



**WEIMAR**  
INDEPENDENT SCHOOL DISTRICT

# Annual Financial Report

For the year ended August 31, 2024

Weimar, Texas



**WEIMAR INDEPENDENT SCHOOL DISTRICT**

**ANNUAL FINANCIAL REPORT**

**FOR THE YEAR ENDED AUGUST 31, 2024**

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CERTIFICATE OF BOARD

Weimar Independent School District  
Name of School District

Colorado  
County

045-905  
Co.-Dist.Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) \_\_\_\_\_ approved \_\_\_\_\_ disapproved for the year ended August 31, 2024, at a meeting of the Board of Trustees of such school district on the 10<sup>th</sup> day of December, 2024.

\_\_\_\_\_  
Signature of Board Secretary

\_\_\_\_\_  
Signature of Board President

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

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees of  
Weimar Independent School District  
Weimar, Texas

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Weimar Independent School District (the "District"), as of and for the year ended August 31, 2024, 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, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2024, and the respective changes in financial position 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 Governmental Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Emphasis of Matter – Change of Accounting Principle*

As described in the notes to the financial statements, in fiscal year 2024 Weimar Independent School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 100, Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62. Our opinion is not modified with respect to this matter.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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.

### OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston  
NEW MEXICO | Albuquerque

## ***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 judgement 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 judgement 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

## ***Required Supplementary Information***

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

### ***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 combining statements, required TEA schedules, and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), 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 were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements, required TEA schedules, and the Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

In accordance with Government Auditing Standards, we have also issued our report dated December 10, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
December 10, 2024

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

In this section of the Annual Financial and Compliance Report, we, the managers of Weimar Independent School District (the "District") discuss and analyze the financial performance of the District for the fiscal year ended August 31, 2024. Please read this information in conjunction with the District's basic financial statements, which follow this section.

### **FINANCIAL HIGHLIGHTS**

- The District's net position for governmental activities increased by \$2,748,726 as a result of this year's current operations, to end at \$11,703,856.
- Total governmental funds of the District reported an overall fund balance increase of \$342,983, to end at \$8,348,336.
- The General Fund of the District reported a fund balance increase of \$129,412 for the year, to end at \$6,149,258.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of three parts—management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial position.
- The remaining statements are fund financial statements that focus on individual parts of the government, reporting the District's operations in more detail than the government-wide statements.
- The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.
- Fiduciary fund statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.

#### **Government-wide Statements**

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid. The two government-wide statements report the District's net position and how it has changed. Net position—the difference between the District's assets and liabilities—is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in the District's tax base.

The government-wide financial statements of the District include the Governmental activities. Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services and general administration. Property taxes and grants finance most of these activities.

## **Reporting the District's Most Significant Funds**

### ***Fund Financial Statements***

The fund financial statements provide more detailed information about the District's most significant funds—not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by State law and by bond covenants.

The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has the following kinds of funds:

- Governmental funds—Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- Fiduciary funds—The District is the trustee, or fiduciary, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The following analysis focuses on the net position (Table I) and changes in net position (Table II) of the District's governmental activities.

Net position of the District's governmental activities increased to \$11,703,856. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – was \$2,042,950 at August 31, 2024. The District was gifted Veteran's Park during the fiscal year. The receipt of that asset caused the increase in net position.

**WEIMAR INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION**

	Governmental Activities	
	2024	2023
<b>ASSETS</b>		
Current and other assets	\$ 9,211,404	\$ 8,934,959
Capital assets	<u>21,327,019</u>	<u>19,786,927</u>
Total assets	<u>30,538,423</u>	<u>28,721,886</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Pension & OPEB related	<u>1,624,017</u>	<u>1,622,082</u>
Total deferred outflows of resources	<u>1,624,017</u>	<u>1,622,082</u>
<b>LIABILITIES</b>		
Long-term liabilities	17,538,146	18,149,042
Other liabilities	<u>748,546</u>	<u>728,116</u>
Total liabilities	<u>18,286,692</u>	<u>18,877,158</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pension & OPEB related	<u>2,171,892</u>	<u>2,511,680</u>
Total deferred inflows of resources	<u>2,171,892</u>	<u>2,511,680</u>
<b>NET POSITION</b>		
Net investment in capital assets	7,609,987	5,204,669
Restricted	2,050,919	1,895,953
Unrestricted	<u>2,042,950</u>	<u>1,854,508</u>
Total net position	<u>\$ 11,703,856</u>	<u>\$ 8,955,130</u>

**WEIMAR INDEPENDENT SCHOOL DISTRICT  
CHANGES IN NET POSITION**

	Governmental Activities	
	2024	2023
<b>REVENUES</b>		
Program revenues:		
Charges for services	\$ 378,945	\$ 300,849
Operating grants and contributions	1,502,908	1,358,892
Capital grants and contributions	3,200,000	-
General revenues:		
Property taxes	3,993,419	5,413,718
State aid - formula grants	5,381,057	3,488,436
Investment earnings	381,861	43,379
Miscellaneous	<u>5,853</u>	<u>56,904</u>
Total revenues	<u>14,844,043</u>	<u>10,662,178</u>
<b>EXPENSES</b>		
Instruction	6,389,555	5,739,813
Instructional resources and media services	86,695	69,943
Curriculum and staff development	47,624	57,370
Instructional leadership	40,955	13,410
School leadership	538,289	532,021
Guidance, counseling, and evaluation services	552,184	485,539
Health services	93,770	87,914
Student transportation	197,323	157,821
Food service	368,793	424,745
Extracurricular activities	1,007,017	864,635
General administration	784,717	785,539
Facilities maintenance and operations	1,402,947	1,336,257
Security and monitoring services	74,721	127,043
Data processing services	298,862	358,233
Interest on long-term debt	<u>211,865</u>	<u>449,917</u>
Total expenses	<u>12,095,317</u>	<u>11,490,200</u>
<b>CHANGE IN NET POSITION</b>	<u>2,748,726</u>	<u>(828,022)</u>
<b>NET POSITION, BEGINNING</b>	<u>8,955,130</u>	<u>9,783,152</u>
<b>NET POSITION, ENDING</b>	<u>\$ 11,703,856</u>	<u>\$ 8,955,130</u>

The following items presents the cost of each of the District's largest functions as well as the District's total expenses. The net cost reflects what was funded by state revenues as well as local tax dollars.

- The cost of all governmental activities this year was \$12,095,317. The largest functional expenses include instruction (\$6,389,555), facilities maintenance and operations (\$1,402,947), extracurricular activities (\$1,007,017) and general administration (\$784,717).
- The expenses of the District were offset by charges for services (\$378,945) and operating grants and contributions (\$1,502,908) and capital grants and contributions (\$3,200,000). These are revenues paid to directly benefit the programs of the District but are not enough to fully fund these programs.
- The remainder of the District's expenses are covered by general revenues, which include property taxes (\$3,993,419) and state aid (\$5,381,057).

**THE DISTRICT'S FUNDS**

As the District completed this annual period, the General Fund reported an increase in fund balance of \$129,412. The increase in fund balance is attributable to higher-than-expected state revenues.

The District's Debt Service Fund reported an increase fund balance of \$169,195, primarily due to property tax revenue and state revenue funding exceeding scheduled debt service payments.

Over the course of the year, the Board of Trustees generally revises the District's budget based on financial updates provided by management of the District. These amendments involve moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs, or to react to originally unforeseen circumstances, such as unanticipated new revenues or unavoidable new costs. During the year, significant amendments were made to the General Fund budget for Instruction, General Administration, and Facilities Maintenance.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

As of August 31, 2024, the District had \$21,327,019 (net of accumulated depreciation) invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance.

A summary of the ending balances of capital assets by major category for both 2024 and 2023 is shown on the following page.

**WEIMAR INDEPENDENT SCHOOL DISTRICT**

**DISTRICT'S CAPITAL ASSETS  
(Net of accumulated depreciation)**

	2024	2023
Land	\$ 389,633	\$ 322,763
Building & improvements	19,919,734	18,376,116
Furniture & equipment	1,017,652	1,088,048
Totals	<u>\$ 21,327,019</u>	<u>\$ 19,786,927</u>

**Debt**

At year-end, the District had \$12,380,000 in bonds and other long-term debt outstanding versus \$13,010,000 last year. The decrease is attributable to the District making scheduled payments on its long-term debt during the year. Other long-term debt balances include a premium on bonds issued in the amount of \$1,337,032.



## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The District's elected and appointed officials considered many factors when setting the fiscal year 2024-2025 budget and tax rates. Those factors include property values, changes in enrollment, the economy, projections of future budget years, and legislative mandates. The District has adopted a General Fund budget of \$9.07 million for the 2024-2025 fiscal year. This reflects an approximate increase of \$500,000 in budgeted expenditures from the fiscal year 2023-2024 adopted budget to fiscal year 2024-2025.

For the 2024-2025 budget year, the District has lowered its maintenance and operations tax rate at \$0.6692 per hundred of taxable value. The District adopted a debt service tax rate of \$0.21 for the 2024-2025 budget year in order to fund required debt payments in the coming year. The combined tax rate of the District for the 2024-2025 budget year is \$0.8792 per hundred of taxable value.

## **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Business Office, at Weimar Independent School District, 1189 HWY 90 W, Weimar, Texas 78962, or by calling (979) 725-6300.

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## **BASIC FINANCIAL STATEMENTS**

## WEIMAR INDEPENDENT SCHOOL DISTRICT

## EXHIBIT A-1

## STATEMENT OF NET POSITION

AUGUST 31, 2024

Data Control Codes		Governmental Activities
<b>ASSETS</b>		
1110	Cash and cash equivalents	\$ 7,385,291
1220	Property taxes receivable (delinquent)	180,962
1230	Allowance for uncollectible taxes	(18,096)
1240	Due from other governments	1,663,247
	Capital assets:	
1510	Land	389,633
1520	Buildings and improvements, net	19,919,734
1530	Furniture and equipment, net	<u>1,017,652</u>
1000	Total assets	<u>30,538,423</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
1705	Related to TRS pensions	1,096,358
1706	Related to TRS other post-employment benefit	<u>527,659</u>
1700	Total deferred outflows of resources	<u>1,624,017</u>
<b>LIABILITIES</b>		
2110	Accounts payable	10,310
2140	Interest payable	18,605
2160	Accrued wages payable	564,375
2200	Accrued expenditures	22,149
2300	Unearned revenue	133,107
	Noncurrent liabilities:	
	Due within one year:	
2501	Long-term debt	650,000
	Due in more than one year:	
2502	Long-term debt	13,067,032
2540	Net pension liability	2,507,094
2545	Net other post-employment benefit liability	<u>1,314,020</u>
2000	Total liabilities	<u>18,286,692</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
2605	Related to TRS pensions	135,385
2606	Related to TRS other post-employment benefit	<u>2,036,507</u>
2600	Total deferred inflows of resources	<u>2,171,892</u>
<b>NET POSITION</b>		
3200	Net investment in capital assets	7,609,987
	Restricted for:	
3820	Federal and state programs	82,408
3850	Debt service	1,968,511
3900	Unrestricted	<u>2,042,950</u>
3000	Total net position	<u>\$ 11,703,856</u>

The accompanying notes are an integral part of this financial statement.

## WEIMAR INDEPENDENT SCHOOL DISTRICT

## EXHIBIT B-1

## STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes	1	Program Revenues 3	Program Revenues 4	Program Revenues 5	Net (Expenses) Revenue and Changes in in Net Position 6
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Gov. Governmental Activities
<b>Primary government:</b>					
<u>Governmental activities:</u>					
11 Instruction	\$ 6,389,555	\$ 7,151	\$ 756,806	\$ -	\$ (5,625,598)
12 Instructional resources and media services	86,695	-	4,182	-	(82,513)
13 Curriculum and staff development	47,624	-	26,654	-	(20,970)
21 Instructional leadership	40,955	-	1,256	-	(39,699)
23 School leadership	538,289	-	55,939	-	(482,350)
31 Guidance, counseling, and evaluation services	552,184	-	113,645	-	(438,539)
33 Health services	93,770	-	3,858	-	(89,912)
34 Student transportation	197,323	-	2,246	-	(195,077)
35 Food service	368,793	83,831	279,383	-	(5,579)
36 Extracurricular activities	1,007,017	277,000	15,113	3,200,000	2,485,096
41 General administration	784,717	10,963	14,525	-	(759,229)
51 Facilities maintenance and operations	1,402,947	-	26,456	-	(1,376,491)
52 Security and monitoring services	74,721	-	5,834	-	(68,887)
53 Data processing services	298,862	-	8,255	-	(290,607)
72 Interest on long-term debt	211,865	-	188,756	-	(23,109)
TP Total primary government	<u>\$ 12,095,317</u>	<u>\$ 378,945</u>	<u>\$ 1,502,908</u>	<u>\$ 3,200,000</u>	<u>\$ (7,013,464)</u>
General revenues:					
MT Property taxes, levied for general purposes					3,046,534
DT Property taxes, levied for debt service					946,885
SF State aid - formula grants					5,381,057
IE Investment earnings					381,861
MI Miscellaneous					<u>5,853</u>
TR Total general revenues					<u>9,762,190</u>
CN Change in net position					<u>2,748,726</u>
NB Net position, beginning					<u>8,955,130</u>
NE Net position, ending					<u>\$ 11,703,856</u>

The accompanying notes are an integral part of this financial statement.

## WEIMAR INDEPENDENT SCHOOL DISTRICT

## EXHIBIT C-1

BALANCE SHEET  
GOVERNMENTAL FUNDS

AUGUST 31, 2024

Data Control Codes	10 General	50 Debt Service	429 State Funded Special Revenue	Nonmajor Governmental	Total Governmental Funds
<b>ASSETS</b>					
1110 Cash and cash equivalents	\$5,077,561	\$ 1,904,069	\$ 131,771	\$ 271,890	\$ 7,385,291
1220 Property taxes - delinquent	144,429	36,533	-	-	180,962
1230 Allowance for uncollectible taxes	(14,443)	(3,653)	-	-	(18,096)
1240 Due from other governments	1,572,997	50,167	309	39,774	1,663,247
1260 Due from other funds	21,230	-	-	-	21,230
1000 Total assets	<u>6,801,774</u>	<u>1,987,116</u>	<u>132,080</u>	<u>311,664</u>	<u>9,232,634</u>
<b>LIABILITIES</b>					
2110 Accounts payable	10,005	-	-	305	10,310
2160 Accrued wages payable	521,412	-	-	42,963	564,375
2170 Due to other funds	-	-	309	20,921	21,230
2200 Accrued expenditures	14,148	-	-	8,001	22,149
2300 Unearned revenues	-	-	131,771	1,336	133,107
2000 Total liabilities	<u>545,565</u>	<u>-</u>	<u>132,080</u>	<u>73,526</u>	<u>751,171</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
2601 Unavailable revenue - property taxes	<u>106,951</u>	<u>26,176</u>	<u>-</u>	<u>-</u>	<u>133,127</u>
2600 Total deferred inflows of resources	<u>106,951</u>	<u>26,176</u>	<u>-</u>	<u>-</u>	<u>133,127</u>
<b>FUND BALANCES</b>					
Restricted:					
3450 Federal or state grant restrictions	-	-	-	82,408	82,408
3480 Retirement of long-term debt	-	1,960,940	-	-	1,960,940
Committed:					
3510 Construction	400,000	-	-	-	400,000
3530 Capital expenditures	250,000	-	-	-	250,000
3545 Other	3,049,258	-	-	155,730	3,204,988
3600 Unassigned	<u>2,450,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,450,000</u>
3000 Total fund balances	<u>6,149,258</u>	<u>1,960,940</u>	<u>-</u>	<u>238,138</u>	<u>8,348,336</u>
4000 Total liabilities, deferred inflows and fund balances	<u>\$6,801,774</u>	<u>\$ 1,987,116</u>	<u>\$ 132,080</u>	<u>\$ 311,664</u>	<u>\$ 9,232,634</u>

The accompanying notes are an integral  
part of this financial statement.

**WEIMAR INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT C-2**

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION

AUGUST 31, 2024

Total fund balances - governmental funds	\$ 8,348,336
Amounts reported for for governmental activities in the statement of net position are different because:	
1 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	21,327,019
2 Some receivables are reported as deferred inflows of resources in the governmental funds balance sheet, but are recognized as a revenue in the statement of activities.	
Property taxes	133,127
3 Long-term liabilities, including bonds, accreted interest and tax notes, are not due and payable in the current period and therefore are not reported in the funds. Also, the losses on refunding of bonds and the premium on issuance of bonds payable are not reported on the balance sheet in the funds.	
General and certificates of obligation	(12,380,000)
Unamortized premium	(1,337,032)
4 Interest payable is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.	(18,605)
5 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68.	
Net pension liability - proportionate share	(2,507,094)
Deferred outflows related to pensions	1,096,358
Deferred inflows related to pensions	(135,385)
6 Included in the items related to debt is the recognition of the District's proportionate share of the net other post-employment benefit (OPEB) liability required by GASB 75.	
Net OPEB liability - proportionate share	(1,314,020)
Deferred outflows related to OPEB	527,659
Deferred inflows related to OPEB	<u>(2,036,507)</u>
Net position of governmental activities	\$ <u>11,703,856</u>

## WEIMAR INDEPENDENT SCHOOL DISTRICT

## EXHIBIT C-3

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes	10 General	50 Debt Service	429 State Funded Special Revenue*	Nonmajor Governmental	Total Governmental Funds
<b>REVENUES</b>					
5700 Local and intermediate sources	\$ 3,455,112	\$ 1,058,352	\$ -	\$ 334,404	\$ 4,847,868
5800 State program	5,868,268	188,756	5,646	73,239	6,135,909
5900 Federal program	<u>20,832</u>	<u>-</u>	<u>-</u>	<u>835,972</u>	<u>856,804</u>
5020 Total revenues	<u>9,344,212</u>	<u>1,247,108</u>	<u>5,646</u>	<u>1,243,615</u>	<u>11,840,581</u>
<b>EXPENDITURES</b>					
Current:					
0011 Instruction	5,112,839	-	-	482,687	5,595,526
0012 Instructional resources and media service	76,395	-	-	-	76,395
0013 Curriculum and instructional staff development	12,375	-	-	26,592	38,967
0021 Instructional leadership	33,537	-	-	6,032	39,569
0023 School leadership	464,043	-	-	-	464,043
0031 Guidance, counseling and evaluation services	371,478	-	-	118,198	489,676
0033 Health services	81,226	-	-	-	81,226
0034 Student (pupil) transportation	151,793	-	-	-	151,793
0035 Food services	-	-	-	365,890	365,890
0036 Extracurricular activities	688,146	-	-	199,840	887,986
0041 General administration	685,960	-	-	-	685,960
0051 Facilities maintenance and operations	1,216,358	-	-	-	1,216,358
0052 Security and monitoring services	64,033	-	5,646	-	69,679
0053 Data processing services	256,617	-	-	-	256,617
Debt service:					
0071 Principal on long term debt	-	630,000	-	-	630,000
0072 Interest on long term debt	-	446,813	-	-	446,813
0073 Bond issuance costs and fees	<u>-</u>	<u>1,100</u>	<u>-</u>	<u>-</u>	<u>1,100</u>
6030 Total expenditures	<u>9,214,800</u>	<u>1,077,913</u>	<u>5,646</u>	<u>1,199,239</u>	<u>11,497,598</u>
1200 <b>NET CHANGE IN FUND BALANCES</b>	129,412	169,195	-	44,376	342,983
0100 <b>FUND BALANCES, BEGINNING, AS PREVIOUSLY REPORTED</b>	6,019,846	1,791,745	-	193,762	8,005,353
0100 <b>ADJUSTMENTS</b>					
Change to or within the financial reporting entity	-	-	-	-	-
0100 <b>FUND BALANCES, BEGINNING, AS RESTATED</b>	<u>6,019,846</u>	<u>1,791,745</u>	<u>-</u>	<u>193,762</u>	<u>8,005,353</u>
3000 <b>FUND BALANCES, ENDING</b>	<u>\$ 6,149,258</u>	<u>\$ 1,960,940</u>	<u>\$ -</u>	<u>\$ 238,138</u>	<u>\$ 8,348,336</u>

\*Formerly a nonmajor fund



RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED AUGUST 31, 2024

Net change in fund balances - total governmental funds	\$ 342,983
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	
Additions to capital assets	3,290,357
Depreciation on capital assets	(1,750,265)
Some receivables are not considered available revenues and are reported as deferred inflows in the governmental funds.	
Property taxes	(87,790)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	
Principal repayment	630,000
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Amortization of premium and deferred loss on refunding of bonds payable	235,226
Accrued interest payable	822
GASB 68 Required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$237,275. Contributions made before the measurement date and during the previous fiscal year were expended and recorded as a reduction in net pension liability. This caused a decrease in net position totaling \$187,114. Finally, the proportionate share of pension expense on the plans as a whole had to be recorded. The net pension expense decreased the change in net position by \$260,362. The net result is an decrease in the change in net position.	
	(210,201)
GASB 75 Required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$57,777. Contributions made before the measurement date and during the previous fiscal year were expended and recorded as a reduction in net OPEB liability. This caused a decrease in net position totaling \$51,489. Finally, the proportionate share of OPEB expense on the plans as a whole had to be recorded. The net OPEB expense increased the change in net position by (\$291,306). The net result is an increase in the change in net position.	
	297,594
<b>Change in net position of governmental activities</b>	<b><u>\$ 2,748,726</u></b>

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND

AUGUST 31, 2024

	807 Grodhaus Trust	810 Stanzel Trust	863 / 865 Custodial
<b>ASSETS</b>			
Cash and cash equivalents	\$ 80,824	\$ 878	\$ 37,696
Total assets	<u>80,824</u>	<u>878</u>	<u>37,696</u>
<b>LIABILITIES</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET POSITION</b>			
Restricted for individuals and orgaizations	<u>80,824</u>	<u>878</u>	<u>37,696</u>
Total net position	<u>\$ 80,824</u>	<u>\$ 878</u>	<u>\$ 37,696</u>

**WEIMAR INDEPENDENT SCHOOL DISTRICT****EXHIBIT E-2**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND

FOR THE YEAR ENDED AUGUST 31, 2024

	807 Grodhaus Trust	810 Stanzel Trust	863 / 865 Custodial
<b>ADDITIONS</b>			
Foundations, gifts, and bequests	\$ 36,000	\$ -	\$ -
Fundraising activities	-	3,000	28,707
Other contributions	-	-	30,433
Interest, dividends, and other	3,710	-	-
Total additions	<u>39,710</u>	<u>3,000</u>	<u>59,140</u>
<b>DEDUCTIONS</b>			
Professional and contracted services	28,000	-	-
Supplies and materials	-	4,355	-
Other operating costs	-	-	49,697
Total deductions	<u>28,000</u>	<u>4,355</u>	<u>49,697</u>
<b>NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION</b>	11,710	(1,355)	9,443
<b>NET POSITION, BEGINNING</b>	<u>69,114</u>	<u>2,233</u>	<u>28,253</u>
<b>NET POSITION, ENDING</b>	<u>\$ 80,824</u>	<u>\$ 878</u>	<u>\$ 37,696</u>

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# WEIMAR INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2024

### I. Summary of Significant Accounting Policies

#### A. Reporting Entity

Weimar Independent School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven-member Board of Trustees (the "Board") elected by registered voters of the District. The Board of Trustees (the "Board") is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. There are no component units included within the reporting entity. The District prepares its basic financial statements in conformity with generally accepted accounting principles and it complies with the requirements of the appropriate version of Texas Education Agency's *Financial Accountability System Resource Guide* (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

#### B. Basis of Presentation, Basis of Accounting

##### 1. Basis of Presentation

Government-wide Financial Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

Debt Service Fund: This fund accounts for the collection of dedicated tax revenues for payment on bonded debt.

State Funded Special Revenue Fund: This fund accounts for state funded grant programs.

In addition, the District reports the following fund types:

Special Revenue Funds: These funds account for resources restricted or committed for specific purposes. Federal revenues are generally accounted for in special revenues funds, as is some state assistance. Amounts unspent must sometimes be returned to the grantor agency at the close of the applicable project periods.

Private-Purpose Trust Funds: These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments not reported in other fiduciary fund types.

Custodial Funds: These funds are used to report student activity funds and other resources held in a purely custodial capacity. Custodial funds typically involve only the receipt, temporary investment, and remittance of the fiduciary resources to individuals, private organizations, or other governments.

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

Government-wide, Proprietary, and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. 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. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

### **D. Budgetary Information**

Budgets are prepared annually for the General Fund, the Child Nutrition Fund, and the Debt Service Fund on a modified accrual basis, which is consistent with generally accepted accounting principles. A formal budget is prepared by the end of August and is adopted by the Board at a public meeting after public notice of the meeting has been given no earlier than the 30th day or later than the 10th day before the public hearing. The legal level of control for budgeted expenditures is the function level within the budgeted funds. Amendments to the budget are required prior to expending amounts greater than the budgeted amounts at the function level. Budgets are controlled at the departmental or campus level, the same level at which responsibility for operations is assigned. The budget was monitored by the administration throughout the year and amendments were brought to the Board as needed.

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance**

**1. Cash, Cash Equivalents, and Investments**

Cash and cash equivalents include cash and highly liquid investments such as local government investment pools.

Investments for the District are reported at fair value, except for the position in investment pools. The District's investments in Pools are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

Interest earned on pooled cash and investments is allocated to the participating funds on a prorata basis according to the fund's percentage of the total pooled cash or investments. Funds with discrete bank accounts retain all investment earnings.

Investments in the District are reported at fair value, except for the portion in investment pools. The District's investment in pools are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost.

**2. Inventories**

Inventories consist of expendable supplies held for consumption. Inventories are charged to expenditures when consumed. Supply inventory is recorded at cost using the FIFO method. Federal food commodities inventory is stated at fair value and at year-end is recorded as unearned revenue. Revenue is recognized at fair value when commodities are distributed to schools.

**3. Capital Assets**

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated acquisition value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	10-30
Building Improvements	10-30
Equipment	5-15

**4. Prepaid Items**

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. Prepaid items are charged to expenditures when consumed.

**5. Due from Other Governments**

The District participates in variety of federal and state programs from which it receives grants to finance certain activities partially or fully. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts for these items are reported when earned by the District.

## **6. Interfund Activity**

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net position.

## **7. Ad Valorem Property Taxes**

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the fiscal year.

Allowances for uncollectible tax receivables within the General and Debt Service Funds are based upon 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.

## **8. 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.

## **9. Other Post-Retirement Benefits**

The fiduciary net position of the 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 other post-employment benefits ("OPEB") liability, deferred outflows of resources and deferred inflows of resources related to OPEB, 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.

## **10. Deferred Outflows and Inflows of Resources**

A deferred outflow of resources is a consumption of a government's net assets (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 had the following deferred outflows of resources:

- Deferred outflows of resources for refunding – Reported in the government-wide statement of net position, this deferred charge on refunding results from the difference in the carrying value of the 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, the results of differences between expected and actual experience, changes in actuarial assumptions and changes in proportion and difference between the employer's contributions and the proportionate share of contributions. 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.
- 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 pension liability, the differences between projected and actual investment earnings, and changes in proportion and difference between the employer's contributions and the proportionate share of contributions. The deferred outflows related to OPEB resulting to District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year.

A deferred inflow of resources is an acquisition of a government's net assets (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 had two items that qualify for reporting in this category:

- Deferred inflow of resources for unavailable revenues – Reported only in the governmental funds balance sheet, for unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of revenues in the period that the amounts become available. During the current year, the District recorded deferred inflow of resources as unavailable revenues – property taxes with the General Fund and Debt Service Fund respectively.
- Deferred inflow of resources for pensions – Reported in the government-wide financial statement of net position, these deferred inflows result from differences between expected and actual economic experience, changes in actuarial assumptions, differences between projected and actual investment earnings, as well as changes in proportion and difference between the employer's contributions and the proportionate share of contributions.
- Deferred inflow of resources for OPEB – Reported in the government-wide financial statement of net position, these deferred inflows result from differences between expected and actual economic experience, changes in actuarial assumptions, as well as changes in proportion and difference between the employer's contributions and the proportionate share of contributions.

## **11. Data Control Codes**

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

## **12. Fund Balances – Governmental Funds**

Fund balances of the governmental funds are classified as follows:

- Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not expendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).
- Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

- **Committed Fund Balance** - represents amounts that can only be used for a specific purpose because of a formal action by the District's Board of Trustees. Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the Board of Trustees. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation. At August 31, 2024, other committed fund balance in the general fund consisted of \$350,000 for technology; \$250,000 for financial exigency; \$250,000 for transportation; \$350,000 for HVAC replacement; \$300,000 for special projects; \$250,000 for safety and security; \$60,000 for wind/hail deductible; \$129,258 for CTE projects; \$1,000,000 for employee performance stipend; and \$360,000 for LED lighting for fields.
- **Assigned Fund Balance** - represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Board of Trustees or by an official or body to which the Board of Trustees delegates authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.
- **Unassigned Fund Balance** - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

### **13. Net Position**

Net position in the government-wide financial statements is classified as Net Investment in Capital Assets, Restricted, and unrestricted. Net Investment in Capital Assets consists of capital assets, net of accumulated depreciation, and reduced by outstanding debt attributed to the acquisition of these assets. Restricted Net Position consists of assets, net of any related liabilities, which have had restrictions imposed on them by external creditors, grantors, contributors, or laws or regulations of other governments or laws through constitutional provisions or enabling legislations. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first then unrestricted resources, as they are needed. Unrestricted Net Position consists of amounts that do not meet the definition of Net Investment in Capital Assets or Restricted Net Position.

### **14. Net Position Flow Assumption**

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

### **15. Fund Balance Flow Assumptions**

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

## **16. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of certain assets, deferred resource outflows, liabilities, deferred resource inflows, revenues, and expenditures, expenses, and other disclosures. Accordingly, actual results could differ from those estimates.

## **17. Change in Accounting Principle**

GASB Statement No. 100, *Accounting Changes and Error Corrections—an amendment of GASB Statement No. 62*, was adopted effective June 1, 2023. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. As a result of this new accounting standard, the District was required to report changes within the financial reporting entity in more detail; see note disclosure Q on page 46 for additional information.

## **II. DETAILED NOTES ON ALL FUNDS**

### **A. Cash and Temporary Investments**

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

#### **1. Cash Deposits:**

At August 31, 2024, the District held deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) of \$3,369,454. The District's cash deposits at August 31, 2024 and during the year ended August 31, 2024, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

The District utilizes one cash account for several governmental funds. At year-end, a few special revenue funds reported negative cash balances due to grantor reimbursements for expended funds not yet being received. In total, the cash account reported a positive balance.

### **Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.

### **Custodial Credit Risk**

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name. Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the District, and are held by either the counterparty or the counterparty's trust department or agent not in the District's name. At August 31, 2024, the District was not exposed to custodial credit risk.

### **Concentration of Credit Risk**

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

## Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk.

## B. Property Taxes

The Texas Legislature in 1979 adopted a comprehensive Property Tax Code (the "Code") which established a county-wide appraisal district and an appraisal review board in each county in the State. The Bastrop Central Appraisal District (the "Appraisal District") is responsible for the recording and appraisal of all property in the District. Under the Code, the District's Board sets the tax rates on property and the Appraisal District's tax department provides tax collection services. The Appraisal District is required under the Code to assess property at 100% of its appraised value. Further, real property must be reappraised at least every four years. Under certain circumstances, taxpayers and taxing units, including the District, may challenge orders of the Appraisal Review Board through various appeals and, if necessary, legal action.

Property taxes are levied as of October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, and penalties and interest that are ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period, including those property taxes expected to be collected during a 60-day period after the end of the District's fiscal year. The assessed value at January 1, 2023, upon which the October 2023 levy was based, was \$413,749,253. The District levied taxes based on a combined tax rate of \$0.8792 per \$100 of assessed valuation for local maintenance (general governmental services) and debt service.

## C. Due from Other Governments

The District participates in a variety of federal and state programs from which it receives grants to partially or fully fund certain activities. The District also receives entitlements from the State through the School Foundation and Per Capita Programs. These amounts are reported in the basic financial statements as Due from Other Governments and are summarized below at August 31, 2024.

	General Fund	Debt Service	State Funded Special Revenue	Nonmajor Governmental Funds	Total
State Entitlements	\$ 1,572,997	\$ 50,167	\$ -	\$ -	\$ 1,623,164
State Grants	-	-	309	-	309
Federal Grants	-	-	-	39,774	39,774
Total	<u>\$ 1,572,997</u>	<u>\$ 50,167</u>	<u>\$ 309</u>	<u>\$ 39,774</u>	<u>\$ 1,663,247</u>

## D. Interfund Balances and Activities

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds." The composition of interfund balances at August 31, 2024 is as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Nonmajor governmental funds	\$ 20,921
General Fund	State Funded Special Revenue	309
Total		<u>\$ 21,230</u>

All amounts due are scheduled to be repaid within one year.

## E. Capital Assets

Capital asset activity for the year ended August 31, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not depreciated				
Land	\$ 322,763	\$ 66,870	\$ -	\$ 389,633
Total capital assets, not depreciated	<u>322,763</u>	<u>66,870</u>	<u>-</u>	<u>389,633</u>
Capital assets, being depreciated:				
Buildings and improvements	30,312,847	3,133,130	-	33,445,977
Furniture and equipment	<u>2,891,087</u>	<u>90,357</u>	<u>-</u>	<u>2,981,444</u>
Total capital assets, being depreciated	<u>33,203,934</u>	<u>3,223,487</u>	<u>-</u>	<u>36,427,421</u>
Less accumulated depreciation for:				
Buildings and improvements	(11,936,731)	(1,589,512)	-	(13,526,243)
Furniture and equipment	<u>(1,803,039)</u>	<u>(160,753)</u>	<u>-</u>	<u>(1,963,792)</u>
Total accumulated depreciation	<u>(13,739,770)</u>	<u>(1,750,265)</u>	<u>-</u>	<u>(15,490,035)</u>
 Total capital assets, being depreciated, net	<u>19,464,164</u>	<u>1,473,222</u>	<u>-</u>	<u>20,937,386</u>
 Governmental activities capital assets, net	<u>\$ 19,786,927</u>	<u>\$ 1,540,092</u>	<u>\$ -</u>	<u>\$ 21,327,019</u>
 <b>Governmental activities:</b>				
Instruction			\$	938,265
Instructional resources and media services				11,988
Curriculum and staff development				8,657
Instructional leadership				2,067
School leadership				85,437
Guidance, counseling and evaluation services				75,268
Health services				14,321
Student transportation				47,471
Food services				71,068
Extracurricular activities				130,438
General administration				107,477
Facilities maintenance and operations				207,103
Security and monitoring services				5,111
Data processing services				<u>45,594</u>
 Total depreciation expense - governmental activities			\$	<u>1,750,265</u>

## F. Long-Term Liabilities

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended August 31, 2024, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental activities:</b>					
General obligation bonds	\$ 13,010,000	\$ -	\$ 630,000	\$ 12,380,000	\$ 650,000
Premium on Bonds	<u>1,572,258</u>	<u>-</u>	<u>235,226</u>	<u>1,337,032</u>	<u>-</u>
Total long term debt	<u>\$ 14,582,258</u>	<u>\$ -</u>	<u>\$ 865,226</u>	<u>\$ 13,717,032</u>	<u>\$ 650,000</u>
 Net pension liability	\$ 2,113,773	\$ 393,321	\$ -	\$ 2,507,094	\$ -
Net OPEB liability	<u>1,453,011</u>	<u>-</u>	<u>138,991</u>	<u>1,314,020</u>	<u>-</u>
Total long-term liabilities	<u>\$ 18,149,042</u>	<u>\$ 393,321</u>	<u>\$ 1,004,217</u>	<u>\$ 17,538,146</u>	<u>\$ 650,000</u>

The District issues unlimited tax school building bonds to provide funds for the acquisition and construction of major capital facilities. Unlimited tax school building bonds have been issued for governmental activities. Unlimited tax school building bonds are direct obligations and pledge the full faith and credit of the District.

Bonded debt consists of the following at August 31, 2024:

Description	Year of Maturity	Interest Rates	Original Issue	Amount Outstanding	Due in One Year
<b>Bonds:</b>					
Unlimited Tax Refunding Bonds Series 2014	2028	2.0-3.5%	\$ 3,820,000	\$ 1,320,000	\$ 375,000
Unlimited Tax School Building Bonds, Series 2020	2045	3.0-4.0%	8,100,000	7,305,000	240,000
Unlimited Tax Refunding Bonds Series 2021	2036	2.69%	7,785,000	<u>3,755,000</u>	<u>35,000</u>
Total				<u>\$ 12,380,000</u>	<u>\$ 650,000</u>

For the general obligation bonds, the District has pledged as collateral the proceeds of a continuing, direct annual tax levied against taxable property within the District without limitation as to rate. The Texas Education Code generally prohibits issuance of additional ad valorem tax bonds if the tax rate needed to pay aggregate principal and interest amounts of the District's tax bond indebtedness exceeds \$0.50 per \$100 of assessed valuation of taxable property within the District.

The annual principal installments for each of the outstanding issues vary each year. At August 31, 2024, the debt service requirements of bonded indebtedness to maturity are as follows:

Year Ending August 31,	General Obligation Bonds		Total Requirements
	Principal	Interest	
2025	\$ 650,000	\$ 427,912	\$ 1,077,912
2026	665,000	407,475	1,072,475
2027	690,000	383,100	1,073,100
2028	500,000	357,800	857,800
2029	520,000	292,775	812,775
2030-2033	2,245,000	1,187,000	3,432,000
2034-2038	2,900,000	1,078,450	3,978,450
2039-2043	2,885,000	620,600	3,505,600
2044-2045	<u>1,325,000</u>	<u>80,000</u>	<u>1,405,000</u>
	<u>\$ 12,380,000</u>	<u>\$ 4,835,112</u>	<u>\$ 17,215,112</u>

## G. Defined Benefit Pension Plan

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

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

**Pension Plan Fiduciary Net Position.** Detail information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at [https://trs.texas.gov/Pages/about\\_publications.aspx](https://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 in under a previous rule. There is 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 above.

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

**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	
	2023	2024
Member	8.00%	8.25%
Non-Employer Contributing Entity (State)	8.00%	8.25%
Employers	8.00%	8.25%
Current fiscal year employer contributions		\$ 237,275
Current fiscal year member contributions		529,148
2023 measurement year NECE on-behalf contributions		349,356

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

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

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.

- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

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

- 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, 2022 actuarial evaluation was rolled forward to August 31, 2023, and was determined using the following actuarial assumptions:

Valuation Date	August 31, 2022 rolled forward to August 31, 2023
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 2023	4.13% - Source for the rate is the Fixed Income Market Data/ Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index".
Last year ending August 31 in Projection Period (100 years)	2122
Inflation	2.30%
Salary Increases Including Inflation	2.95% to 8.95%
Ad Hoc Post-Employment Benefit Changes	None

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2022. For a full description of these assumptions please see the actuarial valuation report dated November 22, 2022.

### 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 plan investments of 7 percent. The projection of cash 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 9.50 percent of payroll in fiscal year 2024 gradually increasing to 9.56 percent 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 future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7%. 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 Systems target asset allocation as of August 31, 2023 are summarized below:

Asset Class	Target Allocation <sup>2</sup>	Long-Term Expected Geometric Real Rate of Return <sup>3</sup>	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
U.S.A.	18.00%	4.00%	1.00%
Non-U.S. Developed	13.00%	4.50%	0.90%
Emerging Markets	9.00%	4.80%	0.70%
Private Equity <sup>1</sup>	14.00%	7.00%	1.50%
Stable Value			
Government Bonds	16.00%	2.50%	0.50%
Absolute Return <sup>1</sup>	0.00%	3.60%	0.00%
Stable Value Hedge Funds	5.00%	4.10%	0.20%
Real Return			
Real Estate	15.00%	4.90%	1.10%
Energy, Natural Resources and Infrastructure	6.00%	4.80%	0.40%
Commodities	0.00%	4.40%	0.00%
Risk Parity	8.00%	4.50%	0.40%
Asset Allocation Leverage			
Cash	2.00%	3.70%	0.00%
Asset Allocation Leverage	-6.00%	4.40%	-0.10%
Inflation Expectation			2.30%
Volatility Drag <sup>4</sup>			-0.90%
Expected Return	100.00%		8.00%

1 Absolute Returns Includes Sensitive Investments

2 Target allocations are based on the FY2023 policy model.

3 Capital Market Assumptions come from Aon Hewitt (as of 6/30/2023).

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

**Discount Rate Sensitivity Analysis.** The following schedule shows the impact of the net pension liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.00%) in measuring the net pension liability.

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
District's proportionate share of the net pension liability:	\$ 3,748,244	\$ 2,507,094	\$ 1,145,077

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At August 31, 2024, the District reported a liability of \$2,507,094 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's Proportionate share of the collective net pension liability	\$	2,507,094
State's proportionate share that is associated with the District		4,668,533
Total	\$	<u>7,175,627</u>

The net pension liability was measured as of August 31, 2022 and rolled forward to August 31, 2023 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, 2022 thru August 31, 2023.

At August 31, 2023 the employer's proportion of the collective net pension liability was 0.0036498489%. which was an increase of 0.0000893559% from its proportion measured as of August 31, 2022.

**Changes of Assumptions Since the Prior Measurement Date.** The actuarial assumptions and are the same as used in determination of the prior year's Net Pension Liability.

**Changes in Benefit Provisions Since Prior Measurement Date.** 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 January 2024. Therefore, this contingent liability was not reflected as of August 31, 2023.

For the year ended August 31, 2024, the District recognized pension expense of \$1,152,384 and revenue of \$704,908 for support provided by the State.

At August 31, 2024, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 89,329	\$ 30,358
Changes in actuarial assumptions	237,122	58,029
Differences between projected and actual investment earnings	364,843	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	167,789	46,998
Contributions paid to TRS subsequent to the measurement date	<u>237,275</u>	<u>-</u>
Total as of year-end	<u>\$ 1,096,358</u>	<u>\$ 135,385</u>

\$237,275 reported as deferred outflows of resources related to pension resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending August 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expenses as follows:

For the Year Ended August 31,	Pension Expense
2025	\$ 150,637
2026	100,729
2027	341,492
2028	116,743
2029	14,097

## H. Defined Other Post-Employment Benefit Plans

**Plan Description.** The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined other post-employment benefit (OPEB) plan that has a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board of Trustees is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052. The Board may adopt rules, plans, procedures, and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

**OPEB Plan Fiduciary Net Position.** Detail information about the TRS-Care's fiduciary net position is available in the separately issued TRS Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [http://www.trs.texas.gov/Pages/about\\_publications.aspx](http://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-Care provides health insurance coverage to retirees from public and 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	468	408
Retiree and Family	1,020	999

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

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

	Contributions Rates	
	2023	2024
Active employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding Remitted by Employers	1.25%	1.25%
Current fiscal year employer contributions		\$ 57,777
Current fiscal year member contributions		41,690
2023 measurement year NECE on-behalf contributions		62,129

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to. When hiring a TRS retiree, employers 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 87<sup>th</sup> Legislature. These amounts were re-appropriated from amounts received by the pension and TRS-Care funds in excel of the state's actual obligation and then transferred to TRS Care.

**Actuarial Assumptions.** The total OPEB liability in the August 31, 2022 was rolled forward to August 31, 2023. 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, 2021.

The following assumptions and other inputs used for members of TRS-Care are identical to the assumptions used in the August 31, 2022 TRS pension actuarial valuation that was rolled forward to August 31, 2023:

**Additional Actuarial Methods and Assumptions**

Valuation Date	August 31, 2022, rolled forward to August 31, 2023
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Discount Rate	4.13% as of August 31, 2023
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Projected Salary Increases	2.95% to 8.95%, including inflation
Healthcare Trend Rates	The initial medical trend rates were 7.75% for Medicare retirees and 7.00% for non-Medicare retirees. The initial prescription drug trend rate was 7.75% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 12 years.
Election Rates	Normal Retirement: 62% participation prior to age 65 and 25% after age 65. 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Ad hoc post-employment benefit changes	None

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.

**Discount Rate.** A single discount rate of 4.13% was used to measure the total OPEB liability. There was an increase of 0.22 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, 2023 using the fixed-income, market data/yield curve/data municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

**Discount Rate Sensitivity Analysis.** The following schedule shows the impact of the net OPEB liability if the discount rate used was 1% less than the discount rate that was used (4.13%) in measuring the net OPEB liability.

	1% Decrease in Discount Rate (3.13%)	Discount Rate (4.13%)	1% Increase in Discount Rate (5.13%)
Proportionate share of net OPEB liability	\$ 1,547,642	\$ 1,314,020	\$ 1,123,379

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.** At August 31, 2024, the District reported a liability of \$1,314,020 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 1,314,020
State's proportionate share that is associated with the District	<u>1,585,567</u>
Total	<u><u>\$ 2,899,587</u></u>

The net OPEB liability was measured as of August 31, 2022 and rolled forward to August 31, 2023 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contributions to OPEB relative to the contributions of all employers to the plan for the period September 1, 2022 thru August 31, 2023.

At August 31, 2023 the employer's proportion of the collective Net OPEB Liability was 0.0059355042% which was a decrease of 0.0001328658% from its proportion measured as of August 31, 2022.

**Healthcare Cost Trend Rates Sensitivity Analysis.** 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.

	1% Decrease	Current Single Healthcare Trend Rate	1% Increase
Proportionate share of net OPEB liability	\$ 1,082,030	\$ 1,314,020	\$ 1,612,476

**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 since the prior measurement period:

- The discount rate changed from 3.91 percent as of August 31, 2022 to 4.13 percent as of August 31, 2023, 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 August 31, 2024, the District recognized OPEB expense of \$(578,777) and revenue of \$(338,961) for support provided by the State.

At August 31, 2024, 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 actuarial experiences	\$ 59,449	\$ 1,105,499
Changes in actuarial assumptions	179,354	804,609
Differences between projected and actual investment earnings	567	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	230,512	126,399
Contributions paid to OPEB subsequent to the measurement date	<u>57,777</u>	<u>-</u>
Total as of fiscal year-end	<u>\$ 527,659</u>	<u>\$ 2,036,507</u>

\$57,777 reported as deferred outflows of resources related to OPEB expense resulting from contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability for the year ending August 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to the OPEB will be recognized in OPEB expenses as follows:

For the Year Ended August 31,	OPEB Expense
2025	\$ (349,191)
2026	(288,922)
2027	(207,329)
2028	(244,335)
2029	(193,767)
Thereafter	(283,081)

## I. Health Care Coverage

During the year ended August 31, 2024, employees of the District were covered by a health insurance plan (the "Health Plan"). The District contributed \$375 per month per employee to the Health Plan, and employees, at their option, authorized payroll withholdings to pay contributions or premiums for dependents. All contributions were paid to a licensed insurer. The Health Plan was authorized by Section 21.922, Texas Education Code and was documented by contractual agreement.

The Teachers Retirement System (TRS) manages TRS Active Care. The medical plan is administered by Aetna, FIRSTCARE and Scott and White HMO. Caremark administers the prescription drug plan. The latest financial information on the state-wide plan may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, [www.trs.texas.gov](http://www.trs.texas.gov), under the TRS Publications heading.

## **J. Medicare Part D – On-behalf Payments**

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare 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. These on-behalf payments of \$32,334, \$22,018, and \$22,509 were recognized for the years ended August 31, 2024, 2023, and 2022, respectively, as equal revenues and expenditures.

## **K. Risk Management**

The District's risk management program includes coverage through third party insurance providers for property, automobile liability, school professional liability, crime, workers compensation and other miscellaneous bonds. During the year ended August 31, 2024, there were no significant reductions in insurance coverage from coverage in the prior year. Losses in excess of the various deductible levels are covered through traditional indemnity coverage for buildings and contents, and vehicle liability with various insurance firms. Settled claims have not exceeded insurance limits for the past four years.

## **L. Commitments and Contingencies**

The District participates in a number of federal financial assistance programs. Although the District's grant programs have been audited in accordance with the provisions of the Uniform Guidance through August 31, 2024, these programs are subject to financial and compliance audits. The amounts, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

## **M. Self-Insurance**

The District participates in the Texas Association of School Boards, Inc. (TASB) Risk Management Fund's Workers' Compensation Aggregate Deductible Program. The District is obligated to pay claims up to its aggregate deductible or its total loss and allocated loss adjustment expense (ALAE). The claim liability below is an estimate of potential loss exposure on workers' compensation claims at year end based on the District's actuarial analysis provided by TASB.

A reconciliation of the estimated claim liability is as follows:

Year Ended August 31,	Beginning Liability	Estimated Current Year Claims	Claim Payments	Ending Liability
2022	\$ 2,948	\$ 6,509	\$ 2,164	\$ 7,293
2023	7,293	2,479	7,493	2,279
2024	2,279	4,051	1,917	4,413

## **N. Unemployment Compensation Pool**

During the year ended August 31, 2024, Weimar Independent School District provided unemployment compensation coverage to its employees 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 Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligation to the Texas Workforce Commission. Expenses are accrued monthly until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop loss coverage for the Unemployment Compensation pool. For the year ended August 31, 2024, the Fund anticipates that Weimar Independent School District has no additional liability beyond the contractual obligation for payment of contribution. The Fund engages the services of an independent auditor 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, 2023, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

#### **O. Changes within the Financial Reporting Entity**

During the year the District had one change within the financial reporting entity:

- 1) The State Special Revenue Fund was previously reported as a nonmajor governmental fund and is now reported as a major fund. The change in classification is required based on quantitative factors.

#### **P. New Accounting Standards**

Significant new accounting standards issued by the Governmental Accounting Standards Board (GASB) not yet implemented by the District include the following:

GASB Statement No. 101, *Compensated Absences* – The 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. This Statement will become effective for reporting periods beginning after December 15, 2023, and the impact has not yet been determined.

GASB Statement No. 102, *Certain Risk Disclosures* – The 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 the impact has not yet been determined.

GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* – The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be presented separately in the note disclosures, including right-to-use assets related to leases, Subscription-Based Information Technology Arrangements, and public-private or public-public partnerships. Other intangible assets are also required to be presented separately by major class. Additional disclosures have also been required for capital assets held for sale. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.



## **REQUIRED SUPPLEMENTARY INFORMATION**

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**WEIMAR INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT G-1**

SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND  
  
FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes		Budgeted Amounts		Actual Amounts	Variance With Final Budget Positive or (Negative)
		Original	Final		
	<b>REVENUES</b>				
5700	Local and intermediate sources	\$ 4,535,361	\$ 3,470,493	\$ 3,455,112	\$ (15,381)
5800	State program	4,399,302	5,509,170	5,868,268	359,098
5900	Federal program	<u>135,000</u>	<u>90,000</u>	<u>20,832</u>	<u>(69,168)</u>
5020	Total revenues	<u>9,069,663</u>	<u>9,069,663</u>	<u>9,344,212</u>	<u>274,549</u>
	<b>EXPENDITURES</b>				
	Current:				
0011	Instruction	4,972,424	5,142,095	5,112,839	29,256
0012	Instructional resources and media services	82,532	79,532	76,395	3,137
0013	Curriculum and instructional staff development	28,300	16,300	12,375	3,925
0021	Instructional leadership	30,076	37,076	33,537	3,539
0023	School leadership	473,845	468,845	464,043	4,802
0031	Guidance, counseling and evaluation services	434,590	375,590	371,478	4,112
0033	Health services	79,659	84,659	81,226	3,433
0034	Student transportation	93,300	158,300	151,793	6,507
0036	Extracurricular activities	709,381	694,710	688,146	6,564
0041	General administration	612,104	682,104	685,960	(3,856)
0051	Facilities maintenance and operations	1,193,772	1,221,772	1,216,358	5,414
0052	Security and monitoring services	78,973	67,973	64,033	3,940
0053	Data processing services	280,707	260,707	256,617	4,090
	Debt service:				
0071	Principal on long term debt	<u>-</u>	<u>3,000</u>	<u>-</u>	<u>3,000</u>
6030	Total expenditures	<u>9,069,663</u>	<u>9,292,663</u>	<u>9,214,800</u>	<u>77,863</u>
1200	<b>NET CHANGE IN FUND BALANCES</b>	<u>-</u>	<u>(223,000)</u>	<u>129,412</u>	<u>352,412</u>
0100	<b>FUND BALANCES, BEGINNING</b>	<u>6,019,846</u>	<u>6,019,846</u>	<u>6,019,846</u>	<u>-</u>
3000	<b>FUND BALANCES, ENDING</b>	<u>\$ 6,019,846</u>	<u>\$ 5,796,846</u>	<u>\$ 6,149,258</u>	<u>\$ 352,412</u>

**WEIMAR INDEPENDENT SCHOOL DISTRICT****SCHEDULE OF DISTRICT'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
TEACHER RETIREMENT SYSTEM****FOR THE YEAR ENDED AUGUST 31, 2024**

	Measurement Year Ended August 31,			
	2023	2022	2021	2020
District's proportion of the net pension liability (asset)	0.0036%	0.0036%	0.0033%	0.0031%
District's proportionate share of net pension liability (asset)	\$ 2,507,094	\$ 2,113,773	\$ 835,331	\$ 1,643,645
State's proportionate share of the net pension liability (asset) associated with the District	<u>4,668,533</u>	<u>4,058,175</u>	<u>1,847,970</u>	<u>3,792,801</u>
Total	<u>\$ 7,175,627</u>	<u>\$ 6,171,948</u>	<u>\$ 2,683,301</u>	<u>\$ 3,792,801</u>
District's covered payroll	\$ 5,696,045	\$ 5,305,097	\$ 5,302,639	\$ 4,731,010
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	44.01%	39.84%	15.75%	34.74%
Plan fiduciary net position as a percentage of the total pension liability	73.15%	75.62%	88.79%	75.54%

Measurement Year Ended August 31,					
2019	2018	2017	2016	2015	2014
0.0034%	0.0033%	0.0034%	0.0034%	0.0034%	0.0019%
\$ 1,742,400	\$ 1,824,771	\$ 1,078,296	\$ 1,294,721	\$ 1,199,592	\$ 496,485
<u>3,286,512</u>	<u>3,599,043</u>	<u>2,156,923</u>	<u>2,624,690</u>	<u>2,566,448</u>	<u>2,188,272</u>
<u>\$ 5,028,912</u>	<u>\$ 5,423,814</u>	<u>\$ 3,235,219</u>	<u>\$ 3,919,411</u>	<u>\$ 3,766,040</u>	<u>\$ 2,684,757</u>
\$ 4,240,848	\$ 4,080,524	\$ 3,980,019	\$ 3,932,449	\$ 3,772,110	\$ 3,156,253
41.09%	44.72%	27.09%	32.92%	31.80%	15.73%
75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

**WEIMAR INDEPENDENT SCHOOL DISTRICT****SCHEDULE OF THE DISTRICT'S PENSION CONTRIBUTIONS  
TEACHER RETIREMENT SYSTEM****FOR THE YEAR ENDED AUGUST 31, 2024**

	Fiscal Year Ended August 31,			
	2024	2023	2022	2021
Contractually required contribution	\$ 237,275	\$ 187,114	\$ 158,543	\$ 136,353
Contribution in relation to the contractually required contribution	<u>(237,275)</u>	<u>(187,114)</u>	<u>(158,543)</u>	<u>(136,353)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 6,413,903	\$ 5,696,045	\$ 5,302,639	\$ 5,045,133
Contributions as a percentage of covered payroll	3.70%	3.28%	2.99%	2.70%

Fiscal Year Ended August 31,					
2020	2019	2018	2017	2016	2015
\$ 126,463	\$ 113,404	\$ 108,239	\$ 106,965	\$ 105,181	\$ 84,335
<u>(126,463)</u>	<u>(113,404)</u>	<u>(108,239)</u>	<u>(106,965)</u>	<u>(105,181)</u>	<u>(84,335)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 4,731,010	\$ 4,240,858	\$ 4,080,524	\$ 3,980,019	\$ 3,932,449	\$ 3,772,110
2.67%	2.67%	2.65%	2.69%	2.67%	2.24%

**WEIMAR INDEPENDENT SCHOOL DISTRICT****SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET OPEB LIABILITY  
TEACHER RETIREMENT SYSTEM****FOR THE YEAR ENDED AUGUST 31, 2024**

	Measurement Year Ended August 31,		
	2023	2022	2021
District's proportion of the net OPEB liability (asset)	0.0059%	0.0061%	0.0057%
District's proportionate share of net OPEB liability (asset)	\$ 1,314,020	\$ 1,453,011	\$ 2,193,810
States proportionate share of the net OPEB liability (asset) associated with the District	<u>1,585,567</u>	<u>1,772,445</u>	<u>2,939,216</u>
Total	<u>\$ 2,899,587</u>	<u>\$ 3,225,456</u>	<u>\$ 5,133,026</u>
District's covered employee payroll	\$ 5,696,045	\$ 5,305,097	\$ 5,045,133
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	23.07%	27.39%	43.48%
Plan fiduciary net position as a percentage of the total OPEB liability	14.94%	11.52%	6.18%

Note: This schedule is required to have 10 years of information, but the information prior to measurement year 2017 is not available.



Measurement Year Ended August 31,			
2020	2019	2018	2017
0.0057%	0.0056%	0.0059%	0.0057%
\$ 2,157,476	\$ 2,668,599	\$ 2,926,486	\$ 2,471,325
<u>2,899,130</u>	<u>3,545,971</u>	<u>3,483,310</u>	<u>3,119,131</u>
<u>\$ 5,056,606</u>	<u>\$ 6,214,570</u>	<u>\$ 6,409,796</u>	<u>\$ 5,590,456</u>
\$ 4,731,010	\$ 4,240,848	\$ 4,080,524	\$ 3,980,019
45.60%	62.93%	71.72%	62.09%
4.99%	2.66%	1.57%	0.91%

**WEIMAR INDEPENDENT SCHOOL DISTRICT**

**SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS  
TEACHER RETIREMENT SYSTEM**

**FOR THE YEAR ENDED AUGUST 31, 2024**

	Fiscal Year Ended August 31,		
	2024	2023	2022
Contractually required contribution	\$ 57,777	\$ 51,582	\$ 48,177
Contribution in relation to the contractually required contribution	<u>(57,777)</u>	<u>(51,582)</u>	<u>(48,177)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 6,413,903	\$ 5,696,045	\$ 5,302,639
Contributions as a percentage of covered-employee payroll	0.90%	0.91%	0.91%

Note: This schedule is required to have 10 years of information, but the information prior to fiscal year 2018 is not available.

Fiscal Year Ended August 31,			
2021	2020	2019	2018
\$ 43,180	\$ 41,995	\$ 27,566	\$ 37,559
<u>(43,180)</u>	<u>(41,995)</u>	<u>(27,566)</u>	<u>(37,559)</u>
\$ -	\$ -	\$ -	\$ -
\$ 5,054,133	\$ 4,731,010	\$ 4,240,848	\$ 4,080,524
0.85%	0.89%	0.65%	0.92%

## **WEIMAR INDEPENDENT SCHOOL DISTRICT**

### **NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

AUGUST 31, 2024

#### **Budgetary Information**

The Board of Trustees adopts an "appropriated budget" for the General Fund, Debt Service Fund and the National Breakfast and Lunch Program Fund (which is a non-major special revenue fund). The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures. The General Fund budget report appears in Exhibit G-1 and the other two reports are in Exhibits J-2 and J-3.

A formal budget is prepared by the end of August and is adopted by the Board at a public meeting after public notice of the meeting has been given no earlier than the 30th day or later than the 10th day before the public hearing. The legal level of control for budgeted expenditures is the function level within the budgeted funds. Amendments to the budget are required prior to expending amounts greater than the budgeted amounts at the function level. Budgets are controlled at the departmental or campus level, the same level at which responsibility for operations is assigned. The budget was monitored by the administration throughout the year and amendments were brought to the Board as needed.

## **COMBINING STATEMENTS**

**WEIMAR INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

AUGUST 31, 2024

Data Control Codes	211	224	225	240	255
	ESEA, Title I, Part A	IDEA- Part B, Formula	IDEA- Part B, Preschool	National Breakfast and Lunch Program	ESEA Title II Part A
<b>ASSETS</b>					
1110 Cash and cash equivalents	\$ 9,507	\$ 37,268	\$ -	\$ 66,134	\$ -
1240 Due from other governments	-	303	-	15,543	2,101
1000 Total assets	<u>9,507</u>	<u>37,571</u>	<u>-</u>	<u>81,677</u>	<u>2,101</u>
<b>LIABILITIES</b>					
2110 Accounts payable	-	305	-	-	-
2160 Accrued wages payable	7,738	31,780	-	2,344	-
2170 Due to other funds	-	-	-	-	1,750
2200 Accrued expenditures	1,769	5,486	-	176	351
2300 Unearned revenues	-	-	-	-	-
2000 Total liabilities	<u>9,507</u>	<u>37,571</u>	<u>-</u>	<u>2,520</u>	<u>2,101</u>
<b>FUND BALANCES</b>					
Restricted:					
3450 Federal or state grant restriction	-	-	-	79,157	-
Committed:					
3545 Campus activities	-	-	-	-	-
3000 Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,157</u>	<u>-</u>
4000 Total liabilities and fund balances	<u>\$ 9,507</u>	<u>\$ 37,571</u>	<u>\$ -</u>	<u>\$ 81,677</u>	<u>\$ 2,101</u>

263	281	282	289	410	461	
Title III Part A	ESSER II	ESSER III	ESEA Title IV Part A	State Textbook Fund	Campus Activity Funds	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ 3,251	\$ 155,730	\$ 271,890
-	-	-	21,827	-	-	39,774
-	-	-	21,827	3,251	155,730	311,664
-	-	-	-	-	-	305
-	-	-	1,101	-	-	42,963
-	-	-	19,171	-	-	20,921
-	-	-	219	-	-	8,001
-	-	-	1,336	-	-	1,336
-	-	-	21,827	-	-	73,526
-	-	-	-	3,251	-	82,408
-	-	-	-	-	155,730	155,730
-	-	-	-	3,251	155,730	238,138
\$ -	\$ -	\$ -	\$ 21,827	\$ 3,251	\$ 155,730	\$ 311,664

**WEIMAR INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes		211	224	225	240	255
		ESEA, Title I, Part A	IDEA- Part B, Formula	IDEA- Part B, Preschool	National Breakfast and Lunch Program	ESEA Title II Part A
	<b>REVENUES</b>					
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ 83,831	\$ -
5800	State program	-	-	-	12,885	-
5900	Federal program	<u>139,150</u>	<u>186,186</u>	<u>6,683</u>	<u>268,849</u>	<u>29,008</u>
5020	Total revenues	<u>139,150</u>	<u>186,186</u>	<u>6,683</u>	<u>365,565</u>	<u>29,008</u>
	<b>EXPENDITURES</b>					
	Current:					
0011	Instruction	113,423	136,300	6,683	-	4,000
0013	Curriculum and instructional staff development	1,584	-	-	-	25,008
0023	School leadership	-	-	-	-	-
0031	Guidance, counseling and evaluation services	24,143	49,886	-	-	-
0035	Food services	-	-	-	365,890	-
0036	Extracurricular activities	-	-	-	-	-
6030	Total expenditures	<u>139,150</u>	<u>186,186</u>	<u>6,683</u>	<u>365,890</u>	<u>29,008</u>
1200	<b>NET CHANGE IN FUND BALANCES</b>	-	-	-	(325)	-
	<b>FUND BALANCES, BEGINNING, AS PREVIOUSLY REPORTED</b>	-	-	-	<u>79,482</u>	-
0100	<b>ADJUSTMENTS</b>					
	Change to or within the financial reporting entity	-	-	-	-	-
0100	<b>FUND BALANCES, BEGINNING, AS RESTATED</b>	-	-	-	<u>79,482</u>	-
3000	<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 79,157</u>	<u>\$ -</u>

\* Formerly a nonmajor fund



**EXHIBIT H-2**

263	281	282	289	410	429	461	
Title III Part A	ESSER II	ESSER III	ESEA Title IV Part A	State Textbook Fund	State Funded Special Revenue Funds*	Campus Activity Funds	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250,573	\$ 334,404
-	-	-	-	60,354	-	-	73,239
<u>2,153</u>	<u>15,612</u>	<u>152,225</u>	<u>36,106</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>835,972</u>
<u>2,153</u>	<u>15,612</u>	<u>152,225</u>	<u>36,106</u>	<u>60,354</u>	<u>-</u>	<u>250,573</u>	<u>1,243,615</u>
2,153	15,612	118,294	25,868	60,354	-	-	482,687
-	-	-	-	-	-	-	26,592
-	-	-	-	-	-	6,032	6,032
-	-	33,931	10,238	-	-	-	118,198
-	-	-	-	-	-	-	365,890
-	-	-	-	-	-	199,840	199,840
<u>2,153</u>	<u>15,612</u>	<u>152,225</u>	<u>36,106</u>	<u>60,354</u>	<u>-</u>	<u>205,872</u>	<u>1,199,239</u>
-	-	-	-	-	-	44,701	44,376
-	-	-	-	3,251	-	111,029	193,762
-	-	-	-	-	-	-	-
-	-	-	-	3,251	-	111,029	193,762
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,251</u>	<u>\$ -</u>	<u>\$ 155,730</u>	<u>\$ 238,138</u>

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## **REQUIRED TEA SCHEDULES**

**WEIMAR INDEPENDENT SCHOOL DISTRICT**

## SCHEDULE OF DELINQUENT TAXES RECEIVABLE

FOR THE YEAR ENDED AUGUST 31, 2024

For The Year Ended August 31,	1	2	3	10
	Tax Rates		Net Assessed/ Appraised Value for School Tax Purpose	Beginning Balance 8/31/2023
	Maintenance	Debt Service		
2015 and prior years	Various	Various	Various	\$ 29,854
2016	1.040000	0.240000	360,644,683	3,999
2017	1.040000	0.220000	360,488,412	4,687
2018	1.040000	0.220000	346,156,429	5,226
2019	1.040000	0.220000	388,159,209	7,195
2020	1.040000	0.220000	410,256,891	9,127
2021	0.970000	0.220000	435,538,138	16,679
2022	0.953600	0.220000	444,273,204	61,160
2023	0.920800	0.210000	469,916,608	120,028
2024	0.669200	0.210000	451,612,489	-
1000 Totals				<u>\$ 257,955</u>

8000 - Taxes refunded

**EXHIBIT J-1**

20	31	32	40	50	99
Current Year's Total Levy	Maintenance Total Collections	Debt Service Total Collections	Entire Year's Adjustments	Ending Balance 8/31/2024	Total Taxes Refunded under Section 26.1115 (c)
\$ -	\$ 2,180	\$ 503	\$ -	\$ 27,171	
-	432	100	-	3,467	
-	640	135	-	3,912	
-	868	184	-	4,174	
-	1,528	323	-	5,344	
-	2,632	557	-	5,938	
-	4,484	1,017	-	11,178	
-	30,189	6,965	(873)	23,133	
-	68,216	15,557	2,885	39,140	
<u>3,970,577</u>	<u>2,989,917</u>	<u>938,259</u>	<u>15,104</u>	<u>57,505</u>	
<u>\$ 3,970,577</u>	<u>\$ 3,101,086</u>	<u>\$ 963,600</u>	<u>\$ 17,116</u>	<u>\$ 180,962</u>	
					<u>\$ 22,601</u>

**WEIMAR INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-2**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL  
NATIONAL BREAKFAST AND LUNCH PROGRAM FUND**

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes		Budgeted Amounts		Actual Amounts	Variance with Final Budget
		Original	Final		Positive
					(Negative)
REVENUES					
5700	Local and intermediate sources	\$ 80,000	\$ 80,000	\$ 83,831	\$ 3,831
5800	State program	6,500	17,490	12,885	(4,605)
5900	Federal program	293,000	293,000	268,849	(24,151)
5020	Total revenues	379,500	390,490	365,565	(24,925)
EXPENDITURES					
Current:					
0035	Food service	393,146	396,490	365,890	30,600
6030	Total expenditures	393,146	396,490	365,890	30,600
1200	NET CHANGE IN FUND BALANCES	(13,646)	(6,000)	(325)	5,675
0100	FUND BALANCES, BEGINNING	79,482	79,482	79,482	-
3000	FUND BALANCES, ENDING	\$ 65,836	\$ 73,482	\$ 79,157	\$ 5,675

**WEIMAR INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-3**

**SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
DEBT SERVICE FUND**

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes		Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
		Original	Final		
	<b>REVENUES</b>				
5700	Local and intermediate sources	\$ 1,025,565	\$ 1,025,565	\$ 1,058,352	\$ 32,787
5800	State program	<u>16,000</u>	<u>16,000</u>	<u>188,756</u>	<u>172,756</u>
5020	Total revenues	<u>1,041,565</u>	<u>1,041,565</u>	<u>1,247,108</u>	<u>205,543</u>
	<b>EXPENDITURES</b>				
	Debt service:				
0071	Principal on long-term debt	630,000	610,000	630,000	(20,000)
0072	Interest on long-term debt	446,813	465,113	446,813	18,300
0073	Bond issuance costs and fees	<u>1,100</u>	<u>2,000</u>	<u>1,100</u>	<u>900</u>
6030	Total expenditures	<u>1,077,913</u>	<u>1,077,113</u>	<u>1,077,913</u>	<u>(800)</u>
1200	<b>NET CHANGE IN FUND BALANCES</b>	<u>(36,348)</u>	<u>(35,548)</u>	<u>169,195</u>	<u>204,743</u>
0100	<b>FUND BALANCES, BEGINNING</b>	<u>1,678,448</u>	<u>1,678,448</u>	<u>1,791,745</u>	<u>113,297</u>
3000	<b>FUND BALANCES, ENDING</b>	<u>\$ 1,642,100</u>	<u>\$ 1,642,900</u>	<u>\$ 1,960,940</u>	<u>\$ 318,040</u>

## USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAMS

FOR THE YEAR ENDED AUGUST 31, 2024

**Section A: Compensatory Education Programs**

AP1	Did your district expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the district have written policies and procedures for its state compensatory education program?	Yes
AP3	Total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$ 582,890
AP4	Actual direct program expenditures for state compensatory education programs during the district's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 343,093

**Section B: Bilingual Education Programs**

AP5	Did your district expend any bilingual education program state allotment funds during the district's fiscal year?	Yes
AP6	Does the district have written policies and procedures for its bilingual education program?	Yes
AP7	Total state allotment funds received for bilingual education programs during the district's fiscal year.	\$ 53,710
AP8	Actual direct program expenditures for bilingual education programs during the district's fiscal year. (PICs 25)	\$ 63,551



**WEIMAR INDEPENDENT SCHOOL DISTRICT**

## REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS

AUGUST 31, 2024

SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year-end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments.)	Yes
	Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued.	
	Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.	
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	\$ -

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## **COMPLIANCE SECTION**

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

Board of Trustees  
Weimar Independent School District  
Weimar, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (Government Auditing Standards), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Weimar Independent School District as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise Weimar Independent School District's basic financial statements, and have issued our report thereon dated December 10, 2024.

***Report on Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Weimar Independent School 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 Weimar Independent School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Weimar Independent School 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 were not identified.

**OFFICE LOCATIONS**

**TEXAS** | Waco | Temple | Hillsboro | Houston  
**NEW MEXICO** | Albuquerque

## ***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Weimar Independent School 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*.

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

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
December 10, 2024



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Board of Trustees  
Weimar Independent School District  
Weimar, Texas

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

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

We have audited Weimar Independent School District's (the "District") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2024.

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

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

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

***Responsibilities of Management for Compliance***

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

**OFFICE LOCATIONS**

**TEXAS** | Waco | Temple | Hillsboro | Houston  
**NEW MEXICO** | Albuquerque

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

## **Report on Internal Control Over Compliance**

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

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



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

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

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
December 10, 2024

**WEIMAR INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT K-1**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE YEAR ENDED AUGUST 31, 2024**

Federal Grantor/ Pass-through Grantor/ Grantor/Program Title	(1) Assistance Listing Number	(2a) Pass-through Entity Identifying Number	(3) Federal Expenditures
<b><u>U. S. DEPARTMENT OF AGRICULTURE</u></b>			
Passed through the Texas Education Agency:			
School Breakfast Program (SBP)	10.553	71402301	\$ 11,071
School Breakfast Program (SBP)	10.553	71402401	<u>39,527</u>
Subtotal for 10.553			<u>50,598</u>
National School Lunch Program (NSLP)	10.555	71302301	37,763
National School Lunch Program (NSLP)	10.555	71302401	<u>146,613</u>
Subtotal for 10.555			<u>184,376</u>
Total Passed through the Texas Education Agency			<u>234,974</u>
Passed through the Texas Department of Agriculture:			
USDA Donated Commodities	10.555	NT4XL1YGLGC5	21,568
COVID-19 Commodity Delivery	10.555	NT4XL1YGLGC5	4,395
COVID-19 Pandemic-EBT	10.649	NT4XL1YGLGC5	<u>7,912</u>
Total Passed through the Texas Department of Agriculture			<u>33,875</u>
Subtotal for 10.555			<u>210,339</u>
Subtotal for 10.649			<u>7,912</u>
Total Child Nutrition Cluster			<u>260,937</u>
<b>TOTAL U. S. DEPARTMENT OF AGRICULTURE</b>			<u>268,849</u>
<b><u>U. S. DEPARTMENT OF EDUCATION</u></b>			
Passed through the Texas Education Agency:			
Title I Grants to Local Educational Agencies	84.010A	24610101045905	<u>139,150</u>
Special Education Grants to States (IDEA - Part B, Formula)	84.027A	246600010459056000	186,186
IDEA-B Preschool	84.173X	246610010459056000	<u>6,683</u>
Subtotal for Special Education Cluster			<u>192,869</u>
Title III, Part A - Strengthening Institutions	84.031A	n/a	<u>2,153</u>
Title II, Part A - Supporting Effective Instruction Federal Grants	84.367A	23694501045905	<u>29,008</u>
LEP Summer School	84.369A	69552102	<u>1,469</u>
Title IV, Part A - Student Support Academic Enrichment Grants	84.424A	23680101045905	23,266
Title IV, Part A - Student Support Academic Enrichment Grants	84.424A	24680101045905	<u>11,371</u>
Subtotal for 84.424A			<u>34,637</u>
COVID-19 Education Stabilization Fund (ESSER II)	84.425D	21521001045905	15,612
COVID-19 Education Stabilization Fund (ESSER III)	84.425U	21528001045905	<u>152,225</u>
Subtotal for 84.425			<u>167,837</u>
Total Passed through the Texas Education Agency			<u>567,123</u>
<b>TOTAL U. S. DEPARTMENT OF EDUCATION</b>			<u>567,123</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 835,972</u>

# **WEIMAR INDEPENDENT SCHOOL DISTRICT**

## **NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

AUGUST 31, 2024

### **1. GENERAL**

The Schedule of Expenditures of Federal Awards presents the activity of all applicable federal award programs of Weimar Independent School District. The District's reporting entity is defined in Note I of the financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the Schedule of Expenditures of Federal Awards.

### **2. BASIS OF ACCOUNTING**

The SEFA is presented using the modified accrual basis of accounting. The District's significant accounting policies, including the modified accrual basis of accounting, are presented in Note 1 of the basic financial statements. The SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

### **3. PASS-THROUGH EXPENDITURES**

None of the federal programs expended by the District were provided to subrecipients.

### **4. INDIRECT COSTS**

The District did not elect to use a de minimis cost rate as described at 2 CFR §200.414(f)—Indirect (F&A) costs.

### **5. RECONCILIATION OF FEDERAL REVENUES AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The following is the reconciliation of federal revenues and the Schedule of Expenditures of Federal Awards for the year ended August 31, 2024:

Federal revenues on the Statement of Revenues, Expenditures and Changes in Fund Balance Governmental Funds (Exhibit C-3)	\$	856,804
School health and related services revenue		<u>(20,832)</u>
Federal expenditures on the Schedule of Expenditures of Federal Awards (Exhibit K-1)	\$	<u>835,972</u>

**WEIMAR INDEPENDENT SCHOOL DISTRICT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED AUGUST 31, 2024**

**Summary of Auditor's Results**

**Financial Statements:**

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified, that were not considered a material weakness	None reported
Material noncompliance to the financial statements noted?	None

**Federal Awards:**

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified, that were not considered a material weakness	None reported
Type of auditor's report on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	None
Identification of major programs:	
Assistance Listing Numbers:	Name of Federal Program or Cluster:
10.553 and 10.555	Child Nutrition Cluster
Dollar threshold used to distinguish between type A and type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

**Findings Relating to the Financial Statements Which are Required to be Reported in  
Accordance With Generally Accepted Government Auditing Standards**

None

**Findings and Questioned Costs for Federal Awards**

None

**WEIMAR INDEPENDENT SCHOOL DISTRICT**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**FOR THE YEAR ENDED AUGUST 31, 2024**

None.

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