

# **Annual Comprehensive Financial Report**

**For the Fiscal Year Ended  
June 30, 2025**

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**

**955 Campbell Road, Houston, Texas 77024**

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**Prepared By The Department of Financial Services:**

**Christine A. Porter, CPA  
Associate Superintendent for Finance**

# SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

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**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT  
PRINCIPAL OFFICIALS AND ADVISORS**

**BOARD OF TRUSTEES**

Shannon Mahan, President  
Community Volunteer/Parent

Caroline H. Bennett, Vice President  
General Manager of Spring Branch-Memorial Sports Association/Former Educator

Walter Agnew, Jr., Secretary  
Natural Gas Scheduler at Kinder Morgan

Courtney Anderson, Trustee  
Community Volunteer/Parent

David Slattery, Trustee  
Architect

Chris Earnest, Trustee  
Partner at Pay Governance, LLC

Jennifer Hyland, Trustee  
Travel Advisor/Dyslexia Advocate

**ADMINISTRATION**

Jennifer Blaine, Ed. D., Superintendent of Schools

Christine A. Porter, CPA, Associate Superintendent for Finance

**CONSULTANTS AND ADVISORS**

Whitley Penn, LLP  
Houston, Texas - Independent Auditors

Hunton Andrews Kurth, L.L.P.  
Houston, Texas - Bond Counsel

Post Oak Municipal Advisors LLC  
Houston, Texas - Co-Financial Advisor

Masterson Advisors LLC  
Houston, Texas - Co-Financial Advisor

## CERTIFICATE OF BOARD

**Spring Branch Independent School District**

**Harris**

**101-920**

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Name of School District

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County

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District Number

We, the undersigned, certify that the annual financial reports for the above named school district were reviewed and approved for the year ended June 30, 2025, at a meeting of the Board of Trustees of such school district on the 17<sup>th</sup> of November 2025.

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President of the Board

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Secretary of the Board



November 17, 2025

To the Board of Trustees and Taxpayers of the Spring Branch Independent School District:

The Texas Education Code requires that all school districts file a complete set of financial statements with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards, issued by the Comptroller General of the United States. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report of the Spring Branch Independent School District (the “District”) for the fiscal year ended June 30, 2025.

This report consists of management’s representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the government’s assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District’s financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District’s comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District’s financial statements have been audited by Whitley Penn L.L.P., CPAs, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion and that the District’s financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with GAAP. The independent auditors’ report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated “Single Audit” designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the District’s separately issued Single Audit Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the District**

The Spring Branch Independent School District (SBISD) has a proud history that has shaped it into one of Texas' most respected public school systems. Established in 1946, SBISD's mission is to inspire minds and shape lives through a commitment to providing high-quality education for Every Child.

Covering 44 square miles of tree-lined neighborhoods, retail centers, and business districts west of downtown Houston, SBISD serves more than 31,600 students from around the world. The district reflects the diversity of its community, with a student population that is approximately 57 percent Hispanic, 28 percent White, 7 percent Asian, 5 percent African American, and 3 percent American Indian or of two or more ethnicities, according to the latest Texas Education Agency (TEA) reports.

More than 200,000 residents live within the district's boundaries, which include the City of Houston and the incorporated villages of Bunker Hill, Hedwig, Hilshire, Hunters Creek, Piney Point, and Spring Valley. Many families have lived in the area for generations, while others are new to the community or have returned because of SBISD's reputation for educational excellence. The district also maintains a strong focus on fiscal responsibility, offering all available tax exemptions under Texas law, which helps keep school taxes lower for homeowners.

## **A Vision for Every Child**

SBISD's vision, Spring Branch T-2-4, prepares every student to graduate and go on to earn a technical certificate, military service, or a two- or four-year degree. Guided by priorities in literacy, numeracy, student supports, and Career and Technical Education (CTE), and supported by its District of Innovation (DOI) status, the district provides a strong academic foundation under the leadership of Superintendent of Schools Dr. Jennifer Blaine.

Students have access to Advanced Placement® (AP), Advanced Academic (AAC), Dual Credit and Dual Enrollment courses, as well as specialized programs in Dual Language, International Baccalaureate® (IB), STEM, the arts, and CTE. Gifted and Talented, Special Education and English for Speakers of Other Languages programs support the diverse needs of district learners.

SBISD operates 23 elementary schools, seven middle schools, and four high schools, along with two district charter schools:

- Westchester Academy for International Studies (WAIS), which offers the IB program for grades 6–12 and was recently named one of the top 100 charter high schools in the nation (U.S. News and World Report)
- Cornerstone Academy, a middle school with a long track record of academic success.

To ensure a strong start for its youngest learners, the district offers full-day prekindergarten for in-district four-year-olds and half-day programs for qualifying three-year-olds. Four Schools for Early Learning, along with several elementary campuses, provide both free and tuition-based options designed to prepare Every Child for success in school.

## **Innovation and Opportunity**

The Spring Branch Academic Institute (SBAI), established in 2013, serves highly gifted students from kindergarten through 12th grade. A unique program in the Houston region, SBAI is co-located under a school-within-a-school model at Thornwood Elementary, Spring Forest Middle, and Stratford High.

SBISD also supports bilingualism through dual language programs at Cedar Brook, Pine Shadows, and Sherwood Elementary Schools, with additional options available at secondary campuses.

During the 2024-25 school year, SBISD launched the RISE College Academy at Northbrook High School, and added the Tiger College Academy at Spring Woods High School in Fall 2025. In partnership with Houston City College and University of Texas

OnRamps®, both programs provide qualifying student cohorts with the opportunity to earn an associate degree and high school diploma concurrently, saving tens of thousands of dollars in college tuition costs.

## **Excellence and Recognition**

SBISD's dedication to excellence is recognized across Texas and beyond. The district has been named a District of Distinction by the Texas Art Education Association (TAEA) for five consecutive years (2021–2025) and has twice been a Large District Finalist for the H-E-B Excellence in Education Award (2023, 2025), honoring leadership, innovation, and student achievement. During 2024-25, SBISD was named a CTE District of Distinction.

Educators and leaders across SBISD also are recognized for their excellence. In many recent years, including Spring 2025, a district teacher was named a Region 4 Teacher of the Year Finalist. Teachers and district leaders also have been recognized for excellence through myriad regional and state awards.

The district's highest priority is the safety and security of our students, staff and campuses. The SBISD Police Department has placed a certified peace officer on every campus, and for two years (2024, 2025), the SBISD Chief of Police and SBISD Police Department have earned the prestigious Region 4 Rod Paige School Safety Award.

Safe schools, strong programs, effective leadership, and dedicated educators and staff ensure learning environments where students succeed.

## **Student Achievement**

SBISD students continue to outperform their peers across the Houston region, Texas and the nation. On the Spring 2025 State of Texas Assessments of Academic Readiness (STAAR), students scored above the state and regional averages in nearly every subject area.

- Overall, the district exceeded the state and region in math, science, and social studies at all three performance levels, and in reading language arts at the Meets and Masters levels by up to 11 points. District elementary performance, grades 3 through 5, exceeded the state and region in every subject at the Meets and Masters levels, and in 6 of 7 areas at the Approaches level by up to 14 points.
- In middle school, grades 6 through 8, district performance at the Meets and Masters levels exceeded the state and the region in 7 of 8 areas by up to 15 points.
- District science performance in both 5th and 8th grade and social studies in 8th grade exceeded the state and region in both grades at all performance levels by up to 11 points.

High school results are equally strong. On the 2025 STAAR End-of-Course exams, students scored above the state and region in Algebra I, Biology, and U.S. History at all levels, and at the Masters level in English I and II. More than 40 percent of SBISD students completed Algebra I in middle school, with nearly two-thirds scoring at the Masters level, a strong sign of college readiness.

SBISD students also excel on national college readiness exams. Juniors achieved record-high average district SAT scores, with 91 percent of students participating in the district's spring School Day SAT program. Their total mean scores averaged 52 points above the state and 43 points higher than all students who took the test in the US and abroad. In Advanced Placement (AP) testing, more than 3,000 secondary students took nearly 7,000 exams, and 74 percent earned a score of 3 or higher, a ten-percentage point increase from the previous year.

Across the nation, many schools continue to recover from learning losses caused by the Covid pandemic. In contrast, SBISD students continue to move forward, most recently cited as one of only 100 districts of 11,000 nationwide outperforming national recovery trends based on the National Assessment of Education Progress. (Education Recovery Scorecard, Spring 2025)



## Community Partnership and Support

None of this success would be possible without the continued support of the Spring Branch community, which plays an essential role in student success.

In 2017, voters approved the largest bond program in district history, investing \$898.4 million to rebuild nine of the oldest elementary schools and one middle school. The bond program also provides funds for strengthening campus security, upgrading athletic facilities, modernizing music and CTE classrooms, and replacing aging buses.

Voters reaffirmed their commitment in 2022, by approving a \$381.6 million bond program focused on CTE and key facility improvements. The bond program funds the reconstruction of The Guthrie Center, upgrades to the Agricultural Science Center, and CTE improvements to multiple campuses. It also addresses post-Hurricane Harvey facility needs, such as new code requirements, added classrooms at Valley Oaks Elementary, and districtwide technology updates.

In May 2025, voters once again demonstrated their support by approving a \$558.6 million athletics-focused bond program to enhance aged facilities for current and future generations. The bond program will fund the reconstruction of the W.W. Emmons Natatorium, major renovations and additions to Darrell Tully Stadium and Don Coleman Coliseum, and athletic upgrades at Memorial, Northbrook, Spring Woods, and Stratford High Schools.

Beyond financial support, SBISD's tradition of service and community engagement, is one of its greatest strengths. With more than 12,000 volunteers and hundreds of community partners, SBISD is strengthened by the time, talent, and generosity of those who give back.

Volunteer participation reached record levels, affirming the district's shared commitment to Collective Greatness and Every Child remains as strong as ever. From tutoring and mentoring to classroom and program support, SBISD volunteers continue to make a lasting, positive impact on students' lives.

## Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the environment within which the District operates.

Local Economy: The District is in Harris County approximately 10 miles West of downtown Houston. Houston, the 4th largest city in the United States, is a diverse vibrant metro with a strong economy. The District is in a desirable area of greater Houston with ongoing redevelopment. Residents of the District enjoy ready access to leading companies in key global industries including energy, life science, manufacturing, logistics and aerospace, as well as many colleges and universities, a dynamic cultural arts community, and excellent recreational opportunities.

For the fiscal years ending June 30, 2026, 2025, and 2024 taxable property values in the District increased 1.8%, 2.2% and 5.3%, respectively. The Harris County unemployment rate was 5.0% in August 2025, 4.8% in August 2024 and 4.6% in August 2023. District officials expect continued growth in taxable property values and low unemployment over the long term.

See Table 12 Demographic and Economic Statistics of this report for additional information.

## Relevant Financial Policies

Budget: Budget planning is an integral part of overall program planning so that the budget effectively reflects the District's programs and activities and provides the resources to implement them. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals are considered, as well as input from the District and campus-level planning and decision-making committees. Budget planning and evaluation are continuous processes and are a part of each month's activities.

Fund Balance: Recognizing fund balance as a key in maintaining a strong financial position, the Board policy on annual operating budgets stipulates a goal of maintaining an adequate fund balance. The goal for the general fund balance is 19% of

the current budget expenditures (except for non-spendable or restricted), while the goal for debt service fund balance is 25% of the current year debt service requirements.

**Financial Planning:** Spring Branch T-2-4 the District’s transformative and groundbreaking vision is the foundation for the District’s management and decision making. Spring Branch T-2-4 success results in every SBISD graduate completing a technical certificate, military training, or a two-year or four-year degree. SBISD will increase the number of students achieving T-2-4. During the budget process, expenditures to support Spring Branch T-2-4 are identified and receive top funding priority.

The District maintains a Technology Roadmap and a Long-Range Facilities Plan. Estimated taxable values are a major factor in forecasting, as the District generates approximately 81% of general fund revenue and 95% of debt service revenue from local taxes. Other major factors used in developing these forecasts include the number of students enrolled and in average daily attendance, salaries, insurance, and cost of inflationary items such as utilities and insurance. Forecasts are prepared then reviewed several times a year and shared with the Board, staff, community, and other stakeholders.

### **Awards and Acknowledgements**

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. To be awarded a Certificate of Achievement, the government published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our current ACFR continues to meet the Certificate of Achievement Program’s requirements and we plan to submit it to the GFOA to determine its eligibility for another certificate.

The TEA has awarded the District a rating of “A - Superior” on the 2024-2025 Financial Integrity Rating System of Texas (FIRST) assessment. FIRST requires Texas public schools to be accountable for their financial management practices. The District’s rating was based on performance against twenty-one indicators of financial accountability. The district’s numeric score on the indicators was a perfect 100 out of 100 demonstrating the quality of the District’s financial management practices and reporting system.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Financial Services Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the District’s finances. Finally, we would like to thank the residents of the District for their support of and belief in our public school system, and the teachers and campus teams who provide the quality education for which our District is known.

Respectfully submitted,

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Dr. Jennifer Blaine, Ed. D.  
Superintendent of Schools

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Christine A. Porter, CPA

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**

**CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN  
FINANCIAL REPORTING**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Spring Branch Independent School District, Texas for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report (ACFR), whose contents conform to program standards. Such report must satisfy both accounting principles, generally accepted in the United States of America and applicable legal requirements.

Receiving the award is recognition that a school system has met the highest standards of excellence in government accounting and financial reporting.



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Spring Branch Independent School District  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

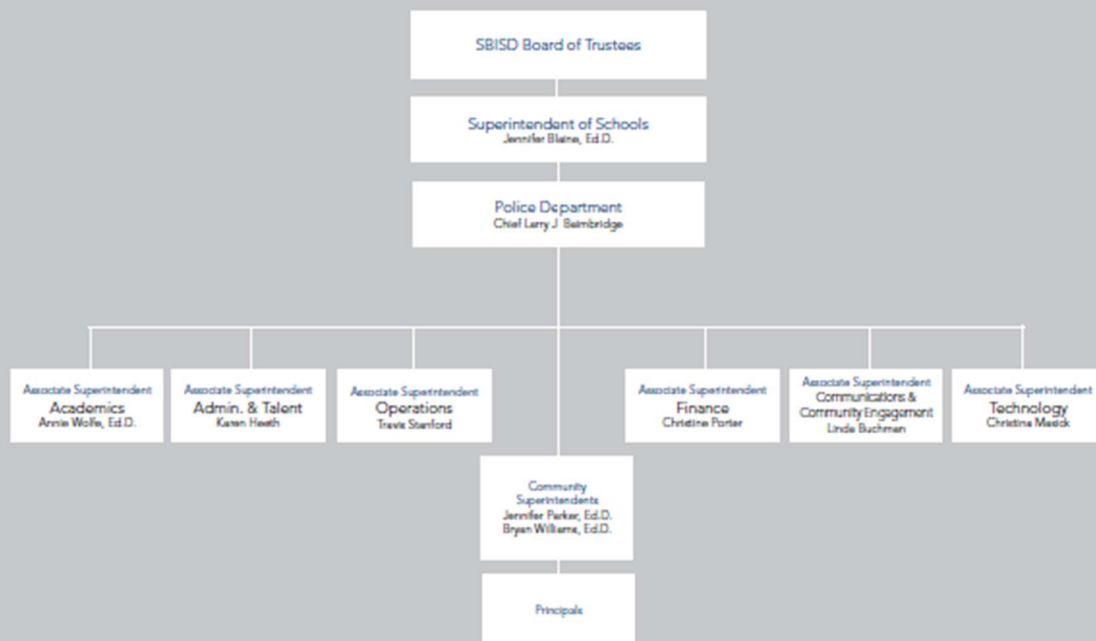
# SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

## ORGANIZATIONAL CHART

For the Year Ended June 30, 2025



### Spring Branch Independent School District



06-30-25

## **FINANCIAL SECTION**



## INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees  
Spring Branch Independent School District

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Spring Branch Independent School District (the "District"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

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

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

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

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



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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The individual fund statements, budget comparisons, and required Texas Education Agency (TEA) schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information 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.

To the Board of Trustees  
Spring Branch Independent School District

The 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 GAAS. In our opinion, the individual fund statements, budget comparisons, and required TEA schedules, are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

#### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, and Schedule L-1 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's 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 17, 2025



## **SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the Spring Branch 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, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages iii to vii of this report.

#### **Financial Highlights**

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$424,768,333 (net position). Of this amount, \$509,082,972 was net investment in capital assets, \$21,225,839 was restricted for debt service, \$7,802,629 was restricted for the Food Service Program and \$13,152,651 was restricted for federal and state programs, leaving the District with a deficit of \$126,495,758 in unrestricted net position. This deficit in unrestricted net position is due to the District's noncurrent liabilities of \$125,901,184 for the District's portion of the Teacher's Retirement System (TRS) net pension liability and \$77,820,342 for the District's portion of the TRS net other post-employment benefits liability.
- The District's total net position increased by \$59,047,537 primarily due to the decrease in long-term liabilities related to the retirement of long-term debt.
- The District's governmental funds reported combined ending fund balances of \$549,447,341 as of June 30, 2025. Non-spendable fund balances include \$2,500,947 for inventories on hand in the General Fund and Special Revenue Fund, and \$1,939,779 for prepaid items in the General Fund and Special Revenue Fund. Restricted Grant fund balances include \$7,802,629, which is primarily the Food Service Program fund balance, \$385,688,731 for Capital Projects Fund construction projects, \$36,341,602 for ongoing Debt Service Fund expenditures, and \$13,508,528 for Special Revenue Funds. Committed fund balance is \$2,741,182, which includes Campus Activity funds included in the Special Revenue Fund. Management has assigned fund balance in the General Fund of \$51,079,787 for future spending and \$3,321,000 for capital equipment. The remaining amount in unassigned fund balance of \$44,523,156 is available for spending at the government's discretion.

#### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves, including schedules required by the District's state oversight agency, the Texas Education Agency (TEA).

#### **Government-Wide Financial Statements**

The focus of government-wide financial statements is on the overall financial position and activities of the District. The District's government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 19 through 21), which are prepared using accounting principles that are similar to commercial enterprises. These statements provide information about the activities of the District as a whole and present a longer-term view of the District's capital assets, debt obligations, and other financial matters.

The Statement of Net Position includes all the District's assets, deferred outflow of resources, liabilities, and deferred inflows of resources at the end of the year, with the residual of these elements reported as *net position*. This difference is similar to the total owner's equity presented by a commercial enterprise. All the District's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years. Although the purpose of the District is not to accumulate net position, in general, as the amount increases, it may indicate that the financial position of the District is improving over time. To fully assess the overall health of the District, however, other factors should be considered as well, such as changes in the District's average daily attendance, property tax base and the condition of the District's capital assets.

## SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The purpose of the Statement of Activities is to present the revenues and expenses of the District. Again, the items presented on the Statement of Activities are measured in a manner similar to the approach used by a commercial enterprise in that revenues are recognized when earned or established criteria are satisfied, and expenses are reported when incurred by the District. Thus, revenues are reported even when they may not be collected for several months after the end of the accounting period and expenses are recorded even though they may not have used cash during the current period.

The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as tuition received for summer school and grants provided by the U.S. Department of Education to assist children with disabilities or from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers or by TEA in the equalization funding processes (general revenues). Although the Statement of Activities looks different from a commercial enterprise income statement, the financial statement is different only in format, not substance.

The District's business-type activities include the District's tuition/fee-based self-sustaining programs, such as athletic concessions, after school programs, employee childcare, facility rental and summer school. Business-type activities are intended to recover all or a significant portion of their costs through user fees and charges.

The District does not have any component units for which it is financially accountable.

#### Fund Financial Statements

Fund financial statements (starting on page 22) report the District's operations in more detail than the government-wide statements by providing information about the District's funds. For governmental activities, these statements reflect how services were financed in the short term as well as resources remaining for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the District were sold to employees, students and community members, and how the sales revenues covered the expenses of the goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of others.

Laws and contracts require the District to establish some programs, such as a program funded by a grant received from the U.S. Department of Education. The District's administration establishes program revenue and cost centers to help control and manage money for particular program purposes (such as campus activities).

All of the District's funds 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 government's near-term financing requirements. The focus of governmental funds is narrower than that of the government-wide financial statements therefore 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 government's near-term financing decisions. Both, the Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances for governmental funds provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four governmental funds. Information is presented separately in fund financial statements for the general, special revenue, debt service, and capital projects funds, all of which are major funds. The District adopts annual appropriations budgets at the revenue source and functional expenditure levels for its general fund, the food service program included in the special revenue fund, and debt service fund as required by TEA. Budgetary comparison schedules have been provided to demonstrate finance-related legal compliance with these budgets.

## SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

**Proprietary funds** - Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. There are two proprietary fund types. Enterprise funds are used to report the same function presented as business-type activities in the government-wide financial statements. The District has one business-type activity (enterprise fund), which consists of tuition-based self-sustaining programs, such as childcare and facilities rentals. The second type of proprietary fund is the internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the various functions. The District has one internal service fund, the Workers' Compensation Fund. The basic proprietary fund financial statements can be found on pages 29 to 31 of this report.

**Fiduciary funds** - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The District is the fiduciary for money raised by student activities, property taxes collected on behalf of other governments, and scholarships in private-purpose funds. All the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 32 and 33. We exclude these resources from the District's government-wide financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

### Notes to the Financial Statements

The notes to the financial statements (starting on page 35) provide narrative explanations or additional data needed for generally accepted full disclosure in the government-wide and fund financial statements.

### Other 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 District has presented the general fund budget to actual comparisons in the Required Supplementary Information found on page 87 of this report. The District's debt service fund and food service program included in the special revenue fund have appropriated budgets in accordance with requirements of TEA. Debt service fund and food service program budget to actual are presented in Other Supplementary Information beginning on page 96. The food service program budget is included in this report as it is considered a perspective difference regarding required supplemental information for presentation of major special revenue fund budget comparison information in accordance with generally accepted financial reporting practices.

### Government-Wide Financial Analysis

The government-wide financial statements for the District's overall financial position and operations for the fiscal years ended June 30, 2025, and June 30, 2024, are summarized as follows.

The District's total assets plus deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$424,768,333 as of June 30, 2025, an increase of \$59,047,537 from prior year. The District's total unrestricted net position, which is the total net position of the District reduced by restricted net position of \$42,181,119 and net investment in capital assets of \$509,082,972, and unrestricted net position was a deficit of \$126,495,758 on June 30, 2025.

Net position may serve over time as a useful indicator of a District's financial position. On June 30, 2025, the District's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$424.4 million, an increase of \$58.7 million from June 30, 2024.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Table I - Net Position Summary**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>Assets</b>						
Current and other assets	\$ 679,268,836	\$ 781,386,617	\$ 5,246,573	\$ 5,208,032	\$ 684,515,409	\$ 786,594,649
Capital assets	1,228,661,545	1,129,180,223	269,878	127,074	1,228,931,423	1,129,307,297
<b>Total Assets</b>	<u>1,907,930,381</u>	<u>1,910,566,840</u>	<u>5,516,451</u>	<u>5,335,106</u>	<u>1,913,446,832</u>	<u>1,915,901,946</u>
<b>Total Deferred Outflows of Resources</b>	68,733,094	90,121,405	-	-	68,733,094	90,121,405
<b>Liabilities</b>						
Current liabilities	129,488,613	108,518,224	457,727	414,088	129,946,340	108,932,312
Long-term liabilities	1,331,768,729	1,430,332,699	-	-	1,331,768,729	1,430,332,699
<b>Total Liabilities</b>	<u>1,461,257,342</u>	<u>1,538,850,923</u>	<u>457,727</u>	<u>414,088</u>	<u>1,461,715,069</u>	<u>1,539,265,011</u>
<b>Total Deferred Inflows of Resources</b>	95,120,899	100,335,933	575,625	627,955	95,696,524	100,963,888
<b>Net Position:</b>						
Net investment in capital assets	508,813,094	437,038,775	269,878	127,074	509,082,972	437,165,849
Restricted	42,181,119	42,361,602	-	-	42,181,119	42,361,602
Unrestricted	(130,708,979)	(117,898,988)	4,213,221	4,165,989	(126,495,758)	(113,732,999)
<b>Total Net Position</b>	<u>\$ 420,285,234</u>	<u>\$ 361,501,389</u>	<u>\$ 4,483,099</u>	<u>\$ 4,293,063</u>	<u>\$ 424,768,333</u>	<u>\$ 365,794,452</u>

Investment in capital assets (e.g., land, buildings, furniture, equipment and right to use assets) less any related debt used to acquire those assets that is still outstanding is \$509,082,972 as of June 30, 2025. Although the District's debt issuances are used primarily to acquire capital assets, it should be noted that the resources needed to repay the District's debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the District's net position, \$42,181,419 (approximately 9.9%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of net position is a deficit of \$126,851,290.

As shown in Table II, the net position of the District's governmental activities increased \$58,502,269 for the fiscal year ended June 30, 2025. The total cost of all governmental activities this year was \$510,724,642, a decrease of \$15,135,874 from the previous year. The amount that the District's taxpayers paid for governmental activities through property taxes was \$422,928,943 or 74.3%, with operating grants and contributions of \$73,607,964 or 12.9%, and earned interest of \$31,493,884 or 5.5% as the next most significant sources of revenue. Other sources of revenue for governmental activities were \$28,895,282 in state grants, \$6,995,235 from user charges, and \$5,305,603 of other revenues.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Table II - Change in Net Position**

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for services	\$ 6,995,235	\$ 6,253,863	\$ 3,090,117	\$ 2,680,196	\$ 10,085,352	\$ 8,934,059
Operating grants and contributions	73,963,241	87,484,182	-	-	73,963,241	87,484,182
<b>General Revenues:</b>						
Property taxes	422,928,943	405,589,270	-	-	422,928,943	405,589,270
State grants and other grants	28,895,282	24,469,690	-	-	28,895,282	24,469,690
Interest	31,493,884	37,650,244	206,821	219,920	31,700,705	37,870,164
Other	5,305,558	5,115,477	-	-	5,305,558	5,115,477
<b>Total Revenues</b>	<b>569,582,143</b>	<b>566,562,726</b>	<b>3,296,938</b>	<b>2,900,116</b>	<b>572,879,081</b>	<b>569,462,842</b>
<b>Expenses</b>						
Instructional	251,817,721	273,078,361	-	-	251,817,721	273,078,361
Instruction resources and media	1,118,482	3,512,048	-	-	1,118,482	3,512,048
Curriculum/staff development	10,524,581	14,211,165	-	-	10,524,581	14,211,165
Instructional/leadership	5,517,499	6,554,249	-	-	5,517,499	6,554,249
School leadership	22,301,647	22,165,261	-	-	22,301,647	22,165,261
Guidance and counseling services	23,427,874	25,262,344	-	-	23,427,874	25,262,344
Social work services	147,374	165,490	-	-	147,374	165,490
Health services	4,231,986	4,427,904	-	-	4,231,986	4,427,904
Student (pupil) transportation	12,598,504	11,064,301	-	-	12,598,504	11,064,301
Child nutrition	20,856,343	21,172,892	-	-	20,856,343	21,172,892
Cocurricular/extracurricular	11,066,225	10,696,871	-	-	11,066,225	10,696,871
General administration	9,898,429	10,197,471	-	-	9,898,429	10,197,471
Plant maintenance and operations	42,501,448	40,372,238	-	-	42,501,448	40,372,238
Security and monitoring services	9,514,009	8,732,119	-	-	9,514,009	8,732,119
Data processing	13,438,351	11,899,139	-	-	13,438,351	11,899,139
Community services	3,238,433	3,527,406	-	-	3,238,433	3,527,406
Interest and fiscal charges	46,412,566	52,302,244	-	-	46,412,566	52,302,244
Facilities planning	138,042	1,249,804	-	-	138,042	1,249,804
Contracted instructional services	18,223,392	1,197,012	-	-	18,223,392	1,197,012
Payments to districts of SSAs	553,009	472,749	-	-	553,009	472,749
Other intergovernmental charges	3,198,727	3,599,448	-	-	3,198,727	3,599,448
Other business-type activities	-	-	3,106,902	2,674,113	3,106,902	2,674,113
<b>Total Expenses</b>	<b>510,724,642</b>	<b>525,860,516</b>	<b>3,106,902</b>	<b>2,674,113</b>	<b>513,831,544</b>	<b>528,534,629</b>
Increase (decrease) in net position	58,857,501	40,702,210	190,036	226,003	59,047,537	40,928,213
<b>Net Position, Beginning (2025 restated)</b>	<b>361,427,733</b>	<b>320,799,179</b>	<b>4,293,063</b>	<b>4,067,060</b>	<b>365,720,796</b>	<b>324,866,239</b>
<b>Net Position, Ending</b>	<b>\$ 420,285,234</b>	<b>\$ 361,501,389</b>	<b>\$ 4,483,099</b>	<b>\$ 4,293,063</b>	<b>\$ 424,768,333</b>	<b>\$ 365,794,452</b>

Revenues for the District's governmental activities increased year over year by \$2.7 million for the fiscal year ended June 30, 2025. Primary factors causing the increase were:

- Property Tax receipts increased \$17.3 million primarily due to a 2.2% increase in taxable property values.
- Operating grants and contributions decreased \$13.9 million primarily due to the final \$14.0 million of ESSER funding having been received in the preceding 2024 fiscal year.
- Interest earnings decreased \$6.2 million as interest rates realized on short term investment of available funds declined.

Expenses for the District's governmental activities decreased year over year by \$15.1 million. Primary factors causing the decrease were:

- Instructional expenses decreased \$21.3 million primarily due to planned reductions necessary to align expenses with revenue.
- Contracted instructional charges or recapture increased \$17.0 million as determined by the state of Texas funding formula.
- Interest and fiscal charges decreased \$5.9 million primarily due to less arbitrage payable expense in fiscal year.



## SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The District's combined property tax rate decreased to \$1.0764 from \$1.0789 per \$100 of taxable assessed value. This tax rate applied to taxable assessed value generated tax revenues of \$422.9 million in fiscal year 2025, a increase of \$17.3 million from the 2024 fiscal year. However, the District paid the state \$18.2 million for local revenue in excess of entitlement (recapture) in fiscal year 2025, an increase of \$17.0 million from the 2024 fiscal year. Total cost of governmental activities includes depreciation and amortization of \$45.6 million. Capital outlay of \$148.4 million is not included in the cost of governmental activities. In the government-wide financial statements, capital outlay is shown as an increase in the capital assets reported on the Statement of Net Position and depreciation/amortization expense is reported in the Statement of Activities to spread the recognition of the cost of capital assets over their estimated useful lives of the capital assets.

Net position of the District's business-type activities increased \$190.0 thousand in fiscal year 2025.

#### Financial Analysis of the District's Funds

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

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 government's net resources available for spending at the end of the fiscal year.

At the end of fiscal year June 30, 2025 the District's governmental funds reported:

- Combined ending fund balances were \$549,447,341, an decrease of \$134,191,411 from the prior fiscal year. A decrease of \$19,779,318 in general fund and an decrease of \$112,529,674 in the capital projects fund were the two most significant changes. Bond program expenditures of \$135.6 million for construction projects is the primary reason for the fund balance decrease in the capital projects fund.
- \$44,523,156 or 8% of the combined ending fund balance constitutes unassigned fund balance. The remainder of fund balance is not available because it is nonspendable, restricted, committed or assigned as follows:
  - (1) Inventory \$2,500,947
  - (2) Prepaid items \$1,939,779
  - (3) Food service \$7,802,629 excludes #2
  - (4) Capital projects \$385,688,731
  - (5) Debt service \$36,341,602
  - (6) Special revenue \$13,508,528
  - (7) Campus activity \$2,741,182, excludes #2
  - (8) Capital expenditures for equipment \$3,321,000
  - (9) Compensated absences (retirement payoff) \$9,977,000
  - (10) Subsequent year expenditures \$28,027,787
  - (11) Natural disaster response assignment \$13,075,000

The general fund is the primary operating fund of the District. At fiscal year end 2025, unassigned fund balance of the general fund was \$44,523,156 while the total fund balance was \$103,157,296.

During fiscal year 2025 the fund balance of the general fund decreased by \$19,779,318.

## **SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**

### ***MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)***

The District budgeted a \$25,177,245 decrease in fund balance. Budgeted expenditures within each functional spending category are a cap not to be exceeded. Accordingly, actual expenditure and actual use of fund balance will be less than budgeted.

On June 30, 2025 the debt service fund had a total fund balance of \$36,341,602 all of which is restricted for the payment of debt. The net increase in the fund balance during fiscal year 2025 in the debt service fund was \$2,652,320 as revenues were greater than debt service expenditure requirements.

The special revenue fund is used to account for all financial resources restricted to, or committed for, specific purposes by a grantor. The fund balance of the special revenue fund was \$24,259,712 on June 30, 2025, a decrease of \$4,534,739 from June 30, 2024. Expenditures in excess of revenue in state funded caused the decrease.

The capital projects fund is used to account for financial resources to be used for the construction and renovation of District facilities. Scope of work under 2017 and 2022 voter authorized construction and renovation programs was ongoing in fiscal year 2025. The fund balance of the District's capital projects fund was \$385,688,731 on June 30, 2025. The capital projects fund began the year with \$498,218,405 in fund balance. A fund balance decrease of \$112,529,674 was due expenditure on capital projects. Fund balance in the capital projects fund is restricted for future expenditure on capital projects.

#### **General Fund Budgetary Highlights**

Over the course of the year, District administration recommended, and the Board of Trustees approved, several revisions to budgeted revenue and appropriations. Revisions to the revenue budget are made as additional information becomes available and projections of items such as enrollment, attendance, property values, and tax collections are updated. Revisions to the appropriations budget are necessary due to staffing adjustments based on actual enrollment, changes in spending needs over the course of the year and other occurrences after the Board of Trustees' approval of the original budget.

Revenue is based on a state funding formula. The formula, at its most basic level, provides Target Revenue calculated as Weighted Average Daily Attendance (WADA) times a basic allotment. For fiscal year 2025 the amount of the basic allotment was \$6,160 per WADA. As a high property wealth Chapter 49 district, the District is required to send Local Revenue in Excess of Entitlement (recapture) back to the state. Recapture is locally assessed and collected tax dollars sent to the state to satisfy statewide school funding equalization.

The District's major budget amendments during the year are summarized as follows:

- The revenue budget increased by \$8.9 million primarily due to a \$7.6 million increase in state funding as the state funding formula was updated to include new information.
- The expenditure budget increased by \$15.9 million primarily due to:
  - \$8.1 million increase in recapture as the state funding formula was updated to include new information, and
  - \$5.4 million increase in payroll as projection was updated to actual.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Capital Asset and Debt Administration**

**Capital Assets**

At June 30, 2025, the District had \$1.229 billion (net of accumulated depreciation/amortization of \$472.8 million) invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance.

**Table III - Capital Asset Summary**

	<b>Governmental Activities</b>		<b>Business- Type Activities</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Land	\$ 26,707,184	\$ 26,722,980	\$ -	\$ -
Buildings and improvements	1,026,457,929	939,310,748	68,447	70,853
Furniture and equipment	37,547,161	23,075,824	198,939	48,471
Vehicles	13,362,318	13,028,736	2,492	7,750
Construction in progress	117,326,807	120,660,384	-	-
Right to use assets	7,260,146	6,381,551	-	-
<b>Total Capital Assets,</b>				
<b>Net of Depreciation\Amortization</b>	<b>\$ 1,228,661,545</b>	<b>\$ 1,129,180,223</b>	<b>\$ 269,878</b>	<b>\$ 127,074</b>

Additional information on the District's capital assets can be found in Note 9 starting on page 57 of this report.

**Debt**

Debt-management policies seek to provide the most favorable climate for District debt projects while upholding the highest rating possible for debt instruments. Management policies include the following:

- All debt service obligations will be met when due.
- Long-term financing will be restricted to capital projects and purchases of related equipment.
- Long-term bonds will not be issued to finance current operations.
- The District will cooperate and communicate with bond-rating agencies and work toward obtaining the most favorable municipal bond rating possible.
- Outstanding obligations will be reviewed frequently to ensure the most favorable funding structure for the District.
- All necessary information and material regarding the District's financial status will be provided to the appropriate parties.

The ratio of net bonded debt to assessed valuation is a useful indicator of the District's debt position. This data is presented in the schedule "Ratios of Net General Obligation Bonded Debt Outstanding, Table 10" in the statistical section and reflects an increase in the ratio of net bonded debt to assessed value to 2.55% as of June 30, 2025 compared to 2.84% as of June 30, 2024.

At June 30, 2025, the District had \$1.1 billion in bonds outstanding including premiums on bonds at issuance, arbitrage, lease and subscription payables. The District continues to enjoy excellent bond ratings of Aaa by Moody's Investors Service and AAA by Standard & Poor's by virtue of the Permanent School Fund Guarantee Program. The underlying ratings not enhanced by the Permanent School Fund Guarantee Program are Aa1 by Moody's and AA from Standard and Poor's.

At June 30, 2025, the District had \$773.6 million remaining authorized but unissued bonds.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)**

**Table IV - District's Outstanding Debt**

	<b>Governmental Activities</b>	
	<b>2025</b>	<b>2024</b>
General obligation bonds	\$ 1,107,846,701	\$ 1,192,202,115
Arbitrage payable	8,595,491	5,693,735
Lease payable	493,863	965,747
Subscription payable	1,284,871	1,971,993
<b>Total Outstanding Debt</b>	<b>\$ 1,118,220,926</b>	<b>\$ 1,200,833,590</b>

More detailed information about the District's long-term liabilities is presented in Note 10 to the financial statements starting on page 61 of this report.

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

Economic factors have a significant impact on the District's finances. Taxable property values increased 1.8%, 2.2%, and 5.3% in fiscal year 2026, 2025, and 2024, respectively. The greater Houston area continues to be an economically vibrant area. District officials believe the District's tax base will, in the long term, continue to grow along with the broader economy. The unemployment rate for the Houston metropolitan statistical area was 5.0%, 4.7%, and 4.5% in August 2026, August 2025, and August 2024, respectively. Inflationary trends in the region tend to be consistent with the national consumer price index (CPI) changes.

The District's elected and appointed officials considered many factors when setting the fiscal year 2026 combined property tax rate of \$1.0231 per \$100 of assessed value which includes a TEA mandated \$0.7186 M&O rate supporting General Fund expenditure. Fiscal year 2026 budgeted General Fund revenues net of recapture are \$344.8 million a decrease of \$0.5 million or 0.1% from \$345.3 in fiscal year 2025. Budgeted fiscal year 2026 General Fund expenditures excluding Local Revenue in Excess of Entitlement (recapture) of \$370.1 million decreased by \$0.4 million or 0.1% from \$370.5 in fiscal year 2025. General Fund balance is budgeted to decrease \$25.3 million in fiscal year 2026 to \$74.5 million. Budgeted expenditure in each functional category is a spending cap that should not be exceeded. Accordingly, actual fiscal year 2026 expenditure will be less than budget and actual General Fund balance decrease is expected to be less than budgeted.

Regulatory guidance necessary for Spring Branch ISD to implement changes to the state funding formula effected by the 89<sup>th</sup> Texas Legislative session was not available when the district's fiscal year 2026 budget was established. Amendment of the original budget when required guidance is available is expected to result in a decrease in budgeted use of fund balance.

**Requests for Information**

This financial report is designed to provide our citizens, taxpayers, customers, creditors, and other stakeholders with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions concerning the information provided in this report or requests for additional information should be addressed to the Office of the Associate Superintendent for Finance, Spring Branch Independent School District, 955 Campbell Road, Houston, Texas, 77024.



## **BASIC FINANCIAL STATEMENTS**



# SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF NET POSITION

June 30, 2025

Exhibit A-1

Data Control Codes		Governmental Activities	Business-Type Activities	Total
<b>Assets</b>				
1110	Cash and cash equivalents	\$ 427,061	\$ 79,571	\$ 506,632
1120	Investments - current	550,161,424	4,507,142	554,668,566
1225	Property taxes receivables, net	14,994,243	-	14,994,243
1240	Due from other governments	16,794,058	-	16,794,058
1250	Accrued interest	3,366,604	-	3,366,604
1260	Internal balances	5,063	(5,063)	-
1290	Other receivables, net	4,329,900	664,923	4,994,823
1300	Inventories	2,940,427	-	2,940,427
1410	Prepaid items	1,967,634	-	1,967,634
1910	Long-term investments	84,282,422	-	84,282,422
	Capital assets not subject to depreciation/amortization:			
1510	Land	26,707,184	-	26,707,184
1580	Construction in progress	117,326,807	-	117,326,807
	Capital assets net of depreciation/amortization:			
1520	Buildings and improvements	1,026,457,929	68,447	1,026,526,376
1530	Furniture and equipment	37,547,161	198,939	37,746,100
1540	Vehicles	13,362,318	2,492	13,364,810
1550	Right to Use Assets	7,260,146	-	7,260,146
<b>1000</b>	<b>Total Assets</b>	<b>1,907,930,381</b>	<b>5,516,451</b>	<b>1,913,446,832</b>
<b>Deferred Outflows of Resources</b>				
	Deferred loss on refunding	4,088,208	-	4,088,208
	Deferred outflows - pension	29,955,761	-	29,955,761
	Deferred outflows - other post employment benefits	34,689,125	-	34,689,125
<b>1700</b>	<b>Total Deferred Outflows of Resources</b>	<b>68,733,094</b>	<b>-</b>	<b>68,733,094</b>
<b>Liabilities</b>				
2110	Accounts payable	41,045,409	52,119	41,097,528
2140	Interest payable	18,962,635	-	18,962,635
2150	Payroll deductions and withholdings	6,974,306	-	6,974,306
2160	Accrued wages payable	40,934,523	381,564	41,316,087
2177	Due to others	-	-	-
2180	Due to other governments	18,676,009	-	18,676,009
2190	Due to others	1,653	9,044	10,697
2200	Accrued expenses	2,649,908	-	2,649,908
2300	Unearned revenue	244,170	15,000	259,170
	Noncurrent Liabilities:			
2501	Due within one year	66,404,672	-	66,404,672
2502	Due in more than one year	1,061,642,531	-	1,061,642,531
2540	Net pension liability	125,901,184	-	125,901,184
2545	Net other post-employment benefits liability	77,820,342	-	77,820,342
<b>2000</b>	<b>Total Liabilities</b>	<b>1,461,257,342</b>	<b>457,727</b>	<b>1,461,715,069</b>
<b>Deferred Inflows of Resources</b>				
	Deferred inflows - leases	634,382	575,625	1,210,007
	Deferred inflows - pensions	14,690,620	-	14,690,620
	Deferred inflows - other post employment benefits	79,795,897	-	79,795,897
<b>2600</b>	<b>Total Deferred Inflows of Resources</b>	<b>95,120,899</b>	<b>575,625</b>	<b>95,696,524</b>
<b>Net Position</b>				
3200	Net investment in capital assets	508,813,094	269,878	509,082,972
	Restricted for:			
3820	Federal and state programs	13,152,651	-	13,152,651
3820	Food service	7,802,629	-	7,802,629
3850	Debt service	21,225,839	-	21,225,839
3900	Unrestricted	(130,708,979)	4,213,221	(126,495,758)
<b>3000</b>	<b>Total Net Position</b>	<b>\$ 420,285,234</b>	<b>\$ 4,483,099</b>	<b>\$ 424,768,333</b>

See notes to the financial statements.



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF NET ACTIVITIES**  
**For the Year Ended June 30, 2025**

**Exhibit B-1**  
**Page 1 of 2**

Data Control Codes	Functions/Programs	Expenses	Program Revenue	
			Charges for Services	Operating Grants and Contributions
	<b>Governmental Activities</b>			
11	Instruction	\$ 251,817,721	\$ 2,954,277	\$ 23,621,903
12	Instructional resources and media services	1,118,482	-	13,560
13	Curriculum and staff development	10,524,581	-	2,915,938
21	Instructional leadership	5,517,499	-	927,556
23	School leadership	22,301,647	-	407,390
31	Guidance, counseling, and evaluation Services	23,427,874	-	6,574,689
32	Social work services	147,374	-	1,644
33	Health services	4,231,986	-	943,416
34	Student transportation	12,598,504	-	847,748
35	Food service	20,856,343	3,245,437	17,351,963
36	Extracurricular activities	11,066,225	581,623	118,957
41	General administration	9,898,429	115,000	5,140,164
51	Plant, maintenance and operations	42,501,448	53,434	229,328
52	Security and monitoring services	9,514,009	45,464	4,233,494
53	Data processing services	13,438,351	-	1,119,984
61	Community services	3,238,433	-	741,571
72	Interest on long-term debt	45,989,292	-	38,829
73	Debt issuance costs and fees	423,274	-	468,537
81	Facilities Repairs and Maintenance	138,042	-	7,713,561
91	Contracted instructional services	18,223,392	-	-
93	Payments related to shared services Arrangements	553,009	-	553,009
99	Other intergovernmental charges	3,198,727	-	-
<b>TG</b>	<b>Total Governmental Activities</b>	<b>510,724,642</b>	<b>6,995,235</b>	<b>73,963,241</b>
	<b>Business-Type Activities</b>			
01	Athletic rentals/concessions	752,836	751,044	-
02	Employee childcare	1,869,670	1,524,860	-
03	Community education	204,937	292,000	-
04	Fine arts	10,915	11,463	-
06	Facility rentals	126,802	336,908	-
07	Summer school	141,742	173,842	-
<b>TB</b>	<b>Total Business-Type Activities</b>	<b>3,106,902</b>	<b>3,090,117</b>	<b>-</b>
<b>TP</b>	<b>Total Primary Government</b>	<b>\$ 513,831,544</b>	<b>\$ 10,085,352</b>	<b>\$ 73,963,241</b>

# SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

## STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2025

Exhibit B-1

Page 2 of 2

Data Control Codes	Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
		Primary Government		
		Governmental Activities	Business-Type Activities	Total
	<b>Governmental Activities</b>			
11	Instruction	\$ (225,241,541)	\$ -	\$ (225,241,541)
12	Instructional resources and media services	(1,104,922)	-	(1,104,922)
13	Curriculum and staff development	(7,608,643)	-	(7,608,643)
21	Instructional leadership	(4,589,943)	-	(4,589,943)
23	School leadership	(21,894,257)	-	(21,894,257)
31	Guidance, counseling, and evaluation Services	(16,853,185)	-	(16,853,185)
32	Social work services	(145,730)	-	(145,730)
33	Health services	(3,288,570)	-	(3,288,570)
34	Student transportation	(11,750,756)	-	(11,750,756)
35	Food service	(258,943)	-	(258,943)
36	Extracurricular activities	(10,365,645)	-	(10,365,645)
41	General administration	(4,643,265)	-	(4,643,265)
51	Plant, maintenance and operations	(42,218,686)	-	(42,218,686)
52	Security and monitoring services	(5,235,051)	-	(5,235,051)
53	Data processing services	(12,318,367)	-	(12,318,367)
61	Community services	(2,496,862)	-	(2,496,862)
72	Interest on long-term debt	(45,950,463)	-	(45,950,463)
73	Debt issuance costs and fees	45,263	-	45,263
81	Facilities Repairs and Maintenance	7,575,519	-	7,575,519
91	Contracted instructional services	(18,223,392)	-	(18,223,392)
93	Payments related to shared services Arrangements	-	-	-
99	Other intergovernmental charges	(3,198,727)	-	(3,198,727)
<b>TG</b>	<b>Total Governmental Activities</b>	<b>(429,766,166)</b>	<b>-</b>	<b>(429,766,166)</b>
	<b>Business-Type Activities</b>			
01	Athletic rentals/concessions	-	(1,792)	(1,792)
02	Employee childcare	-	(344,810)	(344,810)
03	Community education	-	87,063	87,063
04	Fine arts	-	548	548
06	Facility rentals	-	210,106	210,106
07	Summer school	-	32,100	32,100
<b>TB</b>	<b>Total Business-Type Activities</b>	<b>-</b>	<b>(16,785)</b>	<b>(16,785)</b>
<b>TP</b>	<b>Total Primary Government</b>	<b>(429,766,166)</b>	<b>(16,785)</b>	<b>(429,782,951)</b>
Data Control Codes	<b>General Revenues, and Transfers</b>			
	<b>General Revenues:</b>			
<b>MT</b>	Property taxes, levied for general purposes	298,576,262	-	298,576,262
<b>DT</b>	Property taxes, levied for debt service	124,352,681	-	124,352,681
<b>SF</b>	State-aid formula grants	28,895,282	-	28,895,282
<b>IE</b>	Investment earnings	31,493,884	206,821	31,700,705
<b>MI</b>	Miscellaneous	5,305,558	-	5,305,558
<b>TR</b>	<b>Total General Revenues, and Transfers</b>	<b>488,623,667</b>	<b>206,821</b>	<b>488,830,488</b>
<b>CN</b>	Change in net position	58,857,501	190,036	59,047,537
	<b>Net Position - Beginning, as Previously Reported</b>	<b>361,501,389</b>	<b>4,293,063</b>	<b>365,794,452</b>
<b>PA</b>	Restatement (see Note 24)	(73,656)	-	(73,656)
<b>NB</b>	<b>Net position - Beginning as Restated</b>	<b>361,427,733</b>	<b>4,293,063</b>	<b>365,720,796</b>
<b>NE</b>	<b>Net Position - Ending</b>	<b>\$ 420,285,234</b>	<b>\$ 4,483,099</b>	<b>\$ 424,768,333</b>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2025**

**Exhibit C-1**  
**Page 1 of 2**

<b>Data Control Codes</b>		<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Debt Service Fund</b>
<b>Assets</b>				
1110	Cash and cash equivalents	\$ 9,497	\$ 13,589	\$ -
1120	Current investments	174,006,303	7,740,912	36,637,460
	Receivables:			
1220	Property taxes - delinquent	15,392,968	-	5,188,322
1230	Allowance for uncollectible taxes (credit)	(4,313,775)	-	(1,273,272)
1240	Receivables from other governments	6,483,832	10,310,226	-
1250	Accrued interest	319,091	-	-
1260	Due from other funds	1,182,044	13,855,183	-
1290	Other receivables	2,797,713	1,485,067	-
1300	Inventories	2,500,947	439,480	-
1410	Prepaid items	1,732,405	207,373	-
1910	Long-term investments	-	-	-
<b>1000</b>	<b>Total Assets</b>	<b>\$ 200,111,025</b>	<b>\$ 34,051,830</b>	<b>\$ 40,552,510</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>				
<b>Liabilities:</b>				
2110	Accounts payable	\$ 4,122,157	\$ 3,946,684	\$ -
2150	Payroll deductions and withholdings	6,897,825	76,481	-
2160	Accrued wages payable	36,645,555	4,198,649	-
2170	Due to other funds	17,011,016	919,550	364,036
2180	Payable to other governments	18,223,392	2,814	-
2190	Due to student and employee groups	1,093	560	-
2200	Accrued expenditures	2,649,908	-	-
2300	Unearned revenue	231,172	12,998	-
<b>2000</b>	<b>Total Liabilities</b>	<b>85,782,118</b>	<b>9,157,736</b>	<b>364,036</b>
<b>Deferred Inflows of Resources</b>				
	Unavailable revenue - property taxes	11,171,611	-	3,846,872
	Deferred inflows - leases	-	634,382	-
<b>2600</b>	<b>Deferred Inflows of Resources</b>	<b>11,171,611</b>	<b>634,382</b>	<b>3,846,872</b>
<b>Fund Balance:</b>				
<b>Nonspendable:</b>				
3410	Inventories	2,500,947	-	-
3430	Prepaid items	1,732,406	207,373	-
<b>Restricted:</b>				
3450	Grant funds	-	7,802,629	-
3470	Capital acquisitions and obligations	-	-	-
3480	Debt service	-	-	36,341,602
3490	Other	-	13,508,528	-
<b>Committed:</b>				
3545	Other	-	2,741,182	-
<b>Assigned:</b>				
3570	Capital expenditures for equipment	3,321,000	-	-
3590	Other	51,079,787	-	-
<b>Unassigned:</b>				
3600	Unassigned	44,523,156	-	-
<b>3000</b>	<b>Total Fund Balances</b>	<b>103,157,296</b>	<b>24,259,712</b>	<b>36,341,602</b>
<b>4000</b>	<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 200,111,025</b>	<b>\$ 34,051,830</b>	<b>\$ 40,552,510</b>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2025**

*Exhibit C-1*  
*Page 2 of 2*

<b>Data Control Codes</b>		<b>Capital Projects Fund</b>	<b>Total Governmental Funds</b>
<b>Assets</b>			
1110	Cash and cash equivalents	\$ 30,430	\$ 53,516
1120	Current investments	331,776,749	550,161,424
	Receivables:		
1220	Property taxes - delinquent	-	20,581,290
1230	Allowance for uncollectible taxes (credit)	-	(5,587,047)
1240	Receivables from other governments	-	16,794,058
1250	Accrued interest	3,047,513	3,366,604
1260	Due from other funds	1,177	15,038,404
1290	Other receivables	-	4,282,780
1300	Inventories	-	2,940,427
1410	Prepaid items	-	1,939,778
1910	Long-term investments	84,282,422	84,282,422
<b>1000</b>	<b>Total Assets</b>	<b>\$ 419,138,291</b>	<b>\$ 693,853,656</b>
<b>Liabilities, Deferred Inflows of Resources and Fund Balance</b>			
	<b>Liabilities:</b>		
2110	Accounts payable	\$ 32,901,377	\$ 40,970,218
2150	Payroll deductions and withholdings	-	6,974,306
2160	Accrued wages payable	90,315	40,934,519
2170	Due to other funds	8,065	18,302,667
2180	Payable to other governments	449,803	18,676,009
2190	Due to student and employee groups	-	1,653
2200	Accrued expenditures	-	2,649,908
2300	Unearned revenue	-	244,170
<b>2000</b>	<b>Total Liabilities</b>	<b>33,449,560</b>	<b>128,753,450</b>
	<b>Deferred Inflows of Resources</b>		
	Unavailable revenue - property taxes	-	15,018,483
	Deferred inflows - leases	-	634,382
<b>2600</b>	<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>15,652,865</b>
	<b>Fund Balance:</b>		
	<b>Nonspendable:</b>		
3410	Inventories	-	2,500,947
3430	Prepaid items	-	1,939,779
	<b>Restricted:</b>		
3450	Grant funds	-	7,802,629
3470	Capital acquisitions and obligations	385,688,731	385,688,731
3480	Debt service	-	36,341,602
3490	Other	-	13,508,528
	<b>Committed:</b>		
3545	Other	-	2,741,182
	<b>Assigned:</b>		
3570	Capital expenditures for equipment	-	3,321,000
3590	Other	-	51,079,787
	<b>Unassigned:</b>		
3600	Unassigned	-	44,523,156
<b>3000</b>	<b>Total Fund Balances</b>	<b>385,688,731</b>	<b>549,447,341</b>
<b>4000</b>	<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 419,138,291</b>	<b>\$ 693,853,656</b>



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**RECONCILIATION OF BALANCE SHEET FOR GOVERNMENTAL FUNDS**  
**TO STATEMENT OF NET POSITION**  
**June 30, 2025**

**Exhibit C-1R**

<b>Data Control Codes</b>		
	<b>Total Fund Balance, Governmental Funds</b>	<b>\$ 549,447,341</b>
	Amounts reported for governmental activities in the statement of Net position are different because:	
<b>1</b>	Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.	1,228,661,545
<b>2</b>	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).	15,018,483
	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:	
<b>3</b>	General obligation bonds	(1,028,995,000)
<b>4</b>	Premiums on issuance	(78,851,701)
<b>5</b>	Leases payable	(493,863)
<b>6</b>	IT agreements	(1,284,871)
<b>7</b>	Accrued compensated absences	(9,826,277)
<b>8</b>	Accrued interest payable	(18,962,635)
<b>9</b>	Net pension liability	(125,901,184)
<b>10</b>	Net other post employment liability	(77,820,342)
<b>11</b>	Deferred loss on refunding	4,088,208
<b>12</b>	Deferred outflow related to TRS pension	29,955,761
<b>13</b>	Deferred outflow related to TRS OPEB	34,689,125
<b>14</b>	Deferred inflow related to TRS pension	(14,690,620)
<b>15</b>	Deferred inflow related to TRS OPEB	(79,795,897)
<b>16</b>	Arbitrage payable	(8,595,491)
<b>17</b>	Addition of Internal Service fund net position	<u>3,642,652</u>
<b>29</b>	<b>Total Net Position - Governmental Activities (See A-1)</b>	<b><u>\$ 420,285,234</u></b>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2025**

*Exhibit C-2*

*Page 1 of 2*

<b>Data Control Codes</b>		<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Debt Service Fund</b>
<b>Revenues</b>				
5700	Local, intermediate, and out-of-state	\$ 307,223,871	\$ 11,439,289	\$ 124,618,807
5800	State program revenues	49,304,060	13,868,045	6,252,450
5900	Federal program revenues	5,822,185	41,811,149	-
<b>5020</b>	<b>Total Revenues</b>	<b>362,350,116</b>	<b>67,118,483</b>	<b>130,871,257</b>
<b>Expenditures</b>				
<b>Current:</b>				
0011	Instruction	213,082,770	19,481,289	-
0012	Instruction resources and media services	1,142,674	17,229	-
0013	Curriculum and instructional staff development	8,095,775	2,859,011	-
0021	Instructional leadership	4,859,743	857,761	-
0023	School leadership	22,765,797	263,459	-
0031	Guidance, counseling and evaluation services	17,540,888	6,768,098	-
0032	Social work services	152,417	-	-
0033	Health services	4,217,216	149,425	-
0034	Student transportation	10,093,575	765,390	-
0035	Food services	473,914	22,794,692	-
0036	Extracurricular activities	7,641,695	902,347	-
0041	General administration	9,981,456	-	-
0051	Facilities maintenance and operations	42,268,999	117,501	-
0052	Security and monitoring services	8,979,237	4,189,417	-
0053	Data processing services	7,204,243	2,694,918	-
0061	Community services	1,549,877	720,849	-
<b>Debt service:</b>				
0071	Principal on long-term debt	647,087	373,327	78,120,000
0072	Interest on long-term debt	75,217	44,694	50,026,465
0073	Bond issuance costs and fees	-	-	72,472
<b>Capital outlay:</b>				
0081	Capital outlay	185,907	7,938,819	-
<b>Intergovernmental:</b>				
0091	Contracted instructional services	18,223,392	-	-
0093	Payments related to shared services arrangements	-	553,009	-
0099	Other intergovernmental charges	3,198,727	-	-
<b>6030</b>	<b>Total Expenditures</b>	<b>382,380,606</b>	<b>71,491,235</b>	<b>128,218,937</b>
1100	Excess (deficiency) of revenues over expenditures	(20,030,490)	(4,372,752)	2,652,320
<b>Other Financing Sources (Uses)</b>				
7912	Sale of real or personal property	68,298	20,887	-
7915	Transfers in	216,149	75,800	-
8911	Transfers out	(33,275)	(258,674)	-
<b>7080</b>	<b>Total Other Financing Sources (Uses)</b>	<b>251,172</b>	<b>(161,987)</b>	<b>-</b>
1200	Net change in fund balances	(19,779,318)	(4,534,739)	2,652,320
<b>0100</b>	<b>Fund Balances - Beginning</b>	<b>122,936,614</b>	<b>28,794,451</b>	<b>33,689,282</b>
<b>3000</b>	<b>Fund Balances - Ending</b>	<b>\$ 103,157,296</b>	<b>\$ 24,259,712</b>	<b>\$ 36,341,602</b>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES**  
**IN FUND BALANCE - GOVERNMENTAL FUNDS**  
**For the Year Ended June 30, 2025**

*Exhibit C-2*

*Page 2 of 2*

<b>Data</b>		<b>Capital Projects</b>	<b>Total</b>
<b>Control</b>		<b>Fund</b>	<b>Governmental</b>
<b>Codes</b>		<b>Funds</b>	
<b>Revenues</b>			
5700	Local, intermediate, and out-of-state	\$ 23,027,549	\$ 466,309,516
5800	State program revenues	-	69,424,555
5900	Federal program revenues	-	47,633,334
<b>5020</b>	<b>Total Revenues</b>	<b>23,027,549</b>	<b>583,367,405</b>
<b>Expenditures</b>			
<b>Current:</b>			
0011	Instruction	-	232,564,059
0012	Instruction resources and media services	-	1,159,903
0013	Curriculum and instructional staff development	-	10,954,786
0021	Instructional leadership	-	5,717,504
0023	School leadership	-	23,029,256
0031	Guidance, counseling and evaluation services	-	24,308,986
0032	Social work services	-	152,417
0033	Health services	-	4,366,641
0034	Student transportation	1,295,449	12,154,414
0035	Food services	-	23,268,606
0036	Extracurricular activities	425	8,544,467
0041	General administration	-	9,981,456
0051	Facilities maintenance and operations	-	42,386,500
0052	Security and monitoring services	-	13,168,654
0053	Data processing services	781,039	10,680,200
0061	Community services	-	2,270,726
<b>Debt service:</b>			
0071	Principal on long-term debt	138,592	79,279,006
0072	Interest on long-term debt	44,300	50,190,676
0073	Bond issuance costs and fees	423,274	495,746
<b>Capital outlay:</b>			
0081	Capital outlay	132,874,144	140,998,870
<b>Intergovernmental:</b>			
0091	Contracted instructional services	-	18,223,392
0093	Payments related to shared services arrangements	-	553,009
0099	Other intergovernmental charges	-	3,198,727
<b>6030</b>	<b>Total Expenditures</b>	<b>135,557,223</b>	<b>717,648,001</b>
1100	Excess (deficiency) of revenues over expenditures	(112,529,674)	(134,280,596)
<b>Other Financing Sources (Uses)</b>			
7912	Sale of real or personal property	-	89,185
7915	Transfers in	-	291,949
8911	Transfers out	-	(291,949)
<b>7080</b>	<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>89,185</b>
1200	Net change in fund balances	(112,529,674)	(134,191,411)
<b>0100</b>	<b>Fund Balances - Beginning</b>	<b>498,218,405</b>	<b>683,638,752</b>
<b>3000</b>	<b>Fund Balances - Ending</b>	<b>\$ 385,688,731</b>	<b>\$ 549,447,341</b>



**SPRING BRANCH 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, 2025**

**Exhibit C-2R**

**Data Control**

**Codes**

**Net change in fund balances - total governmental funds (from C-2)** \$ (134,191,411)

Amounts reported for governmental activities in the statement of activities (B-1) are different because:

<b>1</b>	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/amortization expense. This is the amount by which capital outlays exceeded depreciation/amortization. Capital expenditures reclassified to assets.	148,397,006
	Depreciation\Amortization expense charged to each function in the Statement of Activities	(45,577,467)
<b>2</b>	Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain (loss) on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the cost of the	(3,338,172)
<b>3</b>	Property tax revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	3,182,145
<b>4</b>	Repayment of bond principal and lease payments are expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position.	78,120,000
<b>5</b>	Repayment of lease payable	471,884
<b>6</b>	Repayment of subscription based I.T. arrangements	687,122
	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:	
<b>7</b>	Changes in net pension and OPEB liabilities, and related deferred outflows and inflows of resources	6,803,159
<b>8</b>	Change in interest payable not recognized in fund statements	1,631,992
<b>9</b>	Decrease in accrued compensated absences	68,415
<b>10</b>	Amortization of bond premiums	6,235,414
<b>11</b>	Amortization on deferred loss on refunding	(691,794)
<b>12</b>	Arbitrage interest	(2,901,756)
<b>13</b>	Internal service funds are used by management to charge the costs of certain activities, such as insurance and printing, to individual funds. The net revenue (expense) of the internal service funds is reported with governmental funds.	(38,991)
	<b>Change in Net Position of Governmental Activities (See B-1)</b>	<u><u>\$ 58,857,546</u></u>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**
**STATEMENT OF NET POSITION**
**PROPRIETARY FUNDS**
**June 30, 2025**
**Exhibit D-1**

	<b>Business-Type Activities - Enterprise Fund</b>	<b>Governmental Activities - Internal Service Fund</b>
<b>Assets</b>		
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 79,571	\$ 373,545
Investments	4,507,142	-
Receivables:		
Due from other funds	12,688	3,269,326
Lease receivables	648,097	-
Other receivables	16,826	47,120
Prepaid items	-	27,856
<b>Total Current Assets</b>	<b>5,264,324</b>	<b>3,717,847</b>
<b>Non-Current Assets:</b>		
Building and improvements	73,164	-
Furniture and equipment	430,866	44,350
Vehicles	246,042	-
Accumulated depreciation/amortization - buildings and improvements	(4,717)	-
Accumulated depreciation/amortization - vehicles	(243,550)	-
Accumulated depreciation/amortization - furniture and equipment	(231,927)	(44,350)
<b>Total Non-Current Assets</b>	<b>269,878</b>	<b>-</b>
<b>Total Assets</b>	<b>5,534,202</b>	<b>3,717,847</b>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Accounts payable	52,119	75,191
Accrued wages payable	381,564	4
Due to other funds	17,751	-
Due to others	9,044	-
Unearned revenue	15,000	-
<b>Total Current Liabilities</b>	<b>475,478</b>	<b>75,195</b>
<b>Total Liabilities</b>	<b>475,478</b>	<b>75,195</b>
<b>Deferred Inflows of Resources</b>		
Deferred Inflows - leases	575,625	-
<b>Deferred Inflows of Resources</b>	<b>575,625</b>	<b>-</b>
<b>Net Position</b>		
Investment in capital assets	269,878	-
Unrestricted net position	4,213,221	3,642,652
<b>Total Net Position</b>	<b>\$ 4,483,099</b>	<b>\$ 3,642,652</b>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Year Ended June 30, 2025**

*Exhibit D-2*

	<b>Business-Type Activities - Enterprise Fund</b>	<b>Governmental Activities - Internal Service Fund</b>
<b>Operating Revenues</b>		
Local and intermediate sources	\$ 3,090,117	\$ 1,068
Interfund services provided and used	-	1,393,500
<b>Total Operating Revenues</b>	<u>3,090,117</u>	<u>1,394,568</u>
<b>Operating Expenses</b>		
Payroll costs	2,672,077	256,120
Purchased and contracted services	42,863	98,493
Supplies and materials	83,906	129,406
Claims expense and other operating expenses	266,170	949,540
Depreciation/amortization	41,886	-
<b>Total Operating Expenses</b>	<u>3,106,902</u>	<u>1,433,559</u>
Operating Income	<u>(16,785)</u>	<u>(38,991)</u>
<b>Non-Operating Revenues</b>		
Investment earnings	206,821	-
<b>Total Non-Operating Revenues</b>	<u>206,821</u>	<u>-</u>
Change in net position	190,036	(38,991)
<b>Total Net Position - Beginning</b>	<u>4,293,063</u>	<u>3,681,643</u>
<b>Total Net Position - Ending</b>	<u>\$ 4,483,099</u>	<u>\$ 3,642,652</u>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**
**Exhibit D-3**
**STATEMENT OF CASH FLOWS**
**PROPRIETARY FUNDS**
**For the Year Ended June 30, 2025**

	<b>Business-type Activities - Enterprise Fund</b>	<b>Governmental Activities - Internal Service Fund</b>
<b>Cash Flows from Operating Activities:</b>		
Cash received from customers	\$ 3,124,079	\$ -
Receipts from interfund charges for insurance services	-	(1,884,676)
Payments to suppliers for goods and services	(323,354)	(1,220,797)
Payments to employees	(2,682,982)	(256,116)
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>117,743</b>	<b>(3,361,589)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>		
Acquisition of capital assets	(184,690)	-
<b>Net Cash Provided by (Used for) Capital and Related Financing Activities</b>	<b>(184,690)</b>	<b>-</b>
<b>Cash Flows from Investing Activities:</b>		
Interest on investments	206,821	-
<b>Net Cash Provided by Investing Activities</b>	<b>206,821</b>	<b>-</b>
Net increase (decrease) in cash and cash equivalents	139,874	(3,361,589)
<b>Cash and Investments - Beginning of Year</b>	<b>4,446,839</b>	<b>3,735,134</b>
<b>Cash and Investments - End of Year</b>	<b>\$ 4,586,713</b>	<b>\$ 373,545</b>
<b>Reconciliation to Balance Sheet:</b>		
Cash and investments	\$ 79,571	\$ 373,545
Investments	4,507,142	-
<b>Cash and Cash Equivalents per Balance Sheet</b>	<b>\$ 4,586,713</b>	<b>\$ 373,545</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</b>		
Operating income (loss)	\$ (16,785)	\$ (38,991)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities:</b>		
Depreciation/amortization	41,886	-
Change in Assets and Liabilities:		
Decrease (increase) in interfund receivables	24,058	(3,269,326)
Decrease (increase) in receivable	59,524	(9,918)
Decrease (increase) in Prepaid Items	-	(10,944)
Increase (decrease) in accounts payable	51,834	(32,414)
Increase (decrease) in accrued wages payable	(10,905)	4
Increase (decrease) in interfund payables	17,751	-
Increase (decrease) in Due to Others	2,210	-
Increase (decrease) in unearned revenue	500	-
Increase (decrease) in unavailable inflows	(52,330)	-
<b>Net Cash Provided by (Used for) Operating Activities</b>	<b>\$ 117,743</b>	<b>\$ (3,361,589)</b>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT***Exhibit E-1***STATEMENT OF FIDUCIARY NET POSITION***June 30, 2025*

	<b>Private Purpose Trust Fund</b>	<b>Total Custodial Funds</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 7,568	\$ 650,159
Investments	258,517	5,360,815
Other receivables	-	82,487
Prepaid items	-	27,243
<b>Total Assets</b>	<b>266,085</b>	<b>6,120,704</b>
<b>Liabilities</b>		
Accounts payable	-	10,746
Payroll deductions and withholding	-	649,727
Due to others	-	2,678,689
<b>Total Liabilities</b>	<b>-</b>	<b>3,339,162</b>
<b>Net Position</b>		
Restricted - other	<b>\$ 266,085</b>	<b>\$ 2,781,542</b>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT***Exhibit E-2***STATEMENT OF CHANGES IN FIDUCIARY NET POSITION***For the Year Ended June 30, 2025*

	Private Purpose Trust Fund	Total Custodial Funds
<b>Additions</b>		
Gifts and contributions	\$ 3,000	\$ 2,284,618
Property tax collections	-	38,266,188
Earnings on investments	11,747	274,804
<b>Total Additions</b>	<u>14,747</u>	<u>40,825,610</u>
<b>Deductions</b>		
Community service	2,445	2,329,988
General administration	-	38,271,750
<b>Total Deductions</b>	<u>2,445</u>	<u>40,601,738</u>
Change in net position	12,302	223,872
<b>Net Position - Beginning of Year</b>	<u>253,783</u>	<u>2,557,670</u>
<b>Net Position - End of Year</b>	<u>\$ 266,085</u>	<u>\$ 2,781,542</u>



**Note 1 - Summary of Significant Accounting Policies**

The Spring Branch Independent School District (the "District") is an independent public educational agency operating under applicable laws and regulations of the State of Texas. The District is autonomously governed by a seven-member Board of Trustees elected by the District's residents.

The District prepares its basic financial statements in conformity with U.S. generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in *Statement on Auditing Standards No. 69*, as amended by *Statement on Auditing Standards No.'s 91 and 93* of the American Institute of Certified Public Accountants; and it complies with the most recent requirements of the Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide" or FASRG) 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 is considered an independent entity for financial reporting purposes and is considered a primary government. The Board of Trustees (the "Board") is elected by the public and 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 a financial reporting entity as defined by the GASB in its Statement No. 61, *The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34*. The District is not financially accountable for any other organizations; therefore, no component units are included within the reporting entity. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding entities.

As required by U.S. generally accepted accounting principles, these basic financial statements have been prepared, based on considerations regarding the potential for inclusion of other entities, organizations, or functions, as part of the District's financial reporting entity. The District has implemented GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The District receives support from various Parent Teacher Associations (PTA), booster clubs and foundation organizations. None of these organizations meet the criteria specified by GASB No. 39 to be included in the District's financial statements. Therefore, there are no component units included within the reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the District's financial reporting entity are based on criteria prescribed by generally accepted accounting principles. These same criteria are evaluated in considering whether the District is part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the District's financial reporting entity status is that of a primary government are: that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments.

**B. Government-Wide and Fund Financial Statements**

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Spring Branch Independent School District operating activities and activities other than the District's fiduciary activities. For the most part, the effect of interfund activities has been removed from these statements. Governmental activities include programs supported primarily by taxes, state foundation funds, grants and other intergovernmental revenues. The District's business-type activities rely to a significant extent on fees and charges for support.



**Note 1 - Summary of Significant Accounting Policies (continued)**

**B. Government-Wide and Fund Financial Statements (continued)**

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of direct costs. The "Charges for Services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. Examples include school lunch charges, etc. The "Operating Grants and Contributions" column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act (ESEA). If a revenue is not a program revenue, it is a general revenue used to support all of the District's functions. Property taxes are considered general revenues.

Interfund activities between governmental funds and proprietary funds appear as "Due To/Due From" on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position. All interfund transactions between governmental funds are eliminated on the government-wide statements except for internal services provided. Interfund activities between governmental funds and the enterprise fund remain on the government-wide statements and appear on the government-wide Statement of Net Position as internal balances.

The fund financial statements provide reports on the financial condition and results of operations for three fund categories - governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in the government-wide statements. The District considers all governmental and enterprise funds to be major and reports their financial condition and results of operations in a separate column.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are non-operating.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting, as do the proprietary fund and trust fund financial statements. 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 use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities 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. 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 are recognized for compensated absences and claims and judgments when amounts are due and payable. The District considers all revenues available if they are collectible within sixty days after year-end.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the state are recognized under the susceptible-to-accrual concept. 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 revenues 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 Proprietary Funds and Fiduciary Funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. The fund balance is segregated into net investment in capital assets, restricted net position, and unrestricted net position.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first when appropriate, and then unrestricted resources as they are needed.

**D. Fund Accounting**

The accounts of the District are organized on the basis of funds in accordance with the provisions of the Resource Guide. Each fund is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses. For financial statement presentation, the District's fund financial statements provide more detailed information about the District's funds-not the District as a whole. All of the District's governmental and enterprise funds are considered major funds in accordance with generally accepted financial reporting criteria.

**Governmental Funds:**

**General Fund** - The General Fund is the government's primary operating fund. It is used to account for all financial transactions not properly includable in other funds. The principal sources of revenues include local property taxes, state funding under the Foundation School Program, interest earnings on fund investments, and federal source revenues. Expenditures include all costs associated with the daily operations of the District, except for specific programs funded by the federal or state government, food service, debt service and capital projects.

**Special Revenue Fund** - The Special Revenue Fund is used to account for all financial resources restricted to, or designated for, specific purposes by a grantor. Specifically, this type of fund is used to account for the District's food service program, including local and federal revenue sources, for federally financed programs (grants) where unused balances are returned to the grantor at the close of specified project periods and other revenue specific programs. Project accounting is employed to maintain integrity for the various sources of revenues. Resources accounted for in these programs are awarded to the District for the purpose of accomplishing specific educational tasks as defined by grantors in contracts or other agreements.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**D. Fund Accounting (continued)**

**Governmental Funds:**

**Debt Service Fund** - The Debt Service Fund is used to account for the payment of interest and principal on all bonds of the District. The primary sources of revenue for debt service is local property taxes.

**Capital Projects Fund** - The Capital Projects Fund is used to account for the expenditures of resources accumulated from sales of bonds and related interest earnings for the renovation, acquisition and construction of school facilities.

**Proprietary Funds:**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

**Enterprise Fund** - The Enterprise fund is used to account for revenues and expenses related to the District's tuition/fee-based self-sustaining programs such as Employee Child Care, and Facilities Rentals. The District accounts for revenues and expenses related to services provided to parties inside the District. Revenues are received based on fees charged for services. Expenses include payments to employees and charges incurred in administering the programs.

**Internal Service Fund** - The district's internal service fund is used to account for the operations of the District's partially self-funded workers' compensation plan, which is supported by employer contributions. Expenses include plan benefit payments to employees and charges incurred in administering the plan.

**Fiduciary Funds:**

**Private Purpose Trust Funds** - Funds set up for handling specific scholarship money received by the District.

**Custodial Funds** - The Custodial Funds are used to account for activities of student groups, the employee's medical flexible spending accounts and for property tax collections for other governments. The Custodial Funds accounts for resources held in a custodial capacity by the District and consists of funds that are property of students and others and cannot be used by the District in operations.

**E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity**

**1. Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits. For the purpose of the Statement of Cash Flows, the Proprietary Fund Types consider temporary investments, with maturity of three months or less when purchased, to be cash equivalents. For cash management purposes, the District transfers balances to either a money market mutual fund or an externally pooled investment account. The cash is transferred back to the District as needed.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)**

**2. Investments**

Investments consist largely of certificates of deposit, commercial paper, U.S. government agency securities, corporation obligation short-term, money markets, and government investment pools. The District's investments are carried at fair value based on quoted market prices at year-end, in accordance with U.S. generally accepted accounting principles. Investments having a maturity of three months or less are reported as cash and cash equivalents.

The District categorizes fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value. 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*.

The three levels of fair value hierarchy that describes the inputs that are used to measure assets and liabilities are:

- Level 1 inputs are quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. The District estimates the fair value of the investments using inputs such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3 inputs are unobservable inputs for an asset or liability.

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

Fair values are provided by Hilltop Securities Asset Management, LLC (HSAM). HSAM's source for pricing government securities (Treasuries and agencies) and most commercial paper is SVC, a subsidiary of SS&C and an information aggregator. SVC uses a number of sources for their pricing data, with most government securities and commercial paper pricing provided by Interactive Data Corp (IDC), an independent third-party pricing service, which is the largest source provider of fixed income pricing. Interactive Data's evaluations are based on market data. Interactive Data utilizes evaluated pricing models that vary by asset class and incorporate available trade, bid and other market information.

Because many fixed income securities do not trade on a daily basis, Interactive Data's evaluated pricing applications apply available information as applicable through processes such as benchmark curves, benchmarking of like securities, sector groupings, and matrix pricing, to prepare evaluations. SVC and/or IDC provide some, but not all, of the commercial paper (CP) pricing, while HSAM estimates other CP prices based on comparable market offers of similar issuers with comparable credit ratings and maturity dates. All pricing and fair values are based on Level 2 inputs.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)**

**3. Short-Term Interfund Receivables/Payables**

During the course of operations, transactions occur between individual funds for specified purposes. These receivables and payables are classified as “due from other funds” or “due to other funds” on the combined fund balance sheets.

**4. Inventories and Prepaid Items**

Inventories consisting of supplies and materials are stated at first-in, first-out method and they include consumable transportation, instructional, food consumables and various other supplies. Inventories of governmental funds are valued at cost and expenditures are recorded when the supplies and materials are used or consumed (consumption method) rather than when purchased. Inventories of food commodities are recorded at fair value supplied by the Texas Department of Human Services on the date received. Commodity inventory is recorded at fair values supplied by the Texas Department of Human Services. Although commodities are received at no cost, their fair value is supplied by the State and recorded as inventory and revenue when received in the government funds. A portion of fund balance is non-spendable to reflect minimum inventory quantities considered necessary for the District’s continuing operations, generally in an amount equal to inventory values on hand at the end of the year. For Special Revenue Fund, child nutrition inventory is considered to constraint on how the eventual proceeds can be spent, the fund balance is classified to reflect that constraint (restricted, committed, or assigned), rather than included as part of *nonspendable fund balance*.

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

If there is a constraint on how the eventual proceeds can be spent, the fund balance is classified to reflect that constraint (restricted, committed, or assigned), rather than included as part of nonspendable fund balance.

**5. Capital Assets**

Capital Assets, which include land, buildings, furniture and equipment, are reported in the applicable governmental or business-type 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 of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed (except for intangible right-to-use lease assets). Costs of the Facilities Acquisition and Construction function that relate to overall planning of District facilities, managing overall District assets and overall construction projects are treated as period costs and are not capitalized unless related to specific assets. Donated capital assets are recorded at acquisition value at the date of donation. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at their acquisition value on the date donated.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)**

**5. Capital Assets (continued)**

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. When assets are retired or otherwise disposed of, the related costs or other recorded amounts are removed. Buildings, furniture and equipment of the District are depreciated/amortized using the straight-line method over the following estimated useful lives:

<b>Assets</b>	<b>Years</b>
Infrastructure	50
Buildings	40
Building Improvements	15 - 40
Temporary Buildings	40
Buses	15
Vehicles	10
Furniture, Fixtures and Equipment	5
Right to use lease equipment	Shorter of asset useful life or lease term
Subscription assets	Subscription term

**6. Deferred Outflow/Inflows of Resources**

Deferred outflows and inflows of resources are reported in the statement of financial position as described below:

A *deferred outflow of resources* is 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.
- 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) 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 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 deferred outflows 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 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.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)**

**6. Deferred Outflow/Inflows of Resources (continued)**

- Deferred outflows of resources for OPEB - 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 OPEB 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 OPEB liabilities. The 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 post-employment benefit liability in the next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on postemployment plan investments will be amortized over a closed five-year period. The remaining postemployment related 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.

A *deferred inflow of resources* is an acquisition of a government's 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 four 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 and leases arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of 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) changes in actuarial assumptions; 2) differences between expected and actual actuarial experiences and 3) changes in the District's proportional share of pension liabilities. These 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 OPEB - Reported in the government wide financial statement of net position, this deferred inflow 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 OPEB 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 OPEB liabilities. The deferred inflows of resources related to postemployment 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 inflows resulting from differences between projected and actual earnings on postemployment plan investments will be amortized over a closed five-year period. The remaining postemployment 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.
- Deferred inflows of resources for leases - Reported in the government-wide and proprietary fund financial statements, this deferred inflow results from lease agreements where the District is the lessor. This deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)**

**7. 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, business-type activities, or proprietary fund type statement of net position.
- Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred.
- 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, including lease liabilities are 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.

**8. Transactions Between Funds**

Transactions which constitute reimbursements to a fund for expenditures or expenses initially made from that fund, which are properly attributable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditures or expenses in the fund that is reimbursed.

Other legally authorized transfers are treated as operating transfers and are included in the results of operations of the governmental funds.

**9. Compensated Absences**

The District recognizes liabilities for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements and is accounted for as assigned fund balance in the governmental funds - general fund. A liability for compensated absences is recorded in the governmental funds only if the liability has matured (i.e., are due for payment). The liability for compensated absences includes salary-related benefits, where applicable.

The District maintains a policy allowing employees meeting established requirements to be compensated for unused sick leave at retirement. Annual vacation time is granted to full-time employees assigned to the auxiliary salary schedule in positions normally requiring 12 months of service and non-duty days are allowed for certain employees on a 223 and 230 day work calendar. No more than 30 days may be accumulated.

**10. 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.



**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)**

**11. Other Post-Employment Benefits (OPEB)**

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.

**12. Leases**

*Lessee:* The District is a lessee for several noncancellable leases for equipment. The District recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The District recognizes lease liabilities with an initial, individual value of \$400,000 or more.

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

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

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

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

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

*Lessor:* The District is a lessor for noncancellable leases agreements. The District recognizes a lease receivable and a deferred revenue in the government-wide and proprietary fund financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)**

**12. Leases (continued)**

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

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

**13. Subscription Based Information Technology Arrangements (SBITAs)**

The District is under contract for various SBITAs for the right to use subscription assets (software). The SBITAs are noncancellable, and the District recognizes a SBITA liability and an intangible right to use SBITA asset in the government-wide financial statements. The District recognizes SBITA liabilities with an initial, individual value of \$100,000 or more.

At the commencement of the SBITA, the District initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term. Subsequently, the SBITA liability is reduced by the principal portion of SBITA payments made. The SBITA asset is initially measured as the sum of (1) the initial SBITA liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. Key estimates and judgments related to SBITA include how the District determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments.

- The District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA and payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

Note 1 - Summary of Significant Accounting Policies (continued)

E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)

14. Fund Balance

Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, provides more defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent.

The following classifications describe the relative strength of the spending constraints:

**Nonspendable fund balance** - Amounts that are not in spendable form or are required to be maintained intact. As such, the inventory and prepaid items have been properly classified in the Governmental Funds Balance Sheet (Exhibit C-1). If there is a constraint on how the eventual proceeds can be spent, the fund balance is classified to reflect that constraint (restricted, committed, or assigned), rather than included as part of nonspendable fund balance. For the Special Revenue Fund the inventory for child nutrition is considered as restricted.

**Restricted fund balance** - Amounts that can be spent only for specific purposes because of local, state or federal laws, or externally imposed conditions by grantors or creditors.

**Committed fund balance** - Amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e. the Board of Trustees). To be reported as committed, amounts cannot be used for any other purposes unless the District takes the same highest level of action to remove or change the constraint. The District establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. A fund balance commitment is further indicated in the budget document as a commitment of the fund. In the Special Revenue Fund the District has committed 100 percent of *Campus Activity* related funds.

**Assigned fund balance** - Amounts the District intends or tentatively intends to use for a specific purpose. Assignment can be expressed by the District's Board of Trustees. For detail discussion on assigned fund balance as of June 30, 2025, see Note 14.

**Unassigned fund balance** - 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. The District has not adopted a policy stating which fund balance category is spent first when committed, assigned or unassigned fund balances are available. By default, the District will consider amounts to have been spent first out of committed funds, then assigned and finally unassigned funds. Board policy states that the District will strive to maintain an annual fund balance in the general operating fund in which the total fund balance is (except for nonspendable and restricted) 19 percent of the total operating expenditures. The debt service fund balance is targeted at 25 percent of the current year debt service requirements.

15. Use of Estimates

The presentation of financial statements, in conformity with U.S. 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.

**Note 1 - Summary of Significant Accounting Policies (continued)**

**E. Other Accounting Policies - Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Net Position or Equity (continued)**

**16. Data Control Codes**

The data control codes refer to the account code structure prescribed by TEA in the Financial Accountability System Resource Guide. TEA requires school districts to display these codes in the financial statements submitted to them in order to ensure accuracy in building a statewide database for policy development and funding plans.

**17. Risk Disclosures – Concentrations and Constraints**

In accordance with GASB Statement No. 102, *Certain Risk Disclosures*, the District evaluates whether it has vulnerabilities due to concentrations or constraints that could make it susceptible to a substantial impact. A concentration is defined as a lack of diversity related to an aspect of a significant inflow or outflow of resources, such as reliance on a single revenue source or vendor. A constraint is a limitation imposed by an external party or by formal action of the government's highest level of decision-making authority, such as statutory spending caps or debt limits.

The District assesses whether the concentration or constraint is known prior to issuance of the financial statements, whether it makes the District vulnerable to a substantial impact, and whether an event associated with the concentration or constraint has occurred, begun to occur, or is more likely than not to occur within 12 months of the issuance date. If all three criteria are met, the District discloses in the notes the nature of the concentration or constraint, the event or events that could cause a substantial impact, and the actions taken to mitigate the risk prior to issuance. If mitigating actions eliminate these conditions before issuance, disclosure is not required.

**18. Implementation of New Accounting Standards**

GASB issued Statement No. 101, *Compensated Absences*, was issued in June 2022. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The requirements of this statement were implemented in 2025 and the impact is reflected in the financial statements. See Note 24 for more information.

GASB issued Statement No. 102, *Certain Risk Disclosures*, in December 2023. The primary objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The requirements of this statement were implemented in fiscal year 2025 and the impact was not material to the financial statements.

**Note 2 - Reconciliation of Government-wide and Fund Financial Statements**

**A. Reconciliation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position**

Exhibit C-1R provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net position for governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bonds payable and net pension liability, are not due and payable in the current period and are not reported as liabilities in the funds. Also, the property taxes receivable which is included as deferred in the fund financial statements are adjusted based on when the tax levy was made and adjusted for uncollectible amounts.

**B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities**

Exhibit C-2R provides a reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures, and changes in fund balances and the changes in net position of governmental activities as reported on the government-wide statement of activities. One element of that reconciliation explains that current year capital outlays and debt principal payments are expenditures in the fund financial statements, but should be shown as increases in capital assets and decreases in long-term debt in the government-wide statements. This adjustment affects both the net position balance and the change in net position. The debt payments on retirement of debt are recorded as expenditures for fund basis financial statements but are a reduction of debt in the government wide financial statements. The capital asset additions are expenditures in the fund basis financial statements but are capitalized in the government-wide financial statements. The fund-basis financial statements do not include depreciation/amortization expense. The depreciation/amortization expense is a deduction to reconcile to the Government-Wide Statement of Activities. New debt issues are treated as other financing sources for fund-basis financial statements, but for the government-wide statements, those amounts are recorded as a liability. Property taxes are adjusted for the accrual basis and the unearned revenues are adjusted based on prior year levies and current year uncollectible amounts.

**Note 3 - Stewardship, Compliance, and Accountability**

**A. Budgetary Data**

The Board of Trustees adopts an annual "appropriated budget" for the General and Debt Service Funds and the Food Service Program included in the Special Revenue Fund. Budgets are prepared using the same method of accounting as for financial reporting. The District is required to present the adopted and final annual amended budgeted revenues and expenditures for all funds and programs that have "appropriated budgets." The General Fund budget report appears in the Required Supplementary Information section as Exhibit G-1 where the District compares the final annual amended budget to actual revenues and expenditures. Per TEA regulatory requirements, the Debt Service Fund and the Food Service Program are required to be reported with the annual original budget, amended budget, and actual revenues and expenditures. These schedules are included as Other Supplementary Information at the end of the Financial Section of the District's Annual Comprehensive Financial Report in Exhibit H-1 and H-2.

The Capital Projects Fund budget is prepared on a project-basis based on the proceeds available from bond issues and planned expenditures. Capital Projects Fund balance, which represents unexpended appropriations, is re-appropriated in the subsequent fiscal year's budget until available funds for acquisition and construction of facilities have been utilized. Each major construction contract is approved based on the existing availability of bond proceeds.

**Note 3 - Stewardship, Compliance, and Accountability (continued)**

**A. Budgetary Data (continued)**

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

1. Prior to June 19th, the District prepares a budget for the next succeeding fiscal year beginning July 1st. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget. At least ten days public notice of the meeting must be given.
3. Prior to July 1, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. During the year, amendments are presented to the Board at its regular meetings. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end. Because the District has a policy of careful budgetary control, several amendments were necessary during the year. All supplemental appropriations must be within limits of available revenues and fund balance.
4. Each budget is controlled by a budget manager at the expenditure function/object level. All budget appropriations lapse at year-end.

**B. Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments are recorded in order to reserve that portion of the applicable appropriation, is used in all governmental funds. Encumbrances outstanding at year-end are commitments that do not constitute expenditures or liabilities. Since under Texas law, appropriations lapse at the end of each fiscal year, outstanding encumbrances are appropriately provided for in the subsequent fiscal year's budget to provide for the liquidation of the prior commitments. Outstanding encumbrances as of June 30, 2025, are \$1,052,148 for general fund, \$1,091,067 for special revenue fund, \$158,425,197 for capital projects fund, \$6,238 for proprietary fund, and \$1,570 for the fiduciary funds.

**Note 4 - Deposits (Cash) and Investments**

**A. Deposits (Cash)**

Deposits and investment transactions of the District are regulated by State statutes through provisions of Chapter 23, Subchapter E, Sections 23.71 through 23.8 (the School Depository Act) of the Texas Education Code and other Code sections referenced therein and through provisions of the Texas Revised Civil Statutes, Title 47, Articles 2529c, and 2548a regarding security for District funds in depository institutions.

In accordance with applicable statutes, the District has a depository contract with an area bank (Depository). All depository contracts have an initial term of two years and may be renewed for three additional two year terms. Depository contracts are awarded on the basis of competitive bids received from area banks and can be awarded to more than one bank if the bids received are relatively equal.

The District may place funds with the Depository in interest and non-interest bearing accounts. Statutes and the depository contract require that all funds in the depository institution be fully secured by federal depository insurance or a combination of federal depository insurance and acceptable collateral securities and/or an acceptable surety bond.

**Note 4 - Deposits (Cash) and Investments (continued)**

**A. Deposits (Cash) (continued)**

The collateral securities must be delivered to the District or placed with an independent trustee institution with safekeeping receipts delivered to the District. In accordance with State statutes pertaining to lawful collateralization of District deposits, safekeeping receipts are issued in the name of the Depository with proper indication that the collateral securities are pledged by the Depository to secure funds of the District.

Acceptable collateral securities include direct obligations of the United States of America (U.S.), bonds of any agency of the U.S. (except Farmers Home Administration Insured Notes), Bonds of the State of Texas or of any county, school district, city, or town of the State of Texas as authorized by the Public Funds Collateral Act (Chapter 2257, Texas Government Code).

The District must approve all collateral securities prior to the security being pledged.

All demand and time deposits in the depository bank were entirely covered by federal depository insurance and by acceptable collateral securities held in the District's name by an agent of the District at year-end in accordance with provisions of the depository contract.

At June 30, 2025, the carrying amount of the District's deposits including money market accounts was \$22,979,410 and the bank balance was \$25,093,369. The District deposits in Wells Fargo were secured by \$33,663,744 of pledged collateral and \$250,000 of FDIC coverage. In addition, certificates of deposit were secured by \$53,692,162 of pledged collateral and FDIC coverage at various other institutions.

**B. Investments**

The Board of Trustees of the District has adopted a written investment policy (the "Investment Policy") regarding the investment of its funds as defined in the Public Funds Investment Act (Chapter 2256, Texas Government Code). The Public Funds Investment Act (the "Act") requires an annual audit of investment practices. Audit procedures in this area, conducted as part of the audit, disclosed that in the area of investment practices, management reports, and establishment of appropriate policies, the District was in substantial compliance with the requirements of the Act. Additionally, the investments and investment practices of the District are in compliance with the Boards' investment policies.

The Investment Policy emphasizes safety of principal and liquidity, addresses investment diversification, yield, and maturity, and addresses the quality and capability of investment personnel. The Investment Policy includes a list of authorized investment instruments, a maximum allowable stated maturity of any individual investment and the maximum average dollar weighted maturity allowed for fund groups. In addition, it includes an "Investment Strategy Statement" that specifically addresses each fund's investment options and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification and yield.

The District is authorized to invest in the following investment instruments provided that they meet the guidelines of the Investment Policy:

1. Obligations of the United States or its agencies and instrumentalities;
2. Direct obligations of the State of Texas, or its agencies and instrumentalities;
3. Other obligations, the principal and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States, or its agencies and instrumentalities;
4. Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States; and have a stated maturity no longer than ten years;

**Note 4 - Deposits (Cash) and Investments (continued)**

**B. Investments (continued)**

5. Certificates of deposit fully collateralized and guaranteed or insured by the FDIC;
6. Repurchase agreements fully collateralized (102%), pledged to and held in the District's name, and deposited at the time the investment is made with the District or with a third party selected and approved by the District, with a defined termination date, and placed through a primary government securities dealer;
7. Commercial paper having a stated maturity of 270 days or fewer and a rating of not less than A-1/P-1 by two nationally recognized credit rating agencies; or a fully secured irrevocable letter of credit from a U.S. bank and one A-1/P-1 credit rating;
8. Money Market Mutual Funds approved by the Board, with its funds only in investments approved by the Investment Policy;
9. Public Funds Investment Pools approved by the Board, with its funds only in investments approved by the Investment Policy.

A summary of the District's cash and investments at June 30, 2025, are shown below.

	Cash	Money Market	Certificates of Deposit	External Investment Pools	U.S. Government Securities	Commercial Paper	Total
<b>Governmental Funds</b>							
General fund	\$ 9,497	\$ 21,815,051	\$ -	\$ 29,660,547	\$ 98,702,353	\$ 23,828,352	\$ 174,015,800
Special revenue fund	13,589	-	-	7,740,912	-	-	7,754,501
Debt service fund	-	-	-	36,637,460	-	-	36,637,460
Capital projects fund	30,430	-	48,682,725	40,297,879	327,078,567	-	416,089,601
<b>Total Governmental Funds</b>	<b>53,516</b>	<b>21,815,051</b>	<b>48,682,725</b>	<b>114,336,798</b>	<b>425,780,920</b>	<b>23,828,352</b>	<b>634,497,362</b>
<b>Internal service fund</b>	<b>373,545</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>373,545</b>
<b>Total Governmental Activities</b>	<b>427,061</b>	<b>21,815,051</b>	<b>48,682,725</b>	<b>114,336,798</b>	<b>425,780,920</b>	<b>23,828,352</b>	<b>634,870,907</b>
<b>Business-Type Funds</b>							
Enterprise fund	79,571	-	-	4,507,142	-	-	4,586,713
<b>Fiduciary Funds</b>	<b>657,727</b>	<b>-</b>	<b>-</b>	<b>5,619,332</b>	<b>-</b>	<b>-</b>	<b>6,277,059</b>
<b>Total Cash and Investments</b>	<b>\$ 1,164,359</b>	<b>\$ 21,815,051</b>	<b>\$ 48,682,725</b>	<b>\$ 124,463,272</b>	<b>\$ 425,780,920</b>	<b>\$ 23,828,352</b>	<b>\$ 645,734,679</b>

For reporting purposes cash deposits are considered by the District as cash equivalents.

The District's investments are registered, or held by the District's agent in the District's name. Therefore, the District is not exposed to custodial credit risk. Custodial Credit risk for investments is the risk that, in event of the failure of the counterparty (e.g. broker dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The District's policy requires that a third-party custodian hold all securities owned by the District.

The District generally holds all investments to maturity. The District did not purchase any derivative investment products during the fiscal year 2025 nor participate in any reverse repurchase agreements or security lending agreements during the fiscal year 2025.



**Note 4 - Deposits (Cash) and Investments (continued)**

**B. Investments (continued)**

The following table includes the portfolio balance, credit rating, and percentage of the portfolio balance by investment type and weighted average days to maturity of investments held by the District as of June 30, 2025:

	<u>Fair Value</u>	<u>S&amp;P Credit Quality Ratings</u>	<u>Percentage of Investments</u>	<u>Weighted Average Maturity (Days)</u>
<b>Investment Type</b>				
Certificates of Deposit	\$ 48,682,725	N/A	7.55%	863
Money Market	21,815,051	N/A	3.38%	1
Commercial Paper	23,828,352	A-1+	3.70%	56
Local Government Investment Pools: *				
Logic	21,520,317	AAAm	3.34%	53
TexPool	63,139,745	AAAm	9.80%	39
TexSTAR	34,183,878	AAAm	5.30%	45
<b>Total</b>	<u>118,843,940</u>			
Investments-Securities:				
Securities of U.S. Government Agencies:				
Federal Farm Credit Bank	6,005,592	AA+	0.93%	75
	<u>6,005,592</u>			
U.S. Treasury Notes	419,775,328	N/A	65.12%	164
<b>Total Primary Government</b>	<u>425,780,920</u>			
Fiduciary Funds:				
Local Government Investment Pools: *				
TexSTAR	5,619,332	AAAm	0.87%	45
<b>Total</b>	<u>5,619,332</u>			
<b>Total Investments</b>	<u>\$ 644,570,320</u>		100.00%	183

\* Per GASB 79, valued at amortized cost.

**Note 4 - Deposits (Cash) and Investments (continued)**

**B. Investments (continued)**

Investments' fair value measurements are as follows at June 30, 2025:

<b>Investments</b>	<b>Fair Value</b>	<b>Level 1 Inputs</b>	<b>Level 2 Inputs</b>	<b>Level 3 Inputs</b>
Certificates of Deposit	\$ 48,682,725	\$ -	\$ 48,682,725	\$ -
Money Markets	21,815,051	-	21,815,051	-
Debt securities:				
U.S. Treasury Notes	419,775,328	-	419,775,328	-
U.S. Agency Securities	6,005,592	-	6,005,592	-
Commercial Paper	23,828,352		23,828,352	
<b>Total</b>	<b>\$ 520,107,048</b>	<b>\$ -</b>	<b>\$ 520,107,048</b>	<b>\$ -</b>

**Local Government Investment Pools**

As of June 30, 2025, the District's investments included the Texas Local Government Investment Pool (TexPool), Local Government Investment Cooperative (LOGIC) and the Texas Short Term Asset Reserve Program (TexSTAR). The TexPool, LOGIC and TexSTAR investment pools' investments are not evidenced by securities that exist in physical or book entry form and, accordingly, do not have custodial risk.

TexPool policies require that local government deposits be used to purchase investments authorized by the Public Funds Investment Act of 1987, as amended. The Texas State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Federated Investors manages the daily operations of the pool under a contract with the Comptroller.

LOGIC is overseen by a Governing Board consisting of individuals from participating Government Entities in the pool. The business and affairs of LOGIC are managed by the Board. J.P. Morgan Asset Management provides investment management, fund accounting, transfer agency and custodial services for the pool and Hilltop Securities Inc. provides administrative, marketing and participant services. Together, these organizations bring to the LOGIC program a proven and noted track record in local government investment pool management.

TexSTAR is an investment pool managed by J.P. Morgan Fleming Asset Management (USA), Inc. (JPMFAM) and Hilltop Securities Asset Management, Inc. (HSAM). JPMFAM provides investment services and HSAM provides participant services and marketing. Custodial, transfer agency, fund accounting and depository services are provided by JPMorgan Chase Bank and/or its subsidiary J.P. Morgan Investor Services Co. TexSTAR will seek to maintain a credit rating no lower than AAA, AAAM, or the equivalent by at least one nationally recognized rating agency.

The value of District portions in TexPool, LOGIC and TexSTAR are the same as the value of the shares. The external pooled funds use amortized cost rather than fair value to report net position to compute share price. Accordingly, the fair value of the positions of the pooled funds is the same as the value of the external pool shares. The funds are structured similar to a money market mutual fund which allows shareholders the ability to deposit or withdraw funds on a daily basis. Interest rates are also adjusted on a daily basis. Such funds seek to maintain a constant net asset value of \$1, although this cannot be fully guaranteed. TexPool, LOGIC and TexSTAR pooled funds have a weighted average maturity of 41, 53 and 45 days respectively. However, the District can redeem its share position within one day when necessary.

**Note 4 - Deposits (Cash) and Investments (continued)**

**B. Investments (continued)**

**Local Government Investment Pools (continued)**

The District invests in various types of investment securities at June 30, 2025. These include U.S. Government Agencies, Treasury Notes, certificates of deposit and commercial paper in which the carrying value reflect the fair value of the investments. The District estimates the fair value of the investments using inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

**Investment Risk**

The risk exposure for governmental and business-type activities, major funds, the internal service fund, and fiduciary fund types of the District are not significantly greater than the deposit and investment risk of the overall primary government. The District's Investment Policy segregates the portfolios into strategic categories including:

1. General Fund
2. Debt Service Fund
3. Capital Projects Fund
4. Special Revenue and Other Special-Purpose Funds

The District's Investment Policy seeks to control credit risk. Such risk is controlled by investing only in instruments of the highest credit quality; pre-qualifying the brokers and financial institutions with whom the District conducts business; obtaining sufficient collateral when required; diversifying investments among security types, issuers, and maturity dates; limiting final and weighted average maturities; and closely monitoring credit ratings.

In accordance with GASB 79, TexPool, LOGIC and TexStar do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. Both pools do not impose any liquidity fees or redemption gates.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates may adversely affect the value of the investments. The District monitors interest rate risk utilizing weighted average maturity analysis. In accordance with the Investment Policy, the District reduces its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to no more than 365 days, with the exception of debt service and capital projects funds which are matched to a specific cash flow for liquidity. In addition, the District shall not directly invest in an individual security maturing more than three years from the date of purchase. All investments at year-end complied with the Investment Policy in regard to maximum maturity dates and weighted average maturity limitations.

**Adjustment to Investment's Fair Value**

The District's portfolio value fluctuates in an inverse relationship to any change in interest rate. Accordingly, if interest rates have risen, the portfolio value will have declined. If interest rates have fallen, the portfolio value will have risen. Fair values of U.S. Treasury Notes, U.S. Government Agency Securities, certificates of deposit and short-term Corporate Obligations, are based on quoted market values. The investments are reported by the District at fair value in accordance with Governmental Accounting Standards. The amount of increase or decrease in the fair value of investments is included in investment income.

**Note 4 - Deposits (Cash) and Investments (continued)**

**B. Investments (continued)**

**Adjustment to Investment's Fair Value (continued)**

The District recorded a \$722,478 increase in the fair value of investments for the year that is included in investment income.

	Governmental Funds	Proprietary Fund	Fiduciary Fund	Total
Interest income	\$ 30,771,406	\$ 206,821	\$ 286,551	\$ 31,264,778
Net decrease in fair value of investments	722,478	-	-	722,478
<b>Total Investment Income</b>	<b>\$ 31,493,884</b>	<b>\$ 206,821</b>	<b>\$ 286,551</b>	<b>\$ 31,987,256</b>

**Note 5 - Property Taxes**

Property taxes are levied by October 1st or within 60 days of receiving a certified roll 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 1st of the year following the year in which imposed. On January 1st of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Appraised values are established by the Central Appraisal District (CAD) of Harris County, Texas. Taxes are levied by the District's Board of Trustees based on the appraised values received from Harris Central Appraisal District. Billing and collection of tax levies are performed by the District.

Property tax rates, established in accordance with state law, are levied on real and personal property within the District's boundaries for use in financing general government and debt service expenditures. Tax rates levied to finance general government and debt service expenditures for the fiscal year were \$0.7719 and \$0.3045, respectively, based on an assessed property valuation of approximately \$39.6 billion resulting in an adjusted tax levy of approximately \$426.6 million. Allowances for uncollectible taxes 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.

Governmental funds net property taxes receivable at June 30, 2025, consisted of the following:

	General Fund	Debt Service Fund	Totals
<b>Delinquent Taxes:</b>			
Current year levy	\$ 4,642,617	\$ 1,831,424	\$ 6,474,041
Prior years' levies	5,918,834	1,787,239	7,706,073
<b>Total Delinquent Taxes</b>	<b>10,561,451</b>	<b>3,618,663</b>	<b>14,180,114</b>
Penalty and interest on delinquent taxes	4,831,517	1,569,659	6,401,176
<b>Total Delinquent Taxes and Penalty and Interest</b>	<b>15,392,968</b>	<b>5,188,322</b>	<b>20,581,290</b>
Less allowance for uncollectible taxes	(4,313,775)	(1,273,272)	(5,587,047)
<b>Net Property Taxes Receivable</b>	<b>\$ 11,079,193</b>	<b>\$ 3,915,050</b>	<b>\$ 14,994,243</b>

**Note 6 - Receivables Due From Other Governments**

Receivables due from other governments at June 30, 2025, consisted of the following:

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Total</b>
<b>Due From Other Governments</b>			
Federal	\$ 255,020	\$ 6,021,982	\$ 6,277,002
State	6,228,812	4,288,244	10,517,056
<b>Total Due from Other Governments</b>	<b>\$ 6,483,832</b>	<b>\$ 10,310,226</b>	<b>\$ 16,794,058</b>

**Note 7 - Payables Due To Other Governments**

Payables due to other governments at June 30, 2025, consisted of the following:

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Capital Projects Fund</b>	<b>Total</b>
<b>Due To Other Governments</b>				
Federal	\$ -	\$ -	\$ 449,803	\$ 449,803
State:				
Texas Education Agency	18,223,392	2,814	-	18,226,206
<b>Total Due To Other Governments</b>	<b>\$ 18,223,392</b>	<b>\$ 2,814</b>	<b>\$ 449,803</b>	<b>\$ 18,676,009</b>

**Note 8 - Interfund Receivables, Payables and Transfers**

Interfund balances consist of short-term lending/borrowing arrangements that result primarily from payroll, warehouse ordering, accounts payable and other regularly occurring charges that are paid by the general fund and then charged back to the appropriate other fund. Additionally, some lending/borrowing may occur between two or more governmental funds. Amounts due to/from other funds at June 30, 2025, consisted of the following:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
<b>Governmental Funds</b>		
General fund	\$ 1,182,044	\$ 17,011,016
Special revenue fund	13,855,183	919,550
Debt service fund	-	364,036
Capital projects fund	1,177	8,065
<b>Total Governmental Funds</b>	<u>15,038,404</u>	<u>18,302,667</u>
<b>Proprietary Funds</b>		
Enterprise fund	12,688	17,751
Internal service fund	3,269,326	-
<b>Total Proprietary Funds</b>	<u>3,282,014</u>	<u>17,751</u>
<b>Total - All Funds</b>	<u>\$ 18,320,418</u>	<u>\$ 18,320,418</u>

Interfund transfers are defined as “flow of assets without equivalent flows of assets in return and without a requirement for repayment”. The District reports the following transfers during the year ended June 30, 2025.

	<u>Transfers In</u>		
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<b>Transfers Out</b>			
General fund	\$ 216,149	\$ 75,800	\$ 291,949
Special revenue fund	(33,275)	(258,674)	(291,949)
	<u>\$ 182,874</u>	<u>\$ (182,874)</u>	<u>\$ -</u>

The transfer was for General Fund to cover Special Revenue Fund negative student food service balances. The transfer for Special revenue to cover General Fund revenue amounts from FEMA Disaster from prior fiscal year.

**Note 9 - Capital Assets**

The District records assets based on historical costs and calculates depreciation/amortization on capital assets in accordance with GASB Statement 34. The District’s capitalization policy is to capitalize assets costing over \$5,000 and with a life expectancy of more than one year. Depreciation/amortization expense on capital assets not directly related to a specific function will be allocated to the functional expense categories. Allocation is based on the square feet of buildings that are related to a specific function.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**Exhibit F-1**

**Note 9 - Capital Assets (continued)**

Capital asset activity for the governmental and business-type activities of the District for the year ended June 30, 2025, are as follows:

	Balance July 1, 2024	Additions	Transfers	Retirements	Balance June 30, 2025
<b>Governmental Activities</b>					
<b>Capital Assets Not Being Depreciated:</b>					
Land	\$ 26,722,980	\$ -	\$ -	\$ (15,796)	\$ 26,707,184
Construction in progress	120,660,384	138,605,053	(141,827,064)	(111,566)	117,326,807
<b>Total Capital Assets, Not Being Depreciated</b>	<b>147,383,364</b>	<b>138,605,053</b>	<b>(141,827,064)</b>	<b>(127,362)</b>	<b>144,033,991</b>
<b>Capital Assets Being Depreciated\Amortized:</b>					
Buildings and improvements	1,319,060,312	-	124,986,271	(8,488,154)	1,435,558,429
Furniture and equipment	54,223,266	4,723,567	16,840,793	(413,652)	75,373,974
Vehicles	32,667,911	2,248,928	-	(627,307)	34,289,532
Right-to-use lease assets - equipment	2,259,128	-	-	-	2,259,128
Right-to-use subscription based assets	7,667,130	2,819,458	-	(1,035,500)	9,451,088
<b>Total Capital Assets, Being Depreciated\Amortized at Historical Cost</b>	<b>1,415,877,747</b>	<b>9,791,953</b>	<b>141,827,064</b>	<b>(10,564,613)</b>	<b>1,556,932,151</b>
<b>Less: Accumulated Depreciation\Amortization:</b>					
Buildings and improvements	(379,749,564)	(34,628,235)	-	5,277,299	(409,100,500)
Furniture and equipment	(31,147,442)	(7,093,023)	-	413,652	(37,826,813)
Vehicles	(19,639,175)	(1,915,346)	-	627,307	(20,927,214)
Right-to-use lease assets - equipment	(1,355,477)	(451,825)	-	-	(1,807,302)
Right-to-use subscription based assets	(2,189,230)	(1,489,038)	-	1,035,500	(2,642,768)
<b>Total Accumulated Depreciation\Amortization</b>	<b>(434,080,888)</b>	<b>(45,577,467)</b>	<b>-</b>	<b>7,353,758</b>	<b>(472,304,597)</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 1,129,180,223</b>	<b>\$ 102,819,539</b>	<b>\$ -</b>	<b>\$ (3,338,217)</b>	<b>\$ 1,228,661,545</b>
<b>Business-type Activities</b>					
<b>Capital Assets being depreciated:</b>					
Buildings and improvements	\$ 73,164	\$ -	\$ -	\$ -	\$ 73,164
Furniture and equipment	246,176	184,690	-	-	430,866
Vehicles	246,042	-	-	-	246,042
<b>Total Capital Assets, being Depreciated at historical cost</b>	<b>565,382</b>	<b>184,690</b>	<b>-</b>	<b>-</b>	<b>750,072</b>
<b>Less: Accumulated Depreciation for:</b>					
Buildings and improvements	(2,311)	(2,406)	-	-	(4,717)
Furniture and equipment	(197,705)	(34,222)	-	-	(231,927)
Vehicles	(238,292)	(5,258)	-	-	(243,550)
<b>Total Accumulated Depreciation</b>	<b>(438,308)</b>	<b>(41,886)</b>	<b>-</b>	<b>-</b>	<b>(480,194)</b>
<b>Business-type Activities Capital Assets, Net</b>	<b>127,074</b>	<b>142,804</b>	<b>-</b>	<b>-</b>	<b>269,878</b>
<b>Totals</b>	<b>\$ 1,129,307,297</b>	<b>\$ 102,962,343</b>	<b>\$ -</b>	<b>\$ (3,338,217)</b>	<b>\$ 1,228,931,423</b>

**Note 9 - Capital Assets (continued)**

Capital assets for Internal Service funds included in governmental activities were as follows:

	<b>Balance</b>
	<b>June 30, 2025</b>
Furniture & equipment	\$ 44,350
Accumulated depreciation/amortization	(44,350)
	<u>\$ -</u>

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

	<b>Depreciation/ Amortization Expense</b>
<b>Governmental Activities Depreciation/Amortization Expense:</b>	
11 Instruction	\$ 34,515,954
21 Instructional leadership	24,236
34 Student transportation	2,121,336
35 Food services	532,661
36 Cocurricular/extracurricular activities	2,678,848
41 General administration	151,244
51 Facilities maintenance and operations	1,100,781
52 Security and monitoring services	223,924
53 Data processing services	4,044,097
81 Facilities acquisition and construction	184,386
<b>Total Governmental Activities Depreciation/Amortization Expense</b>	<u><u>\$ 45,577,467</u></u>
<b>Business-type Activities Depreciation Expense:</b>	
36 Cocurricular/extracurricular activities	\$ 26,226
51 Plant maintenance and operations	13,254
61 Community services	2,406
<b>Total Business-type Activities Depreciation Expense</b>	<u><u>\$ 41,886</u></u>

The District's net investment in capital assets calculation is shown below and is presented on the Statement of Net Position.

	<b>Governmental Activities</b>	<b>Business-type Activities - Enterprise Fund</b>
<b>Capital Assets, Net of Depreciation/Amortization</b>	\$ 1,228,661,545	\$ 269,878
Less:		
General obligation bonds	(1,028,995,000)	-
Premiums	(78,851,701)	-
Leases	(493,863)	-
SBITAs	(1,284,871)	-
Capital related payables	(33,449,560)	-
Plus:		
Loss on refunding	4,088,208	-
Unspent bond proceeds	419,138,291	-
<b>Net Investment in Capital Assets per Exhibit A-1</b>	<u><u>\$ 508,813,049</u></u>	<u><u>\$ 269,878</u></u>



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

*Exhibit F-1*

**Note 9 - Capital Assets (continued)**

A summary of capital projects having construction in progress as of June 30, 2025, is scheduled as follows:

Description of Project	Construction in Progress at Cost	Approved Project Budget	Estimated Remaining Commitment
Memorial High	\$ -	\$ 4,098,855	\$ 4,098,855
Northbrook High	151,939	2,408,189	2,256,250
Spring Woods High	1,410,921	5,444,982	4,034,061
Stratford High	2,281,375	27,065,354	24,783,979
Guthrie Center	60,351,273	134,597,662	74,246,389
Westchester Academy	161,091	768,980	607,889
Spring Branch Education Center	-	90,195	90,195
Landrum Middle	-	988,105	988,105
Memorial Middle	558,594	5,106,085	4,547,491
Northbrook Middle	114,261	7,097,302	6,983,041
Spring Branch Middle	54,592	4,776,230	4,721,638
Spring Forest Middle	25,178	1,591,751	1,566,573
Spring Oaks Middle	4,297	1,403,945	1,399,648
Spring Woods Middle	9,577,558	18,150,809	8,573,251
Buffalo Creek Elementary	501,222	3,011,948	2,510,726
Bunker Hill Elementary	-	69,715	69,715
Cedar Brook Elementary	-	338,630	338,630
Edgewood Elementary	-	250,000	250,000
Hollibrook Elementary	-	250,000	250,000
Housman Elementary	-	235,363	235,363
Hunters Creek Elementary	-	171,672	171,672
Meadow Wood Elementary	-	48,826	48,826
Memorial Drive Elementary	-	2,768,197	2,768,197
Nottingham Elementary	-	223,242	223,242
Ridgecrest Elementary	57,716	250,000	192,284
Shadow Oaks Elementary	-	250,000	250,000
Sherwood Elementary	11,909,341	51,943,785	40,034,444
Spring Branch Elementary	-	116,545	116,545
Terrace Elementary	1,712,060	13,386,640	11,674,580
Thornwood Elementary	-	2,866,951	2,866,951
Treasure Forest Elementary	-	176,366	176,366
Valley Oaks Elementary	-	4,025,955	4,025,955
Westwood Elementary (new)	-	181,184	181,184
Woodview Elementary	-	1,744,946	1,744,946
Bear Blvd	-	417,537	417,537
Lion Lane	-	552,421	552,421
Tiger Trail	-	370,708	370,708
Wildcat Way	-	383,569	383,569
Ag Farm	21,371,072	26,071,061	4,699,989
Tax Office	-	50,000	50,000
District Wide Programs	6,288,507	20,831,592	14,543,085
Wayne Schaper, Sr. Admin Bldg	13,797	3,023,894	3,010,097
Transportation Facility	-	2,014,198	2,014,198
Warehouses	-	2,269,613	2,269,613
Athletic Facilities	722,013	6,416,571	5,694,558
Police Department	60,000	250,000	190,000
Transition Campuses	-	786,254	786,254
Technology Projects	-	33,480,060	33,480,060
	<u>\$ 117,326,807</u>	<u>\$ 392,815,887</u>	<u>\$ 275,489,080</u>

**Note 10 - Long-Term Debt and Debt Service Requirements**

The District issues general obligation bonds to provide funds for the renovation, acquisition, construction and equipment of major capital facilities. The general obligation bonds are direct obligations and pledge the full faith and credit of the District.

General long-term debt consists of bonds payable, leases, SBITAs and compensated absences. Bonds are payable solely from future revenues of the Debt Service Fund which consists principally of property taxes collected by the District, state aid and investment income. Certain outstanding bonds may be redeemed at their par value prior to their normal maturity dates in accordance with the terms of the related bonds indentures. The District has never defaulted on any bond principal or interest payment. Debt service requirements for accrued compensated absences are generally payable from the General Fund when due.

On October 2, 2009 and December 7, 2010, the District issued Unlimited Tax Schoolhouse Bonds, Taxable Series 2009 and 2010, also known as direct payment Build America Bonds (BABS) which provides for a direct reimbursement of up to 35 percent of the interest paid on the bonds. The District received reimbursements totaling \$2,664,881 during the fiscal year.

A summary of general long-term debt transactions of the District for the fiscal year ended June 30, 2025, follows:

	<b>Balance July 1, 2024</b>	<b>Issued and Additions</b>	<b>Retired and Refunded</b>	<b>Balance June 30, 2025</b>	<b>Due Within One Year</b>
<b>Bonds Payable</b>					
General obligation bonds	\$ 1,107,115,000	\$ -	\$ (78,120,000)	\$ 1,028,995,000	\$ 63,770,000
Plus premiums on bonds at issuance	85,087,115	-	(6,235,414)	78,851,701	-
<b>Total Bonds Payable</b>	<b>1,192,202,115</b>	<b>-</b>	<b>(84,355,414)</b>	<b>1,107,846,701</b>	<b>63,770,000</b>
Arbitrage payable	5,693,735	2,901,756	-	8,595,491	-
Leases payable	965,747	-	(471,884)	493,863	493,863
Subscription based payable	1,971,993	-	(687,122)	1,284,871	749,521
Compensated absences	9,894,692	-	(68,415)	9,826,277	1,391,288
<b>Total Long-Term Debt</b>	<b>\$ 1,210,728,282</b>	<b>\$ 2,901,756</b>	<b>\$ (85,582,835)</b>	<b>\$ 1,128,047,203</b>	<b>\$ 66,404,672</b>

**Note 10 - Long-Term Debt and Debt Service Requirements (continued)**

**Bonds Payable**

Bonded debt, at June 30, 2025, is comprised of the following individual issues:

	<b>Series</b>	<b>Issue Amount</b>	<b>Interest Rate (%)</b>	<b>Matures</b>	<b>Amount Outstanding</b>
2009B	BABS	\$ 62,085,000	5.89	2039	\$ 62,085,000
2010B	BABS	75,000,000	5.54 - 6.04	2039	75,000,000
2014A	Schoolhouse Bonds	31,390,000	3.50 - 3.75	2036	11,515,000
2014B	Refunding Bonds	63,520,000	3.00 - 5.00	2026	3,465,000
2015B	Refunding Bonds	153,550,000	4.00 - 5.00	2038	103,600,000
2018	Schoolhouse Bonds	132,345,000	3.50 - 5.00	2043	104,075,000
2019	Schoolhouse Bonds	230,880,000	2.63 - 5.00	2043	201,510,000
2020	Schoolhouse Bonds	155,630,000	1.75 - 5.00	2044	77,720,000
2022	Schoolhouse Bonds	307,375,000	4.25 - 5.00	2047	232,170,000
2023	Schoolhouse Bonds	165,405,000	4.00 - 5.00	2048	157,855,000
					<hr/>
Total Bonds Payable					1,028,995,000
Plus Unamortized Premiums on Issuance					<hr/> 78,851,701
Total Bonds Payable					1,107,846,701
Less Current Portion					<hr/> 63,770,000
<b>Long-Term Portion Bonds Payable</b>					<hr/> <b>\$ 1,044,076,701</b> <hr/>

**Note 10 - Long-Term Debt and Debt Service Requirements (continued)**

**Annual Debt Service Requirements**

Annual requirements to amortize all bonded debt outstanding as of June 30, 2025, follow:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 63,770,000	\$ 46,070,298	\$ 109,840,298
2027	41,930,000	42,859,283	84,789,283
2028	44,675,000	40,739,461	85,414,461
2029	46,440,000	38,498,129	84,938,129
2030	48,235,000	36,168,287	84,403,287
2031	49,740,000	33,826,008	83,566,008
2032	45,470,000	31,252,989	76,722,989
2033	54,035,000	29,173,671	83,208,671
2034	56,120,000	26,840,080	82,960,080
2035	58,300,000	24,434,712	82,734,712
2036	60,655,000	21,813,181	82,468,181
2037	61,490,000	19,077,576	80,567,576
2038	63,850,000	16,406,918	80,256,918
2039	55,390,000	13,611,863	69,001,863
2040	42,265,000	11,134,113	53,399,113
2041	43,935,000	9,499,850	53,434,850
2042	45,690,000	7,761,575	53,451,575
2043	47,515,000	5,949,025	53,464,025
2044	25,585,000	4,163,150	29,748,150
2045	21,345,000	3,192,825	24,537,825
2046	22,275,000	2,263,600	24,538,600
2047	23,245,000	1,293,775	24,538,775
2048	7,040,000	281,600	7,321,600
<b>Total</b>	<b>\$ 1,028,995,000</b>	<b>\$ 466,311,969</b>	<b>\$ 1,495,306,969</b>
Less Current Portion	63,770,000		
<b>Long-Term Portion</b>	<b>\$ 965,225,000</b>		

The District is in compliance with all significant bond compliance requirements. As of June 30, 2025, the District had \$773.6 million authorized, but unissued bonds.

**Note 11 - Leases**

***Lease Receivable***

The District is leasing property for cell towers to a third party. The lease is for fifteen years and the District will receive monthly payments of \$5,499 in fiscal year 2025. Payment increase 2% each year. The District recognized \$37,617 in lease revenue and \$28,368 in interest revenue during the current fiscal year related to this lease. As of June 30, 2025, the District's receivable for lease payments was \$648,097. Also, the District has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2025, the balance of the deferred inflow of resources was \$575,625.

The District is leasing broad band channel capacity to a third party. The lease is for ten years and the District will receive eight monthly payments of \$80,167 and four monthly payments of \$82,572 in fiscal year 2025. The District recognized \$933,432 in lease revenue and \$38,195 in interest revenue during the current fiscal year related to this lease. As of June 30, 2025, the District's receivable for lease payments was \$652,522. Also, the District has a deferred inflow of resources associated with this lease that will be recognized as revenue over the lease term. As of June 30, 2025, the balance of the deferred inflow of resources was \$634,382.

***Lease Payable***

During the current fiscal year, the District did not enter into new leases. The following table lists lease payable and right to use assets as of June 30, 2025.

Description	Start Date	End Date	Interest Rate	Lease Liability	
				Original Amount	Liability as of June 30, 2025
Evolve Data Center Solutions - contract for a cage in a data center	7/1/2021	6/30/2026	4.0%	\$ 451,969	\$ 97,754
Phonoscope Lightwave - Capacity on Fiber Optic Network	7/1/2016	6/30/2026	4.7%	1,807,159	396,109
				<u>\$ 2,259,128</u>	<u>\$ 493,863</u>

Description	Start Date	End Date	Interest Rate	Right to Use Assets		
				Original Amount	Amortization June 30, 2025	Net Balance June 30, 2025
Evolve Data Center Solutions - contract for a cage in a data center	7/1/2021	6/30/2026	4.0%	\$ 451,969	\$ (361,575)	\$ 90,394
Phonoscope Lightwave - Capacity on Fiber Optic Network	7/1/2016	6/30/2026	4.7%	1,807,159	(1,445,727)	361,432
				<u>\$ 2,259,128</u>	<u>\$ (1,807,302)</u>	<u>\$ 451,826</u>

The future principal and interest lease payments as of June 30, 2025, were as follows:

Fiscal Year	Principal	Interest	Payment
<b>2026</b>	\$ 493,863	\$ 12,287	\$ 506,150
<b>Total</b>	<u>\$ 493,863</u>	<u>\$ 12,287</u>	<u>\$ 506,150</u>

**Note 12 - SBITAs Liabilities**

The District is under contract for noncancellable SBITAs that convey control of the right to use software. The following table lists SBITAs payable and right to use assets as of June 30, 2025.

				<b>SBITAs Liability</b>		
<b>Description</b>	<b>Start Date</b>	<b>End Date</b>	<b>Interest Rate</b>	<b>Original Amount</b>	<b>Liability as of June 30, 2025</b>	
Canvas	7/1/2022	6/30/2027	5.8%	\$ 608,149	\$ 174,261	
CISCO Duo	7/1/2023	6/30/2028	7.2%	498,332	298,044	
Kronos	7/1/2023	6/30/2028	7.2%	799,877	478,392	
Finalsite Composer	11/1/2023	10/31/2026	7.1%	286,443	100,243	
School City	7/1/2023	6/30/2026	7.1%	690,780	233,931	
				<u>\$ 2,883,581</u>	<u>\$ 1,284,871</u>	

				<b>Right to Use Assets</b>		
<b>Description</b>	<b>Start Date</b>	<b>End Date</b>	<b>Interest Rate</b>	<b>Original Amount</b>	<b>Accumulated Amortization June 30, 2025</b>	<b>Net Balance June 30, 2025</b>
Savas Learning Science E-Textbooks	6/30/2024	6/30/2032	7.2%	\$ 1,194,552	\$ (161,762)	\$ 1,032,790
McGrawHill Science E-Textbooks	6/30/2024	6/30/2032	7.2%	1,282,869	(173,722)	1,109,147
Aruba WIFI Network	2/24/2025	2/23/2030	6.6%	105,458	(7,031)	98,427
Centegix Safety Platform	6/1/2025	5/31/2030	6.3%	2,714,000	(45,233)	2,668,767
CISCO Duo	7/1/2023	6/30/2028	7.2%	498,332	(199,333)	298,999
Kronos	7/1/2023	6/30/2028	7.2%	866,927	(346,771)	520,156
Crowdstrike	1/1/2023	6/30/2027	5.8%	394,810	(219,340)	175,470
Crowdstrike - Rubrick	12/1/2023	4/30/2027	7.2%	310,452	(155,226)	155,226
Finalsite Composer	11/1/2023	10/31/2026	7.1%	286,443	(159,135)	127,308
Canvas	7/1/2022	6/30/2026	5.8%	768,289	(460,973)	307,316
Zoom	7/1/2023	6/30/2026	7.2%	230,221	(153,481)	76,740
School City	7/1/2023	6/30/2026	7.1%	690,780	(460,520)	230,260
PebbleGo	8/12/2023	8/12/2025	7.1%	107,955	(100,241)	7,714
				<u>\$ 9,451,088</u>	<u>\$ (2,642,768)</u>	<u>\$ 6,808,320</u>

All amounts paid were previously included in the measurement of the subscription liability and there were no other related outflows of resources for the period such as variable payments or termination penalties. In addition, there were no commitments incurred prior to commencement of any SBITA term and there were no impairment losses related to SBITA assets.

The future principal and interest SBITA payments as of June 30, 2025, were as follows:

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Payment</b>
2026	\$ 749,521	\$ 98,486	\$ 848,007
2027	258,398	38,437	296,835
2028	276,952	19,885	296,837
<b>Total</b>	<u>\$ 1,284,871</u>	<u>\$ 156,808</u>	<u>\$ 1,441,679</u>

**Note 13 - Deferred Outflows/Inflows of Resources and Unearned Revenue**

*Deferred Outflows of Resources*

A 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. The deferred loss on refunding as of June 30, 2025 was \$4,088,208. Detailed discussions on deferred outflows for pension and OPEB are presented in Note 17 - Pension Plan and Other Post-Employment Benefits and Note 18 – Defined Other Post-Employment Benefit Plans.

*Deferred Inflows of Resources*

Detailed discussions on deferred inflows for pension and OPEB are presented in Note 17 - Pension Plan, Other Post-Employment Benefits and Note 18 - Defined Other Post-Employment Benefit Plans, and Note 11 - Leases, which only affect the government-wide financial statements. Property taxes that have not been collected within 60 days of year-end are considered unavailable in the fund financial statements.

Unearned revenue at year-end represents funds received in advance for which expenditures have not been incurred as is the case with grant revenue. A summary of deferred inflows and unearned revenue are as follows:

	<u>Unavailable</u>	<u>Unearned</u>
<b>Deferred Inflows of Resources</b>		
General fund - property taxes	\$ 11,171,611	\$ -
Debt service fund - property taxes	3,846,872	-
Special revenue fund - lease receivable	634,382	-
Enterprise fund - lease receivable	575,625	-
<b>Unearned Revenue</b>		
General fund	-	231,172
Unearned revenue on grants	-	12,998
Enterprise fund	-	15,000
<b>Total Deferred Inflows of Resources and Unearned Revenue</b>	<u>\$ 16,228,490</u>	<u>\$ 259,170</u>

**Note 14 - Fund Balance**

**Fund Balance Classifications - Restricted, Committed and Assigned**

According to District policy CE Local, the Board may establish assignments or commitments of fund balance from time to time in order to meet specific District needs. Assignments and commitments of fund balance shall be vetted and approved by the Board. Furthermore, commitments of fund balance shall be submitted to the Board for approval. The District assigns portions of the fund balance to indicate the administration's tentative plans for future use of financial resources. The assignment is determined by management at the end of each fiscal year.

A summary of restricted, committed and assigned fund balance as of June 30, 2025, for all governmental fund types follows:

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>
<b>Restricted Fund Balance</b>				
Grant funds	\$ -	\$ 7,802,629	\$ -	\$ -
Debt service	-	-	36,341,602	-
Capital acquisitions and obligations	-	-	-	385,688,731
Other:				
Advance Placement-Campus Awards	-	49,001	-	-
Locally funded	-	131,862	-	-
Local technology	-	7,668,746	-	-
Donations - locally funded	-	5,651,344	-	-
PledgeCent	-	7,575	-	-
Total Other	-	13,508,528	-	-
<b>Total Restricted</b>	-	21,311,157	36,341,602	385,688,731
<b>Committed Fund Balance</b>				
Other:				
Campus activity	-	2,741,182	-	-
<b>Total Committed</b>	-	2,741,182	-	-
<b>Assigned Fund Balance</b>				
Capital equipment replacement	3,321,000	-	-	-
Other:				
Compensated absences	9,977,000	-	-	-
Natural disaster	13,075,000	-	-	-
Subsequent year expenditures	28,027,787	-	-	-
Total Other	51,079,787	-	-	-
<b>Total Assigned</b>	54,400,787	-	-	-
<b>Totals</b>	<b>\$ 54,400,787</b>	<b>\$ 24,052,339</b>	<b>\$ 36,341,602</b>	<b>\$ 385,688,731</b>



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**Exhibit F-1**

**Note 15 - Revenues from Local, Intermediate and Out-of-State Sources**

A summary of local revenues recorded in the governmental funds for the fiscal year ended June 30, 2025, follows:

	<b>General</b>	<b>Special Revenue</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Total</b>
Property taxes	\$ 293,502,214	\$ -	\$ 122,661,458	\$ -	\$ 416,163,672
Penalties, interest and other related tax income	2,871,242	-	775,079	-	3,646,321
Tuition and fees	1,674,059	-	-	-	1,674,059
Investment income	6,916,300	367,765	1,182,270	23,027,549	31,493,884
Food sales	-	3,217,971	-	-	3,217,971
Cocurricular activities	581,623	-	-	-	581,623
Insurance recovery	184,317	-	-	-	184,317
PTA donations	-	4,568,956	-	-	4,568,956
Student activities	-	2,013,457	-	-	2,013,457
Lease revenue	-	1,027,938	-	-	1,027,938
Other	1,494,116	243,202	-	-	1,737,318
<b>Total</b>	<b>\$ 307,223,871</b>	<b>\$ 11,439,289</b>	<b>\$ 124,618,807</b>	<b>\$ 23,027,549</b>	<b>\$ 466,309,516</b>

**Note 16 - General Fund Federal Program Revenues**

A summary of federal program revenues received in the General Fund for the fiscal year ended June 30, 2025, follows:

<b>Program or Grant</b>	<b>Assistance Listing Number</b>	<b>Amount Recorded in General Fund</b>
<b>Indirect Costs:</b>		
School Breakfast Program	10.553	\$ 276,303
National School Lunch	10.555	968,307
ESEA, Title X, Part C Education for the Homeless	84.196A	3,582
ESEA, Title I, Part A - Improving Basic Programs	84.010A	561,146
IDEA, Part B - Formula	84.027A	304,725
IDEA, Part B - Preschool	84.173A	5,579
Carl D. Perkins Basic Grant Formula Grant	84.048A	17,353
ESEA, Title II, Part A - Supporting Effective Instruction	84.367A	72,931
ESEA, Title III, Part A - LEA	84.365A	52,076
ESEA, Title IV, Part A, Subpart 1	84.424A	44,628
Elementary and Secondary School Emergency Relief II (CRRSA ESSER II) Grant (Covid-19)	84.425D	(9,521)
Elementary and Secondary School Emergency Relief II (ARP Homeless I - TEHCY Supplemental) Grant (Covid-19)	84.425W	676
Elementary and Secondary School Emergency Relief III (ARP ESSER III) Grant (Covid-19)	84.425U	1,168
Elementary and Secondary School Emergency Relief II (ARP Homeless ESSER II) Grant (Covid-19)	84.425W	2,919
<b>Total Indirect Costs</b>		<b>2,301,872</b>
<b>Direct Costs:</b>		
Medicaid Administration Claiming Program	93.778	168,516
SHARS Program	n/a	589,929
Build America Bonds Subsidized Interest	n/a	2,664,881
ROTC	n/a	96,987
<b>Total Direct Costs</b>		<b>3,520,313</b>
<b>Total Indirect and Direct Costs</b>		<b>\$ 5,822,185</b>

**Note 17 - Employee Retirement Systems and Pension Plans**

**Plan Description**

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

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

**Pension Plan Fiduciary Net Position**

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

**Benefits Provided**

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, 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 under a previous rule. There are no automatic post-employment 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 in (A) above.

Texas Government Code section 821.006 prohibits benefit improvements, if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action. Actuarial implications of the funding provided in this manner are determined by the System's actuary.

Note 17 - Employee Retirement Systems and Pension Plans (continued)

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 2019 thru 2025.

	Contribution Rates	
	September 1, 2024 to August 31, 2025	September 1, 2023 to August 31, 2024
Active Employee	8.25%	8.25%
Non-employer contributing entity (State)	8.25%	8.25%
District	8.25%	8.25%

The following table shows annual contribution for the District for fiscal year 2024:

	Current Fiscal Year Contributions
Employer (District)	\$ 12,146,025
Employee (Member)	23,274,189
Non-employer contributing entity on-behalf contributions (State)	15,269,031

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.

**Note 17 - Employee Retirement Systems and Pension Plans (continued)**

**Contributions (continued)**

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 1.8 percent of the member's salary beginning in fiscal year 2023, 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.

**Actuarial Assumptions**

The total pension liability in the August 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2023 rolled forward to August 31, 2024
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term expected Investment Rate of Return	7.00%
Municipal Bond Rate as of August 2020	3.87% - The source for the rate is the Bond Buyers 20 Index which represents the estimated yield of a portfolio of 20 general obligation bonds maturing in 20 years based on a survey of municipal bond traders.
Last year ending August 31 in projection period (100 years)	2123
Inflation	2.30%
Salary Increases	2.95% to 8.95% including inflation
Benefit changes during the year	None
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions that are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2023. For a full description of these assumptions please see the actuarial valuation report dated November 21, 2023.

**Discount Rate**

A single discount rate of 7.00 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 7.00 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 9.50% of payroll in fiscal year 2024 increase 9.56% in fiscal year 2025 and thereafter. 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.

**Note 17 - Employee Retirement Systems and Pension Plans (continued)**

**Discount Rate (continued)**

The long-term rate of return on pension plan investments is 7.00 percent. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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

<b>Asset Class</b>	<b>Target Allocation <sup>2</sup></b>	<b>Long-Term Expected Geometric Real Rate of Return <sup>3</sup></b>	<b>Expected Contribution to Long-Term Portfolio Returns</b>
<b>Global Equity</b>			
USA	18.00%	4.40%	1.00%
Non-U.S. Developed	13.00%	4.20%	0.80%
Emerging Markets	9.00%	5.20%	0.70%
Private Equity <sup>1</sup>	14.00%	6.70%	1.20%
<b>Stable Value</b>			
Government Bonds	16.00%	1.90%	0.40%
Absolute Return <sup>1</sup>	0.00%	4.00%	0.00%
Stable Value Hedge Funds	5.00%	3.00%	0.20%
<b>Real Return</b>			
Real Estate	15.00%	6.60%	1.20%
Energy, Natural Resources and Infrastructure	6.00%	5.60%	0.40%
Commodities	0.00%	2.50%	0.00%
<b>Risk Parity</b>			
Risk Parity	8.00%	4.00%	0.40%
<b>Leverage</b>			
Cash	2.00%	1.00%	0.00%
Asset Allocation Leverage	-6.00%	1.30%	-0.10%
Inflation Expectation			2.40%
Volatility Drag <sup>4</sup>			-0.70%
<b>Expected Return</b>	<b>100.00%</b>		<b>7.90%</b>

<sup>1</sup> Absolute Return includes Credit Sensitive Investments.

<sup>2</sup> Target allocations are based on the fiscal year 2024 policy model.

<sup>3</sup> Capital Market Assumptions come from 2024 AAA Study CMA Survey (as of 12/31/2023).

<sup>4</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

Note 17 - Employee Retirement Systems and Pension Plans (continued)

Discount Rate Sensitivity Analysis

The following table presents the Net Pension Liability of the plan using the discount rate of 7.00 percent, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate.

	Discount Rate		
	1% Decrease	Current Rate	1% Increase
	6.00%	7.00%	8.00%
District's proportional share of the net pension liability	\$ 201,096,092	\$ 125,901,184	\$ 63,596,856

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

At June 30, 2025, the District reported a liability of \$ **125,901,184** 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 proportion of the net pension liability	0.2061%
District's proportionate share of the collective net pension liability	\$ 125,901,184
State's proportionate share that is associated with District	<u>162,024,382</u>
<b>Total</b>	<u><u>\$ 287,925,566</u></u>

The net pension liability was measured as of August 31, 2023 and rolled forward to August 31, 2024 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, 2023 thru August 31, 2024.

At August 31, 2024, the District's proportion of the collective net pension liability was 0.2061 percent which was a decrease of 0.0285 percent from its proportion measured as of August 31, 2023.

The General, Capital Projects and Special Revenue Funds are used to liquidate pension liabilities.

**Note 17 - Employee Retirement Systems and Pension Plans (continued)**

**Changes in Assumptions and Benefits Since the Prior Actuarial Valuation**

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

The Texas 2023 Legislature passed legislation that provides a one-time stipend to certain retired teachers. The stipend was paid to retirees beginning in September of 2023. The Legislature appropriated funds to pay for this one-time stipend so there will be no impact on the net pension liability of TRS. In addition, the Legislature also provided for a cost of living adjustment (COLA) to retirees which was approved during the November 2023 election which will be paid in January 2024. Therefore, this contingent liability was not reflected as of August 31, 2023.

For the year ended June 30, 2025, the District recognized pension expense of \$17,142,417. The District also recognized an additional on-behalf revenue and expense of \$19,364,622 representing support provided by the State.

At June 30, 2025, 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 economic experience	\$ 6,939,502	\$ (982,975)
Changes of assumption	6,500,548	(871,501)
Net difference between projected and actual earnings on pension plan investments	765,310	-
Changes in proportion and differences between District contributions and proportionate share of contributions	5,484,853	(12,836,144)
District contributions subsequent to the measurement date of the net pension liability	10,265,548	-
<b>Total</b>	<b>\$ 29,955,761</b>	<b>\$ (14,690,620)</b>

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of \$10,265,548 will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. 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>	<b>Balance of Deferred Outflows (Inflows)</b>
2026	\$ (492,740)	\$ 5,492,333
2027	12,573,294	(7,080,961)
2028	(82,791)	(6,998,170)
2029	(5,723,144)	(1,275,026)
2030	(1,275,026)	
	<b>\$ 4,999,593</b>	

NOTES TO THE FINANCIAL STATEMENTS (continued)

**Note 18 - 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 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 Teacher Retirement System’s fiduciary net position is available in a separately issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at [https://www.trs.texas.gov/Pages/about\\_publications.aspx](https://www.trs.texas.gov/Pages/about_publications.aspx), 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.

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

TRS-Care Monthly Premium Rates			
	Medicare		Non-Medicare
Retiree or Surviving Spouse	\$	135	\$ 200
Retiree and Spouse		529	689
Retiree or Surviving Spouse and Children		468	408
Retiree and Family		1,020	999

**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 participating employers based on active employee compensation. The TRS Board of trustees does not have the authority to set or amend contribution rates.



NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 18 - Defined Other Post-Employment Benefit Plans (continued)

D. Contributions (continued)

Texas Insurance Code, section 1575.202 establishes the state’s contribution rate which is 1.25% of the employee’s salary. Section 1575.203 establishes the active employee’s rate which is 0.65% of salary. Section 1575.204 establishes a public school contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the employer. The actual public school contribution rate is prescribed by the Legislature in the General Appropriations Act, which is 0.75% of each active employee’s pay for fiscal year 2024. The following table shows contributions to the TRS-Care plan by type of contributor.

	Contribution Rates	
	September 1, 2024 to June 30, 2025	July 1, 2024 to August 31, 2024
Member (employee)	0.65%	0.65%
Non-employer contributing agency (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private funding	1.25%	1.25%

The following table shows annual contribution for the District for fiscal year 2025:

	Fiscal Year 2025 Contributions	
	\$	
Employer (District)	2,370,845	
Employee (Member)	1,833,715	
Non-employer contributing agency (State)	5,135,553	

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 \$21.3 million in fiscal year 2023 provided by Rider 14 of the Senate Bill GAA of the 87th Legislature. These amounts were re-appropriated from amounts received by the pension and TRS-Care funds in excess of the state's actual obligation and then transferred to TRS-Care.

E. Actuarial Assumptions

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

**Note 18 - Defined Other Post-Employment Benefit Plan (continued)**

**E. Actuarial Assumptions (continued)**

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, 2023 TRS pension actuarial valuation that was rolled forward to August 31, 2024: (a) Rates of Mortality, (b) Rates of Retirement, (c) Rates of Termination, (d) Rates of Disability, (e) General Inflation, and (f) Wage Inflation.

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

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2023 rolled forward to August 31, 2024
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.87% as of August 31, 2024
Aging factors	Based on the Society of Actuaries' 2013 Study "Health Care Costs - From Birth to Death".
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs.
Projected Salary Increases	2.95% to 8.95%, including inflation
Healthcare Trend Rate	The initial medical trend rate was 6.75 percent for non-Medicare retirees. For Medicare retirees, trend rates are higher in the first two years due to anticipated growth but thereafter match those of non-Medicare retirees. The initial prescription drug trend rate was 7.25 percent for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25 percent over a period of 11 years
Election Rate	Normal Retirement: 62% participation rate prior to age 65 and 25% participation rate after age 65. Pre-65 retirees: 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Ad Hoc Post-Employment Benefit Changes	None

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 18 - Defined Other Post-Employment Benefit Plan (continued)

F. Discount Rate

A single discount rate of 3.87 percent was used to measure the Total OPEB Liability. There was a decrease of 0.26 percent in the discount rate since the previous year.

Because the investments are held in cash and there is no intentional objective to advance fund the benefits, the Single Discount Rate is equal to the prevailing municipal bond rate.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2024 using the Fixed Income Market Data/Yield Curve/ Data 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 (3.87%) in measuring the Net OPEB Liability.

	Discount Rate		
	1% Decrease (2.87%)	Current Rate (3.87%)	1% Increase (4.87%)
District's proportional share of the net OPEB liability	\$ 92,454,203	\$ 77,820,342	\$ 65,995,962

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

At June 30, 2025, the District reported a liability of

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 proportion of the net OPEB liability	0.2564%
District's proportionate share of the collective net OPEB liability	\$ 77,820,342
State's proportionate share that is associated with District	97,507,833
<b>Total</b>	<u><u>\$ 175,328,175</u></u>

The Net OPEB Liability was measured as of August 31, 2023 and rolled forward to August 31, 2024 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, 2023 through August 31, 2024.

At August 31, 2024, the District’s proportion of the collective Net OPEB Liability was 0.2564 percent which was a decrease of 0.0337 percent from its proportion measured as of August 31, 2023.

**Note 18 - Defined Other Post-Employment Benefit Plan (continued)**

**H. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (continued)**

The General, Capital Projects and Special Revenue Funds are used to liquidate pension liabilities.

*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.

	Healthcare Cost Trend Rate		
	1% Decrease	Trend Rate	1% Increase
District's proportional share of the net OPEB liability	\$ 63,373,115	\$ 77,820,342	\$ 96,646,519

**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 single discount rate changed from 4.13% as of August 31, 2023 to 3.87% as of August 31, 2024, accompanied by revised demographic and economic assumptions based on the TRS experience study.

**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, 2025, the District recognized negative OPEB expense of \$9,105,192. The District also recognized negative on-behalf expense and revenue of \$12,674,219 for support provided by the State.

At June 30, 2025, 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 actual economic experience	\$ 14,915,547	\$ (38,836,569)
Changes of assumption	9,960,085	(25,391,877)
Net difference between projected and actual earnings on OPEB plan investments	-	(217,923)
Changes in proportion and differences between District contributions and the proportionate share of contributions	7,825,710	(15,349,528)
District contributions paid subsequent to the measurement date of the net OPEB liability	1,987,783	-
<b>Total</b>	<b>\$ 34,689,125</b>	<b>\$ (79,795,897)</b>

**Note 18 - 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 \$1,987,783 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, 2026. 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:

<b>Year Ended June 30:</b>	<b>OPEB Expense Amount</b>	<b>Balance of Deferred Outflows (Inflows)</b>
2026	\$ (11,130,768)	\$ (35,963,787)
2027	(7,606,211)	(28,357,576)
2028	(9,441,699)	(18,915,877)
2029	(8,116,957)	(10,798,920)
2030	(5,109,333)	(5,689,587)
Thereafter	(5,689,587)	-
	<u>\$ (47,094,555)</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, 2025, 2024, and 2023, the subsidy payments received by TRS-Care on-behalf of the District were \$1,831,950, \$1,513,864, and \$1,458,577 respectively. The information for the year ended June 30, 2025 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 19 - Risk Management**

The District is exposed to various risks related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District's risk management program encompasses various means of protecting the District against loss by obtaining property, casualty, liability, health and workers compensation insurance coverage through commercial carriers. Settled claims have not exceeded insurance coverage in any of the previous three fiscal years. There has not been any significant reduction in insurance coverage from the previous year.

**Health Care Coverage**

The District sponsors a fully-insured insurance plan to provide health care benefits to staff members and their dependents. Partial staff member contributions are required for personal coverage and staff member contributions are required for coverage of dependents.

**Note 19 - Risk Management (continued)**

**Letter of Credit**

In June of 2019 Wells Fargo Bank, N.A, issued a Standby Letter of Credit (SBLC) for drawings of up to \$599,000 for the benefit of Liberty Mutual Insurance Company. The District is administering an Owner Controlled Insurance Program under which insurance policies were purchased from Liberty Mutual to insure risks on construction projects financed by the 2017 and 2022 bond authorizations. Liberty Mutual required the District to provide the SBLC as a condition of issuing the insurance policies. If the District does not make deductible or loss limit payments due under the terms of the insurance policies Liberty Mutual may draw against the SBLC. As of fiscal year end no amounts were drawn, or expected to be drawn, on the SBLC. The District intends to annually renew the SBLC with an ultimate expiration date in June 2027.

**Workers' Compensation Aggregate Deductible**

During the year ended June 30, 2025, Spring Branch ISD met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Workers Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members' injured employees.

Spring Branch ISD participates in the Fund's reimbursable aggregate deductible program. As such, the member is responsible for a certain amount of claims liability as outlined on the member's Contribution and Coverage Summary document. After the member's deductible has been met, the Fund is responsible for additional claims liability.

The Fund and its members are protected against higher than expected claims costs through the purchase of stop loss coverage for any claim in excess of the Fund's self-insured retention of \$2 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2024, the Fund carries a discounted reserve of \$50,247,590 for future development on reported claims and claims that have been incurred but not yet reported. For the year-ended June 30, 2025, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

The Fund engages the services of independent auditors to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2024, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

**Note 20 - Compensated Absences**

**Sick Leave Policy**

The District has established policies regarding the compensation of employees for unused sick leave upon retirement from service. An employee who is eligible to retire under the state retirement system, who selects the retirement system annuity options available, and who has been employed by the District for a continuous period of at least five years at the time of retirement shall be reimbursed for each day of unused local sick leave at a rate based on a percentage of the employee's average salary over the ten continuous years preceding retirement. Compensation for unused sick leave is limited and based on the years employed with the District, which are used to calculate the number of days and salary amounts that will be paid upon retirement.

**Note 20 - Compensated Absences (continued)**

**Sick Leave Policy (continued)**

The District records the payments for sick leave as an expenditure in the General Fund. The District records a liability at year-end in the General Fund for payments to be made to employees who have given notice before the end of the fiscal year and the amounts will be paid out of current resources early in the following fiscal year. As of June 30, 2025, the General Fund did not report a liability.

The District estimates the long-term portion of the sick leave liability and records this amount in the government-wide financials as a long-term liability. The long-term liability for compensated absences was \$ 9,826,277 as of June 30, 2025. The management of the District has assigned a portion of the fund balance in the General Fund to pay for accrued sick leave liability.

**Note 21 - Shared Service Arrangements**

The District participates in a Shared Service Arrangement (SSA) for deaf education services with six other school districts. Approximately 17.5% of the students served by the SSA are attributable to the District. The District does not account for the revenues or expenditures for this program and does not disclose them in these financial statements. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agent, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal contingencies that would give rise to a future additional benefit or burden to Spring Branch Independent School District. The fiscal agent manager is responsible for all financial activities of the SSA. The expenditures attributable to the District's participation for the year ended June 30, 2025 totaled \$553,009.

**Note 22 - Litigation, Commitments and Contingencies**

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any present legal proceedings will not have any adverse material effect on the accompanying financial statements.

The District received significant financial assistance from federal and state governmental agencies in the form of grants. The disbursements of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies and the TEA. Any disallowed claims resulting from such audits could become a liability of the General Fund. However, in the opinion of management, such disallowed claims, if any, will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the District at year-end.

**Note 23 - 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 the amount earned on investments purchased with bond proceeds, over 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 \$8,595,491 arbitrage liability as of June 30, 2025.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Note 24 - Restatement

During the current year, the District implemented GASB Statement No. 101, *Compensated Absences*. The effects of the change in accounting principle are summarized in the table below.

	<u>Governmental Activities</u>
<b>Net Position, Beginning of Year as Previously Reported</b>	\$ 361,501,389
Restatement due to:	
Adoption of GASB 101	<u>(73,656)</u>
<b>Net Position, Beginning of Year as Restated</b>	<u><u>\$ 361,427,733</u></u>

Note 25 - Subsequent Event

The District issued Unlimited Tax School Building and Refunding Bonds, Series 2025 in the amount of \$317,340,000 on August 20, 2025. Proceeds from the sale of the bonds will be used (i) for the construction, acquisition, and equipment of schoolhouses in the District, including (a) rebuilding nine elementary schools and one middle school, the purchase of the necessary sites for schoolhouses, and the purchase of new school buses, (b) construction, acquisition, and equipment of middle school and high school career and technical education (CTE) facilities, (c) renovations to four high schools, (d) construction and improvement of two stadiums, and (e) relocation, construction, improvement and equipment of a natatorium, and (ii) refunding a portion of the District's outstanding debt. The bonds bear interest at 5.00% with maturities ranging from 2026 to 2049.





## **REQUIRED SUPPLEMENTARY INFORMATION**



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**
**Exhibit G-1**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
ORIGINAL BUDGET, AMENDED FINAL (GAAP BASIS) AND ACTUAL - GENERAL FUND  
For the Fiscal Year Ended June 30, 2025  
With Actual Totals for 2024**

Data Control Codes		Budgeted Amounts		Actual	Variance With Final Budget	2024 Actual
		Original	Final Amended	Amounts GAAP Basis		
Revenues						
5700	Local and intermediate sources	\$ 306,978,517	\$ 308,049,203	\$ 307,223,871	\$ (825,332)	\$ 302,713,628
5800	State program revenues	40,557,993	51,063,993	49,304,060	(1,759,933)	44,637,580
5900	Federal program revenues	8,660,000	5,992,000	5,822,185	(169,815)	9,416,597
5020	Total Revenues	356,196,510	365,105,196	362,350,116	(2,755,080)	356,767,805
Expenditures						
Current:						
11	Instruction	208,763,332	215,108,796	213,082,770	2,026,026	212,521,570
12	Instructional Resources and Media Services	1,292,475	1,198,140	1,142,674	55,466	3,448,317
13	Curriculum and Instructional Staff Development	7,194,702	8,323,126	8,095,775	227,351	12,113,955
21	Instructional leadership	5,769,970	5,094,561	4,859,743	234,818	5,720,337
23	School leadership	23,325,714	23,119,512	22,765,797	353,715	22,080,433
31	Guidance, Counseling and Evaluation Services	16,939,174	17,912,799	17,540,888	371,911	21,044,804
32	Social work services	168,363	188,363	152,417	35,946	167,613
33	Health services	4,778,363	4,374,982	4,217,216	157,766	4,379,336
34	Student transportation	9,462,168	10,382,148	10,093,575	288,573	10,406,066
35	Food services	86,230	576,474	473,914	102,560	4,524
36	Cocurricular/extracurricular activities	7,390,306	7,824,212	7,641,695	182,517	7,506,920
41	General administration	10,904,520	10,942,481	9,981,456	961,025	10,439,207
51	Facilities Maintenance and Operations	41,786,920	42,563,174	42,268,999	294,175	38,664,787
52	Security and Monitoring Services	11,186,830	9,273,000	8,979,237	293,763	8,938,756
53	Data processing services	8,256,333	7,342,964	7,204,243	138,721	7,971,336
61	Community services	1,460,535	1,653,644	1,549,877	103,767	1,399,040
71	Debt service	-	800,000	722,304	77,696	823,489
81	Capital outlay	200,000	231,118	185,907	45,211	391,299
91	Contracted instructional services	11,701,102	20,230,069	18,223,392	2,006,677	1,197,012
99	Other intergovernmental charges	3,750,000	3,198,727	3,198,727	-	3,599,448
6030	Total Expenditures	374,417,037	390,338,290	382,380,606	7,957,684	372,818,249
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	(18,220,527)	(25,233,094)	(20,030,490)	5,202,604	(16,050,444)
Other Financing Sources (Uses)						
7912	Sale of real and personal property	50,000	55,849	68,298	12,449	56,786
7915	Transfers in	-	-	216,149	216,149	-
7940	Other resources	-	-	-	-	1,475,555
8911	Transfers out	-	-	(33,275)	(33,275)	(49,637)
7080	Total Other Financing Sources (Uses)	50,000	55,849	251,172	195,323	1,482,704
1200	Net change in fund balances	(18,170,527)	(25,177,245)	(19,779,318)	5,397,927	(14,567,740)
0100	Fund Balance - Beginning	122,936,614	122,936,614	122,936,614	-	137,504,354
3000	Fund Balance - Ending	\$ 104,766,087	\$ 97,759,369	\$ 103,157,296	\$ 5,397,927	\$ 122,936,614

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**Budgets and Budgetary Accounting**

Each school district in Texas is required by law to prepare annually a budget of anticipated revenues and expenditures for the General and Debt Service Funds and the Food Service program included in the Special Revenue Fund before the beginning of the fiscal year. For the fiscal year beginning July 1<sup>st</sup>, the Texas Education Code requires the budget to be prepared not later than June 19th and adopted by June 30th of each year. The District’s administration determines budgetary funding priorities using a modified zero-based budgeting concept, which is consistent with GAAP. Final budget allocations are determined by the Board, which subsequently establishes a tax rate sufficient to support the approved budget. The annual budget, which is prepared on the modified accrual basis of accounting, must be adopted by the Board at a scheduled meeting after giving ten days public notice of the meeting. The District annually adopts legally authorized appropriated budgets for the General and Debt Service Funds and the Food Service program included in the Special Revenue Fund.

The District’s administration performs budget reviews during the year in which budget requirements are re-evaluated and revisions are recommended to the Board. The Board may approve amendments to the budget, which are required when a change is made to any one of the functional expenditure categories or revenue object accounts defined by the TEA. Expenditures may not legally exceed budgeted appropriations, as amended, at the function level by fund. Unexpended appropriations lapse at year-end.

Management may amend the budget without seeking Board approval if appropriations are not transferred between functions.

**Special Revenue Reconciliation of the Food Service Programs**

A reconciliation of the Food Service program to the Special Revenue Fund follows:

Special Revenue Fund Total Revenue	\$ 66,763,206
Food Service Program Revenue	<u>(20,681,578)</u>
Other local, state and federal Revenue	<u>\$ 46,081,628</u>
Special Revenue Fund Total Expenditures	\$ 71,491,235
Food Service Program Expenditures	<u>(22,794,692)</u>
Other local, state and federal Expenditures	<u>\$ 48,696,543</u>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**
**Exhibit G-2**
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**
**Teacher Retirement System of Texas**
**For the Last Ten Measurement Years Ended August 31**

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
District's proportion of the net pension liability	0.2061000%	0.2346104%	0.2319953%	0.2159545%	0.2085450%
District's proportionate share of the net pension liability	\$ 125,901,184	\$ 161,154,719	\$ 137,729,635	\$ 54,995,975	\$ 111,692,491
State's proportionate share of the net pension liability associated with the District	162,024,382	189,291,722	172,087,144	81,236,331	170,470,072
<b>Total</b>	<b>\$ 287,925,566</b>	<b>\$ 350,446,441</b>	<b>\$ 309,816,779</b>	<b>\$ 136,232,306</b>	<b>\$ 282,162,563</b>
District's covered payroll (for Measurement Year)	\$ 277,276,081	\$ 286,449,314	\$ 271,845,654	\$ 260,870,242	\$ 250,420,467
District's proportionate share of the net pension liability as a percentage of it's covered payroll	45.41%	56.26%	50.66%	21.08%	44.60%
Plan fiduciary net position as a percentage of the total pension liability	77.51%	73.15%	75.65%	88.79%	75.54%
Plan's net pension liability as a percentage of covered payroll	102.39%	122.32%	112.72%	51.08%	110.36%
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
District's proportion of the net pension liability	0.2152580%	20.9494100%	0.2013303%	0.2124879%	0.2214700%
District's proportionate share of the net pension liability	\$ 111,897,876	\$ 115,310,682	\$ 64,374,610	\$ 80,295,999	\$ 78,286,839
State's proportionate share of the net pension liability associated with the District	158,387,000	174,521,390	105,022,736	130,039,152	124,975,866
<b>Total</b>	<b>\$ 270,284,876</b>	<b>\$ 289,832,072</b>	<b>\$ 169,397,346</b>	<b>\$ 210,335,151</b>	<b>\$ 203,262,705</b>
District's covered payroll (for Measurement Year)	\$ 232,079,599	\$ 224,739,409	\$ 216,179,463	\$ 218,955,935	\$ 211,547,412
District's proportionate share of the net pension liability as a percentage of it's covered payroll	48.22%	51.31%	29.78%	36.67%	37.01%
Plan fiduciary net position as a percentage of the total pension liability	75.24%	73.74%	82.17%	78.00%	78.43%
Plan's net pension liability as a percentage of covered payroll	114.93%	126.11%	75.93%	92.75%	91.94%

The amounts presented for each Plan year which ends the preceding August 31 of the District's fiscal year.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT CONTRIBUTIONS - PENSION**  
**Teacher Retirement System of Texas**  
**Last Ten Fiscal Years**

**Exhibit G-3**

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Contractually required contributions	\$ 12,146,025	\$ 11,846,294	\$ 11,958,647	\$ 10,345,685	\$ 9,041,755
Contributions in relation to the contractual required contributions	<u>12,146,025</u>	<u>11,846,294</u>	<u>11,958,647</u>	<u>10,345,685</u>	<u>9,041,755</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 282,111,379	\$ 281,823,908	\$ 282,910,480	\$ 268,626,065	\$ 259,366,018
Contributions as a percentage of covered payroll	4.31%	4.20%	4.23%	3.85%	3.49%
	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
Contractually required contributions	\$ 8,431,324	\$ 7,451,017	\$ 7,018,331	\$ 6,632,615	\$ 6,730,805
Contributions in relation to the contractual required contributions	<u>8,431,324</u>	<u>7,451,017</u>	<u>7,018,331</u>	<u>6,632,615</u>	<u>6,730,805</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 247,157,828	\$ 230,577,415	\$ 223,647,790	\$ 216,419,381	\$ 218,152,461
Contributions as a percentage of covered payroll	3.41%	3.23%	3.14%	3.06%	3.09%

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTARY PENSION INFORMATION**  
***Teacher Retirement System of Texas***

**Changes of Assumptions**

Measurement Year 2018: The discount rate changed from 8.0% as of August 31, 2017 to a blended rate of 6.907% as of August 31, 2018. The long-term assumed rate of return changed from 8.0% as of August 31, 2017 to 7.25% as of August 31, 2018. Demographic and economic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2017. The total pension liability as of August 31, 2018 was developed using a roll-forward method from the August 31, 2017 valuation.

Measurement Year 2020: The state and employer contribution rate changed from 6.8% to 7.5%. The 1.5% public education employer contribution applied to just employers whose employees were not covered by OASDI in 2019 and it changed in 2020 to apply to all public schools, charter schools and regional education centers irrespective of participation in OASDI.

Measurement Year 2021: The public education employer contribution rate changed from 1.5% in 2020 to 1.6% in 2021.

Measurement Year 2022: Demographic and economic assumptions were updated based on experience study performed for TRS for the period ending August 31, 2021. The primary change was the lowering of the discount rate from 7.25 to 7.00%.



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULES OF REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY**  
**Teacher Retirement System of Texas**  
**For the Last Eight Measurement Years Ended August 31 (1)**

**Exhibit G-4**

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
District's proportion of the net OPEB liability	0.2564000%	0.2900721%	0.2905528%	0.2779996%
District's proportionate share of the OPEB liability	\$ 77,820,342	\$ 64,217,067	\$ 69,569,985	\$ 107,236,856
State's proportionate share of the net OPEB liability associated with the District	97,507,833	77,487,761	84,864,451	143,673,489
<b>Total</b>	<b>\$ 175,328,175</b>	<b>\$ 141,704,828</b>	<b>\$ 154,434,436</b>	<b>\$ 250,910,345</b>
District's covered payroll (for Measurement Year)	\$ 277,276,081	\$ 286,449,314	\$ 271,845,654	\$ 260,870,242
District's proportionate share of the OPEB liability as a percentage of it's covered payroll	28.07%	22.42%	25.59%	41.11%
Plan fiduciary net position as a percentage of the total OPEB liability *	13.70%	14.94%	11.52%	6.18%
Plan's net OPEB liability as a percentage of covered payroll *	67.98%	51.86%	59.10%	100.13%

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
District's proportion of the net OPEB liability	0.2776532%	0.2762276%	0.2728760%	0.2615663%
District's proportionate share of the OPEB liability	\$ 105,548,504	\$ 130,631,462	\$ 136,249,530	\$ 113,745,362
State's proportionate share of the net OPEB liability associated with the District	141,831,888	173,579,991	190,879,970	167,667,465
<b>Total</b>	<b>\$ 247,380,392</b>	<b>\$ 304,211,453</b>	<b>\$ 327,129,500</b>	<b>\$ 281,412,827</b>
District's covered payroll (for Measurement Year)	\$ 250,420,467	\$ 232,079,599	\$ 224,739,409	\$ 216,179,463
District's proportionate share of the OPEB liability as a percentage of it's covered payroll	42.15%	56.30%	60.60%	52.62%
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%

The amounts presented for each Plan year which ends the preceding August 31 of the District's fiscal year.

\* Net OPEB liability is calculated using an new methodology and will be presented prospectively in accordance with GASB 75.

Note (1): Ten years of data should be presented in this schedule, but data was unavailable prior to plan year 2017.  
Net OPEB liability and related ratios will be presented prospectively as data becomes available.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**
**Exhibit G-5**
**SCHEDULES OF DISTRICT CONTRIBUTIONS - OPEB**
**Teacher Retirement System of Texas**
**Last Nine Fiscal Years (1)**

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
Contractually required contributions	\$ 2,370,845	\$ 2,382,232	\$ 2,516,857	\$ 2,320,669	\$ 2,155,387
Contributions in relation to the contractual required contributions	2,370,845	2,382,232	2,516,857	2,320,669	2,155,387
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 282,111,379	\$ 281,823,908	\$ 282,910,480	\$ 268,626,065	\$ 259,366,018
Contributions as a percentage of covered payroll	0.84%	0.85%	0.89%	0.86%	0.83%

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>
Contractually required contributions	\$ 2,084,951	\$ 1,983,973	\$ 1,802,591	\$ 1,360,173
Contributions in relation to the contractual required contributions	2,084,951	1,983,973	1,802,591	1,360,173
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 247,157,828	\$ 230,577,415	\$ 223,647,790	\$ 216,419,381
Contributions as a percentage of covered payroll	0.84%	0.86%	0.81%	0.63%

Note (1): Ten years of data should be presented in this schedule, but data was unavailable prior to 2017.

Net pension liability and related ratios will be presented prospectively as data becomes available.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO REQUIRED SUPPLEMENTAL OPEB INFORMATION**  
*Teacher Retirement System of Texas*

**Notes to Required Supplementary Information - OPEB**

**Changes of Assumptions**

Measurement Year 2018: The discount rate changed from 3.42% as of August 31, 2017 to 3.69% as of August 31, 2018, updated the health care trend rate assumption, and revised demographic and economic assumptions based on the TRS experience study.

Measurement Year 2019: The discount rate changed from 3.69% as of August 31, 2018 to 2.63% as of August 31, 2019, lowered the participation rates and updated the health care trend rate assumption.

Measurement Year 2020: The discount rate changed from 2.63% as of August 31, 2019 to 2.33% as of August 31, 2020, lowered the participation rate assumption for employees who retire after the age of 65, and lowered the ultimate health care trend rate assumption to reflect the repeal of the excise (Cadillac) tax on high-cost employer health plans.

Measurement Year 2021: The discount rate changed from 2.33% as of August 31, 2020 to 1.95% as of August 31, 2021.

Measurement Year 2022: The discount rate changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022, lowered the participation rates, and updated the healthcare trend rate assumption.

Measurement Year 2023: The discount rate changed from 3.91% as of August 31, 2022 to 4.13% as of August 31, 2023, accompanied by revised demographic and economic assumptions based on the TRS experience study.

Measurement Year 2024: The discount rate changed from 4.13% as of August 31, 2023 to 3.87% as of August 31, 2024, the table used to model the impact of aging on the underlying claims were revised.

## **OTHER SUPPLEMENTARY INFORMATION**

# SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

Exhibit H-1

## SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL DEBT SERVICE FUND For the Fiscal Year Ended June 30, 2025 With Actual Totals for 2024

	Budgeted Amounts				
	Original	Final Amended	Actual Amounts GAAP Basis	Variance With Final Budget	2024 Actual
<b>Revenues</b>					
Local, intermediate and out-of-State	\$ 123,449,000	\$ 123,667,000	\$ 124,618,807	\$ 951,807	\$ 121,356,800
State program revenues	6,200,000	6,236,000	6,252,450	16,450	6,135,082
<b>Total Revenues</b>	<b>129,649,000</b>	<b>129,903,000</b>	<b>130,871,257</b>	<b>968,257</b>	<b>127,491,882</b>
<b>Expenditures</b>					
<b>Debt Service:</b>					
Principal on long-term debt	78,370,000	78,120,000	78,120,000	-	79,090,000
Interest on long-term debt	50,032,000	50,026,465	50,026,465	-	49,682,190
Bond issuance costs and fees	331,000	331,000	72,472	258,528	20,700
<b>Total Expenditures</b>	<b>128,733,000</b>	<b>128,477,465</b>	<b>128,218,937</b>	<b>258,528</b>	<b>128,792,890</b>
Net change in fund balance	916,000	1,425,535	2,652,320	1,226,785	(1,301,008)
<b>Fund Balance - Beginning</b>	<b>33,689,282</b>	<b>33,689,282</b>	<b>33,689,282</b>	<b>-</b>	<b>34,990,290</b>
<b>Fund Balance - Ending</b>	<b>\$ 34,605,282</b>	<b>\$ 35,114,817</b>	<b>\$ 36,341,602</b>	<b>\$ 1,226,785</b>	<b>\$ 33,689,282</b>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**
*Exhibit H-2*
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN PROGRAM BALANCES -  
ORIGINAL BUDGET, AMENDED FINAL AND ACTUAL - FOOD SERVICE PROGRAM**
**For the Fiscal Year Ended June 30, 2025**
**With Actual Totals for 2024**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance With</b>	<b>2024</b>
	<b>Original</b>	<b>Final Amended</b>	<b>Amounts GAAP Basis</b>	<b>Final Budget</b>	<b>Actual</b>
<b>Revenues</b>					
Local, intermediate and out-of-state	\$ 2,686,500	\$ 3,546,500	\$ 3,613,202	\$ 66,702	\$ 3,009,511
State program revenues	100,000	100,000	94,227	(5,773)	92,584
Federal program revenues	16,700,000	16,490,000	16,974,149	484,149	17,913,018
<b>Total Revenues</b>	<b>19,486,500</b>	<b>20,136,500</b>	<b>20,681,578</b>	<b>545,078</b>	<b>21,015,113</b>
<b>Expenditures</b>					
Food services	23,574,100	23,980,694	22,794,692	1,186,002	22,625,945
Facilities maintenance and operations	30,000	30,000	-	30,000	28,586
Security and monitoring services	-	-	-	-	312
<b>Total Expenditures</b>	<b>23,604,100</b>	<b>24,010,694</b>	<b>22,794,692</b>	<b>1,216,002</b>	<b>22,654,843</b>
Excess (deficiency) revenues over expenditures	(4,117,600)	(3,874,194)	(2,113,114)	1,761,080	(1,639,730)
<b>Other Financing Sources (Uses)</b>					
Sale of real and personal property	45,000	45,000	20,887	(24,113)	21,553
Other financing sources - transfers in	-	-	75,800	75,800	49,637
<b>Total Other Financing Sources (Uses)</b>	<b>45,000</b>	<b>45,000</b>	<b>96,687</b>	<b>51,687</b>	<b>71,190</b>
Net change in fund balance	(4,072,600)	(3,829,194)	(2,016,427)	1,812,767	(1,568,540)
<b>Fund Balance - Beginning</b>	<b>9,819,056</b>	<b>9,819,056</b>	<b>9,819,056</b>	<b>-</b>	<b>11,387,596</b>
<b>Fund Balance - Ending</b>	<b>\$ 5,746,456</b>	<b>\$ 5,989,862</b>	<b>\$ 7,802,629</b>	<b>\$ 1,812,767</b>	<b>\$ 9,819,056</b>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUNDS**  
**June 30, 2025**

*Exhibit H-3*

	<b>Students Activity Fund</b>	<b>Property Tax Collections</b>	<b>Total Custodial Funds</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 585,926	\$ 64,233	\$ 650,159
Investments	5,360,815	-	5,360,815
Other receivables	82,487	-	82,487
Prepaid items	27,243	-	27,243
<b>Total Assets</b>	<b>6,056,471</b>	<b>64,233</b>	<b>6,120,704</b>
<b>Liabilities</b>			
Accounts payable	10,746	-	10,746
Payroll deductions and withholding	649,727	-	649,727
Due to others	2,675,898	2,791	2,678,689
<b>Total Liabilities</b>	<b>3,336,371</b>	<b>2,791</b>	<b>3,339,162</b>
<b>Net Position</b>			
Restricted - other	\$ 2,720,100	\$ 61,442	\$ 2,781,542

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CUSTODIAL FUNDS**
**For the Year Ended June 30, 2025**
**Exhibit H-4**

	<b>Student Activity Fund</b>	<b>Property Tax Collections</b>	<b>Total Custodial Funds</b>
<b>Additions</b>			
Gifts and contributions	\$ 2,284,618	\$ -	\$ 2,284,618
Property tax collections	-	38,266,188	38,266,188
Earnings on investments	274,804	-	274,804
<b>Total Additions</b>	<u>2,559,422</u>	<u>38,266,188</u>	<u>40,825,610</u>
<b>Deductions</b>			
Community service	2,329,988	-	2,329,988
General administration	-	38,271,750	38,271,750
<b>Total Deductions</b>	<u>2,329,988</u>	<u>38,271,750</u>	<u>40,601,738</u>
Change in net position	229,434	(5,562)	223,872
<b>Net Position - Beginning of Year</b>	<u>2,490,666</u>	<u>67,004</u>	<u>2,557,670</u>
<b>Net Position - End of Year</b>	<u>\$ 2,720,100</u>	<u>\$ 61,442</u>	<u>\$ 2,781,542</u>





## **REQUIRED TEA SCHEDULES**

Compliance schedules (Exhibits J-1 and J-4) are required by the Texas Education Agency and are not a required disclosure in the Annual Comprehensive Financial Report.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF DELINQUENT TAXES RECEIVABLE**  
**For the Year Ended June 30, 2025**

*Exhibit J-1*  
*Page 1 of 2*

Fiscal Year	Tax Year	1	2	3		10	20
		Tax Rates		Assessed/Appraised Value for School Tax Purposes		Beginning Balance 7/1/24	Current Year's Total Levy
		Maintenance	Debt Service	Total			
2016 and prior	2015 and prior	Various	Various	Various	Various	\$ 1,634,738	\$ -
2017	2016	\$ 1.0900	\$ 0.3045	\$ 1.3945	\$ 28,777,091,646	417,300	-
2018	2017	1.0900	0.3045	1.3945	29,887,294,371	470,641	-
2019	2018	1.1100	0.2845	1.3945	30,702,462,675	499,309	-
2020	2019	1.0165	0.3045	1.3210	32,460,980,636	645,747	-
2021	2020	1.0028	0.3045	1.3073	34,101,726,842	738,220	-
2022	2021	0.9998	0.3045	1.3043	34,957,178,563	959,458	-
2023	2022	0.9643	0.3045	1.2688	37,949,016,105	1,708,346	-
2024	2023	0.7744	0.3045	1.0789	38,608,606,049	6,677,279	-
2025	2024	0.7719	0.3045	1.0764	39,628,667,166	-	426,562,973
<b>1000 Totals</b>						<u>\$ 13,751,038</u>	<u>\$ 426,562,973</u>

**8000 Taxes Refunded**

**9000 Tax Increment**

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF DELINQUENT TAXES RECEIVABLE**  
**For the Year Ended June 30, 2025**

**Exhibit J-1**  
**Page 2 of 2**

<b>Fiscal Year</b>	<b>Tax Year</b>	<b>31 Maintenance and Operations Collections</b>	<b>32 Debt Service Collections</b>	<b>33 Total Collections</b>	<b>40 Entire Year's Adjustments</b>	<b>50 Ending Balance 6/30/25</b>	<b>99 Total Taxes Refunded Section 26.1115(c)</b>
2016 and prior	2015 and prior	\$ 269,537	\$ 61,587	\$ 331,124	\$ (73,485)	\$ 1,230,129	
2017	2016	40,937	13,519	54,456	(6,771)	356,073	
2018	2017	42,193	14,224	56,417	(5,122)	409,102	
2019	2018	64,841	17,352	82,193	(5,954)	411,162	
2020	2019	46,682	18,996	65,678	(39,887)	540,182	
2021	2020	64,386	24,458	88,844	(53,446)	595,930	
2022	2021	21,176	15,248	36,424	(171,183)	751,851	
2023	2022	(420,872)	(137,840)	(558,712)	(1,163,670)	1,103,388	
2024	2023	(2,854,053)	(984,245)	(3,838,298)	(8,207,321)	2,308,256	
2025	2024	296,395,579	123,693,353	420,088,932	-	6,474,041	
<b>1000 Totals</b>		<b>\$ 293,670,406</b>	<b>\$ 122,736,652</b>	<b>\$ 416,407,058</b>	<b>\$ (9,726,839)</b>	<b>\$ 14,180,114</b>	
					Penalty and interest receivable on taxes	6,401,176	
					<b>Total taxes receivable per Exhibit C-1</b>	<b>\$ 20,581,290</b>	
<b>8000 Taxes Refunded</b>							<b>\$ 173,417</b>
<b>9000 Tax Increment</b>		<b>\$ -</b>					

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT***Exhibit J-4***COMPENSATORY EDUCATION PROGRAM AND BILINGUAL EDUCATION PROGRAM COMPLIANCE RESPONSES****For the Year Ended June 30, 2025**

<b>Data</b>		
<b>Codes</b>	<b>Section A: Compensatory Education Programs</b>	<b>Responses</b>
AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$28,518,512
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30)	\$18,499,845
	<b>Section B: Bilingual Education Programs</b>	
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 7,976,096
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PIC 25)	\$ 4,902,536

## STATISTICAL SECTION

(Unaudited)

The statistical section of the Spring Branch Independent School District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's economic condition and overall financial health. To assist financial statement users, the information contained within this section is categorized as follows:

### **Financial Trends**

These schedules contain trend information to show how the District's financial performance and position have changed over time.

### **Revenue Capacity**

These schedules contain information to help assess the factors affecting the District's most significant local revenue source, the property tax.

### **Debt Capacity**

These schedules present information to help assess the affordability of the District's current debt burden and its ability to issue additional debt in the future.

### **Demographic and Economic Information**

These schedules provide demographic and economic indicators to help in understanding the environment in which the District operates and to facilitate in comparisons over time.

### **Operating Information**

These schedules provide information about the District's operations and resources to assist in using the financial statement information to better understand and assess the District's economic condition.



## **SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**

### **General Information Regarding the District**

(Unaudited)

#### **General**

Spring Branch Independent School District, encompassing about 44 square miles, is located in Harris County, a Gulf Coast County in Southeast Texas. The District is located approximately 10 miles from downtown Houston and includes part of the City of Houston and the incorporated villages of Bunker Hill, Hedwig, Hilshire, Hunters Creek, Piney Point and Spring Valley. Interstate Highway 10 (I.H. 10) runs east-west through the center of the District and Interstate 610, the inner loop, forms the District's eastern boundary.

#### **Education**

The Spring Branch Independent School District serves approximately 32,700 students in 23 elementary, 7 traditional middle, 4 traditional high, 1 charter, 5 pre-kindergarten and 2 special campuses. The District's schools are well-known for academics and an outstanding college preparatory program.

#### **Economy**

Harris County and the Houston Metropolitan area comprise a leading region of business development in the nation. The economy is based on petrochemicals, tourism, shipping, refining, chemicals, space exploration, medical research, manufacturing and education. The West Houston area, of which the District is a major component, is recognized as one of the most active centers of business and industrial development in the region. Industry in the District includes manufacturers of oil field machinery and equipment, fabricated metals, lumber, plastic and rubber products, tools and nonelectric machinery.

Numerous shopping centers, malls, other retail establishments and a wide variety of service oriented businesses are located within the District, and offer a complement to industry within the District.



# SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

## NET POSITION BY COMPONENT

### LAST TEN FISCAL YEARS

#### (ACCRUAL BASIS OF ACCOUNTING)

Table 1

Page 1 of 2

	2025	2024	2023	2022	2021
<b>Governmental Activities:</b>					
Net investment in capital assets	\$ 508,813,094	\$ 437,038,775	\$ 365,359,283	\$ 314,049,336	\$ 270,125,553
Restricted	42,181,119	42,361,602	47,313,039	45,734,253	39,121,886
Unrestricted	(130,708,979)	(117,898,988)	(91,873,143)	(108,655,023)	(128,162,558)
<b>Total Governmental Activities Net Position</b>	<b>\$ 420,285,234</b>	<b>\$ 361,501,389</b>	<b>\$ 320,799,179</b>	<b>\$ 251,128,566</b>	<b>\$ 181,084,881</b>
<b>Business-Type Activities:</b>					
Net investment in capital assets	\$ 269,878	\$ 127,074	\$ 102,936	\$ 149,071	\$ 120,176
Unrestricted	4,213,221	4,165,989	3,964,124	2,979,125	1,899,402
<b>Total Business-Type Activities Net Position</b>	<b>\$ 4,483,099</b>	<b>\$ 4,293,063</b>	<b>\$ 4,067,060</b>	<b>\$ 3,128,196</b>	<b>\$ 2,019,578</b>
<b>Primary Government:</b>					
Net investment in capital assets	\$ 509,082,972	\$ 437,165,849	\$ 365,462,219	\$ 314,198,407	\$ 270,245,729
Restricted	42,181,119	42,361,602	47,313,039	45,734,253	39,121,886
Unrestricted	(126,495,758)	(113,732,999)	(87,909,019)	(105,675,898)	(126,263,156)
<b>Total Primary Government Net Position</b>	<b>\$ 424,768,333</b>	<b>\$ 365,794,452</b>	<b>\$ 324,866,239</b>	<b>\$ 254,256,762</b>	<b>\$ 183,104,459</b>

\* Includes implementation of GASB 75 in Fiscal Year 2018, the District did not restate prior periods.

Source: The Statement of Net Position for Spring Branch Independent School District

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

**Table 1**  
**Page 2 of 2**

	2020	2019	2018*	2017	2016
<b>Governmental Activities:</b>					
Net investment in capital assets	\$ 225,319,596	\$ 181,212,480	\$ 144,407,966	\$ 102,444,943	\$ 69,514,589
Restricted	39,676,558	40,362,752	41,203,585	39,416,425	35,418,382
Unrestricted	(105,599,585)	(97,298,339)	(133,796,297)	30,193,017	18,268,978
<b>Total Governmental Activities Net Position</b>	<b>\$ 159,396,569</b>	<b>\$ 124,276,893</b>	<b>\$ 51,815,254</b>	<b>\$ 172,054,385</b>	<b>\$ 123,201,949</b>
<b>Business-Type Activities:</b>					
Net investment in capital assets	\$ 87,292	\$ 114,973	\$ 131,178	\$ 178,044	\$ 210,747
Unrestricted	2,678,267	2,723,990	2,061,598	1,682,378	1,194,419
<b>Total Business-Type Activities Net Position</b>	<b>\$ 2,765,559</b>	<b>\$ 2,838,963</b>	<b>\$ 2,192,776</b>	<b>\$ 1,860,422</b>	<b>\$ 1,405,166</b>
<b>Primary Government:</b>					
Net investment in capital assets	\$ 225,406,888	\$ 181,327,453	\$ 144,539,144	\$ 102,622,987	\$ 69,725,336
Restricted	39,676,558	40,362,752	41,203,585	39,416,425	35,418,382
Unrestricted	(102,921,318)	(94,574,349)	(131,734,699)	31,875,395	19,463,397
<b>Total Primary Government Net Position</b>	<b>\$ 162,162,128</b>	<b>\$ 127,115,856</b>	<b>\$ 54,008,030</b>	<b>\$ 173,914,807</b>	<b>\$ 124,607,115</b>

\* Includes implementation of GASB 75 in Fiscal Year 2018, the District did not restate prior periods.

**Source: The Statement of Net Position for Spring Branch Independent School District**

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

**Table 2**  
**Page 1 of 4**

	2025	2024	2023	2022	2021
<b>Expenses</b>					
<b>Governmental Activities:</b>					
Instruction	\$ 251,817,721	\$ 273,078,361	\$ 268,384,472	\$ 247,677,247	\$ 260,149,036
vices	1,118,482	3,512,048	3,767,422	3,953,222	3,958,358
	10,524,581	14,211,165	13,006,525	11,557,355	9,782,180
Instructional leadership	5,517,499	6,554,249	7,887,633	7,626,635	7,725,295
School leadership	22,301,647	22,165,261	22,091,380	21,240,692	21,645,150
	23,427,874	25,262,344	24,261,716	21,452,688	20,691,243
Social work services	147,374	165,490	129,289	170,510	182,760
Health services	4,231,986	4,427,904	4,574,993	4,277,210	4,448,323
Student transportation	12,598,504	11,064,301	12,050,108	10,871,667	9,981,785
Food services	20,856,343	21,172,892	18,689,008	16,731,806	13,540,924
Cocurricular/extracurricular activities	11,066,225	10,696,871	10,219,356	9,201,555	8,635,191
General administration	9,898,429	10,197,471	10,733,209	10,032,603	9,918,824
Plant maintenance and operations	42,501,448	40,372,238	37,180,455	35,503,673	34,309,085
Security and monitoring services	9,514,009	8,732,119	6,910,409	5,961,978	5,963,087
Data processing services	13,438,351	11,899,139	10,951,740	11,307,496	22,589,357
Community services	3,238,433	3,527,406	4,592,614	3,878,573	1,957,161
Interest on long-term debt	45,989,292	50,703,860	39,813,551	32,627,773	29,139,200
Bond issuance costs and fees	423,274	1,598,384	2,280,282	11,540	1,702,707
Facilities repairs and maintenance	138,042	1,249,804	6,384,612	2,453,020	17,017,257
Purchase of WADA	18,223,392	1,197,012	80,261,074	64,424,029	59,724,360
Payments related to shared service arrangements	553,009	472,749	507,445	469,338	496,366
Other intergovernmental charges	3,198,727	3,599,448	3,370,081	3,258,181	3,181,412
<b>Total Governmental Activities</b>	<b>510,724,642</b>	<b>525,860,516</b>	<b>588,047,374</b>	<b>524,688,791</b>	<b>546,739,061</b>
<b>Business-Type Activities:</b>					
Athletic rentals/concessions	752,836	679,014	674,718	653,687	571,228
After school programs	-	-	-	-	-
Employee childcare	1,869,670	1,716,238	978,130	1,320,187	2,138,941
Community education	204,937	-	-	-	77
Fine arts	10,915	14,173	1,050	7,007	2,413
Facility rentals	126,802	125,967	133,421	117,662	6,139
Summer school	141,742	138,721	272,412	169,212	125,088
Other	-	-	-	-	55,553
<b>Total Business-Type Activities</b>	<b>3,106,902</b>	<b>2,674,113</b>	<b>2,059,731</b>	<b>2,267,755</b>	<b>2,899,439</b>
<b>Total Expenses</b>	<b>513,831,544</b>	<b>528,534,629</b>	<b>590,107,105</b>	<b>526,956,546</b>	<b>549,638,500</b>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

**Table 2**  
**Page 2 of 4**

	2020	2019	2018	2017	2016
<b>Expenses</b>					
<b>Governmental Activities:</b>					
Instruction	\$ 268,839,993	\$ 234,722,680	\$ 149,201,257	\$ 217,226,205	\$ 222,799,157
Administrative services	3,786,825	3,897,560	2,461,202	3,620,703	3,720,503
	11,639,686	10,395,067	7,657,095	9,113,423	8,517,401
Instructional leadership	7,075,713	6,941,358	4,733,573	5,101,858	5,290,951
School leadership	23,117,862	21,475,508	13,637,365	20,535,843	20,409,339
	19,316,645	16,858,291	10,954,681	15,111,937	14,583,275
Social work services	211,337	143,425	137,913	161,589	172,201
Health services	4,583,605	4,177,526	2,566,683	4,030,789	3,784,085
Student transportation	10,381,878	10,801,503	7,725,356	9,936,767	9,561,908
Food services	15,863,808	17,604,854	13,974,314	17,528,355	17,848,073
Cocurricular/extracurricular activities	8,721,830	8,229,674	6,477,887	7,582,955	7,332,319
General administration	9,972,097	12,886,945	7,215,439	9,504,505	9,151,327
Plant maintenance and operations	32,707,469	31,416,621	27,151,071	30,801,530	30,387,638
Security and monitoring services	5,753,602	4,768,930	2,672,749	3,926,287	3,708,907
Data processing services	10,815,413	10,542,995	7,151,303	8,817,215	11,220,442
Community services	2,277,797	2,393,819	1,165,671	2,420,472	4,891,557
Interest on long-term debt	30,444,451	24,697,652	24,731,864	26,390,567	28,193,805
Bond issuance costs and fees	704,049	703,044	879,365	1,249,427	1,079,090
Facilities repairs and maintenance	10,467,783	10,896,450	2,337,289	6,014,174	5,514,826
Purchase of WADA	39,442,568	84,582,729	75,118,321	51,059,269	29,649,359
Payments related to shared service arrangements	505,942	463,835	475,908	419,250	312,788
Other intergovernmental charges	3,160,915	3,195,108	3,058,519	2,870,107	2,647,310
<b>Total Governmental Activities</b>	<b>519,791,268</b>	<b>521,795,574</b>	<b>371,484,825</b>	<b>453,423,227</b>	<b>440,776,261</b>
<b>Business-Type Activities:</b>					
Athletic rentals/concessions	656,589	423,420	561,370	753,147	958,611
After school programs	-	-	-	-	-
Employee childcare	1,456,390	1,369,333	1,263,112	1,363,637	1,635,564
Community education	37,653	235,839	220,866	239,448	309,211
Fine arts	98,844	120,439	129,529	115,441	137,140
Facility rentals	333,334	584,159	568,117	483,485	76,330
Summer school	195,980	331,579	279,700	336,090	300,660
Other	86,152	35,213	66,380	60,662	-
<b>Total Business-Type Activities</b>	<b>2,864,942</b>	<b>3,099,982</b>	<b>3,089,074</b>	<b>3,351,910</b>	<b>3,417,516</b>
<b>Total Expenses</b>	<b>522,656,210</b>	<b>524,895,556</b>	<b>374,573,899</b>	<b>456,775,137</b>	<b>444,193,777</b>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

**Table 2**  
**Page 3 of 4**

	2025	2024	2023	2022	2021
<b>Program Revenues</b>					
<b>Governmental Activities:</b>					
<b>Charges for Services:</b>					
Instruction	\$ 2,954,277	\$ 2,845,892	\$ 2,511,407	\$ 2,201,712	\$ 1,730,131
Food services	3,245,437	2,512,784	2,310,397	447,003	165,268
Cocurricular/extracurricular activities	581,623	574,878	460,934	447,029	267,757
Other activities	213,898	320,309	288,060	392,779	390,551
<b>Operating grants and contributions</b>	<u>73,963,241</u>	<u>87,484,182</u>	<u>125,442,062</u>	<u>109,715,647</u>	<u>90,983,334</u>
<b>Total Governmental Activities</b>	<u>80,958,476</u>	<u>93,738,045</u>	<u>131,012,860</u>	<u>113,204,170</u>	<u>93,537,041</u>
<b>Business-Type Activities:</b>					
<b>Charges for Services:</b>					
Athletic rentals/concessions	751,044	674,019	691,852	633,018	646,754
Employee childcare	1,524,860	1,545,619	1,638,787	2,263,121	1,273,151
Community education	292,000	-	-	-	-
Fine arts	11,463	9,948	19,617	17,122	12,858
Facility rentals	336,908	312,186	307,564	280,079	39,083
Summer school	173,842	138,424	223,688	179,383	174,038
Other	-	-	-	-	-
<b>Total Business-Type Activities</b>	<u>3,090,117</u>	<u>2,680,196</u>	<u>2,881,508</u>	<u>3,372,723</u>	<u>2,145,884</u>
<b>Total Program Revenues</b>	<u>84,048,593</u>	<u>96,418,241</u>	<u>133,894,368</u>	<u>116,576,893</u>	<u>95,682,925</u>
<b>Net (Expense)/Revenue</b>					
Governmental Activities	(429,766,166)	(432,122,471)	(457,034,514)	(411,484,621)	(453,202,020)
Business-Type Activities	(16,785)	6,083	821,777	1,104,968	(753,555)
<b>Total Net (Expense)/Revenue</b>	<u>(429,782,951)</u>	<u>(432,116,388)</u>	<u>(456,212,737)</u>	<u>(410,379,653)</u>	<u>(453,955,575)</u>
<b>General Revenues and Other Changes in Net Position</b>					
<b>Governmental Activities:</b>					
Property taxes, levied for general purposes	298,576,262	286,326,357	358,682,532	340,699,972	335,089,791
Property taxes, levied for debt service	124,352,681	119,262,913	118,729,534	109,713,540	107,652,910
Investment earnings	31,493,884	37,650,244	21,533,891	1,471,357	2,124,055
State aid - formula grants - unrestricted	28,895,282	24,469,690	23,824,229	18,491,817	21,075,188
Miscellaneous	5,305,558	5,115,477	3,774,801	11,151,620	8,347,566
Transfers	-	-	-	-	(5,793)
<b>Total Governmental Activities</b>	<u>488,623,667</u>	<u>472,824,681</u>	<u>526,544,987</u>	<u>481,528,306</u>	<u>474,283,717</u>
<b>Business-Type Activities:</b>					
Investment earnings	206,821	219,920	117,087	3,650	1,781
Transfers	-	-	-	-	5,793
<b>Total Business-Type Activities</b>	<u>206,821</u>	<u>219,920</u>	<u>117,087</u>	<u>3,650</u>	<u>7,574</u>
<b>Total General Revenues and Other Changes in Net Position</b>	<u>\$ 488,830,488</u>	<u>\$ 473,044,601</u>	<u>\$ 526,662,074</u>	<u>\$ 481,531,956</u>	<u>\$ 474,291,291</u>
<b>Change in Net Position</b>					
Governmental Activities	\$ 58,857,501	\$ 40,702,210	\$ 69,510,473	\$ 70,043,685	\$ 21,081,697
Business-Type Activities	190,036	226,003	938,864	1,108,618	(745,981)
<b>Total Primary Government</b>	<u>\$ 59,047,537</u>	<u>\$ 40,928,213</u>	<u>\$ 70,449,337</u>	<u>\$ 71,152,303</u>	<u>\$ 20,335,716</u>

Source: The Statement of Activities for Spring Branch Independent School District

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(ACCRUAL BASIS OF ACCOUNTING)**

**Table 2**  
**Page 4 of 4**

	2020	2019	2018	2017	2016
<b>Program Revenues</b>					
<b>Governmental Activities:</b>					
<b>Charges for services:</b>					
Instruction	\$ 2,009,577	\$ 2,663,683	\$ 2,593,049	\$ 2,090,639	\$ 2,016,736
Food services	1,658,745	2,136,694	1,605,942	2,532,920	2,583,162
Cocurricular/extracurricular activities	387,840	420,087	372,481	491,668	470,036
Other activities	391,211	326,168	397,362	335,580	599,271
<b>Operating grants and contributions</b>	<u>88,431,358</u>	<u>83,652,278</u>	<u>8,318,950</u>	<u>69,635,811</u>	<u>74,156,964</u>
<b>Total Governmental Activities</b>	<u>92,878,731</u>	<u>89,198,910</u>	<u>13,287,784</u>	<u>75,086,618</u>	<u>79,826,169</u>
<b>Business-Type Activities:</b>					
<b>Charges for Services:</b>					
Athletic rentals/concessions	439,574	778,353	766,874	833,989	1,009,738
Employee childcare	1,161,682	1,517,776	1,352,288	1,401,180	1,642,583
Community education	22,786	120,788	141,584	202,130	228,618
Fine arts	101,062	124,245	125,232	116,046	121,010
Facility rentals	521,056	918,471	907,042	888,125	205,453
Summer school	116,478	232,173	211,077	298,846	301,236
Other	-	468	4,200	58,635	72,391
<b>Total Business-Type Activities</b>	<u>2,362,638</u>	<u>3,692,274</u>	<u>3,508,297</u>	<u>3,798,951</u>	<u>3,581,029</u>
<b>Total Program Revenues</b>	<u>95,241,369</u>	<u>92,891,184</u>	<u>16,796,081</u>	<u>78,885,569</u>	<u>83,407,198</u>
<b>Net (Expense)/Revenue</b>					
Governmental Activities	(426,912,537)	(430,592,358)	(508,507,790)	(296,398,207)	(373,597,058)
Business-Type Activities	<u>(502,304)</u>	<u>827,332</u>	<u>408,315</u>	<u>709,877</u>	<u>229,119</u>
<b>Total Net (Expense)/Revenue</b>	<u>(427,414,841)</u>	<u>(429,765,026)</u>	<u>(508,099,475)</u>	<u>(295,688,330)</u>	<u>(373,367,939)</u>
<b>General Revenues and Other Changes in Net Position</b>					
<b>Governmental Activities:</b>					
Property taxes, levied for general purposes	322,754,632	333,684,809	316,739,144	304,304,218	279,933,694
Property taxes, levied for debt service	102,886,193	91,540,055	94,916,596	92,453,632	82,966,419
Investment earnings	10,369,005	8,950,494	3,369,856	1,224,540	1,404,857
State aid - formula grants - unrestricted	23,955,821	68,724,464	20,397,035	25,863,767	12,443,554
Miscellaneous	2,454,149	2,153,586	2,106,092	3,342,888	3,808,118
Transfers	<u>(387,587)</u>	<u>3,895</u>	<u>108,881</u>	<u>-</u>	<u>(15,000)</u>
<b>Total Governmental Activities</b>	<u>462,032,213</u>	<u>505,057,303</u>	<u>437,637,604</u>	<u>427,189,045</u>	<u>380,541,642</u>
<b>Business-Type Activities:</b>					
Investment earnings	41,313	57,790	22,012	8,215	3,250
Transfers	<u>387,587</u>	<u>(3,895)</u>	<u>(108,881)</u>	<u>-</u>	<u>15,000</u>
<b>Total Business-Type Activities</b>	<u>428,900</u>	<u>53,895</u>	<u>(86,869)</u>	<u>8,215</u>	<u>18,250</u>
<b>Total General Revenues and Other Changes in Net Position</b>	<u>\$ 462,461,113</u>	<u>\$ 505,111,198</u>	<u>\$ 437,550,735</u>	<u>\$ 427,197,260</u>	<u>\$ 380,559,892</u>
<b>Change in Net Position</b>					
Governmental Activities	\$ 35,119,676	\$ 72,461,639	\$ (70,870,186)	\$ 130,790,838	\$ 6,944,584
Business-Type Activities	<u>(73,404)</u>	<u>881,227</u>	<u>321,446</u>	<u>718,092</u>	<u>247,369</u>
<b>Total Primary Government</b>	<u>\$ 35,046,272</u>	<u>\$ 73,342,866</u>	<u>\$ (70,548,740)</u>	<u>\$ 131,508,930</u>	<u>\$ 7,191,953</u>

Source: The Statement of Activities for Spring Branch Independent School District

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**FUND BALANCE OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

**Table 3**  
**Page 1 of 2**

	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>General Fund</b>					
Nonspendable	\$ 4,233,353	\$ 3,989,341	\$ 4,622,632	\$ 4,645,535	\$ 4,038,635
Assigned	54,400,787	49,810,028	62,874,569	47,288,016	43,843,020
Unassigned	44,523,156	69,137,245	70,007,153	75,869,560	69,557,624
<b>Total General Fund</b>	<u>\$ 103,157,296</u>	<u>\$ 122,936,614</u>	<u>\$ 137,504,354</u>	<u>\$ 127,803,111</u>	<u>\$ 117,439,279</u>
<b>All Other Governmental Funds</b>					
Non-spendable, Reported in:					
Special Revenue Fund	\$ 207,373	\$ 183,709	\$ 128,330	\$ 27,364	\$ 223,503
Capital Projects Fund	-	-	-	-	-
Restricted, Reported in:					
Special Revenue Fund	21,311,157	26,025,849	27,821,944	21,566,697	16,501,877
Debt Service Fund	36,341,602	33,689,282	34,990,290	36,170,695	36,040,329
Capital Projects Fund	385,688,731	498,218,405	409,694,702	164,572,366	261,224,290
Committed, Reported in:					
Special Revenue Fund	2,741,182	2,584,893	2,357,442	2,436,503	2,617,158
<b>Total All Other Governmental Funds</b>	<u>\$ 446,290,045</u>	<u>\$ 560,702,138</u>	<u>\$ 474,992,708</u>	<u>\$ 224,773,625</u>	<u>\$ 316,607,157</u>

**Source:** The Balance Sheet - Governmental Funds for Spring Branch Independent School District

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**FUND BALANCE OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

**Table 3**  
**Page 2 of 2**

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>General Fund</b>					
Nonspendable	\$ 2,805,675	\$ 2,688,471	\$ 2,883,058	\$ 2,456,182	\$ 2,552,419
Assigned	47,176,381	12,205,335	20,834,023	20,834,023	20,834,022
Unassigned	87,110,204	114,995,420	59,380,209	62,470,752	42,833,493
<b>Total General Fund</b>	<u>\$ 137,092,260</u>	<u>\$ 129,889,226</u>	<u>\$ 83,097,290</u>	<u>\$ 85,760,957</u>	<u>\$ 66,219,934</u>
<b>All Other Governmental Funds</b>					
Non-spendable, Reported in:					
Special Revenue Fund	\$ 1,486	\$ 387,793	\$ 336,758	\$ 175,058	\$ 148,550
Capital Projects Fund	-	47,484	-	-	-
Restricted, Reported in:					
Special Revenue Fund	15,241,337	13,943,396	13,637,011	12,477,094	10,606,545
Debt Service Fund	36,732,847	36,598,724	36,976,948	36,506,260	36,767,956
Capital Projects Fund	299,578,819	146,502,610	170,940,126	34,651,372	60,015,777
Committed, Reported in:					
Special Revenue Fund	1,624,180	1,396,610	1,337,627	1,163,506	1,068,571
<b>Total All Other Governmental Funds</b>	<u>\$ 353,178,669</u>	<u>\$ 198,876,617</u>	<u>\$ 223,228,470</u>	<u>\$ 84,973,290</u>	<u>\$ 108,607,399</u>

**Source:** The Balance Sheet - Governmental Funds for Spring Branch Independent School District



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

**Table 4**  
**Page 1 of 4**

	2025	2024	2023	2022	2021
<b>Revenues</b>					
Local, intermediate, and out-of-state	\$ 466,309,516	\$ 460,452,949	\$ 507,220,074	\$ 470,888,526	\$ 458,188,196
State programs	69,424,555	55,938,407	46,612,929	39,617,775	39,974,582
Federal programs	47,633,334	65,482,687	113,171,694	107,937,791	65,879,072
<b>Total Revenues</b>	<b>583,367,405</b>	<b>581,874,043</b>	<b>667,004,697</b>	<b>618,444,092</b>	<b>564,041,850</b>
<b>Expenditures</b>					
<b>Current:</b>					
Instruction	232,564,059	246,413,767	246,665,160	243,002,764	233,282,843
Instructional resources and media services	1,159,903	3,574,148	3,843,985	4,134,878	3,942,342
Curriculum and instructional staff development	10,954,786	14,445,590	13,694,792	12,666,040	9,637,594
Instructional leadership	5,717,504	6,678,052	8,153,451	8,204,098	7,569,483
School leadership	23,029,256	22,395,245	22,897,621	22,374,681	21,421,277
Guidance, counseling, and evaluation services	24,308,986	25,527,450	24,998,669	22,509,679	20,475,586
Social work services	152,417	167,613	132,678	177,338	179,390
Health services	4,366,641	4,488,673	4,712,360	4,503,504	4,447,057
Student transportation	12,154,414	11,063,618	13,431,953	9,885,126	11,090,171
Food services	23,268,606	22,630,469	20,075,139	17,886,944	12,979,057
Cocurricular/extracurricular activities	8,544,467	8,686,761	8,519,420	7,633,424	6,975,253
General administration	9,981,456	10,439,207	10,804,734	10,377,792	9,704,696
Plant maintenance and operations	42,386,500	40,108,778	37,334,961	35,822,670	34,065,300
Security and monitoring services	13,168,654	9,306,954	7,507,490	6,168,224	6,101,200
Data processing services	10,680,200	8,905,188	9,652,937	10,563,564	21,081,844
Community services	2,270,726	2,754,218	3,409,059	2,739,593	1,920,605
Principal on long-term debt	79,279,006	80,518,982	83,243,312	71,899,085	72,140,000
Interest on long-term debt	50,190,676	50,787,324	39,391,774	38,955,373	37,124,460
Other debt service expenditures	495,746	436,299	2,070,629	22,025	29,944
Facilities acquisition and construction	140,998,870	111,671,364	88,383,338	103,764,735	213,460,812
Contracted instructional services	18,223,392	1,197,012	80,261,074	64,424,029	59,724,360
Payments related to shared service arrangements	553,009	472,749	507,445	469,338	496,366
Other intergovernmental charges	3,198,727	3,599,448	3,370,081	3,258,181	3,181,412
<b>Total Expenditures</b>	<b>717,648,001</b>	<b>686,268,909</b>	<b>733,062,062</b>	<b>701,443,085</b>	<b>791,031,052</b>
Excess (deficiency) of revenues over (under) expenditures	<u>(134,280,596)</u>	<u>(104,394,866)</u>	<u>(66,057,365)</u>	<u>(82,998,993)</u>	<u>(226,989,202)</u>

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

**Table 4**  
**Page 2 of 4**

	2020	2019	2018	2017	2016
<b>Revenues</b>					
Local, intermediate, and out-of-state	\$ 445,206,440	\$ 445,283,613	\$ 427,274,546	\$ 412,359,365	\$ 374,574,649
State programs	49,814,289	85,838,346	41,390,909	43,327,729	31,638,445
Federal programs	45,794,217	51,698,340	45,304,744	44,419,757	45,213,192
<b>Total Revenues</b>	<b>540,814,946</b>	<b>582,820,299</b>	<b>513,970,199</b>	<b>500,106,851</b>	<b>451,426,286</b>
<b>Expenditures</b>					
<b>Current:</b>					
Instruction	221,926,842	199,037,115	195,594,272	189,890,757	189,965,945
Instructional resources and media services	3,629,705	3,672,277	3,593,594	3,526,116	3,624,098
Curriculum and instructional staff development	11,036,244	9,884,338	9,745,723	8,875,891	8,261,645
Instructional leadership	6,591,812	6,656,169	6,561,751	4,979,322	5,178,684
School leadership	21,505,240	20,219,861	20,153,963	20,068,272	20,044,199
Guidance, counseling, and evaluation services	18,201,239	16,011,903	14,950,464	14,776,624	14,343,673
Social work services	202,860	135,100	189,913	159,707	171,325
Health services	4,262,723	3,918,229	3,854,994	3,943,138	3,688,453
Student transportation	8,678,831	11,573,515	8,891,976	8,433,770	8,101,827
Food services	15,021,420	16,819,281	15,829,535	17,542,765	17,486,097
Cocurricular/extracurricular activities	6,654,583	6,252,150	6,345,894	5,837,853	5,591,591
General administration	9,481,651	12,425,527	9,129,043	9,452,811	9,000,550
Plant maintenance and operations	31,551,075	30,487,464	31,549,665	30,358,633	30,436,189
Security and monitoring services	5,377,463	4,756,041	3,819,229	3,811,672	3,539,830
Data processing services	9,060,840	8,834,758	7,335,860	7,445,706	9,708,220
Community services	2,001,176	2,220,441	2,028,972	2,337,115	4,688,707
Principal on long-term debt	70,204,379	61,895,893	66,225,344	58,784,906	47,529,575
Interest on long-term debt	33,601,545	31,465,236	30,588,005	31,928,976	31,951,216
Other debt service expenditures	1,720,143	134,131	1,098,040	2,238,892	1,615,608
Facilities acquisition and construction	111,832,032	25,916,253	9,505,604	25,681,202	44,057,147
Contracted instructional services	39,442,568	84,582,729	75,118,321	51,059,269	29,649,359
Payments related to shared service arrangements	505,942	463,835	475,908	419,250	312,788
Other intergovernmental charges	3,160,915	3,195,108	3,058,519	2,870,107	2,647,310
<b>Total Expenditures</b>	<b>635,651,228</b>	<b>560,557,354</b>	<b>525,644,589</b>	<b>504,422,754</b>	<b>491,594,036</b>
Excess (deficiency) of revenues over (under) expenditures	(94,836,282)	22,262,945	(11,674,390)	(4,315,903)	(40,167,750)

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

**Table 4**  
**Page 3 of 4**

	2025	2024	2023	2022	2021
<b>Other Financing Sources (Uses)</b>					
Refunding bonds issued	\$ -	\$ -	\$ -	\$ -	\$ -
Issuance of capital related debt (regular bonds)	-	165,405,000	307,375,000	-	155,630,000
Premium/discount from issuance of bonds	-	7,777,785	17,691,706	-	14,370,101
Sale of real and personal property	89,185	78,339	142,696	121,859	163,786
Proceeds from leases	-	-	-	1,407,434	-
Issuance of SBITA	-	2,275,432	608,149	-	-
Transfers in	291,949	49,637	30,380	-	167,552
Transfers out	(291,949)	(49,637)	(30,380)	-	(173,345)
Payment to refunded bond escrow agent	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>89,185</b>	<b>175,536,556</b>	<b>325,817,551</b>	<b>1,529,293</b>	<b>170,158,094</b>
 Net Change in fund balances	 \$ (134,191,411)	 \$ 71,141,690	 \$ 259,760,186	 \$ (81,469,700)	 \$ (56,831,108)

<b>Debt Service as a Percentage of Noncapital Expenditures</b>	22.74%	23.17%	19.01%	18.49%	18.51%
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**Note:** Significant negative changes in fund balance are generally associated with facilities, acquisition and construction projects.

Source: Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

**Table 4**  
**Page 4 of 4**

	2020	2019	2018	2017	2016
<b>Other Financing Sources (Uses)</b>					
Refunding bonds issued	\$ -	\$ 32,295,000	\$ -	\$ 51,595,000	\$ 219,345,000
Issuance of capital related debt (regular bonds)	230,880,000	-	132,345,000	-	-
Premium/discount from issuance of bonds	25,808,396	-	14,734,693	1,563,309	30,040,499
Sale of real and personal property	40,559	173,243	77,329	54,508	166,962
Proceeds from leases	-	-	-	-	-
Issuance of SBITA	-	-	-	-	-
Transfers in	783,647	1,612,645	126,026	77,341	-
Transfers out	(1,171,234)	(1,608,750)	(17,145)	(77,341)	-
Payment to refunded bond escrow agent	-	(32,295,000)	-	(52,990,000)	(247,789,300)
<b>Total Other Financing Sources (Uses)</b>	<b>256,341,368</b>	<b>177,138</b>	<b>147,265,903</b>	<b>222,817</b>	<b>1,763,161</b>
 Net Change in fund balances	 \$ 161,505,086	 \$ 22,440,083	 \$ 135,591,513	 \$ (4,093,086)	 \$ (38,404,589)
 <b>Debt Service as a Percentage of Noncapital Expenditures</b>	 19.49%	 17.25%	 18.72%	 19.54%	 17.32%

**Note:** Significant negative changes in fund balance are generally associated with facilities, acquisition and construction projects.

Source: Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Fund



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

**Table 5**

Fiscal Year Ended June 30,	Appraised Value		Less Exemptions	Taxable Assessed Value	Total Direct Rate <sup>1</sup>
	Real Property Value	Personal Property Value			
2025	\$ 49,755,966,985	\$ 6,172,839,226	\$ 13,393,982,849	\$ 42,534,823,362	\$ 1.0764
2024	48,064,859,670	6,129,187,559	12,846,900,574	41,347,146,655	1.0789
2023	44,252,670,436	5,549,914,544	10,151,517,621	39,651,067,359	1.2688
2022	40,499,636,720	5,013,625,141	8,840,347,161	36,672,914,700	1.3043
2021	39,393,190,960	5,086,602,699	8,645,020,476	35,834,773,183	1.3073
2020	37,758,077,417	5,016,309,335	8,464,643,590	34,309,743,162	1.3210
2019	35,904,928,872	4,934,699,483	8,178,896,843	32,660,731,512	1.3945
2018	35,266,396,044	4,479,338,152	7,864,212,054	31,881,522,142	1.3945
2017	33,526,434,169	4,910,541,251	7,815,108,164	30,621,867,256	1.3945
2016	32,575,143,564	2,373,871,377	7,249,268,469	27,699,746,472	1.3945

<sup>1</sup> Tax Rates are per \$100 of taxable assessed value.

Source: Harris Central Appraisal District provides the District's tax office with appraised values for properties within the District's taxing authority. Appraised value, which includes frozen tax levies less exemptions equals taxable assessed value.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**(PER \$100 OF ASSESSED VALUE)**  
**LAST TEN FISCAL YEARS**

**Table 6**  
**Page 1 of 2**

<b>Taxing Authority</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Overlapping Rates:</b>					
Bunker Hill Village, City of	\$ 0.2710	\$ 0.2710	\$ 0.2750	\$ 0.2750	\$ 0.2750
Harris County <sup>1</sup>	0.4452	0.3917	0.3872	0.4241	0.4375
Hedwig Village, City of	0.3363	0.3363	0.3394	0.3394	0.3749
Hilshire Village, City of	0.5510	0.5604	0.5776	0.5899	0.5901
Houston, City of	0.5192	0.5192	0.5336	0.5508	0.5618
Hunters Creek Village, City of	0.2052	0.2052	0.1941	0.1941	0.1941
Memorial Village Water Authority	0.0239	0.0244	0.0255	0.0264	0.0269
Piney Point Village, City of	0.2551	0.2551	0.2551	0.2551	0.2559
Spring Valley, City of	0.3950	0.2710	0.4050	0.4150	0.4250
<b>Total</b>	<b>\$ 3.0019</b>	<b>\$ 2.8343</b>	<b>\$ 2.9925</b>	<b>\$ 3.0698</b>	<b>\$ 3.1412</b>
<b>District Direct Rates:</b>					
Maintenance & Operations	\$ 0.7719	\$ 0.7744	\$ 0.9643	\$ 0.9998	\$ 1.0028
Interest & Sinking	0.3045	0.3045	0.3045	0.3045	0.3045
<b>Total District Direct Rates</b>	<b>\$ 1.0764</b>	<b>\$ 1.0789</b>	<b>\$ 1.2688</b>	<b>\$ 1.3043</b>	<b>\$ 1.3073</b>

<sup>1</sup> Includes Harris County, Harris County Department of Education, Harris County Flood Control District and the Port of Houston Authority

Source: Harris County Tax Assessor-Collector & Voter Registrar  
[hctax.net/Property/JurisdictionTaxRates](https://hctax.net/Property/JurisdictionTaxRates)

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**(PER \$100 OF ASSESSED VALUE)**  
**LAST TEN FISCAL YEARS**

*Table 6*

*Page 2 of 2*

<b>Taxing Authority</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Overlapping Rates:</b>					
Bunker Hill Village, City of	\$ 0.2770	\$ 0.2770	\$ 0.2770	\$ 0.2770	\$ 0.2779
Harris County <sup>1</sup>	0.4508	0.4641	0.4611	0.4634	0.4654
Hedwig Village, City of	0.3235	0.3067	0.2719	0.2225	0.2103
Hilshire Village, City of	0.5591	0.5684	0.5022	0.4823	0.4881
Houston, City of	0.5679	0.5883	0.5842	0.5864	0.6011
Hunters Creek Village, City of	0.1941	0.1841	0.1841	0.1841	0.1841
Memorial Village Water Authority	0.0275	0.0275	0.0275	0.0280	0.0304
Piney Point Village, City of	0.2551	0.2551	0.2551	0.2551	0.2551
Spring Valley, City of	0.4250	0.4300	0.4335	0.4335	0.4500
<b>Total</b>	<b>\$ 3.0800</b>	<b>\$ 3.1012</b>	<b>\$ 2.9966</b>	<b>\$ 2.9323</b>	<b>\$ 2.9624</b>
<b>District Direct Rates:</b>					
Maintenance & Operations	\$ 1.0165	\$ 1.1100	\$ 1.0900	\$ 1.0900	\$ 1.0900
Interest & Sinking	0.3045	0.2845	0.3045	0.3045	0.3045
<b>Total District Direct Rates</b>	<b>\$ 1.3210</b>	<b>\$ 1.3945</b>	<b>\$ 1.3945</b>	<b>\$ 1.3945</b>	<b>\$ 1.3945</b>

<sup>1</sup> Includes Harris County, Harris County Department of Education, Harris County Flood Control District and the Port of Houston Authority

Source: Harris County Tax Assessor-Collector & Voter Registrar  
[hctax.net/Property/JurisdictionTaxRates](http://hctax.net/Property/JurisdictionTaxRates)



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**
**Table 7**
**PRINCIPAL TAXPAYERS**
**CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	Fiscal Year 2025			Fiscal Year 2016		
	Assessed Value <sup>1</sup>	Rank	Percentage of Total Assessed Value <sup>2</sup>	Assessed Value <sup>1</sup>	Rank	Percentage of Total Assessed Value <sup>3</sup>
MNC LP/LLC	\$ 417,164,651	1	0.98%	\$ -	-	-
SMBC Leasing & Finance Inc	381,705,514	2	0.90%	-	-	-
MC Medical Campus LP	368,747,848	3	0.87%	234,881,220	2	0.85%
Centerpoint Energy Inc	266,658,924	4	0.63%	-	-	-
Energy Tower Investments Ltd	258,426,107	5	0.61%	-	-	-
Memorial City Mall LP	252,654,659	6	0.59%	-	-	-
ALKF LLC	239,632,143	7	0.56%	117,731,870	8	0.43%
Metro National Corp	207,561,556	8	0.49%	604,705,423	1	2.18%
BA Leasing BSC LLC	206,082,793	9	0.48%	-	-	-
Memorial City Towers Ltd	188,834,093	10	0.44%	220,341,000	3	0.80%
Behringer Havard	-	-	-	218,600,000	4	0.79%
MN Coxen LLC	-	-	-	189,147,538	5	0.68%
Energy Tower II	-	-	-	126,127,774	6	0.46%
Mitsubishi Caterpillar Forklift America Inc.	-	-	-	125,381,089	7	0.45%
Town & Country Ptnr	-	-	-	113,266,777	9	0.41%
TCH Energy	-	-	-	107,500,000	10	0.39%
<b>Totals</b>	<b>\$ 2,787,468,288</b>		<b>6.55%</b>	<b>\$ 2,057,682,691</b>		<b>7.44%</b>

<sup>1</sup> Assessed (taxable) value equals appraised value after exemptions.

<sup>2</sup> Total assessed value tax year 2024 equals: \$ 42,534,823,362

<sup>3</sup> Total assessed value tax year 2015 equals: \$ 27,699,746,472

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

**Table 8**

Fiscal Year	Tax Levy For The Fiscal Year <sup>1</sup>	Collected within the Fiscal Year of the Levy		Collections In Subsequent Years	Total Collections to Date	
		Amount	Percentage of Net Tax Levy		Amount	Percent of Total Tax Collections To Net Tax Levy
2025	\$ 426,560,413	\$ 420,088,932	98.48%	\$ -	\$ 420,088,932	98.48%
2024	408,340,930	409,870,972	100.37%	(3,838,298)	406,032,674	99.43%
2023	470,592,529	474,522,268	100.84%	(5,033,127)	469,489,141	99.77%
2022	448,496,936	451,072,737	100.57%	(3,327,652)	447,745,085	99.83%
2021	436,617,342	440,435,555	100.87%	(4,414,142)	436,021,413	99.86%
2020	422,098,419	423,288,111	100.28%	(1,729,875)	421,558,236	99.87%
2019	422,144,227	422,769,713	100.15%	(1,037,049)	421,732,664	99.90%
2018	410,559,182	412,048,609	100.36%	(1,898,530)	410,150,079	99.90%
2017	393,888,551	396,841,527	100.75%	(3,309,052)	393,532,475	99.91%
2016	359,831,641	360,374,126	100.15%	(939,203)	359,434,923	99.89%

<sup>1</sup> Appraised value less exemptions equal taxable assessed value. The beginning taxable value net of adjustments times the tax rate set by the District's Board of Trustees each fall equals the total net tax levy. The net tax levy for prior years reflects ongoing adjustments applied to that year's tax levy.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**
**Table 9**
**RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

Fiscal Year <sup>1</sup>	Governmental Activities		Total Primary Government	Ratio of Debt to Assessed Value <sup>1</sup>	Debt Per Student <sup>2</sup>
	General Obligation Bonds	Leases/SBITA Payable			
2025	\$1,107,846,701	\$ 1,778,734	\$ 1,109,625,435	2.61%	\$ 37,280
2024	1,192,202,115	2,937,740	1,195,139,855	2.89%	39,347
2023	1,103,529,724	2,547,150	1,106,076,874	2.79%	36,373
2022	866,871,058	2,690,508	869,561,566	2.37%	28,834
2021	943,788,724	-	943,788,724	2.63%	30,717
2020	854,675,443	-	854,675,443	2.49%	26,845
2019	675,008,810	214,379	675,223,189	2.07%	21,209
2018	744,562,827	495,272	745,058,099	2.34%	22,852
2017	669,614,603	770,616	670,385,219	2.19%	20,593
2016	734,543,380	1,040,522	735,583,902	2.66%	22,560

<sup>1</sup> See Table 5 for assessed value data.

<sup>2</sup> See Table 15 for student average daily attendance data.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING**  
**LAST TEN FISCAL YEARS**

**Table 10**

<b>Fiscal Year</b>	<b>Gross Bonded Debt</b>	<b>Less Reserve for Retirement of Bonded Debt</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt To Assessed Value <sup>1</sup></b>	<b>Net Bonded Debt Per Student <sup>2</sup></b>
2025	\$ 1,107,846,701	\$ 21,225,839	\$ 1,086,620,862	2.55%	\$ 36,507
2024	1,192,202,115	16,025,383	1,176,176,732	2.84%	38,723
2023	1,103,529,724	19,469,190	1,084,060,534	2.73%	35,649
2022	866,871,058	24,157,566	842,713,492	2.30%	27,535
2021	943,788,724	22,620,009	921,168,715	2.57%	29,981
2020	854,675,443	24,434,511	830,240,932	2.42%	26,844
2019	675,008,810	27,239,206	647,769,604	1.98%	20,346
2018	744,562,827	26,765,920	717,796,907	2.25%	22,016
2017	669,614,603	24,663,287	644,951,316	2.11%	19,812
2016	734,543,380	18,582,403	715,960,977	2.58%	21,958

<sup>1</sup> See Table 5 for assessed value data.

<sup>2</sup> See Table 15 for student average daily attendance data.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**COMPUTATION OF ESTIMATED DIRECT AND OVERLAPPING DEBT**  
**June 30, 2025**

**Table 11**

<b>Taxing Body</b>	<b>Net Debt Amount</b>	<b>Outstanding As of</b>	<b>Percent Overlapping<sup>1</sup></b>	<b>Share of Debt</b>
<b>Overlapping:</b>				
Bunker Hill Village, City of	\$ 8,590,000	6/30/2025	100.00%	\$ 8,590,000
Harris County	2,424,019,039	6/30/2025	7.03%	170,408,538
Harris County Dept of Education	28,960,000	6/30/2025	7.03%	2,035,888
Harris County Flood Control	968,445,000	6/30/2025	7.03%	68,081,684
Harris County Hospital District	867,820,000	6/30/2025	7.03%	61,007,746
Harris Co MUD #552	22,880,000	6/30/2025	100.00%	22,880,000
Hedwig Village, City of	3,355,000	6/30/2025	100.00%	3,355,000
Hilshire Village, City of	2,830,000	6/30/2025	100.00%	2,830,000
Houston, City of	3,438,180,000	6/30/2025	10.21%	351,038,178
Piney Point Village, City of	860,000	6/30/2025	95.65%	822,590
Port of Houston Authority	406,509,397	6/30/2025	7.03%	28,577,611
Spring Valley, City of	19,625,000	6/30/2025	100.00%	<u>19,625,000</u>
<b>Total Net Overlapping Debt</b>				<u><b>739,252,235</b></u>
<b>Direct:</b>				
Spring Branch Independent School District	1,109,625,435		100.00%	<u>1,109,625,435</u>
<b>Total Direct and Overlapping Debt</b>				<u><b>\$ 1,848,877,670</b></u>

<sup>1</sup> Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The percentage of overlapping debt is estimated using taxable assessed property values. Percentages were estimated by determining the portion of the overlapping taxing authority's taxable assessed value that is within the District's boundaries and dividing it by the overlapping taxing authority's total taxable assessed value.

Source: Various taxing authorities, except for the net debt of Spring Branch School District

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN FISCAL YEARS**

**Table 12**

<b>Fiscal Year</b>	<b>Residential Units <sup>1</sup></b>	<b>Taxable Assessed Value of Residential Units <sup>1</sup></b>	<b>Personal Income <sup>2</sup></b>	<b>Average Assessed Value Per Residential Unit</b>	<b>Per Capita Income <sup>2</sup></b>	<b>Average Daily Attendance <sup>3</sup></b>	<b>Unemployment Rate <sup>4</sup></b>
2025	47,648	\$ 28,729,693,245	*	\$ 602,957	*	29,765	4.4%
2024	47,214	33,357,882,483	\$ 357,130,669,000	706,525	\$ 73,862	30,374	4.8%
2023	47,245	28,224,743,620	337,772,801,000	597,412	70,644	30,409	4.5%
2022	46,560	27,122,219,665	312,302,121,000	582,522	65,949	30,605	4.5%
2021	45,062	26,916,284,983	279,798,431,000	597,317	59,094	30,725	7.1%
2020	44,564	26,274,474,949	276,087,586,000	589,590	58,664	31,838	12.2%
2019	44,166	25,089,467,484	269,235,715,000	568,072	57,600	32,160	4.1%
2018	43,705	24,685,355,513	250,397,740,000	564,818	53,809	32,604	4.8%
2017	43,291	23,214,885,369	232,529,025,000	536,252	50,322	32,554	5.3%
2016	43,001	21,223,254,889	244,144,587,000	493,553	53,601	32,606	5.7%

<sup>1</sup> Source: Harris Central Appraisal District

<sup>2</sup> Source: FRED Economic Research

<sup>3</sup> Source: District Records

<sup>4</sup> Source: TRACER of Texas Workforce Commission; Unemployment rate is for Harris County Texas Labor Market Information

\* Information not yet available



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**
*Table 13*
**PRINCIPAL EMPLOYERS**
**CURRENT YEAR AND NINE YEARS AGO**

Employer	2025			2016		
	Employees	Rank	Percentage of Principal Employers	Employees	Rank	Percentage of Principal Employment
Memorial Hermann Healthcare System	31,969	1	17.46%	24,000	1	16.56%
City of Houston	22,000	2	12.01%			
University of Texas M.D. Anderson Cancer Center	21,832	3	11.92%	20,000	2	13.81%
Amazon	21,000	4	11.47%			
Houston Methodist	19,975	5	10.91%	14,985	4	10.34%
Harris County	19,401	6	10.59%			
Wal-Mart Stores Inc	14,869	7	8.12%	15,000	3	10.35%
United Airlines	11,000	8	6.01%			
UTHealth	10,585	9	5.78%			
Chevron Corp.	10,484	10	5.73%			
Exxon Mobil Corp.				13,000	5	8.97%
UTMB Health				12,448	6	8.59%
Kroger Company				12,000	7	8.28%
Shell Oil Company				11,892	8	8.21%
National Oilwell Varco				11,563	9	7.98%
Schlumberger				10,000	10	6.91%
<b>Total Employed</b>	<b>183,115</b>		<b>100.00%</b>	<b>144,888</b>		<b>100.00%</b>

2025 Source: Houston New Comers Guides (2024) and Companies Website

2016 Source: SBISD Annual Comprehensive Financial Report 2016



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY POSITION**  
**LAST TEN FISCAL YEARS**

**Table 14**

**Page 1 of 2**

<b>POSITION:</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>Teachers:</b>	2,168.8	2,145.2	2,168.6	2,195.5	2,151.5
Teacher	-	4.0	2.7	1.3	0.3
Substitute Teacher	2,168.8	2,149.2	2,171.3	2,196.8	2,151.8
<b>Total Teachers</b>					
<b>Professional Support:</b>					
Audiologist	0.4	0.5	0.5	0.5	0.5
Counselor	76.5	78.6	77.0	73.6	72.1
Educational Diagnostician	44.6	45.7	49.1	43.6	43.6
Librarian	-	35.4	34.7	32.5	32.8
Certified Orientation and Mobility Specialist	-	-	-	-	-
Occupational Therapist	-	-	4.0	-	-
Physical Therapist	-	1.0	2.0	1.0	1.0
School Nurse	44.5	48.6	49.3	47.0	47.0
LSPP/Psychologist	20.9	18.7	18.7	19.6	18.1
Social Worker	-	-	-	-	-
Speech Therapist	38.9	45.6	48.3	54.1	42.6
Teacher Facilitator	113.7	171.7	172.6	118.9	39.0
Department Head	-	-	-	-	-
Athletic Trainer	5.5	7.9	8.2	8.0	4.7
Non-Campus Professional Personnel	155.3	156.7	189.4	166.6	236.0
Campus Professional Personnel	97.3	165.5	87.9	137.2	232.9
<b>Total Professional Staff</b>	<b>597.6</b>	<b>775.9</b>	<b>741.7</b>	<b>702.6</b>	<b>770.3</b>
<b>Campus Administration:</b>					
Assistant Principal	79.4	81.8	81.0	75.3	76.6
District Instructional Program	-	-	-	-	-
Principal	42.1	45.0	45.3	46.0	45.6
Teacher Supervisor	-	-	-	-	-
Athletic Director	-	-	-	-	-
Registrar	4.0	4.3	4.5	4.8	5.0
<b>Total Campus Administration</b>	<b>125.5</b>	<b>131.1</b>	<b>130.8</b>	<b>126.1</b>	<b>127.2</b>
<b>Central Administration:</b>					
Assistant/Associate/Deputy Superintendent	8.0	9.0	10.0	10.0	9.0
Instructional Program Director/Executive Director	27.9	25.5	24.6	25.6	25.5
Superintendent	1.0	1.0	1.0	1.0	1.0
Athletic Director	1.0	1.0	1.0	1.0	1.0
Business Manager	2.0	2.0	4.0	4.0	4.0
Tax Assessor/Collector	0.8	1.0	1.0	1.0	1.0
Director of Personnel/HR	4.5	5.0	5.0	4.0	4.0
<b>Total Central Administration</b>	<b>45.2</b>	<b>44.5</b>	<b>46.6</b>	<b>46.6</b>	<b>45.5</b>
Educational Aide	452.2	453.0	451.9	423.9	390.0
Auxiliary Staff	1,050.5	1,019.2	1,026.2	1,065.6	1,102.5
<b>Total Staff Full-Time Equivalent</b>	<b>4,439.8</b>	<b>4,572.9</b>	<b>4,568.5</b>	<b>4,561.6</b>	<b>4,587.3</b>

Source: District Records

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY POSITION**  
**LAST TEN FISCAL YEARS**

*Table 14*  
*Page 2 of 2*

<b>POSITION:</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Teachers:</b>	2,382.6	2,302.4	2,311.3	2,301.2	2,220.8
Teacher	1.0	0.1	-	0.3	-
Substitute Teacher	2,383.6	2,302.5	2,311.3	2,301.5	2,220.8
<b>Total Teachers</b>					
<b>Professional Support:</b>					
Audiologist	0.5	0.5	0.9	1.4	1.4
Counselor	78.7	76.9	74.3	76.9	86.3
Educational Diagnostician	40.6	39.4	36.5	35.1	39.4
Librarian	34.7	38.0	38.0	35.6	38.9
Certified Orientation and Mobility Specialist	-	-	-	-	1.0
Occupational Therapist	-	-	-	-	-
Physical Therapist	1.0	1.0	1.0	1.0	1.0
School Nurse	47.5	47.3	47.5	45.8	45.3
LSSP/Psychologist	17.3	18.2	17.0	19.8	16.5
Social Worker	-	-	1.0	1.0	1.0
Speech Therapist	42.4	36.7	39.3	31.6	43.2
Teacher Facilitator	39.6	37.2	40.0	49.1	69.3
Department Head	-	-	2.7	3.5	9.9
Athletic Trainer	5.1	5.8	5.7	2.4	4.0
Non-Campus Professional Personnel	141.2	129.1	107.1	153.1	140.7
Campus Professional Personnel	21.7	11.0	12.4	11.5	23.0
<b>Total Professional Staff</b>	<b>470.3</b>	<b>441.1</b>	<b>423.4</b>	<b>467.8</b>	<b>520.9</b>
<b>Campus Administration:</b>					
Assistant Principal	79.1	75.4	75.9	77.4	81.9
District Instructional Program	-	-	-	1.0	1.0
Principal	46.0	47.7	45.5	44.0	45.0
Teacher Supervisor	1.0	-	-	-	-
Athletic Director	-	-	-	1.3	2.6
Registrar	4.5	4.5	5.5	5.1	6.0
<b>Total Campus Administration</b>	<b>130.6</b>	<b>127.6</b>	<b>126.9</b>	<b>128.8</b>	<b>136.5</b>
<b>Central Administration:</b>					
Assistant/Associate/Deputy Superintendent	9.0	8.0	9.0	7.0	8.6
Instructional Program Director/Executive Director	23.5	25.5	24.5	21.5	21.6
Superintendent	1.0	1.0	1.0	1.0	1.0
Athletic Director	1.0	1.0	1.0	1.0	1.0
Business Manager	4.0	4.0	4.0	-	-
Tax Assessor/Collector	1.0	1.0	1.5	0.6	1.0
Director of Personnel/HR	5.0	5.0	5.0	-	-
<b>Total Central Administration</b>	<b>44.5</b>	<b>45.5</b>	<b>46.0</b>	<b>31.1</b>	<b>33.2</b>
Educational Aide	381.4	386.5	367.4	278.7	297.2
Auxiliary Staff	1,092.9	1,304.0	1,254.9	1,156.8	903.7
<b>Total Staff Full-Time Equivalent</b>	<b>4,503.3</b>	<b>4,607.2</b>	<b>4,529.9</b>	<b>4,364.6</b>	<b>4,112.3</b>

Source: District Records

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**

*Table 15*  
*Page 1 of 2*

<b>Fiscal Year</b>	<b>Average Daily Attendance</b>	<b>Operating Expenditures <sup>1</sup></b>	<b>Cost Per Student</b>	<b>Percentage Change</b>	<b>Governmental Activities Expenses</b>
2025	29,765	\$ 439,285,567	\$ 14,758	3.05%	\$ 510,724,642
2024	30,374	435,021,471	14,322	-16.32%	525,860,516
2023	30,409	520,445,407	17,115	7.16%	588,047,374
2022	30,605	488,807,231	15,971	2.03%	524,688,791
2021	30,725	480,965,868	15,654	13.38%	546,739,061
2020	30,928	427,002,618	13,806	-1.81%	519,791,268
2019	31,838	447,677,065	14,061	9.33%	521,795,574
2018	32,604	419,316,252	12,861	7.27%	371,484,825
2017	32,554	390,315,215	11,990	5.54%	453,423,227
2016	32,606	370,409,781	11,360	24.90%	440,776,261

Source: Nonfinancial information from district records.

<sup>1</sup> Operating expenditures are total expenditures less debt service and capital outlay (to the extent capitalized for the government-wide statement of net position) and expenditures for capitalized assets included within the functional expenditures categories.

<sup>2</sup> Teachers per Table 14

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
**LAST TEN FISCAL YEARS**

*Table 15*  
*Page 2 of 2*

<b>Fiscal Year</b>	<b>Cost Per Student</b>	<b>Percentage Change</b>	<b>Teaching Staff <sup>2</sup></b>	<b>Student to Teacher Ratio</b>	<b>Percentage of Students in Free/Reduced Lunch Program</b>
2025	\$ 17,159	-0.89%	2,169	13.72	55.35%
2024	17,313	-10.47%	2,149	14.13	56.70%
2023	19,338	12.80%	2,171	14.00	56.94%
2022	17,144	-3.66%	2,197	13.83	57.02%
2021	17,795	5.88%	2,152	14.80	57.06%
2020	16,806	2.55%	2,384	13.36	61.27%
2019	16,389	43.84%	2,211	14.54	61.36%
2018	11,394	-18.20%	2,311	14.11	61.92%
2017	13,928	3.03%	2,301	14.15	59.93%
2016	13,518	14.01%	2,221	14.68	58.12%

Source: Nonfinancial information from district records.

<sup>1</sup> Operating expenditures are total expenditures less debt service and capital outlay (to the extent capitalized for the government-wide statement of net position) and expenditures for capitalized assets included within the functional expenditures categories.

<sup>2</sup> Teachers per Table 14



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**
*Table 16*
**TEACHER BASE SALARIES**
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Minimum Salary <sup>1</sup></b>		<b>Maximum Salary <sup>1</sup></b>		<b>County Average Salary <sup>2</sup></b>	<b>Statewide Average Salary <sup>2</sup></b>
2025	\$	64,375	\$	86,270	\$ 68,728	\$ 63,749
2024		62,000		84,195	66,605	62,463
2023		62,000		83,775	67,525	65,052
2022		59,000		87,875	62,356	58,887
2021		58,000		86,625	60,675	57,641
2020		57,000		85,400	60,160	57,091
2019		54,000		84,462	57,423	54,122
2018		52,000		81,000	56,943	53,334
2017		50,000		81,000	55,888	52,525
2016		50,000		81,000	59,791	51,892

<sup>1</sup> Source: District records

<sup>2</sup> Source: Texas Education Agency website

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

**Table 17**  
**Page 1 of 10**

<b>Building:</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>HIGH SCHOOLS</b>					
Memorial (1962)					
Square Footage	397,249	397,249	397,249	397,249	311,115
Capacity	2,682	2,682	2,682	2,682	2,516
Enrollment	2,636	2,640	2,555	2,531	2,577
Northbrook (1974)					
Square Footage	438,087	438,087	438,087	394,609	394,609
Capacity	2,708	2,708	2,708	2,477	2,477
Enrollment	2,398	2,598	2,610	2,622	2,573
Spring Woods (1964)					
Square Footage	349,382	349,382	349,382	349,382	349,382
Capacity	2,098	2,098	2,098	2,098	2,098
Enrollment	2,020	2,068	2,113	2,105	2,086
Stratford (1974)					
Square Footage	385,713	385,713	385,713	385,713	323,500
Capacity	2,478	2,478	2,478	2,478	2,478
Enrollment	2,394	2,312	2,272	2,229	2,192
<b>MIDDLE SCHOOLS</b>					
Landrum (1956) / (2021)					
Square Footage	238,215	238,215	238,215	238,215	178,731
Capacity	1,000	1,000	1,000	1,000	954
Enrollment	698	976	967	926	973
Memorial (1963)					
Square Footage	195,328	195,328	195,328	195,328	195,328
Capacity	1,441	1,441	1,441	1,441	1,441
Enrollment	1,236	1,247	1,281	1,350	1,362
Northbrook (1973)					
Square Footage	203,020	203,020	203,020	203,020	203,020
Capacity	1,004	1,004	1,004	1,004	1,004
Enrollment	508	842	913	881	946
Spring Branch (1953)					
Square Footage	226,188	226,188	226,188	226,188	226,188
Capacity	1,122	1,122	1,122	1,122	1,122
Enrollment	1,137	1,102	1,074	1,122	1,129
Spring Forest (1967)					
Square Footage	192,559	192,559	192,559	192,559	192,559
Capacity	1,094	1,094	1,094	1,094	1,094
Enrollment	993	963	962	957	953
Spring Oaks (1967)					
Square Footage	192,544	192,544	192,544	192,544	192,544
Capacity	896	896	896	896	896
Enrollment	565	583	644	673	692
Spring Woods (1961)					
Square Footage	200,776	200,776	200,776	200,776	200,776
Capacity	1,032	1,032	1,032	1,032	1,032
Enrollment	778	726	814	871	901

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

**Table 17**  
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<b>Building:</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>HIGH SCHOOLS</b>					
Memorial (1962)					
Square Footage	311,115	311,115	311,115	311,115	311,115
Capacity	2,516	2,516	2,516	2,516	2,516
Enrollment	2,607	2,620	2,669	2,638	2,650
Northbrook (1974)					
Square Footage	394,609	394,609	394,609	394,609	394,609
Capacity	2,477	2,477	2,477	2,477	2,477
Enrollment	2,674	2,578	2,517	2,444	2,333
Spring Woods (1964)					
Square Footage	349,382	349,382	349,382	349,382	349,382
Capacity	2,098	2,098	2,098	2,098	2,098
Enrollment	2,157	2,150	2,165	2,172	2,213
Stratford (1974)					
Square Footage	323,500	323,500	323,500	323,500	323,500
Capacity	2,478	2,478	2,478	2,478	2,478
Enrollment	2,151	2,137	2,148	2,113	2,124
<b>MIDDLE SCHOOLS</b>					
Landrum (1956) / (2021)					
Square Footage	178,731	178,731	178,731	178,731	178,731
Capacity	954	954	954	954	954
Enrollment	1,046	1,042	1,053	1,073	1,062
Memorial (1963)					
Square Footage	195,328	195,328	195,328	195,328	195,328
Capacity	1,441	1,441	1,441	1,441	1,441
Enrollment	1,358	1,336	1,348	1,381	1,370
Northbrook (1973)					
Square Footage	203,020	203,020	203,020	203,020	203,020
Capacity	1,004	1,004	1,004	1,004	1,004
Enrollment	917	885	879	939	961
Spring Branch (1953)					
Square Footage	226,188	226,188	226,188	226,188	226,188
Capacity	1,122	1,122	1,122	1,122	1,122
Enrollment	1,159	1,082	1,112	1,091	1,127
Spring Forest (1967)					
Square Footage	192,559	192,559	192,559	192,559	192,559
Capacity	1,094	1,094	1,094	1,094	1,094
Enrollment	990	916	897	850	839
Spring Oaks (1967)					
Square Footage	192,544	192,544	192,544	192,544	192,544
Capacity	896	896	896	896	896
Enrollment	728	717	712	765	768
Spring Woods (1961)					
Square Footage	200,776	200,776	200,776	200,776	200,776
Capacity	1,032	1,032	1,032	1,032	1,032
Enrollment	910	876	876	949	949



**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

*Table 17*  
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<b>Building:</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>ELEMENTARY SCHOOLS</b>					
Buffalo Creek (1997)					
Square Footage	82,179	82,179	82,179	82,179	82,179
Capacity	688	688	688	688	688
Enrollment	741	412	441	439	438
Bunker Hill (1956)/(2022)					
Square Footage	109,641	109,641	109,641	109,641	65,335
Capacity	818	818	818	818	773
Enrollment	766	747	739	672	654
Cedar Brook (1993)					
Square Footage	82,179	82,179	82,179	82,179	82,179
Capacity	688	688	688	688	688
Enrollment	654	669	657	670	647
Edgewood (2011)					
Square Footage	109,000	109,000	109,000	109,000	109,000
Capacity	791	791	791	791	791
Enrollment	503	489	539	518	587
Frostwood (2014) / (1960)					
Square Footage	110,145	110,145	110,145	110,145	110,145
Capacity	750	750	750	750	750
Enrollment	838	836	798	762	741
Holibrook (2010)					
Square Footage	112,095	112,095	112,095	112,095	112,095
Capacity	882	882	882	882	882
Enrollment	636	655	660	708	712
Housman (2011)					
Square Footage	101,561	101,561	101,561	101,561	101,561
Capacity	717	717	717	717	717
Enrollment	634	359	354	382	408
Hunters Creek (1954) / (2021)					
Square Footage	107,686	107,686	107,686	107,686	61,937
Capacity	700	700	700	700	634
Enrollment	575	611	604	618	577
Meadow Wood (2011)					
Square Footage	95,278	95,278	95,278	95,278	95,278
Capacity	683	683	683	683	683
Enrollment	686	631	657	653	588
Memorial Drive (1949)/(2025)					
Square Footage	94,850	58,614	58,614	58,614	58,614
Capacity	550	466	466	466	466
Enrollment	388	362	394	392	392
Nottingham (1969)/(2023)					
Square Footage	105,353	105,353	105,353	61,574	61,574
Capacity	750	750	750	568	568
Enrollment	746	772	717	650	593

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

**Table 17**  
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<b>Building:</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>ELEMENTARY SCHOOLS</b>					
Buffalo Creek (1997)					
Square Footage	82,179	82,179	82,179	82,179	82,179
Capacity	688	688	688	688	688
Enrollment	491	507	552	582	619
Bunker Hill (1956)/(2022)					
Square Footage	65,335	65,335	65,335	65,335	65,335
Capacity	773	773	773	773	773
Enrollment	614	620	641	658	677
Cedar Brook (1993)					
Square Footage	82,179	82,179	82,179	82,179	82,179
Capacity	688	688	688	688	688
Enrollment	702	726	795	854	891
Edgewood (2011)					
Square Footage	109,000	109,000	109,000	109,000	109,000
Capacity	791	791	791	791	791
Enrollment	629	627	641	660	679
Frostwood (2014) / (1960)					
Square Footage	110,145	110,145	110,145	110,145	110,145
Capacity	750	750	750	750	750
Enrollment	773	713	707	704	707
Holibrook (2010)					
Square Footage	112,095	112,095	112,095	112,095	112,095
Capacity	882	882	882	882	882
Enrollment	764	743	763	804	842
Housman (2011)					
Square Footage	101,561	101,561	101,561	101,561	101,561
Capacity	717	717	717	717	717
Enrollment	505	526	534	554	559
Hunters Creek (1954) / (2021)					
Square Footage	61,937	61,937	61,937	61,937	61,937
Capacity	634	634	634	634	634
Enrollment	615	655	673	643	664
Meadow Wood (2011)					
Square Footage	95,278	95,278	95,278	95,278	95,278
Capacity	683	683	683	683	683
Enrollment	550	491	505	509	517
Memorial Drive (1949)/(2025)					
Square Footage	58,614	58,614	58,614	58,614	58,614
Capacity	466	466	466	466	466
Enrollment	419	426	447	454	458
Nottingham (1969)/(2023)					
Square Footage	61,574	61,574	61,574	61,574	61,574
Capacity	568	568	568	568	568
Enrollment	608	497	509	532	473

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

*Table 17*  
*Page 5 of 10*

<b>Building:</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>ELEMENTARY SCHOOLS (continued)</b>					
Pine Shadows (2012)					
Square Footage	118,167	118,167	118,167	118,167	118,167
Capacity	913	913	913	913	913
Enrollment	859	769	768	752	740
Ridgecrest (2010)					
Square Footage	111,352	111,352	111,352	111,352	111,352
Capacity	960	960	960	960	960
Enrollment	836	715	711	700	735
Rummel Creek (2016) / (1962)					
Square Footage	106,260	106,260	106,260	106,260	106,260
Capacity	750	750	750	750	750
Enrollment	793	810	822	811	787
Shadow Oaks (2011)					
Square Footage	118,314	118,314	118,314	118,314	118,314
Capacity	871	871	871	871	871
Enrollment	487	448	461	501	549
Sherwood (1968)					
Square Footage	69,371	69,371	69,371	69,371	69,371
Capacity	538	538	538	538	538
Enrollment	437	442	460	427	449
Spring Branch (2011)					
Square Footage	101,897	101,897	101,897	101,897	101,897
Capacity	737	737	737	737	737
Enrollment	570	505	493	525	482
Terrace (1973)					
Square Footage	74,349	74,349	74,349	74,349	74,349
Capacity	702	702	702	702	702
Enrollment	457	387	383	378	391
Thornwood (1973)					
Square Footage	69,038	69,038	69,038	69,038	69,038
Capacity	548	548	548	548	548
Enrollment	391	393	408	389	396
Valley Oaks (2015)/(1956)					
Square Footage	140,500	117,872	117,872	117,872	117,872
Capacity	971	810	810	810	810
Enrollment	894	882	876	813	738

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

*Table 17*  
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<b>Building:</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>ELEMENTARY SCHOOLS (continued)</b>					
Pine Shadows (2012)					
Square Footage	118,167	118,167	118,167	118,167	118,167
Capacity	913	913	913	913	913
Enrollment	778	770	755	737	824
Ridgecrest (2010)					
Square Footage	111,352	111,352	111,352	111,352	111,352
Capacity	960	960	960	960	960
Enrollment	801	793	760	768	865
Rummel Creek (2016) / (1962)					
Square Footage	106,260	106,260	106,260	106,260	32,768
Capacity	750	750	750	750	720
Enrollment	796	738	737	706	695
Shadow Oaks (2011)					
Square Footage	118,314	118,314	118,314	118,314	118,314
Capacity	871	871	871	871	871
Enrollment	641	648	665	724	723
Sherwood (1968)					
Square Footage	69,371	69,371	69,371	69,371	69,371
Capacity	538	538	538	538	538
Enrollment	450	451	456	479	455
Spring Branch (2011)					
Square Footage	101,897	101,897	101,897	101,897	101,897
Capacity	737	737	737	737	737
Enrollment	604	599	566	634	669
Terrace (1973)					
Square Footage	74,349	74,349	74,349	74,349	74,349
Capacity	702	702	702	702	702
Enrollment	368	391	396	395	465
Thornwood (1973)					
Square Footage	69,038	69,038	69,038	69,038	69,038
Capacity	548	548	548	548	548
Enrollment	405	430	431	426	380
Valley Oaks (2015)/(1956)					
Square Footage	117,872	117,872	117,872	117,872	117,872
Capacity	810	810	810	810	810
Enrollment	772	722	670	619	573

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

*Table 17*  
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<b>Building:</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>ELEMENTARY SCHOOLS (continued)</b>					
Westwood (2011)					
Square Footage	98,264	98,264	98,264	98,264	98,264
Capacity	871	871	871	871	871
Enrollment	475	430	409	434	483
Wilchester (2011)					
Square Footage	123,253	123,253	123,253	123,253	123,253
Capacity	906	906	906	906	906
Enrollment	854	862	844	803	810
Woodview (1958)					
Square Footage	86,114	86,114	86,114	86,114	86,114
Capacity	716	716	716	716	716
Enrollment	503	494	525	562	527
<b>PRE-KINDERGARTEN CENTERS</b>					
Bear Blvd (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	257	265	251	278	200
Lion Lane (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	268	226	226	217	186
Tiger Trail (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	286	317	313	290	233
Wildcat Way (2002)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	268	299	302	301	226
<b>OTHER CAMPUSES</b>					
Bendwood (1958)					
Square Footage	38,830	38,830	38,830	38,830	38,830
Capacity	440	440	440	440	440
Enrollment	41	44	50	48	32
Cornerstone Academy (2018) / (1951)					
Square Footage	**	**	**	**	**
Capacity	-	-	-	413	413
Enrollment	-	-	-	371	361

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

*Table 17*  
*Page 8 of 10*

<b>Building:</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>ELEMENTARY SCHOOLS (continued)</b>					
Westwood (2011)					
Square Footage	98,264	98,264	98,264	98,264	98,264
Capacity	871	871	871	871	871
Enrollment	506	521	589	621	660
Wilchester (2011)					
Square Footage	123,253	123,253	123,253	123,253	123,253
Capacity	906	906	906	906	906
Enrollment	842	821	793	796	777
Woodview (1958)					
Square Footage	86,114	86,114	86,114	86,114	86,114
Capacity	716	716	716	716	716
Enrollment	587	564	620	645	646
<b>PRE-KINDERGARTEN CENTERS</b>					
Bear Blvd (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	318	294	315	293	295
Lion Lane (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	281	322	304	252	251
Tiger Trail (2001)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	327	345	305	249	241
Wildcat Way (2002)					
Square Footage	26,000	26,000	26,000	26,000	26,000
Capacity	380	380	380	380	380
Enrollment	337	371	326	288	274
<b>OTHER CAMPUSES</b>					
Bendwood (1958)					
Square Footage	38,830	38,830	38,830	38,830	38,830
Capacity	440	440	440	440	440
Enrollment	46	44	37	41	49
Cornerstone Academy (2018) / (1951)					
Square Footage	**	**	**	**	**
Capacity	413	413	413	413	413
Enrollment	373	377	373	382	381

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

*Table 17*  
*Page 9 of 10*

<b>Building:</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
<b>OTHER CAMPUSES (continued)</b>					
The Guthrie Center (1972)					
Square Footage	83,614	83,614	83,614	83,614	83,614
Capacity	326	326	326	326	326
Enrollment	n/a	n/a	n/a	n/a	n/a
School of Choice (2018) / (1951)					
Square Footage	**	**	**	**	**
Capacity	**	**	**	494	494
Enrollment	**	**	**	140	127
Spring Branch Education Center (1951) / (2018) **					
Square Footage	170,052	170,052	170,052	170,052	170,052
Capacity	907	907	907	n/a	n/a
Enrollment	597	530	510	n/a	n/a
Westchester Academy (1967)					
Square Footage	294,963	294,963	294,963	294,963	294,963
Capacity	1,012	1,012	1,012	1,012	1,012
Enrollment	864	864	890	866	924

\*\* Spring Branch Education Center facility houses Cornerstone & School of Choice.  
 Square footage is for entire complex.

Note: Capacity does not include temporary buildings. Guthrie and School of Choice students are included in numbers for their home campus. The source of square footage and capacity is district records.

**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

*Table 17*  
*Page 10 of 10*

<b>Building:</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>OTHER CAMPUSES (continued)</b>					
The Guthrie Center (1972)					
Square Footage	83,614	83,614	83,614	83,614	83,614
Capacity	326	326	326	326	326
Enrollment	n/a	n/a	n/a	n/a	n/a
School of Choice (2018) / (1951)					
Square Footage	**	**	**	**	**
Capacity	494	494	494	494	494
Enrollment	151	160	187	169	n/a
Spring Branch Education Center (1951) / (2018) **					
Square Footage	170,052	170,052	170,052	170,052	94,467
Capacity	n/a	n/a	n/a	n/a	n/a
Enrollment	n/a	n/a	n/a	n/a	n/a
Westchester Academy (1967)					
Square Footage	294,963	294,963	294,963	294,963	294,963
Capacity	1,012	1,012	1,012	1,012	1,012
Enrollment	965	1,014	1,031	1,023	1,014

\*\* Spring Branch Education Center facility houses Cornerstone & School of Choice.  
Square footage is for entire complex.

Note: Capacity does not include temporary buildings. Guthrie and School of Choice students are included in numbers for their home campus. The source of square footage and capacity is district records.





**SPRING BRANCH INDEPENDENT SCHOOL DISTRICT**  
**REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS**  
**For the Year Ended June 30, 2025**

**Schedule L-1**

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?	Yes
	<p>(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 to not have made 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.</p> <p>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.</p>	
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.	\$ -0-

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).



**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  
Spring Branch Independent School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Spring Branch Independent School District (the “District”), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements, and have issued our report thereon dated November 17, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District’s internal control over financial reporting (internal control) as a basis for designing 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 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 or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. 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  
Spring Branch 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.

Houston, Texas  
November 17, 2025

# SPRING BRANCH INDEPENDENT SCHOOL DISTRICT

## SCHEDULE OF FINDINGS AND RESPONSES

For the Year Ended June 30, 2025

### I. Summary of Auditors' Results

#### Financial Statements

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Type of auditors' report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiencies identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

### II. Financial Statement Findings

None noted

## CERTIFICATE OF BOARD

**Spring Branch Independent School District**

**Harris**

**101-920**

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Name of School District

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County

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District Number

We, the undersigned, certify that the annual financial reports for the above named school district were reviewed and approved for the year ended June 30, 2025, at a meeting of the Board of Trustees of such school district on the 17<sup>th</sup> of November 2025.

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President of the Board

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Secretary of the Board