

**Official Agenda and Meeting Notice  
of the Board of the  
Beaumont Independent School District  
in the Board Room of the Beaumont ISD Administration Building**

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Tuesday, November 16, 2021

Regular Meeting

4:00 PM

The items on this agenda may be taken in any order.

As directed under the Texas Open Meetings Act, Texas Government Code, Chapter 551 (the "Act"), if during the course of the meeting covered by this Notice, the Board should determine that a closed session of the Board is required, then such closed session will be held by the Board at the date, hour, and place given in this Notice or as soon after the commencement of the meeting covered by this Notice as the Board may conveniently meet in closed session concerning any and all purposes permitted by the Act.

**4:00 PM - (CALL TO ORDER)**

- I. INTRODUCTION
    - A. ROLL CALL
      - 1. Superintendent Evaluation Workshop
      - 2. CLOSED SESSION (CLOSED TO PUBLIC) - BOARD WILL CONVENE IN CLOSED SESSION UNDER CHAPTER 551 OF THE TEXAS GOVERNMENT CODE, SECTIONS 551.071, 551.072, 551.073, 551.074, 551.076, 551.082, 551.0821, 551.083, 551.084 AND/OR 551.087, TO DELIBERATE ON THE FOLLOWING:
        - a. LEGAL
          - 1. Pending or contemplated litigation matters and status report
          - 2. Matters on which the school district legal counsel's duties to the school district under the Texas Disciplinary Rules of Professional Conduct or the State Bar of Texas Clearly conflicts with the Texas Open Meetings Act
        - b. PERSONNEL
          - 1. Deliberation regarding the appointment, employment, evaluation, reassignment, duties, proposed terminations, terminations and suspensions, proposed nonrenewals, renewals, and resignation/retirements, discipline, and/or dismissal of a public officer or employee, including the superintendent, and/or hear complaints and grievances against public officers or employees
            - 1. Void Professional Employee Contract and Terminate At-Will Employment
        - c. REAL ESTATE
          - 1. Deliberation regarding the purchase, exchange, lease or value of real property
        - d. ECONOMIC DEVELOPMENT
          - 1. Deliberation regarding an offer of a financial or other incentive to a business prospect related to economic development negotiations
            - 1. Discuss commercial or financial information received from Arbor Renewable Gasoline-Phase 1 LLC, with whom the District may be commencing economic development negotiations
- II. **6:00 PM - PUBLIC HEARING**  
(Public Hearing on the Application of Arbor Renewable Gasoline-Phase 1 LLC (Comptroller Application No: 1631) for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Property Tax Code.)
  - A. PUBLIC COMMENTS
  - B. ACTION ITEM(S)
    - 1. Consider and adopt Findings under the Texas Economic Development Act on the Application of Arbor Renewable Gasoline-Phase 1 LLC, Comptroller Application No:



*Shannon Allen*

Shannon Allen, Ed.D.  
Superintendent of Schools

Date



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **II.B.1.**

**Agenda Item Title:** Consider and adopt Findings under the Texas Economic Development Act on the Application of Arbor Renewable Gasoline-Phase 1 LLC, Comptroller Application No: 1631, for an Appraised Value Limitation on Qualified Property for School District Maintenance and Operations Taxes

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):** Mali Hanley, O'Hanlon, Demerath & Castillo

**Executive Summary:** The consultants have prepared Findings of Fact for the Board's consideration for the Agreement. The Findings are based upon the applications submitted by the company, the economic impact analysis prepared by the Comptroller, the Comptroller's Certificate and the school finance impact report prepared by Moak Casey & Associates. The Findings are required by statute. Before the Board approves or denies an application under Chapter 313 of the Texas Tax Code, the Board must determine whether the information in the application is true and correct, finds that the applicant is eligible for the limitation on the appraised value of the person's qualified property, and determines that granting the application is in the best interest of the school district and this state. Specifically, the Findings are:

- 1) The Application has been attested to by the Applicant that it is true and correct.
- 2) The property described in the Application meets the requirements of Tex. Tax Code §313.024 for eligibility for a limitation on appraised value.
- 3) The project proposed by the applicant is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue, including state tax revenue, school district maintenance and operations ad valorem tax revenue attributable to the project, and any other tax revenue attributable to the effect of the project on the economy of the state, in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement.
- 4) The Application Fee received was reasonable and only in such an amount as was necessary to cover the District's costs of processing the Application under consideration.
- 5) The number of jobs to be created and the wages to be paid comply with the requirements of statute; and, the Chapter 313 Tax Limitation Agreement contains all required provisions and information related to job creation requirements.
- 6) The revenue gains that will be realized by the school district if the Application is approved will be significant in the long-term, with special reference to revenues used for supporting school district debt.
- 7) The effects of the applicant's proposal, if approved, on the number or size of needed school district instructional facilities are addressed under current law and provisions in the Value Limitation Agreement that provide for costs associated with extraordinary education-related expenses.



- 8) The Board has developed a process to verify, either directly or through its consultants, the accuracy and completeness of information in annual eligibility reports and biennial progress reports regarding (1) the reported number of jobs created and (2) the reported amount invested in the property.
- 9) There are no undisclosed and accounted for conflicts of interest at the time of considering the agreement
- 10) The Application is in the best interest of the District and the State.

**Recommendation:** Adopt Findings under the Texas Economic Development Act on the Application of Arbor Renewable Gasoline-Phase 1 LLC, Comptroller Application No: 1631, for an Appraised Value Limitation on Qualified Property for School District Maintenance and Operations Taxes.

**Budget Impact\* (if applicable):** N/A

**Funding Source (if applicable):** N/A

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** N/A

**Policy Reference (if applicable, list policy/regulation):** N/A

**Legal Review (if necessary, list attorney and firm):**

Chuy Hernandez  
Cabinet Level Presenter's Signature

11/8/2021  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact)

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Counsel's Signature

\_\_\_\_\_  
Date

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**FINDINGS OF THE  
BEAUMONT INDEPENDENT SCHOOL DISTRICT  
BOARD OF TRUSTEES  
UNDER THE  
TEXAS ECONOMIC DEVELOPMENT ACT  
ON THE APPLICATION SUBMITTED BY  
ARBOR RENEWABLE GASOLINE - PHASE 1 LLC  
(#1631)**

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**NOVEMBER 16, 2021**

FINDINGS OF THE BEAUMONT INDEPENDENT  
SCHOOL DISTRICT BOARD OF TRUSTEES UNDER THE  
TEXAS ECONOMIC DEVELOPMENT ACT  
ON THE APPLICATION SUBMITTED BY  
ARBOR RENEWABLE GASOLINE – PHASE 1 LLC  
(# 1 6 3 1 )

*STATE OF TEXAS* §

*COUNTY OF JEFFERSON* §

On the 16<sup>th</sup> day of November 2021, a public meeting of the Board of Trustees of the Beaumont Independent School District (“District”) was held. The meeting was duly posted in accordance with the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. At the meeting, the Board of Trustees took up and considered the application of Arbor Renewable Gasoline – Phase 1 LLC (“Applicant”) for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Board of Trustees solicited input into its deliberations on the Application from interested parties within the District. The Board of Trustees has considered the economic impact analysis and the project certification issued by the Texas Comptroller of Public Accounts. After hearing presentations from the District’s administrative staff, and from consultants retained by the District to advise the Board in this matter, and after considering the relevant documentary evidence, the Board of Trustees makes the following findings with respect to application from Applicant, and the economic impact of that application:

On August 5, 2021, the Superintendent of the District, acting as agent of the Board of Trustees, and the Texas Comptroller of Public Accounts (“Comptroller”) received an Application from Applicant for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code. The Application was determined to be complete as of September 13, 2021. A copy of the Application is attached as **Attachment A**.

The Applicant, (Texas Taxpayer Id. 32075924103), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**.

The Board of Trustees acknowledged receipt of the Application, along with the requisite application fee, established pursuant to Texas Tax Code § 313.025(a)(1) and Local District Policy.

The Application was delivered to the Comptroller for review pursuant to Texas Tax Code § 313.025(d). A copy of the Application was delivered to the Jefferson Central Appraisal District for review pursuant to 34 Tex. Admin. Code § 9.1054.

The Application was reviewed by the Comptroller pursuant to Texas Tax Code §313.026, and a Comptroller Certificate was issued on September 30, 2021 in which the Comptroller has determined, inter alia, that: 1) Application is subject to the provisions of Chapter 171, Texas Tax Code; 2) the property meets the requirements of Section 313.024 for eligibility for a limitation on appraised values; 3) the proposed project is reasonably likely to generate tax revenue in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement before the 25<sup>th</sup> anniversary of the beginning of the limitation period; and, 4) the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state. A copy of the Certificate is attached to the findings as **Attachment C**.

The Board of Trustees has previously directed that a specific financial analysis be conducted concerning the impact of the proposed value limitation on the finances of District. A copy of the report prepared by Moak, Casey & Associates, Inc., is attached to these findings as **Attachment D**.

The Board of Trustees has confirmed that the taxable value of property in the District for the preceding tax year, as determined under Subchapter M, Chapter 403, Government Code, is as stated in **Attachment E**.

The Texas Education Agency has evaluated the impact of the project on the District's facilities. TEA's determination is to be attached to these findings as **Attachment F**.

The Board has adopted the Texas Economic Development Agreement (Form 50-826) as promulgated by the Comptroller's Office. Form 50-826 has been altered only in accordance only the provisions of the template that the Comptroller permitted. The proposed Agreement is attached to these findings as **Attachment G**.

After review of the Comptroller's Certificate and economic analysis, and in consideration of its own studies the Board finds:

**Board Finding Number 1.**

**The Board finds that the property described in the Application meets the requirements of Tex. Tax Code §313.024 for eligibility for a limitation on appraised value.**

In support of Finding 1, the Application indicates that:

Applicant plans to design and construct a manufacturing plant that will produce renewable gasoline or renewable hydrogen utilizing 1,000 tons per day of waste-wood as a feedstock. The plant will produce carbon dioxide at an industrial scale.

The proposed improvements will include all process facilities, infrastructure and auxiliary equipment, including the following significant components:

- Methanol reactors
- Gasoline reactors
- Cooling fans
- Final product storage tanks
- Heat exchangers
- Heaters
- Pumps
- Valves
- Compressors
- Motors and motor control centers
- Process control systems
- Waste heat recovery boiler
- Flare stack
- Refining columns
- Pollution control equipment
- CO2 capture equipment
- Process control buildings
- Warehouse, maintenance and other buildings
- Electric wood grinders
- Wood dryers
- Gasifier with cyclone
- Hot oxygen burner
- Syngas cooler
- Gas filter systems
- Lock hopper and silo feed systems
- Ash storage silos
- Gasoline hydrocrackers

- Syngas cleanup systems
- Acid gas removal systems
- Water gas shift systems
- Wood storage silos
- Truck unloading tippers
- Wood screening systems
- Wood conveying systems
- Demineralized water system
- Wastewater treatment
- Fire prevention system
- Oxygen VPSA
- Hydrogen PSA
- Nitrogen PSA
- Pipeline interconnect facilities
- Electric substation
- Utility connections

Property used for manufacturing is eligible for a limitation under §313.024(b)(1).

#### **Board Finding Number 2.**

**The project proposed by the applicant is reasonably likely to generate, before the 25th anniversary of the beginning of the limitation period, tax revenue, including state tax revenue, school district maintenance and operations ad valorem tax revenue attributable to the project, and any other tax revenue attributable to the effect of the project on the economy of the state, in an amount sufficient to offset the school district maintenance and operations ad valorem tax revenue lost as a result of the agreement (as detailed in Attachment B of the Comptroller's Certification).**

#### **Board Finding Number 3.**

**Based on the information certified by the Comptroller, the limitation on appraised value is a determining factor in the applicant's decision to invest capital and construct the project in this state (as detailed in Attachment C of the Comptroller's Certification).**

#### **Board Finding Number 4.**

**The Board finds that the Application Fee received was reasonable and only in such an amount as was necessary to cover the District's costs of processing the Application under consideration.**

In support of Finding 4, the Board reviewed the Application Fee payment included in the Application at Attachment A, the contract with the District's consultants and the internal costs for processing the application, if any.

**Board Finding Number 5.**

**Based upon the Application and in the Comptroller's Economic Impact Evaluation and Certification, Attachment A, the Board finds that the number of jobs to be created and the wages to be paid comply with the requirements of statute; and, the Board further finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions and information related to job creation requirements, to wit: the provisions set forth in Subsections 9.1C&D of such Agreement.**

In its Application, Applicant has committed to creating ten (10) new qualifying jobs. The average salary level committed to by Applicant for qualifying jobs is \$63,000 per year. The review of the application by the Comptroller's indicated that this amount—based on Texas Workforce Commission data—complies with current Tex. Tax Code §313.021(3) requirement that qualifying jobs must pay 110 percent of the county average manufacturing wage. As defined in Section 313.021 of the Tax Code, "Qualifying Job" means a permanent full-time job that:

- (A) requires at least 1,600 hours of work a year;
- (B) is not transferred from one area in this state to another area in this state;
- (C) is not created to replace a previous employee;
- (D) is covered by a group health benefit plan for which the business offers to pay at least 80 percent of the premiums or other charges assessed for employee-only coverage under the plan, regardless of whether an employee may voluntarily waive the coverage; and
- (E) pays at least 110 percent of the county average weekly wage for manufacturing jobs in the county where the job is located.

**Board Finding Number 6.**

**Based upon the information provided to the District with regard to the industry standard for staffing ratios of similar projects in the State of Texas, the District has determined that if the job creation requirement set**

**forth in Texas Tax Code § 313.021(2)(A)(iv)(b) was applied, for the size and scope of the project described in the Application, the required number of jobs meets or exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility.**

**Board Finding Number 7.**

**The Applicant does not intend to create any non-qualifying jobs.**

In its Application, Applicant has indicated that it does not intend to create any non-qualifying jobs. For any non-qualifying jobs the Applicant does create, the Applicant will be required to pay at least the county average wage of \$58,734 for all jobs in the county in accordance with the provisions of Tex. Tax Code §313.024(d).

**Board Finding Number 8.**

**The revenue gains that will be realized by the school district if the Application is approved could be significant in the long-term, with special reference to revenues used for supporting school district debt.**

In support of this finding, the analysis prepared by Moak, Casey & Associates projects that the project would initially add \$308.5 million to the tax base that would be available for debt service purposes at the peak investment level for the 2024-25 school year. The additional I&S taxable value would provide a benefit to the District, which is currently ineligible for state assistance for facilities funding under the Instructional Facilities Allotment (IFA) or Existing Debt Allotment (EDA) programs.

**Board Finding Number 9.**

**The effect of the applicant's proposal, if approved, on the number or size of needed school district instructional facilities is not expected to increase the District's facility needs, with current trends suggest little underlying enrollment growth based on the impact of the project.**

The summary of financial impact prepared by Moak, Casey & Associates, Inc., indicates that there will be little to no impact on school facilities created by the new project. This finding is confirmed by the TEA evaluation of this project's impact on the number and size of school facilities in the District as stated in **Attachment F**.

**Board Finding Number 10.**

**The Board finds that with the adoption of District Policy CCGB (Local), implemented in conformance with both Comptroller and Texas Education Agency Rules governing Chapter 313 Agreements, it has developed a process to verify, either directly or through its consultants, the accuracy and completeness of information in annual eligibility reports and biennial progress reports regarding (1) the reported number of jobs created and (2) the reported amount invested in the property.**

**Board Finding Number 11.**

**The Board of Trustees hired consultants to review and verify the information in the Application. Based upon the consultants' review, the Board has determined that the information provided by the Applicant is true and correct.**

The Board has developed a written policy CCGB (Local) which requires, upon the filing of an Application under Tax Code Chapter 313, the retention of consultants in order to verify: (1) that Applicant's information contained in the Application as to existing facts is true and correct; (2) that Applicant's information contained in the Application with respect to projections of future events are commercially reasonable and within the ability of Applicant to execute; (3) that information related to job creation is commercially reasonable and within the ability of Applicant to execute; (4) that Applicant's representations concerning and economic incentives being offered, if any, and (5) the proposed project meets eligibility requirements.

As a part of its verification process the Board notes that the Chapter 313 Application for which these Findings are being made has been submitted by the Applicant under oath. Chapter 313 Applications are governmental records under Tex. Penal Code §37.01(2)(A); as a result, all statements contained therein are representations of fact within the meaning of Tex. Penal Code § 37.01(3). Since Board action upon the adoption of these Findings and the approval of the Chapter 313 Tax Limitation Agreement (**Attachment G**) is an "official proceeding," a false statement on a Chapter 313 application constitutes perjury under Tex. Penal Code § 37.03.

The Board finds that sworn statements are routinely used as an acceptable verification method for reliance by fact finders in each of the three separate branches of government, including trials.

The consultants have prepared signed statements that the consultants have reviewed and verified the contents of the Application and have determined that the current statements of fact contained in the Application are true and correct. (**Attachment H**) The Board finds that reliance by the Board and its consultants upon verified statements of the Applicant, especially as to Applicant's future intentions which cannot be objectively verified is reasonable and within the intent of Chapter 313, Texas Tax Code.

**Board Finding Number 12.**

**The Board of Trustees has determined that the Tax Limitation Amount requested by Applicant is currently Thirty Million Dollars, which is consistent with the minimum values currently set out by Tax Code, § 313.052.**

The Board finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**), in accordance with Comptroller's Form 50-826, contains all required provisions and information related to the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement. According to the Texas Comptroller of Public Accounts' School and Appraisal Districts' Property Value Study 2020 Final Findings made under Subchapter M, Chapter 403, Government Code for the preceding tax year (**Attachment E**), the total industrial value for the District is \$6.48 billion. Because the total industrial value of the district is \$200 million or more, the District is classified as a Subchapter C, Category I District, which can offer a minimum value limitation of \$30 million.

**Board Finding Number 13.**

**The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all necessary provisions and information related to establishing the required investment amount, to wit: the amount set forth in Section 2.5 of said Agreement.**

The Board relies on the certifications of its consultants and the Comptroller's Approval of the Agreement form to make this Finding. (**Attachment I**)

**Board Finding Number 14.**

**The Applicant (Taxpayer No. 32075924103) is eligible for the limitation on appraised value of qualified property as an active franchise-tax paying entity.**

The Applicant, (Texas Taxpayer No. 32075924103), is an entity subject to Chapter 171, Texas Tax Code, and is certified to be an active franchise taxpayer by the Comptroller. See **Attachment B**. The Board also finds that the Chapter 313 Tax Limitation Agreement (**Attachment G**) contains all required provisions necessary for the Board to assess eligibility of any business to which an agreement is transferred.

**Board Finding Number 15.**

**The project will be located within an area that is designated as a reinvestment zone, pursuant to Chapter 312 of the Texas Tax Code.**

**Board Finding Number 16.**

**The Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, attached hereto as Attachment G, includes adequate and appropriate revenue protection provisions for the District, and such provisions comply with the specific terms of Texas Tax Code, Chapter 313.**

In support of this finding, the report of Moak, Casey & Associates, Inc. shows that the District will incur a revenue loss in the initial years that the value limitation is in effect without the proposed Agreement. However, with this Agreement, the negative consequences of granting the value limitation are offset through the revenue protection provisions agreed to by the Applicant and the District. The Agreement contains adequate revenue protection measures for the duration of the Agreement. In support of this Finding, the Board relies upon the recommendation of its consultants. (**Attachment H**)

**Board Finding Number 17.**

**The Board finds that the Chapter 313 Tax Limitation Agreement (Attachment G) contains all required provisions necessary for the**

**Board to assess performance standards and to require periodic deliverables that will enable it to hold businesses accountable for achieving desired results, to wit: the reporting requirements set forth in Article VIII of said Agreement.**

**Board Finding Number 18.**

**The Board finds that there are no conflicts of interest at the time of considering the agreement.**

The Board finds that with the adoption of District Policies BBFA and BBFB, set forth at <https://pol.tasb.org/Home/Index/725>, that it has taken appropriate action to ensure that all District Trustees and the Superintendent, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

In addition, at the public hearing, the Board caused the statement set forth in **Attachment J** to be read into the public record and that only Board members audibly responding that no conflict of interest existed either deliberated or voted on the Tax Limitation Agreement, these Findings or any matter relating to the Application upon which these Findings have been premised.

The Board finds that with the adoption of District Policies DBD, DGA, DH, and BBFB that it has taken appropriate action to ensure that all District employees and/or consultants, have disclosed any potential conflicts of interest, and that such disclosures will be made if any conflict of interest arises in the future, in compliance with the requirements of Texas Local Gov't Code §171.004.

**Board Finding Number 19.**

**The Board directs that a link on its Web site to the Comptroller's Office's Web site where appraisal limitation related documents are made available to the public.**

**Board Finding Number 20.**

**Considering the purpose and effect of the law and the terms of the Agreement, that it is in the best interest of the District and the State to**

**enter into the attached Agreement for Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes.**

It is therefore ORDERED that the Agreement attached hereto as **Attachment G** is approved and hereby authorized to be executed and delivered by and on behalf of the District. It is further ORDERED that these findings and the Attachments referred to herein be attached to the Official Minutes of this meeting, and maintained in the permanent records of the Board of Trustees of the District.

Dated the 16<sup>th</sup> day of November 2021.

BEAUMONT INDEPENDENT SCHOOL DISTRICT

By: \_\_\_\_\_  
President, Board of Trustees

**ATTEST:**

By: \_\_\_\_\_  
Secretary, Board of Trustees



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **II.B.2.**

**Agenda Item Title:** Consider and approve Agreement with Arbor Renewable Gasoline-Phase 1 LLC, Comptroller Application No: 1631, for an Appraised Value Limitation on Qualified Property for School District Maintenance and Operations Taxes

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):** Mali Hanley, O'Hanlon, Demerath & Castillo

**Executive Summary:** Under Texas Tax Code §313.027, the Board may enter into a written agreement for the implementation of a limitation on appraised value on the Applicant's Qualified Property. Under Board Policy CCG (Local), such Agreement must provide for protection from and/or compensation for any financial risks undertaken by the District in accepting the Application. The Agreement for an Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the Texas Tax Code, drafted by the consultants, includes adequate and appropriate revenue protection provisions for the District. The Agreement also provides for the payment to the District of supplemental payments.

While there is often concern that a school district may be harmed by entering into a tax limitation agreement, the revenue gains that will be realized by the school district if the Application is approved will be significant in the long term, with special reference to revenues used for supporting school district debt. The Agreement, if enacted as is currently proposed, will not reduce the District's M&O revenues in future years. Furthermore, under Board Policy CCG (Local), such Agreement must provide for protection from and/or compensation for any financial risks undertaken by the District in accepting the Application. The Agreement drafted by the District's consultants, includes adequate and appropriate revenue protection provisions for the District.

In addition, the Agreement provides for the company to pay the costs of the maintenance of the Agreement. To the extent permitted by statute, the Agreement also addresses the concerns raised by the community to ensure that the Agreement is in the best interest of the District.

**Recommendation:** Approve Agreement with Arbor Renewable Gasoline, Phase 1 LLC for an Appraised Value Limitation on Qualified Property for School District Maintenance and Operations Taxes.

**Budget Impact\* (if applicable):** N/A

**Funding Source (if applicable):** N/A

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** N/A



**Policy Reference (if applicable, list policy/regulation):** N/A

**Legal Review (if necessary, list attorney and firm):**

Chayshamandiz  
Cabinet Level Presenter's Signature

11/8/2021  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact)

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Counsel's Signature

\_\_\_\_\_  
Date

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE  
OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE  
AND OPERATIONS TAXES**

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by and between

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**

and

**ARBOR RENEWABLE GASOLINE – PHASE 1 LLC**

*(Texas Taxpayer ID #32075924103)*

Comptroller Application #1631

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Dated

November 16, 2021

**AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR  
SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES**

*STATE OF TEXAS* §

*COUNTY OF JEFFERSON* §

THIS AGREEMENT FOR LIMITATION ON APPRAISED VALUE OF PROPERTY FOR SCHOOL DISTRICT MAINTENANCE AND OPERATIONS TAXES, hereinafter referred to as this “Agreement,” is executed and delivered by and between the **BEAUMONT INDEPENDENT SCHOOL DISTRICT**, hereinafter referred to as the “District,” a lawfully created independent school district within the State of Texas operating under and subject to the TEXAS EDUCATION CODE, and **ARBOR RENEWABLE GASOLINE - PHASE 1 LLC**, Texas Taxpayer Identification Number 32075924103 hereinafter referred to as the “Applicant.” The Applicant and the District are hereinafter sometimes referred to individually as a “Party” and collectively as the “Parties.”

**RECITALS**

**WHEREAS**, on August 5, 2021, the Superintendent of Schools of the Beaumont Independent School District, acting as agent of the Board of Trustees of the District, received from the Applicant an Application for Appraised Value Limitation on Qualified Property, pursuant to Chapter 313 of the TEXAS TAX CODE;

**WHEREAS**, on August 19, 2021, the Board of Trustees has acknowledged receipt of the Application, and along with the requisite application fee as established pursuant to Section 313.025(a) of the TEXAS TAX CODE and Local District Policy CCG (Local), and agreed to consider the Application;

**WHEREAS**, the Application was delivered to the Texas Comptroller’s Office for review pursuant to Section 313.025 of the TEXAS TAX CODE;

**WHEREAS**, the District and the Texas Comptroller’s Office have determined that the Application is complete and September 13, 2021, is the Application Review Start Date as that term is defined by 34 TEXAS ADMIN. CODE Section 9.1051;

**WHEREAS**, pursuant to 34 TEXAS ADMIN. CODE Section 9.1054, the Application was delivered to the Jefferson County Appraisal District established in Jefferson County, Texas (the “Jefferson County Appraisal District”), pursuant to Section 6.01 of the TEXAS TAX CODE;

**WHEREAS**, the Texas Comptroller’s Office reviewed the Application pursuant to Section 313.025 of the TEXAS TAX CODE, conducted an economic impact evaluation pursuant to Section 313.026 of the TEXAS TAX CODE, and on September 30, 2021, issued a certificate for limitation on appraised value of the property described in the Application and provided the certificate to the District;

**WHEREAS**, the Board of Trustees has reviewed and carefully considered the economic impact evaluation and certificate for limitation on appraised value submitted by the Texas Comptroller’s Office pursuant to Section 313.025 of the TEXAS TAX CODE;

**WHEREAS**, on November 16, 2021, the Board of Trustees conducted a public hearing on the Application at which it solicited input into its deliberations on the Application from all interested parties within the District;

**WHEREAS**, on November 16, 2021, the Board of Trustees made factual findings pursuant to Section 313.025(f) of the TEXAS TAX CODE, including, but not limited to findings that: (i) the information in the Application is true and correct; (ii) the Applicant is eligible for the limitation on appraised value of the Applicant’s Qualified Property; (iii) the project proposed by the Applicant is reasonably likely to generate tax revenue in an amount sufficient to offset the District’s maintenance and operations ad valorem tax revenue lost as a result of the Agreement before the 25th anniversary of the beginning of the limitation period; (iv) the limitation on appraised value is a determining factor in the Applicant’s decision to invest capital and construct the project in this State; and (v) this Agreement is in the best interest of the District and the State of Texas;

**WHEREAS**, on XXXX XX, 2021, the Texas Comptroller’s Office approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes;

**WHEREAS**, on November 16, 2021, the Board of Trustees approved the form of this Agreement for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes, and authorized the Board President and Secretary *or in the event the Board President and Secretary are unavailable or have disclosed a conflict of interest, the Board of Trustees has authorized Board Vice President* to execute and deliver such Agreement to the Applicant; and

**NOW, THEREFORE**, for and in consideration of the premises and the mutual covenants and agreements herein contained, the Parties agree as follows:

## **ARTICLE I** **DEFINITIONS**

**Section 1.1 DEFINITIONS.** Wherever used in this Agreement, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning. Words

or terms defined in 34 TEXAS ADMIN. CODE Section 9.1051 and not defined in this Agreement shall have the meanings provided by 34 TEXAS ADMIN. CODE Section 9.1051.

“Act” means the Texas Economic Development Act set forth in Chapter 313 of the TEXAS TAX CODE, as amended.

“Agreement” means this Agreement, as the same may be modified, amended, restated, amended and restated, or supplemented as approved pursuant to Sections 10.2 and 10.3.

“Applicant” means Arbor Renewable Gasoline - Phase 1 LLC, (*Texas Taxpayer ID #32072862819*), the entity listed in the Preamble of this Agreement and that is listed as the Applicant on the Application as of the Application Approval Date. The term “Applicant” shall also include the Applicant’s assigns and successors-in-interest as approved according to Sections 10.2 and 10.3 of this Agreement.

“Applicant’s Qualified Investment” means the Qualified Investment of the Applicant during the Qualifying Time Period and as more fully described in **EXHIBIT 3** of this Agreement.

“Applicant’s Qualified Property” means the Qualified Property of the Applicant to which the value limitation identified in the Agreement will apply and as more fully described in **EXHIBIT 4** of this Agreement.

“Application” means the Application for Appraised Value Limitation on Qualified Property (Chapter 313, Subchapter B or C of the TEXAS TAX CODE) filed with the District by the Applicant on August 20, 2021. The term includes all forms required by the Comptroller, the schedules attached thereto, and all other documentation submitted by the Applicant for the purpose of obtaining an Agreement with the District. The term also includes all amendments and supplements thereto submitted by the Applicant.

“Application Approval Date” means the date that the Application is approved by the Board of Trustees of the District and as further identified in Section 2.3.B of this Agreement.

“Application Review Start Date” means the later date of either the date on which the District issues its written notice that the Applicant has submitted a completed Application or the date on which the Comptroller issues its written notice that the Applicant has submitted a completed Application and as further identified in Section 2.3.A of this Agreement.

“Appraised Value” shall have the meaning assigned to such term in Section 1.04(8) of the TEXAS TAX CODE.

“Appraisal District” means the Jefferson County Appraisal District.

“Board of Trustees” means the Board of Trustees of the Beaumont Independent School District.

“Commercial Operation” means the relevant property has been constructed, has received all necessary permits to operate, and has commenced commercial operations of receiving feedstocks and converting them into usable products for later sale or processing as intended by the final project design.

“Comptroller” means the Texas Comptroller of Public Accounts, or the designated representative of the Texas Comptroller of Public Accounts acting on behalf of the Comptroller.

“Comptroller’s Rules” means the applicable rules and regulations of the Comptroller set forth in Chapter 34 TEXAS ADMIN. CODE Chapter 9, Subchapter F, together with any court or administrative decisions interpreting same.

“County” means Jefferson County, Texas.

“District” or “School District” means the Beaumont Independent School District, being a duly authorized and operating school district in the State, having the power to levy, assess, and collect ad valorem taxes within its boundaries and to which *Subchapter C* of the Act applies. The term also includes any successor independent school district or other successor governmental authority having the power to levy and collect ad valorem taxes for school purposes on the Applicant’s Qualified Property or the Applicant’s Qualified Investment.

“Final Termination Date” means the last date of the final year in which the Applicant is required to Maintain Viable Presence and as further identified in Section 2.3.E of this Agreement.

“Force Majeure” means acts of God, war, fires, explosions, hurricanes, floods, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome. Each Party must inform the other in writing with proof of receipt within 60 business days of the existence of such Force Majeure or otherwise waive this right as a defense.

“Land” means the real property described on **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes.

“Maintain Viable Presence” means (i) the operation during the term of this Agreement of the facility or facilities for which the tax limitation is granted; and (ii) the Applicant’s maintenance of jobs and wages as required by the Act and as set forth in its Application.

“Market Value” shall have the meaning assigned to such term in Section 1.04(7) of the TEXAS TAX CODE.

“New Qualifying Jobs” means the total number of jobs to be created by the Applicant after the Application Approval Date in connection with the project that is the subject of its

Application that meet the criteria of Qualifying Job as defined in Section 313.021(3) of the TEXAS TAX CODE and the Comptroller's Rules.

"New Non-Qualifying Jobs" means the number of Non-Qualifying Jobs, as defined in 34 TEXAS ADMIN. CODE Section 9.1051(14), to be created by the Applicant after the Application Approval Date in connection with the project which is the subject of its Application.

"Qualified Investment" has the meaning set forth in Section 313.021(1) of the TEXAS TAX CODE, as interpreted by the Comptroller's Rules.

"Qualified Property" has the meaning set forth in Section 313.021(2) of the TEXAS TAX CODE and as interpreted by the Comptroller's Rules and the Texas Attorney General, as these provisions existed on the Application Review Start Date.

"Qualifying Time Period" means the period defined in Section 2.3.C, during which the Applicant shall make investment on the Land where the Qualified Property is located in the amount required by the Act, the Comptroller's Rules, and this Agreement.

"State" means the State of Texas.

"Supplemental Payment" means any payments or transfers of things of value made to the District or to any person or persons in any form if such payment or transfer of thing of value being provided is in recognition of, anticipation of, or consideration for the Agreement and that is not authorized pursuant to Sections 313.027(f)(1) or (2) of the TEXAS TAX CODE, and specifically includes any payments required pursuant to Article VI of this Agreement.

"Tax Limitation Amount" means the maximum amount which may be placed as the Appraised Value on the Applicant's Qualified Property for maintenance and operations tax assessment in each Tax Year of the Tax Limitation Period of this Agreement pursuant to *Section 313.054* of the TEXAS TAX CODE.

"Tax Limitation Period" means the Tax Years for which the Applicant's Qualified Property is subject to the Tax Limitation Amount and as further identified in Section 2.3.D of this Agreement.

"Tax Year" shall have the meaning assigned to such term in Section 1.04(13) of the TEXAS TAX CODE (*i.e.*, the calendar year).

"Taxable Value" shall have the meaning assigned to such term in Section 1.04(10) of the TEXAS TAX CODE.

**Section 1.2 NEGOTIATED DEFINITIONS.** Wherever used in Articles IV, V, and VI, the following terms shall have the following meanings, unless the context in which used clearly indicates another meaning or otherwise; provided however, if there is a conflict between a term defined in this section and a term defined in the Act, the Comptroller's Rules, or Section 1.1 of

Agreement, the conflict shall be resolved by reference to Section 10.9.C.

“Annual Limit” means the maximum annual benefit which can be paid directly to the District as a Supplemental Payment under the provisions of Section 313.027(i) of the TEXAS TAX CODE. For purposes of this Agreement, and as further provided in Sections 6.2A and 6.2D, the amount of the Annual Limit shall be equal to the greater of \$50,000 or an amount calculated for each calendar year by multiplying by the District’s Average Daily Attendance, as calculated pursuant to Section 42.005 of the TEXAS EDUCATION CODE, for the prior school year (rounded to the nearest whole number) times \$100, or any larger amount allowed by Section 313.027(i) of the TEXAS TAX CODE, if such limitation is increased for any future year of this Agreement and such increase is effective for purposes of this Agreement. The Annual Limit shall first be computed for Tax Year 2022, which is the Tax Year that includes the date on which the Qualifying Time Period commences under this Agreement as provided in Section 2.3.C.i.

“Applicable School Finance Law” means Chapters 41, 42, 48, and 49 of the TEXAS EDUCATION CODE, the Texas Economic Development Act (Chapter 313 of the TEXAS TAX CODE), Chapter 403, Subchapter M, of the TEXAS GOVERNMENT CODE applicable to District, and the Constitution and general laws of the State applicable to the school districts of the State for each and every year of this Agreement, including specifically, the applicable rules and regulations of the agencies of the State having jurisdiction over any matters relating to the public school systems and school districts of the State, and judicial decisions construing or interpreting any of the above. The term includes any and all amendments or successor statutes that may be adopted in the future that could impact or alter the calculation of Applicant’s ad valorem tax obligation to District, either with or without the limitation of property values made pursuant to this Agreement. For each year of this Agreement, the “Applicable School Finance Law” shall be interpreted to include all provisions made applicable for any calculations made for the specific year for which calculations are being made.

“Maintenance and Operations Revenue” or “M&O Revenue” means (i) those revenues which the District receives from the levy of its annual ad valorem maintenance and operations tax pursuant to Section 45.002 of the TEXAS EDUCATION CODE and Article VII § 3 of the TEXAS CONSTITUTION, plus (ii) all State revenues to which the District is or may be entitled under Chapter 42 of the TEXAS EDUCATION CODE or any other statutory provision as well as any amendment or successor statute to these provisions, plus (iii) any indemnity payments received by the District under other agreements similar to this Agreement to the extent that such payments are designed to replace the District’s M&O Revenue lost as a result of such similar agreements, less (iv) any amounts necessary to reimburse the State of Texas or another school district for the education of additional students pursuant to Chapter 41 of the TEXAS EDUCATION CODE.

“Net Aggregate Limit” means, for any Tax Year of this Agreement, the cumulative total of the Annual Limit amount for such Tax Year and all previous years of the Agreement, less all amounts previously paid by the Applicant to or on behalf of the District under Article VI, below.

“Net Tax Benefit” means, (i) the amount of maintenance and operations *ad valorem* taxes that the Applicant would have paid to the District for all Tax Years if this Agreement had not been

entered into by the Parties, (ii) less the sum of (A) all maintenance and operations ad valorem school taxes actually due to the District or any other governmental entity, including the State of Texas, for all Tax Years of this Agreement, plus (B) any payments due to the District under Articles IV and V under this Agreement.

“New M&O Revenue” means the total State and local Maintenance and Operations Revenue that District would have actually received for such school year if calculated using prior year taxable values.

“Option to Terminate” means Applicant’s written notice to the District which: (i) in the event that Applicant determines that it will not commence or complete construction of the Applicant’s Qualified Investment prior to the beginning of the Tax Limitation Period notifies the District of Applicant’s unilateral determination to terminate this Agreement; or, (ii) with respect to each Tax Year of the Tax Limitation Period beginning after the first Tax Year of the Tax Limitation Period, where the sum of the maintenance and operations ad valorem taxes paid by the Applicant to the District for such Tax Year, plus the sum of all payments otherwise due from the Applicant to the District under Articles IV, V, and VI of this Agreement with respect to such Tax Year, exceed the amount of the maintenance and operations ad valorem taxes that the Applicant would have paid to the District for such Tax Year (determined by using the District’s actual maintenance and operations tax rate for such Tax Year) if the Parties had not entered into this Agreement. The Applicant may exercise the Subsection (ii) option to terminate this Agreement by notifying the District of its election in writing not later than the July 31 of the year following the Tax Year where the payment otherwise due exceeded the amount of taxes that Applicant would have paid had it not entered into the Agreement. Any termination of this Agreement under Subsection (ii) of this provision shall be effective immediately prior to the second Tax Year next following the Tax Year in which notice is given.

“Original M&O Revenue” means the total State and local Maintenance & Operations Revenue that the District would have received for the school year under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Qualified Property and/or Qualified Investment been subject to the ad valorem maintenance & operations tax at the tax rate actually adopted by the District for the applicable year. For purposes of this calculation, and as required by Tex. Educ. Code §48.256(d) as said statute existed on the date of this Agreement, the Third Party will base its calculations upon taxable values for the prior school year as certified by the County Appraisal District for all other taxable accounts in the District, save and except for the Qualified Property subject to this Agreement, plus the taxable value of the Qualified Property for the prior school year subject to this Agreement. (For clarification, the taxable value used by the District in calculating the taxes payable for Interest and Sinking Fund taxation purposes on Applicant’s Qualified Property will be used for the Qualified Property in lieu of the property’s M&O taxable value.)

“Revenue Protection Amount” means the amount to be paid by Applicant to compensate District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year starting in the year of the Application Review Start Date and ending on

the Final Termination Date as set forth in Section 4.2 of this Agreement.

“*Unadjusted Tax Benefit*” means, for any Tax Year during the term of this Agreement, the total of all gross tax savings calculated for such Tax Year by multiplying (i) an amount equal to (a) the Taxable Value of the Applicant’s Qualified Property used for the District’s debt service (interest and sinking fund) property tax purposes for such Tax Year, minus (b) the Tax Limitation Amount (defined in Section 2.4, below, as Thirty Million Dollars (\$30,000,000.00), multiplied by (ii) the District’s maintenance and operations tax rate for such Tax Year.

**ARTICLE II**  
**AUTHORITY, PURPOSE AND LIMITATION AMOUNTS**

**Section 2.1. AUTHORITY.** This Agreement is executed by the District as its written agreement with the Applicant pursuant to the provisions and authority granted to the District in Section 313.027 of the TEXAS TAX CODE.

**Section 2.2. PURPOSE.** In consideration of the execution and subsequent performance of the terms and obligations by the Applicant pursuant to this Agreement, identified in Sections 2.5 and 2.6 and as more fully specified in this Agreement, the value of the Applicant’s Qualified Property listed and assessed by the County Appraiser for the District’s maintenance and operation ad valorem property tax shall be the Tax Limitation Amount as set forth in Section 2.4 of this Agreement during the Tax Limitation Period.

**Section 2.3. TERM OF THE AGREEMENT.**

A. The Application Review Start Date for this Agreement is September 13, 2021, which will be used to determine the eligibility of the Applicant’s Qualified Property and all applicable wage standards.

B. The Application Approval Date for this Agreement is November 16, 2021.

C. The Qualifying Time Period for this Agreement:

- i. Starts on January 1, 2022, a date not later than January 1 of the fourth Tax Year following the Application Approval Date for deferrals, as authorized by §313.027(h) of the TEXAS TAX CODE; and
- ii. Ends on December 31, 2023, the last day of the second complete Tax Year following the Qualifying Time Period start date.

D. The Tax Limitation Period for this Agreement:

- i. Starts on January 1, 2024, first complete Tax Year that begins after the date of the commencement of Commercial Operation; and
- ii. Ends on December 31, 2033.

E. The Final Termination Date for this Agreement is December 31, 2038.

F. This Agreement, and the obligations and responsibilities created by this Agreement, shall be and become effective on the Application Approval Date identified in Section 2.3.B. This Agreement, and the obligations and responsibilities created by this Agreement, terminate on the Final Termination Date identified in Section 2.3.E, unless extended by the express terms of this Agreement.

**Section 2.4. TAX LIMITATION.** So long as the Applicant makes the Qualified Investment as required by Section 2.5, during the Qualifying Time Period, and unless this Agreement has been terminated as provided herein before such Tax Year, on January 1 of each Tax Year of the Tax Limitation Period, the Appraised Value of the Applicant's Qualified Property for the District's maintenance and operations ad valorem tax purposes shall not exceed the lesser of:

- A. the Market Value of the Applicant's Qualified Property; or
- B. \$30,000,000 based on Section 313.54 of the Texas Tax Code.

This Tax Limitation Amount is based on the limitation amount for the category that applies to the District on the Application Approval Date, as set out by Section 313.052 of the TEXAS TAX CODE.

**Section 2.5. TAX LIMITATION ELIGIBILITY.** In order to be eligible and entitled to receive the value limitation identified in Section 2.4 for the Qualified Property identified in Article III, the Applicant shall:

- A. have completed the Applicant's Qualified Investment in the amount of \$30,000,000 during the Qualifying Time Period;
- B. have created and maintained, subject to the provisions of Section 313.0276 of the TEXAS TAX CODE, New Qualifying Jobs as required by the Act; and
- C. pay an average weekly wage of at least \$1,129.50 for all New Non-Qualifying Jobs created by the Applicant.

**Section 2.6. TAX LIMITATION OBLIGATIONS.** In order to receive and maintain the limitation authorized by Section 2.4, Applicant shall:

- A. provide payments to District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV;
- B. provide payments to the District that protect the District from the payment of extraordinary education- related expenses related to the project, as more fully specified in Article V;
- C. provide such Supplemental Payments as more fully specified in Article VI;
- D. create and Maintain Viable Presence on or with the Qualified Property and perform additional obligations as more fully specified in Article VIII of this Agreement; and
- E. No additional conditions are identified in the certificate for a limitation on appraised value by the Comptroller for this project.

### **ARTICLE III** **QUALIFIED PROPERTY**

**Section 3.1. LOCATION WITHIN ENTERPRISE OR REINVESTMENT ZONE.** At the time of the Application Approval Date, the Land is within an area designated either as an enterprise zone, pursuant to Chapter 2303 of the TEXAS GOVERNMENT CODE, or a reinvestment zone, pursuant to Chapter 311 or 312 of the TEXAS TAX CODE. The legal description, and information concerning the designation, of such zone is attached to this Agreement as **EXHIBIT 1** and is incorporated

herein by reference for all purposes.

**Section 3.2. LOCATION OF QUALIFIED PROPERTY AND INVESTMENT.** The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described in **EXHIBIT 2**, which is attached hereto and incorporated herein by reference for all purposes. The Parties expressly agree that the boundaries of the Land may not be materially changed from its configuration described in **EXHIBIT 2** unless amended pursuant to the provisions of Section 10.2 of this Agreement.

**Section 3.3. DESCRIPTION OF QUALIFIED PROPERTY.** The Qualified Property that is subject to the Tax Limitation Amount is described in **EXHIBIT 4**, which is attached hereto and incorporated herein by reference for all purposes. Property which is not specifically described in **EXHIBIT 4** shall not be considered by the District or the Appraisal District to be part of the Applicant's Qualified Property for purposes of this Agreement, unless by official action the Board of Trustees provides that such other property is a part of the Applicant's Qualified Property for purposes of this Agreement in compliance with Section 313.027(e) of the TEXAS TAX CODE, the Comptroller's Rules, and Section 10.2 of this Agreement.

**Section 3.4. CURRENT INVENTORY OF QUALIFIED PROPERTY.** In addition to the requirements of Section 10.2 of this Agreement, if there is a material change in the Qualified Property described in **EXHIBIT 4**, then within 60 days from the date commercial operation begins, the Applicant shall provide to the District, the Comptroller, the Appraisal District or the State Auditor's Office a specific and detailed description of the tangible personal property, buildings, and/or permanent, nonremovable building components (including any affixed to or incorporated into real property) on the Land to which the value limitation applies including maps or surveys of sufficient detail and description to locate all such described property on the Land.

**Section 3.5. QUALIFYING USE.** The Applicant's Qualified Property described in Section 3.3 qualifies for a tax limitation agreement under Section 313.024(b)(1) of the TEXAS TAX CODE as a manufacturing plant.

#### **ARTICLE IV**

#### **PROTECTION AGAINST LOSS OF FUTURE DISTRICT REVENUES**

**Section 4.1. INTENT OF THE PARTIES.** Subject only to the limitations contained in Section 7.1 of this Agreement, it is the intent of the Parties that the District shall, in accordance with the provisions of Section 313.027(f)(1) of the TEXAS TAX CODE, be compensated by Applicant for any loss that District incurs in its Maintenance and Operations Revenue in each year of this Agreement for which this Agreement was, in any manner, a sole and direct producing cause. Such payments shall be independent of, and in addition to such other payments as set forth in Article V and Article VI in this Agreement. Subject only to the limitations contained in Section 7.1 of this Agreement, it is the intent of the Parties that the risk of any and all negative financial consequences to the District's total annual Maintenance and Operations Revenue, for which the execution of this

Agreement was a sole and direct producing cause will be borne solely by Applicant and not by District.

The Parties hereto expressly understand and agree that, for all years to which this Agreement may apply, the calculation of negative financial consequences will be defined for each applicable year in accordance with the Applicable School Finance Law, as defined in Section 1.2 above, and that such definition specifically contemplates that calculations made under this Agreement may well periodically change in accordance with changes made from time to time in the Applicable School Finance Law. The Parties further agree that the printouts and projections produced during the negotiations and approval of this Agreement are: i) for illustrative purposes only, are not intended to be relied upon, and have not been relied upon by the Parties as a prediction of future consequences to either Party to the Agreement; ii) are based upon current Applicable School Finance Law, which is subject to change by statute, by administrative regulation, or by judicial decision at any time; and, iii) may change in future years to reflect changes in the Applicable School Finance Law.

#### **Section 4.2. CALCULATING THE AMOUNT OF LOSS OF REVENUES BY THE DISTRICT**

##### **A. Calculation of the Revenue Protection Amount.**

The amount to be paid by the Applicant to compensate the District for loss of Maintenance and Operations Revenue resulting from, or on account of, this Agreement for each year during the term of this Agreement (the "Revenue Protection Amount") shall be determined in compliance with the Applicable School Finance Law in effect for such year and according to the following formula:

The Revenue Protection Amount owed by the Applicant to District means the Original M&O Revenue minus the New M&O Revenue;

Where:

1. *"Original M&O Revenue"* means the total State and local Maintenance & Operations Revenue that the District would have received for the school year under the Applicable School Finance Law had this Agreement not been entered into by the Parties and the Qualified Property and/or Qualified Investment been subject to the ad valorem maintenance & operations tax at the tax rate actually adopted by the District for the applicable year. For purposes of this calculation, and as required by Tex. Educ. Code §48.256(d) as said statute existed on the date of this Agreement, the Third Party will base its calculations upon taxable values for the prior school year as certified by the County Appraisal District for all other taxable accounts in the District, save and except for the Qualified Property subject to this Agreement, plus the taxable value of the Qualified Property for the prior school year subject to this Agreement. (For clarification, the taxable value used by the District in calculating the taxes payable for Interest and Sinking Fund taxation

purposes on Applicant's Qualified Property will be used for the Qualified Property in lieu of the property's M&O taxable value.)

2. "New M&O Revenue" means the total State and local Maintenance & Operations Revenue that the District would have actually received for such school year, if calculated using prior year taxable values.

B. In making the calculations required by this Section 4.2 of this Agreement:

- i. The Taxable Value of property for each school year will be determined under the Applicable School Finance Law as that law exists for each year for which the calculation is made.
- ii. For purposes of this calculation, the tax collection rate on the Applicant's Qualified Property will be presumed to be one hundred percent (100%).
- iii. If, for any year of this Agreement, the difference between the Original M&O Revenue and the New M&O Revenue, as calculated under this Section 4.2 of this Agreement, results in a negative number, the negative number will be considered to be zero.
- iv. For All calculations made for years during the Tax Limitation Period under Section 4.2 of this Agreement, Subsection ii of this subsection will reflect the Tax Limitation Amount for such year.

**Section 4.3. CALCULATIONS TO BE MADE BY THIRD PARTY.** All calculations under this Agreement shall be made annually by a qualified and experienced independent third party (the "Third Party") approved each year by the District. To the extent not inconsistent with a statutory change to Applicable School Finance Law, all calculations made by the Third Party under this Agreement shall be made using a methodology which isolates only the revenue impact caused by this Agreement. Applicant shall not be responsible to reimburse District for other revenue losses created by other agreements or any other factors.

**Section 4.4. DATA USED FOR CALCULATIONS.** The calculations for payments under this Agreement shall be initially based upon the valuations placed upon the Applicant's Qualified Investment and/or the Applicant's Qualified Property by the Appraisal District in its annual certified tax roll submitted to the District for each Tax Year pursuant to Texas Tax Code § 26.01 on or about July 25 of each year of this Agreement. Immediately upon receipt of the valuation information by the District, the District shall submit the valuation information to the Third Party selected under Section 4.3. The certified tax roll data shall form the basis of the calculation of any and all amounts due under this Agreement. All other data utilized by the Third Party to make the calculations contemplated by this Agreement shall be based upon the best available current estimates. The data utilized by the Third Party shall be adjusted from time to time by the Third

Party to reflect actual amounts, subsequent adjustments by the Appraisal District to the District's certified tax roll or any other changes in student counts, tax collections, or other data.

**Section 4.5. DELIVERY OF CALCULATIONS.** On or before November 1 of each year for which this Agreement is effective, the Third Party appointed pursuant to Section 4.3 of this Agreement shall forward to the Parties a certification containing the calculations required under Sections 4.2, Article VI, and/or Section 7.1 of this Agreement in sufficient detail to allow the Parties to understand the manner in which the calculations were made. The Third Party shall simultaneously submit his, her or its invoice for fees for services rendered to the Parties, if any fees are being claimed, which fee shall be the sole responsibility of the District, but subject to the provisions of Section 4.6, below. Upon reasonable prior notice, the employees and agents of the Applicant shall have access, at all reasonable times, to the Third Party's calculations, records, and correspondence pertaining to the calculation and fee for the purpose of verification. The Third Party shall maintain supporting data consistent with generally accepted accounting practices, and the employees and agents of the Applicant shall have the right to reproduce and retain for purpose of audit, any of these documents. The Third Party shall preserve all documents pertaining to the calculation until the Final Termination Date of this Agreement. The Applicant shall not be liable for any of the Third Party's costs resulting from an audit of the Third Party's books, records, correspondence, or work papers pertaining to the calculations contemplated by this Agreement.

**Section 4.6. PAYMENT BY APPLICANT.** The Applicant shall pay any amount determined by the Third Party to be due and owing to the District under this Agreement on or before the January 31 next following the tax levy for each year for which this Agreement is effective. By such date, the Applicant shall also pay any amount billed by the Third Party, plus any reasonable and necessary legal expenses paid by the District to its attorneys, auditors, or financial consultants for the preparation and filing of any financial reports, disclosures, or other reimbursement applications filed with or sent to the State of Texas which are, or may be required under the terms or because of the execution of this Agreement. For no Tax Year during the term of this Agreement shall the Applicant be responsible for the payment of an aggregate amount of fees and expenses under this Section 4.6 which exceeds Fifteen Thousand Dollars (\$15,000.00).

**Section 4.7. RESOLUTION OF DISPUTES.** Should the Applicant disagree with the certification containing the calculations, the Applicant may appeal the findings, in writing, to the Third Party within thirty (30) days following the later of (i) receipt of the certification, or (ii) the date the Applicant is granted access to the books, records and other information in accordance with Section 4.5 for purposes of auditing or reviewing the information in connection with the certification. Within thirty (30) days of receipt of the Applicant's appeal, the Third Party will issue, in writing, a final determination of the certification containing the calculations. Thereafter, the Applicant may appeal the final determination of certification containing the calculations to the District. Any appeal by the Applicant of the final determination of the Third Party may be made, in writing, to the Board of Trustees within thirty (30) days of the final determination of certification containing the calculations and shall be without limitation of the Applicant's other rights and remedies available hereunder, at law or in equity.

**Section 4.8. EFFECT OF PROPERTY VALUE APPEAL OR OTHER ADJUSTMENT.** If at the time the Third Party selected under Section 4.3 makes its calculations under this Agreement, the Applicant has appealed any matter relating to the valuations placed by the Appraisal District on the Applicant's Qualified Property, and/or the Applicant's Qualified Property and such appeal remains unresolved, the Third Party shall base its calculations upon the values placed upon the Applicant's Qualified Property and/or the Applicant's Qualified Property by the Appraisal District.

If as a result of an appeal or for any other reason, the Taxable Value of the Applicant's Qualified Investment and/or the Applicant's Qualified Property is changed, once the determination of the new Taxable Value becomes final, the Parties shall immediately notify the Third Party who shall immediately issue new calculations for the applicable year or years using the new Taxable Value. In the event the new calculations result in a change in any amount paid or payable by the Applicant under this Agreement, the Party from whom the adjustment is payable shall remit such amounts to the other Party within thirty (30) days of the receipt of the new calculations from the Third Party.

**Section 4.9. STATUTORY CHANGES AFFECTING M&O REVENUE.** Notwithstanding any other provision in this Agreement, but subject to the limitations contained in Section 7.1 of this Agreement, in the event that, by virtue of statutory changes to the Applicable School Finance Law, administrative interpretations by Comptroller, Commissioner of Education, or the Texas Education Agency, or for any other reason attributable to statutory change, District will receive less Maintenance and Operations Revenue, or, if applicable, will be required to increase its payment of funds to the State, because of its participation in this Agreement, Applicant shall make payments to District within thirty (30) dates of receipt of written notice, up to the limit set forth in Section 7.1, that are necessary to offset any negative impact on District's Maintenance and Operations Revenue, as a sole and direct result of its participation in this Agreement. Such calculation shall take into account any adjustments to the amount calculated for the current fiscal year that should be made in order to reflect the actual impact on District.

**Section 4.10. REVENUE PROTECTION PAYMENT LIMITATION.** In no event shall the Revenue Protection Payments calculated for a Tax Year of this Agreement under this Article IV exceed an amount equal to One Hundred Percent (100%) of the Applicant's Unadjusted Tax Benefit for such Tax Year. For each Tax Year of this Agreement, amounts otherwise due and owing by the Applicant to the District which, by virtue of the application of the payment limitation set forth in this Section 4.10, are not payable to the District for such Tax Year, shall be carried forward from year-to-year into subsequent Tax Years during the term of this Agreement, but shall be subject, in each subsequent Tax Year, to the limit set forth in this Section 4.10.

## **ARTICLE V**

### **PAYMENT OF EXTRAORDINARY EDUCATION-RELATED EXPENSES**

**Section 5.1. EXTRAORDINARY EXPENSES.** In addition to the amounts determined pursuant to Section 4.2 of this Agreement above, Applicant on an annual basis shall also indemnify and reimburse District for the following: all non-reimbursed costs, certified by District's external auditor to have been incurred by District for extraordinary education-related expenses related to

the project that are not directly funded in state aid formulas, including expenses for the purchase of portable classrooms and the hiring of additional personnel to accommodate a temporary increase in student enrollment attributable to the project during any project construction year. Applicant shall have the right to contest the findings of the District's external auditor in the same manner as described in Section 9.3 herein.

**ARTICLE VI**  
**SUPPLEMENTAL PAYMENTS**

**Section 6.1. STIPULATED SUPPLEMENTAL PAYMENT AMOUNT - SUBJECT TO ANNUAL PAYMENT LIMIT.**

1. In any year during the term of this Agreement, the District shall be entitled to receive a payment in an amount equal to the lesser of:
  - (a) the Applicant's Stipulated Supplemental Payment Amount, defined as Thirty Percent (30%) of the Applicant's Net Tax Benefit, as the term is defined in Section 1.2, above; or,
  - (b) the Net Aggregate Limit, as the term is defined in Section 1.2, above.

Each such payment shall be referred to herein as a "Supplemental Payment."

2. **Adherence to Statutory Limits on Supplemental Payments.** It is the express intent of the Parties that any Supplemental Payments made to or on behalf of the District by the Applicant under this Article VI shall not exceed the limit imposed by the provisions of Texas Tax Code §313.027(i), as such limit is allowed to be increased by the Legislature for any future year of this Agreement.

**Section 6.2. SUPPLEMENTAL PAYMENT LIMITATION.**

Notwithstanding the foregoing:

A. the total of the Supplemental Payments made pursuant to this Article shall not exceed for any calendar year of this Agreement an amount equal to the greater of One Hundred Dollars (\$100.00) per student per year in average daily attendance, as defined by Section 42.005 of the TEXAS EDUCATION CODE, or Fifty Thousand Dollars (\$50,000.00) per year times the number of years beginning with the first complete or partial year of the Qualifying Time Period identified in Section 2.3.C and ending with the year for which the Supplemental Payment is being calculated minus all Supplemental Payments previously made by the Application;

B. Supplemental Payments may only be made during the period starting the first year of the Qualifying Time Period and ending December 31 of the third year following the end of the Tax Limitation Period.

C. the limitation in Section 6.2.A does not apply to amounts described by Section 313.027(f)(1)–(2) of the TEXAS TAX CODE as implemented in Articles IV and V of this Agreement.

D. For purposes of this Agreement, the calculation of the limit of the annual Supplemental Payment shall be the greater of \$50,000 or \$100 multiplied by the District's

Average Daily Attendance as calculated pursuant to Section 42.005 of the TEXAS EDUCATION CODE, based upon the District's Average Daily Attendance for the previous school year.

**Section 6.3. PROCEDURES FOR SUPPLEMENTAL PAYMENT CALCULATIONS**

A. All calculations required by this Article shall be calculated by the Third Party selected pursuant to Section 4.5, above.

B. The calculations made by the Third Party shall be made at the same time and on the same schedule as the calculations made pursuant to Section 4.8, above.

C. The payment of all amounts due under this Article shall be made shall be paid on the dates set forth in the table in Section 6.1 above.

**Section 6.4. DISTRICT'S OPTION TO DESIGNATE SUCCESSOR BENEFICIARY.** At any time during this Agreement, the District's Board of Trustees may, in its sole discretion, so long as such decision does not result in additional costs to the Applicant under this Agreement, direct that the Applicant's payment obligations under Article VI of this agreement be made to its educational foundation, or to a similar entity. The alternative entity may only use such funds received under this Article to support the educational mission of the District and its students. Any designation of an alternative entity must be made by recorded vote of the District's Board of Trustees at a properly posted public Board meeting. Any such designation will become effective after public vote and the delivery of notice of said vote to the Applicant in conformance with the provisions of Section 10.1, below. Such designation may be rescinded, with respect to future payments only, by action of the District's Board of Trustees at any time.

Any designation of a successor beneficiary under this Section shall not alter the Supplemental Payments calculated as described in Section 6.4, above.

**ARTICLE VII**  
**ANNUAL LIMITATION OF PAYMENTS BY APPLICANT**

**Section 7.1. EFFECT OF OPTIONAL TERMINATION.** Upon the exercise of the option to terminate, this Agreement shall terminate and be of no further force or effect; provided, however, that:

A. the Parties respective rights and obligations under this Agreement with respect to the Tax Year or Tax Years (as the case may be) through and including the Tax Year during which such notification is delivered to the District, shall not be impaired or modified as a result of such termination and shall survive such termination unless and until satisfied and discharged; and

B. the provisions of this Agreement regarding payments (including liquidated damages and tax payments), records and dispute resolution shall survive the termination or expiration of this Agreement.

**ARTICLE VIII**  
**ADDITIONAL OBLIGATIONS OF APPLICANT**

**Section 8.1. APPLICANT'S OBLIGATION TO MAINTAIN VIABLE PRESENCE.** In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall Maintain Viable Presence in the District commencing at the start of the Tax Limitation Period through the Final Termination Date of this Agreement. Notwithstanding anything contained in this Agreement to the contrary, the Applicant shall not be in breach of, and shall not be subject to any liability for failure to Maintain Viable Presence to the extent such failure is caused by Force Majeure, provided the Applicant makes commercially reasonable efforts to remedy the cause of such Force Majeure.

**Section 8.2. REPORTS.** In order to receive and maintain the limitation authorized by Section 2.4 in addition to the other obligations required by this Agreement, the Applicant shall submit all reports required from time to time by the Comptroller, listed in 34 TEXAS ADMIN. CODE Section 9.1052 and as currently located on the Comptroller's website, including all data elements required by such form to the satisfaction of the Comptroller on the dates indicated on the form or the Comptroller's website and starting on the first such due date after the Application Approval Date.

**Section 8.3. COMPTROLLER'S REPORT ON CHAPTER 313 AGREEMENTS.** During the term of this Agreement, both Parties shall provide the Comptroller with all information reasonably necessary for the Comptroller to assess performance under this Agreement for the purpose of issuing the Comptroller's report, as required by Section 313.032 of the TEXAS TAX CODE.

**Section 8.4. DATA REQUESTS.** Upon the written request of the District, the State Auditor's Office, the Appraisal District, or the Comptroller during the term of this Agreement, the Applicant, the District or any other entity on behalf of the District shall provide the requesting party with all information reasonably necessary for the requesting party to determine whether the Applicant is in compliance with its rights, obligations or responsibilities, including, but not limited to, any employment obligations which may arise under this Agreement.

**Section 8.5. SITE VISITS AND RECORD REVIEW.** The Applicant shall allow authorized employees of the District, the Comptroller, the Appraisal District, and the State Auditor's Office to have reasonable access to the Applicant's Qualified Property and business records from the Application Review Start Date through the Final Termination Date, in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant's Qualified Property.

A. All inspections will be made at a mutually agreeable time after the giving of not less than ninety-six (96) hours prior written notice, and will be conducted in such a manner so as not to unreasonably interfere with either the construction or operation of the Applicant's Qualified Property.

B. All inspections may be accompanied by one or more representatives of the Applicant, and shall be conducted in accordance with the Applicant's safety, security, and operational standards. Notwithstanding the foregoing, nothing contained in this Agreement shall require the Applicant to provide the District, the Comptroller, or the Appraisal District with any technical or business information that is proprietary, a trade secret, or is subject to a confidentiality

agreement with any third party.

**Section 8.6. RIGHT TO AUDIT; SUPPORTING DOCUMENTS; AUTHORITY OF STATE AUDITOR.**

By executing this Agreement, implementing the authority of, and accepting the benefits provided by Chapter 313 of the TEXAS TAX CODE, the Parties agree that this Agreement and their performance pursuant to its terms are subject to review and audit by the State Auditor as if they are parties to a State contract and subject to the provisions of Section 2262.154 of the TEXAS GOVERNMENT CODE and Section 313.010(a) of the TEXAS TAX CODE. The Parties further agree to comply with the following requirements:

A. The District and the Applicant shall maintain and retain supporting documents adequate to ensure that claims for the Tax Limitation Amount are in accordance with applicable Comptroller and State of Texas requirements. The Applicant and the District shall maintain all such documents and other records relating to this Agreement and the State's property for a period of four (4) years after the latest occurring date of:

- i. date of submission of the final payment;
- ii. Final Termination Date; or
- iii. date of resolution of all disputes or payment.

B. During the time period defined under Section 8.6.A, the District and the Applicant shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all information related to this Agreement; the Applicant's Application; and the Applicant's Qualified Property, Qualified Investment, New Qualifying Jobs, and wages paid for New Non-Qualifying Jobs such as work papers, reports, books, data, files, software, records, calculations, spreadsheets and other supporting documents pertaining to this Agreement, for purposes of inspecting, monitoring, auditing, or evaluating by the Comptroller, State Auditor's Office, State of Texas or their authorized representatives. The Applicant and the District shall cooperate with auditors and other authorized Comptroller and State of Texas representatives and shall provide them with prompt access to all of such property as requested by the Comptroller or the State of Texas. By example and not as an exclusion to other breaches or failures, the Applicant's or the District's failure to comply with this Section shall constitute a Material Breach of this Agreement.

C. In addition to and without limitation on the other audit provisions of this Agreement, the acceptance of tax benefits or funds by the Applicant or the District or any other entity or person directly under this Agreement acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, the Applicant or the District or other entity that is the subject of an audit or investigation by the State Auditor must provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit. The Parties agree that this Agreement shall for its duration be subject to all rules and procedures of the State Auditor acting under the direction of the legislative audit committee.

D. The Applicant shall include the requirements of this Section 8.6 in its subcontract with any entity whose employees or subcontractors are subject to wage requirements under the Act, the Comptroller's Rules, or this Agreement, or any entity whose employees or subcontractors are included in the Applicant's compliance with job creation or wage standard requirement of the Act, the Comptroller's Rules, or this Agreement.

**Section 8.7. FALSE STATEMENTS; BREACH OF REPRESENTATIONS.** The Parties acknowledge that this Agreement has been negotiated, and is being executed, in reliance upon the information contained in the Application, and any supplements or amendments thereto, without which the Comptroller would not have approved this Agreement and the District would not have executed this Agreement. By signature to this Agreement, the Applicant:

A. represents and warrants that all information, facts, and representations contained in the Application are true and correct to the best of its knowledge;

B. agrees and acknowledges that the Application and all related attachments and schedules are included by reference in this Agreement as if fully set forth herein; and

C. acknowledges that if the Applicant submitted its Application with a false statement, signs this Agreement with a false statement, or submits a report with a false statement, or it is subsequently determined that the Applicant has violated any of the representations, warranties, guarantees, certifications, or affirmations included in the Application or this Agreement, the Applicant shall have materially breached this Agreement and the Agreement shall be invalid and void except for the enforcement of the provisions required by Section 9.2 of this Agreement.

## **ARTICLE IX**

### **MATERIAL BREACH OR EARLY TERMINATION**

**Section 9.1. EVENTS CONSTITUTING MATERIAL BREACH OF AGREEMENT.** The Applicant shall be in Material Breach of this Agreement if it commits one or more of the following acts or omissions (each a “Material Breach”):

A. The Application, any Application Supplement, or any Application Amendment on which this Agreement is approved is determined to be inaccurate as to any material representation, information, or fact or is not complete as to any material fact or representation or such application;

B. The Applicant failed to complete Qualified Investment as required by Section 2.5.A. of this Agreement during the Qualifying Time Period;

C. The Applicant failed to create and maintain the number of New Qualifying Jobs required by the Act;

D. The Applicant failed to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application;

E. The Applicant failed to pay at least the average weekly wage of all jobs in the county in which the jobs are located for all New Non-Qualifying Jobs created by the Applicant;

F. The Applicant failed to provide payments to the District sufficient to protect future District revenues through payment of revenue offsets and other mechanisms as more fully described in Article IV of this Agreement;

G. The Applicant failed to provide the payments to the District that protect the District from the payment of extraordinary education-related expenses related to the project to the extent and in the amounts that the Applicant agreed to provide such payments in Article V of this Agreement;

H. The Applicant failed to provide the Supplemental Payments to the extent and in the amounts that the Applicant agreed to provide such Supplemental Payments in Article VI of this Agreement;

I. The Applicant failed to create and Maintain Viable Presence on or with the Qualified Property as more fully specified in Article VIII of this Agreement;

J. The Applicant failed to submit the reports required to be submitted by Section 8.2 to the satisfaction of the Comptroller;

K. The Applicant failed to provide the District or the Comptroller with all information reasonably necessary for the District or the Comptroller to determine whether the Applicant is in compliance with its obligations, including, but not limited to, any employment obligations which may arise under this Agreement;

L. The Applicant failed to allow authorized employees of the District, the Comptroller, the Appraisal District, or the State Auditor's Office to have access to the Applicant's Qualified Property or business records in order to inspect the project to determine compliance with the terms hereof or as necessary to properly appraise the Taxable Value of the Applicant's Qualified Property under Sections 8.5 and 8.6;

M. The Applicant failed to comply with a request by the State Auditor's office to review and audit the Applicant's compliance with this Agreement;

N. The Applicant has made any payments to the District or to any other person or persons in any form for the payment or transfer of money or any other thing of value in recognition of, anticipation of, or consideration for this Agreement for limitation on Appraised Value made pursuant to Chapter 313 of the TEXAS TAX CODE, in excess of the amounts set forth in Articles IV, V and VI of this Agreement;

O. The Applicant failed to comply with the conditions included in the certificate for limitation issued by the Comptroller.

## **Section 9.2. DETERMINATION OF BREACH AND TERMINATION OF AGREEMENT.**

A. Prior to making a determination that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the District shall provide the Applicant with a written notice of the facts which it believes have caused the breach of this Agreement, and if cure is possible, the cure proposed by the District. After receipt of the notice, the Applicant shall be given ninety (90) days to present any facts or arguments to the Board of Trustees showing that it is not in breach of its obligations under this Agreement, or that it has cured or undertaken to cure any such breach.

B. If the Board of Trustees is not satisfied with such response or that such breach has been cured, then the Board of Trustees shall, after reasonable notice to the Applicant, conduct a hearing called and held for the purpose of determining whether such breach has occurred and, if so, whether such breach has been cured. At any such hearing, the Applicant shall have the opportunity, together with their counsel, to be heard before the Board of Trustees. At the hearing, the Board of Trustees shall make findings as to:

- i. whether or not a breach of this Agreement has occurred;
- ii. whether or not such breach is a Material Breach;
- iii. the date such breach occurred, if any;
- iv. whether or not any such breach has been cured; and

C. In the event that the Board of Trustees determines that such a breach has occurred and has not been cured, it shall at that time determine:

- i. the amount of recapture taxes under Section 9.4.C (net of all credits under Section 9.4.C);

- ii. the amount of any penalty or interest under Section 9.4.E that are owed to the District; and
- iii. in the event of a finding of a Material Breach, whether to terminate this Agreement.

D. After making its determination regarding any alleged breach, the Board of Trustees shall cause the Applicant to be notified in writing of its determination (a “Determination of Breach and Notice of Contract Termination”) and provide a copy to the Comptroller.

### **Section 9.3. DISPUTE RESOLUTION.**

A. After receipt of notice of the Board of Trustee’s Determination of Breach and Notice of Contract Termination under Section 9.2, the Applicant shall have sixty (60) days in which either to tender payment or evidence of its efforts to cure, or to initiate mediation of the dispute by written notice to the District, in which case the District and the Applicant shall be required to make a good faith effort to resolve, without resort to litigation and within thirty (30) days after the Applicant initiates mediation, such dispute through mediation with a mutually agreeable mediator and at a mutually convenient time and place for the mediation. If the Parties are unable to agree on a mediator, a mediator shall be selected by the senior state district court judge then presiding in Jefferson County, Texas. The Parties agree to sign a document that provides the mediator and the mediation will be governed by the provisions of Chapter 154 of the TEXAS CIVIL PRACTICE AND REMEDIES CODE and such other rules as the mediator shall prescribe. With respect to such mediation, (i) the District shall bear one-half of such mediator’s fees and expenses and the Applicant shall bear one-half of such mediator’s fees and expenses, and (ii) otherwise each Party shall bear all of its costs and expenses (including attorneys’ fees) incurred in connection with such mediation.

B. In the event that any mediation is not successful in resolving the dispute or that payment is not received within the time period described for mediation in Section 9.3.A, either the District or the Applicant may seek a judicial declaration of their respective rights and duties under this Agreement or otherwise, in a judicial proceeding in a state district court in Jefferson County, assert any rights or defenses, or seek any remedy in law or in equity, against the other Party with respect to any claim relating to any breach, default, or nonperformance of any contract, agreement or undertaking made by a Party pursuant to this Agreement.

C. If payments become due under this Agreement and are not received before the expiration of the sixty (60) days provided for such payment in Section 9.3.A, and if the Applicant has not contested such payment calculations under the procedures set forth herein, including judicial proceedings, the District shall have the remedies for the collection of the amounts determined under Section 9.4 as are set forth in Chapter 33, Subchapters B and C, of the TEXAS TAX CODE for the collection of delinquent taxes. In the event that the District successfully prosecutes legal proceedings under this section, the Applicant shall also be responsible for the payment of attorney’s fees to the attorneys representing the District pursuant to Section 6.30 of the TEXAS TAX CODE and a tax lien shall attach to the Applicant’s Qualified Property and the Applicant’s Qualified Investment pursuant to Section 33.07 of the TEXAS TAX CODE to secure payment of such fees.

### **Section 9.4. CONSEQUENCES OF EARLY TERMINATION OR OTHER BREACH BY APPLICANT.**

A. In the event that the Applicant terminates this Agreement without the consent of the District, except as provided in Section 7.1 of this Agreement, the Applicant shall pay to the District liquidated damages for such failure within thirty (30) days after receipt of the notice of breach.

B. In the event that the District determines that the Applicant has failed to comply in any material respect with the terms of this Agreement or to meet any material obligation under this Agreement, the Applicant shall pay to the District liquidated damages, as calculated by Section 9.4.C, prior to, and the District may terminate the Agreement effective on the later of: (i) the expiration of the thirty (30) days provided for in Section 9.3.A, and (ii) thirty (30) days after any mediation and judicial proceedings initiated pursuant to Sections 9.3.A and 9.3.B are resolved in favor of the District.

C. The sum of liquidated damages due and payable shall be the sum total of the District ad valorem taxes for all of the Tax Years for which a tax limitation was granted pursuant to this Agreement prior to the year in which the default occurs that otherwise would have been due and payable by the Applicant to the District without the benefit of this Agreement, including penalty and interest, as calculated in accordance with Section 9.4.E. For purposes of this liquidated damages calculation, the Applicant shall be entitled to a credit for all payments made to the District pursuant to Articles IV, V, and VI. Upon payment of such liquidated damages, the Applicant's obligations under this Agreement shall be deemed fully satisfied, and such payment shall constitute the District's sole remedy.

D. In the event that the District determines that the Applicant has committed a Material Breach identified in Section 9.1, after the notice and mediation periods provided by Sections 9.2 and 9.3, then the District may, in addition to the payment of liquidated damages required pursuant to Section 9.4.C, terminate this Agreement.

E. In determining the amount of penalty or interest, or both, due in the event of a breach of this Agreement, the District shall first determine the base amount of recaptured taxes less all credits under Section 9.4.C owed for each Tax Year during the Tax Limitation Period. The District shall calculate penalty or interest for each Tax Year during the Tax Limitation Period in accordance with the methodology set forth in Chapter 33 of the TEXAS TAX CODE, as if the base amount calculated for such Tax Year less all credits under Section 9.4.C had become due and payable on February 1 of the calendar year following such Tax Year. Penalties on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(a) of the TEXAS TAX CODE, or its successor statute. Interest on said amounts shall be calculated in accordance with the methodology set forth in Section 33.01(c) of the TEXAS TAX CODE, or its successor statute.

**Section 9.5. LIMITATION OF OTHER DAMAGES.** Notwithstanding anything contained in this Agreement to the contrary, in the event of default or breach of this Agreement by the Applicant, the District's damages for such a default shall under no circumstances exceed the amounts calculated under Section 9.4. In addition, the District's sole right of equitable relief under this Agreement shall be its right to terminate this Agreement. The Parties further agree that the limitation of damages and remedies set forth in this Section 9.5 shall be the sole and exclusive remedies available to the District, whether at law or under principles of equity.

**Section 9.6. STATUTORY PENALTY FOR INADEQUATE QUALIFIED INVESTMENT.** Pursuant to Section 313.0275 of the TEXAS TAX CODE, in the event that the Applicant fails to make \$30,000,000 of Qualified Investment, in whole or in part, during the Qualifying Time Period, the Applicant is liable to the State for a penalty. The amount of the penalty is the amount determined by: (i) multiplying the maintenance and operations tax rate of the school district for that tax year that the penalty is due by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the Tax Year the penalty is due. This penalty shall be paid on or before February 1 of the year following the expiration of the Qualifying Time Period and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE. The Comptroller may grant a waiver of this penalty in the event of Force Majeure which prevents compliance with this provision.

**Section 9.7. REMEDY FOR FAILURE TO CREATE AND MAINTAIN REQUIRED NEW QUALIFYING JOBS** Pursuant to Section 313.0276 of the TEXAS TAX CODE, for any full Tax Year that commences after the project has become operational, in the event that it has been determined that the Applicant has failed to meet the job creation or retention requirements defined in Sections 9.1.C, the Applicant shall not be deemed to be in Material Breach of this Agreement until such time as the Comptroller has made a determination to rescind this Agreement under Section 313.0276 of TEXAS TAX CODE, and that determination is final.

**Section 9.8. REMEDY FOR FAILURE TO CREATE AND MAINTAIN COMMITTED NEW QUALIFYING JOBS**

A. In the event that the Applicant fails to create and maintain the number of New Qualifying Jobs specified in Schedule C of the Application, an event constituting a Material Breach as defined in Section 9.1.D, the Applicant and the District may elect to remedy the Material Breach through a penalty payment.

B. Following the notice and mediation periods provided by Sections 9.2 and 9.3, the District may request the Applicant to make a payment to the State in an amount equal to: (i) multiplying the maintenance and operations tax rate of the school district for that Tax Year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the Tax Limitation Amount identified in Section 2.4.B from (b) the market value of the property identified on the Appraisal District's records for each tax year the Material Breach occurs.

C. In the event that there is no tax limitation in place for the tax year that the Material Breach occurs, the payment to the State shall be in an amount equal to: (i) multiplying the maintenance and operations tax rate of the School District for each tax year that the Material Breach occurs by (ii) the amount obtained after subtracting (a) the tax limitation amount identified in Section 2.4.B from (b) the Market Value of the property identified on the Appraisal District's records for the last Tax Year for which the Applicant received a tax limitation.

D. The penalty shall be paid no later than 30 days after the notice of breach and is subject to the delinquent penalty provisions of Section 33.01 of the TEXAS TAX CODE.

**ARTICLE X.**  
**MISCELLANEOUS PROVISIONS**

**Section 10.1. INFORMATION AND NOTICES.**

A. Unless otherwise expressly provided in this Agreement, all notices required or permitted hereunder shall be in writing and deemed sufficiently given for all purposes hereof if (i) delivered in person, by courier (*e.g.*, by Federal Express) or by registered or certified United States Mail to the Party to be notified, with receipt obtained, or (ii) sent by facsimile or email transmission, with notice of receipt obtained, in each case to the appropriate address or number as set forth below. Each notice shall be deemed effective on receipt by the addressee as aforesaid; provided that, notice received by facsimile or email transmission after 5:00 p.m. at the location of the addressee of such notice shall be deemed received on the first business day following the date of such electronic receipt.

B. Notices to the District shall be addressed to the District’s Authorized Representative as follows:

Dr. Shannon Allen  
Superintendent of Schools  
Beaumont Independent School District  
3395 Harrison Ave  
Beaumont, TX 77706  
Phone: (409) 617-5001  
Mobile: NA  
Facsimile: (409) 617-5184  
Email: [spier@bmtisd.com](mailto:spier@bmtisd.com)

C. Notices to the Applicant shall be addressed to its Authorized Representative as follows:

Darwin Fielder  
EVP, Project and Site Development  
Arbor Renewables Gas LLC  
1800 Bering Drive, Suite 510  
Houston, Texas 77057  
Phone: (346) 388-1066  
Mobile: NA  
Facsimile: (832) 213-1515  
Email: [tf@arborgas.com](mailto:tf@arborgas.com)

or at such other address or to such other facsimile transmission number and to the attention of such other person as a Party may designate by written notice to the other.

D. A copy of any notice delivered to the Applicant shall also be delivered to any lender for which the Applicant has provided the District notice of collateral assignment information pursuant to Section 10.3.C, below.

**Section 10.2. AMENDMENTS TO APPLICATION AND AGREEMENT; WAIVERS.**

A. This Agreement may not be modified or amended except by an instrument or instruments in writing signed by all of the Parties and after completing the requirements of

Section 10.2.B. Waiver of any term, condition, or provision of this Agreement by any Party shall only be effective if in writing and shall not be construed as a waiver of any subsequent breach of, or failure to comply with, the same term, condition, or provision, or a waiver of any other term, condition, or provision of this Agreement.

B. By official action of the District's Board of Trustees, the Application and this Agreement may only be amended according to the following:

i. The Applicant shall submit to the District and the Comptroller:

a. a written request to amend the Application and this Agreement, which shall specify the changes the Applicant requests;

b. any changes to the information that was provided in the Application that was approved by the District and considered by the Comptroller;

c. and any additional information requested by the District or the Comptroller necessary to evaluate the amendment or modification;

ii. The Comptroller shall review the request and any additional information for compliance with the Act and the Comptroller's Rules and provide a revised Comptroller certificate for a limitation within 90 days of receiving the revised Application and, if the request to amend the Application has not been approved by the Comptroller by the end of the 90-day period, the request is denied; and

iii. If the Comptroller has not denied the request, the District's Board of Trustees shall approve or disapprove the request before the expiration of 150 days after the request is filed.

C. Any amendment of the Application and this Agreement adding additional or replacement Qualified Property pursuant to this Section 10.2 of this Agreement shall:

i. require that all property added by amendment be eligible property as defined by Section 313.024 of the TEXAS TAX CODE;

ii. clearly identify the property, investment, and employment information added by amendment from the property, investment, and employment information in the original Agreement; and

D. The Application and this Agreement may not be amended to extend the value limitation time period beyond its ten-year statutory term.

E. The Comptroller determination made under Section 313.026(c)(2) of the TEXAS TAX CODE in the original certificate for a limitation satisfies the requirement of the Comptroller to make the same determination for any amendment of the Application and this Agreement, provided that the facts upon which the original determination was made have not changed.

### **Section 10.3. ASSIGNMENT.**

A. Any assignment of any rights, benefits, obligations, or interests of the Parties in this Agreement, other than a collateral assignment purely for the benefit of creditors of the project, is considered an amendment to the Agreement and such Party may only assign such rights, benefits, obligations, or interests of this Agreement after complying with the provisions of Section 10.2 regarding amendments to the Agreement. Other than a collateral assignment to a creditor, this Agreement may only be assigned to an entity that is eligible to apply for and execute an agreement for limitation on appraised value pursuant to the provisions of Chapter 313 of the TEXAS TAX CODE and the Comptroller's Rules.

B. In the event of a merger or consolidation of the District with another school district or

other governmental authority, this Agreement shall be binding on the successor school district or other governmental authority.

C. In the event of an assignment to a creditor, the Applicant must notify the District and the Comptroller in writing no later than 30 days after the assignment. This Agreement shall be binding on the assignee.

**Section 10.4. MERGER.** This Agreement contains all of the terms and conditions of the understanding of the Parties relating to the subject matter hereof. All prior negotiations, discussions, correspondence, and preliminary understandings between the Parties and others relating hereto are superseded by this Agreement.

**Section 10.5. Governing Law.** This Agreement and the transactions contemplated hereby shall be governed by and interpreted in accordance with the laws of the State of Texas without giving effect to principles thereof relating to conflicts of law or rules that would direct the application of the laws of another jurisdiction. Venue in any legal proceeding shall be in a state district court in Jefferson County.

**Section 10.6. AUTHORITY TO EXECUTE AGREEMENT.** Each of the Parties represents and warrants that its undersigned representative has been expressly authorized to execute this Agreement for and on behalf of such Party.

**Section 10.7. SEVERABILITY.** If any term, provision or condition of this Agreement, or any application thereof, is held invalid, illegal, or unenforceable in any respect under any Law (as hereinafter defined), this Agreement shall be reformed to the extent necessary to conform, in each case consistent with the intention of the Parties, to such Law, and to the extent such term, provision, or condition cannot be so reformed, then such term, provision, or condition (or such invalid, illegal or unenforceable application thereof) shall be deemed deleted from (or prohibited under) this Agreement, as the case may be, and the validity, legality, and enforceability of the remaining terms, provisions, and conditions contained herein (and any other application such term, provision, or condition) shall not in any way be affected or impaired thereby. Upon such determination that any term or other provision is invalid, illegal, or incapable of being enforced, the Parties hereto shall negotiate in good faith to modify this Agreement in an acceptable manner so as to effect the original intent of the Parties as closely as possible so that the transactions contemplated hereby are fulfilled to the extent possible. As used in this Section 10.7, the term “Law” shall mean any applicable statute, law (including common law), ordinance, regulation, rule, ruling, order, writ, injunction, decree, or other official act of or by any federal, state or local government, governmental department, commission, board, bureau, agency, regulatory authority, instrumentality, or judicial or administrative body having jurisdiction over the matter or matters in question.

**Section 10.8. PAYMENT OF EXPENSES.** Except as otherwise expressly provided in this Agreement, or as covered by the application fee, each of the Parties shall pay its own costs and expenses relating to this Agreement, including, but not limited to, its costs and expenses of the negotiations leading up to this Agreement, and of its performance and compliance with this

Agreement.

**Section 10.9. INTERPRETATION.**

A. When a reference is made in this Agreement to a Section, Article, or Exhibit, such reference shall be to a Section or Article of, or Exhibit to, this Agreement unless otherwise indicated. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

B. The words “include,” “includes,” and “including” when used in this Agreement shall be deemed in such case to be followed by the phrase, “but not limited to”. Words used in this Agreement, regardless of the number or gender specifically used, shall be deemed and construed to include any other number, singular or plural, and any other gender, masculine, feminine or neuter, as the context shall require.

C. The provisions of the Act and the Comptroller’s Rules are incorporated by reference as if fully set forth in this Agreement. In the event of a conflict, the conflict will be resolved by reference to the following order of precedence:

- i. The Act;
- ii. The Comptroller’s Rules as they exist at the time the Agreement is executed, except as allowed in the definition of Qualified Property in Section 1.1; and
- iii. This Agreement and its Attachments including the Application as incorporated by reference.

**Section 10.10. EXECUTION OF COUNTERPARTS.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

**Section 10.11. PUBLICATION OF DOCUMENTS.** The Parties acknowledge that the District is required to publish the Application and its required schedules, or any amendment thereto; all economic analyses of the proposed project submitted to the District; and the approved and executed copy of this Agreement or any amendment thereto, as follows:

A. Within seven (7) days of receipt of such document, the District shall submit a copy to the Comptroller for publication on the Comptroller’s Internet website;

B. The District shall provide on its website a link to the location of those documents posted on the Comptroller’s website;

C. This Section does not require the publication of information that is confidential under Section 313.028 of the TEXAS TAXCODE.

**Section 10.12. CONTROL; OWNERSHIP; LEGAL PROCEEDINGS.** The Applicant shall immediately notify the District and Comptroller’s office in writing of any actual or anticipated change in the control or ownership of the Applicant and of any legal or administrative investigations or proceedings initiated against the Applicant related to the project regardless of the jurisdiction from which such proceedings originate.

**Section 10.13. DUTY TO DISCLOSE.** If circumstances change or additional information is

obtained regarding any of the representations and warranties made by the Applicant in the Application or this Agreement, or any other disclosure requirements, subsequent to the date of this Agreement, the Applicant's duty to disclose continues throughout the term of this Agreement.

**Section 10.14. CONFLICTS OF INTEREST.**

A. The District represents that, after diligent inquiry, each local public official or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, has disclosed any conflicts of interest in obtaining or performing this Agreement and related activities, appropriately recused from any decisions relating to this Agreement when a disclosure has been made, and the performance of this Agreement will not create any appearance of impropriety. The District represents that it, the District's local public officials or local government officer, as those terms are defined in Chapters 171 and 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

B. The Applicant represents that, after diligent inquiry, each of its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, involved in the representation of the Applicant with the District has complied with the provisions of Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE. The Applicant represents that it and its agents, as defined in Chapter 176 of the TEXAS LOCAL GOVERNMENT CODE, have not given, nor intend to give, at any time hereafter, any future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant, employee, or representative of the other Party or the State of Texas in connection with this Agreement.

C. The District and the Applicant each separately agree to notify the other Party and the Comptroller immediately upon learning of any conflicts of interest.

**Section 10.15. PROVISIONS SURVIVING EXPIRATION OR TERMINATION.** Notwithstanding the expiration or termination (by agreement, breach, or operation of time) of this Agreement, the provisions of this Agreement regarding payments (including liquidated damages and tax payments), reports, records, and dispute resolution of the Agreement shall survive the termination or expiration dates of this Agreement until the following occurs:

- A. all payments, including liquidated damage and tax payments, have been made;
- B. all reports have been submitted;
- C. all records have been maintained in accordance with Section 8.6.A; and
- D. all disputes in controversy have been resolved.

**Section 10.16. FACSIMILE OR ELECTRONIC DELIVERY.**

A. This Agreement may be duly executed and delivered in person, by mail, or by facsimile or other electronic format (including portable document format (pdf) transmitted by e-mail). The executing Party must promptly deliver a complete, executed original or counterpart of this Agreement to the other executing Parties. This Agreement shall be binding on and enforceable against the executing Party whether or not it delivers such original or counterpart.

B. Delivery is deemed complete as follows:

- i. When delivered if delivered personally or sent by express courier service;

- ii. Three (3) business days after the date of mailing if sent by registered or certified U.S. mail, postage prepaid, with return receipt requested;
- iii. When transmitted if sent by facsimile, provided a confirmation of transmission is produced by the sending machine; or
- iv. When the recipient, by an e-mail sent to the e-mail address for the executing Parties acknowledges having received that e-mail (an automatic “read receipt” does not constitute acknowledgment of an e-mail for delivery purposes).

***IN WITNESS WHEREOF***, this Agreement has been executed by the Parties in multiple originals on this 16<sup>th</sup> day of November 2021.

**ARBOR RENEWABLE GASOLINE  
- PHASE 1 LLC**

**BEAUMONT INDEPENDENT  
SCHOOL DISTRICT**

By: \_\_\_\_\_

Darwin Fielder  
EVP, Project and Site Development

By: \_\_\_\_\_

President,  
Board of Trustees

**ATTEST:**

\_\_\_\_\_  
Secretary, Board of Trustees

## **EXHIBIT 1**

### **DESCRIPTION AND LOCATION OF ENTERPRISE OR REINVESTMENT ZONE**

On July 13<sup>th</sup>, 2021, at a duly-called meeting of the *City Council of the City of Beaumont*, and after a properly conducted Public Hearing concerning the matter, the *City Council of the City of Beaumont* adopted an Order creating *Arbor Reinvestment Zone*, in Jefferson County consisting of all land contained within the boundaries described below:

ORDINANCE NO. 21-042

ENTITLED AN ORDINANCE DESIGNATING AN AREA AS THE ARBOR REINVESTMENT ZONE PURSUANT TO THE TEXAS REDEVELOPMENT AND TAX ABATEMENT ACT (TEXAS TAX CODE, CHAPTER 312); PROVIDING TAX INCENTIVES; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR REPEAL.

WHEREAS, the City of Beaumont endeavors to create the proper economic and social environment to induce the investment of private resources in productive business enterprises located in areas of the City; and,

WHEREAS, Arbor Renewable Gas, LLC is seeking incentives for an investment for the creation and maintenance of its facility located between Highway 347 and Highway 69 South, approximately 145' north of the OCI Menthol Plant property; and,

WHEREAS, it is necessary to establish a Reinvestment Zone for the purpose of commercial and industrial tax abatement before Arbor Renewable Gas, LLC is to be considered for incentives; and,

WHEREAS, it is found to be feasible and practical and would be a benefit to the land to be included in the zone and to the City of Beaumont after the expiration of any agreement entered into pursuant to the Property Redevelopment and Tax Abatement Act; and,

WHEREAS, to further this purpose, it is in the best interest of the City of Beaumont to designate the area described in Exhibit "A" and shown on Exhibit "B" as the Arbor Reinvestment Zone pursuant to the Texas Redevelopment and Tax Abatement Act (Texas Tax Code, Chapter 312); and,

WHEREAS, the zone is eligible for Commercial-Industrial tax abatement; and,

WHEREAS, the area being designated is reasonably likely as a result of the designation to contribute to the retention or expansion of primary employment or to attract major investment in the zone that would be a benefit to the property and that would contribute to the economic development of the City of Beaumont;

NOW, THEREFORE, BE IT ORDAINED BY  
THE CITY COUNCIL OF THE CITY OF BEAUMONT:

Section 1.

That the statements and findings set out in the preamble to this ordinance are hereby, in all things, approved and adopted.

Section 2.

That the City Council hereby designates the area described in Exhibit A and shown on Exhibit "B," attached hereto and incorporated herein for all purposes, as the Arbor Reinvestment Zone (herein referred to as the "Zone").

Section 3.

That the City Council finds that the Zone meets the criteria contained in the Texas Redevelopment and Tax Abatement Act (Texas Tax Code, Chapter 312).

Section 4.

That the City Council finds that the designation of the reinvestment zone would contribute to retention or expansion of primary employment in the area and/or would contribute to the attraction of major investments that would be a benefit to the property and would contribute to the economic development of the municipality.

Section 5.

That the City Council may provide certain tax incentives applicable to business enterprises in the Zone, which are not applicable throughout the city, as allowed for in the Act.

Section 6.

That the City Council has established certain guidelines and criteria governing tax abatement agreements and is therefore eligible to participate in tax abatement.

Section 7.

That a public hearing to consider this ordinance was held by the City Council on July 13, 2021.

Section 8.

That this ordinance shall take effect from and after its passage as the law and charter provide.

Section 9.

That if any section, subsection, sentence, clause, or phrase of this ordinance, or the application of same to a particular set of persons or circumstances should for any reason be held to be invalid, such invalidity shall not affect the remaining portions of this ordinance, and to such end the various portions and provisions of this ordinance are declared to be severable.

Section 10.

That all ordinances or parts of ordinances in conflict herewith are repealed to the

extent of the conflict only.

The meeting at which this ordinance was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 13th day of July, 2021.



  
- Mayor Robin Mouton -

### LEGAL DESCRIPTION OF PROPOSED SITE

Being 53.54 acres of land, part of Tract H-2 of Partition Map No. 2 of the McFaddin Trust in the Pelham Umphries Survey, Abstract No. 32, recorded in Volume 7, page 133 of the Map Records of Jefferson County, Texas; being part of Tract No. H-2 of multiple tracts of land recorded in Volume 692, page 22, of the Deed Records of Jefferson County, Texas; said 53.54 acre tract being more fully described by metes and bounds as follows, to wit:

BEGINNING at a brass disc found in concrete for the Northeasterly corner of a (called 7.595) acre tract of land conveyed to E. I. Du Pont De Nemours & Company, recorded in Volume 845, page 48 of the Deed Records of Jefferson County, Texas; said brass disc being on the Westerly right-of-way line of a dedicated road named State Highway 347 (a.k.a. Twin City Highway); also being the Southeasterly corner of the herein described tract; having a State Plane Coordinate of N: 13948984.10, E: 3538676.65;

THENCE, South 39 deg., 09 min., 57 sec., West, on the Northerly line of the (called 7.595) acre tract, a distance of 2171.12' to a ½" steel rod, capped and marked "S&P", found for the Northwesterly corner of the (called 7.595) acre tract on the Easterly line of a (called 50.84) acre tract of land conveyed to Gulf States Utilities Company, recorded as Tract 3 in Volume 370, page 38, Deed Records of Jefferson County, Texas; said ½" steel rod being the Southwesterly corner of the herein described tract having a State Plane Coordinate of N: 13947300.78, E: 3537305.44;

THENCE, North 52 deg., 25 min., 13 sec., West, on the Easterly line of the (called 50.84) acre tract, a distance of 937.65' to a ½" steel rod, capped and marked "SOUTHEX", set on the intersection of the Easterly line of the (called 50.84) acre tract and the Easterly right-of-way line of a dedicated road named US Highway 69, 96, 287;

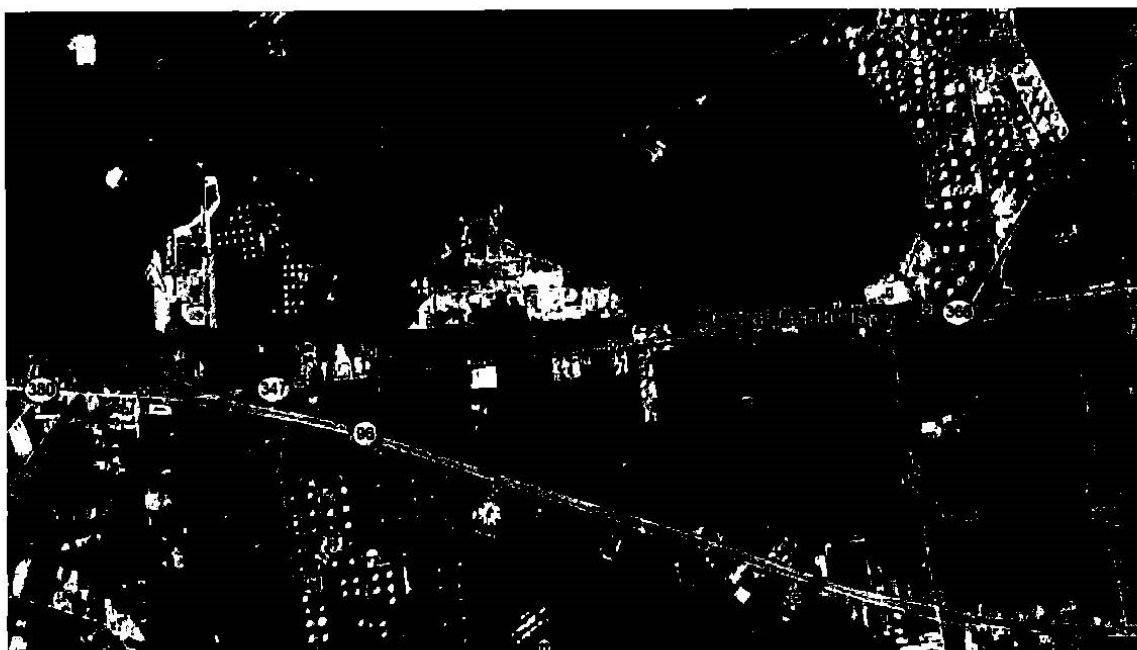
THENCE, North 27 deg., 32 min., 46 sec., West, on the Easterly right-of-way line of said US Highway 69, 96, 287, a distance of 134.93' to a ½" steel rod found for the Northwesterly corner of the herein described tract;

THENCE, North 38 deg., 32 min., 42 sec., East, a distance of 2128.07' to a 5/8" steel rod found for the Northeast corner of the herein described tract on the Westerly right-of-way line of said State Highway 347; from which a TxDOT concrete monument found bears North 51 deg., 23 min., 57 sec., West, a distance of 4.29';

THENCE, South 51 deg., 40 min., 07 sec., East on the Westerly right-of-way line of said State Highway 347, a distance of 1084.41' to the POINT OF BEGINNING and containing 53.54 acres of land, more or less.

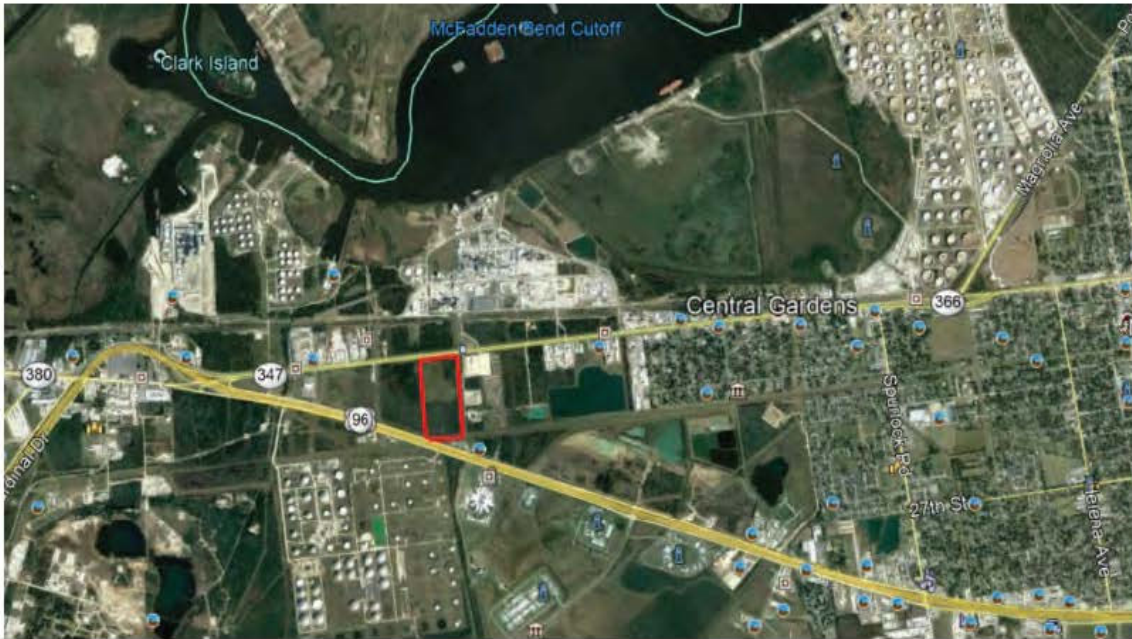
### EXHIBIT "A"

**PROPOSED SITE LOCATION**



**EXHIBIT "B"**

**PROPOSED SITE LOCATION**



RESOLUTION NO. 20-181

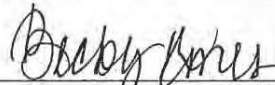
BE IT FURTHER RESOLVED BY THE CITY COUNCIL  
OF THE CITY OF BEAUMONT:

THAT the City Council hereby adopts the City of Beaumont's Reinvestment Zone Tax Abatement Policy attached hereto as Exhibit "A."

The meeting at which this resolution was approved was in all things conducted in strict compliance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

PASSED BY THE CITY COUNCIL of the City of Beaumont this the 8th day of September, 2020.



  
- Mayor Becky Ames -

## **EXHIBIT 2**

### **DESCRIPTION AND LOCATION OF LAND**

All of the Applicant's Qualified Property and Applicant's Qualified Investment will be located within the boundaries of the *Arbor Reinvestment Zone* and the Beaumont Independent School District. The Land on which the Qualified Property shall be located and on which the Qualified Investment shall be made is described by the legal description and maps attached to **EXHIBIT 1** AND **EXHIBIT 4**.

### EXHIBIT 3

#### APPLICANT'S QUALIFIED INVESTMENT

Applicant's Qualified Investment shall be all tangible personal property first placed in service after November 16, 2021, that is owned by the Applicant, as more fully described in Tab #7 of the Application and located within the boundaries of the Beaumont Independent School District and the *Arbor Reinvestment Zone* depicted by the map attached to **EXHIBIT 4**.

Applicant plans to design and construct a plant that will produce renewable gasoline or renewable hydrogen utilizing, 1,000 tons per day of waste wood as a feedstock. The plant configuration will produce carbon dioxide at an industrial scale. The estimated qualified investment of the plant and its facilities is \$319,650,000.

The proposed improvements will include all process facilities, infrastructure and auxiliary equipment, including the following significant components:

- Methanol reactors
- Gasoline reactors
- Cooling fans
- Final product storage tanks
- Heat exchangers
- Heaters
- Pumps
- Valves
- Compressors
- Motors and motor control centers
- Process control systems
- Waste heat recovery boiler
- Flare stack
- Refining columns
- Pollution control equipment
- CO2 capture equipment
- Process control buildings
- Warehouse, maintenance and other buildings
- Electric wood grinders
- Wood dryers
- Gasifier with cyclone
- Hot oxygen burner
- Syngas cooler
- Gas filter systems
- Lock hopper and silo feed systems
- Ash storage silos
- Gasoline hydrocrackers

- Syngas cleanup systems
- Acid gas removal systems
- Water gas shift systems
- Wood storage silos
- Truck unloading tippers
- Wood screening systems
- Wood conveying systems
- Demineralized water system
- Wastewater treatment
- Fire prevention system
- Oxygen VPSA
- Hydrogen PSA
- Nitrogen PSA
- Pipeline interconnect facilities
- Electric substation
- Utility connections

The projected estimate for the purchase of the land for the plant and its facilities is \$5,350,000.

## EXHIBIT 4

### DESCRIPTION AND LOCATION OF QUALIFIED PROPERTY

Applicant's Qualified Property shall be all tangible personal property first placed in service after September 13, 2021, that is owned by the Applicant, as more fully described in Tab #8 of the Application and located within *the* boundaries of the Beaumont Independent School District and the *Arbor Reinvestment Zone* depicted by the map attached to this **EXHIBIT 4**.

Applicant plans to design and construct a plant that will produce renewable gasoline, utilizing 1,000 tons per day of waste wood as a feedstock. The plant configuration will produce carbon dioxide at an industrial scale. The estimated investment of the plant is \$319,650,000, with a projected estimate of \$5,350,000 for the purchase of the land once the site location is determined. The total estimated investment of the qualified property is \$325,000,000.

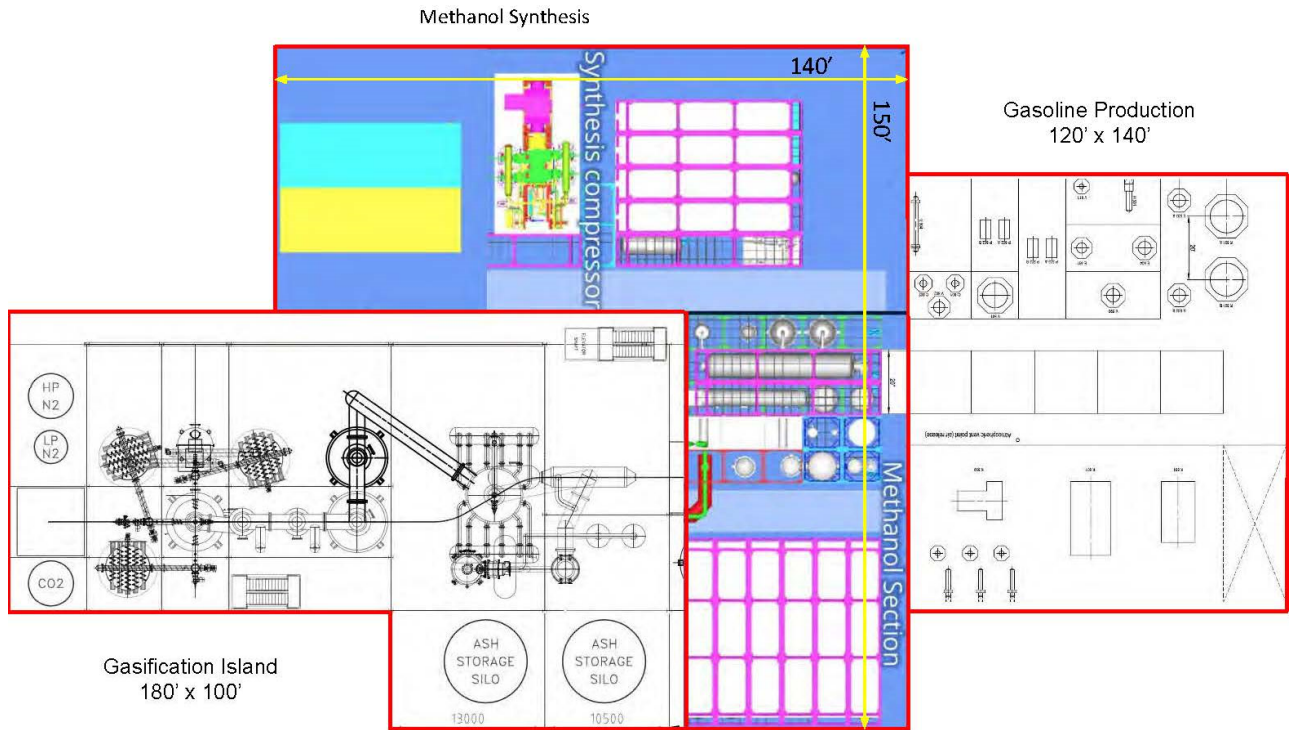
The proposed improvements will include all process facilities, infrastructure and auxiliary equipment, including the following significant components:

- Methanol reactors
- Gasoline reactors
- Cooling fans
- Final product storage tanks
- Heat exchangers
- Heaters
- Pumps
- Valves
- Compressors
- Motors and motor control centers
- Process control systems
- Waste heat recovery boiler
- Flare stack
- Refining columns
- Pollution control equipment
- CO2 capture equipment
- Process control buildings
- Warehouse, maintenance and other buildings
- Electric wood grinders
- Wood dryers
- Gasifier with cyclone
- Hot oxygen burner
- Syngas cooler
- Gas filter systems

*Texas Economic Development Act Agreement  
Comptroller Form 50-826 (October 2020)*

- Lock hopper and silo feed systems
- Ash storage silos
- Gasoline hydrocrackers
- Syngas cleanup systems
- Acid gas removal systems
- Water gas shift systems
- Wood storage silos
  
- Truck unloading tippers
- Wood screening systems
- Wood conveying systems
- Demineralized water system
- Wastewater treatment
- Fire prevention system
- Oxygen VPSA
- Hydrogen PSA
- Nitrogen PSA
- Pipeline interconnect facilities
- Electric substation
- Utility connections

11 B AND 11 C  
QUALIFYING INVESTMENT/ QUALIFYING PROPERTY



**EXHIBIT 5**

**AGREEMENT SCHEDULE**

	<b>Year</b>	<b>Date of Appraisal</b>	<b>School Year</b>	<b>Tax Year</b>	<b>Summary Description</b>
Pre-Limitation Period	Partial Year Beginning on the Date Agreement Signed (11/16/2021)	January 1, 2021	2021-2022	2021	Agreement Signed (11/16/2021). No limitation on appraised value. Qualifying Time Period Deferred until January 1, 2022
	1	January 1, 2022	2022-2023	2022	Qualifying Time Period. No limitation on appraised value.
	2	January 1, 2023	2023-2024	2023	Qualifying Time Period. No limitation on appraised value.
Limitation Period (10 Years)	1	January 1, 2024	2024-2025	2024	\$30 million appraised value limitation.
	2	January 1, 2025	2025-2026	2025	\$30 million appraised value limitation.
	3	January 1, 2026	2026-2027	2026	\$30 million appraised value limitation.
	4	January 1, 2027	2027-2028	2027	\$30 million appraised value limitation.
	5	January 1, 2028	2028-2029	2028	\$30 million appraised value limitation.
	6	January 1, 2029	2029-2030	2029	\$30 million appraised value limitation.
	7	January 1, 2030	2030-2031	2030	\$30 million appraised value limitation.
	8	January 1, 2031	2031-2032	2031	\$30 million appraised value limitation.
	9	January 1, 2032	2032-2033	2032	\$30 million appraised value limitation.
	10	January 1, 2033	2033-2034	2033	\$30 million appraised value limitation.
Maintain Viable Presence (5 Years)	11	January 1, 2034	2034-2035	2034	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	12	January 1, 2035	2035-2036	2035	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	13	January 1, 2036	2036-2037	2036	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	14	January 1, 2037	2037-2038	2037	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.
	15	January 1, 2038	2038-2039	2038	No limitation on appraised value. Applicant obligated to Maintain Viable Presence.



# Board Progress Monitoring Report

November 16, 2021

# Presentation Goals



1. **Provide an update on the progress the district is making toward reaching its Early Literacy, Early Math, and SGS Goals**
2. **Report Beginning of the Year Data on mCLASS and Circle Assessments**
3. **Report 1st Nine Weeks Data in Reading and Math for grades PK-12**
4. **Discuss the Action Plans that have been developed to address student learning gaps**

# **BISD's Vision and Mission**

**Vision** - In collaboration with the entire community, we will create an inclusive environment of academic excellence that supports the diverse needs of all learners.

**Mission** – We will inspire and prepare all students for lifelong success by providing an exemplary education in a safe learning environment

# Core Beliefs

**1. All children can and will learn.**

**2. We can achieve higher levels of performance within every facet of our organization.**

**3. Every classroom will have an effective teacher and every school will have an effective principal.**

**4. All school and work environments will be safe, secure and supportive.**

**5. We will work collaboratively with our families and community partners.**

**6. We should be fiscally responsible and accountable to the public.**

# Board Outcome Goals

- The percent of 3<sup>rd</sup> grade students that score meets grade level or above on STAAR Reading will increase from 16% to 55% by June 2025.
- The percent of 3<sup>rd</sup> grade students that score meets grade level or above on STAAR Math will increase from 11% to 50% by June 2025.
- The percentage of graduates that meet the criteria for CCMR will increase from 49% to 70% by August 2025.
- Beaumont ISD will improve its perception in the community as indicated on an annual net promoter survey.
- Beaumont ISD will double the number of students enrolling / entering some form of higher education. Higher education being defined as military service, industry -based certification, two-year community college, or four-year university.
- The district will increase the number of A and B rated schools from 2 to 8 by 2025.

# Board Outcome Goals - Yearly Targets

- The percent of 3rd grade students that score meets grade level or above on STAAR Reading will increase from 16% to 25% by June 2022.
- The percent of 3rd grade students that score meets grade level or above on STAAR Math will increase from 11% to 22% by June 2022.
- All district campuses will either maintain or increase their overall performance rating based on the Texas Education Agency's A-F Accountability system.



# 2021 Focus Areas

- **Effective Instruction**
- **Teacher Support Strategies**
- **Culture & Climate**

# Data Sources

## Reading

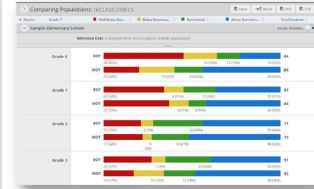
- mClass Assessment
- CIRCLE Assessment
- District Unit Assessments

## Math

- District Scope Assessments



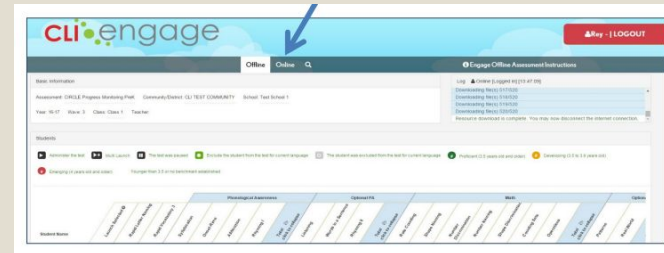
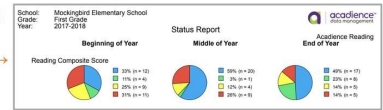
## Composite Score Reports



mCLASS: Comparing Populations

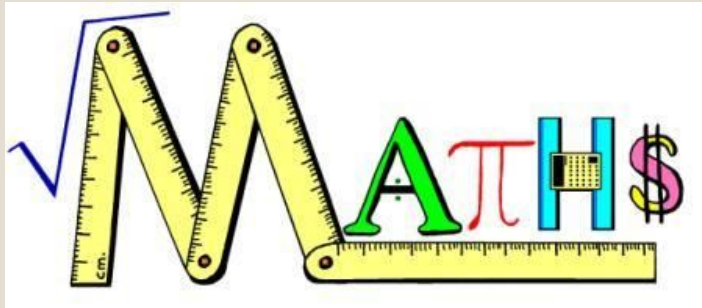


Acadience: Status Report



# Elementary Data

Reading



# Pre-Kindergarten Data CLI Engage/CIRCLE

2021-2022	% Tier 1 At/Above	% Tier 2 Below	% Tier 3 Well Below
BOY	51%	1%	48%

**2022 Target Goal = 63%**

# Kindergarten Data mCLASS/Amplify

2021-2022	% Tier 1 At/Above	% Tier 2 Below	% Tier 3 Well Below
BOY	36%	14%	50%



**2022 Target Goal = 27%**

# 1st Grade Data mCLASS/Amplify

2021-2022	% Tier 1 At/Above	% Tier 2 Below	% Tier 3 Well Below
BOY	32%	18%	50%



**2022 Target Goal = 30%**

## 2nd Grade Data mCLASS/Amplify

2020-2021	% Tier 1 At/Above	% Tier 2 Below	% Tier 3 Well Below
BOY	30%	13%	57%

**2021 Target Goal = 43%**

## District Reading Assessments Grades 3-5

Grade Level	Assessment	Approaches (53%, 56%, 55%)	Meets (74%, 75%, 76%)	Masters (85%, 86%, 84%)
3 <sup>rd</sup> Grade	Unit 1 - Fiction	30%	3%	1%
	Unit 2 - Poetry	39%	8%	4%
4 <sup>th</sup> Grade	Unit 1 - Fiction	47%	11%	4%
	Unit 2 - Poetry	42%	9%	2%
5 <sup>th</sup> Grade	Unit 1 - Fiction	53%	17%	7%
	Unit 2 - Poetry	50%	11%	5%

## District Math Assessments Grades K-2

Grade Level	Assessment	Approaches (50%)	Meets (75%)	Masters (88%)
Kinder	Scope 1	75%	64%	48%
	Scope 2	58%	39%	26%
1 <sup>st</sup> Grade	Scopes 1 & 2	66%	42%	20%
2 <sup>nd</sup> Grade	Scope 1	58%	26%	15%
	Scopes 2-3	55%	28%	10%
	Scope 4	69%	47%	30%

## District Math Assessments Grades 3-5

Grade Level	Assessment	Approaches (50%, 50%, 47%)	Meets (75%, 71%, 69%)	Masters (88%, 82%, 83%)
3 <sup>rd</sup> Grade	Scopes 1 – 3	45%	18%	5%
	Scopes 4 – 5	47%	24%	9%
4 <sup>th</sup> Grade	Scopes 1 - 3	46%	14%	6%
	Scopes 4 – 6	60%	32%	20%
5 <sup>th</sup> Grade	Scopes 1-3	48%	21%	9%

# Plan of Action Early Literacy - Pre-K - 2nd Grade

PK is addressing foundational skills and comprehension using:

- Neuhaus Language and Literacy for Young Learners (LLYL) to provide prescribed literacy skill lessons within our curriculum
- Circle Engage to identify as well as align individual and small group literacy needs, using provided intervention lessons

K-2 is addressing foundational skills and comprehension growth using:

- Amplify Reading, (TEA-approved online program) to provide direct application of individual learning needs and targeted support with teacher-led lessons
- mClass Amplify to identify and align individual and small group literacy needs using TEA-approved intervention lessons
- Khan Academy Kids is an additional program utilized to help students build foundational literacy skills

K - 2 is addressing foundational skills and comprehension gaps using Neuhaus Language Enrichment (LE) to provide targeted scripted skill lessons at the following campuses:  
Blanchette, Caldwood, Charlton Pollard, Martin, Pietzsch MacArthur

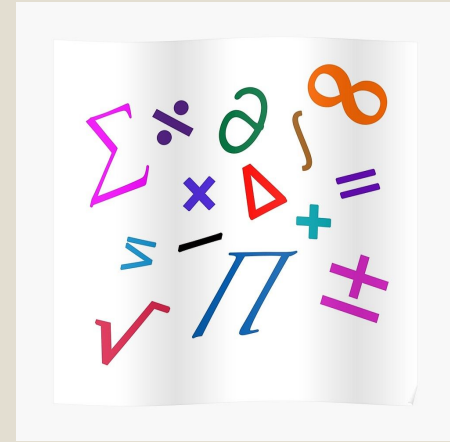
# Plan of Action Elementary Reading - 3 - 5

- 3-5 is working on skill gaps by implementing Amplify Reading, a TEA-approved reading intervention program that contains both scripted, targeted lessons and an individualized, adaptive online student component which addresses their specific needs
- Purchased district intervention resources to fulfill HB 4545 in order to close the gaps for students who did not pass the 2021 STAAR test in grades 3 - 5; students are required to be provided 30 hours of tutoring in a small group setting with a trained, qualified tutor
- Continue to support campuses and teachers with the implementation of reading curriculum within the coaching cycle, observation-feedback, and providing support during PLCs
- HB3 Reading Academies training for all Kinder through 3rd grade teachers along with principal cohort training

# Plan of Action Elementary Math - K - 5

- K-1 is working on skill gaps by using ST Math (online program, individualized based on the needs of each student) and small group instruction using the provided intervention lessons in our curriculum
- 2-5 is working on skill gaps by using Liftoff (online program, individualized based on the needs of each student) and small group instruction using the provided intervention lessons in our curriculum
- 2-5 is also working on fact fluency using a new program, Imagine Facts, with a goal for all students to master their grade-appropriate math facts by the end of the 21 - 22 school year implement district-wide contests throughout the year to promote and encourage students to use the fact fluency program and master their math facts

# Secondary Data



## District Reading Assessments Grades 6-8

<b>Grade Level</b>	<b>Assessment</b>	<b>Approaches (58%, 57%, 57%)</b>	<b>Meets (78%, 76%, 75%)</b>	<b>Masters (88%, 86%, 86%)</b>
<b>6<sup>th</sup> Grade</b>	<b>Unit 1</b>	<b>43%</b>	<b>19%</b>	<b>3%</b>
<b>7<sup>th</sup> Grade</b>	<b>Unit 1</b>	<b>46%</b>	<b>33%</b>	<b>11%</b>
<b>8<sup>th</sup> Grade</b>	<b>Unit 1</b>	<b>42%</b>	<b>24%</b>	<b>4%</b>

## District Reading Unit Assessments Grades 9-12

<b>Grade Level</b>	<b>Assessment</b>	<b>Approaches (Eng 1 - 56%, Eng 2 - 57%)</b>	<b>Meets (Eng 1 &amp; 2 66%)</b>	<b>Masters (Eng 1 - 87% Eng 2 - 90%)</b>
<b>English 1</b>	<b>Unit 1</b>	<b>33%</b>	<b>29%</b>	<b>5%</b>
<b>English 2</b>	<b>Unit 1</b>	<b>47%</b>	<b>29%</b>	<b>6%</b>
<b>English 3</b>	<b>Unit 1</b>	<b>46%</b>	<b>25%</b>	<b>4%</b>
<b>English 4</b>	<b>Unit 1</b>	<b>44%</b>	<b>21%</b>	<b>2%</b>

## District Math Assessments Grades 6-8

Grade Level	Assessment	Approaches (39%, 40%, 45%)	Meets (61%, 63%, 64%)	Masters (79%, 80%, 86%)
6 <sup>th</sup> Grade	Unit 1	45%	20%	13%
	Unit 2	58%	43%	30%
	Unit 3	39%	23%	2%
	Unit 4	50%	27%	15%
7 <sup>th</sup> Grade	Unit 1	34%	9%	6%
	Unit 2	38%	12%	5%
	Unit 3	47%	27%	16%
8 <sup>th</sup> Grade	Test 1.1	61%	48%	22%
	Test 1.2	57%	42%	18%
	Test 1.3	47%	31%	12%

## District Math Assessments Grades 9-12

Grade Level	Meets (Alg 1 - 61%)	Masters (Alg 1 - 76%)
Algebra 1	29%	14%
Geometry	27%	6%
Algebra 2	36%	6%
Algebraic Reasoning	24%	7%
Pre-Calculus	61%	20%

# Plan of Action Secondary Reading - 6 - 12

To close gaps in RLA skills:

- Amplify Reading 6 - 8 provides targeted instruction and trackable intervention strategies through a TEA-vetted supplementary curriculum resource
- For 9 - 12, StudySync intervention lessons provides scripted, leveled lessons and trackable intervention strategies
- Detailed assessment blueprints are created for teachers to use during planning meetings, aligning with best practices in the Data-Driven Instruction process
- The C & I dept. worked with middle school administrators and counselors to create a new master schedule for the 21 - 22 SY that doubles the amount of daily reading instructional time for most students from 50 minutes per day to 90 minutes per day.
- Curriculum pacing calendars were revised to include reteach days after each unit to allow time for students to master concepts before moving on

# Plan of Action Secondary Math - 6 - 12

- Support and training on implementation of new middle school curriculum resource materials, Maneuvering the Middle, during collaborative planning sessions specifically to address identified weak areas as evidenced by the 2021 STAAR data and BOY data
- Implementation of new fact fluency program, Imagine Facts, to master basic math facts that many of our middle school students have not yet mastered
- Support and training on implementation on HB4545 instructional materials to rectify learning loss and close learning gaps
- Facilitate data PLCs on campuses to identify low performing TEKS and develop reteach plan
- Ongoing training with teacher on deconstructing the TEKS to identify which parts need reteaching and to better understand what the TEKS are asking students to do
- Utilize teachers with strong data to showcase their instructional methods and delivery to others Reteach days added to pacing calendars after each unit test to address highly missed TEKS/test questions

# Importance of Parent Involvement

- Every campus has been allocated a Parent Engagement Coordinator position
- Monthly Parent Engagement Coordinator meetings are held with a focus each month on providing opportunities for parents to support their child's learning
- Parent Coordinators are given activity templates to use for campus literacy and math events, guidance on book purchases for distribution on campus, and support from content supervisors in planning events
- A wide range of campus, district, and community parent involvement initiatives are scheduled throughout the year to help support our Board Goals in reading and math
- Parent training is provided on the importance of daily reading, reading aloud with their child to develop fluency and stamina, and comprehension activities to use at home

# EM3 Walkthroughs

Purpose: The purpose of the EM3 Support Team visit is to provide targeted, specific feedback with actionable steps for campus improvement.

Targeted Focus Areas of Walkthroughs:

- September/October Focus - Climate and Culture
- November/December Focus - Instructional Rigor, High Quality Instructional Materials



## Comprehensive Support Strategies Campus Cohorts

\*\* divided into cohort groups based upon identified needs

Program Overview & Priorities	Metrics and Performance Outcomes	Monitoring and Implementation Support
<p>Summer Professional Development Prioritization &amp; Implementation Systems Creation Student Culture Routines</p> <p>Observation &amp; Feedback Ongoing coaching and support</p>	<p>Leadership proficiency with protocols and systems creation &gt;90% student compliance with campus routines and procedures &gt;90% students on task learning Coaching fidelity as measured by rubrics and indicators</p>	<p>Curriculum &amp; Instruction</p> <p>Innovation</p> <p>School Administration</p> <p>Short Cycle Observation &amp; Feedback</p>
<p>Data Driven Instruction Classroom Rigor, Planning &amp; Execution Lesson Planning and Formative Assessment</p>	<p>Leadership proficiency on WDM rubrics Leadership proficiency leading PLCs &amp; planning Teacher internalization protocols Proficiency levels on key instructional practices Observation data % Students on task learning</p>	<p>EM3 visits for targeted areas of focus ★ High Leverage Instructional Practices</p> <p>★ Data-Driven Instruction with weekly data meetings</p>
<p>HQIM - Planning &amp; Delivery Tier 1 instructional planning and data disaggregation Identify bias and inequity of access in student learnings Review key student and staff data to identify priority student groups Develop strategic action plans with deliverables</p>	<p>Leadership proficiency leading PLCs &amp; planning Teacher internalization protocols Proficiency levels on key instructional practices Observation data % Students on task learning Increased student learning outcomes across core content areas</p>	<p>★ Instructional materials/Rigor</p> <p>★ Professional Development Rollout</p> <p>o Monthly PD on instructional leadership practices</p> <p>o Problem of Practice</p>

# Questions?





## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.D.1.**

**Agenda Item Title:** Update on Personnel Activities

**Cabinet Level Presenter(s):** Derwin Samuels, Jr., Executive Director of Human Resources

**Additional Presenter(s):** N/A

**Executive Summary:** Attached is a listing of newly hired and separated employees for October 2021

**Recommendation:** Informational Item Only


**Budget Impact\* (if applicable):** N/A

**Funding Source (if applicable):** N/A

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** N/A

**Policy Reference (if applicable, list policy/regulation):** N/A

**Legal Review (if necessary, list attorney and firm):** N/A

  
\_\_\_\_\_  
Cabinet Level Presenter's Signature

  
\_\_\_\_\_  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact)

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Counsel's Signature

\_\_\_\_\_  
Date

**New Employee Assignment Report**  
**Hiring Date Range: 10-01-21 through 10-31-2021**

<b>Campus/Department</b>	<b>Assignment</b>	<b>Employee Name</b>	<b>Start Date</b>
<b>ELEMENTARY SCHOOLS</b>			
Amelia Elementary School	Tutor-Learning Loss Retiree	Norma Thibodeaux	10/11/2021
Amelia Elementary School	Tutor-Learning Loss Retire	Lois Turner	10/11/2021
Bingman Pre-K	Head Start Aide	Lashonda Taylor	10/12/2021
Bingman Pre-K	Parent/School Liaison	Ashley Lockhart	10/1/2021
Bingman Pre-K	Part Time Paraprofessional	Alma Munoz	10/20/2021
Bingman Pre-K	Part Time Paraprofessional	Angel Nixon	10/6/2021
Bingman Pre-K	Part Time Paraprofessional	Collynn Thibodeaux	10/4/2021
Blanchette Elementary School	Special Education Aide	Christia Guillory	10/4/2021
Blanchette Elementary School	Tutor-Learning Loss Retire	Melvinice Broussard	10/7/2021
Blanchette Elementary School	Tutor-Learning Loss Retire	Deborah Jones	10/7/2021
Blanchette Elementary School	Tutor-Learning Loss Retire	John Williams	10/7/2021
Caldwood Elementary School	Tutor-Learning Loss Retire	Vickie Bottoms	10/19/2021
Caldwood Elementary School	Tutor-Learning Loss Retire	Doris Wilson	10/18/2021
Charlton-Pollard Elementary	Teacher Elementary School	Stephen Taylor	10/11/2021
Charlton-Pollard Elementary	Tutor-Learning Loss Retire	Sharon Sennet	10/7/2021
Charlton-Pollard Elementary	Tutor-Learning Loss Retire	Delores Williams	10/25/2021
Charlton-Pollard Elementary	Tutor-Learning Loss Retire	Jonathan Williams	10/12/2021
Curtis Elementary School	Special Education Aide	Megan Morgan	10/26/2021
Curtis Elementary School	Tutor-Learning Loss Retire	Linda Carroll	10/11/2021
Curtis Elementary School	Tutor-Learning Loss Retire	Brenda Jett	10/11/2021
Curtis Elementary School	Tutor-Learning Loss Retire	Patricia Velzeboer	10/11/2021
Dishman Elementary School	Parent / School Liaison	Desiree Pete	10/18/2021
Dishman Elementary School	Teacher Elementary School	Cynthia Beechey	10/4/2021
Dishman Elementary School	Teacher Elementary School	Thuylan Dinh	10/1/2021
Dishman Elementary School	Tutor-Learning Loss Retire	Linda Dobbs	10/12/2021
Dishman Elementary School	Tutor-Learning Loss Retire	Terry Hadley	10/12/2021
Dishman Elementary School	Tutor-Learning Loss Retire	Cherie Lewis	10/12/2021
Fletcher Elementary School	Tutor-Learning Loss Retire	Lori Douresseau	10/7/2021
Fletcher Elementary School	Tutor-Learning Loss Retire	Brenda Mitcham	10/7/2021
Guess Elementary School	Part Time Paraprofessional	Rose Hardy	10/11/2021
Guess Elementary School	Teacher Elementary School	Lynsie Fontenot	10/7/2021
Guess Elementary School	Tutor-Learning Loss Retire	Margie Clayton	10/18/2021
Guess Elementary School	Tutor-Learning Loss Retire	Annita Josh	10/4/2021
Guess Elementary School	Tutor-Learning Loss Retire	Judy Lovoi	10/4/2021

Homer Elementary School	Tutor-Learning Loss Retire	Patricia Fehrenbacher	10/5/2021
Homer Elementary School	Tutor-Learning Loss Retire	Paula Kelley	10/5/2021
Homer Elementary School	Tutor-Learning Loss Retire	Catherine Lewis	10/5/2021
Jones-Clark Elementary School	Parent/School Liaison	Angela Batiste	10/11/2021
Jones-Clark Elementary School	Teacher Elementary School	Dione Tatum	10/4/2021
Lucas Pre-K	Teacher Elementary School	Kalie Hall	10/18/2021
Lucas Pre-K	Teacher Elementary School	Constance White	10/13/2021
Lucas Pre-K	Title I Aide	Massiel Zambrano	10/18/2021
Martin Elementary	Tutor-Learning Loss Retire	James Broussard	10/18/2021
Martin Elementary	Tutor-Learning Loss Retire	Karen Guidry	10/18/2021
Martin Elementary	Tutor-Learning Loss Retire	Armiller Stewart	10/18/2021
Pietzsch Elementary School	Nurse	Angela Williams	10/25/2021
Pietzsch Elementary School	Parent / School Liaison	Juene Baker	10/25/2021
Pietzsch Elementary School	Tutor-Learning Loss Retire	Mary Woodall	10/11/2021
Regina Elementary School	Tutor-Learning Loss Retire	Chandra Walters	10/11/2021

Campus/Department	Assignment	Employee Name	Start Date
<b>MIDDLE SCHOOL</b>			
Marshall Middle School	Tutor-Learning Loss Retiree	Seenea Sanders	10/4/2021
Smith Middle School	Special Education Aide	Julis Cullen	10/11/2021
Smith Middle School	Teacher Middle School	Marilyn Tennissen	10/25/2021
Vincent Middle School	Tutor-Learning Loss Retiree	Sandra Ellington	10/4/2021
Vincent Middle School	Tutor-Learning Loss Retiree	Arthur Louis	10/4/2021
Vincent Middle School	Tutor-Learning Loss Retiree	Minnie Melton	10/4/2021

Campus/Department	Assignment	Employee Name	Start Date
<b>HIGH SCHOOL</b>			
Beaumont ISD Early College HS	Parent/School Liaison	Camille Norwood	10/11/2021
Beaumont United High School	Nurse Aide	Tanjetta Woodside	10/4/2021
Beaumont United High School	Part Time Coach	Edythe Dunn	10/19/2021
Beaumont United High School	Part Time Coach	Robert Spain	10/21/2021
Beaumont United High School	STAAR Tutor	James Chavis	10/4/2021
West Brook High School	Special Education Aide	Annan Pacella	10/4/2021
West Brook High School	Teacher-Instructional Coach	Angele Powers	10/4/2021
Career Center	Teacher High School	Joseph Jenkins	10/8/2021
Brown Alternative Center	Tutor-Learning Loss Retiree	Brenda Reynolds	10/11/2021

Campus/Department	Assignment	Employee Name	Start Date
<b>CURRICULUM</b>			
Curriculum	Secretary, Department, C & I	Magda Soto	10/18/2021
Curriculum and Instruction	Coordinator Accelerated Learning	Janna Carter	10/25/2021
Curriculum and Instruction	ESSER Assistant	Lillie Hubbard	10/25/2021

Campus/Department	Assignment	Employee Name	Start Date
<b>CUSTODIAL SERVICES</b>			
Custodial Services	Custodian - 200 Days	Rosiland Brown	10/15/2021
Custodial Services	Custodian - 200 Days	Janice Dages	10/1/2021
Maintenance	Plumber II	Joshua Henry	10/26/2021

Campus/Department	Assignment	Employee Name	Start Date
<b>HEALTH SERVICES</b>			
Health Services	Nurse Aide	Tyler Reyes	10/25/2021

Campus/Department	Assignment	Employee Name	Start Date
<b>INFORMATION TECHNOLOGY</b>			
Information Technology	Technology Support Specialist	Michael Marrs	10/4/2021

Campus/Department	Assignment	Employee Name	Start Date
<b>PERSONNEL</b>			
Personnel	Human Resources Manager	Debbie Mason	10/4/2021

Campus/Department	Assignment	Employee Name	Start Date
<b>SE TEXAS REG SCHOOL FOR THE DEAF</b>			
SE Texas Reg School for the Deaf	Contractor Deaf Co Op	Terry John	10/1/2021

Campus/Department	Assignment	Employee Name	Start Date
<b>TEXTBOOKS</b>			
Textbooks	Textbook Helper	Demonte Madison	10/27/2021

<b>Campus/Department</b>	<b>Assignment</b>	<b>Employee Name</b>	<b>Start Date</b>
<b>TRANSPORTATION</b>			
Transportation	Clerk Transportation	Crystal Victoria	10/25/2021
Transportation Bus Attendants	Transportation Bus Attendants	Antoinette Lee	10/22/2021
Transportation Bus Attendants	Transportation Bus Attendants	Dawn Randle	10/4/2021
Transportation Bus Attendants	Transportation Bus Attendants	Ariel Rios Mitchell	10/4/2021
Transportation Bus Attendants	Transportation Bus Attendants	Amber Wallace	10/4/2021
Bus Driver	Transportation Bus Driver	Rokeshia Boulard	10/5/2021
Bus Driver	Transportation Bus Driver	Brian Donsereaux	10/20/2021

<b>Campus/Department</b>	<b>Assignment</b>	<b>Employee Name</b>	<b>Start Date</b>
<b>MEMORIAL STADIUM</b>			
Memorial Stadium	Student Video Broadcasting	Matthew Nixon	10/20/2021

**EMPLOYEE SEPARATION  
REPORT**

Separation Date Range: 10-01-2021 through 10-31-2021

Campus/Department	Assignment	Last Work Day	Employee Name	Sep Type
<b>ELEMENTARY SCHOOL</b>				
Amelia Elementary School – 101	Physical Education Aide	10/7/2021	Joseph, Janice Lee	Resign
Bingman Pre-K – 132	Head Start Aide	10/25/2021	Williams, Deantria L	Resign
Bingman Pre K – 132	Teacher Elementary School	10/26/2021	Charles, Kiana S	Resign
Caldwood Elementary School – 104	Teacher Elementary School	10/1/2021	Gasow, Courtney L	Resign
Dishman Elementary School – 126	Teacher Elementary School	10/15/2021	Dailey, Terran N	Resign
Guess Elementary School – 112	Communities in School Representative	10/18/2021	Holmes, Quintarrell	Resign
Jones-Clark Elementary School – 129	Teacher Elementary School	10/22/2021	Doucet, Latonya G	Resign
Lucas Pre K – 133	Special Education Aide	10/25/2021	Henry, Ciera L	Resign
Martin Elementary – 128	Parent / School Liaison	10/15/2021	Lewis, Dorian J	Resign
Martin Elementary – 128	ROAR Liaison	10/15/2021	Guidry, Karen E	Resign

Campus/Department	Assignment	Last Work Day	Employee Name	Sep Type
<b>MIDDLE SCHOOL</b>				
Odom Middle School Academy – 047	Clerk Assistant Principal	10/4/2021	Allen, Tracey P	Resign
Smith Middle School – 042	Teacher Middle School	10/15/2021	Smith, Jason H	Resign

Campus/Department	Assignment	Last Work Day	Employee Name	Sep Type
<b>HIGH SCHOOL</b>				
Beaumont United High School – 014	Special Education Aide	10/8/2021	Ballier, Helena S	Resign
Beaumont United High School – 014	Teacher High School	10/16/2021	Littles, Williams L	Death
West Brook High School – 008	District Aide	10/15/2021	Heniger, Robin D	Resign
West Brook High School – 008	Lead Counselor High School	10/8/2021	Thomas, Misty D	Resign

Campus/Department	Assignment	Last Work Day	Employee Name	Sep Type
<b>TRANSPORTATION</b>				
Transportation Bus Attendants – 531	Transportation Bus Attendants	10/18/2021	Andrews, Mary G	Resign
Bus Driver – 531	Transportation Bus Driver	10/11/2021	Lastrape, Ryneadra	Termination
Bus Driver – 531	Transportation Bus Driver	10/12/2021	Tubbs, Danielle C	Resign

Campus/Department	Assignment	Last Work Day	Employee Name	Sep Type
<b>ACCOUNTS PAYABLE</b>				
Accounts Payable – 726	Clerk Accounts Payable	10/1/2021	Neville, Sierra S	Resign

Campus/Department	Assignment	Last Work Day	Employee Name	Sep Type
<b>CURRICULUM</b>				
Curriculum – 801	Coordinator Elementary Science	10/8/2021	Starks, Ferleshare S	Resign

Campus/Department	Assignment	Last Work Day	Employee Name	Sep Type
<b>CUSTODIAL SERVICES</b>				
Custodial Services – 513	Custodian	10/7/2021	Chopane, Lashonda A	Termination
Custodial Services – 513	Custodian	10/22/2021	Reed, Felicia W	Resign
Custodial Services – 513	Custodian – 200 Days	10/8/2021	Jimenez Vazquez, M	Resign
Custodial Services – 513	Head Assistant Custodian – 226	10/13/2021	William, Melissa C	Resign

Campus/Department	Assignment	Last Work Day	Employee Name	Sep Type
<b>FOOD &amp; NUTRITION SERVICE</b>				
Food and Nutrition Service – 833	Food Service Worker – 6 Hours	10/5/2021	Polk, Latresha R	Resign
Food and Nutrition Service – 833	Food Service Worker – 6 Hours	10/8/2021	Daou, Jihane	Resign
Food and Nutrition Service – 833	Food Service Worker – 6 Hours	10/8/2021	Sutton, Ashley N	Resign
Food and Nutrition Service – 833	Food Service Worker – 6 Hours	10/19/2021	Hawkins, Barbara L	Resign
Food and Nutrition Service – 833	Food Service Worker – 7 Hours	10/8/2021	Wheeler, Luzon M	Resign
Food and Nutrition Service – 833	Food Service Worker – 7 Hours	10/15/2021	Finnell, Tiera M	Resign

Campus/Department	Assignment	Last Work Day	Employee Name	Sep Type
<b>INFORMATION TECHNOLOGY</b>				
Information Technology – 818	Computer Technician	10/29/2021	Majors, Kurtis J	Resign

Campus/Department	Assignment	Last Work Day	Employee Name	Sep Type
<b>MAINTENANCE</b>				
Maintenance - 514	Grounds Foreman	10/2/2021	McClain, Christopher D	Death

Campus/Department	Assignment	Last Work Day	Employee Name	Sep Type
<b>TEXTBOOKS</b>				
Textbooks - 711	Temporary Textbook Helper	10/26/2021	Madison, Demonte J	Resign



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.D.2.**

**Agenda Item Title:** Report – Tax Collections

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):**

**Executive Summary:** N/A

**Recommendation:** N/A

**Budget Impact\* (if applicable):** N/A

**Funding Source (if applicable):** N/A

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):**

**Policy Reference (if applicable, list policy/regulation):**

**Legal Review (if necessary, list attorney and firm):**

  
\_\_\_\_\_  
Cabinet Level Presenter's Signature

  
\_\_\_\_\_  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact) Date

\_\_\_\_\_  
General Counsel's Signature Date

**Tax Collection Report**  
*October 31, 2021*

	<b>Taxes Collected</b>			
	<b>10/31/21</b>		<b>10/31/20</b>	
	M & O	I & S	M & O	I & S
Current	1,299,749.82	361,238.58	2,020,725.22	138,312.02
Delinquent	126,620.64	32,115.06	531,213.74	35,120.12
Penalties & Interest	58,560.99	13,738.77	59,770.71	14,618.52
<b>Totals</b>	<b>1,484,931.45</b>	<b>407,092.41</b>	<b>2,611,709.67</b>	<b>188,050.66</b>

	<b>Current Taxes</b>			
	<b>Tax Levy</b>	<b>Collections for 10/31/2021</b>	<b>YTD Current Collections</b>	<b>Collected Percentage</b>
	137,400,079.27	1,660,988.40	1,660,988.40	1.21%

<b>Two Year Comparison</b>	
<b>Current Year as of 10/31/2021</b>	<b>Prior Year as of 10/31/2020</b>
1.21%	1.58%

AGENDA:  
November 16, 2021



**Board Exhibit Cover Sheet**

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.D.3.**

**Agenda Item Title:** Report – General Fund Summary

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):**

**Executive Summary:** N/A

**Recommendation:** N/A

**Budget Impact\* (if applicable):** N/A

**Funding Source (if applicable):** N/A

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):**

**Policy Reference (if applicable, list policy/regulation):**

**Legal Review (if necessary, list attorney and firm):**

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/8/2021  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact) Date

\_\_\_\_\_  
General Counsel's Signature Date

BEAUMONT INDEPENDENT SCHOOL DISTRICT  
**GENERAL FUND**  
 Budget vs. Expenditures  
 October 31, 2021

	Amended Budget	Month To Date	Year to Date Transactions	Outstanding Encumbrances	Balances
<b>REVENUES</b>					
Property Tax Collection (including delinquencies)	118,385,278	1,484,931	2,656,298	-	115,728,980
Sources of Misc Income (Foreign Trade Zone, Athletics...)	13,801,554	40,928	227,429	-	13,574,125
State Program Revenues	36,727,869	11,881,331	41,488,552	-	(4,760,683)
Federal Program Revenues	4,105,646	8,828	625,137	-	3,480,509
Other Financing Sources	425,000	42,953	497,444	-	(72,444)
<b>Total Revenues</b>	<b>173,445,347</b>	<b>13,458,971</b>	<b>45,494,860</b>	<b>-</b>	<b>127,950,487</b>
<b>EXPENDITURES</b>					
11 Classroom	89,361,451	8,223,016	25,514,872	644,581	63,201,997
12 Library	1,303,563	106,157	315,041	28,860	959,662
13 Staff Development	595,927	6,133	126,453	51,997	417,477
21 Asst Sups, Directors, Supervisors, Curriculum Coordinators	4,089,227	316,988	1,241,554	16,601	2,831,072
23 Principal, Asst. Principals, Office Clerical	11,652,464	880,171	3,119,375	40,332	8,492,757
31 Counselors	5,855,341	513,891	1,878,187	79,145	3,898,010
32 Social Workers	338,879	17,068	66,467	-	272,412
33 Nurses	2,149,667	206,299	658,781	5,594	1,485,292
34 Transportation	5,723,207	488,183	1,663,124	467,222	3,592,861
36 After School Activites	5,589,784	390,521	1,749,447	434,202	3,406,135
41 Administration	7,021,200	478,426	2,348,082	250,857	4,422,262
51 Maintenance and Utilites	32,239,972	1,761,334	7,362,080	2,918,173	21,959,718
52 Police and Monitoring Services	2,975,118	231,205	853,940	127,695	1,993,483
53 Data Processing Personnel	4,078,301	139,298	1,388,468	653,823	2,036,010
61 Parent involvment Liaisons, Day Car Workers	224,235	1,458	3,218	-	221,017
71 Debt Service	1,114,965	-	1,114,964	-	1
81 Facilities Acquisition & Construction	338,051	13,639	313,972	19,100	4,979
93 Fiscal Agent - Shared Service for Deaf Program	380,000	-	-	-	380,000
95 Juvenile Justice Alternative Ed Program	150,000	-	-	150,000	-
99 Tax Appraisal & Collections	1,314,465	-	267,215	-	1,047,250
<b>Total Expenditures</b>	<b>176,495,817</b>	<b>13,773,788</b>	<b>49,985,423</b>	<b>5,888,183</b>	<b>120,622,212</b>
<b>Net increase (decrease)</b>	<b>(3,050,470)</b>				<b>7,328,275</b>



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.D.4.**

**Agenda Item Title:** Report – Campus Activity Funds and Donations

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):**

**Executive Summary:** N/A

**Recommendation:** N/A

**Budget Impact\* (if applicable):** N/A

**Funding Source (if applicable):** N/A

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):**

**Policy Reference (if applicable, list policy/regulation):**

**Legal Review (if necessary, list attorney and firm):**

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/8/2021  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact) Date

\_\_\_\_\_  
General Counsel's Signature Date

**CAMPUS ACTIVITY FUND  
EXPLANATION OF AMENDMENTS  
OCTOBER 2021**

<b>West Brook High School</b>	<b>\$ 31,870.00</b>
<b>Explanation:</b> Car Registrations, Textbook Fines, Program Ads, Chromebook Fees, Yearbooks, Student IDs	
<b>Beaumont United High School</b>	<b>\$ 4,074.00</b>
<b>Explanation:</b> Car Registrations, Chromebook Fees, Transcript Fees, AP Fees	
<b>Smith Middle School</b>	<b>\$ 1,713.00</b>
<b>Explanation:</b> Commissions/Vending Machines, Fundraiser Proceeds	
<b>King Middle School</b>	<b>\$ 163.00</b>
<b>Explanation:</b> Commissions/Vending Machines	
<b>Marshall Middle School</b>	<b>\$ 10,056.00</b>
<b>Explanation:</b> Yearbooks, Gym Suits, Library Lost Books, LED Signs Chromebook Fees,	
<b>Odom Academy</b>	<b>\$ 16,115.00</b>
<b>Explanation:</b> Fundraiser Proceeds, Chromebook Fees	
<b>Vincent Middle School</b>	<b>\$ 7,782.00</b>
<b>Explanation:</b> Gym Suits, Cell Phone Fines, Chromebook Fees	
<b>Amelia Elementary</b>	<b>\$ 2,560.00</b>
<b>Explanation:</b> Chromebook Fees, Donation	
<b>Caldwood Elementary</b>	<b>\$ 184.00</b>
<b>Explanation:</b> Library Fines	
<b>Curtis Elementary</b>	<b>\$ 277.00</b>
<b>Explanation:</b> Chromebook Fees, Library Lost Books	
<b>Fletcher Elementary</b>	<b>\$ 3,395.00</b>
<b>Explanation:</b> Chromebook Fees	
<b>Guess Elementary</b>	<b>\$ 465.00</b>
<b>Explanation:</b> Commissions/Vending Machines	
<b>Regina Howell Elementary</b>	<b>\$ 4,235.00</b>
<b>Explanation:</b> Agenda Books, Chromebook Fees, Fundraiser Proceeds	
<b>Homer Drive Elementary</b>	<b>\$ 2,447.00</b>
<b>Explanation:</b> Commissions/Vending Machines, Donation	
<b>Pietzsch Elementary</b>	<b>\$ 2,253.00</b>
<b>Explanation:</b> Commissions/Vending Machines, Chromebook Fees, Fundraiser Proceeds	
<b>Dishman Elementary</b>	<b>\$ 187.00</b>
<b>Explanation:</b> Commissions/Vending Machines, Chromebook Fees	
<b>Blanchette Elementary</b>	<b>\$ 150.00</b>
<b>Explanation:</b> Chromebook Fees	
<b>Martin Elementary</b>	<b>\$ 120.00</b>
<b>Explanation:</b> Chromebook Fees	

**CAMPUS ACTIVITY FUND  
EXPLANATION OF AMENDMENTS, CONTINUED  
OCTOBER 2021**

<b>Phalen Leadership Academy (Jones-Clark ES)</b>	<b>\$ 1,432.00</b>
<b>Explanation:</b> Chromebook Fees , Commissions/Vending Machines	
<b>Charlton-Pollard Elementary</b>	<b>\$ 30.00</b>
<b>Explanation:</b> Chromebook Fees	
<b>Fehl Price Classical Academy</b>	<b>\$ 270.00</b>
<b>Explanation:</b> Chromebook Fees	
<b>Bingman Pre-K Center</b>	<b>\$ -</b>
<b>Explanation:</b>	
<b>Lucas Pre-K Center</b>	<b>\$ 50.00</b>
<b>Explanation:</b> Donation	
<b>Pathways Learning Center</b>	<b>\$ 243.00</b>
<b>Explanation:</b> Chromebook Fees, Student IDs	
<b>Taylor Career Center</b>	<b>\$ 450.00</b>
<b>Explanation:</b>	
<b>Brown Center</b>	<b>\$ 110.00</b>
<b>Explanation:</b> Chromebook Fees	
<b>Transportation Dept</b>	<b>\$ -</b>
<b>Explanation:</b>	
<b>Maintenance Dept</b>	<b>\$ -</b>
<b>Explanation:</b>	
<b>Administration Building</b>	<b>\$ 175.00</b>
<b>Explanation:</b> Donation	
<b>Admin. Annex Building</b>	<b>\$ 1,812.00</b>
<b>Explanation:</b> Donation	
<b>Police Dept.</b>	<b>\$ 51.00</b>
<b>Explanation:</b> Crash Report Fees	
<b>Early College H.S.</b>	<b>\$ 3,431.00</b>
<b>Explanation:</b> Commissions/Vending Machines, Fundraiser Proceeds	
<b>School for the Deaf (Deaf Ed.)</b>	<b>\$ -</b>
<b>Explanation:</b>	

**CAMPUS ACTIVITY FUNDS  
BUDGET CHANGE REPORT - OCTOBER 2021**

		<u>Original Budget</u>	<u>Change</u>	<u>Amended Budget</u>
<b><u>Revenues</u></b>				
Local Revenue - Other Sources	461.00.5749.00	285,488	96,100	381,588
<b><u>Expenditures</u></b>				
	<b><u>School Leadership</u></b>			
West Brook High School	461.XX.6499.00.008.00.000	86,852	31,870	118,722
Beaumont United High School	461.XX.6499.00.014.00.000	13,583	4,074	17,657
Smith Middle School	461.XX.6499.00.042.00.000	2,614	1,713	4,327
King Middle School	461.XX.6499.00.043.00.000	8,532	163	8,695
Marshall Middle School	461.XX.6499.00.046.00.000	33,057	10,056	43,113
Odom Academy	461.XX.6499.00.047.00.000	28,088	16,115	44,203
Vincent Middle School	461.XX.6499.00.048.00.000	11,093	7,782	18,875
Amelia Elementary	461.XX.6499.00.101.00.000	1,105	2,560	3,665
Caldwood Elementary	461.XX.6499.00.104.00.000	4,827	184	5,011
Curtis Elementary	461.XX.6499.00.105.00.000	13,995	277	14,272
Fletcher Elementary	461.XX.6499.00.110.00.000	7,212	3,395	10,607
Guess Elementary	461.XX.6499.00.112.00.000	7,916	465	8,381
Regina Howell Elementary	461.XX.6499.00.118.00.000	18,789	4,235	23,024
Homer Drive Elementary	461.XX.6499.00.123.00.000	2,664	2,447	5,111
Pietzsch Elementary	461.XX.6499.00.125.00.000	3,014	2,253	5,267
Dishman Elementary	461.XX.6499.00.126.00.000	2,949	187	3,136
Blanchette Elementary	461.XX.6499.00.127.00.000	1,920	150	2,070
Martin Elementary	461.XX.6499.00.128.00.000	1,479	120	1,599
Phalen Leadership Academy (Jones-Clark)	461.XX.6499.00.129.00.000	12,048	1,432	13,480
Charlton-Pollard Elementary	461.XX.6499.00.130.00.000	2,150	30	2,180
Fehl Price Classical Academy	461.XX.6499.00.131.00.000	2,647	270	2,917
Bingman Pre-K Center	461.XX.6499.00.132.00.000	735	-	735
Lucas Pre-K Center	461.XX.6499.00.133.00.000	813	50	863
Pathways Learning Center	461.XX.6499.00.006.00.000	75	243	318
Taylor Career Center	461.XX.6499.00.009.00.000	3,384	450	3,834
Brown Center	461.XX.6499.00.012.00.000	1,542	110	1,652
Transportation Dept	461.XX.6499.00.811.00.000	729	-	729
Maintenance Dept	461.XX.6499.00.819.00.000	449	-	449
SSA Deaf Program	461.XX.6499.00.838.00.000	526	-	526
Administration Building	461.XX.6499.00.842.00.000	2,213	175	2,388
Admin. Annex Building	461.XX.6499.00.843.00.000	339	1,812	2,151
Police Dept.	461.XX.6499.00.850.00.000	42	51	93
Early College H.S.	461.XX.6499.00.013.00.000	8,107	3,431	11,538
	<b>Total Expenditures</b>	<b>285,488</b>	<b>96,100</b>	<b>381,588</b>
<b>BUDGET CHANGE</b>				
	Total Revenues	285,488	96,100	381,588
	Total Expenditures	<u>(285,488)</u>	<u>(96,100)</u>	<u>(381,588)</u>
	Adjusted Surplus	-	-	-

**DONATION REPORT - OCTOBER 2021**

**MONETARY DONATIONS**

<b><u>Donor Name/Organization</u></b>	<b><u>Recipient</u></b>	<b><u>Account Number</u></b>	<b><u>Amount Given</u></b>
Exxon Mobil Corporation	Amelia Elementary School General Campus	461.00.5749.00.101.00.C47	2,500

**Total Amount Donated** 2,500

## DONATION REPORT - OCTOBER 2021

### RECORD OF DONATED ITEMS

<u>Donor Name/Organization</u>	<u>SAF Club/Department</u>	<u>Description of Items</u>	<u>Estimated Value</u>
Kroger - Phelan Candice Mygrants, Grocery Manager John Smith, Store Manager	Lucas Pre-K General Student	180 Kroger Backpack Booster Kits	1,440



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.D.5.**

**Agenda Item Title:** Report – Quarterly Investment Report

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):**

**Executive Summary:** Section 2256.023 of the Public Funds Investment Act requires the investment officer to prepare and submit to the governing body of the entity, not less than quarterly, a written report of investment transactions for all funds covered by the Act for the preceding quarter.

**Recommendation:** N/A

**Budget Impact\* (if applicable):** N/A

**Funding Source (if applicable):** N/A

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):**

**Policy Reference (if applicable, list policy/regulation):**

**Legal Review (if necessary, list attorney and firm):**

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/8/2021  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact)

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Counsel's Signature

\_\_\_\_\_  
Date

**QUARTERLY INVESTMENT REPORT  
FOR THE QUARTER ENDED AUGUST 31, 2021**

**Investment Program**

The legal requirements and local authority for investment of District funds are detailed in Board Policy CDA (Legal) and CDA (Local) as adopted by the Board of Managers. The investments utilized by Beaumont ISD for the Quarter Ended August 31, 2021 included TexPool and Lone Star and Investment Pools.

**Investment Position at August 31, 2021**

<u>Investment</u>	<u>Book Value</u>	<u>Market Value</u>
Lone Star Investment Pool	\$ 85,552,423.68	\$ 85,552,423.68
TexPool	4,079,385.43	4,079,385.43
Total	<u>\$ 89,631,809.11</u>	<u>\$ 89,631,809.11</u>

**Investment Activity**

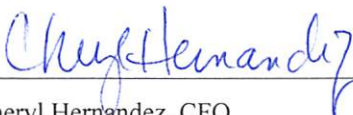
A summary of activity is listed below:

**Schedule of Transactions by Fund Group  
Investments in Lone Star Investment Pool  
Quarter Ended August 31, 2021**

<u>Investment</u>	<u>Carrying Amount 05/01/2021</u>	<u>Additions 05/01/2021- 08/31/2021</u>	<u>Deductions 05/01/2021- 08/31/2021</u>	<u>Carrying Amount 08/31/2021</u>
General Fund - Corporate Overnight Plus Fund	\$ 88,409,969.98	30,067,098.45	42,535,617.14	\$ 75,941,451.29
General Fund - Corporate Overnight Fund	2,167,596.98	388.66	500,858.75	1,667,126.89
General Fund - Government Overnight Fund	763,239.29	1,237,977.67	1,361,522.69	639,694.27
Total General Fund	<u>\$ 91,340,806.25</u>	<u>\$ 31,305,464.78</u>	<u>\$ 44,397,998.58</u>	<u>\$ 78,248,272.45</u>
Debt Service - Corporate Overnight Plus Fund	\$ 10,088,575.59	1,472,024.36	5,519,754.52	\$ 6,040,845.43
Debt Service - Corporate Overnight Fund	593,956.40	110.79	-	594,067.19
Debt Service - Government Overnight Fund	356,622.69	312,615.92	-	669,238.61
Total Debt Service Fund	<u>\$ 11,039,154.68</u>	<u>\$ 1,784,751.07</u>	<u>\$ 5,519,754.52</u>	<u>\$ 7,304,151.23</u>
Total Lone Star Investments	<u>\$ 102,379,960.93</u>	<u>\$ 33,090,215.85</u>	<u>\$ 49,917,753.10</u>	<u>\$ 85,552,423.68</u>

**Schedule of Transactions by Fund Group  
Investments in Texpool  
Quarter Ended August 31, 2021**

<u>Type</u>	<u>Carrying Amount 05/01/2021</u>	<u>Additions 05/01/2021- 08/31/2021</u>	<u>Deductions 05/01/2021- 08/31/2021</u>	<u>Carrying Amount 08/31/2021</u>
General Fund	\$ 3,933,720.23	\$ 179.49	\$ -	\$ 3,933,899.72
Debt Service Fund	145,478.99	6.72	-	145,485.71
Total Investments	<u>\$ 4,079,199.22</u>	<u>\$ 186.21</u>	<u>\$ -</u>	<u>\$ 4,079,385.43</u>

  
Cheryl Hernandez, CFO

  
Stacey Fitch, Comptroller

**OFFICIAL MINUTES OF THE BOARD OF THE  
BEAUMONT INDEPENDENT SCHOOL DISTRICT  
IN THE BOARDROOM OF THE BEAUMONT ISD ADMINISTRATION BUILDING  
3395 HARRISON AVENUE BEAUMONT, TEXAS**

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**OCTOBER 18, 2021  
JOINT MEETING**

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*Special Meeting Minutes as Directed Under the Provisions of the Texas Open Meetings  
Act, Texas Government Code, Chapter 551*

The Board Members of the Beaumont Independent School District met in Special meeting on Thursday, October 18, 2021, in the Board Room of the Administration Building located at 3395 Harrison Avenue in Beaumont, Jefferson County, Texas. The meeting was called to order at 6:12 p.m. by Robert C. Dunn, Sr., Presiding Officer.

**CALL TO ORDER**

President, Robert Dunn established a quorum.

**ROLL CALL**

**PRESENT:** Robert C. Dunn, Sr., Trustee & President  
Woodrow Reece, II, Trustee & Vice President (arrived at 6:31 PM)  
Stacey Lewis, Jr., Trustee & Secretary  
Joe A. Evans, Jr., Trustee  
Tillie Hickman, Trustee  
Denise Wallace-Spooner, Trustee  
Kevin W. Reece, Trustee

Dr. Shannon Allen, Superintendent

**ABSENT:** NONE.

**Council Members:**

Mayor Robin Mouton  
Council Member, AJ Turner  
Council Member, Randy Feldschau  
Council Member, Michael Getz  
Council Member, Taylor Neild  
Council Member, Audwin Samuels  
Council Member, Charles Durio

**ABSENT:** NONE.

I. **OPEN JOINT MEETING**

A. COMMENTS

1. Public Comment (Persons are limited to 3 minutes)

- a. **NONE**

B. DISCUSSION ITEM(S)

1. The Beaumont Independent School District's Board of Trustees will meet with the Beaumont City Council to discuss:

- a. Sidewalk for Beaumont United High School Students.

- Sidewalks at Beaumont United High School due to kids having to walk in the street or muddy grass.
- Fannett road is a four-lane high traffic street and the concern is the kids crossing over.
- There are sidewalks on the opposite side of the school and on Fourth Street. There are kids walking to West Brook and there needs to be a sidewalk consideration for those kids as well.
- The kids from BU were all over the place in the grass in front of the school, some of the teachers and staff of BU have approached him about sidewalks. Make it safer for them.
- How are the sidewalks funded?
- The BISD Board was asked to send a defined scope and the City staff to look at it. The city of Beaumont does not put in sidewalks. The business or the residential owners are responsible to put sidewalks on their property. Unless it is a reconstruction project TXDOT grants for safe walks to school.

- b. BISD and City Police Relations

- Miscommunication between Beaumont Police and BISD Police where their control ends, improve the coordination between both forces.
- If information about any neighboring park is given, there would be communication between Beaumont ISD Police and the Beaumont Police Department.
- Assistance is needed when the kids are getting out of school.
- Joint effort programs such as "DARE", and getting together to help with the TikTok trends with the children.

- c. Traffic endangerment to students

- The North End streets Arthur and Steelton intersection for the Mae E. Jones-Clark area with a lot of speeding and wrecks
- RFD Road and HWY 105 intersection
- The lights are dim
- The markings on the road can't be seen at night.

d. Beaumont Clean-Up

- The clean-up is going well, collaboration is good. The perimeters outside the campus is being trashed, Pathways and other campuses.
- Citizens need to call 311 and report the location if there's trash and the City can then track it.
- We continue to do clean ups around the city.
- The City hosts trash off days
- We should educate our children by having a poster contest and educate the children about why we don't want trash on the street
  - city recognition, a great way to collaborate and recognize students.
- When there are city-wide events, if the district is notified we can involve schools in those neighborhoods.
- In 2022 a quarterly clean up will begin and we can do one Ward at a time.

e. Long-Term Growth in Beaumont

- When we have long term goals, we can complete them even faster. 1) Growth in Beaumont, we would like to see a bond passed for a new high school would solve a lot of issues with academics and discipline; 2) Zoning – with our maps for elections, we need to rezone, Marshall and King; 3) the ML King Memorial Park, the commission needs to be reopened. Doing everything to continue to unify this city.

f. Possible collaboration related to the use of school gyms and facilities for after-hours recreational programs

- The desire to have more basketball facilities for our youth to participate in is a good way for the City and District to collaborate. As a joint effort to have someone from the City there to help with the programming and the district to have someone there for the cleanup.
- The district offers different sports during the summer, it will be difficult to open up gyms during the school year due to activities.

g. Unified Community Engagement Plan - BMT for BISD

## OFFICIAL AGENDA AND MEETING NOTICE

October 18, 2021

- Making an effort to make citizens aware that we will continue to have joint collaborative meetings. We must support each other for the success of our city.
- Beaumont ISD has wonderful stadiums, there are more things that we can offer. We are focusing on reading in our community. Ideas that let's Beaumont know that we are all in this together for our community.
- Field trips that would include student council to sit in with the City Council to learn about local government.

### h. Vacant Properties in BISD

- Price Elementary School that has become an eyesore.
- Central High School campus. The district is considering the costs to take down the three-story original piece and keep the gymnasium.

### C. GENERAL BUSINESS

NONE.

### D. CLOSING COMMENTS

Various comments were made before adjourning the meeting.

### **ADJOURNMENT**

It was moved and seconded to adjourn the meeting, the meeting was adjourned at 7:37 p.m.

**OFFICIAL MINUTES OF THE BOARD OF THE  
BEAUMONT INDEPENDENT SCHOOL DISTRICT  
IN THE BOARD ROOM OF THE BEAUMONT ISD ADMINISTRATION BUILDING  
3395 HARRISON AVENUE BEAUMONT, TEXAS**

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**October 21, 2021**

*Regular Meeting Minutes as Directed Under the Provisions of the Texas Open Meetings Act, Texas Government Code, Chapter 551*

The Board Members of the Beaumont Independent School District met in regular meeting on Thursday, October 21, 2021, in the Board Room of the Administration Building located at 3395 Harrison Avenue in Beaumont, Jefferson County, Texas. The meeting was called to order at 5:03 p.m. by Robert C. Dunn, Sr., Presiding Officer.

**CALL TO ORDER**

President, Robert Dunn established a quorum.

**ROLL CALL**

**PRESENT:** Robert C. Dunn, Sr., Trustee & President  
Woodrow Reece, II, Trustee & Vice President (arrived at 5:50 PM)  
Stacey Lewis, Jr., Trustee & Secretary  
Joe A. Evans, Jr., Trustee  
Tillie Hickman, Trustee  
Denise Wallace-Spooner, Trustee  
Kevin W. Reece, Trustee

Dr. Shannon Allen, Superintendent

**ABSENT:** NONE.

At 5:05 p.m., the board went in to closed session.

The board convened in open session at 6:30 p.m.

1. CLOSED SESSION (CLOSED TO PUBLIC) - BOARD WILL CONVENE IN CLOSED SESSION UNDER CHAPTER 551 OF THE TEXAS GOVERNMENT CODE, SECTIONS 551.071, 551.072, 551.073, 551.074, 551.076, 551.082, 551.0821, 551.083, 551.084 AND/OR 551.087, TO DELIBERATE ON THE FOLLOWING:

- a. LEGAL

1. Pending or contemplated litigation matters and status report

2. Matters on which the school district legal counsel's duties to the school district under the Texas Disciplinary Rules of Professional Conduct or the State Bar of Texas Clearly conflicts with the Texas Open Meetings Act
3. Internal Audit Update

**NO ACTION.**

b. PERSONNEL

1. Deliberation regarding the appointment, employment, evaluation, reassignment, duties, proposed terminations, terminations and suspensions, proposed nonrenewals, renewals, and resignation/retirements, discipline, and/or dismissal of a public officer or employee, including the superintendent, and/or hear complaints and grievances against public officers or employees
2. Superintendent Evaluation Cycle and Goals

**NO ACTION.**

3. Board Operating Procedures - Media Relations and Communications

**NO ACTION.**

c. REAL ESTATE

1. Deliberation regarding the purchase, exchange, lease or value of real property

**NO ACTION.**

d. ECONOMIC DEVELOPMENT

1. Deliberation regarding an offer of a financial or other incentive to a business prospect related to economic development negotiations

**NO ACTION.**

II. **6:39 p.m. - BOARDROOM (REGULAR OPEN BOARD MEETING)**

A. INTRODUCTION OF REGULAR MEETING

United States and Texas Flags Pledges of Allegiance – Beaumont United High School NJROTC posted the colors and pledges to the US and Texas flags were led by Regina-Howell students, **Georgia Allen-Peveto**, 5th grade, is in the Pegasus Program, member of the Orange (House of Fairness) and knows all the presidents of the United States, **Cohen Mathis**, 5th grade, Future Problem Solver, member of the Orange (House of Fairness) and volunteers with Praise Church Kids, and **Reese Malbrough**, 4th grade, member of the Running Club, member of the Red (House of Caring) and loves soccer.

1. Recognitions- Denise McLean, Director for Community Relations

- FFA Grand Champion (West Brook) Garrett Gerace, BISD FFA Program
- National Principal Month
  - Yvonne Harris DuPont, Amelia
  - Ariel Moore, Charlton-Pollard & Dr. Aaron Covington

B. STUDENT OUTCOMES

1. **Superintendent's Report**-Dr. Shannon Allen, Superintendent of Schools, presented the following information to the Board:

- Vision
- Mission
- Core Beliefs # 1 & 4
- 21-22 Calendar Update
- Student Behavior
- New Complaint Process (to address excessive fighting)
- COVID Update
- Child Nutrition Update

2. Cabinet Report

a. Partner Performance Update – Anetra Cheatham, Chief Innovation Officer, presented the following information to the Board:

- Makin Schools Better Together
- Snapshot of District Math
- Jones- Clark and Smith Comparisons
- Target Learning Loss
- HB 4545 Plan
- Academic Action Plan
- Growth Goal

- Metric 6
- Staffing and Recruitment

**Responsive Education Solutions**

- FehI-Price Academy
- Campus Vision and Mission
- Overview
- Demographics Plan of Action
- PM1: FPCA Campus Rating
- FPCA 2020-2021 Data Overview
- PM2: Early Literacy Performance Kindergarten Growth
- Scholar Progress-Plan of Action
- PM3: Scholar Progress-Reading
- PM4: Discipline and Math
- Scholar Discipline and Plan of Action
- PM5: Teacher Turnover
- PM7: Scholar Attendance

C. PUBLIC COMMENTS

**2 ½ Minutes**

1. **Jessica Hallmark**, 5 Park Lane, signed up to address the board regarding BISD's failure to follow law; BISD's failure in general.
2. **Linda Gilmore**, 4695 Beale, signed up to address the board regarding 'SOS'.
3. **Justin Jackson**, 890 N. 23<sup>rd</sup>, signed up to address the board regarding failure to follow Texas mask mandate policy, failure to maintain a safe environment, disruptive learning.
4. **Elsa Rooney**, 845 Brandywine, signed up to address the board regarding the ineffectiveness of the mask mandate.
5. **John Courts**, 8740 Lafayette Lane, signed up to address the board regarding campus improvement. ***DID NOT SPEAK***

**1 ½ Minutes**

1. **Shanna Davis**, 6785 Linkwood, signed up to address the board regarding masks.

D. INFORMATION ITEMS

After a 5-minute break, at 8:55 PM, the board reconvened.

1. Update on Personnel Activities—Derwin Samuels, Executive Director of Human Resources, presented information on the Personnel activities for the month of September 2021.
2. Report for Tax Collections—Cheryl Hernandez, Chief Financial Officer, presented information on the Tax Collections Report for the month of September 2021.
3. Report for General Fund Revenue and Expenditures—Cheryl Hernandez, Chief Financial Officer, presented information on the General Fund Revenue and Exepeditures Report for the month of September 2021.
4. Report for Campus Activities Funds and Donations—Cheryl Hernandez, Chief Financial Officer, presented information on the Campus Activities Funds and Donations for the month of September 2021.
5. Review Athletic and Fine Arts Handbook—Dr. Ron Jackson, Athletic Director, and Mike Murdoch, Fine Arts Supervisor
6. Report-Facilities Subcommittee Update – Stacey Lewis, Co-Chair, presented an update on the district’s facilities including completed projects.
7. Update from TASB Delegate – Joe Evans, updated the Board on what the Delegate Assembly offers for leadership, and changes for public schools.

**E. CONSENT AGENDA**

1. Minutes of September 16, 2021, Regular Board Meeting, and October 11, 2021, Special Meeting
2. Approve Personnel Recommendations including Chapter 21 Hiring
3. Adoption of Resolution Approving the 2021 Tax Roll
4. Approve addition of two roles in the Transportation Department be added to the 2021-2022 Compensation Plan
5. Approve a title change and pay scale upgrade for the Senior Director of Secondary Education Position

6. Approve Campus Improvement Plans 2021-2022 - Partner Campuses

It was moved by Denise Spooner, and seconded by Stacey Lewis, that the Board approve the items on the Consent Agenda as presented to the Board.

President Robert Dunn called for a vote on the motion:

YAYS: Robert C. Dunn, Sr., Joe A. Evans, Jr.,  
Tillie Hickman, Stacey Lewis, Woodrow  
Reece, Kevin Reece and Denise Spooner

NAYS: None

MOTION PASSED: 7-0

F. ACTION ITEMS

1. Approve 2021-2022 Class Size Waivers

It was moved by Joe Evans, and seconded by Denise Spooner, that the Board approve 2021-2022 Class Size Waivers.

President Robert Dunn called for a vote on the motion:

YAYS: Robert C. Dunn, Sr., Joe A. Evans, Jr., and Denise  
Spooner

NAYS: Woodrow Reece, Tillie Hickman, Kevin Reece, and  
Stacey Lewis

MOTION FAILED: 3-4

**Amended Motion.**

It was moved by Tillie Hickman. and seconded by Denise Spooner. to reconsider and approve the motion approving the 2021-2022 Class Size Waivers.

President Robert Dunn called for a vote on the motion:

YAYS: Robert C. Dunn, Sr., Joe A. Evans, Jr., Stacey Lewis, Jr.,  
Tillie Hickman and Denise Spooner

NAYS: Woodrow Reece and Kevin Reece

MOTION PASSED: 5-2

2. Action, if any, on items discussed in closed session is stated above.
3. Approve Budget Amendments

It was moved by Tillie Hickman, and seconded by Woodrow Reece, that the Board approve the budget amendments.

President Robert Dunn called for a vote on the motion:

YAYS: Robert C. Dunn, Sr., Joe A. Evans, Jr., Tillie Hickman, Stacey Lewis, Woodrow Reece, Kevin Reece and Denise Spooner

NAYS: NONE

MOTION PASSED: 7-0

4. Approve the Resolution of the Board Regarding Wage Payments During Emergency School Closure related to Tropical Storm Nicholas

It was moved by Stacey Lewis, and seconded by Woodrow Reece, that the Board Approve the Resolution of the Board Regarding Wage Payments During Emergency School Closure related to Tropical Storm Nicholas.

President Robert Dunn called for a vote on the motion:

YAYS: Robert C. Dunn, Sr., Joe A. Evans, Jr., Tillie Hickman, Stacey Lewis, Woodrow Reece, Kevin Reece and Denise Spooner

NAYS: NONE

MOTION PASSED: 7-0

5. Approve Purchases of \$50K or More

It was moved by Stacey Lewis, and seconded by Tillie Hickman, that the Board approve Purchases of \$50K or More.

President Robert Dunn called for a vote on the motion:

YAYS: Robert C. Dunn, Sr., Joe A. Evans, Jr., Tillie Hickman, Stacey Lewis, Woodrow Reece, Kevin Reece and Denise Spooner

NAYS: NONE

MOTION PASSED: 7-0

**ADJOURNMENT**

It was moved and seconded to adjourn this meeting, the meeting adjourned at 10:01 p.m.



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.E.2.**

**Agenda Item Title:** Approve Hiring Chapter 21 and Director Employees

**Cabinet Level Presenter(s):** Derwin Samuels, Jr., Executive Director of Human Resources

**Additional Presenter(s):** N/A

**Executive Summary:** Listed below are Chapter 21 recently hired within the District

**Recommendation:** Approve Administration's Hiring Recommendation. The employees' names are included with the enclosed coversheet.

**Budget Impact\* (if applicable):** N/A

**Funding Source (if applicable):** N/A

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** N/A

**Policy Reference (if applicable, list policy/regulation):**

**Legal Review (if necessary, list attorney and firm):**

Derwin Samuels  
Cabinet Level Presenter's Signature

11/3/2021  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact)

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Counsel's Signature

\_\_\_\_\_  
Date

## **Administration's Hiring Recommendation**

Angela Williams

Angele Powers

Constance White

Cynthia Beechey

Dione Tatum

Joseph Jenkins

Kalie Hall

Lynsie Fontenot

Marilyn Tennissen

Stephen Taylor

Thuylan Dinh



# Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.E.3.**

**Agenda Item Title:** Approve the Resolution of Votes Cast for the Jefferson Central Appraisal District Board of Directors.

**Cabinet Level Presenter(s):** Dr. Shannon Allen, Superintendent and/or Sierra Fisher, General Counsel

**Additional Presenter(s):**

**Executive Summary:** The Board of Directors of the Jefferson Central Appraisal District is comprised of five members who are elected by the governing bodies of the taxing entities within the District. Resolution Casting Votes for Jefferson County Appraisal District Board of Directors.

**Recommendation:** Cast Beaumont ISD's Voting Allocation of 1,139 Votes

**Budget Impact\* (if applicable):**

**Funding Source (if applicable):**

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** N/A

**Policy Reference (if applicable, list policy/regulation):**

**Legal Review (if necessary, list attorney and firm):** N/A

Shannon Allen  
Cabinet Level Presenter's Signature

10/28/21  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact)

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Counsel's Signature

\_\_\_\_\_  
Date



## CERTIFICATE FOR RESOLUTION

I hereby certify that the foregoing resolution was presented to the Board of Trustees of the Beaumont Independent School District during a duly called and posted public board meeting on November 16, 2021.

A quorum of the Board of Trustees being then present, it was then duly moved and seconded that the resolution be adopted, and such resolution was then adopted according to the following vote:

Ayes: \_\_\_\_\_ Nays: \_\_\_\_\_ Abstentions: \_\_\_\_\_

ADOPTED on this the 16<sup>th</sup> day of November 2021.

\_\_\_\_\_

President, Board of Trustees

**ATTEST:**

\_\_\_\_\_

Secretary, Board of Trustees

## JEFFERSON COUNTY APPRAISAL DISTRICT

### Voting Allocation for 2022 - 2023 Board of Directors Based on 2020 Tax Levies

	<u>2020 Tax Levy</u>	<u>% of Total Tax Levy</u>	<u># of Votes</u>
Drainage District #6	\$20,570,123.42	3.39%	169
Drainage District #7	\$33,408,896.01	5.50%	275
Navigation and Waterways Dist	\$21,640,932.43	3.56%	178
Port of Beaumont	\$11,011,512.63	1.81%	91
Port of Port Arthur	\$11,809,139.93	1.94%	97
Port of Sabine Pass	\$1,215,034.21	0.20%	10
Trinity Bay Conservation Dist	\$25,124.47	0.00%	0
WCID #10	\$1,163,394.56	0.19%	10
<b>SUBTOTAL C &amp; R DISTRICTS:</b>	<b>\$100,844,157.66</b>	<b>16.60%</b>	<b>830</b>
Jefferson County	\$88,186,540.62	14.52%	726
Beaumont ISD	\$138,370,797.63	22.78%	1,139
Hamshire-Fannett ISD	\$9,144,531.17	1.51%	75
Hardin Jefferson ISD	\$6,385,935.29	1.05%	53
Nederland ISD	\$37,686,593.77	6.20%	310
Port Arthur ISD	\$82,576,036.09	13.60%	680
Port Neches-Groves ISD	\$35,893,614.19	5.91%	296
Sabine Pass ISD	\$10,236,088.26	1.69%	84
City of Beaumont	\$55,762,721.99	9.18%	459
City of Bevil Oaks	\$123,714.14	0.02%	1
City of Groves	\$6,143,572.98	1.01%	51
City of Nederland	\$7,166,215.37	1.18%	59
City of Port Arthur	\$21,651,856.26	3.56%	178
City of Port Neches	\$7,161,288.31	1.18%	59
City of Taylor Landing	\$50,776.60	0.01%	0
<b>SUBTOTALS:</b>	<b>\$506,540,282.67</b>	<b>83.40%</b>	<b>4,170</b>
<b>TOTALS:</b>	<b>\$607,384,440.33</b>	<b>100.00%</b>	<b>5,000</b>

# **ELECTION BALLOT**

## **Jefferson Central Appraisal District**

### **Board of Directors, 2022 - 2023 Term of Office**

---

The following individuals have been nominated:

*Allison Nathan Getz*

*Eugene Landry*

*Lauren Williams Mason*

*Nicky Matt*

*Dr. Louis Reed*



# Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.E.4.**

**Agenda Item Title:** Approve Revision for Board Policies BE and BED (LOCAL) and Board Operating Procedures" with the exhibits being BE (Local) and the Board Operating Procedures.

**Cabinet Level Presenter(s):** N/A

**Additional Presenter(s):**

**Executive Summary:** Consider amending Board Policy BE (Local) and our Board Operating Procedure to reflect that "the Board President shall call special meetings at the Board President's discretion or on request by two members of the Board, and the deadline for agenda preparation; BED (Local) under Public Comment for Special Meetings it is to reflect that an individual's comments to the Board shall not exceed one and one half minutes per meeting.

**Recommendation:**

**Budget Impact\* (if applicable):**

**Funding Source (if applicable):**

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** N/A

**Policy Reference (if applicable, list policy/regulation):**

**Legal Review (if necessary, list attorney and firm):** N/A

Shannon Allen  
Cabinet Level Presenter's Signature

11/3/21  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact)

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Counsel's Signature

\_\_\_\_\_  
Date

**Meeting Place and Time**

The notice for a Board meeting shall reflect the date, time, and location of the meeting.

**Regular Meetings**

Regular meetings of the Board shall normally be held on the third Thursday of each month at 6:30 p.m.; however, closed session meetings begin at 5:00 p.m. When determined necessary and for the convenience of Board members, the Board President may change the date, time, or location of a regular meeting with proper notice.

**Special or Emergency Meetings**

The Board President shall call special meetings at the Board President's discretion or on request by ~~four~~two members of the Board.

The Board President shall call an emergency meeting when it is determined by the Board President or two members of the Board that an emergency or urgent public necessity, as defined by law, warrants the meeting.

**Agenda**

Deadline

The deadline for submitting items for inclusion on the agenda is the ~~seventh~~fifth calendar day before regular meetings and the third calendar day before special meetings.

Preparation

In consultation with the Board President, the Superintendent shall prepare the agenda for all Board meetings. Any two members of the Board may request that a subject be included on the agenda for a meeting, and the Superintendent shall include on the preliminary agenda of the meeting all topics that have been timely submitted by two Board members.

**Notice to Members**

Members of the Board shall be given notice of regular and special meetings at least 72 hours prior to the scheduled time of the meeting and at least one hour prior to the time of an emergency meeting.

**Closed Meeting**

Notice of all meetings shall provide for the possibility of a closed meeting during an open meeting, in accordance with law.

The Board may conduct a closed meeting when the agenda subject is one that may properly be discussed in closed meeting. [See BEC]

**Order of Business**

The order of business for regular Board meetings shall be as set out in the agenda accompanying the notice of the meeting. At the meeting, the order in which posted agenda items are taken may be changed by consensus of Board members.

**Rules of Order**

The Board shall observe the parliamentary procedures as found in *Robert's Rules of Order, Newly Revised*, except as otherwise provided in Board procedural rules or by law. Procedural rules may be

suspended at any Board meeting by majority vote of the members present.

**Voting**

Voting shall be by voice vote or show of hands, as directed by the Board President. Any member may abstain from voting, and a member's vote or failure to vote shall be recorded upon that member's request. [See BDAA(LOCAL) for the Board President's voting rights]

**Consent Agenda**

When the agenda is prepared, the Superintendent shall determine items, if any, that qualify to be placed on the consent agenda. A consent agenda shall include items of a routine and/or recurring nature grouped together under one action item. For each item listed as part of a consent agenda, the Board shall be furnished with background material. All such items shall be acted upon by one vote without separate discussion, unless a Board member requests that an item be withdrawn for individual consideration. The remaining items shall be adopted under a single motion and vote.

**Minutes**

Board action shall be carefully recorded by the Board Secretary or clerk; when approved, these minutes shall serve as the legal record of official Board actions. The written minutes of all meetings shall be approved by vote of the Board and signed by the Board President and the Board Secretary.

The official minutes of the Board shall be retained on file in the office of the Superintendent and shall be available for examination during regular office hours.

**Discussions and Limitation**

Discussions shall be addressed to the Board President and then the entire membership. Discussion shall be directed solely to the business currently under deliberation, and the Board President shall halt discussion that does not apply to the business before the Board.

The Board President shall also halt discussion if the Board has agreed to a time limitation for discussion of an item, and that time limit has expired. Aside from these limitations, the Board President shall not interfere with debate so long as members wish to address themselves to an item under consideration.

**Limit on  
Participation**

Audience participation at a Board meeting is limited to the portion of the meeting designated to receive public comment in accordance with this policy. At all other times during a Board meeting, the audience shall not enter into discussion or debate on matters being considered by the Board, unless requested by the presiding officer.

**Public Comment**

Regular Meetings

At regular Board meetings, the Board shall permit public comment, regardless of whether the topic is an item on the agenda posted with notice of the meeting.

Special Meetings

At all other Board meetings, public comment shall be limited to items on the agenda posted with notice of the meeting. [an individual's comments to the Board shall not exceed one and one-half minutes per special meeting.](#)

Procedures

Individuals who wish to participate during the portion of the meeting designated for public comment shall sign up with the presiding officer or designee before the meeting begins as specified in the Board's procedures on public comment and shall indicate the agenda item or topic on which they wish to address the Board.

Public comment shall occur at the beginning of the meeting.

Except as permitted by this policy and the Board's procedures on public comment, an individual's comments to the Board shall not exceed two and one-half minutes per meeting.

Meeting  
Management

When necessary for effective meeting management or to accommodate large numbers of individuals wishing to address the Board, the presiding officer may make adjustments to public comment procedures, including adjusting when public comment will occur during the meeting, reordering agenda items, deferring public comment on nonagenda items, continuing agenda items to a later meeting, providing expanded opportunity for public comment, or establishing an overall time limit for public comment and adjusting the time allotted to each speaker. However, no individual shall be given less than one minute to make comments.

Board's Response

Specific factual information or recitation of existing policy may be furnished in response to inquiries, but the Board shall not deliberate or decide regarding any subject that is not included on the agenda posted with notice of the meeting.

**Complaints and  
Concerns**

The presiding officer or designee shall determine whether an individual addressing the Board has attempted to solve a matter administratively through resolution channels established by policy. If not, the individual shall be referred to the appropriate policy to seek resolution:

- Employee complaints: DGBA
- Student or parent complaints: FNG
- Public complaints: GF

**Disruption**

The Board shall not tolerate disruption of the meeting by members of the audience. If, after at least one warning from the presiding officer, any individual continues to disrupt the meeting by his or her words or actions, the presiding officer may request assistance from law enforcement officials to have the individual removed from the meeting.

# Board Operating Procedures



**Beaumont ISD**  
Preparing Our Next Generation

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## Motto

Preparing Our Next Generation

## Vision

In collaboration with the entire community, we will create an inclusive environment of academic excellence that supports the diverse needs of all learners.

## Mission

Beaumont Independent School District will inspire and prepare all students for lifelong success by providing an exemplary education in a safe learning environment.

## Core Beliefs

The following are statements of the District's fundamental convictions, values, and character:

**I. All children can and will learn.**

*The District will prioritize effective, engaging instruction aligned with a challenging curriculum for all students.*

**II. We can achieve higher levels of performance within every facet of our organization.**

*The District will promote high expectations for all students and staff members, clearly defined district goals and strategically aligned resources.*

**III. Every classroom should have an effective teacher and every school should have an effective principal.**

*The District will recruit, develop, and retain highly effective teachers and administrators.*

**IV. All school and work environments should be safe, secure and supportive.**

*The District will ensure that learning and work environments are safe, secure and supportive in order for all students and staff to achieve high levels of performance.*

**V. In order to prepare our next generation to become responsible citizens, we should work collaboratively with our families and community partners.**

*The District will actively collaborate with families and community partners to maximize opportunities for the success of our students.*

**VI. We should be fiscally responsible and accountable to the public.**

*The District will implement financial procedures and internal controls to ensure fiscal responsibility.*

## Lone Star Governance

The Board subscribes to Lone Star Governance, which is a continuous improvement framework for governing teams (Boards in collaboration with their Superintendents) that choose to commit to intensively focus on one primary objective: Improving Student Outcomes. Lone Star Governance accomplishes this intense focus through tailored execution of the five points of the Texas Framework for School Board Development: 1) vision, 2) accountability, 3) structure, 4) advocacy, and 5) unity. In addition to Lone Star's singular focus on improving student outcomes, it provides a system for governing the secondary, but vital, legal and fiscal responsibilities of the Board.

## Student Outcome Goals

1. The percent of 3<sup>rd</sup> grade students that score meets grade level or above on STAAR Reading will increase from 25% to 55% by June 2024.
2. The percent of 3<sup>rd</sup> grade students that score meets grade level or above on STAAR Math will increase from 22% to 50% by June 2024.
3. The percentage of graduates that meet the criteria for CCMR will increase from 45.3% to 70% by August 2024.
4. Beaumont ISD will improve its perception in the community as indicated on an annual *net promoter* survey score.
5. Beaumont ISD will double the number of students enrolling/entering some form of higher education. Higher education being defined as military service, industry- based certification, two-year community college, or four-year university.
6. The district will increase the number of A or B-rated schools across the district from 2 to 8 by 2024.

## Ethics for School Board Members BBF (Local)

As a member of the Board, I shall promote the best interests of the District as a whole and, to that end, shall adhere to the following ethical standards:

### Equity in attitude

- I will be fair, just, and impartial in all my decisions and actions.
- I will accord others the respect I wish for myself.
- I will encourage expressions of different opinions and listen with an open mind to others' ideas.

### Trustworthiness in stewardship

- I will be accountable to the public by representing District policies, programs, priorities and progress accurately.
- I will be responsive to the community by seeking its involvement in District affairs and by communicating its priorities and concerns.
- I will work to ensure prudent and accountable use of District resources.
- I will make no personal promise or take private action that may compromise my performance or my responsibilities.

### Honor in conduct

- I will tell the truth.
- I will share my views while working for consensus.
- I will respect the majority decision as the decision of the Board.
- I will base my decisions on fact rather than supposition, opinion, or public favor.

### Integrity of character

- I will refuse to surrender judgment to any individual or group at the expense of the district as a whole.
- I will consistently uphold all applicable laws, rules, policies, and governance procedures.
- I will not disclose information that is confidential by law or that will needlessly harm the District if disclosed.

### Commitment to service

- I will focus my attention on fulfilling the Board's responsibilities of goal setting, policymaking, and evaluation.
- I will diligently prepare for and attend Board meetings.
- I will avoid personal involvement in activities the Board has delegated to the Superintendent.
- I will seek continuing education that will enhance my ability to fulfill my duties effectively.

### Student-centered focus

- I will be continuously guided by what is best for all students of the District.

## Board Operating Procedures

In effective school systems, the Superintendent and the Board function as a “TEAM OF EIGHT.” A structured approach to developing a vision for the district and setting goals is enhanced by first developing a system of standard operating procedures. The School Board is the corporate policy making body for the district and the Superintendent and staff provide the leadership to cause Board policies to be implemented. Therefore, the Beaumont ISD Board of Trustees and Superintendent function as a “TEAM OF EIGHT” to provide open communication to the staff and patrons of the district.

The Beaumont ISD Board of Trustees adopts these guidelines as Standard Operating Procedures to effectively communicate with staff, the public, and each other in the conduct of school business.

### **The Texas Open Meetings Act defines “meeting” as:**

A deliberation among a quorum of the Board, or between a quorum of the Board and another person, during which public business or public policy over which the Board has supervision or control is discussed or considered, or during which the Board takes formal action. (BE)

“Meeting” also means a gathering: (Government Code 551.001(4) and BE)

1. That is conducted by the Board or for which the Board is responsible
2. At which a quorum of members of the Board is present;
3. That has been called by the Board; and
4. At which Board members receive information from, give information to, ask questions of or receive questions from any third person, including an employee of the District, about the public business or public policy over which the Board has supervision or control.

The term “meeting” does not include the gathering of a quorum of the Board at a social function unrelated to public business that is conducted by the Board, or the attendance by a quorum of the Board at a regional, state, or national convention or workshop, ceremonial event or press conference, if formal action is not taken and any discussion of public business is incidental to the social function, convention, workshop, ceremonial event or press conference. (Government Code 551.001(4) and BE)

### **Open Meetings Requirement**

All Board members are expected to conduct themselves in accordance with the requirements of Government *Code*, Chapter 551. Board members will restrict discussions regarding school business to a Board meeting for which proper notice has been given of the topics to be discussed. All regular, special or called meetings of the Board are open to the public, except as provided by law. It should be remembered, however, that Board meetings are business meetings held in the public. (BE) Board meetings are business meetings held in the public. They are not public meetings.

### **Meeting Schedule**

Regular meetings of the Beaumont ISD Board of Trustees are generally held on the third Thursday of each month at 5:00 p.m. At least three days prior to the regular meeting, an Agenda Review workshop will be posted and held for the purpose of discussion only. The Board will provide written notice of the date, hour, place and subject(s) of each meeting it holds at the administration building entrance and on the District website. (Government Code 551.041) When determined necessary and for the convenience of the Trustees, the Board President may change the date or time of a regular meeting. The notice for that meeting will reflect the changed date and time. (BE)

## **Placing Items on the Agenda**

Agendas for Board meetings in Beaumont ISD are prepared by the Superintendent with consultation from the Board President. Two Trustees may request that an item be placed on the agenda. The Superintendent will include all Trustee-requested topics that have been submitted by noon of the ~~seventh~~ fifth calendar day before regular meetings and noon on the third calendar day before special meetings.

Action items will be presented to the Board President at the Agenda Review meeting before the regular scheduled Board meeting. Matters which do not appear on the agenda will not come up for action of the Board except in emergency situations. (BE) The Superintendent may pull agenda items at any time.

## **Preparing for Board Meetings**

A complete review of agenda items and materials is a necessary step to informed decision making. All Board members are encouraged to review all agenda items and materials thoroughly prior to a scheduled meeting. If, as a result of the review of agenda items, a Trustee has questions regarding the agenda that require information from an administrator, the Trustee should contact the Superintendent at least 48 hours prior to the meeting. The Superintendent or designee will contact the appropriate administrator to prepare a written response that will be shared with all members of the Board.

## **Order of Business**

The order of business for regular Board meetings is set out in the agenda. At the meeting, the order in which posted agenda items are taken may be changed by consensus of Board members. The Board does have the ability to adjust the agenda or table items, but the Board cannot add or discuss topics that are not on the agenda that was posted prior to the meeting. (BE)

## **Rules Followed during Board Meetings**

State law does not require the Board to use a specific set of rules. Beaumont ISD has selected *Robert's Rules of Order, Newly Revised* as its framework for parliamentary procedures, except as otherwise provided in Board procedural rules or by law. (BE)

## **Conduct of Members during Board Meetings**

The Board of Trustees, working in concert with the Superintendent, should strive to create and maintain a meeting atmosphere that allows the District's "Team of Eight" to work together in harmony for the benefit of the District as a whole. In order to do this, individual Board members must put aside personal preferences in favor of decisions that best represent the community at large. All questions, concerns and discussion regarding business currently under deliberation should be addressed to the Board President. Even if a Trustee wants to respond to a question or comment, made by another Board member, the Trustee should address the President and wait to be acknowledged. The Board President shall halt discussion that does not apply to the business before the Board. Differences of opinion are both unavoidable and beneficial at times. Board members are expected to treat each other with courtesy and respect, despite their differences. Adherence to established Board operating procedures should allow differences of opinion to be expressed in a professional and appropriate manner.

Board members should, in every way, strive to make Board meetings effective, efficient and professional. During Board meetings, Trustees should remember to do all of the following: (BE)

- Act and dress professionally.
- Handle all interactions with each other, the Superintendent, staff, and public with respect.
- Refrain from responding to speaker comments or addressing the audience.

- Discuss only business currently under deliberation.
- Preside with fairness and provide members with equal time.

During regular board meetings, the Board President will limit each Board member to five minutes to ask questions regarding the topic at hand. The Board President will decide whether additional questions will be allowed. While full consensus on action items should always be a goal, it is not always possible to attain.

### **Disruption of Board Meetings**

The disruption of a Board meeting is a violation of law. If an individual, in attendance at a Board meeting, attempts to create a disturbance, the Board President will:

1. Attempt to call the meeting to order using a verbal warning, and
2. Warn the individual that disruption of the meeting will not be tolerated.

If the disruption continues, the Board President may:

1. Inform the individual that disruption of a Board meeting is a violation of the law, and/or
2. Recess the meeting to call the Beaumont ISD Police Department. (BED)

It is a criminal offense for a person, with intent to prevent or disrupt a lawful meeting, to substantially obstruct or interfere with the ordinary conduct of a meeting by physical action or verbal utterance and thereby curtail the exercise of others' First Amendment rights. (BED/Penal Code 42)

### **Voting**

Voting will be by electronic vote, voice vote or show of hands and directed by the Board President. No member may abstain from a vote unless they have a legal reason to do so, such as nepotism or a conflict of interest and they must declare their reason for abstaining. A member's vote or failure to vote shall be recorded upon that member's request. (BE)

Furthermore, we believe that if a Board member has a conflict of interest regarding an agenda item, they should recuse themselves from discussion of the item whether in open or closed session. When the discussions are ended and the votes are counted, all trustees should support the decision and function as a unified Board.

### **Public Participation at Board Meetings (BED Legal and Local)**

At regular Board meetings the Board shall allot 30 minutes to hear persons who desire to make comments to the Board. Persons who wish to participate in this portion of the meeting shall sign up with the Superintendent or presiding officer or designee before the meeting begins and shall indicate the topic about which they wish to speak.

Speakers shall be required to fill out a speaker participation form prior to speaking. The speaker shall be allotted two and one-half minutes if the speaker has filled out the form by the submission deadline of 5:00 p.m. on the day before the Board meeting. The time allotted to a speaker who fills out a form after 5:00 p.m. the day before the Board meeting, but before the start of the Board meeting will be allotted one and one-half minutes.

Speakers addressing the Board on items not listed on the agenda must sign up to speak prior to the beginning of the Board meeting.

Delegations of more than five persons on a topic may be required by the presiding officer to appoint one person to present their views before the Board.

At special meetings or Board workshops, audience participation shall be limited to addressing only topics on the agenda and shall be limited to one ~~and one-half~~ minutes per ~~speaker~~ special meeting.

### **Speaker Protocol**

The guidelines for speaker protocol shall be as follows:

1. Speakers shall be acknowledged by the Board President before speaking and must state their first and last name and their address.
2. Speakers shall refrain from direct questions to Board members, the Superintendent, District staff, or members of the audience while speaking. The Board will not answer questions from speakers during the communications portion of the meeting.
3. Speakers may not accrue minutes from other speakers.
4. Speakers shall not use profane or vulgar language.
5. Speakers shall refrain from making personal attacks against any person.
6. Speakers shall remain in the designated area for public comment.
7. The Board President shall reserve the right to conclude a speaker's privileges to address the Board if any of these provisions are violated.

Members of the audience shall not present matters involving District personnel during the public comment portion of the meeting. When a complaint about District personnel reaches the Board, it shall be heard in closed meeting, and the employee who is the subject of the complaint shall be invited to attend the meeting and respond to the complaint.

### **Video and Tape-Recording Open Meetings**

Any person in attendance at a Board meeting may record any or all of the open meeting by use of a tape recorder, video camera or any other means of aural or visual reproduction. Individuals recording may be required to sit in a designated area of the Board room. The Board does have the authority to establish reasonable rules to maintain order.

### **Closed Meetings**

The Board may conduct a closed meeting as permitted by Section 552 of the Government Code:

- Private consultation with the District's attorney.
- Deliberation regarding the purchase, exchange, lease, or value of real property.
- Deliberation of negotiation contract for prospective gift or donation to the District.
- Deliberation pertaining to the appointment, employment, evaluation, reassignment, duties, discipline or dismissal of a public officer or employee or to hear a complaint or charge against an officer or employee.
- Deliberation in a case in which a complaint or charge is brought against a District employee by another employee.
- Deliberation of a case involving discipline of a public-school child.
- Deliberation of a matter regarding a student if personally identifiable information about the student will be revealed.
- Deliberation of a public insurance, health, or retirement plan regarding the medical or psychiatric records of an individual applicant for a benefit from a plan.
- Deliberation of the deployment (or specific occasions for implementation) of security personnel or

devices or regarding a security audit.

- Discussion or adoption of individual assessment instruments or assessment instrument terms.
- Deliberation of information considered confidential under Government Code Sections 418.175-418.182 relating to Homeland Security.
- Deliberation regarding commercial or financial information received from a business prospect that the Board seeks to have locate, stay or expand in or near the District and with which the Board is conducting economic development negotiations or the offer of a financial or other incentive to such a business prospect.

### **Procedure for Closed Meetings**

Before going to a closed meeting, at least a quorum of the Board must convene in an open meeting for which proper notice must be given. The Board must reconvene in an open meeting at the conclusion of a closed meeting prior to adjournment. (BE)

A final action, decision, or vote on a matter deliberated in a closed meeting will be made only in an open meeting for which proper notice has been given. (BE)

### **Certified Agenda or Tape Recording of Closed Sessions**

The Board will either keep a certified agenda or make a tape recording of the proceedings of each closed meeting, except for private consultation with the District's attorney in accordance with Board Policy BE.

Closed meetings may not be recorded by an individual trustee against the wishes of a majority of the Board. No Board member shall participate in a closed meeting knowing that neither a certified agenda nor tape recording of the closed meeting is being made. (BEC) No individual, corporation or partnership shall, without lawful authority, disclose to a member of the public the certified agenda or tape recording of a meeting that was lawfully closed to the public. Certified agendas or tape recordings of closed meetings will be retained for at least two years after the date of the meeting or until the conclusion of litigation.

### **Public Access to Certified Agenda/Tape Recordings**

A certified agenda or tape recording of a closed meeting is available for public inspection and copying only under a court order issued as a result of litigation involving an alleged violation of the Open Meetings Act. (BEC)

### **Prohibitions**

No Board member shall knowingly call or aid in calling or organizing a closed meeting, close a regular meeting, or participate in a closed meeting that is not permitted under the Open Meetings Act. (BEC)

## **Board Policies**

Beaumont ISD is guided by Board-approved and adopted policies that are easily accessible to district employees, parents, students, and community residents. The Texas Association of School Boards (TASB) Board Policy Service recommends local policy updates for the Board's consideration.

Legally referenced policies require the Board's approval only. Proposed local policies or amendments introduced and recommended to the Board at the Agenda Review workshop may be adopted at the next regularly scheduled Board meeting. Emergency adoption may occur in one meeting if special circumstances demand an immediate response.

Local policies become effective upon Board adoption or at a future date designated by the Board at the time of adoption.

## **Planning and Decision-Making**

The Board must ensure that a District Improvement Plan and Campus Improvement Plans are developed, reviewed and revised annually for the purpose of improving the performance of all students. The Board shall annually approve District and campus performance objectives and shall ensure that the District and campus plans:

1. Are mutually supportive to accomplish the identified objectives; and
2. At a minimum, support the state goals and objectives under Education Code Chapter 4.

Beaumont ISD must have a District Improvement Plan that is developed, evaluated and revised annually, in accordance with District policy.

The purpose of the District Improvement Plan is to guide District and campus staff in the improvement of student performance for all student groups in order to attain or exceed state standards in respect to student achievement indicators.

### **Evaluation**

At least every two years, the District must evaluate the effectiveness of the District's decision-making and planning policies, procedures, and staff development activities related to District- and campus-level decision-making and planning to ensure that they are effectively structured to positively impact student performance.

### **Planning and Decision-Making Process**

The Board is required to adopt a policy to establish a District-and campus-level and decision-making process that will involve the professional staff of the District, parents and community members in establishing and reviewing the District's and campus' educational plans, goals, performance objectives and major classroom instructional programs.

## **Board Member Rights/Responsibilities**

### **Access to Records**

Individual Beaumont ISD Board members, acting in their official capacity, have access to any records pertaining to District fiscal affairs, business transactions, governance, and personnel, including existing reports and internal correspondence that properly may be withheld from members of the general public in accordance with Texas Public Information Act. (BBE)

Individual Board members have access to personally identifiable student records that properly may be withheld from members of all the general public only in accordance with Board Policy FL.

Individual Board members are encouraged to seek access to or copies of records through the Superintendent or designee. The designee is required to inform the Superintendent of the records provided. (BBE)

Board members, who do request and gain access to confidential records, have a responsibility to maintain confidentiality.

### **Request for Reports/Information**

Individual Board members shall not direct or require District employees to prepare reports derived from an analysis of information in existing records or to create a new report compiled from information in existing records.

Board members must go through the Board President to request reports or information that may not be readily available. At least three Board members, one to include the Board President, must agree that the report or information will have significant value in their ability to make informed decisions. No report or information will be requested without this level of support from the Board as a whole.

### **Conflict of Interest**

Board Policy BBFA provides guidance to Board members in areas that may be construed as being a conflict of interest and when disclosure statements are necessary. It is critical that every member of the Board of Trustees be familiar with their legal requirements.

### **Media Relations**

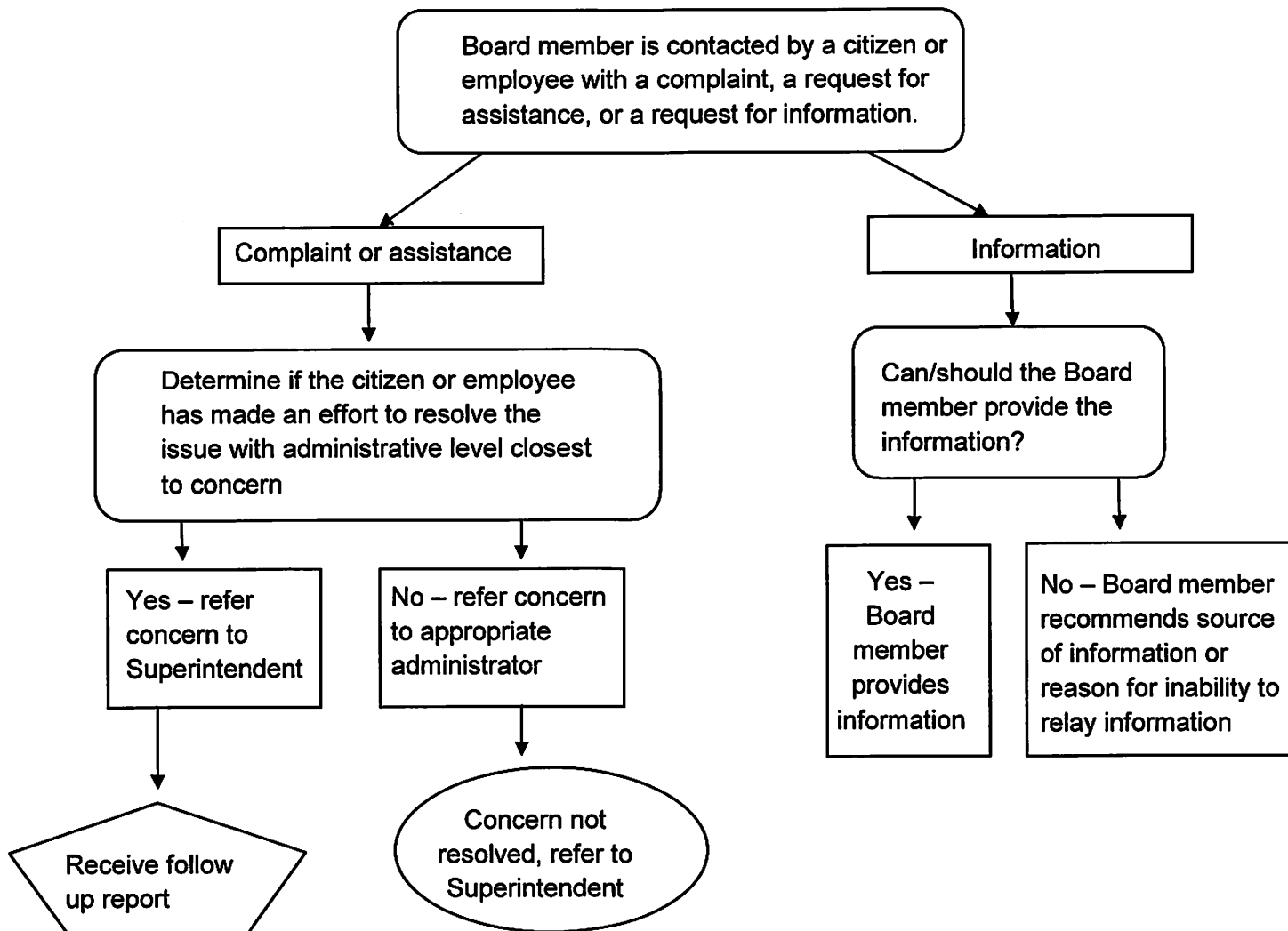
The Board President and/or Superintendent will represent the district with the media. The Board President may designate other Board members to meet with the media for particular issues. The Superintendent may designate other Cabinet members to meet with the media for particular issues.

### **Evaluation of the Superintendent**

The Board will appraise the Superintendent annually using either the Commissioner's recommended appraisal process (available through Region 5) or a process and criteria developed by the District (See also BJA)

### **Referring Complaints**

If citizens bring concerns or complaints to an individual Board member, he or she should refer them to appropriate District personnel for resolution. The Board member should inform the patron that procedures are in place for dealing with complaints of all types. In general, campus-level complaints should be addressed first with the teacher (if the problem pertains to a classroom situation) and then with the appropriate campus administrator. See diagram below.



The Board of Trustees encourages input; however, anonymous communications will not receive Board attention (unless it is a matter of student/school safety). Signed letters regarding a concern or complaint, received by a member of the Board, should be forwarded to the Superintendent's office for appropriate follow-up and/or response as soon as possible. ***For more detailed information regarding complaint procedures, refer to the appropriate Board Policy as follows:***

Open Meetings: BE      Complaints against peace officers: CKE      Employee complaints: DGBA  
 Instructional materials: EFA      Student/parent complaints: FNG      Public complaints: GF

### Visits to Schools

Individual Board members interested in visiting schools or classrooms shall inform the Superintendent or principal of such visits and make arrangements for visitations through the principals of various schools. Such visits shall be regarded as informal expression of interest in school affairs and not as "inspections" or visits for supervisory or administrative purposes. Official visits by Board members shall be made only under Board authorization and with the full knowledge of staff, including the Superintendent, principals, and other administrators. Board members having children enrolled in the District's schools and classrooms shall be entitled to the same rights, privileges and courtesies as all other parents or guardians.

## **Role of the Internal Audit Department**

The purpose of the internal audit department is to provide the Board and superintendent with independent, objective analysis to improve organizational effectiveness.

The Board and superintendent will work collaboratively with the director of internal audit to develop an annual internal audit plan that is not covered under the administration's scheduled activities. The primary focus of the internal audit plan will be to analyze risk management and evaluate internal controls on behalf of the Board to avoid impropriety of governance, in order to protect and improve the district.



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.E.5.**

**Agenda Item Title:** Adopt board policy EHBAA (Local) and EHB (Local)

**Cabinet Level Presenter(s):** Dr. White

**Additional Presenter(s):**

**Executive Summary:** BISD is participating in an IDEA cyclical monitoring review to determine compliance with federal and state laws for serving students with disabilities. While the District already has procedures in local handbooks to implement these requirements, TEA is requiring board-adopted local policy in two areas 1) A policy related to the district's ongoing training opportunities for teachers of students with dyslexia; and 2) A policy to ensure that a student transitioning from Early Childhood Intervention (ECI) has an IEP developed and implemented by the child's third birthday. TEA is also requiring districts to have a written administrative procedure to ensure compliance with the requirement to report through PEIMS the number of students enrolled in the district who are identified as having dyslexia. The proposed policies EHBAA (Local) and EHB (Local) satisfy the requirements from TEA.

**Recommendation:** Adopt board policy EHBAA (Local) and EHB (Local)

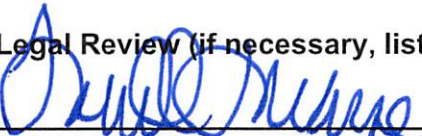
**Budget Impact\* (if applicable):**

**Funding Source (if applicable):**

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** N/A

**Policy Reference (if applicable, list policy/regulation):**

**Legal Review (if necessary, list attorney and firm):** N/A

  
\_\_\_\_\_  
Cabinet Level Presenter's Signature

  
\_\_\_\_\_  
Date

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\*CFO Signature (required if there is a budget impact)

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Date

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General Counsel's Signature

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Date

**ADD POLICY: 11.5.2021**

When a student transitions from early childhood intervention (ECI) to early childhood special education (ESCE) services, the District shall develop and implement an individualized education program (IEP) by the child's third birthday.

**ADD POLICY: 11.5.2021**

In accordance with administrative procedures, the District shall provide regular training opportunities for teachers of students with dyslexia that include new research and practices for educating students with dyslexia.



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.E.6.**

**Agenda Item Title:** Approve recommended vendors for RFQ 22.06 Architectural and Engineering Services

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):** Peggy Haynes and Allen Devault

**Executive Summary:** A Request for Quotes (RFQ) was issued for Architectural and Engineering Services. There was a total of 13 qualified responses. The RFQ is for one year with four additional one-year renewal options. The scope includes year-round architectural and engineering services.

**Recommendation:** Approve Architectural Alliance, Fittz and Shipman, and Salas O'brien as the district's awarded vendors for architectural and engineering services.

**Budget Impact\* (if applicable):** Estimated \$800,000

**Funding Source (if applicable):** General Fund / Capital Projects / Federal Fund

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** Ch. 44.031, EDGAR, 2 CFR 200

**Policy Reference (if applicable, list policy/regulation):** CH (LOCAL)

**Legal Review (if necessary, list attorney and firm):**

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/9/2021  
Date

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\*CFO Signature (required if there is a budget impact)

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Date

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General Counsel's Signature

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Date

RFQ 22.06 Architectural and Engineering			Award	Purchasing Notes
Vendor Category	Vendor	Points Average		
Architect	STOA	71.60		
Architect	Smith and Company	71.60		
Engineering	EMA	77.00		
Engineering	DBR	77.20		
Architect	Corgan	77.20		
Architect	Raba Kistner	81.20		
Architect	Claycomb	82.60		
Architect	Joiner	89.20		
Architect	LaBiche	89.80		
Architect	PBK	90.80		
Engineering	Salas O'brien	91.20	X	Mechanical, electrical, plumbing
Architect	Architectural Alliance	94.20	X	Architectural / interior design / security
Engineering	Fittz & Shipman	97.00	X	Structural, civil, and survey

Tabulators:
Beau Carroll
Carrie Sarver
Peggy Haynes
Allen Devault
Mark McClelland
CERTIFIED: 10/22/2021



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.E.7.**

**Agenda Item Title:** Approve recommended vendor for RFP 22.07 Paraprofessional Development Services

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):** Angela Mireles

**Executive Summary:** A Request for Proposals (RFP) was issued for Paraprofessional Development Services. Texas ASCD is a Texas Education Agency approved vendor. Texas ASCD advances leadership and innovative capabilities of diverse educators and influences policy to ensure each child is healthy, safe, engaged, supported, and challenged. We only received one response to this solicitation. The bid period was extended for a week with no further responses received.

**Recommendation:** Approve Texas Association of Supervision and Curriculum as the district's awarded vendor for paraprofessional development services.

**Budget Impact\* (if applicable):** Estimated \$93,750.00

**Funding Source (if applicable):** Federal / Esser III

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** Ch. 44.031, EDGAR, 2 CFR 200

**Policy Reference (if applicable, list policy/regulation):** CH (LOCAL)

**Legal Review (if necessary, list attorney and firm):**

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/9/2021  
Date

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\*CFO Signature (required if there is a budget impact)

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Date

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General Counsel's Signature

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Date



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.E.8.**

**Agenda Item Title:** Approve recommended vendors for RFP 22.08 Licensed Specialist in School Psychology (LSSP) Supplemental Services

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):** Beau Carroll, Dr. Tyrell White

**Executive Summary:** A Request for Proposals (RFP) was issued for LSSP Services. There were 13 invitations sent to prospective vendors, with three responses. The RFP award is for one year with three additional one-year renewal options. The scope includes year-round LSSP services.

**Recommendation:** Approve Southeast Texas Behavioral and Presence Learning as the district's awarded vendor for LSSP supplemental services.

**Budget Impact\* (if applicable):** Estimated \$100,000.00

**Funding Source (if applicable):** Federal Fund

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** Ch. 44.031

**Policy Reference (if applicable, list policy/regulation):** CH (LOCAL)

**Legal Review (if necessary, list attorney and firm):**

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/9/2021  
Date

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\*CFO Signature (required if there is a budget impact)

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Date

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General Counsel's Signature

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Date

Beaumont ISD  
 RFP #22.08 LSSP Supplemental Services

Description	E-Therapy		Southeast Texas Behavioral		Persence Learning	
		Points		Points		Points
Price (35)		32.00		25.00		35.00
Technical Capabilities / Experience (15)		13.00		15.00		14.00
Understanding of district needs (15)		5.00		15.00		10.00
Qualifications / Financial Stability (15)		15.00		14.00		15.00
Minority or Woman owned business (5)		5.00		5.00		0.00
Presentation (5)		3.00		2.00		4.00
Best Value Tradeoff (10) Proximity to District		3.00		10.00		0.00
	CARROLL	76.00		86.00		78.00
	TOTAL	76.00		86.00		78.00

Best Value Tradeoff utilized for: proximity of vendor to district

Bid Evaluator:  
 Beau Carroll

Certified by:  
 Dr. Tyrell White



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.E.9.**

**Agenda Item Title:** Approve recommended vendors for RFP 22.11 Contract for Fencing Projects

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):** Peggy Haynes and Beau Carroll

**Executive Summary:** A Request for Proposals (RFP) was issued for Fencing Projects. The bid scope utilized is for the upcoming transportation facility at the Babe location. There were two qualified responses. The RFP is for one year with two additional one-year renewal options.

**Recommendation:** Approve A-1 Maida Fence as the district's vendor for the upcoming transportation facility at the Babe. Approve both A-1 Maida Fence and BeauTex Fence as the district's awarded vendors for fencing projects.

**Budget Impact\* (if applicable):** Estimated \$140,000.00

**Funding Source (if applicable):** General Fund / Capital Projects

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** Ch. 44.031

**Policy Reference (if applicable, list policy/regulation):** CH (LOCAL)

**Legal Review (if necessary, list attorney and firm):**

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/9/2021  
Date

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\*CFO Signature (required if there is a budget impact)

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Date

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General Counsel's Signature

\_\_\_\_\_  
Date

Beaumont ISD

RFP #22.11 Fencing Projects

Description	A-1 Maida Fence		BeauTex Fence	
	Points	Points	Points	Points
Price (35)	35.00		31.00	
Technical Capabilities / Experience (15)	15.00		13.00	
Understanding of district needs (15)	15.00		14.00	
Qualifications / Financial Stability (15)	12.00		10.00	
Minority or Woman owned business (5)	0.00		0.00	
Presentation (5)	2.00		4.00	
Best Value Tradeoff (10) Proximity to District	10.00		10.00	
	89.00		82.00	
	89.00		82.00	



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.E.10.**

**Agenda Item Title:** Approve membership in Central Texas Purchasing Alliance

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):** Beau Carroll

**Executive Summary:** The CTPA is a Texas-based cooperative purchasing network that serves as an administrative agency in accordance with Section 791.001 of the Texas Government Code. The agency focuses on “piggybacking” or shared awards amongst its membership, which now consists of over 70 Texas school districts.

**Recommendation:** Approve membership in the Central Texas Purchasing Alliance.

**Budget Impact\* (if applicable):** Estimated \$100.00

**Funding Source (if applicable):** General

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** Ch. 44.031

**Policy Reference (if applicable, list policy/regulation):** CH (LOCAL)

**Legal Review (if necessary, list attorney and firm):**

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/9/2021  
Date

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\*CFO Signature (required if there is a budget impact)

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Date

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General Counsel's Signature

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Date



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.E.11.**

**Agenda Item Title:** Consider approval of project delivery and contract award method to be used for construction contracts

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):** Peggy Haynes

**Executive Summary:** The district has several construction projects to be procured with Capital Project Funds. Texas Government Code section 2269.056 requires that any school district that considers procuring a construction contract using a method authorized by Government Code Chapter 2269 other than competitive bidding must, before advertising, determine which method provides the best value for the district, and the Board of Trustees must determine the project delivery/contract award method to be used for each construction contract valued at or above \$50,000. Pursuant to Board Policy CV (Local), the administration recommends that Job Order Contracting (JOC) be utilized as the project delivery/contract award methods.

**Recommendation:** Approve project delivery method and contract award method of Job Order Contract (JOC) for the Transportation Facility and West Brook Auxiliary Building.

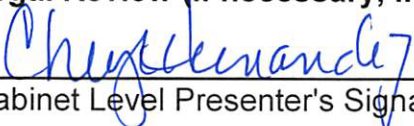
**Budget Impact\* (if applicable):**

**Funding Source (if applicable):**

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** CV (Legal) and (Local)

**Policy Reference (if applicable, list policy/regulation):** CV (Legal) and (Local)

**Legal Review (if necessary, list attorney and firm):**

  
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Cabinet Level Presenter's Signature

  
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Date

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\*CFO Signature (required if there is a budget impact)

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Date

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General Counsel's Signature

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Date



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.F.2.**

**Agenda Item Title:** Approve Budget Amendments

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):**

**Executive Summary:**

**Recommendation:** Approve budget amendment GF-5 and accept amendments SR-8 and SR-9

**Budget Impact\* (if applicable):**

**Funding Source (if applicable):**

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):**

**Policy Reference (if applicable, list policy/regulation):**

**Legal Review (if necessary, list attorney and firm):**

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/8/2021  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact)

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Date

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General Counsel's Signature

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Date

## Explanations of November Budget Amendments

### General Fund GF-5

- Transfer \$2,000 from instructional general supplies to staff development employee travel for staff to be able to attend workshops and trainings to aide in teaching students (original campus budget did not allocate funds to function 13 for staff development) – Homer ES (123).
- Transfer \$800 from school leadership fixed assets to instructional fixed assets to purchase additional classroom technology equipment – Jones-Clark ES (129).
- Transfer \$1,448 from instructional general supplies to maintenance & operations fixed assets to purchase (2) water bottle filler stations for the campus, per PLA's request – Smith MS (042).
- Transfer \$1,448 from instructional general supplies to maintenance & operations fixed assets to purchase (2) water bottle filler stations for the campus, per PLA's request – Jones-Clark ES (129).
- Transfer a total of \$8,000 from staff development extra duty & instructional leadership general supplies to instructional and community & parent services general supplies for testing materials for identification & reclassification of Emergent Bilingual Students & materials, books and supplies for parent trainings – Bilingual Education (809).
- Transfer \$2,000 from instructional temporary campus workers to instructional leadership extra duty for coordinator extra duty for after school tutorials (original campus budget did not allocate funds to function 21 for instructional leadership) – Beaumont United HS (014).
- Transfer \$1,000 from instructional extra duty to staff development travel for Region 5 workshops & trainings for teachers (original campus budget did not allocate funds to function 13 for staff development) – Blanchette ES (127).
- Transfer \$3,000 from instructional extra duty to instructional leadership extra duty for after school tutorials – Vincent MS (048).
- Transfer a total of \$255,000 from instructional salaries:
  - \$200,000 for security & monitoring misc contracted services for additional police contracted services – Police Dept (850).
  - \$55,000 for maintenance & operations misc contracted services to build a monument at Memorial Stadium – Maintenance & Operations (819)

### SR-8

- Fund 289 Title IV - Transfer funds to cover cost of Technology TCEA Conference Registration for employees.

### SR-9

- Fund 446 State Deaf- Increased Budget amounts Reallocated to Deaf Co-op budget in teams.

**2021-2022 BUDGET AMENDMENT NUMBER GF-5**

	<u>Current Budget</u>	<u>Change</u>	<u>Amended Budget</u>
<b><u>Expenditures</u></b>			
199.11.6399.04.123.30.000	31,850	(2,000)	29,850
199.13.6411.04.123.30.000	-	2,000	2,000
198.23.6395.01.129.99.000	2,967	(800)	2,167
198.11.6395.04.129.30.000	7,400	800	8,200
197.11.6399.01.042.11.000	6,385	(1,448)	4,937
197.51.6395.01.042.99.000	-	1,448	1,448
198.11.6399.01.129.11.000	4,500	(1,448)	3,052
198.51.6395.01.129.99.000	-	1,448	1,448
199.13.6117.58.809.25.232	30,000	(5,000)	25,000
199.21.6399.58.809.25.000	10,000	(3,000)	7,000
199.11.6399.58.809.25.000	26,000	5,000	31,000
199.61.6399.58.809.25.000	-	3,000	3,000
199.11.6126.04.014.30.301	4,500	(2,000)	2,500
199.21.6117.04.014.30.301	-	2,000	2,000
199.11.6122.04.129.30.000	1,376	(1,000)	376
199.13.6411.04.127.30.000	-	1,000	1,000
199.11.6117.04.048.30.301	14,730	(3,000)	11,730
199.21.6117.04.048.30.301	-	3,000	3,000
199.11.6119.90.014.11.000	3,914,249	(255,000)	3,659,249
199.52.6299.69.850.99.000	30,000	200,000	230,000
199.51.6299.80.819.99.000	1,560,386	55,000	1,615,386
 Total Expenditures		<u>-</u>	
 <b>Net Change in the General Fund Budget</b>		<u>-</u>	

---

**2021-2022 BUDGET CHANGE**

Total Revenues/Other Sources	173,445,347		173,445,347
Total Expenditures	<u>176,495,817</u>	<u>-</u>	<u>176,495,817</u>
 2021-2022 Adjusted	 (3,050,470)	 -	 (3,050,470)

**2021-2022 BUDGET AMENDMENT NUMBER SR-8**

	<u>Current Budget</u>	<u>Change</u>	<u>Amended Budget</u>
<b><u>Expenditures</u></b>			
<b>Instruction</b>			
289.11.6412.00.856.30.000	4,000	(3,800)	200
289.11.6299.00.856.24.000	191,600	(7,000)	
<b>Curriculum Dev/Staff Dev</b>			
289.13.6411.00.856.24.000	-	10,800	10,800
	-	-	-
Total Expenditures		<u>-</u>	
Net (Increase) Title IV PART A		-	
<hr/>			
<b>2021-2022 BUDGET CHANGE</b>			
Total Revenues/Other Sources	723,287		723,287
Total Expenditures	<u>723,287</u>		<u>723,287</u>
2021-2022 Adjusted	-	-	-

**2021-2022 BUDGET AMENDMENT NUMBER SR-9**

	<u>Current Budget</u>	<u>Change</u>	<u>Amended Budget</u>
<b><u>Expenditures</u></b>			
<b>Instruction</b>			
446.11.6117.00.838.23.000	12,825	2,175	15,000
446.11.6119.00.838.23.000	153,024	(42,094)	110,930
446.11.6129.00.838.23.000	99,328	82,870	182,198
446.11.6141.00.838.23.000	3,659	246	3,905
446.11.6142.00.838.23.000	38,640	16,871	55,511
446.11.6143.00.838.23.000	921	62	983
446.11.6146.00.838.23.000	7,622	598	8,220
446.11.6219.00.838.23.000	7,500	17,900	25,400
446.11.6299.00.838.23.000	250,800	25,000	275,800
<b>Instructinal Leadership</b>			
446.21.6119.00.838.23.000	154,073	1,748	155,821
446.21.6129.00.838.23.000	31,997	71	32,068
446.21.6146.00.838.23.000	7,448	219	7,667
446.21.6211.00.838.23.000	-	5,000	5,000
446.21.6395.00.838.23.000	2,500	2,500	5,000
446.21.6399.00.838.23.000	5,500	2,500	8,000
<b>Guidance &amp; Counseling Service</b>			
446.31.6119.00.838.23.000	56,811	2,972	59,783
446.31.6141.00.838.23.000	824	43	867
446.31.6143.00.838.23.000	207	11	218
446.31.6146.00.838.23.000	2,219	251	2,470
446.31.6219.00.838.23.000	5,000	1,200	6,200
446.31.6299.00.838.23.000	-	23,000	23,000
<b>Community Services</b>			
446.61.6129.00.838.23.000	24,047	446	24,493
446.61.6141.00.838.23.000	349	7	356
446.61.6143.00.838.23.000	320	5	325
446.61.6146.00.838.23.000	565	35	600
<b>Total Expenditures</b>		<b>143,636</b>	
<b>Net (Increase) DEAF-COOP -STATE</b>		<b>143,636</b>	

**2021-2022 BUDGET CHANGE**

Total Revenues/Other Sources	1,079,626	143,636	1,223,263
Total Expenditures	1,079,626	143,636	1,223,263

2021-2022 Adjusted

- - -



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** III.F.3.

**Agenda Item Title:** Approve Purchases over \$50,000.00

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):** Chief Malbrough, Peggy Haynes, Angela Mireles, Dr. Donna Prudhomme

**Executive Summary:** The attached list reflects the purchase over \$50,000.00.

**Recommendation:** Approve purchases in the amounts shown on attached list.

**Budget Impact\* (if applicable):** General Fund - \$191,739.17  
Capital Projects Fund - \$1,487,397.00  
Federal Fund: - \$195,025.00

**Funding Source (if applicable):** General Fund / Capital Projects Fund / Federal Fund

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** Ch. 44.031, EDGAR, 2 CFR 200

**Policy Reference (if applicable, list policy/regulation):** CH (LOCAL), CV (Legal) and (Local), CVF (Legal) and (Local)

**Legal Review (if necessary, list attorney and firm):** N/A

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/16/21  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact)

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Counsel's Signature

\_\_\_\_\_  
Date

## General Fund

Vendor	Department	Description/Justification of Purchase	Contract #	Cost
Allied Universal	Police	<p>Provide campuses with additional security officer support: 4 officers at each high school, 1 at each middle school, and 1 at ECHS for a total of 15 officers. Projected cost is for 7 weeks and excludes 3 weeks while schools are out on holiday leave.</p> <p>Recommendation: Approve contract with Universal Protection Service, LP d/b/a Allied Universal Security Services (Central Texas Purchasing Alliance, Dallas ISD RFP #RV-205715) for a term of one year in an amount not to exceed \$84,546.00 and delegate authority to the Superintendent or designee to negotiate, finalize, and execute a contract for such services.</p>	<p>RFP #RV-205715 via Central Texas Purchasing Alliance upon approval of membership</p>	\$84,546.00
LIT	Curriculum	Fall Lamar Institute of Technology classes for Early College High School.	MOU	\$107,193.17
<b>TOTAL</b>				<b>\$191,739.17</b>
<b>Capital Projects Fund</b>				
CCI	Maintenance	<p>This Job Order Contract is for minor construction related to the District's building envelope upgrades at 34 locations to eliminate air leakage and infiltration / exfiltration. Upgrades also include the addition of window film at 7 locations to increase occupancy comfort and reduce energy expenses.</p>	<p>TIPS #200201 (Trades JOC)</p>	<p>Not to Exceed \$759,525.00</p>
CCI	Maintenance	<p>This Job Order Contract is for minor construction related to the District's upgrade of the chlorine generation system and the purchase of a Hypochlorous Acid generator to produce sterilization products for throughout the district</p>	<p>TIPS #200201 (Trades JOC)</p>	<p>Not to Exceed \$595,875.00</p>

A-1 Maida	Maintenance	Install 3300' of 8' galvanized chain-link fence with 3-strand barbed wire with 4 gates	RFP #22.11	\$131,997.00
<b>TOTAL</b>				<b>\$1,487,397.00</b>

### Federal Fund

ASCD	Curriculum	Paraprofessional training and development. Multiple training sessions will be provided for ongoing support.	RFP #22.07	\$109,125.00
XELLO	CTE	Xello is an engaging, online program that helps K-12 students define their future goals and transform their aspirations into actionable plans for success. The program puts students at the center of their college and career planning experience	Region 19 #19-7327	\$86,900.00
<b>TOTAL</b>				<b>\$195,025.00</b>



# Board Exhibit Cover Sheet

Meeting Date: November 16, 2021

Agenda Item/Exhibit Number: **III.F.4.**

Agenda Item Title: Approve 2020-2021 Annual Financial Report

Cabinet Level Presenter(s): Cheryl Hernandez

Additional Presenter(s): Celina Cereceres, Whitley Penn

Executive Summary: The audit firm of Whitley Penn has completed the audit of fiscal year ended June 30, 2021. The Annual Financial Report is presented for your approval.

Recommendation: Approve the 2020-21 Annual Financial Report

Budget Impact\* (if applicable):

Funding Source (if applicable):

Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):

Policy Reference (if applicable, list policy/regulation):

Legal Review (if necessary, list attorney and firm):

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/8/2021  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact)

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Counsel's Signature

\_\_\_\_\_  
Date

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**BEAUMONT  
INDEPENDENT SCHOOL DISTRICT**

**ANNUAL FINANCIAL  
AND COMPLIANCE REPORT**

**For the Year Ended June 30, 2021**

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*CPAs and Professional Consultants*



**BEAUMONT INDEPENDENT  
SCHOOL DISTRICT**

**ANNUAL FINANCIAL AND  
COMPLIANCE REPORT**

**For the Fiscal Year Ended June 30, 2021**



# BEAUMONT INDEPENDENT SCHOOL DISTRICT

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# BEAUMONT INDEPENDENT SCHOOL DISTRICT

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## CERTIFICATE OF BOARD

**Beaumont Independent School District**

Name of School District

**Jefferson County**

County

**123-910**

Co. - Dist. No.

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and approved for the fiscal year ended June 30, 2021, at a meeting of the Board of Trustees of such school district on November 16, 2021.

\_\_\_\_\_  
President of the Board

\_\_\_\_\_  
Secretary of the Board



## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***Opinions***

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

To the Board of Trustees  
Beaumont Independent School District

**Other Matters**

***Required Supplementary Information***

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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The other supplemental information such as the combining and individual nonmajor fund financial statements, and required Texas Education Agency schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The other supplementary information described above is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2021, on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.



Houston, Texas  
November 10, 2021

## **BEAUMONT INDEPENDENT SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the Beaumont Independent School District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021.

#### **Financial Highlights**

The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$103,522,597 (*net position*). Of this amount, unrestricted net position amounted to a deficit of (\$29,154,739). This deficit was caused by the net pension and net OPEB liabilities recognized in fiscal year 2021. This recognition of such liabilities does not affect the financial stability of the District nor does it change how the District conducts its financial decision making. Rather, the District is reflecting its portion of the liabilities that the State of Texas manages and operates.

- The District's total net position at year end increased by \$29,451,121. The significant increase was mainly due to increase in charges for services and property taxes and significant decrease in total expenses.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$91,857,212, an increase of \$10,570,616 in comparison with the prior year.
- As of the close of the current fiscal year, unassigned fund balance for the general fund of \$60,634,108 is 38 percent of total general fund expenditures. The assigned fund balance for the general fund of \$2,516,358 is for purchase order carryforwards.
- The District's total bonded debt decreased by \$22,795,000 (8 percent) during the current fiscal year. There was a cash defeasance in the amount of \$10,920,262 during fiscal year 2021. The par amount of the refunded bonds was \$10,815,000 of Unlimited Tax School Building Bonds, Series 2011.

#### **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 are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information and other 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 business.

The *Statement of Net Position* presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused sick leave).

The *Government-wide financial statements* of the District are principally supported by taxes and intergovernmental revenues (*governmental activities*).

## **BEAUMONT INDEPENDENT SCHOOL DISTRICT**

### ***MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)***

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, Extracurricular Activities, General Administration, Facilities Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Long-term Debt, Debt Issuance Costs and Fees, Facilities Repairs and Maintenance, Payments to Fiscal Agent/Member Districts of SSA, and Other intergovernmental charges.

#### **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, like 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 spendable resources, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds 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 impact 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 maintains several individual governmental funds. 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 and debt service fund, all of which are considered to be major funds. Data from the nonmajor governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the financial statements. The District adopts an annual appropriated budget for its general fund, debt service fund, and the Child Nutrition program special revenue fund.

#### **Proprietary Fund**

The District maintains an individual internal service fund for Workers' Compensation. *Internal service funds*, one type of proprietary fund, are an accounting device used to accumulate and allocate costs internally among the District's various funds and functions. Because these services predominantly benefit governmental functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary fund statements provide the same type of information as the government-wide financial statements, only in more detail.

#### **Fiduciary Fund**

The fiduciary funds are used to account for resources held for the benefit of the parties outside the government. *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. The District is the trustee or fiduciary for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's *fiduciary activities* are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Notes to the 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.

**Required Supplementary Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The required supplementary information relates to comparison of the original adopted budget, the final amended budget, and the actual amounts for the fiscal year. This is required supplementary information for the general fund and any major special revenue funds. The District did not have any major special revenue funds; therefore, only the general fund is presented as required supplementary information. In addition, required supplementary information includes a schedule of the District's proportionate share of the Net Pension Liability - TRS, a schedule of District's contributions - TRS for the past seven years, a schedule of the District's proportionate share of the Net OPEB Liability - TRS, and a schedule of the District's OPEB contributions for the past four years.

**Other Information**

The combining and individual fund statements and schedules and other supplementary information are presented immediately following the required supplementary information.

**Government-wide Financial Analysis**

***Net Position***

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$103,522,597 at the close of the most recent fiscal year.

The largest portion of the District's net position \$121,410,672 reflects its investment in capital assets (e.g., land, buildings and improvements, furniture and equipment, construction in progress), less any outstanding 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.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

As of June 30, 2021, the District's net position included the following:

	<b>Governmental Activities</b>	
	<b>2021</b>	<b>2020</b>
<b>Assets:</b>		
Current and other assets	\$ 129,127,837	\$ 122,626,568
Capital assets, net of depreciation and noncurrent assets	414,299,099	421,606,447
<b>Total Assets</b>	<b>543,426,936</b>	<b>544,233,015</b>
<b>Deferred Outflows of Resources:</b>		
Deferred charge on refunding	4,058,690	4,368,225
Deferred outflows - pension	22,955,247	24,065,676
Deferred outflows - OPEB	12,771,942	12,274,679
<b>Total Deferred Outflows of Resources</b>	<b>39,785,879</b>	<b>40,708,580</b>
<b>Liabilities:</b>		
Current liabilities	32,443,071	36,939,341
Long term liabilities	401,150,883	436,407,694
<b>Total Liabilities</b>	<b>433,593,954</b>	<b>473,347,035</b>
<b>Deferred Inflows of Resources:</b>		
Deferred inflows - pension	7,796,575	9,711,208
Deferred inflows - OPEB	38,299,689	27,811,876
<b>Total Deferred Inflows of Resources</b>	<b>46,096,264</b>	<b>37,523,084</b>
<b>Net Position:</b>		
Net investment in capital assets	121,410,672	104,170,997
Restricted	11,266,664	13,368,531
Unrestricted	(29,154,739)	(43,468,052)
<b>Total Net Position</b>	<b>\$ 103,522,597</b>	<b>\$ 74,071,476</b>

Net position is restricted for various purposes as follows:

	<b>Governmental Activities</b>	
	<b>2021</b>	<b>2020</b>
Federal and state programs	\$ 1,588,241	\$ 3,437,590
Debt service	9,678,423	9,930,941
	<b>\$ 11,266,664</b>	<b>\$ 13,368,531</b>

Unrestricted net position for governmental activities is the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. At the end of the current fiscal year, the District reports deficit balance in unrestricted net position of (\$29,154,739) caused by the net pension and OPEB liabilities. The District's net position increased by \$29,451,121 during the current fiscal year. This is due to the increase in charges for services from Chapter 313 agreement revenues, slight increase in property tax values, and total significant decrease in total expenses due to closure of campuses as a result of the global COVID 19 pandemic.

**Changes in Net Position**

The Net Position of the District increased by \$29.5 million for the year ended June 30, 2021. The total revenues from taxpayers, user service fees, grants and other sources for the District was \$241.1 million.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

The special item in the amount of \$0.07 million was related to insurance proceeds and settlement for Tropical Storm Imelda. Total general revenues decreased by \$17.9 million compared to fiscal year 2020 due to significant decrease in state aid formula grants and insurance recoveries. Total expenses for the 2021 fiscal year were \$211.7 million or \$29.1 million less than expenses of fiscal year 2020.

**Comparative Schedule of Changes in Net Position**

**For the Years Ended June 30, 2021 and 2020**

	<b>Governmental Activities</b>	
	<b>2021</b>	<b>2020</b>
<b>Program Revenues</b>		
Charges for services	\$ 17,677,610	\$ 10,711,623
Operating grants and contributions	49,695,575	53,916,301
<b>General Revenues</b>		
Property taxes	138,681,873	136,622,319
State Aid - Formula Grants	34,828,568	38,525,938
Investment earnings	163,948	1,473,326
Special items (insurance recoveries)	68,592	12,740,739
Other	19,003	2,290,211
<b>Total Revenues</b>	<b>241,135,169</b>	<b>256,280,457</b>
<b>Expenses</b>		
Instruction	109,458,682	112,504,553
Instructional resources and media services	1,596,968	1,636,918
Curriculum and staff development	707,765	861,363
Instructional leadership	5,995,858	7,690,716
School leadership	11,989,106	12,722,912
Guidance, counseling, and evaluation services	6,746,809	7,311,168
Social work services	565,298	743,782
Health services	2,319,025	2,541,825
Student transportation	4,812,515	6,484,974
Food service	7,190,222	10,483,398
Extracurricular activities	5,348,657	5,647,085
General administration	6,600,125	7,358,574
Plant, maintenance and operations	26,756,462	42,035,045
Security and monitoring services	2,843,754	3,689,273
Data processing services	5,107,967	4,017,430
Community services	904,427	1,129,462
Interest on long-term debt	11,202,970	12,119,057
Debt issuance costs and fees	14,385	5,135
Payments to fiscal agent/member districts of SSA	342,597	346,988
Payments to Juvenile Justice Alternative Education Programs	150,000	150,000
Other intergovernmental charges	1,030,456	1,353,463
<b>Total Expenses</b>	<b>211,684,048</b>	<b>240,833,121</b>
Increase (Decrease) in Net Position	29,451,121	15,447,336
<b>Beginning Net Position</b>	<b>74,071,476</b>	<b>58,624,140</b>
<b>Ending Net Position</b>	<b>\$ 103,522,597</b>	<b>\$ 74,071,476</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Governmental Activities**

Governmental activities increased the District's net position by \$29,451,121 for the year ended June 30, 2021. The increase was caused by the increase in charges for services and property tax revenues and significant decrease in total expenses. Charges for services increased by \$7.0 million due to Chapter 313 agreements. Property tax revenues increased by \$2.1 million due to the increase in property values. State and other grant revenue decreased by \$3.7 million mainly due to the decrease in state funding. Approximately 58 percent of the District's revenues came from property taxes, with an additional 14 percent derived from state funding formulas. Last fiscal year, 53 percent of the District's revenues came from property taxes and 15 percent came from state funding formulas.

**Governmental Revenues by Type**

Revenues are generated primarily from three sources. Property taxes, state-aid formula grants, and operating grants and contributions represent of total revenues. The remaining is generated from charges for services, investment earnings, extraordinary item, and other revenues.

	<b>Total Revenues</b>	<b>% of Total Revenues</b>
Property taxes	\$ 138,681,873	57.5%
State Aid - Formula Grants	34,828,568	14.4%
Operating grants and contributions	49,695,575	20.6%
Charges for services	17,677,610	7.3%
Investment earnings	163,948	0.1%
Special items (insurance recoveries)	68,592	0.0%
Other revenue	19,003	0.0%
<b>Total Revenues</b>	<b>\$ 241,135,169</b>	<b>100%</b>

Fiscal year 2021 expenses are \$29.1 million less than fiscal year 2020. Approximately 52 percent of the District's expenses were expended for instructional activities. When combined with student and other support services such as transportation, counseling and nursing, 73 percent of the District's expenses were spent on direct student services.

**Governmental Expenses by Type**

The primary functional expenses of the District are instruction, school leadership, food service, plant maintenance and operations and interest expense, which represent 79% or approximately \$166.7 million of total expenses. The remaining functional categories of expenses are each less than 4 percent of total expenses.

	<b>Total Expenses</b>	<b>% of Total Expenses</b>
Instruction	\$ 109,458,682	51.7%
School Leadership	11,989,106	5.7%
Food service	7,190,222	3.4%
Plant, maintenance and operations	26,756,462	12.6%
Interest expense	11,202,970	5.3%
Other expenses	45,086,606	21.3%
<b>Total Expenses</b>	<b>\$ 211,684,048</b>	<b>100%</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Financial Analysis of the Government's Funds**

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

**Governmental Funds**

The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of a District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances increase of \$10,570,616 in comparison with the prior year. The increase in ending governmental fund balances is primarily due an increase in the General Fund and Nonmajor Governmental Fund balances.

The *general fund* is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$60,634,108 while total fund balance reached \$67,241,491. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 38 percent of total general fund expenditures, while total fund balance represents 42 percent of that same amount. The assigned fund balance of \$2,516,358 which is 2% of total general fund expenditures is for purchase order carryforwards. The fund balance of the District's general fund increased by \$3,518,337 during the current fiscal year due to revenues being higher than expenditures as a result of the global COVID-19 pandemic. The District received more funding and had a decrease in spending due closure of campuses.

The *debt service fund* has a total fund balance of \$13,054,366, all of which is restricted for the retirement of funded indebtedness. The net decrease in fund balance during the current year of \$749,409 was due to total principal and interest expenditures being higher than property taxes and state program revenues.

**General Fund Budgetary Highlights**

Differences between the original budget and the final amended budget of the general fund can be briefly summarized as follows:

	<b>Budget</b>	
	<b>Original</b>	<b>Final Amended</b>
Total revenues	\$ 170,606,485	\$ 174,777,695
Total expenditures	170,631,485	176,759,369
Total other financing sources (uses)	25,000	25,000
Total special item	-	817,688
<b>Net Change in Fund Balance</b>	<b>\$ -</b>	<b>\$ (1,138,986)</b>

The review of the final amended budget versus actual for the general fund reflected that expenditures were less than budgetary estimates. Budgetary estimates for the general fund related to state program revenues were more than actual amounts.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Capital Assets and Long-term Liabilities**

**Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2021 includes land, buildings and improvements, furniture and equipment, and construction in progress. The investment in capital assets for the current year was \$121,410,672. The following table summarizes the investment in capital assets as of June 30, 2021 and June 30, 2020:

	<b>2021</b>	<b>2020</b>
Land	\$ 14,484,184	\$ 14,484,184
Buildings and improvements	542,944,312	535,930,278
Furniture and equipment	15,325,029	14,629,579
Vehicles	21,385,396	21,205,122
Construction in progress	-	3,113,736
<b>Total</b>	<b>594,138,921</b>	<b>589,362,899</b>
Accumulated depreciation	(179,839,822)	(167,756,452)
<b>Net capital assets</b>	<b>\$ 414,299,099</b>	<b>\$ 421,606,447</b>

Additional information on the District's capital assets can be found in the notes to the financial statements.

**Long-term Liabilities**

At the end of the current fiscal year, the District had \$273,690,000 in bonded debt outstanding, a decrease of \$22,795,000 over the previous year. The District's bonds are sold and guaranteed through the Texas Permanent School Fund Guarantee Program or by a municipal bond insurance policy. The underlying rating of the bonds from Standard and Poor's is "BBB+" and from Moody's Investors Service is "Baa1" for general obligation debt.

Changes in general obligation bonds, for the fiscal year ended June 30, 2021 are as follows:

<b>Outstanding 07/01/20</b>	<b>Issued</b>	<b>Retired</b>	<b>Outstanding 06/30/21</b>
\$ 296,485,000	\$ -	\$ (22,795,000)	\$ 273,690,000

Additional information on the District's long-term liabilities can be found in the notes to the financial statements.

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

The Beaumont Independent School District adopted the following for 2021-2022:

- The maintenance and operations tax rate for fiscal year 2021-2022 is \$0.9089 while the debt service tax rate is \$0.25261 for a total tax rate of \$1.16151.
- The District adopted a General Fund budget for the year ended June 30, 2022 of \$173.4 million in revenues and expenditures.
- The Debt Service revenues are budgeted for \$35.4 million and expenditures are budgeted for \$35.4 million.
- The Child Nutrition budget is set for \$12.0 million in revenues and \$12.2 million in expenditures.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

The District continues adding programs and initiatives in an effort to promote student achievement. To assist with this the District was allotted \$25,428,686 in ESSER II and \$57,109,206 in ESSER III funds to assist with the student's learning loss due to COVID and has received NOGAs for \$25,428,686 and \$38,072,811, respectively to date.

On June 16, 2021, the District received notification from the Texas Education Agency that the monitor to the District had been removed.

**Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Chief Financial Officer, Beaumont Independent School District Beaumont Independent School District, 3395 Harrison Avenue, Beaumont, Texas 77706.



## **BASIC FINANCIAL STATEMENTS**

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**June 30, 2021**

Exhibit A-1

<u>Data Control Codes</u>		<u>Governmental Activities</u>
<b>Assets</b>		
1110	Cash and cash equivalents	\$ 101,197,991
1220	Property taxes receivables, net	6,293,375
1240	Due from other governments	17,150,486
1290	Other receivables, net	178,514
1300	Inventories	87,006
1410	Prepaid items	4,220,465
	Capital assets not subject to depreciation:	
1510	Land	14,484,184
	Capital assets net of depreciation:	
1520	Buildings and improvements, net	387,136,861
1530	Furniture and equipment, net	3,757,604
1531	Vehicles, net	8,920,450
<b>1000</b>	<b>Total Assets</b>	<b><u>543,426,936</u></b>
<b>Deferred outflows of resources</b>		
	Deferred charge on refunding	4,058,690
	Deferred outflows - pension	22,955,247
	Deferred outflows - OPEB	12,771,942
1700	<b>Total deferred outflows of resources</b>	<b><u>39,785,879</u></b>
<b>Liabilities</b>		
2110	Accounts payable	4,638,097
2140	Interest payable	4,139,816
2150	Payroll deductions and withholdings	1,403,787
2160	Accrued wages payable	15,319,976
2180	Due to other governments	5,204,415
2300	Unearned revenue	1,736,980
	Noncurrent Liabilities:	
2501	Due within one year	14,254,683
2502	Due in more than one year	285,796,182
2540	Net Pension Liability	48,796,352
2545	Net Other Post-Employment Benefits (OPEB) Obligation	52,303,666
<b>2000</b>	<b>Total Liabilities</b>	<b><u>433,593,954</u></b>
<b>Deferred Inflows of Resources</b>		
	Deferred inflows - pension	7,796,575
	Deferred inflows - OPEB	38,299,689
<b>2600</b>	<b>Deferred Inflows of Resources</b>	<b><u>46,096,264</u></b>
<b>Net Position</b>		
3200	Net investment in capital assets	121,410,672
	Restricted for:	
3820	Federal and state programs	1,588,241
3850	Debt service	9,678,423
3900	Unrestricted	(29,154,739)
<b>3000</b>	<b>Total Net Position</b>	<b><u>\$ 103,522,597</u></b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
For Year ended June 30, 2021

*Exhibit B-1*

Data Control Codes	Functions/Programs	Program Revenue			Net (Expense) Revenue and Changes in Net Position
		Expenses	Charges for Services	Operating Grants and Contributions	Primary Governmental Activities
<b>Governmental activities:</b>					
11	Instruction	\$ 109,458,682	\$ 16,159,616	\$ 24,082,667	\$ (69,216,399)
12	Instructional resources and media services	1,596,968	212	83,821	(1,512,935)
13	Curriculum and staff development	707,765	-	409,871	(297,894)
21	Instructional leadership	5,995,858	211	2,152,316	(3,843,331)
23	School leadership	11,989,106	1,101,727	1,009,264	(9,878,115)
31	Guidance, counseling, and evaluation services	6,746,809	-	1,131,403	(5,615,406)
32	Social work services	565,298	-	365,433	(199,865)
33	Health services	2,319,025	-	2,237,988	(81,037)
34	Student transportation	4,812,515	-	747,611	(4,064,904)
35	Food service	7,190,222	255,413	5,194,885	(1,739,924)
36	Extracurricular activities	5,348,657	152,325	197,487	(4,998,845)
41	General administration	6,600,125	-	3,144,211	(3,455,914)
51	Facilities maintenance and operations	26,756,462	4,406	2,505,918	(24,246,138)
52	Security and monitoring services	2,843,754	3,700	564,753	(2,275,301)
53	Data processing services	5,107,967	-	3,767,113	(1,340,854)
61	Community services	904,427	-	921,508	17,081
72	Interest on long-term debt	11,202,970	-	376,820	(10,826,150)
73	Debt issuance costs and fees	14,385	-	-	(14,385)
81	Facilities planning	-	-	802,506	802,506
93	Payments to fiscal agent/member districts of SSA	342,597	-	-	(342,597)
95	Payments to Juvenile Justice Alternative Education Programs	150,000	-	-	(150,000)
99	Other intergovernmental charges	1,030,456	-	-	(1,030,456)
<b>TG</b>	<b>Total Governmental Activities</b>	<b>\$ 211,684,048</b>	<b>\$ 17,677,610</b>	<b>\$ 49,695,575</b>	<b>\$ (144,310,863)</b>

Data Control Codes	General revenues:	
<b>Taxes:</b>		
MT	Property taxes, levied for general purposes	104,710,436
DT	Property taxes, levied for debt service	33,971,437
SF	State-aid formula grants	34,828,568
IE	Investment earnings	163,948
MI	Miscellaneous	19,003
SI	Special items (insurance recoveries)	68,592
<b>TR</b>	<b>Total General Revenues</b>	<b>173,761,984</b>
<b>CN</b>	<b>Change in net position</b>	<b>29,451,121</b>
<b>NB</b>	<b>Net Position - Beginning</b>	<b>74,071,476</b>
<b>NE</b>	<b>Net Position - Ending</b>	<b>\$ 103,522,597</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2021**

*Exhibit C-1*

Data Control Codes	General Fund	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>Assets</b>				
1110 Cash and cash equivalents	\$ 69,798,319	\$ 12,831,079	\$ 13,613,659	\$ 96,243,057
<b>Receivables:</b>				
1220 Property taxes - delinquent	14,503,958	4,519,124	-	19,023,082
1230 Allowance for uncollectible taxes (credit)	(9,154,596)	(3,575,111)	-	(12,729,707)
1240 Receivables from other governments	3,627,047	-	13,523,439	17,150,486
1260 Due from other funds	11,586,774	-	1,532,117	13,118,891
1290 Other receivables	133,461	43,147	1,906	178,514
1300 Inventories	-	-	87,006	87,006
1410 Prepaid items	4,091,025	-	-	4,091,025
<b>1000 Total Assets</b>	<b>\$ 94,585,988</b>	<b>\$ 13,818,239</b>	<b>\$ 28,758,127</b>	<b>\$ 137,162,354</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>				
<b>Liabilities</b>				
2110 Accounts payable	\$ 941,400	\$ -	\$ 2,164,137	\$ 3,105,537
2150 Payroll deduction and withholdings	1,320,146	-	83,641	1,403,787
2160 Accrued wages payable	13,692,969	-	1,627,007	15,319,976
2170 Due to other funds	1,532,117	-	11,586,774	13,118,891
2180 Payable to other governments	5,193,806	-	10,609	5,204,415
2300 Unearned revenue	12,376	-	1,724,604	1,736,980
<b>2000 Total Liabilities</b>	<b>22,692,814</b>	<b>-</b>	<b>17,196,772</b>	<b>39,889,586</b>
<b>Deferred Inflows of Resources</b>				
Unavailable revenues - property taxes	4,651,683	763,873	-	5,415,556
<b>2600 Total Deferred Inflows of Resources</b>	<b>4,651,683</b>	<b>763,873</b>	<b>-</b>	<b>5,415,556</b>
<b>Fund Balance</b>				
<b>Non-Spendable:</b>				
3430 Prepaid items	4,091,025	-	-	4,091,025
<b>Restricted:</b>				
3450 Federal/State funds grant restrictions	-	-	1,588,241	1,588,241
3470 Capital acquisitions and contractual obligations	-	-	-	-
3480 Retirement of long-term debt	-	13,054,366	-	13,054,366
<b>Committed:</b>				
3545 Other purposes	-	-	9,973,114	9,973,114
<b>Assigned</b>				
3590 Other purposes	2,516,358	-	-	2,516,358
3600 Unassigned	60,634,108	-	-	60,634,108
<b>3000 Total Fund Balances</b>	<b>67,241,491</b>	<b>13,054,366</b>	<b>11,561,355</b>	<b>91,857,212</b>
<b>4000 Total Liabilities, Deferred Inflows, and Fund Balances</b>	<b>\$ 94,585,988</b>	<b>\$ 13,818,239</b>	<b>\$ 28,758,127</b>	<b>\$ 137,162,354</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS TO**  
**STATEMENT OF NET POSITION**  
**June 30, 2021**

*Exhibit C-2*

<u>Data Control Codes</u>	<b>Total Fund Balance, Governmental Funds</b>	\$	91,857,212
	Amounts reported for governmental activities in the statements of net position are different because:		
1	Capital assets used in governmental activities are not financial resources and therefore, are not reported as assets in governmental funds. Capital assets at historical cost, net of accumulated depreciation, where applicable.		414,299,099
2	Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, these property taxes and related penalty and interest amounts (net of allowance for uncollectible accounts.)		5,415,556
3	Deferred charge on refunding		4,058,690
4	Deferred outflows relating to pension activities		22,955,247
5	Deferred outflows relating to other post employment benefits		12,771,942
	Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:		
6	General obligation bonds		(273,690,000)
7	Premium/Discount on issuance		(17,068,453)
8	Accumulated accretion on capital appreciation bonds		(1,365,034)
9	Capital leases payable		(6,188,664)
10	Accrued compensated absences		(1,738,714)
11	Accrued interest payable		(4,139,816)
12	Net pension liability		(48,796,352)
13	Net other post employment benefit liability		(52,303,666)
14	Deferred inflows relating to pension activities		(7,796,575)
15	Deferred inflows relating to other post-employment benefits		(38,299,689)
16	Addition of Internal Service fund net position (see D-1)		3,551,814
19	<b>Total Net Position-Governmental Activities</b>	<u>\$</u>	<u>103,522,597</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

Exhibit C-3

Data Control Codes	General Fund	Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
<b>Revenues</b>				
5700 Local, intermediate, and out-of-state	\$ 121,108,539	\$ 33,884,889	\$ 2,338,504	\$ 157,331,932
5800 State program revenues	42,241,868	376,820	1,231,352	43,850,040
5900 Federal program revenues	8,739,011	-	30,257,002	38,996,013
<b>5020 Total Revenues</b>	<b>172,089,418</b>	<b>34,261,709</b>	<b>33,826,858</b>	<b>240,177,985</b>
<b>Expenditures</b>				
<b>Current:</b>				
0011 Instruction	85,685,760	-	17,470,112	103,155,872
0012 Instruction resources and media services	1,511,674	-	37,527	1,549,201
0013 Curriculum and instructional staff development	284,234	-	381,508	665,742
0021 Instructional leadership	3,941,064	-	1,710,168	5,651,232
0023 School leadership	10,600,198	-	701,629	11,301,827
0031 Guidance, counseling and evaluation services	5,574,283	-	782,460	6,356,743
0032 Social work services	223,204	-	309,915	533,119
0033 Health services	1,950,967	-	234,326	2,185,293
0034 Student transportation	3,993,357	-	603,940	4,597,297
0035 Food services	-	-	6,830,978	6,830,978
0036 Extracurricular activities	5,152,883	-	30,371	5,183,254
0041 General administration	6,190,163	-	36,669	6,226,832
0051 Facilities maintenance and operations	23,930,614	-	2,283,866	26,214,480
0052 Security and monitoring services	2,200,877	-	479,151	2,680,028
0053 Data processing services	2,983,761	-	1,868,401	4,852,162
0061 Community services	52,738	-	854,654	907,392
<b>Debt Service:</b>				
0071 Principal on long-term debt	957,248	22,795,000	-	23,752,248
0072 Interest on long-term debt	157,716	12,201,733	-	12,359,449
0073 Debt issuance costs and fees	-	14,385	-	14,385
<b>Capital Outlay:</b>				
0081 Facilities acquisition and construction	2,212,833	-	1,104,154	3,316,987
<b>Intergovernmental:</b>				
0093 Payments to Fiscal Agent/Member Districts of SSA	342,597	-	-	342,597
0095 Payments to Juvenile Justice Alt. Ed. Prgm.	150,000	-	-	150,000
0099 Other intergovernmental charges	1,030,456	-	-	1,030,456
<b>6030 Total Expenditures</b>	<b>159,126,627</b>	<b>35,011,118</b>	<b>35,719,829</b>	<b>229,857,574</b>
1100 Excess (deficiency) of revenues over expenditures	12,962,791	(749,409)	(1,892,971)	10,320,411
<b>Other Financing Sources (Uses)</b>				
7912 Sale of real or personal property	175,852	-	5,761	181,613
7915 Transfers in	-	-	9,688,898	9,688,898
8911 Transfers out	(9,688,898)	-	-	(9,688,898)
<b>7080 Total Other Financing Sources (Uses)</b>	<b>(9,513,046)</b>	<b>-</b>	<b>9,694,659</b>	<b>181,613</b>
<b>Special Item</b>				
7918 Special items (insurance recoveries)	68,592	-	-	68,592
<b>8080 Total Special Items</b>	<b>68,592</b>	<b>-</b>	<b>-</b>	<b>68,592</b>
1200 Net change in fund balances	3,518,337	(749,409)	7,801,688	10,570,616
<b>0100 Fund Balance - July 1 (Beginning)</b>	<b>63,723,154</b>	<b>13,803,775</b>	<b>3,759,667</b>	<b>81,286,596</b>
<b>3000 Fund Balance - June 30 (Ending)</b>	<b>\$ 67,241,491</b>	<b>\$ 13,054,366</b>	<b>\$ 11,561,355</b>	<b>\$ 91,857,212</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2021**

*Exhibit C-4*

<u>Data Control Codes</u>		
	Net change in fund balances - total governmental funds (from C-3)	\$ 10,570,616
	Amounts reported for <i>governmental activities</i> in the statement of activities (B-1) are different because:	
	Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
1	Governmental funds capital outlays	4,858,089
2	Governmental funds depreciation expense	(12,165,437)
3	Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(85,419)
4	Repayment of long-term debt principal is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.	22,795,000
5	Repayment of capital lease is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.	957,248
	Some expenses reported in the statement of activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:	
6	Decrease in interest payable not recognized in fund statements	393,548
7	Decrease in accrued compensated absences	312,342
8	Amortization of premium/discount	1,104,310
9	Increase in accumulated accretion on capital appreciation bonds	(31,844)
10	Amortization of deferred charge on refunding	(309,535)
11	Changes in net pension liabilities and related deferred outflows and inflows of resources	(1,060,219)
12	Changes in net OPEB liabilities and related deferred outflows and inflows of resources	1,993,628
13	Internal service funds are used by management to charge the costs of certain activities, such as insurance to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities (see D-2).	118,794
	<b>Change in Net Position of Governmental Activities (See B-1)</b>	<u><u>\$ 29,451,121</u></u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
*June 30, 2021*

*Exhibit D-1*

	<b>Governmental</b>	<b>Activities - Internal</b>
	<b><u>Service Fund</u></b>	
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$	4,954,934
Prepaid Items		129,440
<b>Total Current Assets</b>		<b><u>5,084,374</u></b>
<b>Total Assets</b>		<b><u>5,084,374</u></b>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accrued expenses		1,532,560
<b>Total Current Liabilities</b>		<b><u>1,532,560</u></b>
<b>Total Liabilities</b>		<b><u>1,532,560</u></b>
<b>Net Position</b>		
Unrestricted net position		3,551,814
<b>Total Net Position</b>	<b>\$</b>	<b><u>3,551,814</u></b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2021**

*Exhibit D-2*

	<b>Governmental Activities - Internal Service Fund</b>
<b>Operating Revenues</b>	
Miscellaneous revenue from local sources	\$ 3,795
Interfund services provided	<u>674,663</u>
<b>Total Operating Revenues</b>	<u>678,458</u>
<b>Operating Expenses</b>	
Claims expense and other operating expenses	<u>559,664</u>
<b>Total Operating Expenses</b>	<u>559,664</u>
Change in Net Position	118,794
<b>Net Position - July 1 (Beginning)</b>	<u>3,433,020</u>
<b>Net Position - June 30 (Ending)</b>	<u>\$ 3,551,814</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2021**

*Exhibit D-3*

	<b>Governmental Activities - Internal Service Fund</b>
<b>Increase (Decrease) in Cash and Cash Equivalents</b>	
<b>Cash Flows from Operating Activities:</b>	
Cash receipts from interfund services provided	\$ 4,955,411
Cash payments for insurance claims	(730,129)
<b>Net Cash Provided by (Used for) Operating Activities</b>	<u>4,225,282</u>
Net change in Cash and Cash Equivalents	4,225,282
<b>Cash and Cash Equivalents at Beginning of Year</b>	729,652
<b>Cash and Cash Equivalents at End of Year</b>	<u>\$ 4,954,934</u>
<b>Reconciliation to Balance Sheet</b>	
Cash and Cash Equivalents Per Cash Flow	<u>\$ 4,954,934</u>
Cash and Cash Equivalents per Balance Sheet	<u>\$ 4,954,934</u>
<b>Reconciliation of Operating Income to Net Cash Provided by Operating Activities:</b>	
Operating Income (Loss)	\$ 118,794
Change in Assets and Liabilities:	
Decrease (increase) in Interfund Receivables	4,276,953
Increase (decrease) in Accrued Expenses	<u>(170,465)</u>
<b>Net Cash Provided by (Used for) Operating Activities</b>	<u>\$ 4,225,282</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES AND NET POSITION**  
*June 30, 2021*

*Exhibit E-1*

	<u>Private Purpose Trust Funds</u>	<u>Custodial Fund</u>
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 50,654	\$ 315,206
Receivables:		
Other receivables	-	33,727
<b>Total Assets</b>	<u>\$ 50,654</u>	<u>\$ 348,933</u>
<b>Liabilities</b>		
Current Liabilities:		
Accounts payable	\$ -	\$ 21,540
<b>Total Liabilities</b>	<u>\$ -</u>	<u>\$ 21,540</u>
<b>Net Position</b>		
Restricted for student scholarships and other activities	\$ 50,654	\$ 327,393
	<u>\$ 50,654</u>	<u>\$ 327,393</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
*For the Year Ended June 30, 2021*

*Exhibit E-2*

	<u>Private Purpose Trust Funds</u>	<u>Custodial Fund</u>
<b>Contributions</b>		
Gifts and contributions	\$ -	\$ 15,955
Revenues from student activities		203,161
<b>Total Contributions</b>	<u>-</u>	<u>219,116</u>
<b>Deductions</b>		
Payments for student activities	-	245,745
<b>Total Deductions</b>	<u>-</u>	<u>245,745</u>
Change in net position	-	(26,629)
<b>Net Position Beginning of Year</b>	50,654	-
<b>Prior Period Adjustment Due to GASB No. 84 Implementation</b>	<u>-</u>	<u>354,022</u>
<b>Net Position - Ending</b>	<u>\$ 50,654</u>	<u>\$ 327,393</u>

**Note 1 - Summary of Significant Accounting Policies**

The Beaumont Independent School District (the "District") is an independent public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven-member Board of Trustees (the "Board") elected by the registered voters of the District and has fiscal accountability over all activities within the jurisdiction of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in the Statement of Auditing Standards of the American Institute of Certified Public Accountants; and it complies with the requirements of the appropriate version of Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

The following is a summary of the most significant accounting policies.

**A. Reporting Entity**

The District's Board is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is considered an independent entity for financial reporting purposes, and is considered a primary government as defined by GASB. As the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other, type of reporting entity.

**B. Government-wide and Fund 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 non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* include programs supported primarily by taxes, charges to school districts for services, state funds, grants, and other intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to students or users 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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Interfund activities between governmental funds and between governmental and proprietary funds appear as due to or due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other resources and other uses on the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position. All interfund transactions between governmental funds and between governmental and internal service funds are eliminated on the government-wide statements. Interfund activities between governmental funds and fiduciary funds remain as due to or due from on the government-wide Statement of Net Position.

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. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements while the agency funds have no measurement of focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the 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.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. With this measurement focus, only current assets, current liabilities, deferred inflows of resources, and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available, and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Revenues from local sources consist primarily of property taxes and are recorded as revenue when received. The District considers property tax revenue available if they expect the revenue to be collected within 60 days of the end of the fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

The District reports the following major governmental funds:

- The General Fund - The general fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
- Debt Service Fund - The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund. This is a budgeted fund and separate bank accounts are maintained.

The District reports the following nonmajor governmental funds:

- Special Revenue Funds - These funds account for resources restricted to or committed for specific purposes by a grantor, or for resources that are committed for specific purposes by the Board. Most federal and some state financial assistance is accounted for in a special revenue fund and sometimes unused balances must be returned to the grantor at the close of specified project periods.
- Capital Projects Funds – The proceeds from long-term financing and revenues and expenditures related to the acquisition, construction, or renovations as well as furnishing and equipping capital facilities are accounted for in this fund.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

Additionally, the District reports the following fund types:

- Internal Service Funds - These funds are used to account for financing of goods or services provided by one department to other departments of the District on a cost-reimbursement basis. The District operates the Workers' Compensation internal service fund.
- Private purpose trust funds – These funds are used to account for donations for scholarships funds that are received by the District that are to be awarded to current and former students for post-secondary education purposes.
- Custodial Funds - The District accounts for resources held for others in custodial funds. This fund uses the economic resources measurement focus and accrual basis. The District's Custodial Fund is the Student Activity.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* 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 District's internal service fund are charges to the funds and/or employees for self-funded health services. Operating expenses for the internal service fund include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**D. Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, certificates of deposit, investment pools, and short-term investments with original maturities of one year or less from the date of acquisition.

For purposes of the statement of cash flows for proprietary funds, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

The District's investment pools are valued and reported at amortized cost, which approximates fair value. The District categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79, *Certain Investment Pools and Pool Participants*.

**E. Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to the property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the fiscal year.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. Receivables and Payables (continued)**

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the General and Debt Service Funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

**F. Inventories and Prepaid Items**

Inventories of supplies on the balance sheet are stated at weighted average cost and they include consumable maintenance, instructional, office, athletic, and transportation items. Supplies are recorded as expenditures when they are consumed. Inventories of food commodities which are received at no cost are recorded as revenue at market value supplied by the Texas Department of Agriculture when received, and as expenditure when consumed. At year end, the commodities inventory is recorded to inventory. A portion of fund balance is classified as nonspendable to reflect minimum inventory quantities considered necessary for the District's continuing operations.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

**G. Capital Assets**

Capital assets, which include land, buildings, and furniture and equipment are reported in the applicable governmental activities column in the government-wide financial statements. 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. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Buildings, and furniture and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building	20 - 60
Buildings and Improvements	*
Furniture and Equipment	5 - 10
Automobiles and Trucks	3 - 5
Buses	10 - 12

\* Remaining life of building or 20 years whichever is less

**Note 1 - Summary of Significant Accounting Policies (continued)**

**H. Compensated Absences**

Compensated absences are absences for which employees will be paid, such as sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the government and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the government and its employees are accounted for in the period in which such services are rendered or such events take place.

The District has a vacation pay policy for twelve-month employees whereby eligible employees hired prior to July 1, 2001, shall receive vacation of ten to twenty days dependent upon the number of years of service. Effective July 1, 2001, a person hired by the District, or promoted by the District to a position normally requiring 240 days of service, earns vacation days during the first full year of employment on a pro rata basis depending on the date of hire; thereafter, 12 days of paid vacation are earned between July 1 to June 30 of each school year. All vacation days are forfeited if not taken by December 31 of each year; therefore, management believes that the liability for unused vacation days on June 30, 2020 is not material to the financial statements.

**I. Long-term Obligations**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type Statement of Net Position. Premiums and discounts are presented as a component of liabilities while deferred charges on refundings are presented as deferred outflows of resources. Both items are deferred and amortized over the life of the related debt using the straight-line method. Long-term debt is reported net of the applicable premium or discount.

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

**J. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of a government's net position (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

- Deferred outflows of resources for refunding – Reported in the government-wide financial statement of net position, this deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt

**Note 1 - Summary of Significant Accounting Policies (continued)**

**J. Deferred Outflows/Inflows of Resources (continued)**

- Deferred outflows of resources for pension – Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results 1) changes in actuarial assumptions; 2) differences between expected and actual actuarial experiences and 3) changes in the District’s proportional share of pension liabilities. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The remaining pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.
- Deferred outflows of resources for post-employment benefits – Reported in the government wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of 1) differences between projected and actual earnings on pension plan investments and 2) changes in the District’s proportional share of pension liabilities. The deferred outflows of resources related to post-employment benefits resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net post-employment benefit liability in the next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on OPEB plan investments will be amortized over a closed five-year period. The remaining deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with post-employment benefits through the post-employment benefit plan.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

- Deferred inflows of resources for unavailable revenues – Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow or resources in the period that the amounts become available.
- Deferred inflows of resources for pension – reported in the government-wide financial statement of net position, these deferred inflows result primarily from 1) differences between projected and actual earnings on pension plan investments; 2) changes in actuarial assumptions; 3) differences between expected and actual actuarial experiences and 4) changes in the District’s proportional share of pension liabilities. The deferred inflows resulting from differences between projected and actual earnings on pension plan investments will be amortized over a closed five-year period. The remaining pension related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.
- Deferred inflows of resources for post-employment benefits – Reported in the government wide financial statement of net position, these deferred inflows result primarily from 1) changes in actuarial assumptions and 2) differences between expected and actual actuarial experiences. These post-employment related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with post-employment benefits through the post-employment benefit plan.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**K. Pensions**

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's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**L. Other Post-Employment Benefits.**

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

**M. Net Position**

Net Position on the Statement of Net Position includes the following:

- Net investment in capital assets - this component of net position consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt will be included in this component of net position.
- Restricted for federal and state programs - this component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets, which are restricted by federal and state granting agencies.
- Restricted for Debt Service - this component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. The assets arise from bond issuances which have constraints placed on them by the bond covenants for the purpose of future debt service payments.
- Unrestricted net position - this component of net position is the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

**N. Fund Balance**

The fund balance in governmental funds has been classified as follows to describe the nature and relative strength of the spending constraints:

- *Non-spendable fund balance* - Represents amounts that are not in spendable form, such as inventory and prepaids, or are required to be maintained intact.
- *Restricted fund balance* - Represents amounts constrained to specific purposes by their providers, such as grantors, bondholders, and higher levels of government, through constitutional provisions, or by enabling legislation.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**N. Fund Balance (continued)**

- *Committed fund balance* - Represents amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority, i.e., Board of Trustees. To be reported as committed, amounts cannot be used for any other purpose unless the District's Board of Trustees approves the changes by Board Resolution. The fund balance of the campus activity fund is committed for use at the campuses per board policy. The fund balance of the capital projects fund is committed for the new Transportation building, security vestibules, and other ongoing projects approved by the Board.
- *Assigned fund balance* - Represents amounts the District intends to use for a specific purpose. Intent can be expressed by the District or by an official or body to which the Board of Trustees delegates the authority. The Board of Trustees has retained this authority. There was an assigned fund balance during the current fiscal year due to purchase order carryforwards.
- *Unassigned fund balance* - Represents amounts that are available for any purpose. Positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board of Trustees or the District Fund Managers have provided otherwise in their commitment or assignment actions.

In the fund financial statements, certain governmental funds report restrictions of the entire fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Since the entire fund balance is restricted for these funds, all assets are in essence restricted for their specified purpose.

When the District incurs an expense for which it may use either restricted or unrestricted resources, it uses the restricted resources first unless unrestricted resources will have to be returned because they were not used. Since Internal Service Funds support the operations of governmental funds, they are consolidated with the governmental funds in the government-wide financial statements. The expenditures of governmental funds that create the revenues of internal service funds are eliminated to avoid "grossing up" the revenues and expenses of the District as a whole.

The District sponsors self-insured plans to provide workers' compensation benefits to employees. Revenues of these Internal Service Funds are received from both the District's governmental and proprietary funds. Expenses are comprised of claims incurred during the fiscal year, professional and contracted services, and other miscellaneous expenses.

The General Fund is contingently liable for liabilities of these funds.

**O. Data Control Codes**

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

In accordance with the Resource Guide, the District has adopted and installed an accounting system which meets at least the minimum requirements prescribed by the Texas State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure presented in the Resource Guide. Mandatory codes are recorded in the order provided in the Resource Guide.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**P. 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.

**Q. Implementation of New Accounting Standards**

**The following GASB pronouncements have been implemented by the District in the current fiscal year:**

**GASB No. 84 *Fiduciary Activities*** was issued in January 2017 and effective for periods beginning December 15, 2019. This standard establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement will enhance consistency and comparability by (1) establishing specific criteria for identifying activities that should be reported as fiduciary activities and (2) clarifying whether and how business-type activities should report their fiduciary activities. This standard must be applied retroactively and as such beginning net position and/or fund balance have been restated. The District has evaluated the effects of this standard and has determined that the District's Student Activity Fund met the criteria to be reported as a custodial fund in the basic financial statements.

**GASB No. 90 *Majority Equity Interests, an amendment of GASB Statements No. 14 and No. 61*** was issued in August 2018 and effective for periods beginning December 15, 2019. The primary objectives of this Statement are to improve consistency in the measurement and comparability of the financial statement presentation of majority equity interests in legally separate organizations and to improve the relevance of financial statement information for certain component units. An equity interest is a financial interest in a legally separate organization evidenced by the ownership of shares of the organization's stock or by otherwise having an explicit, measurable right to the net resources of the organization that is usually based on an investment of financial or capital resources by a government. An equity interest is explicit and measurable if the government has a present or future claim to the net resources of the entity and the method for measuring the government's share of the entity's net resources is determinable. The District has determined that this Statement does not have an effect on the financial statements as of June 30, 2021.

**GASB Statement No. 98, *The Annual Comprehensive Financial Report***. This statement was issued in October 2021 and establishes the term annual comprehensive financial report and its acronym ACFR. This new term and acronym replace instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments. This statement is effective for fiscal years ending after December 15, 2021 but earlier application is encouraged. Management has evaluated the implementation of this statement and determined that it is not applicable to the District.

**Note 2 - Deposits and Investments**

**Cash Deposits:** The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank 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.

On June 30, 2021, the carrying amount of the District's cash deposits (cash and interest-bearing accounts) was \$5,403,004 and the bank balance was \$6,529,240. The District's cash deposits on June 30, 2021, were entirely covered by FDIC Insurance or by pledged collateral held by the District's agent bank in the District's name.

**Investments:** The District's investment policy is in accordance with the Public Funds Investment Act (Government Code Chapter 2256). Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds.

The State Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. It requires the District to adopt, implement, and publicize an investment policy. The investment policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the United States Treasury, certain United States agencies, and obligations of the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers' acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. Management of the District believes it is in compliance with the requirements of the Act and with local policies. The District's temporary investments consist of balances held by the Texas Local Government Investment Pool (TexPool) and Lone Star Investment Pool (LSIP).

TexPool is a public funds investment pool created by the Texas Treasury Safekeeping Trust Company (Trust Company) to provide a safe environment for the placement of local government funds in authorized short-term, fully collateralized investments, including direct obligations of, or obligations guaranteed by, the United States or State of Texas or their agencies; federally insured certificates of deposit issued by Texas banks or savings and loans; and fully collateralized direct repurchase agreements secured by United States Government agency securities and placed through a primary government securities dealer.

The Trust Company was incorporated by the State Treasurer by authority of the Texas Legislature as a special purpose trust company with direct access to the services of the Federal Reserve Bank to manage, disburse, transfer, safe keep, and invest public funds and securities more efficiently and economically. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. TexPool uses amortized cost rather than fair value to report net position to compute share prices. The fair value of the position in TexPool is the same as the value of TexPool shares. Accordingly, the District's investments in TexPool are stated at amortized cost, which approximates fair value. TexPool is currently rated AAAM by Standard and Poor's. This rating indicates excellent safety and a superior capacity to maintain principal value and limit exposure to loss.

**Note 2 - Deposits and Investments (continued)**

LSIP is a Texas public investment pool sponsored by the Texas Association of School Boards (TASB) for investment of funds by state and local government entities, primarily local school districts. The Board has entered into an agreement with First Public, LLC (First Public), a Texas limited liability company and a member of the National Association of Securities Dealers, Securities Investor Protection Corporation, and Municipal Securities Rulemaking Board, pursuant to which First Public serves as administrator of LSIP's operations. American Beacon Advisors, Fort Worth, Texas, and Standish Mellon Asset Management Company, LLC, Pittsburgh, Pennsylvania, provide investment management services to LSIP regarding the investment and reinvestment of the pool's assets. The fund's credit quality is excellent as its portfolio is composed of U. S. government and U. S. agency securities. Investments in LSIP provide for investment in securities with maturities and returns generally greater than money market instruments. LSIP is marked-to-market daily to maintain an accurate net asset value. The District's fair value in LSIP is the same as the value of the pool shares. LSIP is currently rated AAA by Standard and Poor's. This rating indicates excellent safety and a superior capacity to maintain principal value and limit exposure to loss.

At June 30, 2021, the District's cash and investment balances, the weighted average maturity, and the credit ratings of these investments were as follows:

	<u>Carrying Value</u>	<u>Weighted Average Maturity (Days)</u>	<u>Credit Rating</u>
<b>Governmental Activities</b>			
Cash and deposits	\$ 5,037,144	N/A	N/A
<b>Investments</b>			
Local Government Investment Pools			
TexPool	4,079,243	29	AAA <sub>m</sub>
Lone Star Corporate Overnight Fund	2,761,724	50	AAA
Lone Star Corporate Overnight Plus Fund	87,659,012	73	AAA
Lone Star Government Overnight Fund	<u>1,660,868</u>	47	AAA
<b>Total Investments</b>	<u>96,160,847</u>	70	
<b>Total Governmental Activities</b>	<u>101,197,991</u>		
<b>Fiduciary Funds</b>			
Cash and Deposits	<u>365,860</u>	N/A	N/A
<b>Total Fiduciary Funds</b>	<u>365,860</u>		
<b>Total</b>	<u>\$ 101,563,851</u>		

Due to the immediate availability of the funds, the District's temporary investments at June 30, 2021 are included in cash and cash equivalents. Local government investment pools are recorded at amortized cost which approximates fair value. Texpool and Lone Star do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. The pools do not impose any liquidity fees or redemption gates.

**Note 2 - Deposits and Investments (continued)**

Additional policies and contractual provisions governing deposits and investments for the District are specified below:

**Interest Rate Risk:** Interest rate risk is the risk that changes in interest rates may adversely affect the value of investments. To limit the risk that changes in interest rates will adversely affect the fair value of the investments. The district monitors interest rate risk utilizing weighted average maturity (WAM) analysis. The District requires its investment portfolio to have maturities of less than one year on a WAM basis. However, specific to the District’s debt service funds, maturities longer than one year are authorized within legal limits and as long as sufficient investment liquidity to timely meet debt service payment obligations is maintained. The long-term investment the District currently holds, which has no call options, is due when the debt instrument is due and the District intends to hold the investment until maturity, thereby reducing its risk of loss due to changes in the fair value of the investment.

At June 30, 2021, the District’s exposure to interest risk as measured by the segmented time distribution by investment type is summarized below:

	<u>Amortized Cost</u>	<u>Investment Maturity in Years Less than 1</u>
Local Government Investment Pools:		
TexPool	\$ 4,079,243	\$ 4,079,243
Lone Star Corporate Overnight Fund	2,761,724	2,761,724
Lone Star Corporate Overnight Plus Fund	87,659,012	87,659,012
Lone Star Government Overnight Fund	1,660,868	1,660,868
	<u>\$ 96,160,847</u>	<u>\$ 96,160,847</u>

**Credit Risk:** To limit the risk that an issuer or other counterparty to an investment will not fulfill its obligations, the District limits investments in commercial paper, corporate bonds, mutual bond funds, public funds investment pools to those that have received top ratings issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2021, the District’s investments in Texas Pool and Lone Star were rated AAAM and AAA, respectively.

**Custodial Credit Risk:** State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The District’s policy regarding deposits is in accordance with this law.

**Concentration of Credit Risk:** For temporary investments, to limit the risk of loss attributed to the magnitude of a government’s investment in a single issuer, the District’s policy states that the portfolio must be diversified. Concentration of Credit Risk is not applicable to investment pools since the purpose of these pools is to diversify the District’s investment portfolio.

**Note 3 - Receivables and Unearned Revenue**

Receivables as of June 30, 2021, for the District's individual major and non-major funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<b>General Fund</b>	<b>Debt Service</b>	<b>Nonmajor Governmental Funds</b>	<b>Total</b>
Property Taxes	\$ 14,503,958	\$ 4,519,124	\$ -	\$ 19,023,082
Due from other governments	3,627,047	-	13,523,439	17,150,486
Other	133,461	43,147	1,906	178,514
Gross Receivables	18,264,466	4,562,271	13,525,345	36,352,082
Less allowance for doubtful accounts	(9,154,596)	(3,575,111)	-	(12,729,707)
<b>Net Total Receivables</b>	<b>\$ 9,109,870</b>	<b>\$ 987,160</b>	<b>\$ 13,525,345</b>	<b>\$ 23,622,375</b>

Other receivables are reported at gross value. Management has determined that an allowance for doubtful accounts is not necessary for fair presentation.

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the fiscal year 2021, the various components of unearned revenues reported in the governmental funds were as follows:

	<b>Unearned</b>
Unearned federal revenue	\$ 424,029
Unearned state and local revenue	1,312,951
	<b>\$ 1,736,980</b>

**Note 4 - Interfund Receivables, Payables, and Transfers**

Interfund balances consist of short-term lending/borrowing arrangements that result from normal operations and are cleared out periodically. Additionally, some lending/borrowing may occur between two or more nonmajor governmental funds.

The composition of interfund balances and transfers as of June 30, 2021, is as follows:

	<b>Interfund Receivable</b>	<b>Interfund Payable</b>	<b>Net</b>
<b>Governmental Activities:</b>			
General Fund	\$ 11,586,774	\$ 1,532,117	\$ 10,054,657
Nonmajor Governmental Funds	1,532,117	11,586,774	(10,054,657)
<b>Total Governmental Activities</b>	<b>13,118,891</b>	<b>13,118,891</b>	<b>-</b>
<b>Total</b>	<b>\$ 13,118,891</b>	<b>\$ 13,118,891</b>	<b>\$ -</b>

<b>Transfer Out</b>	<b>Transfer In</b>	<b>Amount</b>
General Fund	Nonmajor Governmental Funds	\$ 9,688,898
Total		<b>\$ 9,688,898</b>

The purpose of the transfer from General Fund to Capital Projects Fund is to use Chapter 313 funds for the new Transportation building, security vestibules, and other ongoing projects.

**Note 5 - Capital Assets**

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

Governmental Activities:

	Balance July 01, 2020	Additions	Transfers	(Retirements)	Balance June 30, 2021
<b>Governmental Capital Assets</b>					
Capital assets, not being depreciated:					
Land	\$ 14,484,184	\$ -	\$ -	\$ -	\$ 14,484,184
Construction in progress	3,113,736	1,309,472	(4,423,208)	-	-
Total capital assets, not being depreciated	<u>17,597,920</u>	<u>1,309,472</u>	<u>(4,423,208)</u>	<u>-</u>	<u>14,484,184</u>
Capital assets, being depreciated:					
Buildings and improvements	535,930,278	2,590,826	4,423,208	-	542,944,312
Furniture and equipment	14,629,579	777,517	-	(82,067)	15,325,029
Vehicles	21,205,122	180,274	-	-	21,385,396
Total capital assets, being depreciated	<u>571,764,979</u>	<u>3,548,617</u>	<u>4,423,208</u>	<u>(82,067)</u>	<u>579,654,737</u>
Less accumulated depreciation for:					
Buildings and improvements	(145,616,505)	(10,190,946)	-	-	(155,807,451)
Furniture and equipment	(10,962,180)	(687,312)	-	82,067	(11,567,425)
Vehicles	(11,177,767)	(1,287,179)	-	-	(12,464,946)
Total accumulated depreciation	<u>(167,756,452)</u>	<u>(12,165,437)</u>	<u>-</u>	<u>82,067</u>	<u>(179,839,822)</u>
<b>Governmental Capital Assets</b>	<u>\$ 421,606,447</u>	<u>\$ (7,307,348)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 414,299,099</u>

Depreciation expense was charged to functions/programs of the District as follows:

Function	Depreciation Expense
<b>Governmental Activities:</b>	
Instruction	\$ 6,676,216
Instructional resources and media services	100,263
Curriculum and staff development	43,087
Instructional leadership	365,744
School leadership	731,450
Guidance, counseling and evaluation services	411,406
Social work services	34,504
Health services	141,430
Student transportation	297,535
Food Services	441,228
Extracurricular activities	335,458
General administration	402,998
Plant maintenance and operations	1,696,637
Security and monitoring services	173,451
Data processing services	314,030
<b>Total Governmental Activities</b>	<u>\$ 12,165,437</u>

**Note 6 - Compensated Absences and Other Sick Leave Benefits**

The balance of accumulated unpaid vacation and sick leave at June 30, 2021 was \$1,738,714 and is presented as other long-term liabilities in these financial statements.

	<u>Balance June 30, 2020</u>	<u>Additions</u>	<u>Deductions - Payments to Participants</u>	<u>Balance June 30, 2021</u>
Compensated absences payable	\$ 2,051,056	\$ 66,576	\$ 378,918	\$ 1,738,714

**Note 7 - Long-term Liabilities**

The District's long-term liabilities consist of bond indebtedness and compensated absences. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund.

**Changes in Long-term Liabilities**

Long-term liability activities for the fiscal year ended June 30, 2021, was as follows:

	<u>Balance July 1, 2020</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2021</u>	<u>Due Within One Year</u>
General Obligation Bonds	\$ 296,485,000	\$ -	\$ 22,795,000	\$ 273,690,000	\$ 11,540,000
Premiums on bonds	18,172,763	-	1,104,310	17,068,453	-
Accumulated accretion on capital appreciation bonds	1,333,190	31,844	-	1,365,034	-
Loan payable	7,145,912	-	957,248	6,188,664	975,969
Accrued compensated absences	2,051,056	66,576	378,918	1,738,714	1,738,714
Total Governmental Long-term Liabilities	<u>\$ 325,187,921</u>	<u>\$ 98,420</u>	<u>\$ 25,235,476</u>	<u>\$ 300,050,865</u>	<u>\$ 14,254,683</u>

**General Obligation Bonds**

General Obligation Bonds outstanding, at June 30, 2021, are comprised of the following:

<u>Issue</u>	<u>Original Issuance Amount</u>	<u>Interest Rate (%)</u>	<u>Maturity Date</u>	<u>Debt Outstanding</u>
<b>General Obligation Bonds:</b>				
Unlimited Tax Qualified School Construction Bonds, Series 2010	\$ 14,450,000	0.00%	2/15/2026	\$ 4,825,000
Unlimited Tax School Building Bonds, Series 2010B	59,490,000	4.49% to 5.81%	2/15/2038	56,020,000
Unlimited Tax Refunding Bonds, Series 2012	8,070,000	2.00% to 3.00%	2/15/2038	7,105,000
Unlimited Tax Refunding Bonds, Series 2016	132,155,000	3.00% to 5.00%	2/15/2038	112,085,000
Unlimited Tax Refunding Bonds, Series 2017	107,040,000	3.00% to 5.00%	2/15/2038	93,655,000
				<u>\$ 273,690,000</u>

**Note 7 - Long-term Liabilities (continued)**

**General Obligation Bonds (continued)**

Debt service requirements to maturity for the General Obligation Bonds are as follows:

<u>Year Ending June 30th</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2022	\$ 11,540,000	\$ 11,039,509	\$ 22,579,509
2023	12,045,000	10,518,422	22,563,422
2024	12,575,000	9,969,546	22,544,546
2025	13,130,000	9,391,365	22,521,365
2026	12,945,000	9,543,540	22,488,540
2027 - 2031	77,050,000	35,062,141	112,112,141
2032 - 2036	92,875,000	17,909,174	110,784,174
2037 - 2038	41,530,000	2,298,082	43,828,082
	<u>\$ 273,690,000</u>	<u>\$ 105,731,779</u>	<u>\$ 379,421,779</u>

On August 20, 2020, the Board authorized the defeasance and optional redemption of certain outstanding maturities of the District's outstanding unlimited tax school building bonds, Series 2011 (the "refunded bonds"). On April 23, 2021, there was a deposit to Escrow Fund in the amount of \$10,920,262 to defease \$10,815,000 of the refunded bonds. The net present value savings was \$2,758,588.

**Loan Payable**

The District also entered into a loan payable agreement for the purchase of buses in the amount of \$9,943,273. Interest accrues at a rate of 2.245% annual and the maturity date is fiscal year 2027. Principal and interest requirements are as follows:

<u>Year Ending June 30th</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 975,969	\$ 139,057
2023	997,818	117,148
2024	1,020,217	94,747
2025	1,042,121	71,843
2026	1,066,539	48,425
2027	1,086,000	24,481
	<u>\$ 6,188,664</u>	<u>\$ 495,701</u>

**Note 7 - Long-term Liabilities (continued)**

**Capital Appreciation Bonds**

A portion of the bonds sold in the Series 2012 bond issues were capital appreciation bonds commonly referred to as “premium compound interest bonds.” The District annually records the appreciation of the bond principal for the accreted value of the bonds through maturity of the issue. The interest of these bond series will be paid upon maturity. The following table summarizes the significant features of the individual bonds, by issue:

<u>Series</u>	<u>Accreted Value</u>	<u>Original Bond Principal</u>	<u>Accreted Interest</u>	<u>Maturity Value</u>	<u>Maturity Dates</u>
2012 Refunding	\$ 1,405,034	\$ 40,000	\$ 1,365,034	\$ 1,545,000	2026 and 2027

**Prior Years’ Refunding of Long-Term Debt**

In prior years, the District defeased certain general obligation debt by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the refunded debt. Accordingly, the trust account assets and the liability for the defeased debt are not included in the District’s financial statements. At June 30, 2021, there are no defeased bonds outstanding.

**Deferred charge on refunding**

The balance of deferred charge on refunding at June 30, 2021 was \$4,058,690 and is presented as a deferred outflow of resources in the Statement of Net Position:

	<u>Balance July 01, 2020</u>	<u>Deferred Charge on New Issues</u>	<u>Recognized Amortization</u>	<u>Balance June 30, 2021</u>
Deferred charge on refunding	\$ 4,368,225	\$ -	\$ 309,535	\$ 4,058,690

**Note 8 - Revenues from Local, Intermediate, and Out-of-State Sources**

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

	<u>General Fund</u>	<u>Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Property Taxes	\$ 104,899,199	\$ 33,868,093	\$ -	\$ 138,767,292
Foreign Trade Zone Revenue	1,076,767	-	-	1,076,767
Chapter 313 Agreement Revenue	14,511,545	-	-	14,511,545
Campus Activity	-	-	198,545	198,545
Food Service Activity	-	-	255,413	255,413
Extracurricular Activities	121,983	-	-	121,983
Investment Income	147,152	16,796	-	163,948
Local Grants	-	-	1,884,546	1,884,546
Rent	3,243	-	-	3,243
Other	348,650	-	-	348,650
	<u>\$ 121,108,539</u>	<u>\$ 33,884,889</u>	<u>\$ 2,338,504</u>	<u>\$ 157,331,932</u>

**Note 9 - General Fund Federal Revenues**

For the fiscal year ended June 30, 2021, the General Fund reports the following federal revenues:

<u>Program or Source</u>	<u>ALN</u>	<u>Amount</u>
SHARS	N/A	\$ 1,873,103
FEMA Aid	97.036	756,534
Restart for 2019 Flooding	84.938	1,560,358
Corona Virus Relief Fund (CRF)	21.019	1,220,845
Build America Bonds - Federal Interest Subsidy	N/A	1,065,517
E-Rate	N/A	775,671
Navy JROTC	12.000	162,610
Indirect Costs:		
ESEA, Title I, Part A	84.010A	368,984
Title I 1003 School Improvement	84.010A	11,049
ESEA, Title I Part D Subpart 2 - Delinquent Programs	84.010A	1,183
School Transformation Fund - Implementation Grant	84.010A	50,013
School Action Planning	84.010A	6,834
IDEA-B Formula	84.027A	250,491
SSA - IDEA - Part B, Discretionary	84.027A	6,748
IDEA-B Preschool	84.173A	4,915
Instructional Continuity	84.377A	2,516
Carl D. Perkins Basic Grant	84.048A	14,854
Title III, Part A, LEP	84.365A	11,439
Title II, Part A, Supporting Effective Instruction	84.367A	36,490
Title IV Part A Subpart 1	84.424A	19,589
CARES Act, Section 18003 - Elementary and Secondary School Emergency Relief Fund (ESSER) Grant (COVID-19)	84.425D	539,268
		<u>\$ 8,739,011</u>

**Note 10 - Operating Leases**

The District has entered into a number of operating leases for copiers, postage meters, and computers which contain cancellation provisions and are subject to annual appropriations. Rental expenditures for the year ended June 30, 2021 amounted to \$1,142,893. These leases primarily support governmental activities.

Future minimum lease payments are as follows:

<u>Year</u>	<u>Amount</u>
2022	\$ 785,624
2023	483,289
2024	483,289
	<u>\$ 1,752,202</u>

**Note 11 - Defined Benefit Pension Plan**

**A. Plan Description**

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

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

**B. Pension Plan Fiduciary Net Position**

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at [https://www.trs.texas.gov/TRS%20Documents/cafr\\_2020.pdf](https://www.trs.texas.gov/TRS%20Documents/cafr_2020.pdf), or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

**C. Benefits Provided**

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, 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 COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as 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 the manner are determined by the System's actuary.

In May 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for gradual contribution increases from the state, participating employers, and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, allowed the legislature to approve funding for a 13th check in September 2019. All eligible members retired as of December 31, 2018 received an extra annuity check in either the matching amount of their monthly annuity or \$2,000, whichever was less.

**Note 11 - Defined Benefit Pension Plan (continued)**

**D. Contributions**

Contribution requirements are established or amended pursuant to Article 16, 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 2020 thru 2025.

	<b>Contribution Rates</b>	
	<b>Plan Fiscal Year</b>	
	<b>2020</b>	<b>2021</b>
Member (Employee)	7.70%	7.70%
Non-employer contributing agency (State)	7.50%	7.50%
District	7.50%	7.50%

	<b>Fiscal Year</b>	
	<b>2021</b>	
District Contributions	\$	3,732,411
Employee Contributions		8,078,950
Non-employer Contributing Entity (State)		5,856,637

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

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

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

In addition to the employer contributions listed above, there is an additional surcharge an employer is subject to.

- All public schools, charter schools, and regional educational service centers must contribute 1.5 percent of the member’s salary beginning in fiscal year 2020, gradually increasing to 2 percent in fiscal year 2025.
- 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.

**Note 11 - Defined Benefit Pension Plan (continued)**

**E. Actuarial Assumptions**

The total pension liability in the August 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

<b>Component</b>	<b>Result</b>
Valuation Date	August 31, 2019, rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-term Expected Rate	7.25%
Municipal Bond Rate as of August 2020	2.33%. Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."
Last year ending August 31 in Projection Period (100 years)	2119
Inflation	2.30%
Salary Increases	3.05% to 9.05% including inflation
Ad Hoc Post-Employment Benefit Changes	None

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019. These assumptions are further described the 2020 TRS ACFR, which includes actuarial valuation report dated November 14, 2019.

**F. Discount Rate**

A single discount rate of 7.25 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.25 percent. The projection of flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefits payment 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 rate of return on pension plan investments is 7.25%. 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.

**Note 11 - Defined Benefit Pension Plan (continued)**

**F. Discount Rate (continued)**

Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2020 are summarized below:

Asset Class	Target Allocation <sup>1</sup>	Long-Term Expected Arithmetic Real Rate of Return <sup>2</sup>	Expected Contribution to Long-Term Portfolio Returns
<b>Global Equity</b>			
USA	18.00%	3.90%	0.99%
Non-U.S. Developed	13.00%	5.10%	0.92%
Emerging Markets	9.00%	5.60%	0.83%
Private Equity	14.00%	6.70%	1.41%
<b>Stable Value</b>			
Government Bonds	16.00%	-0.70%	-0.05%
Absolute Return (Including Credit Sensitive Investments)	0.00%	1.80%	0.00%
Stable Value Hedge Funds	5.00%	1.90%	0.11%
<b>Real Return</b>			
Real Estate	15.00%	4.60%	1.01%
Energy, Natural Resources and Infrastructure	6.00%	6.00%	0.42%
Commodities	0.00%	0.80%	0.00%
<b>Risk Parity</b>			
Risk Parity	8.00%	3.00%	0.30%
<b>Leverage</b>			
Cash	2.00%	-1.50%	-0.03%
Asset Allocation Leverage	-6.00%	-1.30%	0.08%
Inflation Expectation			2.00%
Volatility Drag <sup>3</sup>			-0.67%
<b>Expected Return</b>	100.00%		7.32%

<sup>1</sup> Target allocations are based on the FY2020 policy model.

<sup>2</sup> Capital Market Assumptions come from Aon Hewitt as of August 31, 2020.

<sup>3</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

**G. Discount Rate Sensitivity Analysis**

The following table presents the Net Pension Liability of the plan using the discount rate of 7.25 percent, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate.

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
	District's proportional share of the net pension liability	\$ 75,243,102	\$ 48,796,352

**Note 11 - Defined Benefit Pension Plan (continued)**

**H. Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions**

At June 30, 2021, the District reported a liability of \$48,796,352 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	48,796,352
State's proportionate share of the net pension liability associated with the District		73,637,438
<b>Total</b>	<b>\$</b>	<b>122,433,790</b>

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

At August 31, 2020, the District's proportion of the collective net pension liability was 0.0911% which was an increase of 0.0903% from its proportion measured as of August 31, 2019.

All future statutorily required contributions will be made from the General Fund.

***Changes Since the Prior Actuarial Valuation***

There were no changes in assumptions since the prior measurement date.

For the year ended June 30, 2021, the District recognized pension expense of \$8,197,580. The District also recognized an additional on-behalf revenue and expense of \$8,856,949 representing for support provided by the State.

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

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 89,098	\$ (1,361,777)
Changes of assumptions	11,322,490	(4,814,244)
Net difference between projected and actual earnings on pension plan investments	987,840	-
Changes in proportion and differences between District contributions and proportionate share of contributions	4,003,491	(1,620,554)
District contributions subsequent to the measurement date	6,552,328	-
<b>Total</b>	<b>\$ 22,955,247</b>	<b>\$ (7,796,575)</b>

**Note 11 - Defined Benefit Pension Plan (continued)**

**H. Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)**

***Changes Since the Prior Actuarial Valuation (continued)***

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of \$6,552,328 will be recognized as a reduction of the net pension liability in the year ended June 30, 2022. The net amounts of the District’s balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Fiscal Year</b>	<b>Pension Expense Amount</b>
2022	\$ 2,482,460
2023	3,213,409
2024	2,596,100
2025	679,561
2026	(371,116)
Thereafter	5,930
	<u>\$ 8,606,344</u>

**Note 12 - Defined Other Post-Employment Benefit Plans**

**A. Plan Description**

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS- Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

**B. OPEB Plan Fiduciary Net Position**

Detail information about the TRS-Care’s fiduciary net position is available in the separately-issued TRS Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at [https://www.trs.texas.gov/TRS%20Documents/cafr\\_2020.pdf](https://www.trs.texas.gov/TRS%20Documents/cafr_2020.pdf), or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

**C. 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 COLAs.

**Note 12 - Defined Other Post-Employment Benefit Plans (continued)**

**C. Benefits Provided (continued)**

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

	<b>TRS-Care Monthly Premium Rates</b>	
	<b>Medicare</b>	<b>Non-Medicare</b>
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

**D. 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 percent of the employee’s salary. Section 1575.203 establishes the active employee’s rate which is .65 percent of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

	<b>Contribution Rates</b>	
	<b>2021</b>	<b>2020</b>
Member	0.65%	0.65%
Non-employer contributing agency	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private funding	1.25%	1.25%

	<b>2021</b>
District Contributions	\$ 1,030,791
Employee Contributions	682,242
Non-employer Contributing Entity (State)	1,681,742

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

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$230.8 million in fiscal year 2020 to maintain premiums and benefit levels in the 2020-2021 biennium.

**Note 12 - Defined Other Post-Employment Benefit Plans (continued)**

**E. Actuarial Assumptions**

The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2020. The actuarial valuation was determined using the following actuarial assumptions:

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. All the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation and salary increases, used in the OPEB valuation were identical to those used in the respective TRS pension valuation. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017.

The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2019 TRS pension actuarial valuation that was rolled forward to August 31, 2020: (a) Rates of Mortality, (b) Rates of Retirement, (c) Rates of Termination, (d) Rates of Disability, (e) General Inflation, (f) Wage Inflation, and (g) Expected Payroll Growth.

The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females, with full generational mortality using Scale BB. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published scale (U-MP).

Additional Actuarial Methods and Assumptions:

<b>Component</b>	<b>Result</b>
Valuation Date	August 31, 2019, rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	2.33% as of August 31, 2020
Aging Factors	Based on plan specific experience
Election Rates	Normal Retirement: 65% participation prior to age 65 and 40% participation after age 65, 25% of pre-65 retirees are assumed to discontinue coverage at age 65
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs.
Salary Increases	3.05% to 9.05% including inflation
Ad Hoc Post-Employment Benefit Changes	None

**Note 12 - Defined Other Post-Employment Benefit Plans (continued)**

**F. Discount Rate**

A single discount rate of 2.33 percent was used to measure the Total OPEB Liability. There was a decrease of .30 percent in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability. The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2020 using the fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds

**G. Discount Rate Sensitivity Analysis**

*Discount Rate* – The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (2.33%) in measuring the Net OPEB Liability.

	Discount Rate		
	1% Decrease	Current Rate	1% Increase
	(1.33%)	(2.33%)	(3.33%)
District's proportionate share of the Net OPEB Liability:	\$ 62,764,279	\$ 52,303,666	\$ 44,041,282

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

At June 30, 2021, the District reported a liability of \$52,303,666 for its proportionate share of the TRS’s Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ 52,303,666
State's proportionate share of the net OPEB liability associated with the District	70,283,589
<b>Total</b>	<b>\$ 122,587,255</b>

The Net OPEB Liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. 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, 2019 through August 31, 2020.

At August 31, 2020, the District’s proportion of the collective Net OPEB Liability was 0.1376% which was an increase of 0.1359% from its proportion measured as of August 31, 2019.

All future statutorily required contributions will be made from the General Fund.

*Healthcare Cost Trend Rates* – The following schedule shows the impact of the Net OPEB Liability if a healthcare trend rate that is 1% less than and 1% greater than the health trend rates assumed.

**Note 12 - Defined Other Post-Employment Benefit Plans (continued)**

**H. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (continued)**

	Healthcare Cost Trend		
	1% Decrease	Current	1% Increase
District's proportionate share of the Net OPEB Liability:	\$ 42,725,394	\$ 52,303,666	\$ 65,060,570

**Changes Since the Prior Actuarial Valuation**

The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability (TOL) since the prior measurement period:

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

Changes of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

For the year ended June 30, 2021, the District recognized OPEB expense of \$43,983. The District also recognized negative on-behalf expense and revenue of \$488,023 for support provided by the State.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actuarial economic experience	\$ 2,738,599	\$ (23,936,832)
Changes of assumptions	3,226,049	(14,362,857)
Net difference between projected and actual earnings on OPEB plan investments	16,997	-
Changes in proportion and difference between the District contributions and the proportionate share of contributions	4,977,918	-
Contributions paid to TRS subsequent to the measurement date	1,812,379	-
<b>Total</b>	<u>\$ 12,771,942</u>	<u>\$ (38,299,689)</u>

**Note 12 - Defined Other Post-Employment Benefit Plans (continued)**

**H. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (continued)**

The \$1,812,379 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. The net amounts of the District's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year</u>	<u>OPEB Expense Amount</u>
2022	\$ (4,607,042)
2023	(4,609,314)
2024	(4,610,613)
2025	(4,610,258)
2026	(3,213,206)
Thereafter	(5,689,693)
	<u>\$ (27,340,126)</u>

**I. Medicare Part D**

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended June 30, 2021, 2020, and 2019, the subsidy payments received by TRS-Care on-behalf of the District were \$470,817, \$507,576, and \$378,050, respectively. The information for the year ended June 30, 2021 is an estimate provided by the Teacher Retirement System. These payments are recorded as equal revenues and expenditures in the governmental funds financial statements of the District.

**Note 13 - Risk Management**

**Property/Liability**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; 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. The District's participation in the risk pool is limited to payment of premiums.

**Note 13 - Risk Management (continued)**

**Health Insurance**

The Board of Trustees approved the district’s participation in the TRS (Texas Retirement System) Active Care Health Insurance Program as sponsored by the Teacher Retirement System of Texas. This is a premium-based plan; payments are made on a monthly basis for all covered employees.

**Workers’ Compensation**

The District also provides workers’ compensation to its employees through a self-insured plan which is accounted for in the Internal Service Fund. The Internal Service Fund charges the General Fund and other funds for premiums for the District’s contribution. The District has an excess workers’ compensation insurance policy that takes over after the District reaches its \$400,000 self-insured retention level and covers the District up to the statutory required limit. The District established the self-insurance plan for workers’ compensation benefits as authorized by Section 504.011 of the Labor Code.

The costs associated with these self-insurance plans are reported as interfund transactions to the extent of amounts determined by the third-party administrators. Accordingly, they are treated as operating revenues of the Internal Service Funds and operating expenditures of the governmental and proprietary funds.

Estimates of claims payable and of claims incurred but not reported at June 30, 2021, are reflected as accrued expenses of the Fund. The liabilities include an amount for claims that have been incurred but were not reported until after June 30, 2021. Liability for claims is reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Because actual claims liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards, the process used in computing the liabilities is an estimate. Claims liabilities are reevaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors.

Changes in the balances of claims liabilities are as follows:

<u>Fiscal Year</u>	<u>Beginning of Year Accrual</u>	<u>Current Year Estimates</u>	<u>Claims Payments</u>	<u>End of Year Accrual</u>
June 30, 2021	\$ 1,703,025	\$ 559,664	\$ 730,129	\$ 1,532,560
June 30, 2020	1,770,672	737,976	805,623	1,703,025
June 30, 2019	2,116,060	615,831	961,219	1,770,672

**Note 14 - Shared Service Arrangements**

The District is fiscal agent for a Shared Service Arrangement (“SSA”), which provides services to the member districts listed below. All services are provided by the fiscal agents. The member districts provide the funds to the fiscal agents. According to guidance provided in TEA’s Resource Guide, the District has accounted for the fiscal agent’s activities of the SSA in the appropriate Special Revenue Funds and has accounted for these funds using Model 2 in the SSA section of the Resource Guide. Expenditures of the SSA are summarized below:

	<u>Local Services for the Deaf</u>	
Beaumont ISD	\$	319,829
Bridge City ISD		9,643
East Chambers ISD		4,822
Hardin-Jefferson ISD		27,322
Little-Cypress Mauriceville CISD		35,359
Lumberton ISD		61,055
Nederland ISD		25,715
Newton ISD		11,250
Orangefield ISD		25,715
Port Arthur ISD		139,823
Port-Neches Groves ISD		15,269
Silsbee ISD		15,269
Spurger ISD		14,465
Vidor ISD		119,084
Warren ISD		16,072
West Orange Cove CISD		33,750
Woodville ISD		11,250
	<u>\$</u>	<u>885,692</u>

**Note 15 - Contingent Liabilities**

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

The District is a defendant in various lawsuit arising in the normal course of operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of management and the District's counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

**Note 16 - Arbitrage**

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds over (2) the amount that such investments would have earned had such investments been invested at a rate equal to the yield on the bond issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five-year anniversary date of the bond issue. The District has estimated that it has no arbitrage liability as of June 30, 2021.

**Note 17 - Tax Abatements**

Currently, the District has seven (7) active Chapter 313 Agreements with several corporations for Limitation On Appraised Value of Property for School District Maintenance and Operations Taxes pursuant to the Chapter 313 of the Texas Tax Code, i.e., the Texas Economic Development Act, as set forth in Chapter 313 of the Texas Tax Code, as amended.

Value limitation agreements are a part of a state program, originally created in 2001 which allows school districts to limit the taxable value of an approved project for Maintenance and Operations (M&O) for a period of years specified in statute. The project(s) under the Chapter 313 agreement must be consistent with the state's goal to "encourage large scale capital investments in this state." Chapter 313 of the Tax Code grants eligibility to companies engaged in manufacturing, research and development, renewable electric energy production, clean coal projects, nuclear power generation and data centers.

In order to qualify for a value limitation agreement, each applicant has been required to meet a series of capital investment, job creation, and wage requirements specified by state law. At the time of the application's approval, the agreement was found to have done so by both the District's Board of trustees and the Texas Comptroller's Office, which recommended approval of the project. The application, the agreements and state reporting requirement documentation can be viewed at the Texas Comptroller's website: <https://www.comptroller.texas.gov/economy/local/ch313/agreement-docs.php>. The agreement and all supporting documentation was assigned Texas Comptroller Application number.

The following Chapter 313 Agreements are in effect:

Lucille International, Inc. (Application No. 211) first year's value limitation was tax year 2015. The net benefit to the District is \$27,407 for fiscal year June 30, 2021. The project value's value limitation is \$30,000,000, with a total project value of \$47,099,500. The applicant's M&O taxes have been reduced by \$155,307.

OCI Beaumont (Application No. 219) first year's value limitation was tax year 2015. The value limitation for the current year was \$30,000,000, with a total project value of \$131,347,500. The applicant's M&O taxes were reduced by \$1,023,775. However, the net benefit to the District was \$190,935.

Natgasoline LLC's (Application No. 311) first year's value limitation was tax year 2017. The net benefit to the District is \$2,850,363 for fiscal year June 30, 2021. The project value's value limitation is \$27,578,121 with a total project value of \$1,068,017,500. The applicant's M&O taxes have been reduced by \$7,204,443.

Air Liquide (assignment by Natgasoline) first year's value limitation was tax year 2020. The net benefit to the District is \$273,745 for fiscal year June 30, 2021. The project value's value limitation is \$2,421,879, with a total project value of \$93,583,421. The applicant's M&O taxes have been reduced by \$607,240.

BASF Corporation (Application No. 375) first year's value limitation was tax year 2017. The net benefit to the District is \$119,481 for fiscal year June 30, 2021. The project value's value limitation is \$30,000,000, with a total project value of \$98,686,300. The applicant's M&O taxes have been reduced by \$544,303.

Exxon (Application No. 1118) first year's value limitation was fiscal year 2020. The net benefit to the District is \$2,966,154 for fiscal year June 30, 2021. The project value's value limitation is \$30,000,000, with a total project value of \$336,928,200. The applicant's M&O taxes have been reduced by \$1,966,154.

Exxon (Application No. 1119) first year's value limitation will be fiscal year 2021. The net benefit to the District is \$8,359,824 for fiscal year June 30, 2021. The project value's value limitation is \$30,000,000, with a total project value of \$895,048,000. However, there was no reduction in taxes or benefit/loss during fiscal year 2021.

Exxon (Application No. 1163) first year's value limitation will be fiscal year 2023. There was no current year value limitation, reduction in taxes or benefit/loss.

**Note 18 - Prior Period Adjustment**

During the current fiscal year, the District implemented GASB Statement No. 84, *Fiduciary Activities*. As a result, the beginning net position of the District’s custodial fund has been restated as follows:

	<b>Custodial Fund</b>
Beginnning net position, as restated	<u>\$ 354,022</u>

**Note 19 - Subsequent Event**

**Texas Education Agency’s Response to COVID-19**

As of September 2, 2021, the Texas Education Agency (TEA) informed local education agencies (LEAs) that it has no plans to issue missed school day waivers due to COVID-19 during the 2021-2022 school year when the LEA or its campuses are closed. Each LEA will need to plan to make up time for school closures during the school year and may need to add additional instructional days and/or minutes to their calendar to meet the 75,600 operational minute requirement.

LEAs have reported to the TEA that attendance rate declines continue to occur due to COVID-19. As a result, the TEA is exploring options to ensure school systems will not experience significant financial difficulties. Additionally, LEAs had varying daily rates of attendance during the 2020-2021 school year due to the impact of virtual learning options. Once the TEA receives this local information in a PEIMS upload this fall, it will be equipped to analyze, understand, and determine potential changes to the rules around waivers, particularly low attendance waivers. As of the date of this report, the District has not determined the impact.



## **REQUIRED SUPPLEMENTARY INFORMATION**



**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**For Fiscal Year Ended June 30, 2021**

Exhibit G-1

Data Control Codes	Budgeted Amounts			Variance with Final Budget - Positive (Negative)	
	Original	Final	Actual Amounts, GAAP Basis		
<b>Revenues</b>					
5700	Local revenues	\$ 107,153,652	\$ 121,062,961	\$ 121,108,539	\$ 45,578
5800	State program revenues	59,797,548	47,779,791	42,241,868	(5,537,923)
5900	Federal program revenues	3,655,285	5,934,943	8,739,011	2,804,068
<b>5020</b>	<b>Total Revenues</b>	<u>170,606,485</u>	<u>174,777,695</u>	<u>172,089,418</u>	<u>(2,688,277)</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	88,896,767	89,447,173	85,685,760	3,761,413
0012	Instruction resources and media services	1,417,947	1,740,264	1,511,674	228,590
0013	Curriculum and instructional staff development	659,062	639,301	284,234	355,067
0021	Instructional leadership	3,863,060	4,133,293	3,941,064	192,229
0023	School leadership	11,262,133	11,497,012	10,600,198	896,814
0031	Guidance, counseling and evaluation services	5,728,255	5,833,347	5,574,283	259,064
0032	Social work services	405,917	414,283	223,204	191,079
0033	Health services	2,032,298	2,132,633	1,950,967	181,666
0034	Student transportation	6,461,999	5,498,595	3,993,357	1,505,238
0036	Extracurricular activities	5,628,279	6,060,639	5,152,883	907,756
0041	General administration	7,328,306	7,370,818	6,190,163	1,180,655
0051	Facilities maintenance and operations	26,963,296	28,972,479	23,930,614	5,041,865
0052	Security and monitoring services	3,258,272	3,186,122	2,200,877	985,245
0053	Data processing services	3,064,684	3,915,406	2,983,761	931,645
0061	Community services	173,245	169,245	52,738	116,507
<b>Debt Service:</b>					
0071	Principal on long-term debt	950,645	950,645	957,248	(6,603)
0072	Interest on long-term debt	164,320	164,320	157,716	6,604
<b>Capital Outlay:</b>					
0081	Facilities acquisition and construction	383,700	2,639,494	2,212,833	426,661
<b>Intergovernmental:</b>					
0093	Payments to Fiscal Agent/Member Districts of SSA	339,300	344,300	342,597	1,703
0095	Payments to Juvenile Justice Alt. Ed. Prgm.	150,000	150,000	150,000	-
0099	Other Intergovernmental Charges	1,500,000	1,500,000	1,030,456	469,544
<b>6030</b>	<b>Total Expenditures</b>	<u>170,631,485</u>	<u>176,759,369</u>	<u>159,126,627</u>	<u>17,632,742</u>
1100	Excess (deficiency) of revenues over expenditures	(25,000)	(1,981,674)	12,962,791	14,944,465
<b>Other Financing Sources (Uses)</b>					
7912	Sale of property	25,000	25,000	175,852	150,852
8911	Transfers Out	-	-	(9,688,898)	(9,688,898)
<b>7080</b>	<b>Total Other Financing Sources and Uses</b>	<u>25,000</u>	<u>25,000</u>	<u>(9,513,046)</u>	<u>(9,538,046)</u>
<b>Special Item</b>					
7918	Special items (insurance recoveries)	-	817,688	68,592	(749,096)
8080	<b>Total Special Items</b>	<u>-</u>	<u>817,688</u>	<u>68,592</u>	<u>(749,096)</u>
1200	Net change in fund balances	-	(1,138,986)	3,518,337	4,657,323
<b>0100</b>	<b>Fund Balances - Beginning</b>	<u>63,723,154</u>	<u>63,723,154</u>	<u>63,723,154</u>	<u>-</u>
<b>3000</b>	<b>Fund Balances - Ending</b>	<u>\$ 63,723,154</u>	<u>\$ 62,584,168</u>	<u>\$ 67,241,491</u>	<u>\$ 4,657,323</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY SCHEDULE**  
**BUDGETARY COMPARISON SCHEDULE**

**A. Budgets and Budgetary Accounting**

The District adopts annual appropriations type budgets for the General Fund, Child Nutrition Program Special Revenue Fund, and the Debt Service Fund using the same method of accounting as for financial reporting, as required by law. The remaining Special Revenue Funds (primarily federal grant programs) utilize a managerial type budget approved at the fund level by the Board of Trustees upon acceptance of the grants. These grants are subject to federal, state and locally imposed project length budgets and monitoring through submission of reimbursement reports. The General Fund Budget report is presented on Exhibit G-1, the Child Nutrition Program Special Revenue fund budget report and the Debt Service Fund budget report appear on Exhibit J-2 and J-3, respectively.

Expenditures may not legally exceed budgeted appropriations at the function or activity level. Expenditure requests which would require an increase in total budgeted appropriations must be approved by the Trustees through formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available and estimated revenues. State law also prohibits amendment of the budget after fiscal year end. Supplemental appropriations were made to the General Fund during the fiscal year ended June 30, 2021, the Board of Trustees approved budget amendments to decrease or supplement appropriations as follows:

	<u>General Fund</u>	<u>Child Nutrition Program</u>	<u>Debt Service</u>
Amendments Approved	\$ 6,127,884	\$ 1,394,434	\$ 1,800,000

The amendments approved for the General Fund other than those to transfer funds between functions were to carry forward purchase orders from the prior fiscal year. In addition, amendments were approved to record an increase in revenues from the sale of properties, increase in revenue from Chapter 313 payments, and insurance recovery payments received. Amendments were also approved to reflect a decrease in state revenue from a decrease in students, decrease in revenue due to fund reallocations, and decrease in state funding as a result of the Emergency and Secondary School Emergency Relief Fund (ESSER) grant funds for COVID-19. The Board approved to increase the budget for Tropical Storm Imelda recovery expenses, to reflect the increase in insurance premiums, and to increase maintenance and operations and transportation budgets for newly approved projects.

The administrative level at which responsibility for control of budgeted appropriations begins is at the organizational level within each function of operations. The finance department reviews closely the expenditure requests submitted by the various organizational heads (principal and department heads) throughout the year to ensure proper spending compliance. No public funds of the District shall be expended in any manner other than as provided for in the budget adopted by the Board of Trustees. The official school budget was prepared for adoption for budgeted governmental fund types by June 30, 2020. The budget was formally adopted by the Board of Trustees at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the Texas Education Agency (TEA) through inclusion in the annual financial and compliance report.

**B. Expenditures in Excess of Appropriations**

At the end of the current fiscal year, the District did not have expenditures in excess of appropriations for the legally adopted budgets.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF**  
**THE NET PENSION LIABILITY**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**For the Last Seven Measurement Years Ended August 31**

*Exhibit G-2*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net pension liability	0.09110%	0.09030%	0.08820%	0.09660%
District's proportionate share of the net pension liability	\$ 48,796,352	\$ 46,931,929	\$ 48,541,296	\$ 30,883,522
State's proportionate share of the net pension liability associated with the District	73,637,438	72,192,659	82,093,947	51,387,432
<b>Total</b>	<u>\$ 122,433,790</u>	<u>\$ 119,124,588</u>	<u>\$ 130,635,243</u>	<u>\$ 82,270,954</u>
District's covered payroll (for Measurement Year)	\$ 104,672,783	\$ 98,328,720	\$ 97,745,584	\$ 101,644,863
District's proportionate share of the net pension liability as a percentage of its covered payroll	46.62%	47.73%	49.66%	30.38%
Plan fiduciary net position as a percentage of the total pension liability *	75.54%	75.24%	73.74%	82.17%
Plan's net pension liability as a percentage of covered payroll *	110.36%	114.93%	126.11%	75.93%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	
District's proportion of the net pension liability	0.08520%	0.07820%	0.05810%	
District's proportionate share of the net pension liability	\$ 32,197,755	\$ 27,627,919	\$ 15,529,731	
State's proportionate share of the net pension liability associated with the District	65,439,366	62,807,388	68,127,998	
<b>Total</b>	<u>\$ 97,637,121</u>	<u>\$ 90,435,307</u>	<u>\$ 83,657,729</u>	
District's covered payroll (for Measurement Year)	\$ 98,619,316	\$ 93,463,819	\$ 115,538,311	
District's proportionate share of the net pension liability as a percentage of its covered payroll	32.65%	29.56%	13.44%	
Plan fiduciary net position as a percentage of the total pension liability *	78.00%	78.43%	83.25%	
Plan's net pension liability as a percentage of covered payroll *	92.75%	91.94%	72.89%	
Plan's net pension liability as a percentage of covered payroll *				

The amounts presented are for each Plan year which ends the preceding August 31 of the District's fiscal year.

Note: Ten years of data should be presented in this schedule, but data is unavailable prior to 2014.  
Net Pension Liability and related ratios will be presented prospectively as data becomes available

\* Per Teacher Retirement System of Texas' Annual Comprehensive Financial Report.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT CONTRIBUTIONS**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**Last Seven Fiscal Years Ended June 30**

*Exhibit G-3*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contributions	\$ 3,732,411	\$ 3,648,946	\$ 2,670,678	\$ 2,951,597
Contributions in relation to the contractual required contributions	<u>3,732,411</u>	<u>3,648,946</u>	<u>2,670,678</u>	<u>2,951,597</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 104,947,801	\$ 103,934,656	\$ 98,273,936	\$ 98,549,158
Contributions as a percentage of covered payroll	3.56%	3.51%	2.72%	3.00%

	<u>* 2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 2,652,811	\$ 2,702,669	\$ 2,417,013
Contributions in relation to the contractual required contributions	<u>2,652,811</u>	<u>2,702,669</u>	<u>2,417,013</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 84,255,425	\$ 98,619,316	\$ 93,461,105
Contributions as a percentage of covered payroll	3.15%	2.74%	2.59%

\* The District converted to a June 30th year-end during fiscal year 2017.  
As such, 2017 only reflects ten months of contributions. Fiscal years 2016 and prior ended August 31st.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**

**Changes of Assumptions**

There were no changes in assumptions since the prior measurement date.

**Changes in Benefit Terms**

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

**Other Information**

Effective September 1, 2014, employers who did not contribute to Social Security for TRS-eligible employees were required to contribute an additional 1.5% of TRS-eligible compensation which nearly doubled the District's contributions into the Plan. Because the District's proportional share of the plan is determined by its proportional share of contributions, the District recognized a corresponding increase in its share of net pension liability.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF**  
**THE NET OPEB LIABILITY**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**For the Last Four Measurement Years Ended August 31**

*Exhibit G-4*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the net OPEB liability	0.13760%	0.13590%	0.13540%	0.12620%
District's proportionate share of the net OPEB liability	\$ 52,303,666	\$ 64,287,844	\$ 67,585,798	\$ 54,875,362
State's proportionate share of the net OPEB liability associated with the District	70,283,589	85,424,165	81,680,446	78,005,031
Total	<u>\$ 122,587,255</u>	<u>\$ 149,712,009</u>	<u>\$ 149,266,244</u>	<u>\$ 132,880,393</u>
District's covered payroll (for Measurement Year)	\$ 104,672,783	\$ 98,328,720	\$ 97,745,584	\$ 101,644,863
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	50.0%	65.4%	69.1%	54.0%
Plan fiduciary net position as a percentage of the total OPEB liability *	4.99%	2.66%	1.57%	0.91%
Plan's net OPEB liability as a percentage of covered payroll *	101.46%	135.21%	146.64%	132.55%

Note: Ten years of data should be presented in this schedule, but data is unavailable prior to 2017.  
Net OPEB Liability and related ratios will be presented prospectively as data becomes available

\* Per Teacher Retirement System of Texas' Annual Comprehensive Financial Report.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT OPEB CONTRIBUTIONS**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**  
**Last Four Fiscal Years Ended June 30**

*Exhibit G-5*

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contributions	\$ 1,030,791	\$ 1,029,189	\$ 908,872	\$ 945,863
Contributions in relation to the contractual required contributions	<u>1,030,791</u>	<u>1,029,189</u>	<u>908,872</u>	<u>945,863</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 104,947,801	\$ 103,934,656	\$ 98,273,936	\$ 98,549,158
Contributions as a percentage of covered payroll	0.98%	0.99%	0.92%	0.96%

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY OPEB INFORMATION**  
**TEACHER RETIREMENT SYSTEM OF TEXAS**

**Changes of Assumptions**

The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB Liability (TOL) since the prior measurement period:

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

**Changes in Benefit Terms**

There were no changes in benefit terms since the prior measurement date. TRS created a single Medicare Advantage plan and Medicare prescription drug plan for all Medicare-eligible participants.

## **OTHER SUPPLEMENTARY INFORMATION**

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2021**

Data Control Codes					
	205	211	224	225	
	Head Start	ESEA Title I, A - Improving Basic Ed.	IDEA B - Formula	IDEA B - Preschool	
<b>Assets</b>					
1110	Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
<b>Receivables:</b>					
1240	Receivables from other governments	927,656	4,133,129	2,191,522	18,084
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	58	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<u>927,656</u>	<u>\$ 4,133,129</u>	<u>\$ 2,191,580</u>	<u>\$ 18,084</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
2110	Accounts payable	\$ 100,143	\$ 437,698	\$ 87,146	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	342,799	440,082	183,416	6,132
2170	Due to other funds	484,714	3,254,994	1,921,018	11,952
2180	Due to other governments	-	-	-	-
2300	Unearned revenues	-	355	-	-
<b>2000</b>	<b>Total Liabilities</b>	<u>927,656</u>	<u>4,133,129</u>	<u>2,191,580</u>	<u>18,084</u>
<b>Fund Balance:</b>					
<b>Restricted:</b>					
3450	Federal/State funds grant restrictions	-	-	-	-
<b>Committed:</b>					
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 927,656</u>	<u>\$ 4,133,129</u>	<u>\$ 2,191,580</u>	<u>\$ 18,084</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2021**

*Exhibit H-1*  
*Page 2 of 11*

Data Control Codes	240	242	244	255	
	Child Nutrition	Summer Feeding Program	Vocational Ed. - Basic	ESEA Title II, A - Training and Recruiting	
<b>Assets</b>					
1110	Cash and temporary investments	\$ 1,311,539	\$ 7,977	\$ -	\$ -
<b>Receivables:</b>					
1240	Receivables from other governments	772,943	112,879	126,441	203,470
1260	Due from other funds	55,062	373,727	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	87,006	-	-	-
<b>1000</b>	<b>Total Assets</b>	<b>\$ 2,226,550</b>	<b>\$ 494,583</b>	<b>\$ 126,441</b>	<b>\$ 203,470</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
2110	Accounts payable	\$ 405,254	\$ 7,995	\$ 51,355	\$ 15,678
2150	Payroll deduction and withholdings payable	83,641	-	-	-
2160	Accrued wages payable	294,241	35,716	6,645	54,347
2170	Due to other funds	258,474	28,762	68,441	133,445
2180	Due to other governments	-	-	-	-
2300	Unearned revenues	33,662	-	-	-
<b>2000</b>	<b>Total Liabilities</b>	<b>1,075,272</b>	<b>72,473</b>	<b>126,441</b>	<b>203,470</b>
<b>Fund Balance:</b>					
<b>Restricted:</b>					
3450	Federal/State funds grant restrictions	1,151,278	422,110	-	-
<b>Committed:</b>					
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<b>1,151,278</b>	<b>422,110</b>	<b>-</b>	<b>-</b>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$ 2,226,550</b>	<b>\$ 494,583</b>	<b>\$ 126,441</b>	<b>\$ 203,470</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2021**

Data Control Codes	258	263	265	266	
	Public Charter School	ESEA Title III, A - English Lang. Acquisition	Title IV, Part B - 21st Century Community Learning Centers	ESSER	
<b>Assets</b>					
1110	Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
<b>Receivables:</b>					
1240	Receivables from other governments	-	55,231	134,499	2,027,356
1260	Due from other funds	1,637	-	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<b>\$ 1,637</b>	<b>\$ 55,231</b>	<b>\$ 134,499</b>	<b>\$ 2,027,356</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
2110	Accounts payable	\$ 1,637	\$ 44,087	\$ 21,596	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	-	4,886	37,131	-
2170	Due to other funds	-	6,258	65,163	2,027,356
2180	Due to other governments	-	-	10,609	-
2300	Unearned revenues	-	-	-	-
<b>2000</b>	<b>Total Liabilities</b>	<b>1,637</b>	<b>55,231</b>	<b>134,499</b>	<b>2,027,356</b>
<b>Fund Balance:</b>					
<b>Restricted:</b>					
3450	Federal/State funds grant restrictions	-	-	-	-
<b>Committed:</b>					
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$ 1,637</b>	<b>\$ 55,231</b>	<b>\$ 134,499</b>	<b>\$ 2,027,356</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2021**

*Exhibit H-1*  
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Data Control Codes	272	276	281	289
	Medicaid Administrative Claiming Program - MAC	Title I SIP Academy Grant	Prior Purch Reimb Prog (PPRP)	Summer School LEP
<b>Assets</b>				
1110	Cash and temporary investments	\$ 169,723	\$ -	\$ -
<b>Receivables:</b>				
1240	Receivables from other governments	-	691	2,224,628
1260	Due from other funds	219,367	534	-
1290	Other receivables	-	-	-
1310	Inventories, at cost	-	-	-
<b>1000</b>	<b>Total Assets</b>	<b>\$ 389,090</b>	<b>\$ 1,225</b>	<b>\$ 2,224,628</b>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
2110	Accounts payable	\$ -	\$ 1,225	\$ 28,023
2150	Payroll deduction and withholdings payable	-	-	-
2160	Accrued wages payable	-	-	20,796
2170	Due to other funds	-	-	2,224,628
2180	Due to other governments	-	-	220,761
2300	Unearned revenues	389,090	-	-
<b>2000</b>	<b>Total Liabilities</b>	<b>389,090</b>	<b>1,225</b>	<b>2,224,628</b>
<b>Fund Balance:</b>				
<b>Restricted:</b>				
3450	Federal/State funds grant restrictions	-	-	-
<b>Committed:</b>				
3545	Other purposes	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<b>\$ 389,090</b>	<b>\$ 1,225</b>	<b>\$ 2,224,628</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2021**

Data Control Codes	315	340	397	410	
	SSA - IDEA - Part B, Discretionary	SSA - IDEA, Part C, Early Intervention (Deaf)	Advanced Placement Incentive	Instructional Materials Allotment	
<b>Assets</b>					
1110	Cash and temporary investments	\$ 77,735	\$ -	\$ 276	\$ 762,206
<b>Receivables:</b>					
1240	Receivables from other governments	37,796	204	-	49,702
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<u>\$ 115,531</u>	<u>\$ 204</u>	<u>\$ 276</u>	<u>\$ 811,908</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
2110	Accounts payable	\$ 60	\$ -	\$ -	\$ 802,358
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	14,889	-	-	-
2170	Due to other funds	99,936	204	-	2,669
2180	Due to other governments	-	-	-	-
2300	Unearned revenues	646	-	276	6,881
<b>2000</b>	<b>Total Liabilities</b>	<u>115,531</u>	<u>204</u>	<u>276</u>	<u>811,908</u>
<b>Fund Balance:</b>					
<b>Restricted:</b>					
3450	Federal/State funds grant restrictions	-	-	-	-
<b>Committed:</b>					
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 115,531</u>	<u>\$ 204</u>	<u>\$ 276</u>	<u>\$ 811,908</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2021**

Data Control Codes	414 Texas Reading, Math and Science Initiative	423 Barbara Bush Family Literacy	429 Technology Lending Grant	435 SSA - Regional Day School for the Deaf State	
<b>Assets</b>					
1110	Cash and temporary investments	\$ -	\$ 468	\$ 27,186	\$ 325,215
<b>Receivables:</b>					
1240	Receivables from other governments	-	-	36,880	200,748
1260	Due from other funds	-	-	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<u>\$ -</u>	<u>\$ 468</u>	<u>\$ 64,066</u>	<u>\$ 525,963</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
2110	Accounts payable	\$ -	\$ -	\$ 24,967	\$ 18,262
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	-	-	1,933	113,657
2170	Due to other funds	-	-	9,980	390,993
2180	Due to other governments	-	-	-	-
2300	Unearned revenues	-	468	27,186	-
<b>2000</b>	<b>Total Liabilities</b>	<u>-</u>	<u>468</u>	<u>64,066</u>	<u>522,912</u>
<b>Fund Balance:</b>					
<b>Restricted:</b>					
3450	Federal/State funds grant restrictions	-	-	-	3,051
<b>Committed:</b>					
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,051</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ -</u>	<u>\$ 468</u>	<u>\$ 64,066</u>	<u>\$ 525,963</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2021**

*Exhibit H-1*  
*Page 7 of 11*

Data Control Codes	446	461	483	484	
	State Local Funded				
	Regional Day School Deaf - Local	Campus Activity Fund	Natatorium Swim Program	Campus After School Program	
<b>Assets</b>					
1110	Cash and temporary investments	\$ 535,357	\$ 385,823	\$ 837	\$ 25,832
<b>Receivables:</b>					
1240	Receivables from other governments	-	-	-	-
1260	Due from other funds	-	5,974	26,428	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<u>\$ 535,357</u>	<u>\$ 391,797</u>	<u>\$ 27,265</u>	<u>\$ 25,832</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
2110	Accounts payable	\$ 27,211	\$ 80,795	\$ -	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	70,337	-	-	-
2170	Due to other funds	349,227	26,786	-	-
2180	Due to other governments	-	-	-	-
2300	Unearned revenues	88,582	-	27,265	25,832
<b>2000</b>	<b>Total Liabilities</b>	<u>535,357</u>	<u>107,581</u>	<u>27,265</u>	<u>25,832</u>
<b>Fund Balance:</b>					
<b>Restricted:</b>					
3450	Federal/State funds grant restrictions	-	-	-	-
<b>Committed:</b>					
3545	Other purposes	-	284,216	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<u>-</u>	<u>284,216</u>	<u>-</u>	<u>-</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 535,357</u>	<u>\$ 391,797</u>	<u>\$ 27,265</u>	<u>\$ 25,832</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2021**

Data Control Codes	485	487	488	489	
	Exxon-Mobil Future Leaders	Exxon-Mobil Reading Initiative	Texas School Ready	Community Education Program	
<b>Assets</b>					
1110	Cash and temporary investments	\$ 3,500	\$ 111,791	\$ 4,421	\$ 8,846
<b>Receivables:</b>					
1240	Receivables from other governments	-	-	-	-
1260	Due from other funds	1,500	18,914	-	-
1290	Other receivables	-	-	-	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<u>\$ 5,000</u>	<u>\$ 130,705</u>	<u>\$ 4,421</u>	<u>\$ 8,846</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
2110	Accounts payable	\$ 1,500	\$ 2,099	\$ -	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	-	-	-	-
2170	Due to other funds	-	-	166	-
2180	Due to other governments	-	-	-	-
2300	Unearned revenues	3,500	128,606	4,255	8,846
<b>2000</b>	<b>Total Liabilities</b>	<u>5,000</u>	<u>130,705</u>	<u>4,421</u>	<u>8,846</u>
<b>Fund Balance:</b>					
<b>Restricted:</b>					
3450	Federal/State funds grant restrictions	-	-	-	-
<b>Committed:</b>					
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 5,000</u>	<u>\$ 130,705</u>	<u>\$ 4,421</u>	<u>\$ 8,846</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2021**

Data Control Codes	491	492	493	495	
	Misc Grants	Thomas Center - Scoreboard	DaVinci Minds Grant	Texas Data Champions	
<b>Assets</b>					
1110	Cash and temporary investments	\$ 898	\$ 75,230	\$ -	\$ 2,648
<b>Receivables:</b>					
1240	Receivables from other governments	-	-	-	-
1260	Due from other funds	339	-	806,837	-
1290	Other receivables	-	1,848	-	-
1310	Inventories, at cost	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<u>\$ 1,237</u>	<u>\$ 77,078</u>	<u>\$ 806,837</u>	<u>\$ 2,648</u>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities:</b>					
2110	Accounts payable	\$ -	\$ 3,001	\$ -	\$ -
2150	Payroll deduction and withholdings payable	-	-	-	-
2160	Accrued wages payable	-	-	-	-
2170	Due to other funds	-	847	-	-
2180	Due to other governments	-	-	-	-
2300	Unearned revenues	1,237	73,230	806,837	2,648
<b>2000</b>	<b>Total Liabilities</b>	<u>1,237</u>	<u>77,078</u>	<u>806,837</u>	<u>2,648</u>
<b>Fund Balance:</b>					
<b>Restricted:</b>					
3450	Federal/State funds grant restrictions	-	-	-	-
<b>Committed:</b>					
3545	Other purposes	-	-	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 1,237</u>	<u>\$ 77,078</u>	<u>\$ 806,837</u>	<u>\$ 2,648</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**June 30, 2021**

*Exhibit H-1*  
*Page 10 of 11*

Data Control Codes		498	499	Total Nonmajor
		District Incentive Program	Other Local Special Revenue Funds	Special Revenue Funds
<b>Assets</b>				
1110	Cash and temporary investments	\$ 16,413	\$ 70,840	\$ 3,924,761
<b>Receivables:</b>				
1240	Receivables from other governments	-	-	13,523,439
1260	Due from other funds	-	21,798	1,532,117
1290	Other receivables	-	-	1,906
1310	Inventories, at cost	-	-	87,006
<b>1000</b>	<b>Total Assets</b>	<u>\$ 16,413</u>	<u>\$ 92,638</u>	<u>\$ 19,069,229</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities:</b>				
2110	Accounts payable	\$ -	\$ 2,047	\$ 2,164,137
2150	Payroll deduction and withholdings payable	-	-	83,641
2160	Accrued wages payable	-	-	1,627,007
2170	Due to other funds	-	-	11,586,774
2180	Due to other governments	-	-	10,609
2300	Unearned revenues	16,413	78,789	1,724,604
<b>2000</b>	<b>Total Liabilities</b>	<u>16,413</u>	<u>80,836</u>	<u>17,196,772</u>
<b>Fund Balance:</b>				
<b>Restricted:</b>				
3450	Federal/State funds grant restrictions	-	11,802	1,588,241
<b>Committed:</b>				
3545	Other purposes	-	-	284,216
<b>3000</b>	<b>Total Fund Balances</b>	<u>-</u>	<u>11,802</u>	<u>1,872,457</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 16,413</u>	<u>\$ 92,638</u>	<u>\$ 19,069,229</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
 June 30, 2021

*Exhibit H-1*  
 Page 11 of 11

Data Control Codes		699	
		Capital Projects	Total Nonmajor Governmental Funds
<b>Assets</b>			
1110	Cash and temporary investments	\$ 9,688,898	\$ 13,613,659
<b>Receivables:</b>			
1240	Receivables from other governments	-	13,523,439
1260	Due from other funds	-	1,532,117
1290	Other receivables	-	1,906
1310	Inventories, at cost	-	87,006
<b>1000</b>	<b>Total Assets</b>	<u>\$ 9,688,898</u>	<u>\$ 28,758,127</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities:</b>			
2110	Accounts payable	\$ -	\$ 2,164,137
2150	Payroll deduction and withholdings payable	-	83,641
2160	Accrued wages payable	-	1,627,007
2170	Due to other funds	-	11,586,774
2180	Due to other governments	-	10,609
2300	Unearned revenues	-	1,724,604
<b>2000</b>	<b>Total Liabilities</b>	<u>-</u>	<u>17,196,772</u>
<b>Fund Balance:</b>			
<b>Restricted:</b>			
3450	Federal/State funds grant restrictions	-	1,588,241
<b>Committed:</b>			
3545	Other purposes	9,688,898	9,973,114
<b>3000</b>	<b>Total Fund Balances</b>	<u>9,688,898</u>	<u>11,561,355</u>
<b>4000</b>	<b>Total Liabilities and Fund Balance</b>	<u>\$ 9,688,898</u>	<u>\$ 28,758,127</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

*Exhibit H-2*  
*Page 1 of 11*

Data Control Codes		205	211	224	225
		Head Start	ESEA Title I, A - Improving Basic Ed.	IDEA B - Formula	IDEA B - Preschool
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	3,508,680	7,980,265	3,434,716	68,429
<b>5020</b>	<b>Total Revenues</b>	<u>3,508,680</u>	<u>7,980,265</u>	<u>3,434,716</u>	<u>68,429</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	2,435,385	5,921,613	2,985,973	68,429
0012	Instruction resources and media services	34,812	1,684	-	-
0013	Curriculum and instructional staff development	27,416	37,168	490	-
0021	Instructional leadership	150,584	855,423	170,250	-
0023	School leadership	212,187	189,228	-	-
0031	Guidance, counseling and evaluation services	-	226,277	278,003	-
0032	Social work services	304,415	5,500	-	-
0033	Health services	113,123	2,684	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	230,758	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	740,688	-	-
<b>Capital Outlay:</b>					
0081	Facilities acquisition and construction	-	-	-	-
<b>6030</b>	<b>Total Expenditures</b>	<u>3,508,680</u>	<u>7,980,265</u>	<u>3,434,716</u>	<u>68,429</u>
1100	Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	-	-	-	-
7915	Transfers in	-	-	-	-
<b>7080</b>	<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
<b>0100</b>	<b>Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>3000</b>	<b>Fund Balance - June 30 (Ending)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

*Exhibit H-2*  
*Page 2 of 11*

Data Control Codes		240	242	244	255
		Child Nutrition	Summer Feeding Program	Vocational Ed. - Basic	ESEA Title II, A - Training and Recruiting
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ 255,153	\$ 260	\$ -	\$ -
5800	State program revenues	56,849	-	-	-
5900	Federal program revenues	5,814,372	181,744	305,525	771,410
<b>5020</b>	<b>Total Revenues</b>	<u>6,126,374</u>	<u>182,004</u>	<u>305,525</u>	<u>771,410</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	-	-	202,605	545,146
0012	Instruction resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	-	-	-	222,639
0021	Instructional leadership	-	-	88,315	-
0023	School leadership	-	-	-	3,000
0031	Guidance, counseling and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	6,731,301	99,677	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	228,356	-	14,605	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	625
<b>Capital Outlay:</b>					
0081	Facilities acquisition and construction	1,104,154	-	-	-
<b>6030</b>	<b>Total Expenditures</b>	<u>8,063,811</u>	<u>99,677</u>	<u>305,525</u>	<u>771,410</u>
1100	Excess (deficiency) of revenues over expenditures	<u>(1,937,437)</u>	<u>82,327</u>	<u>-</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	5,761	-	-	-
7915	Transfers in	-	-	-	-
<b>7080</b>	<b>Total Other Financing Sources and Uses</b>	<u>5,761</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	(1,931,676)	82,327	-	-
<b>0100</b>	<b>Fund Balance - July 1 (Beginning)</b>	<u>3,082,954</u>	<u>339,783</u>	<u>-</u>	<u>-</u>
<b>3000</b>	<b>Fund Balance - June 30 (Ending)</b>	<u>\$ 1,151,278</u>	<u>\$ 422,110</u>	<u>\$ -</u>	<u>\$ -</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

*Exhibit H-2*  
*Page 3 of 11*

Data Control Codes		258	263	265	266
		Public Charter School	ESEA Title III, A - English Lang. Acquisition	Title IV, Part B - 21st Century Community Learning Centers	ESSER
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	538,397	194,186	549,380	3,984,588
<b>5020</b>	<b>Total Revenues</b>	<u>538,397</u>	<u>194,186</u>	<u>549,380</u>	<u>3,984,588</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	494,769	56,550	387,296	1,186,550
0012	Instruction resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	34,628	53,249	-	-
0021	Instructional leadership	9,000	1,267	153,516	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	8,568	595,372
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	-	1,790,190
0052	Security and monitoring services	-	-	-	412,476
0053	Data processing services	-	-	-	-
0061	Community services	-	83,120	-	-
<b>Capital Outlay:</b>					
0081	Facilities acquisition and construction	-	-	-	-
<b>6030</b>	<b>Total Expenditures</b>	<u>538,397</u>	<u>194,186</u>	<u>549,380</u>	<u>3,984,588</u>
1100	Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	-	-	-	-
7915	Transfers in	-	-	-	-
<b>7080</b>	<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
<b>0100</b>	<b>Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>3000</b>	<b>Fund Balance - June 30 (Ending)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

Data Control Codes		272	276	281	289
		Medicaid Administrative Claiming Program - MAC	Title I SIP Academy Grant	Prior Purch Reimb Prog (PPRP)	Summer School LEP
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	29,120	88,680	2,224,628	466,970
<b>5020</b>	<b>Total Revenues</b>	<u>29,120</u>	<u>88,680</u>	<u>2,224,628</u>	<u>466,970</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	-	88,680	1,226,499	130,014
0012	Instruction resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	-	-	-	-
0021	Instructional leadership	-	-	5,596	125,105
0023	School leadership	-	-	7,408	53,400
0031	Guidance, counseling and evaluation services	-	-	1,266	139,610
0032	Social work services	-	-	-	-
0033	Health services	29,120	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	17,828	18,841
0051	Facilities maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	966,031	-
0061	Community services	-	-	-	-
<b>Capital Outlay:</b>					
0081	Facilities acquisition and construction	-	-	-	-
<b>6030</b>	<b>Total Expenditures</b>	<u>29,120</u>	<u>88,680</u>	<u>2,224,628</u>	<u>466,970</u>
1100	Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	-	-	-	-
7915	Transfers in	-	-	-	-
<b>7080</b>	<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
<b>0100</b>	<b>Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>3000</b>	<b>Fund Balance - June 30 (Ending)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

*Exhibit H-2*  
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Data Control Codes		315	340	397	410
		SSA - IDEA - Part B, Discretionary	SSA - IDEA, Part C, Early Intervention (Deaf)	Advanced Placement Incentive	Advanced Placement Incentive
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ -	\$ 12,076
5800	State program revenues	-	-	-	226,895
5900	Federal program revenues	115,708	204	-	-
<b>5020</b>	<b>Total Revenues</b>	<u>115,708</u>	<u>204</u>	<u>-</u>	<u>238,971</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	115,613	204	-	238,971
0012	Instruction resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	95	-	-	-
0021	Instructional leadership	-	-	-	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	-
<b>Capital Outlay:</b>					
0081	Facilities acquisition and construction	-	-	-	-
<b>6030</b>	<b>Total Expenditures</b>	<u>115,708</u>	<u>204</u>	<u>-</u>	<u>238,971</u>
1100	Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	-	-	-	-
7915	Transfers in	-	-	-	-
<b>7080</b>	<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
<b>0100</b>	<b>Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>3000</b>	<b>Fund Balance - June 30 (Ending)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

*Exhibit H-2*  
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Data Control Codes		414	423	429	435
		Texas Reading, Math and Science Initiative	Barbara Bush Family Literacy	Technology Lending Grant	SSA - Regional Day School for the Deaf State
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ -	\$ -	\$ 10,571	\$ -
5800	State program revenues	7,983	-	178,607	761,018
5900	Federal program revenues	-	-	-	-
<b>5020</b>	<b>Total Revenues</b>	<u>7,983</u>	<u>-</u>	<u>189,178</u>	<u>761,018</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	1,538	-	97,646	512,960
0012	Instruction resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	-	-	4,900	-
0021	Instructional leadership	6,445	-	-	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-	129,316
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	88,521
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	19,957	-
0052	Security and monitoring services	-	-	66,675	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	30,221
<b>Capital Outlay:</b>					
0081	Facilities acquisition and construction	-	-	-	-
<b>6030</b>	<b>Total Expenditures</b>	<u>7,983</u>	<u>-</u>	<u>189,178</u>	<u>761,018</u>
1100	Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	-	-	-	-
7915	Transfers in	-	-	-	-
<b>7080</b>	<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
<b>0100</b>	<b>Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,051</u>
<b>3000</b>	<b>Fund Balance - June 30 (Ending)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,051</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

Data Control Codes		446	461	483	484
		State Local Funded			
		Regional Day School Deaf - Local	Campus Activity Fund	Natatorium Swim Program	Campus After School Program
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ 885,692	\$ 198,545	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	-	-	-	-
<b>5020</b>	<b>Total Revenues</b>	<u>885,692</u>	<u>198,545</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	731,236	-	-	-
0012	Instruction resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	923	-	-	-
0021	Instructional leadership	144,667	-	-	-
0023	School leadership	-	236,406	-	-
0031	Guidance, counseling and evaluation services	7,988	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	878	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	-
<b>Capital Outlay:</b>					
0081	Facilities acquisition and construction	-	-	-	-
<b>6030</b>	<b>Total Expenditures</b>	<u>885,692</u>	<u>236,406</u>	<u>-</u>	<u>-</u>
1100	Excess (deficiency) of revenues over expenditures	-	(37,861)	-	-
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	-	-	-	-
7915	Transfers in	-	-	-	-
<b>7080</b>	<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	(37,861)	-	-
<b>0100</b>	<b>Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>322,077</u>	<u>-</u>	<u>-</u>
<b>3000</b>	<b>Fund Balance - June 30 (Ending)</b>	<u>\$ -</u>	<u>\$ 284,216</u>	<u>\$ -</u>	<u>\$ -</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

		485	487	488	489
Data Control Codes		Exxon-Mobil Future Leaders	Exxon-Mobil Reading Initiative	Texas School Ready	Community Education Program
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ 1,500	\$ 30,126	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	-	-	-	-
<b>5020</b>	<b>Total Revenues</b>	<u>1,500</u>	<u>30,126</u>	<u>-</u>	<u>-</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	-	30,126	-	-
0012	Instruction resources and media services	-	-	-	-
0013	Curriculum and instructional staff development	-	-	-	-
0021	Instructional leadership	-	-	-	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	1,500	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	-
<b>Capital Outlay:</b>					
0081	Facilities acquisition and construction	-	-	-	-
<b>6030</b>	<b>Total Expenditures</b>	<u>1,500</u>	<u>30,126</u>	<u>-</u>	<u>-</u>
1100	Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	-	-	-	-
7915	Transfers in	-	-	-	-
<b>7080</b>	<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
<b>0100</b>	<b>Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>3000</b>	<b>Fund Balance - June 30 (Ending)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

Data Control Codes		491	492	493	495
		Misc Grants	Thomas Center - Scoreboard	DaVinci Minds Grant	Texas Data Champions
<b>Revenues</b>					
5700	Local, intermediate, and out-of-state	\$ 812	\$ 20,115	\$ 902,370	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	-	-	-	-
<b>5020</b>	<b>Total Revenues</b>	<u>812</u>	<u>20,115</u>	<u>902,370</u>	<u>-</u>
<b>Expenditures</b>					
<b>Current:</b>					
0011	Instruction	-	-	-	-
0012	Instruction resources and media services	812	-	-	-
0013	Curriculum and instructional staff development	-	-	-	-
0021	Instructional leadership	-	-	-	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling and evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student transportation	-	-	-	-
0035	Food service	-	-	-	-
0036	Extracurricular activities	-	20,115	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance and operations	-	-	-	-
0052	Security and monitoring services	-	-	-	-
0053	Data processing services	-	-	902,370	-
0061	Community services	-	-	-	-
<b>Capital Outlay:</b>					
0081	Facilities acquisition and construction	-	-	-	-
<b>6030</b>	<b>Total Expenditures</b>	<u>812</u>	<u>20,115</u>	<u>902,370</u>	<u>-</u>
1100	Excess (deficiency) of revenues over expenditures	-	-	-	-
<b>Other Financing Sources (Uses)</b>					
7912	Sale of real or personal property	-	-	-	-
7915	Transfers in	-	-	-	-
<b>7080</b>	<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
<b>0100</b>	<b>Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>3000</b>	<b>Fund Balance - June 30 (Ending)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

*Exhibit H-2*  
*Page 10 of 11*

Data Control Codes		498	499	Total Nonmajor
		District Incentive Program	Other Local Special Revenue Funds	Special Revenue Funds
<b>Revenues</b>				
5700	Local, intermediate, and out-of-state	\$ -	\$ 21,284	\$ 2,338,504
5800	State program revenues	-	-	1,231,352
5900	Federal program revenues	-	-	30,257,002
5020	<b>Total Revenues</b>	<u>-</u>	<u>21,284</u>	<u>33,826,858</u>
<b>Expenditures</b>				
<b>Current:</b>				
0011	Instruction	-	12,309	17,470,112
0012	Instruction resources and media services	-	219	37,527
0013	Curriculum and instructional staff development	-	-	381,508
0021	Instructional leadership	-	-	1,710,168
0023	School leadership	-	-	701,629
0031	Guidance, counseling and evaluation services	-	-	782,460
0032	Social work services	-	-	309,915
0033	Health services	-	-	234,326
0034	Student transportation	-	-	603,940
0035	Food service	-	-	6,830,978
0036	Extracurricular activities	-	8,756	30,371
0041	General administration	-	-	36,669
0051	Facilities maintenance and operations	-	-	2,283,866
0052	Security and monitoring services	-	-	479,151
0053	Data processing services	-	-	1,868,401
0061	Community services	-	-	854,654
<b>Capital Outlay:</b>				
0081	Facilities acquisition and construction	-	-	1,104,154
6030	<b>Total Expenditures</b>	<u>-</u>	<u>21,284</u>	<u>35,719,829</u>
1100	Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>(1,892,971)</u>
<b>Other Financing Sources (Uses)</b>				
7912	Sale of real or personal property	-	-	5,761
7915	Transfers in	-	-	-
7080	<b>Total Other Financing Sources and Uses</b>	<u>-</u>	<u>-</u>	<u>5,761</u>
1200	Net change in fund balances	-	-	(1,887,210)
0100	<b>Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>11,802</u>	<u>3,759,667</u>
3000	<b>Fund Balance - June 30 (Ending)</b>	<u>\$ -</u>	<u>\$ 11,802</u>	<u>\$ 1,872,457</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE - ALL NONMAJOR GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2021**

*Exhibit H-2*  
*Page 11 of 11*

		699	
Data Control Codes		Capital Projects	Total Nonmajor Governmental Funds
<b>Revenues</b>			
5700	Local, intermediate, and out-of-state	\$ -	\$ 2,338,504
5800	State program revenues	-	1,231,352
5900	Federal program revenues	-	30,257,002
5020	<b>Total Revenues</b>	<u>-</u>	<u>33,826,858</u>
<b>Expenditures</b>			
<b>Current:</b>			
0011	Instruction	-	17,470,112
0012	Instruction resources and media services	-	37,527
0013	Curriculum and instructional staff development	-	381,508
0021	Instructional leadership	-	1,710,168
0023	School leadership	-	701,629
0031	Guidance, counseling and evaluation services	-	782,460
0032	Social work services	-	309,915
0033	Health services	-	234,326
0034	Student transportation	-	603,940
0035	Food service	-	6,830,978
0036	Extracurricular activities	-	30,371
0041	General administration	-	36,669
0051	Facilities maintenance and operations	-	2,283,866
0052	Security and monitoring services	-	479,151
0053	Data processing services	-	1,868,401
0061	Community services	-	854,654
<b>Capital Outlay:</b>			
0081	Facilities acquisition and construction	-	1,104,154
6030	<b>Total Expenditures</b>	<u>-</u>	<u>35,719,829</u>
1100	Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(1,892,971)</u>
<b>Other Financing Sources (Uses)</b>			
7912	Sale of real or personal property		5,761
7915	Transfers in	9,688,898	9,688,898
7080	<b>Total Other Financing Sources and Uses</b>	<u>9,688,898</u>	<u>9,694,659</u>
1200	Net change in fund balances	9,688,898	7,801,688
0100	<b>Fund Balance - July 1 (Beginning)</b>	<u>-</u>	<u>3,759,667</u>
3000	<b>Fund Balance - June 30 (Ending)</b>	<u>\$ 9,688,898</u>	<u>\$ 11,561,355</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**June 30, 2021**

*Exhibit H-3*  
*Page 1 of 2*

<b>Data Control Codes</b>	<b>836</b>	<b>837</b>	<b>838</b>	<b>839 Charles Weinbaum Scholarship</b>	<b>841 Paul A Brown Scholarship</b>	
	<b>Alex Durley Scholarship</b>	<b>Joe H Tonahill Scholarship</b>	<b>Mike Taylor Scholarship</b>			
<b>Assets</b>						
Current Assets:						
1110	Cash and cash equivalents	\$ 17,819	\$ 20,491	\$ 3,553	\$ 1,058	\$ 5,733
Receivables:						
1290	Other receivables	-	-	-	-	-
<b>1000</b>	<b>Total Assets</b>	<b>17,819</b>	<b>20,491</b>	<b>3,553</b>	<b>1,058</b>	<b>5,733</b>
<b>Liabilities</b>						
Current Liabilities:						
2110	Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
<b>2000</b>	<b>Total Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net Position</b>						
	Restricted for student scholarships and other activities	\$ 17,819	\$ 20,491	\$ 3,553	\$ 1,058	\$ 5,733
<b>3800</b>	<b>Total Net Position</b>	<b>\$ 17,819</b>	<b>\$ 20,491</b>	<b>\$ 3,553</b>	<b>\$ 1,058</b>	<b>\$ 5,733</b>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**June 30, 2021**

*Exhibit H-3*  
*Page 2 of 2*

<u>Data Control Codes</u>	<b>842 Wells, Peyton, Greenburg &amp; Hunt</b>	<b>843 Gulf Coast Area Association of School Boards</b>	<b>Total Private Purpose Trust Funds</b>	<b>Total Custodial Fund</b>
<b>Assets</b>				
Current Assets:				
1110	\$ 1,500	\$ 500	\$ 50,654	\$ 315,206
Receivables:				
1290	-	-	-	33,727
<b>1000</b>	<u>1,500</u>	<u>500</u>	<u>50,654</u>	<u>\$ 348,933</u>
<b>Liabilities</b>				
Current Liabilities:				
2110	\$ -	\$ -	\$ -	\$ 21,540
<b>2000</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,540</u>
<b>Net Position</b>				
	\$ 1,500	\$ 500	\$ 50,654	\$ 327,393
3800	<u>1,500</u>	<u>500</u>	<u>50,654</u>	<u>\$ 327,393</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Year Ended June 30, 2021**

*Exhibit H-4*  
*Page 1 of 2*

	836	837	838	839	841
	Alex Durley Scholarship	Joe H Tonahill Scholarship	Mike Taylor Scholarship	Charles Weinbaum Scholarship	Paul A Brown Scholarship
<b>Contributions</b>					
Gifts and contributions	\$ -	\$ -	\$ -	\$ -	\$ -
Revenues from student activities					
<b>Total Contributions</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Deductions</b>					
Scholarships awarded					
Payments for student activities	-	-	-	-	-
<b>Total Deductions</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	-	-	-	-	-
<b>Net Position Beginning of Year</b>	17,819	20,491	3,553	1,058	5,733
<b>Prior Period Adjustment Due to GASB No. 84 Implementation</b>	-	-	-	-	-
<b>Net Position - Ending</b>	<u>\$ 17,819</u>	<u>\$ 20,491</u>	<u>\$ 3,553</u>	<u>\$ 1,058</u>	<u>\$ 5,733</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**For the Year Ended June 30, 2021**

*Exhibit H-4*  
*Page 2 of 2*

	842	843		865	
	Wells, Peyton, Greenburg & Hunt	Gulf Coast Area Association of School Boards	Total Private Purpose Trust Funds	Student Activity Account	Total Custodial Fund
<b>Contributions</b>					
Gifts and contributions	\$ -	\$ -	\$ -	\$ 15,955	\$ 15,955
Revenues from student activities				203,161	203,161
<b>Total Contributions</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>219,116</u>	<u>219,116</u>
<b>Deductions</b>					
Non-operating expenses	-	-	-	245,745	245,745
<b>Total Deductions</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>245,745</u>	<u>245,745</u>
Change in net position	-	-	-	(26,629)	(26,629)
<b>Net Position Beginning of Year</b>	1,500	500	50,654	-	-
<b>Prior Period Adjustment Due to GASB No. 84 Implementation</b>	-	-	-	354,022	354,022
<b>Net Position End of Year</b>	<u>\$ 1,500</u>	<u>\$ 500</u>	<u>\$ 50,654</u>	<u>\$ 327,393</u>	<u>\$ 327,393</u>



## **REQUIRED TEA SCHEDULES**

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF DELINQUENT TAXES RECEIVABLE**  
**For the Year Ended June 30, 2021**

*Exhibit J-1*  
*Page 1 of 2*

Last Ten Fiscal Years	1		2	3	10
	Tax Rates			Net Assessed/Appraised Value For School Tax Purposes	Beginning Balance 7/1/2020
	Maintenance	Debt Service			
2012 and prior	Various	Various		Various	\$ 2,866,416
2013	1.040000	0.275000		9,259,420,913	532,894
2014	1.040000	0.275000		9,783,235,099	627,800
2015	1.040000	0.275000		9,775,170,418	727,058
2016	1.040000	0.275000		9,648,331,407	812,923
2017	1.040000	0.275000		9,871,550,494	924,470
2018	1.040000	0.254050		10,268,422,996	1,083,526
2019	1.040000	0.254050		10,406,282,292	1,536,298
2020	0.970000	0.254050		11,237,308,760	2,926,813
2021	0.966400	0.254050		11,348,705,039	-
<b>1000 Totals</b>					<u>\$ 12,038,198</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF DELINQUENT TAXES RECEIVABLE**  
**For the Year Ended June 30, 2021**

*Exhibit J-1*  
*Page 2 of 2*

<u>Last Ten Fiscal Years</u>	<u>20 Current Year's Total Levy</u>	<u>31 Maintenance Total Collections</u>	<u>32 Debt Service Total Collections</u>	<u>40 Entire Year's Adjustments</u>	<u>50 Ending Balance 6/30/2021</u>
2012 and prior	\$ -	\$ 137,056	\$ 35,403	\$ (522,857)	\$ 2,171,100
2013	-	44,132	11,670	(5,802)	471,290
2014	-	58,324	15,422	(6,176)	547,878
2015	-	77,484	20,488	(6,359)	622,727
2016	-	90,107	23,826	(6,468)	692,522
2017	-	112,320	29,700	(6,029)	776,421
2018	-	(772,461)	39,949	(946,148)	869,890
2019	-	(709,096)	56,368	(1,019,620)	1,169,406
2020	-	886,088	219,477	(329,870)	1,491,378
2021	<u>138,510,945</u>	<u>102,005,748</u>	<u>33,137,175</u>	<u>(716,618)</u>	<u>2,651,404</u>
<b>1000 Totals</b>	<u>\$ 138,510,945</u>	<u>\$ 101,929,702</u>	<u>\$ 33,589,478</u>	<u>\$ (3,565,947)</u>	<u>11,464,016</u>
Penalty and interest receivable on taxes					<u>7,559,066</u>
<b>Total taxes receivable per Exhibit C-1</b>					<u>\$ 19,023,082</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**BUDGETARY COMPARISON SCHEDULE**  
**CHILD NUTRITION PROGRAM FUND**  
**For the Year Ended June 30, 2021**

Exhibit J-2

	<u>Budgeted Amounts</u>		<u>Actual Amounts, GAAP Basis</u>	<u>variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Local revenues	\$ 692,198	\$ 744,488	\$ 255,153	\$ (489,335)
State program revenues	58,520	58,520	56,849	(1,671)
Federal program revenues	11,228,592	11,228,592	5,814,372	(5,414,220)
<b>Total Revenues</b>	<u>11,979,310</u>	<u>12,031,600</u>	<u>6,126,374</u>	<u>(5,905,226)</u>
<b>Expenditures</b>				
<b>Current:</b>				
Food services	12,351,479	12,442,100	6,731,301	5,710,799
Facilities maintenance and operations	265,826	265,826	228,356	37,470
<b>Capital Outlay:</b>				
Facilities acquisition and construction	336,000	1,639,813	1,104,154	535,659
<b>Total Expenditures</b>	<u>12,953,305</u>	<u>14,347,739</u>	<u>8,063,811</u>	<u>6,283,928</u>
<b>Other Financing Sources (Uses)</b>				
Sale of real or personal property	-	-	5,761	5,761
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>5,761</u>	<u>5,761</u>
Net change in fund balances	(973,995)	(2,316,139)	(1,931,676)	384,463
<b>Fund Balances - Beginning</b>	<u>3,082,954</u>	<u>3,082,954</u>	<u>3,082,954</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ 2,108,959</u>	<u>\$ 766,815</u>	<u>\$ 1,151,278</u>	<u>\$ 384,463</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**

**BUDGETARY COMPARISON SCHEDULE**

**DEBT SERVICE FUND**

**For the Year Ended June 30, 2021**

*Exhibit J-3*

	<u>Budgeted Amounts</u>		<u>Actual Amounts, GAAP Basis</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Local and intermediate sources	\$ 33,419,500	\$ 33,826,124	\$ 33,884,889	\$ 58,765
State program revenues	-	481,182	376,820	(104,362)
<b>Total Revenues</b>	<u>33,419,500</u>	<u>34,307,306</u>	<u>34,261,709</u>	<u>(45,597)</u>
<b>Expenditures</b>				
<b>Debt Service:</b>				
Principal on long-term debt	21,310,529	23,110,529	22,795,000	315,529
Interest on long-term debt	12,088,971	12,088,971	12,201,733	(112,762)
Bond issuance costs and fees	20,000	20,000	14,385	5,615
<b>Total Expenditures</b>	<u>33,419,500</u>	<u>35,219,500</u>	<u>35,011,118</u>	<u>208,382</u>
Excess (deficiency) of revenues over expenditures	-	(912,194)	(749,409)	162,785
Net change in fund balances	-	(912,194)	(749,409)	162,785
<b>Fund Balances - Beginning</b>	<u>13,803,775</u>	<u>13,803,775</u>	<u>13,803,775</u>	<u>-</u>
<b>Fund Balances - Ending</b>	<u>\$ 13,803,775</u>	<u>\$ 12,891,581</u>	<u>\$ 13,054,366</u>	<u>\$ 162,785</u>



## **FEDERAL AWARDS SECTION**



**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  
Beaumont Independent School District  
Beaumont, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beaumont Independent School District (the "District"), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise District's basic financial statements, and have issued our report thereon dated November 10, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To the Board of Trustees  
Beaumont Independent School District

**Purpose of this Report**

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

A handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, flowing style.

Houston, Texas  
November 10, 2021

**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  
Beaumont Independent School District  
Beaumont, Texas

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

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

***Management's Responsibility***

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

***Auditor's Responsibility***

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

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

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

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

To the Board of Trustees  
Beaumont Independent School District

### Report on Internal Control Over Compliance

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

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

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

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.

The image shows a handwritten signature in black ink that reads "Whitley Penn LLP". The signature is written in a cursive, professional style.

Houston, Texas  
November 10, 2021

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
*For the Year Ended June 30, 2021*

**I. Summary of Auditors' Results**

**Financial Statements**

Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness (es) identified?	No
Significant deficiency (ies) identified that is not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
Material weakness (es) identified?	No
Significant deficiency (ies) identified that are not considered to be material weaknesses?	None reported
Type of auditors' report issued on compliance with major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?	No

Identification of major programs:

Name of Federal Program or Cluster	Assistance Listing Number (ALN)
<b>U.S. Department of Education:</b>	
<b><i>Special Education Cluster:</i></b>	
<i>IDEA-B Formula</i>	84.027A
<i>IDEA-B Preschool</i>	84.173A
<i>IDEA-B Discretionary - Deaf</i>	84.027A
<i>CARES Act, Section 18003 – Elementary and Secondary School</i>	
<i>Emergency Relief Fund (ESSER) Grant (COVID-19)</i>	84.425D
<i>CRRSAA, ESSER II Prior Purchase Reimbursement Program (PPRP) (COVID-19)</i>	84.425D
<i>Title II, Part A, Supporting Effective Instruction</i>	84.367A
<i>Restart for 2019 Flooding</i>	84.938A
<b>U.S. Department of Treasury:</b>	
Coronavirus Relief Fund (COVID-19)	21.019
Dollar Threshold Considered Between Type A and Type B <i>Federal</i> Programs	\$ 1,058,452
Auditee qualified as low-risk auditee?	Yes

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
***SCHEDULE OF FINDINGS AND QUESTIONED COSTS (continued)***  
***For the Year Ended June 30, 2021***

**II. Financial Statement Findings**

No current findings were noted.

**III. Federal Award Findings and Questioned Costs**

There are no federal awards findings during the current fiscal year

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2021**

**Exhibit K-1**  
**Page 1 of 2**

(2A)	(1)	(2)	(3)
Pass Through Entity Identifying Number	Federal Grantor/ Pass-Through Grantor/ Program Title	District Fund Number	Federal Assistance Listing Number*  Federal Expenditures and Indirect Costs
	<b>U.S. Department of Defense</b>		
	<b>Direct Program:</b>		
N/A	<i>Naval JROTC</i>	199	\$ 162,610
	<b>Total U.S. Department of Justice</b>		<u>162,610</u>
	<b>U.S. Department of Education</b>		
	<b>Passed Through Texas Education Agency:</b>		
216600011239106000	<i>IDEA-B Formula</i>	224	2,791,496
206600011239106000	<i>IDEA-B Formula</i>	224	893,712
216610011239106610	<i>IDEA-B Preschool</i>	225	9,308
206610011239106000	<i>IDEA-B Preschool</i>	225	64,036
216600111239106000	<i>IDEA-B Discretionary - Deaf</i>	315	122,456
	<b>Total Special Education Cluster (ALN 84.027, 84.173)</b>		<u>3,881,008</u>
	<b>Title I Part A and Title I Part D:</b>		
21610101123910	<i>ESEA, Title I, Part A - Improving Basic Programs</i>	211	4,957,374
20610101123910	<i>ESEA, Title I, Part A - Improving Basic Programs</i>	211	2,311,449
21610141123910	<i>Title I 1003 School Improvement</i>	211	185,356
20610141123910	<i>Title I 1003 School Improvement</i>	211	17,660
21610103123910	<i>Title I, Part D, Subpart D - Delinquent Programs</i>	211	21,517
206101487110002	<i>ESEA, Title I, Part A - 2019-2021 School Transformation</i>	211	918,138
196101477110005	<i>2019-2020 School Action Fund Planning</i>	289	65,937
196101477110006	<i>2019-2020 School Action Fund Planning</i>	289	59,516
	<b>Total ALN 84.010</b>		<u>8,536,947</u>
21420006123910	<i>Career and Technical - Basic Grant</i>	244	304,288
20420006123910	<i>Career and Technical - Basic Grant</i>	244	16,091
	<b>Total ALN 84.048</b>		<u>320,379</u>
213911011239103000	<i>IDEA-C ECI</i>	340	204
21694501123910	<i>Title II, Part A, Supporting Effective Instruction</i>	255	7,501
20694501123910	<i>Title II, Part A, Supporting Effective Instruction</i>	255	800,399
	<b>Total ALN 84.367</b>		<u>807,900</u>
185901057110004	<i>2019-2020 Charter School Program</i>	258	343,343
185901057110003	<i>2019-2020 Charter School Program</i>	258	195,054
	<b>Total ALN 84.282</b>		<u>538,397</u>
21671001123910	<i>Title III, Part A, ELA</i>	263	111,136
20671001123910	<i>Title III, Part A, ELA</i>	263	94,488
	<b>Total ALN 84.365</b>		<u>205,624</u>
20521001123910	<i>CARES Act, Section 18003 - Elementary and Secondary School Emergency Relief Fund (ESSER) Grant (COVID-19)</i>	266	4,523,856
52102135	<i>CRRSAA, ESSER II Prior Purchase Reimbursement Program (PPRP) (COVID-19)</i>	281	2,224,628
	<b>Total ALN 84.425</b>		<u>6,748,484</u>
20680101123910	<i>Title IV Part A Subpart 1</i>	289	367,940
17610740123910	<i>Instructional Continuity</i>	276	91,196
20511703123910	<i>Restart for 2019 Flooding</i>	199	1,560,358
	<b>Passed Through Save The Children Federations Inc.</b>		
196950267110044	<i>2019-2020 Texas 21st Century Community Learning Centers, Cycle 10, Year 2</i>	265	549,380
	<b>Total U.S. Department of Education</b>		<u>23,607,817</u>

\*ALN formerly known as CFDA #.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended June 30, 2021**

*Exhibit K-1*  
*Page 2 of 2*

(2A)	(1)	(2)	(3)
Pass Through Entity Identifying Number	Federal Grantor/ Pass-Through Grantor/ Program Title	District Fund Number	Federal Assistance Listing Number*  Federal Expenditures and Indirect Costs
	<b>U.S. Department of Health &amp; Human Services</b>		
	<b>Direct Program:</b>		
06CH011239-02-02	Head Start - 2021	205	93.600 \$ 2,863,345
06CH01123902C3	Head Start - 2021 (Covid-19)	205	93.600 294,388
06CH011239	Head Start - 2020	205	93.600 350,947
	Total ALN 93.600		<u>3,508,680</u>
	<b>Passed Through Texas Health and Human Services:</b>		
N/A	Medicaid Administrative Claiming Program – MAC	272	93.778 29,120
	<b>Total U.S. Department of Health &amp; Human Services</b>		<u>3,537,800</u>
	<b>U.S. Department of Homeland Security</b>		
	<b>Passed Through Texas Department of Public Safety's Division of Emergency Management:</b>		
4332DRTXP0000001	Public Assistance - FEMA Aid	199	97.036 756,534
	<b>Total U.S. Department of Homeland Security</b>		<u>756,534</u>
	<b>U.S. Department of Treasury</b>		
	<b>Passed Through Texas Division of Emergency Management</b>		
2020-CF-21019	Coronavirus Relief Fund (COVID-19)	199	21.019 1,220,845
	<b>Total U.S. Department of Treasury</b>		<u>1,220,845</u>
	<b>U.S. Department of Agriculture</b>		
	<b>Passed Through the Texas Department of Agriculture:</b>		
	Cash assistance:		
00654	Child and Adult Care Program	240	10.558 1,241
00654	Child and Adult Care Food Program (CACFP) Emergency Operational Costs Reimbursement Program (COVID-19)	240	10.558 618
	Total ALN 10.558		<u>1,859</u>
00654	State Administrative Expense for Child Nutrition Programs - Storage and Delivery	240	10.560 2,236
	Non Cash assistance (Commodities):		
806780706	National School Lunch Program	240	10.555 495,674
00654	School Programs Emergency Operational Cost Reimbursement Program (COVID-19)	240	10.555 772,286
	Cash Assistance:		
00654	Summer Feeding Program	242	10.559 169,744
999003726	<b>Passed Through Save The Children Federations Inc.</b> Summer Feeding Program	242	10.559 12,000
	Total ALN 10.559		
	<b>Passed Through Texas Education Agency:</b>		
	Cash assistance:		
71402101	School Breakfast Program	240	10.553 1,277,548
71402001	School Breakfast Program	240	10.553 28,198
71302101	National School Lunch Program	240	10.555 3,184,972
71302001	National School Lunch Program	240	10.555 51,599
	<b>Total Child Nutrition Cluster (ALN 10.555, 10.559, 10.553)</b>		<u>5,992,021</u>
	<b>Total U.S. Department of Agriculture</b>		<u>5,996,116</u>
	<b>Total Expenditures of Federal Awards</b>		<u>\$ 35,281,722</u>

\*ALN formerly known as CFDA #.

**Note 1 - Basis of Accounting**

The District accounts for all awards under federal programs in the General and Certain Special Revenue Funds in accordance with the Texas Education Agency's Financial Accountability System Resource Guide. These programs are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for these funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the liability is incurred, if measurable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement. Pass-through entity identifying numbers are presented where available.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned. Generally, unused balances are returned to the grantor at the close of specified project periods. The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 2 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the District under programs of the federal government for the year ended June 30, 2021. The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

**Note 3 - Reconciliation to Basic Financial Statements**

The following is a reconciliation of expenditures of federal awards program per Exhibit K-1 and expenditures reported on Exhibit C-3:

Total Expenditures of Federal Awards on Exhibit K-1	\$ 35,281,722
Build America Bonds - Federal Interest Subsidy	1,065,517
Medicaid SHARS	1,873,103
E-Rate	775,671
Total Federal Revenue - Exhibit C-3	<u>\$ 38,996,013</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (continued)**

*Exhibit K-2*

**Note 4 - General Fund Expenditures**

Federal Awards reported in the general fund are summarized as follows:

Federal Revenue reported in the General Fund	
Medicaid SHARS	\$ 1,873,103
Build America Bonds - Federal Interest Subsidy	1,065,517
Naval JROTC	162,610
FEMA Aid	756,534
Restart for 2019 Flooding	1,560,358
Corona Virus Relief Fund (CRF)	1,220,845
E-Rate	775,671
Indirect Costs:	
ESEA, Title I, Part A	368,984
Title I 1003 School Improvement	11,049
ESEA, Title I Part D Subpart 2 - Delinquent Programs	1,183
School Transformation Fund - Implementation Grant	50,013
School Action Planning	6,834
IDEA-B Formula	250,491
SSA - IDEA - Part B, Discretionary	6,748
IDEA-B Preschool	4,915
Instructional Continuity	2,516
Carl D. Perkins Basic Grant	14,854
Title III, Part A, LEP	11,439
Title II, Part A, Supporting Effective Instruction	36,490
Title IV Part A Subpart 1	19,589
CARES Act, Section 18003 - Elementary and Secondary School Emergency Relief Fund (ESSER) Grant (COVID-19)	539,268
Total Federal Revenue reported in the General Fund	<u>\$ 8,739,011</u>

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

***For the Fiscal Year Ended June 30, 2021***

Federal regulations, Title 2 U.S. Code of Federal Regulations Section 200.511 states, “The auditee is responsible for follow-up and corrective action on all audit findings. As part of this responsibility, the auditee must prepare a summary schedule of prior audit findings.” The summary schedule of prior audit findings must report the status of the following:

- All audit findings included in the prior audit’s schedule of findings and questioned costs and
- All audit findings reported in the prior audit’s summary schedule of prior audit findings except audit findings listed as corrected.

**I. Prior Year Findings**

#2020-001

<b>Compliance Requirement:</b>	Program Income
<b>Federal Program:</b>	Child Nutrition Cluster (10.553, 10.555, 10.559)
<b>Corrective Action:</b>	Corrective action was taken.

**BEAUMONT INDEPENDENT SCHOOL DISTRICT**

***CORRECTIVE ACTION PLAN***

***For the Fiscal Year Ended June 30, 2021***

Federal regulations, Title 2 U.S. Code of Federal Regulations §200.511 states, "At the completion of the audit, the auditee must prepare, in a document separate from the auditor's findings described in §200.516 Audit findings, a corrective action plan to address each audit finding included in the current year auditor's reports."

**I. Corrective Action Plan**

Not Applicable

# DO NOT PRINT IN REPORTS

## Schedule L-1 – Required Responses to Selected School FIRST Indicators

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 considered <b>to not have made</b> timely payments.) 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.	\$ 1,365,034

NOTE: This schedule is to be included as part of the annual financial audit report (AFR) submission on the required due date and published as a part of the school district's AFR. This schedule should be submitted in the data feed file and submitted as an Adobe Acrobat portable document file (pdf).



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.F.5.**

**Agenda Item Title:** Approve recommended vendor for RFP 22.09 Indoor Air Quality

**Cabinet Level Presenter(s):** Cheryl Hernandez

**Additional Presenter(s):** Peggy Haynes

**Executive Summary:** A Request for Proposals (RFP) was issued for Indoor Air Quality. There was a total of 2 responses. There are only two companies approved by the GSA to manufacture dual-ion technology for commercial HVAC systems. The RFP is for single project to improve the air quality in the district's buildings. This is a one-time district expense. Awarded vendor will continue to service and maintain the air quality system for the district.

**Recommendation:** Approve Centrix Energy as the district's awarded vendor for indoor air quality.

**Budget Impact\* (if applicable):** \$4,742,300

**Funding Source (if applicable):** Federal Fund / Esser III

**Compliance with Purchasing Guidelines (list applicable guidelines, including grant requirements):** Ch. 44.031, EDGAR, 2 CFR 200

**Policy Reference (if applicable, list policy/regulation):** CH (LOCAL)

**Legal Review (if necessary, list attorney and firm):**

Cheryl Hernandez  
Cabinet Level Presenter's Signature

11/9/2021  
Date

\_\_\_\_\_  
\*CFO Signature (required if there is a budget impact)

\_\_\_\_\_  
Date

\_\_\_\_\_  
General Counsel's Signature

\_\_\_\_\_  
Date

Beaumont ISD  
 RFP #22.09 Indoor Air Quality

Description	Northtown Enterprises		Centrix Energy	
		Points		Points
Cost of services (35)		35.00		19.00
Reputation of vendor / vendor's goods (10)		7.00		10.00
Understanding of district needs (15)		3.00		15.00
Quality of vendor's services (15)		10.00		14.00
Minority or Woman owned business (5)		5.00		0.00
Past experience with school districts (20)		0.00		20.00
	CARROLL	60.00		78.00
	SARVER	63.00		76.00
	Average	61.50		77.00

Bid Evaluator:  
 Beau Carroll

Certified by:  
 Carrie Sarver



## Board Exhibit Cover Sheet

**Meeting Date:** November 16, 2021

**Agenda Item/Exhibit Number:** **III.F.6**

**Agenda Item Title:** Discussion and possible action regarding continuation of Mask Mandate

**Cabinet Level Presenter(s):** Dr. Shannon Allen

**Additional Presenter(s):** Julie Nezat

**Executive Summary:** In consultation with the Beaumont Health Department and in response to widespread outbreak of COVID-19 in Jefferson County and among BISD students and staff threatening school closure, the BISD Board of Trustees issued a mask mandate for all individuals over the age of 2 present at BISD facilities or vehicles effective August 23, 2021. Below is data regarding the current status of COVID-19 spread in the Beaumont community in order for the Board to consider the current health and safety protocols in effect to reduce the spread of COVID-19.

**Beaumont ISD Data**

As of Nov. 11: 4 active student cases, 1 staff member case  
 Oct. 25-31: 9 student cases, 1 staff member case

**Beaumont Health Department Data (Beaumont, China, Nome, Hampshire, Fannett, Cheek, and Bevil Oaks)**

Nov. 10: 6 new cases, 2 under 18	Nov. 5: 6 new cases, 1 under 18
Nov. 9: 6 new cases, 0 under 18	Nov. 4: 9 new cases, 1 under 18
Nov. 8: 6 new cases, ~1 under 18	Nov. 3: 2 new cases, 0 under 18
Nov. 7: 3 new cases, ~ 1 under 18	Nov. 2: 4 new cases, 2 under 18
Nov. 6: 9 new cases, ~ 2 under 18	Nov. 1: 9 new cases, 2 under 19

**Vaccination data as of November 10, 2021**

Jefferson County Vaccination Status		
	Number	% Population 12+ yrs
Received at least one dose	128,382	61.3%
Fully Vaccinated	110,902	52.9%
Additional Dose	15,556	7.4%

*Shannon Allen*  
 \_\_\_\_\_  
 Cabinet Level Presenter's Signature

November 11, 2021  
 \_\_\_\_\_  
 Date

\_\_\_\_\_  
 \*CFO Signature (required if there is a budget impact)

\_\_\_\_\_  
 Date

\_\_\_\_\_  
 General Counsel's Signature

\_\_\_\_\_  
 Date

Beaumont ISD provides this data for families, staff and community members as a summary of lab-positive COVID-19 cases among BISD on-campus learners. A positive (active) case indicates that an individual has been tested and received a report verifying an acute infection of the COVID-19 virus. Active cases will fluctuate as people recover.

11/11/01

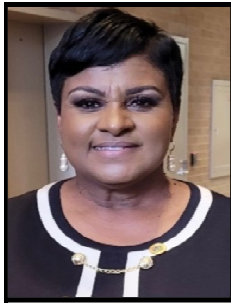
Campus Locations:	Active Cases:		
Campus	Staff	Teachers	Students
Amelia			
Bingman			
Blanchette			
Caldwood			
Charlton-Pollard			
Curtis			
Dishman			
Fehl - Price			1
Fletcher			
Guess			
Homer		1	
Jones-Clark			
Lucas			
Martin			1
Pietzsch			
Regina			
King			
Marshall			
Odom			1
Smith			
Vincent			
ECHS			
United			
West Brook			1
Taylor			
Pathways			
Brown			
Maintenance			
Transportation			
Annex			
Admin			

<b>Student Active Cases:</b>
4
<b>Teacher Active Cases:</b>
1
<b>Staff Active Cases:</b>
0

<b>Percent of Active Cases Students:</b>
0.04%
<b>Percent Active Cases Teachers:</b>
0.09%

**Report 2: School Reported COVID-19 Cases in Public Schools, August 2, 2021 - October 31, 2021, Texas**  
**Current Report Period: October 25, 2021 - October 31, 2021**

						Current Report Period				
						School Reported Source of Infection				
District Name	District LEA Number	Total District Enrollment as of January 29, 2021	Campus Name	Campus ID	Total School Enrollment as of January 29, 2021	New Student Cases	New Staff Cases	On Campus	Off Campus	Unknown
BEAUMONT ISD	*123910	17156	PATHWAYS LEARNING CTR	*123910006	15					
BEAUMONT ISD	*123910	17156	WEST BROOK SR H S	*123910008	2320	*	0	*	*	*
BEAUMONT ISD	*123910	17156	O C TAYLOR CTR	*123910009	NR					
BEAUMONT ISD	*123910	17156	JEFFERSON CO YOUTH ACAD	*123910011	3					
BEAUMONT ISD	*123910	17156	PAUL A BROWN ALTERNATIVE CENTER	*123910012	141					
BEAUMONT ISD	*123910	17156	BEAUMONT ISD EARLY COLLEGE H S	*123910013	322					
BEAUMONT ISD	*123910	17156	BEAUMONT UNITED H S	*123910014	2212					
BEAUMONT ISD	*123910	17156	SMITH MIDDLE	*123910042	592					
BEAUMONT ISD	*123910	17156	M L KING MIDDLE	*123910043	648					
BEAUMONT ISD	*123910	17156	MARSHALL MIDDLE	*123910046	830	*	0	*	*	*
BEAUMONT ISD	*123910	17156	ODOM MIDDLE	*123910047	833	*	0	*	*	*
BEAUMONT ISD	*123910	17156	VINCENT MIDDLE	*123910048	832					
BEAUMONT ISD	*123910	17156	AMELIA EL	*123910101	557	0	1	0	1	0
BEAUMONT ISD	*123910	17156	CALDWOOD EL	*123910104	535					
BEAUMONT ISD	*123910	17156	CURTIS EL	*123910105	540					
BEAUMONT ISD	*123910	17156	FLETCHER EL	*123910110	427					
BEAUMONT ISD	*123910	17156	GUESS EL	*123910112	536					
BEAUMONT ISD	*123910	17156	REGINA HOWELL EL	*123910118	695					
BEAUMONT ISD	*123910	17156	HOMER DR EL	*123910123	560	*	0	*	*	*
BEAUMONT ISD	*123910	17156	PIETZSCH/MAC ARTHUR EL	*123910125	934	*	0	*	*	*
BEAUMONT ISD	*123910	17156	DISHMAN EL	*123910126	543					
BEAUMONT ISD	*123910	17156	BLANCHETTE EL	*123910127	578	*	0	*	*	*
BEAUMONT ISD	*123910	17156	MARTIN EL	*123910128	562					
BEAUMONT ISD	*123910	17156	DR MAE E JONES-CLARK EL	*123910129	525					
BEAUMONT ISD	*123910	17156	CHARL TON-POLLARD EL	*123910130	488					
BEAUMONT ISD	*123910	17156	FEHL-PRICE EL	*123910131	375	*	0	*	*	*
BEAUMONT ISD	*123910	17156	BINGMAN PK	*123910132	404					
BEAUMONT ISD	*123910	17156	LUCAS PK	*123910133	149					
BEAUMONT ISD	*123910	17156	BEAUMONT NEW EL DAEP	*123910134	NR					
BEAUMONT ISD	*123910	17156		Multiple Campus	NR					
<b>BEAUMONT ISD TOTAL</b>	<b>*123910</b>	<b>17156</b>			<b>17156</b>	<b>9</b>	<b>1</b>	<b>0</b>	<b>8</b>	<b>2</b>



**City of Beaumont Covid-19 Daily Update**  
 Wednesday, November 10, 2021 , as of 4pm  
 Provided by:



Mayor Robin Mouton  
 Emergency Management Director



**\*\*\* 6 New Confirmed COVID-19 Cases in the Beaumont Area \*\*\***

City	Beaumont	China	Nome	Hamshire	Fannett	Cheek	Bevil Oaks	Recovered	Death(s)
	5	0	0	1	0	0	0		

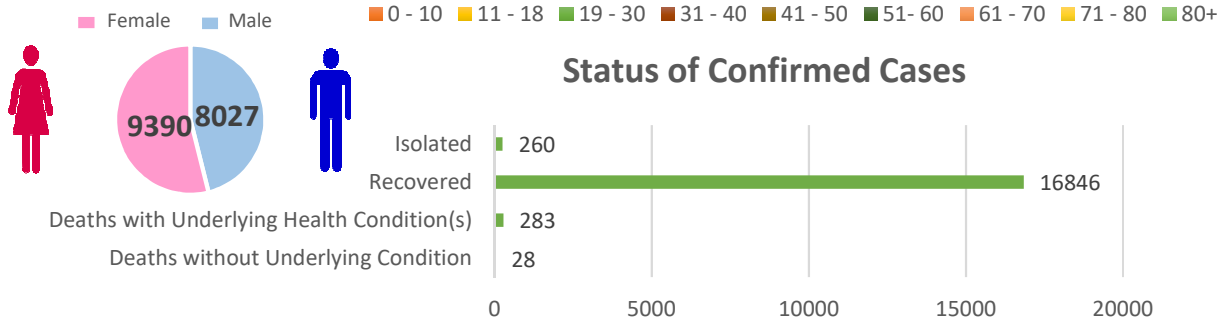
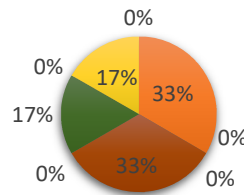
Age/Gender:

Age Range	0 - 10	11 - 18	19 - 30	31 - 40	41 - 50	51 - 60	61 - 70	71 - 80	80+
	2	0	0	2	0	1	0	1	0

**Beaumont Jurisdiction Confirmed Cases = 17417**

- City of Beaumont = 15861
- Hamshire = 342
- Fannett = 598
- Cheek = 99
- China = 258
- Nome = 100
- Bevil Oaks = 159

**Daily Percentage By Age**



Jefferson County Vaccination Status		
	Number	% Population 12+ yrs
Received at least one dose	128,382	61.3%
Fully Vaccinated	110,902	52.9%
Additional Dose	15,556	7.4%

DISCLAIMER: \* The accuracy of the Status of COVID-Test is dependent upon the availability of data received from participating agencies and healthcare providers as well as when it was received with respect to; Total Tested, Pending Results and Negative. Recovered - release of individual from self-isolation/quarantine as defined by CDC guidelines.

### Jefferson County Hospital Report

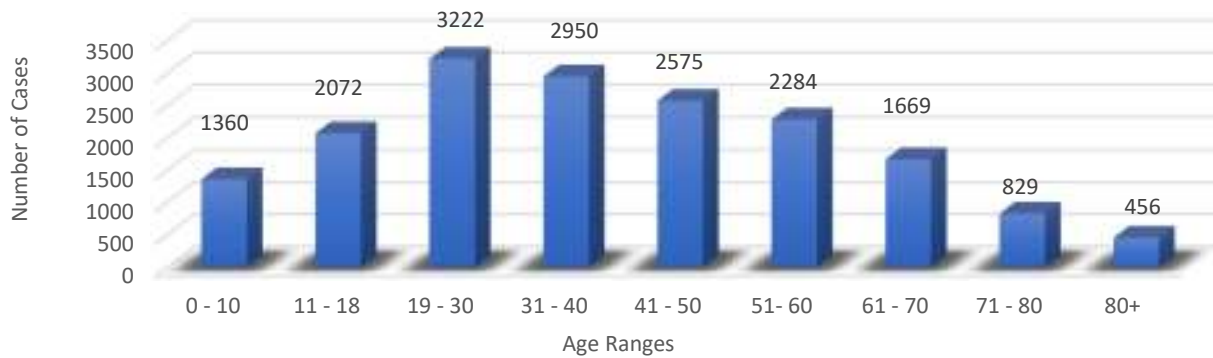
**\* No report from  
Med Center SETX \***

Covid Positive Admits	
Not Vaccinated	9
Vaccinated	0
<b>Total</b>	<b>9</b>

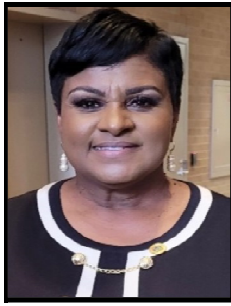
On Vent	
Not Vaccinated	2
Vaccinated	0
<b>Total</b>	<b>2</b>

**\*\* This information represents Total Hospital Census. The data is only as valid as the number of hospitals reportings, and the accuracy of the data reported. All COVID related questions represent the previous day (Midnight to 11:59 pm)**

### Confirmed Cases by Age Range



**\*\*Disclaimer:** This is the official data collected by the City of Beaumont Public Health. The data being reflected on this graph is only valid as the number of participating healthcare providers and collection sites, and the accuracy of the data reported. All data used for planning purposes. There is a delay from the date of collection to when results are received by the Beaumont Public Health Department. Updates to the data are made daily by 4:00 PM.



**City of Beaumont Covid-19 Daily Update**  
 Tuesday, November 9, 2021 , as of 4pm  
 Provided by:



Mayor Robin Mouton  
 Emergency Management Director



**\*\*\* 6 New Confirmed COVID-19 Cases in the Beaumont Area \*\*\***

City	Beaumont	China	Nome	Hamshire	Fannett	Cheek	Bevil Oaks	Recovered	Death(s)
	6	0	0	0	0	0	0		

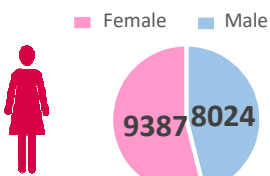
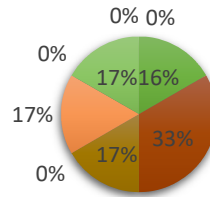
Age/Gender:

Age Range	0 - 10	11 - 18	19 - 30	31 - 40	41 - 50	51 - 60	61 - 70	71 - 80	80+
	0	0	1	2	1	0	1	0	1

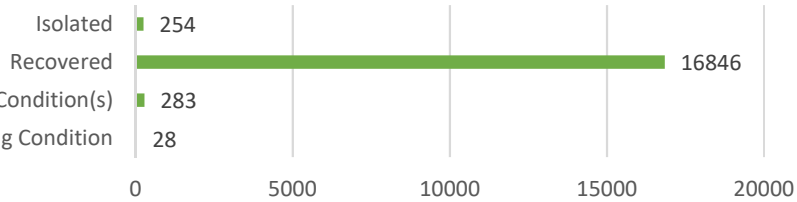
**Beaumont Jurisdiction Confirmed Cases = 17411**

- City of Beaumont = 15856
- Hamshire = 341
- Fannett = 598
- Cheek = 99
- China = 258
- Nome = 100
- Bevil Oaks = 159

**Daily Percentage By Age**



**Status of Confirmed Cases**



Jefferson County Vaccination Status		
	Number	% Population 12+ yrs
Received at least one dose	128,251	61.2%
Fully Vaccinated	110,811	52.9%
Additional Dose	15,322	7.3%

DISCLAIMER: \* The accuracy of the Status of COVID-Test is dependent upon the availability of data received from participating agencies and healthcare providers as well as when it was received with respect to; Total Tested, Pending Results and Negative. Recovered - release of individual from self-isolation/quarantine as defined by CDC guidelines.

### Jefferson County Hospital Report

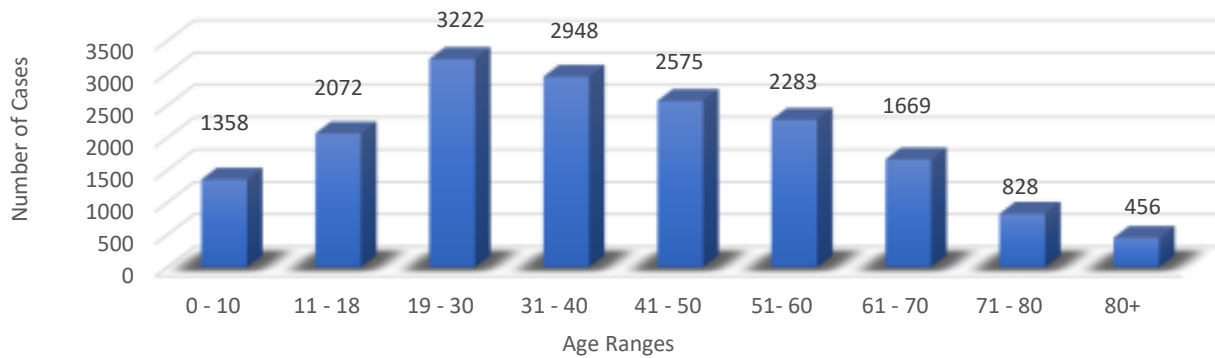
**\* No report from Med Center SETX or St. Elizabeth \***

Covid Positive Admits	
Not Vaccinated	6
Vaccinated	0
<b>Total</b>	<b>6</b>

On Vent	
Not Vaccinated	2
Vaccinated	0
<b>Total</b>	<b>2</b>

\*\* This information represents Total Hospital Census. The data is only as valid as the number of hospitals reportings, and the accuracy of the data reported. All COVID related questions represent the previous day (Midnight to 11:59 pm)

### Confirmed Cases by Age Range



**\*\*Disclaimer:** This is the official data collected by the City of Beaumont Public Health. The data being reflected on this graph is only valid as the number of participating healthcare providers and collection sites, and the accuracy of the data reported. All data used for planning purposes. There is a delay from the date of collection to when results are received by the Beaumont Public Health Department. Updates to the data are made daily by 4:00 PM.



**City of Beaumont Covid-19 Daily Update**  
 Monday, November 8, 2021 , as of 4pm  
 Provided by:



Mayor Robin Mouton  
 Emergency Management Director



**\*\*\* 18 New Confirmed COVID-19 Cases in the Beaumont Area \*\*\***

City	Beaumont	China	Nome	Hamshire	Fannett	Cheek	Bevil Oaks	Recovered	Death(s)
	5	0	0	1	0	0	0	1123	

Today's Total	6
---------------	---

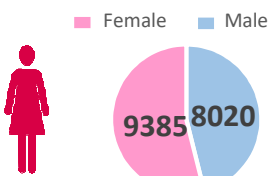
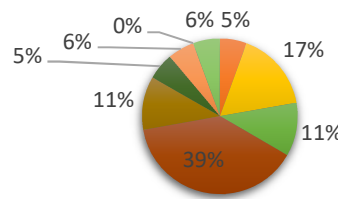
Age/Gender:

Age Range	0 - 10	11 - 18	19 - 30	31 - 40	41 - 50	51 - 60	61 - 70	71 - 80	80+
	1	3	2	7	2	1	1	0	1

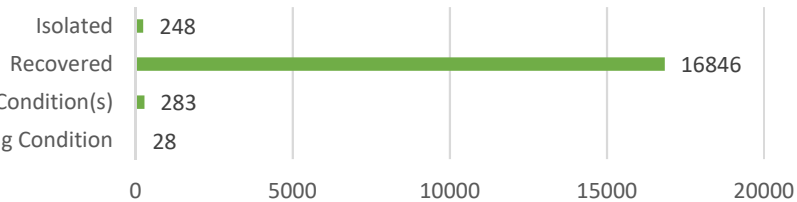
**Beaumont Jurisdiction Confirmed Cases = 17405**

- City of Beaumont = 15850
- Hamshire = 341
- Fannett = 598
- Cheek = 99
- China = 258
- Nome = 100
- Bevil Oaks = 159

**Daily Percentage By Age**



**Status of Confirmed Cases**



**Confirmed Cases for Saturday, November 6, 2021**

**Sunday, November 7, 2021**

Beaumont	China	Nome	Hamshire	Fannett	Cheek	Bevil Oaks	TOTAL
9	0	0	0	0	0	0	9
3	0	0	0	0	0	0	3

Jefferson County Vaccination Status		
	Number	% Population 12+ yrs
Received at least one dose	127,782	61.0%
Fully Vaccinated	110,626	52.8%
Additional Dose	14,325	6.8%

DISCLAIMER: \* The accuracy of the Status of COVID-Test is dependent upon the availability of data received from participating agencies and healthcare providers as well as when it was received with respect to; Total Tested, Pending Results and Negative. Recovered - release of individual from self-isolation/quarantine as defined by CDC guidelines.

### Jefferson County Hospital Report

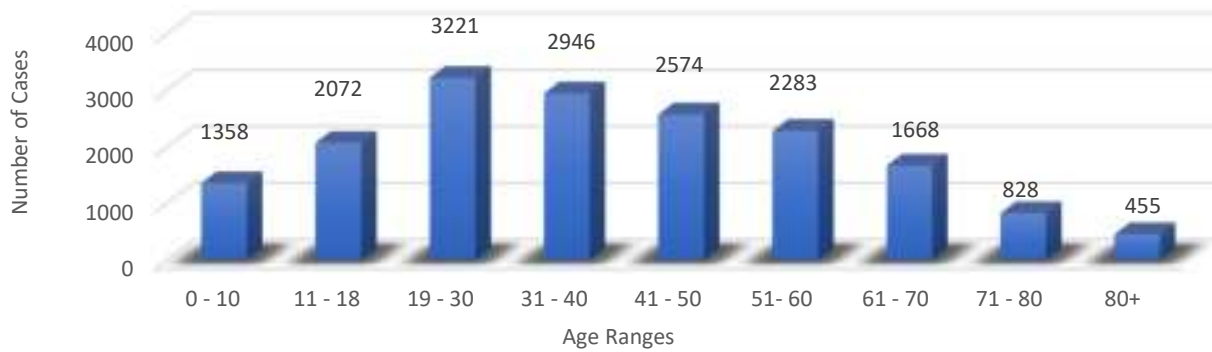
\* Med Center of SETX  
Not Reporting \*

Covid Positive Admits	
Not Vaccinated	11
Vaccinated	
<b>Total</b>	<b>11</b>

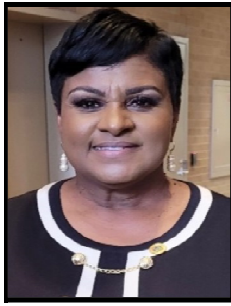
On Vent	
Not Vaccinated	2
Vaccinated	0
<b>Total</b>	<b>2</b>

\*\* This information represents Total Hospital Census. The data is only as valid as the number of hospitals reportings, and the accuracy of the data reported. All COVID related questions represent the previous day (Midnight to 11:59 pm)

### Confirmed Cases by Age Range



**\*\*Disclaimer:** This is the official data collected by the City of Beaumont Public Health. The data being reflected on this graph is only valid as the number of participating healthcare providers and collection sites, and the accuracy of the data reported. All data used for planning purposes. There is a delay from the date of collection to when results are received by the Beaumont Public Health Department. Updates to the data are made daily by 4:00 PM.



**City of Beaumont Covid-19 Daily Update**  
 Friday, November 5, 2021 , as of 4pm  
 Provided by:



Mayor Robin Mouton  
 Emergency Management Director



**\*\*\* 6 New Confirmed COVID-19 Cases in the Beaumont Area \*\*\***

City	Beaumont	China	Nome	Hamshire	Fannett	Cheek	Bevil Oaks	Recovered	Death(s)
	5	0	0	0	0	1	0		

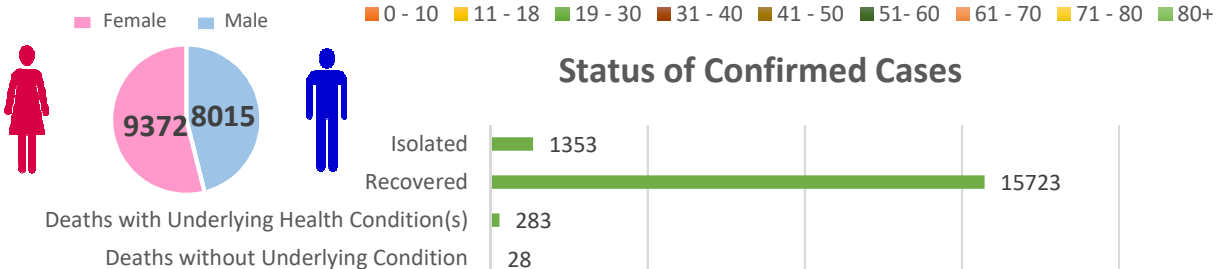
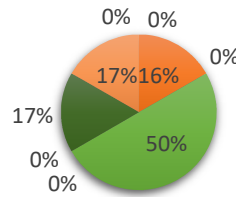
Age/Gender:

Age Range	0 - 10	11 - 18	19 - 30	31 - 40	41 - 50	51 - 60	61 - 70	71 - 80	80+
	1	0	3	0	0	1	1	0	0

**Beaumont Jurisdiction Confirmed Cases = 17387**

- City of Beaumont = 15833
- Hamshire = 340
- Fannett = 598
- Cheek = 99
- China = 258
- Nome = 100
- Bevil Oaks = 159

**Daily Percentage By Age**



Jefferson County Vaccination Status		
	Number	% Population 12+ yrs
Received at least one dose	127,698	61.0%
Fully Vaccinated	110,528	52.8%
Additional Dose	13,828	6.6%

DISCLAIMER: \* The accuracy of the Status of COVID-Test is dependent upon the availability of data received from participating agencies and healthcare providers as well as when it was received with respect to; Total Tested, Pending Results and Negative. Recovered - release of individual from self-isolation/quarantine as defined by CDC guidelines.

### Jefferson County Hospital Report

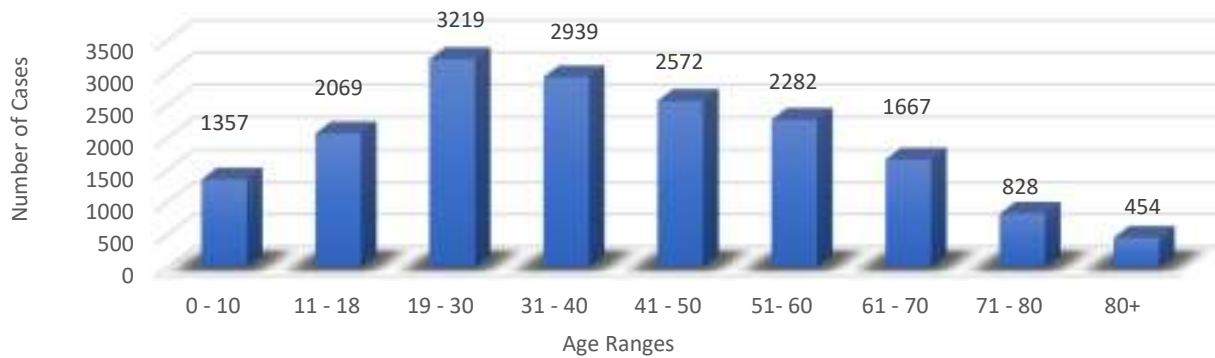
**\* No report from  
Med Center SETX \***

Covid Positive Admits	
Not Vaccinated	11
Vaccinated	0
<b>Total</b>	<b>11</b>

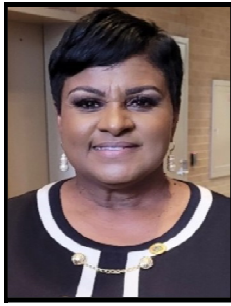
On Vent	
Not Vaccinated	2
Vaccinated	0
<b>Total</b>	<b>2</b>

**\*\* This information represents Total Hospital Census. The data is only as valid as the number of hospitals reportings, and the accuracy of the data reported. All COVID related questions represent the previous day (Midnight to 11:59 pm)**

### Confirmed Cases by Age Range



**\*\*Disclaimer:** This is the official data collected by the City of Beaumont Public Health. The data being reflected on this graph is only valid as the number of participating healthcare providers and collection sites, and the accuracy of the data reported. All data used for planning purposes. There is a delay from the date of collection to when results are received by the Beaumont Public Health Department. Updates to the data are made daily by 4:00 PM.



**City of Beaumont Covid-19 Daily Update**  
 Thursday, November 4, 2021 , as of 4pm  
 Provided by:



Mayor Robin Mouton  
 Emergency Management Director



**\*\*\* 9 New Confirmed COVID-19 Cases in the Beaumont Area \*\*\***

City	Beaumont	China	Nome	Hamshire	Fannett	Cheek	Bevil Oaks	Recovered	Death(s)
	8	1	0	0	0	0	0		

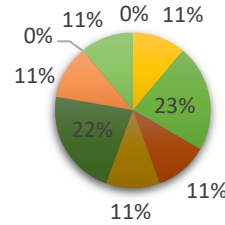
Age/Gender:

Age Range	0 - 10	11 - 18	19 - 30	31 - 40	41 - 50	51 - 60	61 - 70	71 - 80	80+
	0	1	2	1	1	2	1	0	1

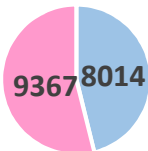
**Beaumont Jurisdiction Confirmed Cases = 17381**

- City of Beaumont = 15828
- Hamshire = 340
- Fannett = 598
- Cheek = 98
- China = 258
- Nome = 100
- Bevil Oaks = 159

**Daily Percentage By Age**

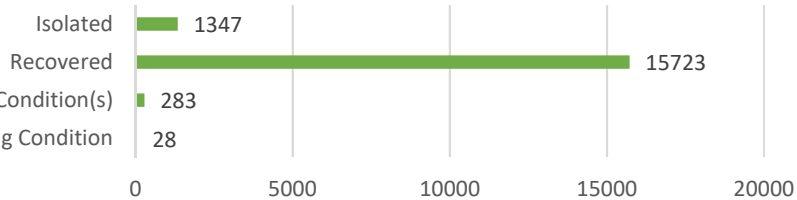


Female Male 0 - 10 11 - 18 19 - 30 31 - 40 41 - 50 51 - 60 61 - 70 71 - 80 80+



Deaths with Underlying Health Condition(s) = 283  
 Deaths without Underlying Condition = 28

**Status of Confirmed Cases**



Jefferson County Vaccination Status		
	Number	% Population 12+ yrs
Received at least one dose	127,627	60.9%
Fully Vaccinated	110,407	52.7%
Additional Dose	13,171	6.3%

DISCLAIMER: \* The accuracy of the Status of COVID-Test is dependent upon the availability of data received from participating agencies and healthcare providers as well as when it was received with respect to; Total Tested, Pending Results and Negative. Recovered - release of individual from self-isolation/quarantine as defined by CDC guidelines.

### Jefferson County Hospital Report

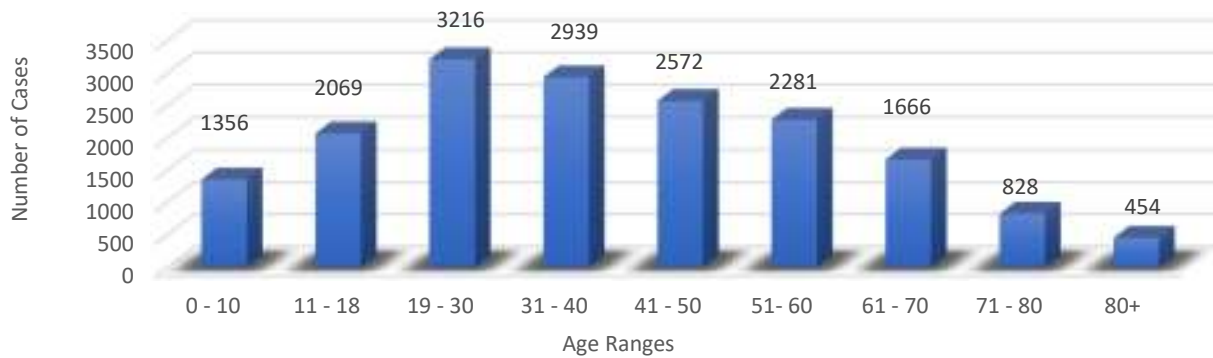
**\* No report from Med Center SETX or St. Elizabeth \***

Covid Positive Admits	
Not Vaccinated	6
Vaccinated	0
<b>Total</b>	<b>6</b>

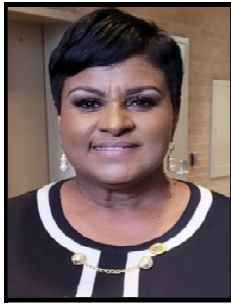
On Vent	
Not Vaccinated	2
Vaccinated	0
<b>Total</b>	<b>2</b>

**\*\* This information represents Total Hospital Census. The data is only as valid as the number of hospitals reportings, and the accuracy of the data reported. All COVID related questions represent the previous day (Midnight to 11:59 pm)**

### Confirmed Cases by Age Range



**\*\*Disclaimer:** This is the official data collected by the City of Beaumont Public Health. The data being reflected on this graph is only valid as the number of participating healthcare providers and collection sites, and the accuracy of the data reported. All data used for planning purposes. There is a delay from the date of collection to when results are received by the Beaumont Public Health Department. Updates to the data are made daily by 4:00 PM.



**City of Beaumont Covid-19 Daily Update**  
 Wednesday, November 3, 2021 , as of 4pm  
 Provided by:



Mayor Robin Mouton  
 Emergency Management Director



**\*\*\* 2 New Confirmed COVID-19 Cases in the Beaumont Area \*\*\***

City	Beaumont	China	Nome	Hamshire	Fannett	Cheek	Bevil Oaks	Recovered	Death(s)
	2	0	0	0	0	0	0	1	

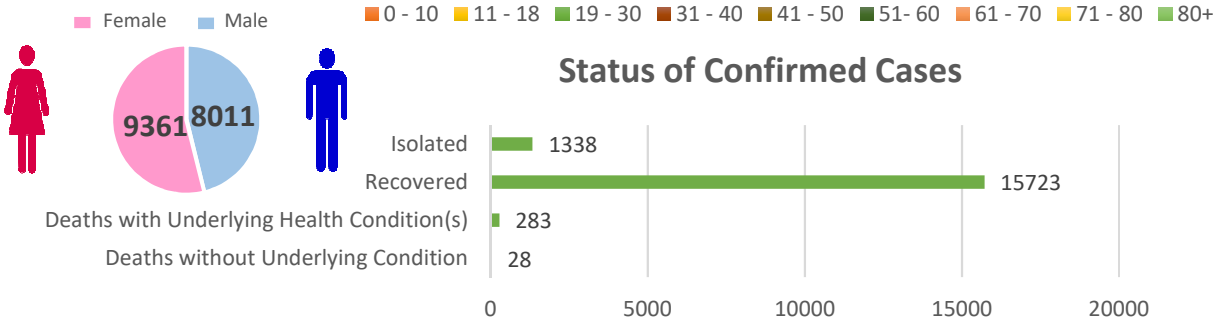
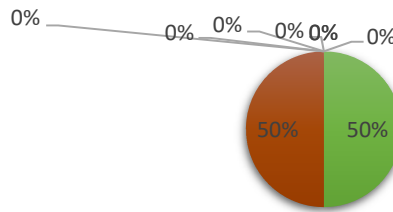
Age/Gender:

Age Range	0 - 10	11 - 18	19 - 30	31 - 40	41 - 50	51 - 60	61 - 70	71 - 80	80+
	0	0	1	1	0	0	0	0	0

**Beaumont Jurisdiction Confirmed Cases = 17372**

- City of Beaumont = 15820
- Hamshire = 340
- Fannett = 598
- Cheek = 98
- China = 257
- Nome = 100
- Bevil Oaks = 159

**Daily Percentage By Age**



Jefferson County Vaccination Status		
	Number	% Population 12+ yrs
Received at least one dose	127,528	60.9%
Fully Vaccinated	110,287	52.6%
Additional Dose	12,769	6.1%

DISCLAIMER: \* The accuracy of the Status of COVID-Test is dependent upon the availability of data received from participating agencies and healthcare providers as well as when it was received with respect to; Total Tested, Pending Results and Negative. Recovered - release of individual from self-isolation/quarantine as defined by CDC guidelines.

### Jefferson County Hospital Report

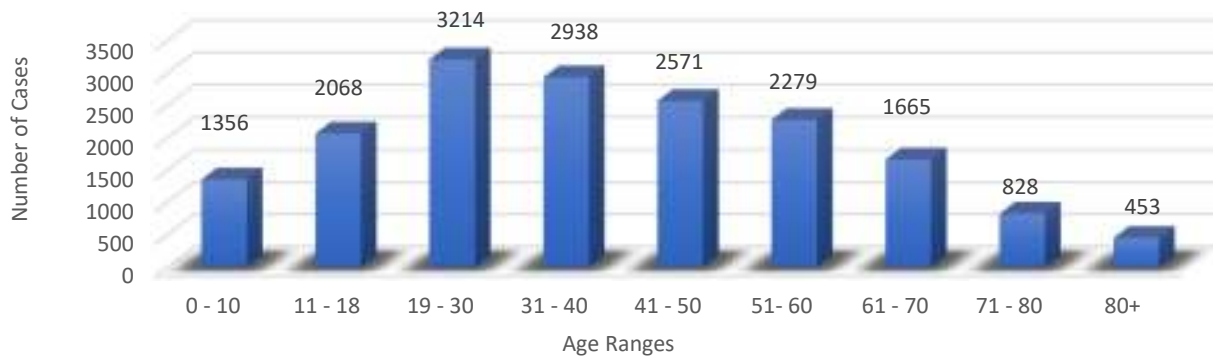
**\* No report from Med Center SETX \***

Covid Positive Admits	
Not Vaccinated	11
Vaccinated	2
<b>Total</b>	<b>13</b>

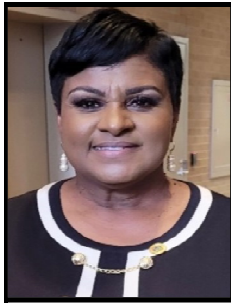
On Vent	
Not Vaccinated	2
Vaccinated	0
<b>Total</b>	<b>2</b>

\*\* This information represents Total Hospital Census. The data is only as valid as the number of hospitals reportings, and the accuracy of the data reported. All COVID related questions represent the previous day (Midnight to 11:59 pm)

### Confirmed Cases by Age Range



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**City of Beaumont Covid-19 Daily Update**  
 Tuesday, November 2, 2021 , as of 4pm  
 Provided by:



Mayor Robin Mouton  
 Emergency Management Director



**\*\*\* 4 New Confirmed COVID-19 Cases in the Beaumont Area \*\*\***

City	Beaumont	China	Nome	Hamshire	Fannett	Cheek	Bevil Oaks	Recovered	Death(s)
	4	0	0	0	0	0	0		

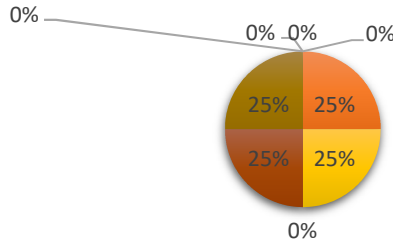
Age/Gender:

Age Range	0 - 10	11 - 18	19 - 30	31 - 40	41 - 50	51 - 60	61 - 70	71 - 80	80+
	1	1	0	1	1	0	0	0	0

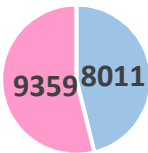
**Beaumont Jurisdiction Confirmed Cases = 17370**

- City of Beaumont = 15818
- Hamshire = 340
- Fannett = 598
- Cheek = 98
- China = 257
- Nome = 100
- Bevil Oaks = 159

**Daily Percentage By Age**

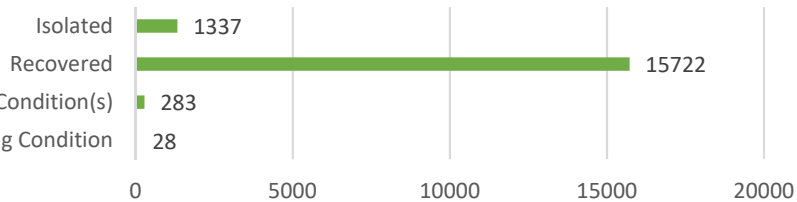


■ Female    ■ Male    
 ■ 0 - 10    ■ 11 - 18    ■ 19 - 30    ■ 31 - 40    ■ 41 - 50    ■ 51 - 60    ■ 61 - 70    ■ 71 - 80    ■ 80+



Deaths with Underlying Health Condition(s) = 283  
 Deaths without Underlying Condition = 28

**Status of Confirmed Cases**



Jefferson County Vaccination Status		
	Number	% Population 12+ yrs
Received at least one dose	127,430	60.8%
Fully Vaccinated	110,163	52.6%
Additional Dose	12,249	5.8%

DISCLAIMER: \* The accuracy of the Status of COVID-Test is dependent upon the availability of data received from participating agencies and healthcare providers as well as when it was received with respect to; Total Tested, Pending Results and Negative. Recovered - release of individual from self-isolation/quarantine as defined by CDC guidelines.

### Jefferson County Hospital Report

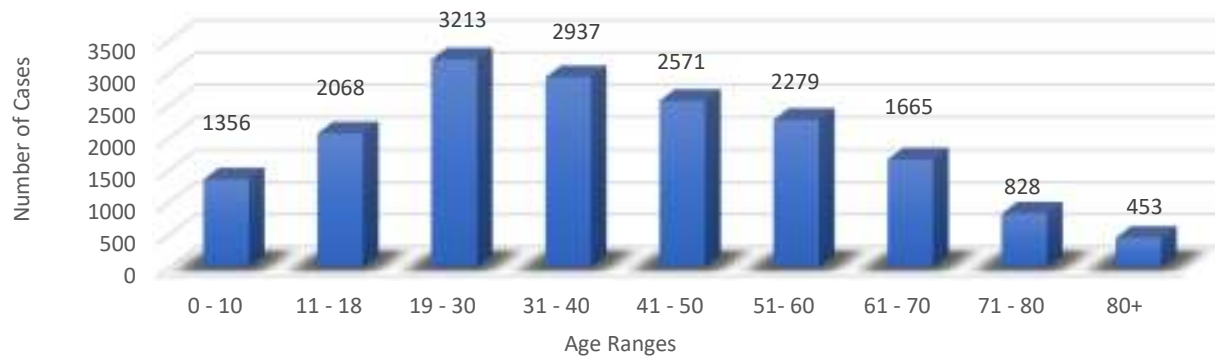
\* No report from St. Elizabeth or Med Center SETX \*

Covid Positive Admits	
Not Vaccinated	7
Vaccinated	0
<b>Total</b>	<b>7</b>

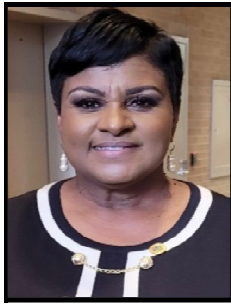
On Vent	
Not Vaccinated	2
Vaccinated	0
<b>Total</b>	<b>2</b>

\*\* This information represents Total Hospital Census. The data is only as valid as the number of hospitals reportings, and the accuracy of the data reported. All COVID related questions represent the previous day (Midnight to 11:59 pm)

### Confirmed Cases by Age Range



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**City of Beaumont Covid-19 Daily Update**  
 Monday, November 1, 2021 , as of 4pm  
 Provided by:



Mayor Robin Mouton  
 Emergency Management Director



**\*\*\* 10 New Confirmed COVID-19 Cases in the Beaumont Area \*\*\***

City	Beaumont	China	Nome	Hamshire	Fannett	Cheek	Bevil Oaks	Recovered	Death(s)
	9	0	0	0	0	0	0	805	1

Today's Total	9
---------------	---

Age/Gender: 68/M

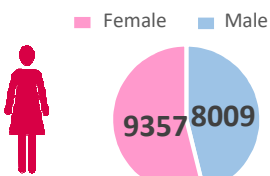
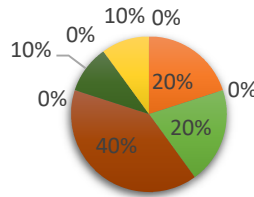
With Underlying Conditions

Age Range	0 - 10	11 - 18	19 - 30	31 - 40	41 - 50	51 - 60	61 - 70	71 - 80	80+
	2	0	2	4	0	1	0	1	0

**Beaumont Jurisdiction Confirmed Cases = 17366**

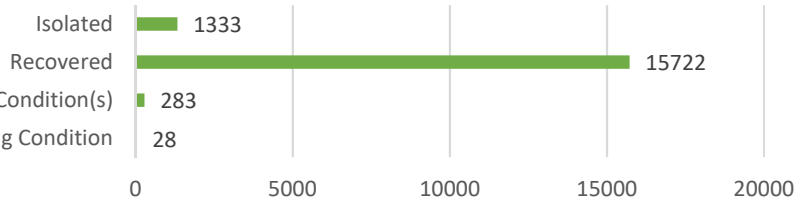
- City of Beaumont = 15814
- Hamshire = 340
- Fannett = 598
- Cheek = 98
- China = 257
- Nome = 100
- Bevil Oaks = 159

**Daily Percentage By Age**



Deaths with Underlying Health Condition(s) = 283  
 Deaths without Underlying Condition = 28

**Status of Confirmed Cases**



**Confirmed Cases for**  
 Saturday, October 30, 2021  
 Sunday, October 31, 2021

Beaumont	China	Nome	Hamshire	Fannett	Cheek	Bevil Oaks	TOTAL
0	0	0	0	0	0	0	0
1	0	0	0	0	0	0	1

Jefferson County Vaccination Status		
	Number	% Population 12+ yrs
Received at least one dose	127,123	60.7%
Fully Vaccinated	109,863	52.4%
Additional Dose	11,288	5.4%

DISCLAIMER: \* The accuracy of the Status of COVID-Test is dependent upon the availability of data received from participating agencies and healthcare providers as well as when it was received with respect to; Total Tested, Pending Results and Negative. Recovered - release of individual from self-isolation/quarantine as defined by CDC guidelines.

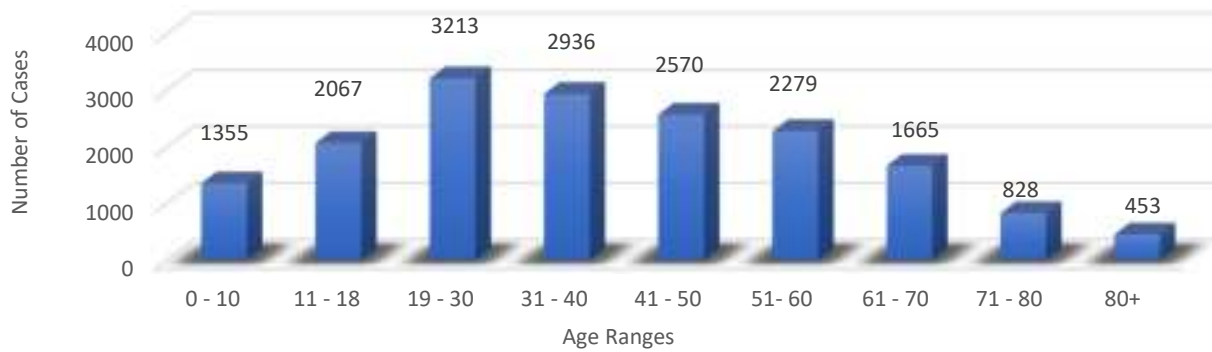
### Jefferson County Hospital Report

Covid Positive Admits	
Not Vaccinated	13
Vaccinated	2
<b>Total</b>	<b>15</b>

On Vent	
Not Vaccinated	1
Vaccinated	0
<b>Total</b>	<b>1</b>

\*\* This information represents Total Hospital Census. The data is only as valid as the number of hospitals reportings, and the accuracy of the data reported. All COVID related questions represent the previous day (Midnight to 11:59 pm)

### Confirmed Cases by Age Range



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