperating revenues (expenses)	-	5,696
	Income (loss) before transfers	3,370	(4,519,043)
7915	Transfers in	-	2,000,000
1200	Change in net position	3,370	(2,519,043)
0100	Net position - beginning, as previously reported	108,653	584,493
3700	Implementation of GASB 101, <i>Compensated Absences</i>	-	(27,367)
	Net position - beginning, as restated	108,653	557,126
3000	NET POSITION - ENDING	\$ 112,023	\$ (1,961,917)

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

Bryan Independent School District
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2025

Exhibit D-3

	Business-type Activities	Governmental Activities
	Nonmajor Enterprise Fund	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from services provided	\$ 51,045	\$ 28,674,018
Cash payments for claims	-	(27,256,971)
Cash payments to suppliers for goods and services	(38,547)	(3,064,117)
Cash payments to employees for services	(45,554)	(281,226)
Net cash used for operating activities	(33,056)	(1,928,296)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers from other funds	-	2,000,000
Net cash provided by noncapital financing activities	-	2,000,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on leases	-	(66,796)
Interest paid on leases	-	(6,792)
Net cash used for capital and related financing activities	-	(73,588)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends received on investments	-	12,488
Purchase of investments	-	(10,604)
Net cash provided by investing activities	-	1,884
Net decrease in cash and cash equivalents	(33,056)	-
Cash and cash equivalents - beginning	179,002	25,058
CASH AND CASH EQUIVALENTS - ENDING	\$ 145,946	\$ 25,058
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED FOR OPERATING ACTIVITIES		
Operating income (loss)	\$ 3,370	\$ (4,524,739)
Adjustments to reconcile operating income (loss) to net cash used for operating activities:		
Depreciation and amortization expense	-	117,690
(Increase) decrease in assets:		
Due from other funds	(117,348)	80,222
Other receivables	-	(25,907)
Inventories	-	(5,005)
Prepaid items	-	(10,870)
Increase (decrease) in liabilities:		
Accounts payable	-	151,078
Claims payable	-	(28,138)
Accrued wages payable	-	(29)
Accrued wages payable	-	2,608
Due to other funds	80,922	2,314,794
NET CASH USED FOR OPERATING ACTIVITIES	\$ (33,056)	\$ (1,928,296)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Lease assets acquired	\$ -	\$ 302,831

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

Bryan Independent School District
Statement of Fiduciary Net Position
Fiduciary Fund
June 30, 2025

Exhibit E-1

Data Control Codes		Custodial Fund
	ASSETS	
1110	Cash and cash equivalents	\$ 85,428
1120	Current investments	25,000
1290	Other receivables	225
1000	TOTAL ASSETS	110,653
	LIABILITIES	
2110	Accounts payable	1,799
2000	TOTAL LIABILITIES	1,799
	NET POSITION	
	Restricted for:	
	Student activity	108,854
3000	TOTAL NET POSITION	\$ 108,854

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

Bryan Independent School District
Statement of Changes in Fiduciary Net Position
Fiduciary Fund
For the Fiscal Year Ended June 30, 2025

Exhibit E-2

Data Control Codes		Custodial Fund
	ADDITIONS	
5700	Contributions and fees	\$ 107,790
	Total additions	107,790
	DEDUCTIONS	
6200	Student activities	101,913
6400	Contribution to primary government	3,635
	Total deductions	105,548
	Net change in fiduciary net position	2,242
	Net position - beginning	106,612
	NET POSITION - ENDING	\$ 108,854

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

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Bryan Independent School District

Notes to the Financial Statements

Note 1. Summary of Significant Accounting Policies

A. Reporting Entity

The Bryan Independent School District (the District) is governed by a seven-member board of trustees (the Board), which has governance responsibilities over all activities related to public elementary and secondary education within the District. Members of the Board are elected by the public; have authority to make decisions; appoint management and significantly influence operations; and have primary accountability for fiscal matters; the District is not included in any other governmental reporting entity. The accompanying financial statements present the District.

B. Description of Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government (the District). All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges to external customers for support.

C. Basis of Presentation – Government-wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for in another fund.

The *debt service fund* is used to account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of governmental funds.

The *capital projects fund* accounts for the acquisition and construction of the District's major capital facilities, other than those financed by proprietary funds.

Bryan Independent School District

Notes to the Financial Statements

The District reports the following nonmajor enterprise fund:

The *BISD concessions fund* is used to account for the charges for services at concessions for events the District holds.

Additionally, the District reports the following fund types:

The *special revenue funds* are used to account for the proceeds of specific revenue sources (other than those identified as a major fund) that are restricted or committed to expenditures for specific purposes.

The *internal service fund* is used to account for revenues and expenses related to internal transportation services, print shop, supplemental – health care, group benefits – health care, and workers' compensation services provided to parties inside the District. These funds facilitate distribution of support costs to the users or support services on a cost-reimbursement basis. Because the principal users of the internal services are the District's governmental activities, this fund type is included in the "Governmental Activities" column of the government-wide financial statements.

The *custodial fund* is reported in the fiduciary fund financial statements and accounts for assets held by the District for student organizations. Contributions, student fees and fundraisers benefit the related organizations. Custodial funds report fiduciary activities that are not held in a trust.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources or economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Bryan Independent School District

Notes to the Financial Statements

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as required under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Interest associated with the current fiscal period is considered to be susceptible to accrual and has been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 120 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the District.

The proprietary and custodial funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand and bank demand or time deposits with original maturities of three months or less from the date of acquisition.

2. Investments

Investments for the District, except for certain investments pools, are reported at fair value. Non-negotiable certificates of deposit are reported at cost. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost or fair value.

3. Inventories and Prepaid Items

Inventories are valued at cost using the weighted average cost and consist of expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital Assets

Capital assets, which include land and improvements, construction in progress, buildings and improvements, furniture and equipment and right-to-use assets, are reported in the governmental activities column in the government-wide financial statements. The District's infrastructure includes parking lots and sidewalks associated with various buildings. The cost of the infrastructure was initially capitalized with the building cost and is being depreciated over the same useful life as the building. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Bryan Independent School District

Notes to the Financial Statements

In the case of the initial capitalization of general infrastructure assets (i.e., those reported by governmental activities), the District chose to include all such items regardless of their acquisition date or amount. The District was able to estimate the historical cost for the initial reporting of these assets through back trending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). As the District constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

Land and improvements and construction in progress are not depreciated. The buildings and improvements, furniture and equipment and right-to-use assets of the District are depreciated/amortized using the straight line method over the following estimated useful lives:

Capital Asset Classes	Lives
Buildings and improvements	10-35
Furniture and equipment	2-15
Right-to-use lease assets - furniture and equipment	Shorter of lease term or useful life
Right-to-use subscription assets	Shorter of subscription term or useful life

5. Leases

Lessee

The District is a lessee for noncancellable 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 and proprietary fund financial statements. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more.

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 determines (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 the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the District is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

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

Bryan Independent School District

Notes to the Financial Statements

6. Subscription-Based Information Technology Arrangements (SBITAs)

The District has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The District recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide financial statements. The District recognizes subscription liabilities with an initial, individual value of \$5,000 or more.

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

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

- The District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the District is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The District monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

7. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represents a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditures) until then. Deferred inflows of resources represents an acquisition of net assets/fund balance that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension and OPEB activities are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and OPEB plan, except for projected and actual earnings differences on investments which are amortized on a closed basis over a 5-year period.
- District contributions to the pension and OPEB plans after the measurement date of each plan are recognized in the subsequent fiscal year.
- Deferred charge/gain on refunding is amortized over the shorter of the life of the refunded or refunding debt.
- Unavailable property tax revenues are recognized in the period the amount becomes available.

Bryan Independent School District

Notes to the Financial Statements

8. *Compensated Absences*

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee benefit account) during or upon separation from employment. Based on the criteria listed, the following types of leave qualify for liability recognition for compensated absences – state personal leave, local leave, vacation and non-duty pay. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements. A liability for compensated absences is recorded in the governmental funds only if the liability has matured because of employee resignations or retirements. The liability for compensated absences includes salary-related benefits, where applicable.

State Personal Leave

The District is required under Texas Education Code 22.003 to provide eligible employees with a minimum of five days of personal leave per year (state leave) with no limit on accumulation and no restrictions on transfer between Districts.

Local Leave

The District's policy provides eligible employees with five days of local personal leave per year (local leave) with no limit on accumulation.

Vacation

The District's policy permits employees to accumulate earned but unused vacation benefits, with a limit of ten unused days. Vacation benefits are eligible for payment upon separation from employment, with limitations.

Non-Duty Pay

The District's policy provides employees non-duty days for days the work calendar exceeds contractually scheduled days. Non-duty days are issued at the beginning of the fiscal year. Unused non-duty days accumulated at the end of the fiscal year are rolled over to be used through December of the following fiscal year.

A liability for the estimated value of leave benefits that will be paid upon separation of service or used by employees as time off is included in the liability for compensated absences.

9. *Pension*

The fiduciary net position of the Teacher Retirement System 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, 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 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.

10. *Other Postemployment 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 postemployment 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.

Bryan Independent School District

Notes to the Financial Statements

11. Net Position Policies

Net position of governmental and business-type activities is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District classifies net position as follows:

Net investment in capital assets – the component of net position that reports capital assets, net of accumulated depreciation and amortization, and net of related debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

Restricted – the component of net position that is constrained for specific purposes, which are externally imposed by providers, such as creditors or amounts restricted due to constitutional provisions or enabling legislation. This classification includes retirement of long-term debt, and federal and state grants.

Unrestricted – the component of net position that includes the residual difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources that is not classified in the categories mentioned above.

12. Net Position Flow Assumption

Sometimes the District will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the District's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

13. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District classifies governmental fund balances as follows:

Non-spendable – includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes prepaid items and inventories.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts restricted due to constitutional provisions or enabling legislation. This classification includes retirement of long-term debt, construction programs and other federal and state grants.

Committed – includes amounts that are constrained for specific purposes that are internally imposed by the District through formal action of the District's highest level of decision-making authority. The Board of Trustees (the Board) is the highest level of decision-making authority for the District that can, by action or adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by Board action or the resolution remains in place until a similar action is taken (the Board action or adoption of another resolution) to remove or revise the limitation.

Assigned – includes fund balance amounts that are self-imposed by the District to be used for specific purposes, but do not meet the criteria to be classified as non-spendable, restricted or committed. The Board has, by policy, authorized the superintendent or his/her designee to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Bryan Independent School District

Notes to the Financial Statements

Unassigned – includes residual positive fund balance within the general fund which has not been classified within the other above-mentioned categories. The general fund should be the only fund that reports a positive unassigned fund balance. Unassigned fund balance may also include deficit balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Board shall attempt to maintain an unreserved fund balance in the general fund that would allow the District to operate for 60 to 90 days if funds from the Texas Education Agency and/or tax revenues were delayed.

14. Fund Balance Flow Assumptions

Sometimes the District will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property values are determined by the Brazos Central Appraisal District as of January 1 of each year. Prior to September 1 of each year, the District adopts its annual budget and as soon thereafter as practicable, shall adopt a tax rate thus creating the tax levy. Property taxes for the current calendar year are levied on approximately October 1 of each year and are payable by January 31 of the following year. Property tax receivables are recorded as of the date levied. Unpaid taxes become delinquent on February 1 and a tax lien on real property is created as of January 1 of each year. Additionally, the District offers taxpayers the option of paying taxes in two installments. If this option is elected, the first half must be paid by November 30 and the final payment is due by June 30. Under this option, taxes are not delinquent until July 1.

3. Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are sales of services provided. The principal operating revenues of the internal service funds are internal charges for the services provided. Operating expenses for the enterprise and internal service funds include payroll cost, professional and contracted services, and other operating costs. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Bryan Independent School District

Notes to the Financial Statements

H. Use of Estimates

The presentation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

I. Data Control Codes

The Data Control Codes refer to the account code structure prescribed by Texas Education Agency (TEA) in the *Financial Accountability System Resource Guide*. TEA requires school districts to display these codes in the financial statements filed with TEA in order to ensure accuracy in building a statewide database for policy development and funding plans.

J. Implementation of New Accounting Standards

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 was implemented in the District's fiscal year 2025 financial statements with a restatement of (\$19,634,112) to net position as of July 1, 2024 to reflect the changes adopted to conform to the new standard.

GASB Statement No. 102, *Certain Risk Disclosures* (GASB 102), improves financial reporting by providing users of financial statements with essential information regarding certain concentrations of constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The requirements of this statement are effective for reporting periods beginning after June 15, 2024, with earlier application encouraged. GASB 102 was implemented in the District's fiscal year 2025 financial statements with no impact to amounts or disclosures previously reported.

K. Recent Accounting Pronouncements

GASB Statement No. 103, *Financial Reporting Model Improvements* (GASB 103), improves key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 103 will be implemented in the District's fiscal year 2026 financial statements and the impact has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* (GASB 104), establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 104 will be implemented in the District's fiscal year 2026 financial statements and the impact has not yet been determined.

Bryan Independent School District

Notes to the Financial Statements

Note 2. Stewardship, Compliance, and Accountability

A. Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, debt service fund and child nutrition special revenue fund. All annual appropriations lapse at fiscal year end. The following procedures are followed in establishing the budgetary data reflected in the financial statements.

- 1. Prior to June 20 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. Prior to July 1, the budget is formally approved and adopted by the Board.

The appropriated budget is prepared by fund, function, and campus/department. The District's campus/department heads may make transfers of appropriations within a department. Transfers of appropriations between campus/departments require the approval of the District's management. Transfers of appropriations between functions require the approval of the Board. 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.

B. Encumbrances

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as restricted, committed, or assigned fund balances as appropriate. The encumbrances do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

Significant encumbrances included in the governmental fund balances are as follows:

	<u>Restricted Fund Balance</u>
Capital projects fund	<u>\$ 4,307,001</u>
Total encumbrances	<u><u>\$ 4,307,001</u></u>

C. Excess of Expenditures Over Appropriations

For the fiscal year ended June 30, 2025, expenditures exceeded appropriations in the general fund. See Notes to the Required Supplementary Information and Schedule of Findings and Questioned Costs for more information.

D. Deficit Fund Equity

As of June 30, 2025, the District reported a deficit of \$5,018,772 in the Group Benefits – Health Care internal service fund. During 2025, The Board of Trustees authorized a \$2 million transfer from the general fund to offset losses due to claims.

In addition, the district consolidated its medical offerings from three plans to two (removing HMO), simplifying the structure and reducing administrative overhead. The redesigned plan introduces three tiers of providers, giving employees the freedom to choose their care while encouraging the use of high-quality, cost-efficient providers, through lower out-of-pocket costs. These changes are projected to save the district approximately \$1.3 million conservatively.

Bryan Independent School District

Notes to the Financial Statements

To help strengthen the plan's financial position, the district increased its monthly contribution per employee from \$515 to \$545, which is expected to yield an additional \$700,000 in district funding. In addition, employee health insurance premiums were increased by 9 -10% on the PPO plan and 6 -7% on the High Deductible Plan (HDHP), which is projected to generate approximately \$650,000 in additional revenue for the plan.

The district also launched a communication campaign that included on-site visits to all campuses and departments. These sessions focused on raising employee awareness about the deficit status of the district's self-funded health insurance pool and promoting the Bryan ISD Employee Health Clinic as a cost-effective alternative for non-emergency care. The campaign also emphasized the high costs associated with using freestanding emergency rooms for non-emergent visits, encouraging staff to make more informed and cost-conscious healthcare decisions.

As an additional cost-containment strategy to reduce exposure, open enrollment was made mandatory. Employees were informed that failure to complete open enrollment would result in the termination of benefits as of December 31, ensuring plan participation is current and accurately maintained.

Lastly, the district is partnering with Condesa Pharmacy Solutions, a company that works directly with prescribing providers to identify generic or lower-cost equivalent options for brand-name medications. This initiative is expected to generate additional savings for the district.

Note 3. Detailed Notes on All Funds

A. Deposits and Investments

Cash Deposits

The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the District's and the depository banks' agent bank. The pledged securities shall be 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 District's investment policy is in accordance with the Public Funds Investment Act (PFIA), the Public Funds Collateral Act, and federal and state laws. State law and District policy limits credit risk by allowing investing in:

1. Obligations of the United States or its agencies which are backed by the full faith and credit of the United States, obligations of the State of Texas or its agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized statistical rating organization (NRSRO) not less than A or its equivalent;
2. Certificates of deposit issued by a broker or depository located in Texas which is insured by the FDIC or purchased through a broker who has an office located in Texas;
3. Fully collateralized repurchase agreements secured by obligations of the United States or its agencies not to exceed 90 days to maturity from the date of purchase;
4. Securities lending program as permitted by Government Code 2256.0115;
5. Bankers acceptances with a stated maturity of 270 days or fewer which are eligible for collateral for borrowing from a Federal Reserve Bank;
6. Commercial paper if it has a stated maturity of 270 days or fewer from the date of its issuance and is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies or one nationally recognized agency and is fully secured by an irrevocable letter of credit issued by a bank organized and existing under the laws of the United States or any state;
7. No-load mutual funds, except for bond proceeds, and no-load money market mutual funds as permitted by Government Code 2256.014;

Bryan Independent School District

Notes to the Financial Statements

8. A guaranteed investment contract (for bond proceeds only) which meets the criteria and eligibility requirements established by the Public Funds Investment Act; and
9. Public funds investment pools which meet the requirements of the Public Funds Investment Act.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework 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 District has recurring fair value measurements as presented in the table below, which includes the fiduciary funds. The District's investment balances, weighted average maturity, and credit risk of such investments are as follows:

Primary Government	Amount	Fair Value Measurements Using		Percent of Total Investments	Weighted Average Maturity (Days)	Credit Rating
		Significant Other Observable Inputs (Level 2)				
Investments measured at amortized cost:						
Investment pools:						
TexPool	\$ 31,004,031	\$ -	34%	38	AAAm*	
TexPool Prime	41,362,135	-	46%	42	AAAm*	
TexStar	136	-	0%	48	AAAm*	
Money market	1,090	-	0%	1	AA+ to Aa1	
Investments measured at net asset value, not subject to level reporting:						
Investment pools:						
Texas CLASS	12,332,023	-	14%	37	AAAm*	
Money market	38,245	-	0%	35	AA+ to Aa1	
Investments measured at fair value:						
U.S. Government Agency Securities	2,011,328	2,011,328	2%	174	AA+ to Aaa	
U.S. Treasury Securities	3,919,258	3,919,258	4%	390	Aaa	
Total value	\$ 90,668,246	\$ 5,930,586	100%			
Portfolio weighted average maturity				58		

Bryan Independent School District

Notes to the Financial Statements

Fiduciary Fund	Amount	Fair Value Measurements Using		Weighted Average Maturity (Days)	Credit Rating
		Significant Other Observable Inputs (Level 2)	Percent of Total Investments		
Investments measured at cost:					
Certificates of deposit	\$ 25,000	\$ -	100%	170	Not Rated
Total value	\$ 25,000	\$ -	100%		
Portfolio weighted average maturity				170	

* Standard & Poor's rating

Money market funds and treasury securities, and investment pools are measured at amortized cost or net asset value and are not required to be reported by levels in the table above. Certificate of deposits are reported at cost.

U.S. government agency securities and U.S treasury securities are classified in Level 2 of the fair value hierarchy and are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

As of June 30, 2025, the District's investments included TexPool, TexPool Prime, TexStar and Texas CLASS.

TexPool is duly chartered and overseen by the State Comptroller's Office, and administered and managed by Federated Hermes, Inc. State Street Bank serves as the custodial bank. The TexPool portfolio consists of U.S. Government securities; collateralized repurchase and reverse repurchase agreements; and AAA rated money market mutual funds. The TexPool Prime portfolio consists of U.S. Government securities; collateralized repurchase and reverse repurchase agreements; money market mutual funds; commercial paper and certificates of deposit.

TexPool and TexPool Prime transact at a net asset value of \$1.00 per share, have a weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by a nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. The pools 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.

TexStar is duly chartered by the State of Texas Interlocal Cooperation Act, is administered by Hilltop Securities, Inc. and J.P. Morgan Investment Management, Inc. (JPMIM), and managed by JPMIM, who provides custody and investment management.

The primary objectives of TexStar are, in order of priority, preservation and protection of principal, maintenance of sufficient liquidity to meet Participants' needs, and yield. The portfolio will maintain a dollar-weighted average maturity that does not exceed 60 days and seeks to maintain a net asset value of \$1.00 per share. TexStar may invest in securities including: obligations of the United States or its agencies and instrumentalities, including the Federal Home Loan Banks; other obligations which are unconditionally guaranteed or insured by the U.S.; fully collateralized repurchase agreements with a defined termination date and unconditionally guaranteed or insured by the U.S. or its agencies and instrumentalities; and SEC-registered no-load money-market fund which meet the requirements of the Public Funds Investment Act. The investment pool has 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.

Bryan Independent School District

Notes to the Financial Statements

Texas CLASS was created in accordance with the requirements contained in section 2256.016 of the Public Funds Investment Act (PFIA). The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Trust Agreement are Texas local government entities that choose to participate in the Trust (the Participants), Public Trust Advisors, LLC (Public Trust) as Program Administrator, and UMB Bank, N.A. as Custodian.

Texas CLASS is an external investment pool measured at fair value, i.e., net asset value. The investment pool's strategy is to seek preservation of principal, liquidity and current income through investment in a diversified portfolio of short term marketable securities. There are no unfunded commitments related to the investment pool. Texas CLASS has a redemption notice period of one day and may redeem daily. The investment pool's 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 pool's liquidity. The Texas CLASS portfolio consists of U.S. Government securities; collateralized repurchase and reverse repurchase agreements; AAA rated money market mutual funds; and commercial paper.

Credit Risk

At year-end, the District's investments were rated as noted in the table on the previous page. All credit ratings met acceptable levels required by legal guidelines prescribed in both the PFIA and the District's investment policy.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates may adversely affect the value of the investments. The District monitors interest rate risk utilizing weighted average maturity analysis and specific identification. In accordance with its investment policy, the District reduces its exposure to declines in fair values by limiting the weighted average maturity of any internally created pool to no more than 180 days, and any other individual investment not to exceed two years from the time of purchase (three years for capital projects funds), unless specifically authorized by the Board of Trustees.

Concentration of Credit Risk

The District's investment policy does not limit an investment in any one issuer. The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer.

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. As of June 30, 2025, District's deposits were not exposed to custodial credit risk because such balances were insured and collateralized with securities held by the District's agent in the District's name.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. District policy requires investments to be in the District's name or held by the District's agent in the District's name. The District is not exposed to custodial risk due to the investments are in the District's name or held by the District's agent in the District's name.

B. Receivables

Tax revenues of the general and debt service funds are reported net of estimated uncollectible amounts. Total change in uncollectible amounts related to revenues increased (decreased) revenues as follows:

Change in uncollectibles related to general fund property taxes	\$	(66,922)
Change in uncollectibles related to debt service property taxes		<u>(25,040)</u>
Total change in uncollectibles of the current fiscal year	\$	<u>(91,962)</u>

Bryan Independent School District

Notes to the Financial Statements

Approximately 52% of the delinquent outstanding balance of property taxes receivable is not anticipated to be collected within the next year.

C. Interfund Receivables, Payables, and Transfers

1. *Receivables/Payables*

The composition of interfund balances as of June 30, 2025, is as follows:

	Interfund Receivables	Interfund Payables
Governmental funds:		
General fund	\$ 8,436,642	\$ 5,537,892
Debt service fund	-	14,531
Capital projects fund	14,531	1,186,256
Nonmajor governmental funds	3,727,840	4,887,088
Total governmental funds	12,179,013	11,625,767
Enterprise funds:		
Nonmajor enterprise fund	135,490	169,413
Total enterprise funds	135,490	169,413
Internal service fund:		
Internal transportation services	1,485,153	-
Print shop	199,380	-
Supplemental - health care	120,044	-
Group benefits - health care	2,500,000	5,848,461
Workers' compensation	4,558,584	3,534,023
Eliminations	(7,112,957)	(7,112,957)
Total internal service fund	1,750,204	2,269,527
Totals - all funds	\$ 14,064,707	\$ 14,064,707

Interfund balances consist of short-term lending/borrowing arrangements that generally result from payroll and other regularly occurring charges that are paid by the general fund and then charged back to the appropriate other fund. As of June 30, 2025, a balance of approximately \$1.2 million was due from the capital projects fund to the general fund for capital expenditures paid by the general fund which will be reimbursed in a subsequent period. Additionally, some lending/borrowing may occur between two or more nonmajor governmental funds. The amount between the internal service funds and the general fund are for services that the internal service funds provide to the different departments.

Bryan Independent School District

Notes to the Financial Statements

2. Transfers

Interfund transfers are defined as “flows of assets without equivalent flow of assets in return and without a requirement for repayment.” Transfers are the use of funds collected in one fund and are transferred to finance various programs accounted for in other funds. To mitigate the losses in the Group Benefits – Health Care internal service fund, the Board of Trustees authorized a \$2.0 million transfer from the general fund to offset losses from the fiscal year ended June 30, 2025.

Transfers Out	Transfers In	Amount
General Fund	Internal Service - Group Benefits Health Care	\$ 2,000,000

D. Capital Assets

Capital asset activity for the fiscal year ended June 30, 2025 was as follows:

	Beginning Balance	Additions	Transfers, Adjustments and Dispositions	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated / amortized:				
Land and improvements	\$ 16,809,775	\$ -	\$ (16,725)	\$ 16,793,050
Construction in progress	93,681,036	18,357,157	(86,255,388)	25,782,805
Total capital assets, not being depreciated / amortized	110,490,811	18,357,157	(86,272,113)	42,575,855
Capital assets, being depreciated / amortized:				
Buildings and improvements	502,558,617	385,198	86,255,388	589,199,203
Furniture and equipment	46,489,875	1,470,352	(148,781)	47,811,446
Right-to-use lease assets - furniture and equipment	1,796,748	632,514	(597,572)	1,831,690
Right-to-use subscription assets	1,537,407	55,309	(76,392)	1,516,324
Total capital assets, being depreciated / amortized	552,382,647	2,543,373	85,432,643	640,358,663
Less accumulated depreciation and amortization for:				
Buildings and improvements	(286,271,922)	(19,559,608)	-	(305,831,530)
Furniture and equipment	(40,241,533)	(2,157,258)	18,125	(42,380,666)
Right-to-use lease assets - furniture and equipment	(1,016,562)	(404,292)	597,572	(823,282)
Right-to-use subscription assets	(399,265)	(330,169)	76,392	(653,042)
Total accumulated depreciation / amortization	(327,929,282)	(22,451,327)	692,089	(349,688,520)
Total capital assets, being depreciated / amortized, net	224,453,365	(19,907,954)	86,124,732	290,670,143
Governmental activities capital assets, net	\$ 334,944,176	\$ (1,550,797)	\$ (147,381)	\$ 333,245,998

Bryan Independent School District

Notes to the Financial Statements

Depreciation and amortization expense of the governmental activities was charged to functions/programs of the District as follows:

Governmental activities:	
11 Instruction	\$ 14,314,350
12 Instructional resources and media services	205,322
21 Instructional leadership	567,531
23 School leadership	1,717,130
31 Guidance, counseling, and evaluation services	1,327,163
33 Health services	297,793
34 Student transportation	727,506
35 Food services	725,987
36 Cocurricular/extracurricular activities	393,136
41 General administration	554,737
51 Plant maintenance and operations	1,149,168
52 Security and monitoring services	86,865
53 Data processing services	246,291
61 Community services	20,658
Assets held by internal service fund	117,690
Total depreciation and amortization expense-governmental activities	\$ 22,451,327

Construction Commitments

The District has active construction projects as of June 30, 2025. The projects include the construction and equipment of school facilities. At period end, the District's commitments with contractors are as follows:

Project	Remaining Commitment
Maintenance and Transportation	\$ 1,864,442
Intermediate School	1,410,724
Renovations/various locations	556,378
Fencing/various locations	105,087
Various projects	370,369
Total	\$ 4,307,000

The construction commitments are restricted in the capital project fund balance. The commitment for construction and equipment of school facilities is being financed by general obligation bonds secured by tax revenues.

E. Long-term Liabilities

The District's long-term liabilities consist of bond indebtedness, notes payable - SECO loan, leases and subscriptions payable, arbitrage liability, health insurance and workers' compensation claims, compensated absences, and net pension and OPEB liability. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. The entire claims liabilities for health and workers' compensation insurance are liquidated by their respective internal service fund. Other long-term liabilities are generally liquidated with resources of the general fund.

Bryan Independent School District

Notes to the Financial Statements

Changes in Long-term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable:					
General obligation bonds	\$ 272,730,000	\$ -	\$ (30,265,000)	\$ 242,465,000	\$ 15,050,000
Issuance premiums	10,683,237	-	(769,967)	9,913,270	-
Accreted interest on capital appreciation bonds	484,270	17,745	(502,015)	-	-
Total bonds payable, net	283,897,507	17,745	(31,536,982)	252,378,270	15,050,000
Notes payable - SECO loan	4,312,657	-	(758,078)	3,554,579	768,683
Leases payable	775,686	632,514	(395,208)	1,012,992	365,649
Subscriptions payable	876,018	55,309	(313,097)	618,230	319,494
Arbitrage liability	1,046,037	392,118	(66,406)	1,371,749	-
Health insurance	1,591,512	26,731,041	(26,726,949)	1,595,604	1,595,604
Workers' compensation	179,998	469,654	(501,884)	147,768	147,768
Compensated absences*	19,635,037	1,081,946	-	20,716,983	6,362,457
Net pension liability	75,006,474	11,747,251	(16,360,590)	70,393,135	-
Net OPEB liability	30,468,860	14,734,001	(1,430,452)	43,772,409	-
Governmental activities					
total long-term liabilities	\$ 417,789,786	\$ 55,861,579	\$ (78,089,646)	\$ 395,561,719	\$ 24,609,655

*Compensated absences are reported as a net change for the year as allowed under the provisions of GASB 101, paragraph 30.

Beginning balance is restated for the implementation of GASB 101, *Compensated Absences*.

General Obligation Bonds

The District issues general obligation bonds to provide funds for the construction and equipment of school buildings (BLDG) and to refund general obligation bonds (REF).

General obligation bonds are direct obligations and pledge the full faith and credit of the District. These bonds are issued as 10-25 year current interest or capital appreciation bonds (CAB) with various amounts of principal maturing each year. Rates may be fixed or variable.

The following is a summary of changes in the general obligation bonds for the fiscal year ended:

Series	Interest Rate	Amounts Original Issue	Maturity Date	Beginning Balance	Additions	Reductions	Ending Balance
2013 BLDG AND REF	1.00-4.00%	\$ 9,235,000	2029	\$ 960,000	\$ -	\$ (960,000)	\$ -
2013 BLDG AND REF (CAB)	4.30%	30,000	2028	30,000	-	(30,000)	-
2015A BLDG	2.00-5.00%	43,510,000	2040	31,980,000	-	(1,560,000)	30,420,000
2015B REF	2.00-4.00%	42,020,000	2028	8,000,000	-	(2,085,000)	5,915,000
2016 BLDG	2.00-5.00%	42,125,000	2041	28,475,000	-	(1,325,000)	27,150,000
2017 REF	2.00-3.00%	41,765,000	2031	23,910,000	-	(3,115,000)	20,795,000
2017 BLDG	3.25-3.50%	44,000,000	2042	31,545,000	-	(1,305,000)	30,240,000
2019 BLDG	1.00-3.00%	11,585,000	2029	5,295,000	-	(1,005,000)	4,290,000
2021 BLDG	2.00-4.00%	112,950,000	2046	100,055,000	-	(3,485,000)	96,570,000
2023 BLDG	4.00-5.00%	53,890,000	2048	42,480,000	-	(15,395,000)	27,085,000
Totals				\$ 272,730,000	\$ -	\$ (30,265,000)	\$ 242,465,000

Bryan Independent School District

Notes to the Financial Statements

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2026	\$ 15,050,000	\$ 7,692,590	\$ 22,742,590
2027	15,560,000	7,184,465	22,744,465
2028	15,325,000	6,676,428	22,001,428
2029	13,765,000	6,158,928	19,923,928
2030	13,080,000	5,690,203	18,770,203
2031 - 2035	56,480,000	22,064,931	78,544,931
2036 - 2040	61,670,000	13,036,950	74,706,950
2041 - 2045	41,105,000	4,917,229	46,022,229
2046 - 2048	10,430,000	525,765	10,955,765
Totals	\$ 242,465,000	\$ 73,947,489	\$ 316,412,489

The District defeased certain outstanding bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust accounts and the liability for the defeased bonds are not included in the District's financial statements. At June 30, 2025, the District had \$815,000 of defeased bonds outstanding.

As of June 30, 2025, the District has no authorized but unissued bonds.

Federal Arbitrage

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed or are not performed correctly, a liability to the District could result. The District periodically engages an arbitrage consultant to perform the calculations in accordance with the Internal Revenue Service's rules and regulations. The District identified an arbitrage liability as of June 30, 2025 of \$1,371,749 accrued for in the governmental activities.

Notes Payable

In June 2020, the District entered into a loan agreement with the State Energy Conservation Office (SECO) for an amount not to exceed \$6,421,852. The loan agreement states that the District shall make payments in accordance with the terms of the loan payment schedule, which was provided and finalized upon completion of the project associated with the loan. As of June 30, 2025, the loan balance was \$3,554,579 and is due in quarterly installments at 2% interest as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2026	\$ 768,683	\$ 65,921	\$ 834,604
2027	784,173	50,432	834,605
2028	799,974	34,630	834,604
2029	816,094	18,510	834,604
2030	385,655	3,109	388,764
Totals	\$ 3,554,579	\$ 172,602	\$ 3,727,181

Bryan Independent School District

Notes to the Financial Statements

Leases 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 required to make monthly, quarterly, or annual payments at its incremental borrowing rate or the interest rate stated or implied within the leases. The lease rate, term and ending lease liability are as follows:

	Interest Rate(s)	Lease Term In Years	Ending Balance
Governmental activities:			
Copiers	0.00 - 3.305%	2.9 - 5.0	\$ 1,012,992
Total governmental activities			\$ 1,012,992

The future principal and interest lease payments as of fiscal year end are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2026	\$ 365,649	\$ 13,695	\$ 379,344
2027	322,064	8,031	330,095
2028	240,752	3,178	243,930
2029	78,965	658	79,623
2030	5,562	57	5,619
Totals	\$ 1,012,992	\$ 25,619	\$ 1,038,611

The value of the right-to-use assets as of the end of the current fiscal year was \$1,831,690 and had accumulated amortization of \$823,282.

Subscription Based Information Technology Arrangements (SBITA)

The District has entered into multiple SBITAs that allow the right-to-use the SBITA vendor's information technology software over the subscription term. The District is required to make quarterly or annual payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. The SBITA rate, term and ending subscription liability are as follows:

	Interest Rate(s)	Subscription Term In Years	Ending Balance
Governmental activities:			
Software subscriptions	0.00 - 2.89%	1.2 - 5.0	\$ 618,230
Total governmental activities			\$ 618,230

The future principal and interest SBITA payments as of fiscal year end are as follows:

Year Ending June 30,	Principal	Interest	Total Requirements
2026	\$ 319,494	\$ 13,955	\$ 333,449
2027	298,736	7,059	305,795
Totals	\$ 618,230	\$ 21,014	\$ 639,244

Bryan Independent School District

Notes to the Financial Statements

The value of the right-to-use assets as of the end of the current fiscal year was \$1,516,324 and had accumulated amortization of \$653,042.

F. Fund Balance

Other committed fund balance includes the following commitments of funds:

General fund:	
Technology	\$ 1,000,000
Insurance deductibles	2,250,000
Group benefit risk pool	2,000,000
Nonmajor funds:	
Campus activities	1,494,041
Scholarship fund	16,740
Total committed for other purposes	\$ 6,760,781

G. Revenues from Local and Intermediate Sources

During the current period, revenues from local and intermediate sources of the governmental funds consisted of the following:

	General	Debt Service	Capital Projects	Nonmajor Funds	Totals
Property taxes	\$ 84,297,069	\$ 33,765,759	\$ -	\$ -	\$ 118,062,828
Charges for services	800,578	-	-	2,141,757	2,942,335
Investment earnings	2,769,820	527,681	2,300,250	404,387	6,002,138
Other	327,828	7,726	-	911,569	1,247,123
Totals	\$ 88,195,295	\$ 34,301,166	\$ 2,300,250	\$ 3,457,713	\$ 128,254,424

Note 4. Other Information

A. Risk Management

Property/Liability

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 by obtaining property, casualty and liability coverage through commercial insurance carriers and from participation in a risk pool. Settled claims have not exceeded insurance coverage in any of the three previous fiscal years. There has not been any significant reduction in insurance coverage from that of the previous year.

Health Insurance

During the period ended June 30, 2025, employees of the District were covered by a partially self-insured health insurance plan (the Plan) accounted for through an internal service fund. The District made contributions to cover the employees and the employees, at their option, authorized payroll withholdings to pay contributions for dependents. All contributions were paid to a third-party administrator acting on behalf of the District. The Plan was authorized by state statute and was documented by contractual agreement. The contract between the District and the third party administrator is renewable annually.

Bryan Independent School District

Notes to the Financial Statements

In accordance with state statute, the District was protected against unanticipated catastrophic loss by stop-loss coverage in excess of \$350,000 per individual and \$28,194,980 in the aggregate carried through a commercial insurer licensed to do business in Texas in accordance with the Texas Insurance Code. Estimates of claims payable and of claims incurred but not reported at June 30, 2025, are reflected as accrued liabilities of the Fund. Because actual claims liabilities depend on such complex factors as inflation, changes in legal requirements and damage awards, the process used in computing claims liability is an estimate.

Changes in the balances of claims liabilities during the past two periods are as follows:

	Year Ended 6/30/2025	Ten Months Ended 6/30/2024
Unpaid claims, beginning of fiscal year	\$ 1,591,512	\$ 927,720
Incurred claims, including provision (adjustment) for IBNR	26,731,041	20,106,780
Claim payments	(26,726,949)	(19,442,988)
Unpaid claims, end of period	\$ 1,595,604	\$ 1,591,512

Workers' Compensation

During the period ended June 30, 2025, employees of the District were covered by a self-funded workers' compensation insurance plan (the "Plan"). The District contributes to the plan based upon established rates. Contributions were paid to a District Internal Service Fund. The third party administrator acts on behalf of the District to administer claims filed against the self-funded pool. The plan was authorized under the rules of the Texas Insurance Code and was documented by contractual agreement. This contract between the District and the third party administrator is renewable annually and terms of coverage and premium costs are included in the contractual provision.

Liabilities of the fund are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities also include an estimated amount for claims that have been incurred but not reported (IBNRs). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, and damage awards. Accordingly, claims are reevaluated periodically to consider the effects of inflation, recent claim settlement trends (including frequency and amount of pay-outs), and other economic and social factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expenses related to specific claims and other non-incremental claims adjustment expenses regardless of whether allocated to specific claims. Estimated recoveries, for example for subrogation, are another component of the claims liability estimate. An excess coverage insurance policy covers individual claims in excess of \$400,000 and an annual employers maximum limit of \$1,000,000.

Changes in the balances of claims liabilities during the past two periods are as follows:

	Year Ended 6/30/2025	Ten Months Ended 6/30/2024
Unpaid claims, beginning of fiscal year	\$ 179,998	\$ 57,976
Incurred claims, including provision (adjustment) for IBNR	469,654	511,411
Claim payments	(501,884)	(389,389)
Unpaid claims, end of period	\$ 147,768	\$ 179,998

Bryan Independent School District

Notes to the Financial Statements

B. Litigation and Contingencies

The District is a defendant in various legal claims arising principally in its normal course of operations. In the opinion of the District's management, such claims will not have a material effect of the District's financial position, results of operations or liquidity.

The District participates in a number of federal and state financial assistance programs. Although the District's grant programs have been audited in accordance with the provisions of the Single Audit Act through June 30, 2025, these programs are subject to financial and compliance audits by the grantor agencies. The District is also subject to audit by the TEA of the attendance data upon which payments from the agency are based. These audits could result in questioned costs or refunds to be paid back to the granting agencies.

C. Defined Benefit Pension Plan

Plan Description

The District participates in a cost-sharing multiple-employer defined benefit pension plan that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS) and 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 workload and who are not exempted 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's 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/learning-resources/publications> by writing to TRS at P.O. Box 149676, Austin, TX, 78714-0185; or by calling 1-800-223-8778.

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% (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 5 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 5 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 postemployment 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 previously noted in the Plan Description above.

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. Actuarial implications of the funding provided in this manner are determined by the System's actuary.

Bryan Independent School District

Notes to the Financial Statements

Contributions

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 6% of the member’s annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2019 through 2025.

Rates for such plan fiscal years are as follows:

	Contribution Rates	
	2025	2024
Member	8.25%	8.25%
Non-employer contribution entity (State)	8.25%	8.25%
Employers (District)	8.25%	8.25%

The contribution amounts for the District’s fiscal year ended June 30, 2025 are as follows:

District contributions	\$ 6,148,155
Member contributions	11,478,811
NECE on-behalf contributions (State)	7,615,903

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

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 the 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 colleges, 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 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.

Bryan Independent School District

Notes to the Financial Statements

In addition to the employer contributions listed above, there are two 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 1.9% of the member's salary beginning in fiscal year 2024, gradually increasing to 2.0% in fiscal year 2025.

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

On June 30, 2025, the District reported a liability of \$70,393,135 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 are as follows:

District's proportionate share of the net pension liability	\$	70,393,135
State's proportionate share of the net pension liability associated with the District		<u>74,237,173</u>
Total	\$	<u>144,630,308</u>

The net pension liability was measured as of August 31, 2024 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as August 31, 2023 rolled forward to August 31, 2024. 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 1, 2023 through August 31, 2024.

At the measurement date of August 31, 2024, the District's proportion of the collective net pension liability was 0.1152396%, which was an increase of 0.0060445% from its proportion measured as of August 31, 2023.

For the fiscal year ended June 30, 2025, the District recognized pension expense of \$20,878,104 and revenue of \$8,872,583 for support provided by the State.

On June 30, 2025, the District reported 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 experience	\$ 3,879,974	\$ 549,595
Changes of assumptions	3,634,548	487,269
Difference between projected and actual earnings on pension plan investments	427,895	-
Changes in proportion and difference between District's contributions and the proportionate share of contributions	6,073,967	277,020
District contributions paid subsequent to the measurement date	<u>5,207,788</u>	<u>-</u>
Totals	<u>\$ 19,224,172</u>	<u>\$ 1,313,884</u>

Bryan Independent School District

Notes to the Financial Statements

\$5,207,788 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, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

	Year Ending June 30,	
2026	\$	2,408,120
2027		8,791,876
2028		1,781,568
2029		(876,555)
2030		597,491
Total	\$	12,702,500

Actuarial Methods and Assumptions

The actuarial valuation of the total pension liability was performed as of August 31, 2023. Update procedures were used to roll forward the total pension liability to August 31, 2024 and was determined using the following actuarial methods and assumptions:

Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.00%
Long-term expected rate of return	7.00%
Municipal bond rate as of August 2024	3.87%. The source for the rate is the Bond Buyers 20 Index which represents the estimated yield of a portfolio of 20 general obligation bonds maturing in 20 years based on a survey of municipal bond traders.
Last year ending August 31 in projection period (100 years)	2123
Inflation	2.30%
Salary increases	2.95% to 8.95% including inflation
Ad hoc postemployment benefit changes	None
Mortality rates	The post-retirement mortality rates for healthy lives were based on the 2021 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 active mortality rates were based on the published PUB(2010) Mortality Tables for Teachers, below median, also with full generational mortality.

The actuarial methods and assumptions are primarily based on a study of actual experience for the four-year period ending August 31, 2021 and adopted in July 2022.

Bryan Independent School District

Notes to the Financial Statements

Discount Rate and Long-term Expected Rate of Return

A single discount rate of 7.00% 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 7.00%. 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 rates set by the legislature in the 2019 session. It is assumed that future employer and state contributions will be 9.54 percent of payroll in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class included in TRS's target asset allocation as of August 31, 2024 are summarized below:

Asset Class	Target Allocation**	Long-term Expected Geometric Real Rate of Return***	Expected Contribution to Long-term Portfolio Returns
Global equity:			
U.S.	18%	4.4%	1.0%
Non-U.S. developed	13%	4.2%	0.8%
Emerging markets	9%	5.2%	0.7%
Private equity*	14%	6.7%	1.2%
Stable value:			
Government bonds	16%	1.9%	0.4%
Absolute return*	-	4.0%	-
Stable value hedge funds	5%	3.0%	0.2%
Real return:			
Real estate	15%	6.6%	1.2%
Energy, natural resources and infrastructure	6%	5.6%	0.4%
Commodities	-	2.5%	-
Risk parity:			
Risk parity	8%	4.0%	0.4%
Asset allocation leverage:			
Cash	2%	1.0%	-
Asset allocation leverage cash	-6%	1.3%	-0.1%
Inflation expectation			2.4%
Volatility drag****			-0.7%
Total	100%		7.9%

* Absolute return includes credit sensitive investments.

** Target allocations are based on the FY 2024 policy model.

*** Capital market assumptions (CMA) come from 2024 SAA Study CMA Survey (as of 12/31/2023).

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

Bryan Independent School District

Notes to the 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 7.00%, 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 (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 112,435,673	\$ 70,393,135	\$ 35,557,903

Change of Assumptions Since the Prior Measurement Date

The actuarial assumptions and methods are the same as used in the determination of the prior year’s net pension liability.

Change of Benefit Terms Since the Prior Measurement Date

The 2023 Texas Legislature passed Senate Bill 10 (SB 10), which provided a stipend payment to certain retirees and variable ad hoc cost-of-living adjustments (COLA) to certain retirees in early fiscal year 2024. Due to its timing, the legislation and payments were not reflected in the August 31, 2023 actuarial valuation. Under the roll forward method, an adjustment was made to reflect the legislation in the rolled forward liabilities for the current measurement year, August 31, 2024. SB 10 and House Joint Resolution 2 (HJR 2) of the 88th Regular Legislative Session appropriated payments of \$1.645 billion for one-time stipends and \$3.355 billion for COLAs. This appropriation is treated as a supplemental contribution and included in other additions. Since the Legislature appropriated funds for this one-time stipend and COLA, there was no impact on the Net Pension Liability of TRS.

D. Defined Other Postemployment 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 benefit Other Postemployment Benefit (OPEB) plan that has a special funding situation. TRS-Care was established in 1986 by the Texas Legislature and is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees in accordance with the Texas Insurance Code, Chapter 1575. The Board may adopt rules, plans, procedures and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

OPEB Plan Fiduciary Net Position

Detailed 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/learning-resources/publications> by writing to TRS at P.O. Box 149676, Austin, TX, 78714-0185; or by calling 1-800-223-8778.

Benefits Provided

TRS-Care provides health insurance coverage to 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 non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes, including automatic cost of living adjustments (COLAs). The Board of Trustees of TRS 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.

Bryan Independent School District

Notes to the Financial Statements

The premium rates for retirees are reflected in the following table:

TRS-Care Monthly Plan Premium Rates

	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 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the employer. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act.

Rates for such plan fiscal years are as follows:

	Contribution Rates	
	2025	2024
Active employee	0.65%	0.65%
Non-employer contribution entity (State)	1.25%	1.25%
Employers (District)	0.75%	0.75%
Federal/private funding*	1.25%	1.25%

* Contributions paid from federal funds and private grants are remitted by the employer (District) and paid at the State rate.

The contribution amounts for the District's fiscal year ended June 30, 2025 are as follows:

District contributions	\$ 1,253,637
Member contributions	904,453
NECE on-behalf contributions (State)	1,603,315

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 hiring a TRS retiree, employers are required to pay TRS-Care a monthly surcharge of \$535 per retiree.

The State of Texas also contributed \$1,017,111, \$755,546, and \$677,881 in 2025, 2024, and 2023, respectively, for on-behalf payments for Medicare Part D.

Bryan Independent School District

Notes to the Financial Statements

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

On June 30, 2025, the District reported a liability of \$43,772,409 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided by 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 are as follows:

District's proportionate share of the net OPEB liability	\$ 43,772,409
State's proportionate share of the net OPEB liability associated with the District	<u>54,846,235</u>
Total	<u><u>\$ 98,618,644</u></u>

The net OPEB liability was measured as of August 31, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as August 31, 2023 rolled forward to August 31, 2024. 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, 2023 through August 31, 2024.

At the measurement date of August 31, 2024, the employer's proportion of the collective net OPEB liability was 0.1442181%, which was an increase of 0.0065885% from its proportion measured as of August 31, 2023.

For the fiscal year ended June 30, 2025, the District recognized net OPEB revenue of (\$10,996,186) due to recognition of deferred inflows in excess of deferred outflows and current year expenses. OPEB revenue of (\$7,128,998) was recognized for support provided by the State.

On June 30, 2025, the District reported its proportionate share of the TRS' deferred outflows of resources and deferred inflows of resources related to other postemployment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,389,701	\$ 21,844,805
Changes of assumptions	5,602,351	14,282,431
Difference between projected and actual earnings on OPEB plan investments	-	122,577
Changes in proportion and difference between District's contributions and the proportionate share of contributions	9,157,073	1,363,761
District contributions paid subsequent to the measurement date	<u>1,042,584</u>	<u>-</u>
Totals	<u><u>\$ 24,191,709</u></u>	<u><u>\$ 37,613,574</u></u>

Bryan Independent School District

Notes to the Financial Statements

\$1,042,584 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB revenue as follows:

Year Ending June 30,	
2026	\$ (4,981,303)
2027	(2,998,803)
2028	(4,052,458)
2029	(2,827,634)
2030	(1,413,755)
Thereafter	<u>1,809,504</u>
Total	<u>\$ (14,464,449)</u>

Actuarial Methods and Assumptions

The actuarial valuation of the total OPEB liability was performed as of August 31, 2023. Update procedures were used to roll forward the total OPEB liability to August 31, 2024.

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, 2023 TRS pension actuarial valuation that was rolled forward to August 31, 2024:

Demographic Assumptions	Economic Assumptions
Rates of mortality	General inflation
Rates of retirement	Wage inflation
Rates of termination	
Rates of disability	

See Note 4.C. for detail on these assumptions. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2021.

The active mortality rates were based on PUB(2010), Amount-Weighted, Below-Median Income, Teacher male and female tables (with a two-year set forward for males). The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioner Mortality Tables. The rates were projected on a fully generational basis using the ultimate improvement rates from mortality projection scale MP-2021.

The initial medical trend rate was 6.75 percent for non-Medicare retirees. For Medicare retirees, trend rates are higher in the first two years due to anticipated growth but thereafter match those of non-Medicare retirees. The initial prescription drug trend rate was 7.25 percent for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25 percent over a period of 11 years.

Bryan Independent School District

Notes to the Financial Statements

The following methods and additional assumptions were used in the TRS-Care OPEB valuation:

Actuarial cost method	Individual entry age normal
Single discount rate	3.87% as of August 31, 2024
Aging factors	Based on the Society of Actuaries' 2013 Study "Health Care Costs - From Birth to Death".
Election rates	Normal retirement: 62% participation prior to age 65 and 25% after age 65. Pre-65 retirees: 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Ad hoc postemployment benefit changes	None

Discount Rate

A single discount rate of 3.87% was used to measure the total OPEB liability at August 31, 2024. This was a decrease of 0.26% in the discount rate since the August 31, 2023 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 plan members and therefore, the single discount rate is equal to the prevailing municipal bond rate. The source for the rate is the same used for the pension plan.

Sensitivity Analysis of Rates

Discount Rate

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 (3.87%) in measuring the net OPEB liability.

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
District's proportionate share of the net OPEB liability	\$ 52,003,668	\$ 43,772,409	\$ 37,121,429

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 net OPEB liability	\$ 35,646,129	\$ 43,772,409	\$ 54,361,763

Bryan Independent School District

Notes to the Financial Statements

Change of Assumptions 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 4.13% as of August 31, 2023 to 3.87% as of August 31, 2024. Additionally, the tables used to model the impact of aging on the underlying claims were revised.

Change of Benefit Terms Since the Prior Measurement Date

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

E. Nonmonetary Transactions

During 2025, the District received goods purchased by the Texas Department of Agriculture (TDA) through the Food Distribution Program (commodities). These commodities have been recorded in the amount of \$779,590 in a special revenue fund as federal revenues, which represents the amount of consideration given by TDA.

F. Property Valuation Limitation

The District entered into an economic development program with taxpayers as allowed by Chapter 313 of the Texas Economic Development Act of the Texas Local Tax Code (the "agreement(s)"). Under Chapter 313, an appraised value limitation agreement is executed in which a taxpayer agrees to build or install property and create jobs in exchange for a limitation, up to ten years, on the taxable property value for school district maintenance and operations tax (M&O) purposes.

Under these agreements, the taxable valuation limit has been set for the District at \$30 million and the taxpayers must meet certain criteria with regard to property valuations, jobs and payroll. The agreements allow for a qualifying period to construct and build out the facilities and business with the value limitations applying after conditions have been met. The value limitation applies to the maintenance and operations (M&O) property tax rate only. The purpose of the program is as follows:

- Encourage large-scale capital investments
- Create new, high-paying jobs
- Strengthen and improve the overall economic performance of the area
- Expand and enlarge the ad valorem tax base

The agreements require the taxpayer to hold harmless the District for any cost associated with implementation and monitoring of the agreements as well as any loss in revenue during the agreement period. In addition, the agreements may also require the taxpayers to make a payment in lieu of taxes (PILOT) annually to the District, calculated as a portion of the property tax savings.

For the fiscal year ended June 30, 2025, the District had three active Chapter 313 agreements, none of which had value limitations applicable for the fiscal year end. The agreements are scheduled to end in the fiscal year 2036-2037.

Note 5. Subsequent Events

In September 2025, the District authorized the issuance of Unlimited Tax Refunding Bonds, Series 2025 in the amount of \$15,364,864. The issuance refunded \$15,365,000 of the Unlimited Tax School Building Bonds, Series 2023 bonds, and was initiated to lower overall annual debt service requirements of the District and to pay the costs of issuance of the Unlimited Tax Refunding Bonds, Series 2025.

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Required Supplementary Information (Unaudited)

Bryan Independent School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance – Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2025

Exhibit G-1

Data Control Codes		Budgeted Amounts		Actual	Variance with
		Original	Final		Final Budget
REVENUES					
5700	Local and intermediate sources	\$ 90,213,000	\$ 90,013,000	\$ 88,195,295	\$ (1,817,705)
5800	State program revenues	74,890,000	86,197,000	84,730,989	(1,466,011)
5900	Federal program revenues	5,650,000	6,650,000	6,639,201	(10,799)
5020	Total revenues	170,753,000	182,860,000	179,565,485	(3,294,515)
EXPENDITURES					
Current:					
0011	Instruction	107,736,309	117,251,809	113,304,237	3,947,572
0012	Instructional resources and media services	1,654,568	1,579,568	1,776,188	(196,620)
0013	Curriculum and instructional staff development	3,177,100	3,577,100	4,334,769	(757,669)
0021	Instructional leadership	4,335,529	3,835,529	3,994,921	(159,392)
0023	School leadership	11,197,614	11,197,614	12,715,636	(1,518,022)
0031	Guidance, counseling, and evaluation services	6,504,204	7,004,204	8,191,091	(1,186,887)
0032	Social work services	231,390	481,390	501,854	(20,464)
0033	Health services	2,059,324	1,984,324	2,429,266	(444,942)
0034	Student transportation	7,921,236	7,921,236	7,579,625	341,611
0035	Food services	25,000	25,000	9,846	15,154
0036	Cocurricular/extracurricular activities	4,240,419	4,040,419	4,327,976	(287,557)
0041	General administration	4,685,099	4,761,099	5,217,390	(456,291)
0051	Plant maintenance and operations	16,509,790	16,509,790	17,811,756	(1,301,966)
0052	Security and monitoring services	1,703,426	1,703,426	2,333,156	(629,730)
0053	Data processing services	2,681,296	2,681,296	2,737,542	(56,246)
0061	Community services	113,121	113,121	281,632	(168,511)
Debt service:					
0071	Principal on long-term debt	727,827	727,827	1,393,810	(665,983)
0072	Interest on long-term debt	107,173	107,173	76,527	30,646
Intergovernmental:					
0095	Payments to juvenile justice alternative education programs	60,000	60,000	44,528	15,472
0099	Other intergovernmental charges	1,308,875	1,308,875	1,198,617	110,258
6030	Total expenditures	176,979,300	186,870,800	190,260,367	(3,389,567)
1100	Excess (deficiency) of revenues over (under) expenditures	(6,226,300)	(4,010,800)	(10,694,882)	(6,684,082)
OTHER FINANCING SOURCES (USES)					
7912	Sale of real and personal property	-	-	5,276	5,276
7913	Issuance of leases	-	-	329,683	329,683
7940	Issuance of subscriptions	-	-	55,309	55,309
8911	Transfers out	-	(2,000,000)	(2,000,000)	-
7080	Total other financing sources (uses)	-	(2,000,000)	(1,609,732)	390,268
1200	Net change in fund balance	(6,226,300)	(6,010,800)	(12,304,614)	(6,293,814)
0100	Fund balance - beginning	53,376,943	53,376,943	53,376,943	-
3000	FUND BALANCE - ENDING	\$ 47,150,643	\$ 47,366,143	\$ 41,072,329	\$ (6,293,814)

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

Bryan Independent School District**Exhibit G-2**

Schedule of the District's Proportionate Share of the Net Pension
Liability of a Cost-Sharing Multiple-Employer Pension Plan
Teacher Retirement System of Texas
For the Last Ten Fiscal Years*

Year	District's Proportion of Net Pension Liability	District's Proportionate Share of the Net Pension Liability	Proportionate Share of the Net Pension Liability Associated with the District	Total	District's Covered Payroll	Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	Fiduciary Net Position as a Percentage of the Total Pension Liability
2025	0.1152396%	\$ 70,393,135	\$ 74,237,173	\$ 144,630,308	\$ 138,743,492	50.74%	77.51%
2024	0.1091951%	75,006,474	87,352,991	162,359,465	131,158,153	57.19%	73.15%
2023	0.1023196%	60,744,497	80,048,685	140,793,182	123,452,698	49.20%	75.62%
2022	0.1036832%	26,404,441	34,736,782	61,141,223	117,572,477	22.46%	88.79%
2021	0.1031862%	55,264,439	72,546,689	127,811,128	114,320,696	48.34%	75.54%
2020	0.0897795%	46,670,165	75,453,808	122,123,973	104,205,720	44.79%	75.24%
2019	0.0825055%	45,413,053	85,718,826	131,131,879	102,171,849	44.45%	73.74%
2018	0.0903312%	28,883,055	47,673,813	76,556,868	96,748,727	29.85%	82.17%
2017	0.0891413%	33,685,162	56,742,836	90,427,998	93,514,599	36.02%	78.00%
2016	0.0847717%	29,965,668	56,090,155	86,055,823	89,539,335	33.47%	78.43%

* The amounts presented for the fiscal years were determined as of the Plan's fiscal year end, August 31 of the prior year.

Bryan Independent School District
Schedule of the District's Contributions to the
Teacher Retirement System of Texas Pension Plan
For the Last Ten Fiscal Years*

Exhibit G-3

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 6,148,155	\$ (6,148,155)	\$ -	\$ 139,130,006	4.42%
2024	** 5,563,040	(5,563,040)	-	116,798,379	4.76%
2023	5,819,212	(5,819,212)	-	131,158,153	4.44%
2022	4,857,593	(4,857,593)	-	123,452,698	3.93%
2021	4,430,483	(4,430,483)	-	117,572,477	3.77%
2020	4,289,793	(4,289,793)	-	114,320,696	3.75%
2019	3,189,628	(3,189,628)	-	104,205,720	3.06%
2018	2,841,945	(2,841,945)	-	102,171,849	2.78%
2017	2,960,505	(2,960,505)	-	96,748,727	3.06%
2016	2,832,462	(2,832,462)	-	93,514,599	3.03%

* The amounts presented for the fiscal years were determined as of the District's fiscal year end.

** The amounts presented for the period were determined as of the District's fiscal period (ten months) ending June 30.

Bryan 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
For the Last Eight Fiscal Years*

Year	District's Proportion of Net OPEB Liability	District's Proportionate Share of the Net OPEB Liability	State's Proportionate Share of the Net OPEB Liability Associated with the District	Total	District's Covered Payroll	District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
2025	0.1442181%	\$ 43,772,409	\$ 54,846,235	\$ 98,618,644	\$ 138,743,492	31.55%	13.70%
2024	0.1376296%	30,468,860	36,765,363	67,234,223	131,158,153	23.23%	14.94%
2023	0.1344521%	32,193,218	39,270,668	71,463,886	123,452,698	26.08%	11.52%
2022	0.1287025%	49,646,314	66,514,997	116,161,311	117,572,477	42.23%	6.18%
2021	0.1294160%	49,196,865	66,108,793	115,305,658	114,320,696	43.03%	4.99%
2020	0.1238226%	58,557,245	77,809,479	136,366,724	104,205,720	56.19%	2.66%
2019	0.1291626%	64,492,045	82,289,414	146,781,459	102,171,849	63.12%	1.57%
2018	0.1224781%	53,261,130	73,487,954	126,749,084	96,748,727	55.05%	0.91%

* The amounts presented for the fiscal years were determined as of the Plan's fiscal year end, August 31 of the prior year.
Ten years of data is not available.

Bryan Independent School District
Schedule of the District's Contributions to the
Teacher Retirement System of Texas OPEB Plan
For the Last Eight Fiscal Years*

Exhibit G-5

Year	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered Payroll	Contributions as a Percentage of Covered Payroll
2025	\$ 1,253,637	\$ (1,253,637)	\$ -	\$ 139,130,006	0.90%
2024	** 1,073,717	(1,073,717)	-	116,798,379	0.92%
2023	1,158,065	(1,158,065)	-	131,158,153	0.88%
2022	1,103,531	(1,103,531)	-	123,452,698	0.89%
2021	1,005,906	(1,005,906)	-	117,572,477	0.86%
2020	983,678	(983,678)	-	114,320,696	0.86%
2019	891,261	(891,261)	-	104,205,720	0.86%
2018	816,586	(816,586)	-	102,171,849	0.80%

* The amounts presented for the fiscal years were determined as of the District's fiscal year end.

** The amounts presented for the period were determined as of the District's fiscal period (ten months) ending June 30.
Ten years of data is not available.

Bryan Independent School District

Notes to the Required Supplementary Information

Note 1. Budget

A. Budgetary Information

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the general fund, debt service fund, and the child nutrition special revenue fund. The Texas Education Code requires the budget to be prepared not later than June 20 and adopted by July 1 of each year. The budgets are prepared on a basis of accounting that is used for reporting in accordance with generally accepted accounting principles.

The following procedures are followed in establishing the budgetary data reflected in the fund financial schedules:

1. Prior to June 20 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. Prior to July 1, the budget is formally approved and adopted by the Board.

The appropriated budget is prepared by fund and function. The District's campus/department heads may make transfers of appropriations within a campus or department. Transfers of appropriations between campuses or departments require the approval of the District's management. Increasing any one of the functional spending categories, or revenues object accounts and other resources require the approval of the Board. 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.

B. Variance Between Original and Final Budget

The District's general fund budget differs for the original budget due to budget revisions that were made during the fiscal period. The increase in revenues of \$12,107,000 was primarily due to an increase in State funding. The increase in expenditures of \$9,891,500 was primarily due to an increase in payroll and contracted services in Instruction.

C. Excess of Expenditures Over Appropriations

For the fiscal year ended June 30, 2025, expenditures exceeded appropriations in the following functions:

Fund	Function	Final Budget	Actual	Variance
General Fund	12	\$ 1,579,568	\$ 1,776,188	\$ (196,620)
General Fund	13	3,577,100	4,334,769	(757,669)
General Fund	21	3,835,529	3,994,921	(159,392)
General Fund	23	11,197,614	12,715,636	(1,518,022)
General Fund	31	7,004,204	8,191,091	(1,186,887)
General Fund	32	481,390	501,854	(20,464)
General Fund	33	1,984,324	2,429,266	(444,942)
General Fund	36	4,040,419	4,327,976	(287,557)
General Fund	41	4,761,099	5,217,390	(456,291)
General Fund	51	16,509,790	17,811,756	(1,301,966)
General Fund	52	1,703,426	2,333,156	(629,730)
General Fund	53	2,681,296	2,737,542	(56,246)
General Fund	61	113,121	281,632	(168,511)
General Fund	71	727,827	1,393,810	(665,983)

Bryan Independent School District

Notes to the Required Supplementary Information

The District exceeded its final budget due to filling a significant number of vacancies not budgeted, cost savings measures not fully realized, and lease and subscription payments not budgeted.

Note 2. 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
2024	7.000%	7.000%	3.870%
2023	7.000%	7.000%	4.130%
2022	7.000%	7.000%	3.910%
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%	

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, 2024 – Net Pension Liability:

- The 2023 Texas Legislature passed Senate Bill 10 (SB 10), which provided a stipend payment to certain retirees and variable ad hoc cost-of-living adjustments (COLA) to certain retirees in early fiscal year 2024. Due to its timing, the legislation and payments were not reflected in the August 31, 2023 actuarial valuation. Under the roll forward method, an adjustment was made to reflect the legislation in the rolled forward liabilities for the current measurement year, August 31, 2024. SB 10 and House Joint Resolution 2 (HJR 2) of the 88th Regular Legislative Session appropriated payments of \$1.645 billion for one-time stipends and \$3.355 billion for COLAs. This appropriation is treated as a supplemental contribution and included in other additions. Since the Legislature appropriated funds for this one-time stipend and COLA, there was no impact on the Net Pension Liability of TRS.

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

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

Bryan Independent School District

Notes to the Required Supplementary Information

Other Changes

For measurement date August 31, 2024 – Net OPEB Liability:

- The tables used to model impact of aging on the underlying claims were revised.

For measurement date August 31, 2022 – Net OPEB Liability:

- The participation rate for pre-65 retirees was lowered from 65% to 62%. The participation rate for post-65 retirees was lowered from 40% to 25%.

For measurement date August 31, 2020 – Net OPEB Liability:

- The participation rate for post-65 retirees was lowered from 50% to 40%.
- The ultimate health care 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

Bryan Independent School District
Combining Balance Sheet
Nonmajor Governmental Funds – Special Revenue Funds
June 30, 2025

		206	211	212
Data Control Codes		ESEA Title I, Part A - Improving Basic Programs		
		ESEA Title X, Part C - Homeless	ESEA Title I, Part C - Migrant	
ASSETS				
1110	Cash and cash equivalents	\$ -	\$ -	\$ -
1120	Current investments	-	-	-
1240	Due from other governments	15,258	1,329,047	85,021
1260	Due from other funds	-	-	-
1290	Other receivables	-	-	-
1300	Inventories	-	-	-
1410	Prepaid items	-	-	-
1000	TOTAL ASSETS	\$ 15,258	\$ 1,329,047	\$ 85,021
LIABILITIES				
2110	Accounts payable	\$ -	\$ 18,294	\$ 841
2160	Accrued wages payable	6,547	517,432	7,936
2170	Due to other funds	8,711	793,321	76,244
2200	Accrued liabilities	-	-	-
2300	Unearned revenue	-	-	-
2000	Total liabilities	15,258	1,329,047	85,021
FUND BALANCES				
Nonspendable:				
3430	Nonspendable - prepaid items	-	-	-
3450	Restricted - grants	-	-	-
3545	Committed - other	-	-	-
3000	Total fund balances	-	-	-
4000	TOTAL LIABILITIES AND FUND BALANCES	\$ 15,258	\$ 1,329,047	\$ 85,021

Exhibit H-1
(Page 1 of 3)

224	225	240	244	255	263	272
IDEA - Part B, Formula	IDEA - Part B, Preschool	Child Nutrition and Summer Feeding	Career and Technical - Basic Grant	ESEA, Title II, Part A, Teacher & Principal Training & Recruiting	Title III, Part A, English Language Acquisition & Enhancement	Medicaid Administrative Claiming Program - MAC
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	7,168,306	-	-	-	-
463,484	5,959	1,302,807	15,018	73,205	63,067	-
-	2,378	-	-	-	-	324,247
-	-	26,086	-	-	-	-
-	-	434,698	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 463,484</u>	<u>\$ 8,337</u>	<u>\$ 8,931,897</u>	<u>\$ 15,018</u>	<u>\$ 73,205</u>	<u>\$ 63,067</u>	<u>\$ 324,247</u>
\$ 6,020	\$ -	\$ 127,896	\$ -	\$ 25,316	\$ -	\$ -
226,339	8,337	756,633	-	7,207	35,252	-
231,125	-	1,814,716	15,018	40,682	27,815	-
-	-	249,353	-	-	-	-
-	-	62,554	-	-	-	-
463,484	8,337	3,011,152	15,018	73,205	63,067	-
-	-	-	-	-	-	-
-	-	5,920,745	-	-	-	324,247
-	-	-	-	-	-	-
-	-	5,920,745	-	-	-	324,247
<u>\$ 463,484</u>	<u>\$ 8,337</u>	<u>\$ 8,931,897</u>	<u>\$ 15,018</u>	<u>\$ 73,205</u>	<u>\$ 63,067</u>	<u>\$ 324,247</u>

Bryan Independent School District

Combining Balance Sheet

Nonmajor Governmental Funds – Special Revenue Funds - Continued

June 30, 2025

Data Control Codes		279	280	282
		Texas COVID Learning Acceleration Supports - ARPA	ARP ESSER II Fund - Homeless Children and Youth	Elementary and Secondary School Emergency Relief Fund III (ARPA)
	ASSETS			
1110	Cash and cash equivalents	\$ -	\$ -	\$ -
1120	Current investments	-	-	-
1240	Due from other governments	-	-	-
1260	Due from other funds	-	-	-
1290	Other receivables	-	-	-
1300	Inventories	-	-	-
1410	Prepaid items	-	-	-
1000	TOTAL ASSETS	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	LIABILITIES			
2110	Accounts payable	\$ -	\$ -	\$ -
2160	Accrued wages payable	-	-	-
2170	Due to other funds	-	-	-
2200	Accrued liabilities	-	-	-
2300	Unearned revenue	-	-	-
2000	Total liabilities	-	-	-
	FUND BALANCES			
	Nonspendable:			
3430	Nonspendable - prepaid items	-	-	-
3450	Restricted - grants	-	-	-
3545	Committed - other	-	-	-
3000	Total fund balances	-	-	-
4000	TOTAL LIABILITIES AND FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

289	315	340	385	397	410	429
Other Federally Funded Special Revenue Funds	Shared Service Arrangements - IDEA - Part B, Discretionary	Shared Service Arrangements - IDEA, Part C	State Supplemental Visually Impaired	Advanced Placement Incentives	State Instructional Materials Fund	Other State Funded Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	19,660	-	10,400	-	-	179,462
-	125	-	-	-	104,899	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 19,785</u>	<u>\$ -</u>	<u>\$ 10,400</u>	<u>\$ -</u>	<u>\$ 104,899</u>	<u>\$ 179,462</u>
\$ -	\$ -	\$ -	\$ 1,615	\$ -	\$ -	\$ 81,561
-	19,785	-	-	-	-	-
-	-	-	8,785	-	-	91,659
-	-	-	-	-	-	-
-	-	-	-	-	104,370	6,242
-	19,785	-	10,400	-	104,370	179,462
-	-	-	-	-	-	-
-	-	-	-	-	529	-
-	-	-	-	-	-	-
-	-	-	-	-	529	-
<u>\$ -</u>	<u>\$ 19,785</u>	<u>\$ -</u>	<u>\$ 10,400</u>	<u>\$ -</u>	<u>\$ 104,899</u>	<u>\$ 179,462</u>

Bryan Independent School District

Combining Balance Sheet

Nonmajor Governmental Funds – Special Revenue Funds - Continued

June 30, 2025

		435	461	465
Data Control Codes		Shared Service Arrangements - Regional Day School for the Deaf	Campus Activity Funds	Scholarship Fund
ASSETS				
1110	Cash and cash equivalents	\$ -	\$ 1,498,578	\$ -
1120	Current investments	-	-	16,740
1240	Due from other governments	167,375	-	-
1260	Due from other funds	1,316,461	-	-
1290	Other receivables	-	300	-
1300	Inventories	-	-	-
1410	Prepaid items	2,400	-	-
1000	TOTAL ASSETS	\$ 1,486,236	\$ 1,498,878	\$ 16,740
LIABILITIES				
2110	Accounts payable	\$ 1,687	\$ 3,952	\$ -
2160	Accrued wages payable	238,440	-	-
2170	Due to other funds	-	885	-
2200	Accrued liabilities	-	-	-
2300	Unearned revenue	1,246,109	-	-
2000	Total liabilities	1,486,236	4,837	-
FUND BALANCES				
Nonspendable:				
3430	Nonspendable - prepaid items	-	-	-
3450	Restricted - grants	-	-	-
3545	Committed - other	-	1,494,041	16,740
3000	Total fund balances	-	1,494,041	16,740
4000	TOTAL LIABILITIES AND FUND BALANCES	\$ 1,486,236	\$ 1,498,878	\$ 16,740

499

Locally Funded Special Revenue Funds	Total Nonmajor Funds (See Exhibit C-1)
\$ -	\$ 1,498,578
-	7,185,046
-	3,729,763
1,979,730	3,727,840
189,080	215,466
-	434,698
3,584	5,984
<u>\$ 2,172,394</u>	<u>\$ 16,797,375</u>
\$ 32,318	\$ 299,500
39,723	1,863,631
1,778,127	4,887,088
-	249,353
304,386	1,723,661
<u>2,154,554</u>	<u>9,023,233</u>
3,584	3,584
14,256	6,259,777
-	1,510,781
<u>17,840</u>	<u>7,774,142</u>
<u>\$ 2,172,394</u>	<u>\$ 16,797,375</u>

Bryan Independent School District

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Nonmajor Governmental Funds – Special Revenue Funds

For the Fiscal Year Ended June 30, 2025

		206	211	212
Data Control Codes		ESEA Title X, Part C - Homeless	ESEA Title I, Part A - Improving Basic Programs	ESEA Title I, Part C - Migrant
REVENUES				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	68,704	5,961,901	119,907
5020	Total revenues	68,704	5,961,901	119,907
EXPENDITURES				
Current:				
0011	Instruction	-	3,187,076	59,996
0012	Instructional resources and media services	-	14,615	-
0013	Curriculum and instructional staff development	-	1,990,503	745
0021	Instructional leadership	-	143,696	668
0023	School leadership	-	566,130	-
0031	Guidance, counseling, and evaluation services	-	-	-
0032	Social work services	68,704	18,205	58,498
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food services	-	-	-
0036	Cocurricular/extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Plant maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0061	Community services	-	41,676	-
Debt service:				
0071	Principal on long-term debt	-	-	-
Capital outlay:				
0081	Facilities acquisition and construction	-	-	-
6030	Total expenditures	68,704	5,961,901	119,907
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-
OTHER FINANCING SOURCES (USES)				
7912	Sale of real and personal property	-	-	-
7080	Total other financing sources	-	-	-
1200	Net change in fund balances	-	-	-
Fund balances - beginning				
3000	FUND BALANCES - ENDING	\$ -	\$ -	\$ -

Exhibit H-2

(Page 1 of 3)

224	225	240	244	255	263	272
IDEA - Part B, Formula	IDEA - Part B, Preschool	Child Nutrition and Summer Feeding	Career and Technical - Basic Grant	ESEA, Title II, Part A, Teacher & Principal Training & Recruiting	Title III, Part A, English Language Acquisition & Enhancement	Medicaid Administrativ e Claiming Program - MAC
\$ -	\$ -	\$ 711,356	\$ -	\$ -	\$ -	\$ -
-	-	47,966	-	-	-	-
3,835,311	45,760	12,592,350	245,382	723,098	446,478	72,038
3,835,311	45,760	13,351,672	245,382	723,098	446,478	72,038
1,082,599	45,760	-	63,570	-	190,876	-
-	-	-	-	-	-	-
41,773	-	-	-	714,685	251,496	-
30,885	-	-	181,812	1,704	3,532	-
1,358	-	-	-	-	-	-
2,587,958	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	27,651
-	-	-	-	-	-	-
-	-	14,253,847	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	6,709	-	-
-	-	550,000	-	-	-	-
-	-	-	-	-	-	-
90,738	-	-	-	-	574	-
-	-	2,258	-	-	-	-
-	-	-	-	-	-	-
3,835,311	45,760	14,806,105	245,382	723,098	446,478	27,651
-	-	(1,454,433)	-	-	-	44,387
-	-	267	-	-	-	-
-	-	267	-	-	-	-
-	-	(1,454,166)	-	-	-	44,387
-	-	7,374,911	-	-	-	279,860
\$ -	\$ -	\$ 5,920,745	\$ -	\$ -	\$ -	\$ 324,247

Bryan Independent School District

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Nonmajor Governmental Funds – Special Revenue Funds - Continued

For the Fiscal Year Ended June 30, 2025

Data Control Codes		279	280	282
		Texas COVID Learning Acceleration Supports - ARPA	ARP ESSER II Fund - Homeless Children and Youth	Elementary and Secondary School Emergency Relief Fund III (ARPA)
REVENUES				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	5,320	12,220	26,385
5020	Total revenues	5,320	12,220	26,385
EXPENDITURES				
	Current:			
0011	Instruction	5,320	259	14,100
0012	Instructional resources and media services	-	-	-
0013	Curriculum and instructional staff development	-	-	600
0021	Instructional leadership	-	-	54
0023	School leadership	-	-	10,795
0031	Guidance, counseling, and evaluation services	-	2,875	836
0032	Social work services	-	9,086	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food services	-	-	-
0036	Cocurricular/extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Plant maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0061	Community services	-	-	-
	Debt service:			
0071	Principal on long-term debt	-	-	-
	Capital outlay:			
0081	Facilities acquisition and construction	-	-	-
6030	Total expenditures	5,320	12,220	26,385
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-
OTHER FINANCING SOURCES (USES)				
7912	Sale of real and personal property	-	-	-
7080	Total other financing sources	-	-	-
1200	Net change in fund balances	-	-	-
	Fund balances - beginning	-	-	-
3000	FUND BALANCES - ENDING	\$ -	\$ -	\$ -

Exhibit H-2

(Page 2 of 3)

289	315	340	385	397	410	429
Other Federally Funded Special Revenue Funds	Shared Service Arrangements - IDEA - Part B, Discretionary	Shared Service Arrangements - IDEA, Part C	State Supplemental Visually Impaired	Advanced Placement Incentives	State Instructional Materials Fund	Other State Funded Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	15,519	3,384	2,134,512	1,558,180
74,685	124,942	546	-	-	-	-
74,685	124,942	546	15,519	3,384	2,134,512	1,558,180
74,685	124,942	546	15,019	-	2,134,512	70,738
-	-	-	-	-	-	-
-	-	-	500	3,384	-	54,858
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	857,760
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	574,824
74,685	124,942	546	15,519	3,384	2,134,512	1,558,180
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	529	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 529	\$ -

Bryan Independent School District

Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances

Nonmajor Governmental Funds – Special Revenue Funds - Continued

For the Fiscal Year Ended June 30, 2025

Data Control Codes		435	461	465
		Shared Service Arrangements - Regional Day School for the Deaf	Campus Activity Funds	Scholarship Fund
	REVENUES			
5700	Local and intermediate sources	\$ 662,511	\$ 1,163,649	\$ 762
5800	State program revenues	696,669	-	-
5900	Federal program revenues	-	-	-
5020	Total revenues	1,359,180	1,163,649	762
	EXPENDITURES			
	Current:			
0011	Instruction	1,201,821	387,739	-
0012	Instructional resources and media services	-	-	-
0013	Curriculum and instructional staff development	7,248	11,656	-
0021	Instructional leadership	146,592	-	-
0023	School leadership	-	-	-
0031	Guidance, counseling, and evaluation services	-	-	-
0032	Social work services	-	-	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food services	-	-	-
0036	Cocurricular/extracurricular activities	-	693,042	-
0041	General administration	-	-	-
0051	Plant maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0061	Community services	-	25	-
	Debt service:			
0071	Principal on long-term debt	3,519	-	-
	Capital outlay:			
0081	Facilities acquisition and construction	-	-	-
6030	Total expenditures	1,359,180	1,092,462	-
1100	Excess (deficiency) of revenues over (under) expenditures	-	71,187	762
	OTHER FINANCING SOURCES (USES)			
7912	Sale of real and personal property	-	-	-
7080	Total other financing sources	-	-	-
1200	Net change in fund balances	-	71,187	762
	Fund balances - beginning	-	1,422,854	15,978
3000	FUND BALANCES - ENDING	\$ -	\$ 1,494,041	\$ 16,740

499

Locally Funded Special Revenue Funds	Total Nonmajor Funds (See Exhibit C-2)
\$ 919,435	\$ 3,457,713
182,372	4,638,602
-	24,355,027
1,101,807	32,451,342
400,013	9,059,571
-	14,615
9,670	3,087,118
99,849	608,792
462	578,745
-	2,591,669
371,604	526,097
6,334	33,985
1,582	1,582
-	14,253,847
18,509	711,551
146,485	153,194
-	550,000
43,500	901,260
3,797	136,810
-	5,777
-	574,824
1,101,805	33,789,437
2	(1,338,095)
-	267
-	267
2	(1,337,828)
17,838	9,111,970
\$ 17,840	\$ 7,774,142

Bryan Independent School District

Combining Statement of Net Position

Internal Service Funds

June 30, 2025

	751	752
	Internal Transportation Services	Print Shop
ASSETS		
Current assets:		
Cash and cash equivalents	\$ -	\$ -
Current investments	-	-
Due from other funds	1,485,153	199,380
Other receivables	-	-
Inventories	-	37,396
Prepaid items	-	10,870
Total current assets	1,485,153	247,646
Noncurrent assets:		
Capital assets:		
Furniture and equipment	816,834	151,805
Right-to-use lease assets	-	302,831
Accumulated depreciation and amortization	(816,834)	(219,900)
Total noncurrent assets	-	234,736
Total assets	1,485,153	482,382
LIABILITIES		
Current liabilities:		
Accounts payable	-	722
Claims payable - due within one year	-	-
Compensated absences - due within one year	-	9,123
Leases payable - due within one year	-	74,155
Accrued wages payable	150	11
Due to other funds	-	-
Total current liabilities	150	84,011
Noncurrent liabilities:		
Leases payable	-	161,880
Compensated absences payable	-	16,077
Total noncurrent liabilities	-	177,957
Total liabilities	150	261,968
NET POSITION		
Net investment in capital assets	-	(1,299)
Unrestricted (deficit)	1,485,003	221,713
TOTAL NET POSITION (DEFICIT)	<u>\$ 1,485,003</u>	<u>\$ 220,414</u>

753	773	784		Total Internal Service Funds (See Exhibit D-1)
Supplemental - Health Care	Group Benefits - Health Care	Workers' Comp	Eliminations	
\$ -	\$ -	\$ 25,058	\$ -	\$ 25,058
-	-	414,968	-	414,968
120,044	2,500,000	4,558,584	(7,112,957)	1,750,204
-	32,854	-	-	32,854
-	-	-	-	37,396
-	-	-	-	10,870
120,044	2,532,854	4,998,610	(7,112,957)	2,271,350
-	-	-	-	968,639
-	-	-	-	302,831
-	-	-	-	(1,036,734)
-	-	-	-	234,736
120,044	2,532,854	4,998,610	(7,112,957)	2,506,086
82,601	102,760	2,824	-	188,907
-	1,595,604	147,768	-	1,743,372
-	1,729	-	-	10,852
-	-	-	-	74,155
-	26	-	-	187
-	5,848,461	3,534,023	(7,112,957)	2,269,527
82,601	7,548,580	3,684,615	(7,112,957)	4,287,000
-	-	-	-	161,880
-	3,046	-	-	19,123
-	3,046	-	-	181,003
82,601	7,551,626	3,684,615	(7,112,957)	4,468,003
-	-	-	-	(1,299)
37,443	(5,018,772)	1,313,995	-	(1,960,618)
\$ 37,443	\$ (5,018,772)	\$ 1,313,995	\$ -	\$ (1,961,917)

Bryan Independent School District

Combining Statement of Revenues, Expenses,
and Changes in Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2025

		751	752
Data Control Codes		Internal Transportation Services	Print Shop
OPERATING REVENUES			
5700	Charges for services	\$ 441,068	\$ 351,132
5020	Total operating revenues	441,068	351,132
OPERATING EXPENSES			
6100	Payroll costs	74,173	141,983
6200	Professional and contracted services	181,079	26,944
6300	Supplies and materials	320,036	115,348
6400	Other operating costs	-	-
6449	Depreciation and amortization expense	43,691	73,999
6030	Total operating expenses	618,979	358,274
1100	Operating income (loss)	(177,911)	(7,142)
NONOPERATING REVENUES (EXPENSES)			
7955	Earnings from temporary deposits and investments	-	-
6500	Interest	-	(6,792)
7080	Total nonoperating revenues (expenses)	-	(6,792)
	Income (loss) before transfers	(177,911)	(13,934)
7915	Transfers in	-	-
1200	Change in net position	(177,911)	(13,934)
0100	Net position - beginning, as previously reported	1,662,914	258,372
3700	Implementation of GASB 101, <i>Compensated Absences</i>	-	(24,024)
	Net position - beginning, as restated	1,662,914	234,348
3000	NET POSITION - ENDING	\$ 1,485,003	\$ 220,414

753	773	784		Total Internal Service Funds (See Exhibit D-2)
Supplemental - Health Care	Group Benefits - Health Care	Workers' Comp	Eliminations	
\$ 485,034	\$ 24,313,700	\$ 713,975	\$ -	\$ 26,304,909
485,034	24,313,700	713,975	-	26,304,909
-	67,673	-	-	283,829
538,739	28,437,486	606,664	-	29,790,912
-	-	30,118	-	465,502
-	171,715	-	-	171,715
-	-	-	-	117,690
538,739	28,676,874	636,782	-	30,829,648
(53,705)	(4,363,174)	77,193	-	(4,524,739)
-	-	12,488	-	12,488
-	-	-	-	(6,792)
-	-	12,488	-	5,696
(53,705)	(4,363,174)	89,681	-	(4,519,043)
-	2,000,000	-	-	2,000,000
(53,705)	(2,363,174)	89,681	-	(2,519,043)
91,148	(2,652,255)	1,224,314	-	584,493
-	(3,343)	-	-	(27,367)
91,148	(2,655,598)	1,224,314	-	557,126
\$ 37,443	\$ (5,018,772)	\$ 1,313,995	\$ -	\$ (1,961,917)

Bryan Independent School District
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
Internal Service Funds
For the Fiscal Year Ended June 30, 2025

	751	752
	Internal Transportation Services	Print Shop
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from services provided	\$ 575,264	\$ 381,679
Cash payments for claims	-	-
Cash payments to suppliers for goods and services	(501,115)	(167,229)
Cash payments to employees for services	(74,149)	(140,862)
Net cash provided by (used for) operating activities	-	73,588
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers from other funds	-	-
Net cash provided by noncapital financing activities	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Principal paid on leases	-	(66,796)
Interest paid on leases	-	(6,792)
Net cash used for capital and related financing activities	-	(73,588)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends received on investments	-	-
Purchase of investments	-	-
Net cash provided by investing activities	-	-
Net increase (decrease) in cash and cash equivalents	-	-
Cash and cash equivalents - beginning	-	-
CASH AND CASH EQUIVALENTS - ENDING	\$ -	\$ -
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES		
Operating income (loss)	\$ (177,911)	\$ (7,142)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation and amortization expense	43,691	73,999
(Increase) decrease in assets:		
Due from other funds	134,196	30,547
Other receivables	-	-
Inventories	-	(5,005)
Prepaid items	-	(10,870)
Increase (decrease) in liabilities:		
Accounts payable	24	(9,062)
Claims payable	-	-
Accrued wages payable	-	(55)
Compensated absences	-	1,176
Due to other funds	-	-
NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES	\$ -	\$ 73,588
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES		
Lease assets acquired	\$ -	\$ -

753	773	784	Total Internal Service Funds (See Exhibit D-3)	
Supplemental - Health Care	Group Benefits - Health Care	Workers' Comp	Eliminations	
\$ 474,292	\$ 26,568,564	\$ 674,219	\$ -	\$ 28,674,018
-	(26,722,857)	(534,114)	-	(27,256,971)
(474,292)	(1,779,492)	(141,989)	-	(3,064,117)
-	(66,215)	-	-	(281,226)
-	(2,000,000)	(1,884)	-	(1,928,296)
-	2,000,000	-	-	2,000,000
-	2,000,000	-	-	2,000,000
-	-	-	-	(66,796)
-	-	-	-	(6,792)
-	-	-	-	(73,588)
-	-	12,488	-	12,488
-	-	(10,604)	-	(10,604)
-	-	1,884	-	1,884
-	-	-	-	-
-	-	25,058	-	25,058
\$ -	\$ -	\$ 25,058	\$ -	\$ 25,058
\$ (53,705)	\$ (4,363,174)	\$ 77,193	\$ -	\$ (4,524,739)
-	-	-	-	117,690
(10,742)	1,000,000	(1,073,779)	-	80,222
-	(25,907)	-	-	(25,907)
-	-	-	-	(5,005)
-	-	-	-	(10,870)
64,447	102,760	(7,091)	-	151,078
-	4,092	(32,230)	-	(28,138)
-	26	-	-	(29)
-	1,432	-	-	2,608
-	1,280,771	1,034,023	-	2,314,794
\$ -	\$ (2,000,000)	\$ (1,884)	\$ -	\$ (1,928,296)
\$ 302,831	\$ -	\$ -	\$ -	\$ 302,831

Bryan Independent School District
Schedule of Delinquent Taxes Receivable
For the Fiscal Year Ended June 30, 2025

Year Ended June 30,	Tax Rates		Assessed/ Appraised Value For School Tax Purposes
	Maintenance	Debt Service	
2016 and Prior Years	\$ Various	\$ Various	\$ Various
2017	1.0400	0.3100	6,657,699,926
2018	1.0600	0.2800	7,276,798,264
2019	1.0600	0.2800	7,905,872,388
2020	0.9900	0.2800	8,699,596,693
2021	0.9525	0.2800	9,246,881,055
2022	0.9518	0.2750	9,483,905,527
2023	0.8646	0.2750	11,174,739,996
2024	0.6792	0.2700	11,896,324,378
2025	0.6769	0.2700	12,610,273,524

1000 TOTALS

8000 - Taxes refunded under section 26.1115, tax code, for owners who received an exemption
as provided by section 11.42(f), tax code

9000 - Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Code

Exhibit J-1

Beginning Balance 7/1/2024	Current Year's Total Levy	Maintenance Collections	Debt Service Collections	Entire Year's Adjustments	Ending Balance 6/30/2025	Total Taxes Refunded Under Section 26.1115(c)
\$ 1,064,368	\$ -	\$ 24,663	\$ 7,352	\$ (76,456)	\$ 955,897	
201,441	-	8,379	2,498	(4,161)	186,403	
233,092	-	9,405	2,484	(12,012)	209,191	
263,078	-	7,597	2,007	(14,339)	239,135	
310,028	-	24,292	6,871	19,323	298,188	
384,105	-	61,791	18,164	40,680	344,830	
535,494	-	103,170	29,809	57,293	459,808	
816,384	-	25,262	8,035	(128,099)	654,988	
4,320,439	-	2,121,529	843,364	(477,316)	878,230	
-	119,406,680	81,397,550	32,467,629	-	5,541,501	
<u>\$ 8,128,429</u>	<u>\$ 119,406,680</u>	<u>\$ 83,783,638</u>	<u>\$ 33,388,213</u>	<u>\$ (595,087)</u>	<u>\$ 9,768,171</u>	

\$ 89,511

\$ -

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

Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual
Child Nutrition
For the Fiscal Year Ended June 30, 2025

Data Control Codes		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 655,000	\$ 545,000	\$ 711,356	\$ 166,356
5800	State program revenues	50,000	45,000	47,966	2,966
5900	Federal program revenues	11,430,000	11,545,000	12,592,350	1,047,350
5020	Total revenues	12,135,000	12,135,000	13,351,672	1,216,672
EXPENSES					
Current:					
0035	Food services	11,585,000	11,585,000	14,253,847	(2,668,847)
0051	Plant maintenance and operations	550,000	550,000	550,000	-
Debt service:					
0071	Principal on long-term debt	-	-	2,258	(2,258)
6030	Total expenditures	12,135,000	12,135,000	14,806,105	(2,671,105)
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	(1,454,433)	(1,454,433)
OTHER FINANCING SOURCES (USES)					
7912	Sale of real and personal property	-	-	267	267
7080	Total other financing sources (uses)	-	-	267	267
1200	Net change in fund balance	-	-	(1,454,166)	(1,454,166)
0100	Fund balance - beginning	7,374,911	7,374,911	7,374,911	-
3000	FUND BALANCE - ENDING	\$ 7,374,911	\$ 7,374,911	\$ 5,920,745	\$ (1,454,166)

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

Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual
Debt Service Fund
For the Fiscal Year Ended June 30, 2025

Data		Budgeted Amounts		Actual	Variance with Final Budget
Control Codes		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 37,448,928	\$ 37,948,928	\$ 34,301,166	\$ (3,647,762)
5800	State program revenues	175,000	3,117,250	3,202,781	85,531
5020	Total revenues	37,623,928	41,066,178	37,503,947	(3,562,231)
EXPENDITURES					
Current:					
Debt service:					
0071	Principal on long-term debt	28,610,000	30,767,015	30,767,015	-
0072	Interest on long-term debt	9,006,428	9,012,008	9,012,008	-
0073	Issuance costs and fees	7,500	117,398	117,398	-
6030	Total expenditures	37,623,928	39,896,421	39,896,421	-
1200	Net change in fund balance	-	1,169,757	(2,392,474)	(3,562,231)
0100	Fund balance - beginning	11,644,407	11,644,407	11,644,407	-
3000	FUND BALANCE - ENDING	\$ 11,644,407	\$ 12,814,164	\$ 9,251,933	\$ (3,562,231)

Bryan Independent School District
 Use of Funds Report – Select State Allotment Programs
 For the Fiscal Year Ended June 30, 2025

Exhibit J-4

Data Codes		Responses
Section A: Compensatory Education Programs		
AP1	Did your District expend any state compensatory education program state allotment funds during the District's fiscal year?	Yes
AP2	Does the District have written policies and procedures for its state compensatory education program?	Yes
AP3	Total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 19,696,530
AP4	Actual direct program expenditures for state compensatory education programs during the District's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 13,469,844
Section B: Bilingual Education Programs		
AP5	Did your District expend any bilingual education program state allotment funds during the District's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	Total state allotment funds received for bilingual education programs during the District's fiscal year.	\$ 2,775,443
AP8	Actual direct program expenditures for bilingual education programs during the District's fiscal year.	\$ 1,627,265

Overall Compliance, Internal Control Section and Federal Awards

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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
Bryan Independent School District
Bryan, Texas

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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Bryan Independent School District (the District) as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 14, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether 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. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying schedule of findings and questioned costs as item 2025-001.

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 audit 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
November 14, 2025

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Bryan Independent School District's (the District) 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 fiscal year ended June 30, 2025. 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 fiscal year ended June 30, 2025.

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.

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.

The Board of Trustees of
Bryan Independent School District

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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 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.

Austin, Texas
November xx, 2025

Bryan Independent School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section 1. Summary of Auditor's Results

Financial Statements

- | | |
|--|---------------|
| 1. Type of auditor's report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| 3. Noncompliance material to financial statements noted? | No |

Federal Awards

- | | |
|---|--|
| 4. Internal control over major programs: | |
| a. Material weakness(es) identified? | No |
| b. Significant deficiency(ies) identified that are not considered to be material weaknesses? | None reported |
| 5. Type of auditor's report issued on compliance with major programs | Unmodified |
| 6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? | No |
| 7. Identification of major programs | 84.010A – Title I, Part A
84.425U - COVID 19 - American Rescue Plan - ARP (ESSER III)
84.425U - COVID 19 - Texas COVID Learning Acceleration Supports (TCLAS) ESSER III
84.425W - COVID-19 - American Rescue Plan - ARP (Homeless II) |
| 8. Dollar threshold used to distinguish between Type A and Type B federal programs | \$902,588 |
| 9. Auditee qualified as a low risk auditee? | Yes |

Bryan Independent School District

Schedule of Findings and Questioned Costs - Continued
For the Fiscal Year Ended June 30, 2025

Section 2. Financial Statement Findings

2025-001

Noncompliance: Budget excess of expenditures over appropriations

Criteria

Legal requirements for school district budgets are formulated by the state (Texas Education Code), the TEA, and the local district. In accordance with the requirements of the Texas Education Code and the TEA, no funds may be expended in any manner other than as provided for in the adopted budget. A school district must amend the official budget before exceeding a functional expenditure category.

Condition

Expenditures exceeded appropriations in the following functional expenditure categories for the general fund for the year ended June 30, 2025:

<u>Fund</u>	<u>Function</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
General Fund	12	\$ 1,579,568	\$ 1,776,188	\$ (196,620)
General Fund	13	3,577,100	4,334,769	(757,669)
General Fund	21	3,835,529	3,994,921	(159,392)
General Fund	23	11,197,614	12,715,636	(1,518,022)
General Fund	31	7,004,204	8,191,091	(1,186,887)
General Fund	32	481,390	501,854	(20,464)
General Fund	33	1,984,324	2,429,266	(444,942)
General Fund	36	4,040,419	4,327,976	(287,557)
General Fund	41	4,761,099	5,217,390	(456,291)
General Fund	51	16,509,790	17,811,756	(1,301,966)
General Fund	52	1,703,426	2,333,156	(629,730)
General Fund	53	2,681,296	2,737,542	(56,246)
General Fund	61	113,121	281,632	(168,511)
General Fund	71	727,827	1,393,810	(665,983)

Cause

A significant number of District vacancies were filled that were not historically budgeted, as well as several anticipated cost-saving measures were not fully realized and lease and subscription payments were not budgeted.

Effect or Potential Effect

Expenditures exceeded appropriations in the general fund for the District's fiscal year end by a total of \$3,389,567.

Recommendation

We recommend that the District implement policies and procedures to strengthen the oversight and monitoring of expenditures and budget appropriations.

Views of Responsible Officials and Planned Corrective Actions

See corrective action plan

Section 3. Federal Award Findings and Questioned Costs

None reported

Bryan Independent School District
Summary Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2025

Prior Year Findings

None reported



Corrective Action Plan

2025-001

Noncompliance: Budget excess of expenditures over appropriations

Corrective Action Plan

General Fund:

The corrective action plan for the General Fund focuses on strengthening both the revenue and expenditure sides of the budget. On the revenue side, the district will conduct PEIMS data validation audits to ensure attendance is accurately reported and funding is maximized. In addition, the district will review all other revenue categories such as athletic, facility rentals and SHARS reimbursements, to ensure that all available funding sources are fully captured and maximized.

To improve expenditure management, the district enabled the Budget Control setting in Skyward to ensure that non-payroll budgets cannot exceed their approved allocations. In addition, the district is preparing to implement zero-based budgeting, a process that promotes cost awareness, thoughtful planning, and accountability. The district has already started piloting this budgeting approach with select campuses and departments to create clear instructions and prevent communication gaps in the budgeting process. This effort will improve coordination and communication across programs, campuses, and departments.

A formal budget manual with detailed procedures will be developed to guide staff through each phase of the budget process. In addition, the district has increased communication and established standing meetings to ensure federally funded staff are properly coded, reducing General Fund costs and maximizing the use of federal funds.

Position control will be strengthened through an annual communication campaign with campuses and departments, which will include on-site visits to confirm staffing allocations and reduce errors related to vacancies, duplicate positions, and/or over-allocations. All supplemental pay, including comp time and overtime, will be tracked separately and closely monitored, with accountability established at both the campus and department levels. Beginning next year, campuses and departments will be responsible for budgeting their own overtime costs and will be held accountable for managing those expenditures.

Finally, the district will launch an energy and water conservation campaign aimed at reducing waste and promoting responsible resource management across all facilities.

Person(s) Responsible

Norma Friddle, Assistant Superintendent Business Services

Anticipated Completion Date

During fiscal year 2025-2026 and/or by June 30, 2026.

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Bryan Independent School District
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2025

Exhibit K-1

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF AGRICULTURE:			
Child Nutrition Cluster:			
Passed Through Texas Education Agency:			
School Breakfast Program	10.553	71402501	\$ 3,138,539
Total Assistance Listing Number 10.553			3,138,539
Passed Through Texas Education Agency:			
National School Lunch Program	10.555	71302501	8,616,243
Passed Through Texas Department of Agriculture:			
National School Lunch Program - Noncash Assistance	10.555	806780706	779,590
Total Assistance Listing Number 10.555			9,395,833
Passed Through Texas Department of Agriculture:			
Fresh Fruits and Vegetables	10.582	806780706	57,978
Total Child Nutrition Cluster			12,592,350
TOTAL U.S. DEPARTMENT OF AGRICULTURE			12,592,350
U.S. DEPARTMENT OF EDUCATION:			
Passed Through Texas Education Agency:			
Title I, Part A - Improving Basic Programs	84.010A	25610101021902	5,167,016
Title I, Part A - Improving Basic Programs	84.010A	24610101021902	396,373
Title I, Part D - Delinquent Programs	84.010A	25610103021902	95,464
Title I, Part D - Delinquent Programs	84.010A	24610103021902	8,468
Total Assistance Listing Number 84.010A			5,667,321
Special Education Cluster (IDEA):			
IDEA-B Formula	84.027A	256600010219026600	3,819,501
IDEA-B Formula	84.027A	246600010219026600	15,810
IDEA-B Discretionary (Deaf)	84.027A	256600110219026673	124,986
IDEA-B Discretionary (Deaf)	84.027A	246600110219026673	(44)
Passed Through Region 10 Education Service Center:			
SPED Capacity Grant	84.027A	236600497110001	51,505
Total Assistance Listing Number 84.027A			4,011,758
IDEA-B Preschool			
IDEA-B Preschool	84.173A	256610010219026610	52,486
IDEA-B Preschool	84.173A	246610010219026610	(6,726)
Total Assistance Listing Number 84.173A			45,760
Total Special Education Cluster (IDEA)			4,057,518
Carl D. Perkins Career and Technical Basic Grant	84.048A	25420006021902	245,382
IDEA-C Early Childhood Intervention	84.181A	253911010219023911	546
Texas Education for Homeless Children & Youth			
Texas Education for Homeless Children & Youth	84.196A	254600057110012	29,250
Texas Education for Homeless Children & Youth	84.196A	244600057110012	39,454
Total Assistance Listing Number 84.196A			68,704

Bryan Independent School District
Schedule of Expenditures of Federal Awards - Continued
For the Fiscal Year Ended June 30, 2025

Exhibit K-1

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
Title III, Part A-English Language Acquisition and Language Enhancement	84.365A	25671001021902	439,026
Title III, Part A-English Language Acquisition and Language Enhancement	84.365A	24671001021902	24,079
Total Assistance Listing Number 84.365A			463,105
Title II, Part A - Supporting Effective Instruction	84.367A	25694501021902	626,755
Title II, Part A - Supporting Effective Instruction	84.367A	24694501021902	128,203
Total Assistance Listing Number 84.367A			754,958
Improving Academic Achievement, Summer School LEP	84.369A	69552402	23,180
Title IV, Part A	84.424A	25680101021902	503,807
COVID 19 - American Rescue Plan - ARP (ESSER III)	84.425U	21528001021902	5,441,198
COVID 19 - Texas COVID Learning Acceleration Supports (TCLAS) ESSER III	84.425U	21528042021902	64,034
COVID-19 - American Rescue Plan - ARP (Homeless II)	84.425W	21533002021902	12,220
Total Assistance Listing Number 84.425			5,517,452
Passed Through Region 6 Education Service Center:			
Title I, Part C - Migratory Children	84.011A	25615001236950	109,432
Title I, Part C - Migratory Children	84.011A	24615001236950	10,475
Total Assistance Listing Number 84.011A			119,907
TOTAL U.S. DEPARTMENT OF EDUCATION			17,421,880
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
Passed Through Texas Health and Human Services Commission:			
Medicaid Administrative Claiming (MAC)	93.778	HHS000537900163	72,038
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			72,038
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 30,086,268

Bryan Independent School District
Notes to the Schedule of Expenditures of Federal Awards

Note 1. Summary of Significant Accounting Policies

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Bryan Independent School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements. National School Lunch Program non-cash commodities are recorded at their estimated acquisition value at the time of donation.

Note 2. De Minimis Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate as allowed under Uniform Guidance.

Note 3. Reconciliation to Basic Financial Statements

Presented below is a reconciliation of federal revenues:

Total expenditures of federal awards per Exhibit K-1	\$	30,086,268
General fund - federal revenue:		
School health and related services (SHARS)		828,645
Reserve officers training corps (ROTC)		79,315
Total federal revenues per Exhibit C-2	\$	<u><u>30,994,228</u></u>

Bryan Independent School District
Schedule of Required Responses to Selected
School FIRST Indicators (Unaudited)
For the Fiscal Year Ended June 30, 2025

Exhibit L-1

Codes		Responses
SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year-end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued. Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.	Yes
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?	Yes
SF8	Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end	\$ -