

**WAXAHACHIE INDEPENDENT  
SCHOOL DISTRICT**

**ANNUAL FINANCIAL REPORT**

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

**HankinsEastup**

Deaton Tonn Seay & Scarborough | A Texas LLC

Houston | Austin | Denton | Amarillo | El Paso

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CERTIFICATE OF BOARD

Waxahachie Independent School District  
Name of School District

Ellis  
County

070-912  
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 9<sup>th</sup> day of December 2024.

  
Signature of Board Secretary

  
Signature of Board President

Members:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC  
ACCOUNTANTS  
TEXAS SOCIETY OF CERTIFIED  
PUBLIC ACCOUNTANTS

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**HANKINS, EASTUP, DEATON,  
TONN, SEAY & SCARBOROUGH**  
A Limited Liability Company

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P.O. BOX 977  
DENTON, TX 76202-0977

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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Board of School Trustees  
Waxahachie Independent School District  
Waxahachie, Texas

**Opinion**

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Waxahachie 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 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 and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Basis for Opinions**

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

**Responsibilities of Management for the Financial Statements**

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

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

**Auditor's Responsibility 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

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

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

### **Required Supplementary Information**

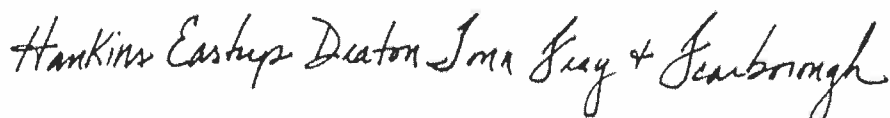
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the Teacher Retirement System schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Ysleta Independent School District's basic financial statements. The combining and individual nonmajor fund financial statements, the required TEA schedules listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the 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 6, 2024, on our consideration of the District's internal control over financial reporting and on our tests of the compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC  
Denton, Texas  
December 6, 2024

**WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED AUGUST 31, 2024  
(UNAUDITED)**

As management of Waxahachie Independent School District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended August 31, 2024. Please read this narrative in conjunction with the independent auditors' report and the District's Basic Financial Statements.

**FINANCIAL HIGHLIGHTS**

- Total assets and deferred outflows of resources of the District's governmental activities exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$29,800,020 (*net position*).
- The District's total net position increased by \$17,168,322 during the current fiscal year from the result of the current year's operations.
- The District's governmental funds reported total fund balances of \$348,257,783. Approximately 8.40% of this total amount, \$28,476,135, is unassigned and available for use within the District's fund balance policies.
- The District's general fund balance was \$29,048,906; the unassigned portion of the general fund balance is \$28,476,135, or 98% is available for use within the District's fund balance policies.
- The District's business type activities are modest as compared to its governmental activities. Business type assets total \$7,204,056 at the end of the fiscal year. Revenues and expenses during the fiscal year totaled \$7,496,070 and \$6,647,349, respectively.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 13 and 14). These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (starting on page 16) report the District's operations in more detail than the government-wide financial statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services are financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources and supply the basis for tax levies and appropriation budgets. For proprietary activities, fund financial statements show how goods or services of the District are provided to departments within the District or to external customers and whether the revenues covered the expenses for those goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agents on behalf of those outside of the District.

The notes to the financial statements (starting on page 29) provide narrative explanations or additional data needed for full disclosure in the government-wide statements and the fund financial statements.

The combining statements for nonmajor funds contain even more information about the District's individual funds. The sections labeled TEA Required Schedules and Federal Awards Section contain data used by TEA and regulatory agencies to monitor compliance with funding requirements.

## **Reporting the District as a Whole**

### **The Statement of Net Position and the Statement of Activities**

The presentation of the District's overall financial condition and operations is shown on the Statement of Net Position and the Statement of Activities (starting on page 13). Their primary purpose is to show whether the District is better or worse off as a result of the year's activities. The Statement of Net Position includes all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the end of the year while the Statement of Activities includes all revenues and expenses generated by the District's operations during the year. These statements use the accrual basis of accounting (the basis used by private sector companies).

All current year revenues and expenses of the District are included in the government-wide financial statements regardless of when cash is received or paid. The District's revenues are reported separately for revenues provided by outside parties who share the costs of some programs, such as user charges or grants provided by the U.S. Department of Education to assist children with disabilities or from disadvantaged backgrounds (program revenues), and for general revenues provided by taxpayers or the TEA through equalization funding processes. All District assets and deferred inflows of resources are reported whether they serve the current year or future years. Liabilities and deferred outflows of resources are included regardless of whether they must be paid in the current or future years.

These two statements report the District's net position and changes in net position. The District's net position provides one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether the District's financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well, such as changes in the District's average daily attendance, its property tax base, and the condition of the District's facilities.

In the Statement of Net Position and the Statement of Activities, we divide the District into two kinds of activities:

- *Governmental activities.* Most of the District's basic services are reported here, including instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- *Business-type activities.* The District has programs that charge a fee to "customers" to help cover all or most of the cost of services provided by the programs.

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

### **Fund Financial Statements**

The fund financial statements provide detailed information about the most significant funds of the District—not the District as a whole. Laws and contracts require the District to establish funds, such as funds for grants received from the U.S. Department of Education. The District's administration establishes other funds to help identify, manage, and control money for particular purposes (like campus activities). The District's three types of funds – governmental, proprietary, and fiduciary – use different accounting approaches.

- *Governmental funds*—most of the District's basic services are reported in governmental funds. These funds use modified accrual accounting (a method that focuses on current financial resources) and report balances that are available for current spending. The governmental fund statements provide a short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules that are included in these financial statements.

· Proprietary funds—the District reports the activities for which it charges users (whether outside customers or users within the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. Enterprise funds provide services to outside customers; internal service funds provide services to internal users.

· Fiduciary funds—the District is the custodian for money raised by student activities. The District's custodial activity is reported separately in a Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. We exclude these resources in the government-wide financial statements because the District cannot use these assets to finance its own operations. The District is only responsible for ensuring that these assets are reported in fiduciary funds and are used for their intended purposes.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The analysis below presents both current and prior year financial information and discusses significant changes in the accounts. Our analysis focuses on the District's net position (Table I) and changes in net position (Table II) of the District's governmental and business type activities.

Net position of the District's governmental activities increased from \$13,480,419 to \$29,800,020. 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 (\$349,655,844) at August 31, 2024.

**Table I**  
**NET POSITION**

	Governmental Activities		Business-type Activities		Total	
	August 31	August 31	August 31	August 31	August 31	August 31
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 372,548,985	\$ 246,566,026	\$ 6,607,595	\$ 5,294,379	\$ 379,156,580	\$ 251,860,405
Capital assets, net	359,763,778	267,611,488	596,461	769,987	360,360,239	268,381,475
Total assets	732,312,763	514,177,514	7,204,056	6,064,366	739,516,819	520,241,880
Deferred outflows of resources	36,502,221	47,294,299	798,641	1,147,944	37,300,862	48,442,243
Total assets and deferred outflows of resources	768,814,984	561,471,813	8,002,697	7,212,310	776,817,681	568,684,123
Current liabilities	23,162,252	29,083,052	446,855	460,617	23,609,107	29,543,669
Long-term liabilities	687,286,721	476,052,646	1,695,398	1,530,744	688,982,119	477,583,390
Total liabilities	710,448,973	505,135,698	2,142,253	1,991,361	712,591,226	507,127,059
Deferred inflows of resources	28,565,991	42,982,538	723,698	932,924	29,289,689	43,915,462
Total liabilities and deferred inflows of resources	739,014,964	548,118,236	2,865,951	2,924,285	741,880,915	551,042,521
Net position:						
Net investments in capital assets	46,617,202	22,525,707	596,461	769,987	47,213,663	23,295,694
Restricted	332,838,662	208,401,304	4,540,285	-	337,378,947	208,401,304
Unrestricted	(349,655,844)	(217,446,592)	-	3,518,038	(349,655,844)	(213,928,554)
Total net position	\$ 29,800,020	\$ 13,480,419	\$ 5,136,746	\$ 4,288,025	\$ 34,936,766	\$ 17,768,444

At the end of the fiscal year, the District reports positive balances in net investment in capital assets and restricted net position for its governmental activities. Unrestricted net position is negative. The District's net position increased by \$17,168,322 during the fiscal year.



**Table II**  
**CHANGES IN NET POSITION**

	Governmental Activities		Business Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Program revenues:						
Charges for services	\$ 369,404	\$ 335,634	\$ 3,632,936	\$ 3,218,245	\$ 4,002,340	\$ 3,553,879
Operating grants and contributions	8,999,096	10,151,761	3,863,134	4,224,178	12,862,230	14,375,939
General revenues:						
Property taxes	94,269,260	94,495,787	-	-	94,269,260	94,495,787
State aid - formula grants	63,977,813	45,920,467	-	-	63,977,813	45,920,467
Investment earnings	2,005,438	3,773,846	-	-	2,005,438	3,773,846
Other	2,200,598	1,086,760	-	-	2,200,598	1,086,760
Total revenues	<u>171,821,609</u>	<u>155,764,255</u>	<u>7,496,070</u>	<u>7,442,423</u>	<u>179,317,679</u>	<u>163,206,678</u>
Expenses:						
Instruction	80,758,034	78,413,588	-	-	80,758,034	78,413,588
Instructional resources and media services	1,486,280	1,408,450	-	-	1,486,280	1,408,450
Curriculum and instructional staff development	3,104,541	2,410,738	-	-	3,104,541	2,410,738
Instructional leadership	3,547,527	3,084,882	-	-	3,547,527	3,084,882
School leadership	6,975,769	7,072,912	-	-	6,975,769	7,072,912
Guidance, counseling, and evaluation services	5,387,908	4,944,340	-	-	5,387,908	4,944,340
Health services	1,469,329	1,371,540	-	-	1,469,329	1,371,540
Student transportation	4,713,421	4,030,858	-	-	4,713,421	4,030,858
Food services	921,665	792,945	6,033,505	5,871,735	6,955,170	6,664,680
Extracurricular activities	5,862,643	6,285,034	-	-	5,862,643	6,285,034
General administration	3,596,212	3,748,323	-	-	3,596,212	3,748,323
Facilities maintenance and operations	12,112,792	11,317,020	-	-	12,112,792	11,317,020
Security and monitoring services	2,989,282	2,511,476	-	-	2,989,282	2,511,476
Data processing services	1,985,667	1,884,837	-	-	1,985,667	1,884,837
Community services	244,964	262,346	-	-	244,964	262,346
Interest on long-term debt	17,861,751	6,610,477	-	-	17,861,751	6,610,477
Debt issuance costs and fees	1,544,447	1,509,736	-	-	1,544,447	1,509,736
Payments to Juvenile Justice	48,300	27,195	-	-	48,300	27,195
Other intergovernmental charges	891,476	667,079	613,844	690,630	1,505,320	1,357,709
Total expenses	<u>155,502,008</u>	<u>138,353,776</u>	<u>6,647,349</u>	<u>6,562,365</u>	<u>162,149,357</u>	<u>144,916,141</u>
Change in net position	16,319,601	17,410,479	848,721	880,058	17,168,322	18,290,537
Net position - beginning of period	13,480,419	(3,930,060)	4,288,025	3,407,967	17,768,444	(522,093)
Net position - end of period	<u>\$ 29,800,020</u>	<u>\$ 13,480,419</u>	<u>\$ 5,136,746</u>	<u>\$ 4,288,025</u>	<u>\$ 34,936,766</u>	<u>\$ 17,768,444</u>

Total revenues increased from \$163,206,678 to \$179,317,679. Local tax revenues decreased due to a compressed tax rate. State Foundation revenue increased to compensate for the additional compressed tax rate. Other items that affected the District's fiscal 2024 activities were:

- Weighted average daily attendance decreased.
- Student transportation costs increased.
- Facilities maintenance and operations increased.
- Interest on long term debt increased.

The cost of all governmental activities for the current fiscal year was \$155,502,008 as compared to \$138,353,776 for the previous year.

During the 2023-2024 fiscal year, the following measures were taken to enable the District to maintain a sound financial position.

- The District's average daily attendance (ADA) increased by 204.476, or approximately 2.04%. Total state aid increased by 53% due to changes in student enrollment and a reduced M&O tax rate.
- The District's General Fund expenditures increased by 6.4% due primarily to increases in personnel costs due to increased positions required by higher enrollment, salary increases and an increase in maintenance and operation costs.
- The District's maintenance and operations (M&O) tax rate decreased from \$0.9429 per \$100 in valuation to \$0.7575 per \$100 in valuation. The interest and sinking (I&S) tax rate increased to 0.4129 from \$0.3839 per \$100 in valuation. The District's taxable property valuation increased approximately 11.5%, net of an increase in the homestead exemption from \$40,000 to \$100,000.

The cost of all governmental activities for the current fiscal year was \$155,502,008. However, as shown in the Statement of Activities, the amount that our taxpayers ultimately financed for these activities through District taxes was \$ 94,269,260 because some of the costs were paid by those who directly benefited from the programs (\$369,404) or by other governments and organizations that subsidized certain programs with grants and contributions (\$8,999,096).

## **THE DISTRICT'S FUNDS**

As of the end of the current fiscal year, the District's governmental funds (as presented in the balance sheet on page 16, reported a combined fund balance of \$348,257,783, which is \$110,288,210 more than last year's total of \$237,969,573. Included in this year's total change in fund balance is an increase of \$156,737 in the General fund, a (\$578,929) decrease in the Debt Service Fund, and a \$110,618,535 increase in the Capital Project fund as a result of issuing bonds to finance construction.

Over the course of the year, the Board of Trustees revised the District's budget several times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances. The second category includes changes that the Board made during the year to reflect new information regarding revenue sources and expenditure needs. These included increases in personnel costs and maintenance costs throughout the year. The third category involves amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

The District's General Fund balance of \$29,048,906 reported on pages 16 and 20 differs from the General Fund's budgetary fund balance of \$22,600,146 reported in the budgetary comparison schedule on page 23. This is principally due to increased state revenues and reduced expenditures.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

### **Capital Assets**

At August 31, 2024, the District's governmental activities had \$359,763,778 invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents a net increase of \$94,142,290 from the prior year.

### **Debt Administration**

At year-end, the District had \$625,216,389 in bonds payable outstanding (including accreted interest on capital appreciation bonds) versus \$444,710,091 in the prior year, an increase of \$180,506,298. The District's general obligation bond rating is AAA (as a result of guarantees of the Texas Permanent School Fund) according to national rating agencies. Additional information about the District's capital assets and long-term liabilities is presented on Notes 7 and 8 of the notes to the financial statements.

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

Total state aid is expected to increase slightly due to increased enrollment for the fall 2024 semester, provided that student attendance is better than the forecasted attendance rate of 94.50%.

Expenditures are projected to rise approximately 4.15% due to higher personnel costs from salary increases and new positions added to accommodate enrollment growth and inflationary pressure across all departments.

The Maintenance and Operations (M&O) tax rate decreased from \$0.7575 per \$100 in valuation to \$0.7552 per \$100 in valuation as a result in legislative action. The adopted debt service (I&S) tax rate remained unchanged.

The 2024-2025 general fund budget has revenues of \$123,803,375 and expenditures of \$123,803,375, which should leave fund balance unchanged.

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

This financial report is designed to provide citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the District's business office at Waxahachie Independent School District, 411 N Gibson Street, Waxahachie, Texas 75165, or at (972) 923-4631.

BASIC FINANCIAL STATEMENTS

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WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
AUGUST 31, 2024

EXHIBIT A-1

Data Control Codes	1	2 Primary Government		3 Total
		Governmental Activities	Business Type Activities	
<b>ASSETS</b>				
1110	Cash and Cash Equivalents	\$ 357,979,404	\$ 6,044,440	\$ 364,023,844
1220	Property Taxes - Delinquent	2,424,589	-	2,424,589
1230	Allowance for Uncollectible Taxes	(48,492)	-	(48,492)
1240	Due from Other Governments	8,754,009	272,940	9,026,949
1267	Due from Fiduciary Funds	516,496	-	516,496
1290	Other Receivables, Net	190,208	-	190,208
1300	Inventories	-	290,215	290,215
1410	Prepayments	572,771	-	572,771
	Capital Assets:			
1510	Land	15,762,929	-	15,762,929
1520	Buildings, Net	270,817,900	-	270,817,900
1530	Furniture and Equipment, Net	8,041,090	596,461	8,637,551
1580	Construction in Progress	65,141,859	-	65,141,859
1800	Restricted Assets	2,160,000	-	2,160,000
1000	Total Assets	732,312,763	7,204,056	739,516,819
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
1701	Deferred Charge for Refunding	5,226,911	-	5,226,911
1705	Deferred Outflow Related to TRS Pension	19,161,786	489,312	19,651,098
1706	Deferred Outflow Related to TRS OPEB	12,113,524	309,329	12,422,853
1700	Total Deferred Outflows of Resources	36,502,221	798,641	37,300,862
<b>LIABILITIES</b>				
2110	Accounts Payable	14,942,396	55,462	14,997,858
2140	Interest Payable	1,247,144	-	1,247,144
2150	Payroll Deductions and Withholdings	395,573	-	395,573
2160	Accrued Wages Payable	6,577,139	278,607	6,855,746
2300	Unearned Revenue	-	112,786	112,786
	Noncurrent Liabilities:			
2501	Due Within One Year: Loans, Note, Leases, etc. Due in More than One Year:	12,430,000	-	12,430,000
2502	Bonds, Notes, Loans, Leases, etc.	612,786,389	-	612,786,389
2540	Net Pension Liability (District's Share)	43,494,610	1,201,764	44,696,374
2545	Net OPEB Liability (District's Share)	18,575,722	493,634	19,069,356
2000	Total Liabilities	710,448,973	2,142,253	712,591,226
<b>DEFERRED INFLOWS OF RESOURCES</b>				
2605	Deferred Inflow Related to TRS Pension	1,536,294	39,472	1,575,766
2606	Deferred Inflow Related to TRS OPEB	27,029,697	684,226	27,713,923
2600	Total Deferred Inflows of Resources	28,565,991	723,698	29,289,689
<b>NET POSITION</b>				
3200	Net Investment in Capital Assets and Right-to-Use Lease Restricted:	46,617,202	596,461	47,213,663
3820	Restricted for Federal and State Programs	-	4,540,285	4,540,285
3850	Restricted for Debt Service	16,059,110	-	16,059,110
3860	Restricted for Capital Projects	316,779,552	-	316,779,552
3900	Unrestricted	(349,655,844)	-	(349,655,844)
3000	Total Net Position	\$ 29,800,020	\$ 5,136,746	\$ 34,936,766

The notes to the financial statements are an integral part of this statement.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes	1	Program Revenues		
		3	4	
	Expenses	Charges for Services	Operating Grants and Contributions	
<b>Primary Government:</b>				
GOVERNMENTAL ACTIVITIES:				
11	Instruction	\$ 80,758,034	\$ 102,875	\$ 5,091,266
12	Instructional Resources and Media Services	1,486,280	-	7,621
13	Curriculum and Instructional Staff Development	3,104,541	-	1,298,074
21	Instructional Leadership	3,547,527	-	9,163
23	School Leadership	6,975,769	-	51,250
31	Guidance, Counseling, and Evaluation Services	5,387,908	-	1,939,676
32	Social Work Services	-	-	8,656
33	Health Services	1,469,329	-	33,147
34	Student (Pupil) Transportation	4,713,421	-	37,137
35	Food Services	921,665	-	2,544
36	Extracurricular Activities	5,862,643	195,301	12,718
41	General Administration	3,596,212	-	61,375
51	Facilities Maintenance and Operations	12,112,792	71,228	432,214
52	Security and Monitoring Services	2,989,282	-	6,113
53	Data Processing Services	1,985,667	-	8,142
61	Community Services	244,964	-	-
72	Debt Service - Interest on Long-Term Debt	17,861,751	-	-
73	Debt Service - Bond Issuance Cost and Fees	1,544,447	-	-
95	Payments to Juvenile Justice Alternative Ed. Prg.	48,300	-	-
99	Other Intergovernmental Charges	891,476	-	-
	[TG] Total Governmental Activities:	155,502,008	369,404	8,999,096
BUSINESS-TYPE ACTIVITIES:				
35	Enterprise Fund - National School Breakfast&Lunch	6,033,505	3,059,208	3,863,134
01	WISD Child Care Center	613,625	569,355	-
02	Lighthouse for Learning	219	4,373	-
	[TB] Total Business-Type Activities:	6,647,349	3,632,936	3,863,134
	[TP] TOTAL PRIMARY GOVERNMENT:	\$ 162,149,357	\$ 4,002,340	\$ 12,862,230

Data	
Control	General Revenues:
Codes	Taxes:
MT	Property Taxes, Levied for General Purposes
DT	Property Taxes, Levied for Debt Service
GC	Grants and Contributions not Restricted
IE	Investment Earnings
MI	Miscellaneous Local and Intermediate Revenue
TR	Total General Revenues
CN	Change in Net Position
NB	Net Position - Beginning
NE	Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position		
6	7	8
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (75,563,893)	\$ -	\$ (75,563,893)
(1,478,659)	-	(1,478,659)
(1,806,467)	-	(1,806,467)
(3,538,364)	-	(3,538,364)
(6,924,519)	-	(6,924,519)
(3,448,232)	-	(3,448,232)
8,656	-	8,656
(1,436,182)	-	(1,436,182)
(4,676,284)	-	(4,676,284)
(919,121)	-	(919,121)
(5,654,624)	-	(5,654,624)
(3,534,837)	-	(3,534,837)
(11,609,350)	-	(11,609,350)
(2,983,169)	-	(2,983,169)
(1,977,525)	-	(1,977,525)
(244,964)	-	(244,964)
(17,861,751)	-	(17,861,751)
(1,544,447)	-	(1,544,447)
(48,300)	-	(48,300)
(891,476)	-	(891,476)
(146,133,508)	-	(146,133,508)
-	888,837	888,837
-	(44,270)	(44,270)
-	4,154	4,154
-	848,721	848,721
(146,133,508)	848,721	(145,284,787)
61,342,324	-	61,342,324
32,926,936	-	32,926,936
50,808,109	-	50,808,109
15,175,142	-	15,175,142
2,200,598	-	2,200,598
162,453,109	-	162,453,109
16,319,601	848,721	17,168,322
13,480,419	4,288,025	17,768,444
\$ 29,800,020	\$ 5,136,746	\$ 34,936,766



WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AUGUST 31, 2024

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
<b>ASSETS</b>			
1110 Cash and Cash Equivalents	\$ 26,565,666	\$ 13,843,485	\$ 316,779,552
1220 Property Taxes - Delinquent	1,694,211	730,378	-
1230 Allowance for Uncollectible Taxes	(33,884)	(14,608)	-
1240 Due from Other Governments	6,300,696	-	-
1260 Due from Other Funds	2,679,191	-	-
1290 Other Receivables	134,583	55,625	-
1410 Prepayments	572,771	-	-
1800 Restricted Assets	-	2,160,000	-
1000 Total Assets	<u>\$ 37,913,234</u>	<u>\$ 16,774,880</u>	<u>\$ 316,779,552</u>
<b>LIABILITIES</b>			
2110 Accounts Payable	\$ 479,904	\$ -	\$ 14,397,757
2150 Payroll Deductions and Withholdings Payable	394,942	-	-
2160 Accrued Wages Payable	6,329,158	-	-
2170 Due to Other Funds	-	-	-
2000 Total Liabilities	<u>7,204,004</u>	<u>-</u>	<u>14,397,757</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
2601 Unavailable Revenue - Property Taxes	1,660,324	715,770	-
2600 Total Deferred Inflows of Resources	<u>1,660,324</u>	<u>715,770</u>	<u>-</u>
<b>FUND BALANCES</b>			
Nonspendable Fund Balance:			
3430 Prepaid Items	572,771	-	-
Restricted Fund Balance:			
3470 Capital Acquisition and Contractual Obligation	-	-	302,381,795
3480 Retirement of Long-Term Debt	-	16,059,110	-
Committed Fund Balance:			
3545 Other Committed Fund Balance	-	-	-
3600 Unassigned Fund Balance	28,476,135	-	-
3000 Total Fund Balances	<u>29,048,906</u>	<u>16,059,110</u>	<u>302,381,795</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 37,913,234</u>	<u>\$ 16,774,880</u>	<u>\$ 316,779,552</u>

The notes to the financial statements are an integral part of this statement.

Other Funds	Total Governmental Funds
\$ 790,701	\$ 357,979,404
-	2,424,589
-	(48,492)
2,453,313	8,754,009
-	2,679,191
-	190,208
-	572,771
-	2,160,000
<u>\$ 3,244,014</u>	<u>\$ 374,711,680</u>
\$ 64,735	\$ 14,942,396
631	395,573
247,981	6,577,139
2,162,695	2,162,695
<u>2,476,042</u>	<u>24,077,803</u>
-	2,376,094
-	2,376,094
-	572,771
-	302,381,795
-	16,059,110
767,972	767,972
-	28,476,135
<u>767,972</u>	<u>348,257,783</u>
<u>\$ 3,244,014</u>	<u>\$ 374,711,680</u>

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WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION  
AUGUST 31, 2024

EXHIBIT C-2

<b>Total Fund Balances - Governmental Funds</b>	\$ 348,257,783
1 Capital assets and Right-to-Use Lease Assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$402,102,163 and the accumulated depreciation was (\$136,480,675). In addition, long-term liabilities, including bonds payable of (\$420,304,319), are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to decrease net position.	(154,682,831)
2 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the capital outlays and debt principal payments is to increase net position. Similarly, the principal payments on Right-to-Use Lease Assets and SBITA Assets are not expenses, rather they are decreases in the Right-to-Use Lease Liabilities and the SBITA Liabilities. These payments must be reclassified and shown as reductions to these liabilities increasing Net Position.	123,367,629
3 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. At the beginning of the year, the net position related to TRS was a Deferred Resource Outflow in the amount of \$28,605,226, a Deferred Resource Inflow in the amount of \$13,073,030 and a net pension liability in the amount of \$36,089,348. The impact of this on Net Position is (\$20,557,152). Changes from the current year reporting of the TRS plan resulted in a decrease in net position in the amount of (\$5,493,572). The combination of the beginning of the year amounts and the changes during the year resulted in a difference between the ending fund balance and the ending net position in the amount of (\$26,050,724).	(26,050,724)
4 The District participates in the TRS-Care plan for retirees through TRS. The District's share of the TRS plan resulted in a net OPEB liability of \$18,575,722, a deferred outflow of \$12,125,430 and a deferred inflow of \$27,102,717. This resulted in a difference between the ending fund balance and the ending net position of (\$36,359,800).	(36,359,800)
5 The current year depreciation expense increases accumulated depreciation by \$9,040,339. The net effect of the current year's depreciation and issuance of bond decreases net position.	(9,040,339)
6 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase(decrease) net position.	(215,691,698)
<b>29 Net Position of Governmental Activities</b>	\$ 29,800,020

The notes to the financial statements are an integral part of this statement.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 60,902,644	\$ 33,484,523	\$ 11,295,935
5800 State Program Revenues	60,369,930	3,555,423	-
5900 Federal Program Revenues	266,496	53,063	-
5020 Total Revenues	<u>121,539,070</u>	<u>37,093,009</u>	<u>11,295,935</u>
EXPENDITURES:			
Current:			
0011 Instruction	68,195,880	-	1,246,186
0012 Instructional Resources and Media Services	1,360,428	-	75,448
0013 Curriculum and Instructional Staff Development	1,752,238	-	-
0021 Instructional Leadership	3,112,678	-	-
0023 School Leadership	6,971,549	-	-
0031 Guidance, Counseling, and Evaluation Services	3,090,339	-	-
0033 Health Services	1,468,244	-	-
0034 Student (Pupil) Transportation	5,563,264	-	-
0035 Food Services	32,917	-	15,175
0036 Extracurricular Activities	5,470,715	-	-
0041 General Administration	3,489,698	-	-
0051 Facilities Maintenance and Operations	12,036,475	-	92,526
0052 Security and Monitoring Services	2,662,028	-	-
0053 Data Processing Services	2,024,976	-	-
0061 Community Services	255,859	-	-
Debt Service:			
0071 Principal on Long-Term Liabilities	-	15,941,070	-
0072 Interest on Long-Term Liabilities	-	21,725,318	-
0073 Bond Issuance Cost and Fees	-	5,550	1,538,897
Capital Outlay:			
0081 Facilities Acquisition and Construction	440,960	-	99,937,908
Intergovernmental:			
0095 Payments to Juvenile Justice Alternative Ed. Prg.	48,300	-	-
0099 Other Intergovernmental Charges	891,476	-	-
6030 Total Expenditures	<u>118,868,024</u>	<u>37,671,938</u>	<u>102,906,140</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,671,046</u>	<u>(578,929)</u>	<u>(91,610,205)</u>
OTHER FINANCING SOURCES (USES):			
7911 Capital Related Debt Issued	-	-	197,410,000
7912 Sale of Real and Personal Property	22,453	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	4,818,740
7080 Total Other Financing Sources (Uses)	<u>22,453</u>	<u>-</u>	<u>202,228,740</u>
SPECIAL ITEMS:			
7918 Bad Debt-SHARS	(2,536,762)	-	-
1200 Net Change in Fund Balances	<u>156,737</u>	<u>(578,929)</u>	<u>110,618,535</u>
0100 Fund Balance - September 1 (Beginning)	28,892,169	16,638,039	191,763,260
3000 Fund Balance - August 31 (Ending)	<u>\$ 29,048,906</u>	<u>\$ 16,059,110</u>	<u>\$ 302,381,795</u>

The notes to the financial statements are an integral part of this statement.

	Other Funds	Total Governmental Funds
\$	862,317	\$ 106,545,419
	3,290,649	67,216,002
	5,705,891	6,025,450
	9,858,857	179,786,871
	5,457,734	74,899,800
	67,835	1,503,711
	1,305,205	3,057,443
	9,163	3,121,841
	51,250	7,022,799
	1,939,676	5,030,015
	8,656	1,476,900
	33,147	5,596,411
	37,137	85,229
	261,822	5,732,537
	87,521	3,577,219
	61,375	12,190,376
	432,214	3,094,242
	6,113	2,031,089
	8,142	264,001
	-	15,941,070
	-	21,725,318
	-	1,544,447
	-	100,378,868
	-	48,300
	-	891,476
	9,766,990	269,213,092
	91,867	(89,426,221)
	-	197,410,000
	-	22,453
	-	4,818,740
	-	202,251,193
	-	(2,536,762)
	91,867	110,288,210
	676,105	237,969,573
\$	767,972	\$ 348,257,783

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
 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

EXHIBIT C-4

<b>Total Net Change in Fund Balances - Governmental Funds</b>	\$ 110,288,210
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the current year capital outlays and debt principal payments is to decrease the change net position. Similarly, current year principal payments on Right-to-Use Leases and SIBTAs are also reclassified as reductions to the Right-To-Use Lease Liability and the SBITA liability which will result in a decrease in the change in Net Position.	123,367,629
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease the change in net position.	(9,040,339)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to decrease the change in net position.	(205,632,163)
Current year changes due to GASB 68 increased expenditures in the amount of \$5,493,572. The net effect on the change in the ending net position was a decrease in the amount of \$5,493,572.	(5,493,572)
Current year changes due to GASB 75 decreased expenditures in the amount of \$2,829,836. The net effect on the change in the ending net position was an increase in the amount of \$2,829,836.	2,829,836
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 16,319,601</b>

The notes to the financial statements are an integral part of this statement.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
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 (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ 62,993,497	\$ 60,571,303	\$ 60,902,644	\$ 331,341
5800 State Program Revenues	54,335,548	54,081,540	60,369,930	6,288,390
5900 Federal Program Revenues	2,000,000	1,000,000	266,496	(733,504)
5020 Total Revenues	119,329,045	115,652,843	121,539,070	5,886,227
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	70,567,598	68,735,580	68,195,880	539,700
0012 Instructional Resources and Media Services	1,417,523	1,425,211	1,360,428	64,783
0013 Curriculum and Instructional Staff Development	1,765,761	1,799,281	1,752,238	47,043
0021 Instructional Leadership	2,867,576	3,121,725	3,112,678	9,047
0023 School Leadership	6,947,041	6,983,081	6,971,549	11,532
0031 Guidance, Counseling, and Evaluation Services	3,118,966	3,178,812	3,090,339	88,473
0033 Health Services	1,486,871	1,496,540	1,468,244	28,296
0034 Student (Pupil) Transportation	4,070,619	5,947,448	5,563,264	384,184
0035 Food Services	-	33,099	32,917	182
0036 Extracurricular Activities	5,080,856	5,666,516	5,470,715	195,801
0041 General Administration	3,735,228	3,757,824	3,489,698	268,126
0051 Facilities Maintenance and Operations	11,404,898	12,654,446	12,036,475	617,971
0052 Security and Monitoring Services	2,148,770	2,677,801	2,662,028	15,773
0053 Data Processing Services	1,936,246	2,055,428	2,024,976	30,452
0061 Community Services	259,812	258,524	255,859	2,665
Capital Outlay:				
0081 Facilities Acquisition and Construction	825,000	518,250	440,960	77,290
Intergovernmental:				
0091 Contracted Instructional Services Between Schools	-	700,000	-	700,000
0095 Payments to Juvenile Justice Alternative Ed. Prg.	40,000	40,300	48,300	(8,000)
0099 Other Intergovernmental Charges	655,000	895,000	891,476	3,524
6030 Total Expenditures	118,327,765	121,944,866	118,868,024	3,076,842
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	1,001,280	(6,292,023)	2,671,046	8,963,069
<b>OTHER FINANCING SOURCES (USES):</b>				
7912 Sale of Real and Personal Property	-	-	22,453	22,453
<b>SPECIAL ITEMS:</b>				
7918 Bad Debt-SHARS	-	-	(2,536,762)	(2,536,762)
1200 Net Change in Fund Balances	1,001,280	(6,292,023)	156,737	6,448,760
0100 Fund Balance - September 1 (Beginning)	28,892,169	28,892,169	28,892,169	-
3000 Fund Balance - August 31 (Ending)	\$ 29,893,449	\$ 22,600,146	\$ 29,048,906	\$ 6,448,760

The notes to the financial statements are an integral part of this statement.



WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
AUGUST 31, 2024

	Business-Type Activities - Enterprise Funds		
	Child Nutrition Program	Nonmajor Enterprise Funds	Total Enterprise Funds
<b>ASSETS</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 5,397,454	\$ 646,986	\$ 6,044,440
Due from Other Governments	272,940	-	272,940
Inventories	290,215	-	290,215
Total Current Assets	<u>5,960,609</u>	<u>646,986</u>	<u>6,607,595</u>
Noncurrent Assets:			
Capital Assets:			
Furniture and Equipment, Net	532,696	63,765	596,461
Total Noncurrent Assets	<u>532,696</u>	<u>63,765</u>	<u>596,461</u>
Total Assets	<u>6,493,305</u>	<u>710,751</u>	<u>7,204,056</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflow Related to TRS OPEB	309,329	-	309,329
Deferred Outflow Related to TRS Pensions	489,312	-	489,312
Total Deferred Outflows of Resources	<u>798,641</u>	<u>-</u>	<u>798,641</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	55,462	-	55,462
Accrued Wages Payable	221,518	57,089	278,607
Unearned Revenues	110,795	1,991	112,786
Total Current Liabilities	<u>387,775</u>	<u>59,080</u>	<u>446,855</u>
NonCurrent Liabilities:			
Net Pension Liability	1,201,764	-	1,201,764
Net OPEB Liability	493,634	-	493,634
Total Noncurrent Liabilities	<u>1,695,398</u>	<u>-</u>	<u>1,695,398</u>
Total Liabilities	<u>2,083,173</u>	<u>59,080</u>	<u>2,142,253</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflow Related to TRS OPEB	39,472	-	39,472
Deferred Inflow Related to TRS Pensions	684,226	-	684,226
Total Deferred Inflows of Resources	<u>723,698</u>	<u>-</u>	<u>723,698</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	532,696	63,765	596,461
Restricted for Federal and State Programs	3,952,379	587,906	4,540,285
Total Net Position	<u>\$ 4,485,075</u>	<u>\$ 651,671</u>	<u>\$ 5,136,746</u>

The notes to the financial statements are an integral part of this statement.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2024

	Business-Type Activities - Enterprise Funds		
	Child Nutrition Program	Nonmajor Enterprise Funds	Total Enterprise Funds
<b>OPERATING REVENUES:</b>			
Local and Intermediate Sources	\$ 2,506,388	\$ 532,835	\$ 3,039,223
State Program Revenues	552,820	40,893	593,713
Total Operating Revenues	<u>3,059,208</u>	<u>573,728</u>	<u>3,632,936</u>
<b>OPERATING EXPENSES:</b>			
Payroll Costs	2,823,116	525,995	3,349,111
Professional and Contracted Services	99,273	5,499	104,772
Supplies and Materials	2,950,190	52,429	3,002,619
Other Operating Costs	8,655	8,666	17,321
Depreciation Expense	152,271	21,255	173,526
Total Operating Expenses	<u>6,033,505</u>	<u>613,844</u>	<u>6,647,349</u>
Operating Income (Loss)	<u>(2,974,297)</u>	<u>(40,116)</u>	<u>(3,014,413)</u>
<b>NONOPERATING REVENUES (EXPENSES):</b>			
National School Breakfast Program	729,159	-	729,159
National School Lunch Program	2,807,746	-	2,807,746
Donated Commodities (USDA)	326,229	-	326,229
Total Nonoperating Revenues (Expenses)	<u>3,863,134</u>	<u>-</u>	<u>3,863,134</u>
Change in Net Position	888,837	(40,116)	848,721
Total Net Position - September 1 (Beginning)	<u>3,596,238</u>	<u>691,787</u>	<u>4,288,025</u>
Total Net Position - August 31 (Ending)	<u>\$ 4,485,075</u>	<u>\$ 651,671</u>	<u>\$ 5,136,746</u>

The notes to the financial statements are an integral part of this statement.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2024

EXHIBIT D-3

	Business-Type Activities		
	Child Nutrition Program	Nonmajor Enterprise Funds	Total Enterprise Funds
<u>Cash Flows from Operating Activities:</u>			
Cash Received from User Charges	\$ 2,506,388	\$ 532,835	\$ 3,039,223
Cash Received from State	578,893	40,893	619,786
Cash Payments to Employees for Services	(2,525,684)	(527,618)	(3,053,302)
Cash Payments for Suppliers	(3,054,303)	(57,928)	(3,112,231)
Cash Payments for Other Operating Expenses	(8,655)	(8,666)	(17,321)
Net Cash Used for Operating Activities	<u>(2,503,361)</u>	<u>(20,484)</u>	<u>(2,523,845)</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>			
Cash Received from Federal Programs	3,863,134	-	3,863,134
Net Increase (Decrease) in Cash and Cash Equivalents	1,359,773	(20,484)	1,339,289
Cash and Cash Equivalents at Beginning of Year	4,037,681	667,470	4,705,151
Cash and Cash Equivalents at End of Year	<u>\$ 5,397,454</u>	<u>\$ 646,986</u>	<u>\$ 6,044,440</u>
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>			
<u>Used for Operating Activities:</u>			
Operating Income (Loss):	\$ (2,974,297)	\$ (40,116)	\$ (3,014,413)
Adjustments to Reconcile Operating Income to Net Cash Used for Operating Activities:			
Depreciation	152,271	21,255	173,526
Effect of Increases and Decreases in Current Assets and Liabilities:			
Decrease (increase) in Receivables	26,073	-	26,073
Increase (decrease) in Accounts Payable	(4,840)	(1,623)	(6,463)
Increase (decrease) in Accrued Wages Payable	(7,299)	-	(7,299)
Increase (decrease) in Pension	16,908	-	16,908
Increase (decrease) in OPEB	287,823	-	287,823
Net Cash Used for Operating Activities	<u>\$ (2,503,361)</u>	<u>\$ (20,484)</u>	<u>\$ (2,523,845)</u>

The accompanying notes are an integral part of this statement.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
AUGUST 31, 2024

	Private Purpose Trust Fund	Total Custodial Funds
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 982,863	\$ 772,880
Due from Student Groups	-	75
Total Assets	<u>982,863</u>	<u>\$ 772,955</u>
<b>LIABILITIES</b>		
Accounts Payable	-	2,231
Payroll Deductions and Withholdings Payable	-	45,969
Due to Other Funds	-	516,496
Due to Student Groups	-	7,031
Total Liabilities	<u>-</u>	<u>571,727</u>
<b>NET POSITION</b>		
Unrestricted Net Position	<u>982,863</u>	<u>201,228</u>
Total Net Position	<u>\$ 982,863</u>	<u>\$ 201,228</u>

The notes to the financial statements are an integral part of this statement.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2024

	Private Purpose Trust Fund	Total Custodial Funds
<b>ADDITIONS:</b>		
Miscellaneous Revenue - Student Activities	\$ -	\$ 328,189
Earnings from Temporary Deposits	53,003	-
Contributions, Gifts and Donations	19,100	-
Miscellaneous Additions	6	-
Total Additions	72,109	328,189
<b>DEDUCTIONS:</b>		
Other Deductions	36,500	316,421
Total Deductions	36,500	316,421
Change in Fiduciary Net Position	35,609	11,768
Total Net Position - September 1 (Beginning)	947,254	189,460
Total Net Position - August 31 (Ending)	\$ 982,863	\$ 201,228

The notes to the financial statements are an integral part of this statement.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2024

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Waxahachie Independent School District (the "District") is a public educational agency operating under the applicable rules 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 District prepares its basic financial statements in conformity with accounting principles generally accepted in the United States of America promulgated by the Governmental Accounting Standards Board (GASB), and it complies with the requirements of the appropriate version of the Financial Accountability System Resource Guide (the Resource Guide) and the requirements of contracts and grants of agencies from which it receives funds.

**A. REPORTING ENTITY**

The Board is elected by the public and has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by the GASB in Statement No.14, "The Financial Reporting Entity", as amended by Statements No. 39, "Determining Whether Certain Organizations are Component Units", and No. 61, "The Financial Reporting Entity: Omnibus – An Amendment of GASBS Statements No. 14 and No. 34". There are no component units within the reporting entity.

**B. BASIS OF PRESENTATION**

The government-wide financial statements (the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. The District had no business-type activities.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Program revenues include 1) charges for services or privileges provided, and 2) capital grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds. The fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING**

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

**Governmental Fund Financial Statements** are reported using the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities, deferred inflows and outflows of resources, and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses) of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2024

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual; i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year-end. A one-year availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The 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.

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS-Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS-Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

The revenues susceptible to accrual are property taxes, charges for services, interest income and intergovernmental revenues. All other Governmental Fund Type revenues are recognized when received.

Revenues from state and federal grants are recognized as earned when the related program expenditures are incurred. Funds received but unearned are reflected as deferred revenues, and funds expended but not yet received are shown as receivables.

Revenue from investments, including governmental external investment pool, is based upon fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Most investments are reported at amortized cost when the investments have remaining maturities of one year or less at time of purchase. External investment pools are permitted to report short-term debt investments at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer, or other factors. For that purpose, a pool's short-term investments are those with remaining maturities of up to ninety days.

In accordance with the FAR, the District has adopted and installed an accounting system which exceeds the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure presented in the Accounting Code Section of the FAR.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED AUGUST 31, 2024

**D. BUDGETARY CONTROL**

Formal budgetary accounting is employed for all required Governmental Fund Types, as outlined in TEA's FAR module, and is presented on the modified accrual basis of accounting consistent with generally accepted accounting principles. The budget is prepared and controlled at the function level within each organization to which responsibility for controlling operations is assigned.

The official school budget is prepared for adoption for required Governmental Fund Types prior to August 20 of the preceding fiscal year for the subsequent fiscal year beginning September 1. The budget is formally adopted by the Board of Trustees at a public meeting held at least ten days after public notice has been given. The budget is prepared by fund, function, object, and organization. The budget is controlled at the organizational level by the appropriate department head or campus principal within Board allocations. Therefore, organizations may transfer appropriations as necessary without the approval of the board unless the intent is to cross fund, function or increase the overall budget allocations. Control of appropriations by the Board of Trustees is maintained within Fund Groups at the function code level and revenue object code level.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, the Food Service Fund, and the Debt Service Fund. The special revenue funds adopt project-length budgets which do not correspond to the District's fiscal year. Each annual budget is presented on the modified accrual basis of accounting. The budget is amended throughout the year by the Board of Trustees. Such amendments are reflected in the official minutes of the Board.

A reconciliation of fund balances for both appropriated budget and nonappropriated budget special revenue funds is as follows:

August 31, 2024	
<u>Fund Balance</u>	
Appropriated Budget Funds	\$ -
Nonappropriated Budget Funds	<u>767,972</u>
All Special Revenue Funds	<u>\$767,972</u>

**E. ENCUMBRANCE ACCOUNTING**

The District employs encumbrance accounting, whereby encumbrances for goods or purchased services are documented by purchase orders and contracts. An encumbrance represents a commitment of Board appropriation related to unperformed contracts for goods and services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period, only a commitment to expend resources. Appropriations lapse at August 31 and encumbrances outstanding at that time are either canceled or appropriately provided for in the subsequent year's budget. The District had no material encumbrances outstanding at August 31, 2024.

**F. INVENTORIES**

The District records purchases of supplies as expenditures in the Governmental Funds. In the proprietary fund-types, the consumption method is used to account for inventories of food and other supplies. Under this method, these items are carried in an inventory account of the respective fund at cost, using the first-in, first-out method of accounting, and are subsequently charged to expenditures when consumed.



WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2024

**G. PREPAID ITEMS**

Prepaid balances are for payments made by the District in the current year to provide services occurring in the subsequent fiscal year, and the nonspendable fund balance has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

**H. INTERFUND RECEIVABLES AND PAYABLES**

Short-term amounts owed between funds are classified as "Due to/from other funds". Interfund loans are classified as "Advances to/from other funds" and are offset by a fund balance reserve account. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances" and "internal advances".

**I. CAPITAL ASSETS**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the governmental activities columns in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

Assets capitalized have an original cost of \$5,000 or more and over one-year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings & Improvements	15-50 Years
Furniture and Equipment	3-15 Years

**J. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

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

*A deferred outflow of resources* is a consumption of a government's net 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 has three items that qualify for reporting in this category:

**Deferred outflows of resources for refunding** - Reported in the government-wide statement of net position, the deferred charge on bond refundings results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amount of deferred outflows reported in the governmental activities for the deferred charge on bond refundings at August 31, 2024 was \$5,226,911.

**Deferred outflows of resources for pensions** - Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of differences between expected and actual actuarial experiences. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2024

employees) that are provided with pensions through the pension plan which is currently approximately 5.6705 years.

The total amount of deferred outflows reported in the government-wide financial statement for deferred pension expenses at August 31, 2024 was \$19,651,098.

**Deferred outflows of resources for OPEB-** Reported in the government-wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of differences between expected and actual investment earnings and changes in proportionate share. The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. The other OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB through the OPEB plan which is currently approximately 9.2215 years. The total amount of deferred outflows reported for deferred OPEB expense at August 31, 2024 was \$12,422,853.

*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 has three items that qualify for reporting in this category:

**Deferred inflows of resources for unavailable revenues** - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District reported property taxes that are unavailable as deferred inflows of resources in the fund financial statements. The amount of deferred inflows of resources reported in the governmental funds at August 31, 2024 was \$2,376,094.

**Deferred inflows of resources for pensions** - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between projected and actual earnings on pension plan investments and other actuarial and other assumption differences. These amounts will be amortized over a closed 5-year period. In fiscal year 2024, the District reported total deferred inflows of resources for pensions in the amount of \$1,575,766.

**Deferred inflows of resources for OPEB** - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between expected and actual experience and from changes in assumptions. These amounts will be amortized over the average expected remaining service life (AERSL) of all members (9.2215 years for the 2023 measurement year). In fiscal year 2024, the District reported total deferred inflows of resources for OPEB in the amount of \$27,713,923.

**K. COMPENSATED ABSENCES**

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2024

**L. NET POSITION**

Net position represents the difference between assets and deferred outflows of resources; less liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

When both restricted and unrestricted net position is available, restricted net position is expended before unrestricted net position if such use is consistent with the restricted purpose.

**M. LONG-TERM OBLIGATIONS**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**O. RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2024, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

**P. ESTIMATES**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Q. DATA CONTROL CODES**

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

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2024

**NOTE 2. FUND BALANCE AND NET POSITION**

Net position on the government-wide *Statement of Net Position* includes the following:

Net Investment in Capital Assets reports the difference between capital assets, net of accumulated depreciation, and the outstanding balance of debt, excluding unspent bond proceeds that is directly attributable to the acquisition, construction or improvement of those capital assets.

Restricted for Federal and State Grant Programs is the component of net position restricted to be spent for specific purposes prescribed by federal and state granting agencies.

Restricted for Debt Service is the component of net position that is restricted for payment of debt service by constraints established by the bond covenants.

Unrestricted Net Position is the residual difference between assets, deferred outflows, liabilities and deferred inflows that is not invested in capital assets or restricted for specific purposes.

It is the District's policy to spend funds available from restricted sources prior to unrestricted sources.

Fund Balance Classification: The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the District's bonded debt and are restricted through debt covenants. Food Service fund balance and Scholarship fund balance are restricted because the use is restricted pursuant to the mandates of the respective grants and donors.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board of Trustees. The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This can also be done through adoption and amendment of the budget. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board of Trustees have committed resources as of August 31, 2024 for campus activities.
- Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board of Trustees delegating this responsibility to other individuals in the District. Under the District's adopted policy, only the Board of Trustees may assign amounts for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The Board of Trustees has no assigned fund balance as of August 31, 2024.
- Unassigned: This classification includes all amounts not included in other spendable classifications, including the residual fund balance/deficit for the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2024

the Board of Trustees has provided otherwise in its commitment or assignment actions.

**NOTE 3. DEPOSITS AND INVESTMENTS**

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

1. Cash Deposits:

At August 31, 2024, the carrying amount of the District's deposits (checking accounts and interest-bearing demand accounts) was \$364,023,844 and the bank balance was \$370,563,726. The District's cash deposits at 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.

2. Investments:

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

In compliance with the Public Funds Investment Act, the District has adopted a deposit and investment policy. That policy addresses the following risks:

- a. Custodial Credit Risk – Deposits: In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. As of August 31, 2024, the District's cash deposits totaled \$364,023,844. This entire amount was either collateralized with securities held by the District's agent or covered by FDIC insurance. Thus, the District's deposits were not exposed to custodial credit risk as of August 31, 2024.
- b. Custodial Credit Risk - Investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At August 31, 2024, the District held investments in two public funds investment pools. The District is not exposed to custodial credit risk for its certificates of deposit as they are collateralized by securities held by the District's agent or covered by FDIC insurance. Investments in external investment pools are considered unclassified as to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.

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- c. Credit Risk: This is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligations. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk. The credit quality rating for Lone Star Investment Pool at year-end was AAAm (Standard & Poor’s). The credit quality rating for TexPool Investment Pool at year-end was AAAm (Standard & Poor’s).
- d. Interest Rate Risk: This is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year from the time of purchase. The weighted average maturity for the District’s investment in external investment pools is less than 90 days. Additionally, all investments in bank certificates of deposit are covered by the District’s depository pledge or FDIC insurance.
- e. Foreign Currency Risk: This is the risk that exchange rates will adversely affect the fair value of an investment. At August 31, 2024, the District was not exposed to foreign currency risk.
- f. Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of the District’s investment in a single issuer (i.e., lack of diversification). Concentration risk is defined as positions of 5 percent or more in the securities of a single issuer. Investment pools are excluded from the 5 percent disclosure requirement.

Public funds investment pools in Texas (“Pools”) are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the “Act”), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

The District’s investments in Pools are reported at an amount determined by the fair value per share of the pool’s underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission (“SEC”) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940.

The District’s investments at August 31, 2024, are shown below:

Description	Carrying Amount	Fair Value
Lone Star Investment Pool	\$ 225,012,384	\$ 225,012,384
TexPool Investment Pool	83,643,583	83,643,583
	\$ 308,655,967	\$ 308,655,967

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**NOTE 5. DUE FROM OTHER GOVERNMENTS**

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation Program and Available School Fund.

Total receivables due from other governments for the District's governmental activities and business-type activities as of August 31, 2024 are as follows:

Fund	State Entitlements	Federal Grants	Total
General	\$ 6,300,696	\$ -	\$ 6,300,696
Special Revenue	-	2,453,313	2,453,313
Child Nutrition Programs	272,940	-	272,940
Total	<u>\$ 6,573,636</u>	<u>\$ 2,453,313</u>	<u>\$ 9,026,949</u>

**NOTE 6. INTERFUND TRANSACTIONS**

Inter-fund balances at August 31, 2024 consisted of the following individual fund receivables and payables:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Custodial Fund	\$ 516,496
General	Special Revenue Funds	2,162,695
		<u>\$ 2,679,191</u>

All interfund balances represent transactions between the General Fund and other funds. These amounts are short-term advances and are expected to be repaid in less than one year.

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**NOTE 7. CAPITAL ASSETS**

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

	Beginning Balances	Additions	Retirements	Reclassifications	Ending Balances
<b>Business-type Activities:</b>					
Furniture & Equipment	\$ 2,809,135	\$ -	\$ -	\$ -	\$ 2,809,135
Less accumulated depreciation	(2,039,148)	(173,526)	-	-	(2,212,674)
<b>Total Capital Assets for Business-type Activities capital assets, net:</b>	<b>\$ 769,987</b>	<b>\$ (173,526)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 596,461</b>
<b>Governmental Activities:</b>					
Capital assets not being depreciated					
Land	\$ 15,762,929	\$ -	\$ -	\$ -	\$ 15,762,929
Construction in Progress	6,948,262	90,437,024	-	(32,243,427)	65,141,859
	22,711,191	90,437,024	-	(32,243,427)	80,904,788
Capital assets being depreciated					
Buildings & Improvements	355,871,427	8,984,612	-	32,243,427	397,099,466
Furniture & Equipment	23,519,545	3,760,993	-	-	27,280,538
	379,390,972	12,745,605	-	32,243,427	424,380,004
Less accumulated depreciation for:					
Buildings & Improvements	(118,477,093)	(7,804,473)	-	-	(126,281,566)
Furniture & Equipment	(18,003,582)	(1,235,866)	-	-	(19,239,448)
	(136,480,675)	(9,040,339)	-	-	(145,521,014)
<b>Total Capital Assets for Governmental Activities, net</b>	<b>\$ 265,621,488</b>	<b>\$ 94,142,290</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 359,763,778</b>

Depreciation expense was charged as direct expense to programs of the District as follows:

	Governmental Activities	Business-type Activities	Total
Instruction	\$ 6,120,271	-	\$ 6,120,271
Instructional Leadership	377,142	-	\$ 377,142
Student transportation	414,565	-	\$ 414,565
Food services	754,283	173,526	\$ 927,809
Extracurricular activities	1,065,923	-	\$ 1,065,923
General Administration	34,361	-	\$ 34,361
Facilities Maintenance and Operations	214,909	-	\$ 214,909
Security and Monitoring Services	58,171	-	\$ 58,171
Community Services	714	-	\$ 714
<b>Total depreciation expense</b>	<b>\$ 9,040,339</b>	<b>\$ 173,526</b>	<b>\$ 9,213,865</b>



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**Construction Commitments**

At August 31, 2024, the District was obligated under major contracts for construction of new facilities and renovations or repairs of various existing facilities. A summary of the status of these projects and the related binding contracts with contractors is as follows:

Project	Costs Incurred	Budgeted Costs
Jimmy Ray Elementary	\$ 35,446,613	\$ 41,841,867
Frankilou Jett Elementary	1,696,850	41,841,867
Wilemon STEAM Academy	36,908,441	53,638,648
Outdoor Seating Area - WHS	57,273	57,273
Hancock Expansion	14,150,705	29,420,520
Creek High School	5,965,928	22,475,000

**NOTE 8. LONG-TERM DEBT**

The following is a summary of the changes in the District's Long-term Debt for the year ended August 31, 2024:

Issuance	Original Issue	Interest Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
2002 Building & Ref Bonds	\$ 34,224,017	5.13-5.96%	\$ 181,070	-	\$ 181,070	-	-
2011 Ref Bonds	28,621,701	2.00-5.00%	4,966,701	-	-	4,966,701	2,565,720
2011 QSCB Bonds *	2,500,000	4.45%	2,500,000	-	-	2,500,000	-
2013 Ref Bonds	5,915,000	2.00-3.50%	5,840,000	-	-	5,840,000	-
2014 Ref Bonds	8,595,000	2.00-3.60%	8,435,000	-	-	8,435,000	-
2015 Ref Bonds	40,990,000	4.00-5.50%	37,450,000	-	545,000	36,905,000	565,000
2015 Building Bonds	75,000,000	3.00-5.00%	70,865,000	-	600,000	70,265,000	630,000
2016 Building Bonds	46,545,000	2.00-5.00%	42,680,000	-	715,000	41,965,000	745,000
2018 Building Bonds	21,005,000	3.00-5.00%	19,040,000	-	420,000	18,620,000	440,000
2020 Ref Bonds	18,825,000	3.00-5.00%	16,545,000	-	830,000	15,715,000	880,000
2021 Ref Bonds	17,625,000	2.00-3.00%	11,610,000	-	-	11,610,000	-
2023 Building Bonds	190,640,000	4.00-5.00%	190,640,000	-	12,650,000	177,990,000	1,640,000
2024 Building Bonds	197,410,000	5.00%	-	197,410,000	-	197,410,000	2,945,000
			410,752,771	197,410,000	15,941,070	592,221,701	10,410,720
Bond Premium			25,754,271	4,818,739	2,170,941	28,402,069	
Accreted Interest			8,203,049	633,499	4,243,929	4,592,619	2,019,280
			\$ 444,710,091	\$ 202,862,238	\$ 22,355,940	\$ 625,216,389	\$ 12,430,000

General Obligation Bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the District. General Obligation Bonds require the District to compute, at the time taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity. The District is in compliance with this requirement.

There are a number of limitations and restrictions contained in the various general obligation bonds indentures. The District is in compliance with all significant limitations and restrictions at August 31, 2024.

The District's Unlimited Tax Qualified School Construction Bonds-Series 2011 require the District to make sinking fund deposits into a sinking fund restricted to payment of the bond principal when the bonds become due in 2026. Sinking fund deposits of \$170,000 are required in fiscal years 2022 through 2026. The balance in the sinking fund account as of August 31, 2024 was \$2,160,000 and is shown in the financial statements as restricted cash in the Debt Service Fund.

The District has two (2) bond series that include capital appreciation bonds (CAB), which are bonds bearing no interest that is sold at a significant discount but matures at a stated value. Accreted interest is the obligation associated with CABs and reflects period increases in the obligation to reflect the bond at stated

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value at maturity. CAB premiums represent premium received on the issuance of these bonds which must also be paid back at maturity. The current year accreted interest expense recognized in the government-wide financial statements was \$633,499, and \$4,243,929 of outstanding accreted interest was paid off during the year. Total accreted interest on CABs at August 31, 2024 is \$4,592,619, which is reported as long-term liabilities in the government-wide financial statements.

Presented below is a summary of general obligation bond requirements to maturity:

Year Ending August 31,	Principal	Interest	Total Requirements
2025	10,410,720	29,783,867	40,194,587
2026	10,040,981	27,459,806	37,500,787
2027	11,855,000	24,810,663	36,665,663
2028	13,545,000	24,289,638	37,834,638
2029	14,145,000	23,688,663	37,833,663
2030-2034	79,280,000	109,888,075	189,168,075
2035-2039	100,030,000	89,132,456	189,162,456
2040-2044	125,665,000	63,501,888	189,166,888
2045-2049	120,560,000	34,801,900	155,361,900
2050-2053	106,690,000	8,988,019	115,678,019
	592,221,701	436,344,974	1,028,566,675

**NOTE 9. PROPERTY TAXES**

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District levies its taxes on October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. The assessed value of the property tax roll upon which the levy for the 2023-2024 fiscal year was based was \$8,114,223,294. Taxes are delinquent if not paid by June 30. Delinquent taxes are subject to both penalty and interest charges plus 15 % delinquent collection fees for attorney costs.

The tax rates assessed for the year ended August 31, 2024 to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$0.7575 and \$0.3839 per \$100 valuation, respectively, for a total of \$1.1414 per \$ 100 valuation.

Current tax collections for the year ended August 31, 2024 were 99.24% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of August 31, 2024, property taxes receivable, net of allowances for uncollectible taxes, totaled \$1,660,327 and \$715,770 for the General and Debt Service Funds, respectively.

Property taxes are recorded as receivable and unavailable revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected.

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**NOTE 10. REVENUES FROM LOCAL AND INTERMEDIATE SOURCES**

Revenues from local and intermediate sources for the year ended August 31, 2024 consisted of the following:

	General Fund	Capital Project Funds	Debt Service Fund	Other Funds	Total
Property Taxes	\$ 57,738,854	\$ -	\$ 31,432,950	\$ -	\$ 89,171,804
Food Sales	-	-	-	-	-
Investment income	2,005,438	11,295,935	1,839,077	34,692	15,175,142
Tax Related Income	454,765	-	212,496	-	667,261
Co-curricular Student Activities	195,301	-	-	-	195,301
Other	508,286	-	-	827,625	1,335,911
Total	<u>60,902,644</u>	<u>\$ 11,295,935</u>	<u>\$ 33,484,523</u>	<u>\$ 862,317</u>	<u>\$ 106,545,419</u>

**NOTE 11. DEFINED BENEFIT PENSION PLAN**

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

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

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

**Benefits Provided.** TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered under a previous rule. There are no automatic post-employment benefit changes, including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

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

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**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 86<sup>th</sup> Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2019 thru 2025.

	<u>2023</u>	<u>2024</u>
Member	8.00%	8.25%
Non-Employer Contributing Entity (State)	8.00%	8.25%
Employers	8.00%	8.25%
Waxahachie ISD FY2024 Employer Contributions		\$ 3,358,397
Waxahachie ISD FY2024 Member Contributions		\$ 7,261,213
Waxahachie ISD FY2024 NECE On-Behalf Contributions		\$ 5,309,183

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 the 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, 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, including public 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 source or a privately sponsored source, from non-educational and general, or local funds.
- All public schools must contribute 1.8 percent of the member's salary beginning in fiscal year 2023, gradually increasing to 2 percent in fiscal year 2025.

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

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

**Actuarial Assumptions.** The total pension liability in the August 31, 2023 actuarial valuation 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

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Single Discount Rate	7.00%
Long-term expected Investment Rate of Return	7.00%
Municipal Bond Rate as of August 2023	4.13%
Inflation	2.30%
Salary Increases Including Inflation	2.95% to 8.95%
Benefit Changes During the Year	None
Ad hoc Post Employment Benefit Changes	None

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 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 7.00 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 7.00%.

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>1</sup>	Long-Term Expected Arithmetic Real Rate of Return <sup>2</sup>	Expected Contribution To Long-Term Portfolio Returns
<b>Global Equity</b>			
U.S.	18%	4.0%	1.00%
Non-U.S. Developed	13%	4.5%	0.90%
Emerging Markets	9%	4.8%	0.70%
Private Equity	14%	7.0%	1.50%
<b>Stable Value</b>			
Government Bonds	16%	2.5%	0.50%
Absolute Return <sup>4</sup>	0%	3.6%	0.00%
Stable Value Hedge Funds	5%	4.1%	0.20%
<b>Real Return</b>			
Real Estate	15%	4.9%	1.10%
Energy, Natural Resources	6%	4.8%	0.40%

<sup>1</sup> Target allocations are based on the FY23 policy model.

<sup>2</sup> Capital Market Assumptions come from Aon Hewitt (as of 06/30/2023).

<sup>3</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns.

<sup>4</sup> Absolute Return includes credit sensitive investments.

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Commodities	0%	4.4%	0.00%
<b>Risk Parity</b>			
Risk Parity	8%	4.5%	0.40%
<b>Leverage</b>			
Cash	2%	3.7%	0.00%
Asset Allocation Leverage	-6%	4.4%	-0.10%
Inflation Expectation	-		2.30%
Volatility Drag <sup>3</sup>	-		-0.90%
<b>Total</b>	100%		8.00%

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

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
Waxahachie ISD’s proportionate share of the net pension liability:	\$66,823,495	\$44,696,374	\$26,297,609

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At June 30, 2024, Waxahachie Independent School District reported a liability of \$44,696,374 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to Waxahachie Independent School District. The amount recognized by Waxahachie Independent School 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 Waxahachie Independent School District were as follows:

District's Proportionate share of the collective net pension liability	\$ 44,696,374
State's proportionate share that is associated with the District	<u>61,532,998</u>
Total	<u>\$106,229,372</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 0.0650693631%, an increase of 4.11% from its proportionate share of 0.0625000000% at August 31, 2022.

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

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

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

For the year ended June 30, 2024, Waxahachie Independent School District recognized pension expense of \$8,992,925 and revenue of \$9,290,950 for support by the State.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2024

At August 31, 2024, Waxahachie Independent School 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 (The amounts shown below will be the cumulative layers from the current and prior years combined.):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,592,547	\$ 541,224
Changes in actuarial assumptions	4,227,401	1,034,542
Difference between projected and actual investment earnings	6,504,408	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	3,968,345	-
Contributions paid to TRS subsequent to the measurement date	3,358,397	-
Total	\$19,651,098	\$1,575,766

The net amounts of the District's balances of deferred outflows and inflows of resources (not including the deferred contribution paid subsequent to the measurement date) related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Pension Expense Amount	Balance of Deferred Outflows (Deferred Inflows)
2025	\$ 3,493,762	\$ 11,223,353
2026	2,367,207	8,856,146
2027	6,339,596	2,516,550
2028	2,212,307	304,243
2029	304,243	-
Thereafter	-	-

**NOTE 12. 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 with 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/aboutpublications.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 schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
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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:

<b>TRS-Care Monthly for Retirees</b>		
	<u>Medicare</u>	<u>Non-Medicare</u>
Retiree*	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree* and Children	468	408
Retiree and Family	1,020	999

*\* or surviving spouse*

**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 active employee compensation. 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 salary. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act, which is 0.75 percent of each active employee’s pay for fiscal year 2023. The following table shows contributions to the TRS-Care plan by type of contributor.

	<u>Contribution Rates</u>	
	<u>2023</u>	<u>2024</u>
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%
Waxahachie ISD FY24 Employer Contributions	\$728,115	
Waxahachie ISD FY24 Member Contributions	\$572,099	
Waxahachie ISD FY24 NECE On-behalf Contributions	\$1,055,189	

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to, regardless of whether or not they participate in the TRS Care OPEB program. When hiring a TRS retiree, employers are required to pay 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 excess of the state’s actual obligation and then transferred to TRS-Care.

**Actuarial Assumptions.** The actuarial valuation was performed as of August 31, 2022. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2023.



WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED AUGUST 31, 2024

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were updated based on 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 based on an established pattern of practice and are identical to the assumptions used in the August 31, 2022 TRS pension actuarial valuation that was rolled forward to August 31, 2023:

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Rates of Disability

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 the mortality projection scale MP-2021.

***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%
Single Discount Rate	4.13%
Aging Factors	Based on specific plan experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs
Projected Salary Increases	2.95% to 8.95%, including inflation
Election Rates	Normal Retirement: 62% participation prior to age 65 and 25% participation after age 65
Ad hoc post-employment benefit changes	None

***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 and 1% greater than the discount rate that was used (4.13%) in measuring the Net OPEB Liability.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED AUGUST 31, 2024

	1% Decrease in Discount Rate (3.13%)	Current Single Discount Rate (4.13%)	1% Increase in Discount Rate (5.13%)
District's proportionate share of the Net OPEB Liability:	\$22,459,730	\$19,069,356	\$16,302,730

**Healthcare Cost Trend Rates Sensitivity Analysis** - The following schedule shows the impact of the net OPEB liability if a healthcare trend rate that is one-percentage less than or one-percentage point greater than the health trend rates is assumed.

	1% Decrease in Healthcare Trend Rate	Current Single Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
District's proportionate share of the Net OPEB Liability:	\$15,702,660	\$19,069,356	\$23,400,621

**OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.** At June 30, 2024, the District reported a liability of \$19,069,356 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	\$ 19,069,356
State's proportionate share that is associated with the District	<u>\$ 23,010,109</u>
Total	<u>\$ 42,079,465</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 the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2022 through August 31, 2023.

At August 31, 2023 the employer's proportion of the collective Net OPEB Liability was 0.0861373780%, an increase of 2.88% compared to the August 31, 2022 proportionate share of 0.0837300000%.

**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 \$(2,169,639) and revenue of \$(4,919,076) for support provided by the State.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2024

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 related to OPEB from the following sources (the amounts shown below will be the cumulative layers for the current and prior years combined.):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 862,744	\$16,043,251
Changes in actuarial assumptions	2,602,828	11,676,672
Difference between projected and actual investment earnings	8,239	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	8,220,927	-
Contributions paid to TRS subsequent to the measurement date	728,115	-
Total	\$12,422,853	\$27,719,923

The net amounts of the employer's balances of deferred outflows and inflows of resources (not including the deferred contribution paid subsequent to the measurement date) related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	OPEB Expense Amount	Balance of Deferred Outflows (Deferred Inflows)
2025	\$(3,756,858)	\$(12,269,326)
2026	(2,882,238)	(9,386,088)
2027	(1,698,141)	(7,687,947)
2028	(2,371,459)	(5,316,488)
2029	(2,176,138)	(3,140,350)
Thereafter	(3,140,350)	-

**NOTE 13. HEALTH CARE**

During the year ended August 31, 2023, employees of Waxahachie Independent School District were covered by a health insurance plan (the Plan). The District contributed \$245 per month per employee to the Plan and employees, at their option, authorized payroll withholdings to pay any additional contributions. All contributions were paid to a fully insured plan (TRS ActiveCare).

**NOTE 14. SCHOOL DISTRICT RETIREE HEALTH PLAN**

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District. For the year ended August 31, 2024, the contribution made on behalf of the District was \$497,369.

**NOTE 15. WORKERS' COMPENSATION**

During the year ended August 31, 2024, the District met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's workers' compensation program is authorized by Chapter 504, Texas Labor Code. All districts

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
 NOTES TO THE BASIC FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED AUGUST 31, 2024

participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory worker’s compensation benefits to its members and their injured employees.

The Fund and its members are protected against higher than expected claims costs through the purchase of stop loss-insured retention of \$2 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully fund those reserves. As of August 31, 2023, the Fund carries a discounted reserve of \$48,919,036 for future development on reported claims and claims that have been incurred but not yet reported. For the year ended August 31, 2023, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31st. 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 State Board of Insurance in Austin.

**NOTE 16. SHARED SERVICE ARRANGEMENTS**

The District is the fiscal agent for Shared Services Arrangements ("SSA'S ) which provide deaf education to member districts. In addition to the District, other member districts include Milford, Maypearl, and Italy Independent School Districts.

All services are provided by the fiscal agent. According to guidance provided in TEA's Resource Guide, the District has accounted for the fiscal agent's activities of the SSA'S in Special Revenues Funds. Expenditures of the SSA'S are summarized below:

	Fund 315	Fund 435
Waxahachie	\$ 22,156	\$ 55,561
Palmer	2,215	5,076
Milford	2,215	5,076
Maypearl	1,106	2,541
Italy	1,106	2,541
	\$ 28,798	\$ 70,795

**NOTE 17. LITIGATION AND CONTINGENCIES**

The District participates in numerous state and Federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at August 31, 2024 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

**NOTE 18. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS**

In May 202, GASB issued Statement No. 96 – Subscription-Based Information Technology Arrangements (SBITA). This statement increases the usefulness of government’s financial statements by requiring recognition of certain right-to-use subscription assets and corresponding subscription liabilities for SBITA’s that were previously recognized as outflows of resources based on the payment provisions of the contract. The Statement is effective for years beginning after June 15, 2022.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2024

Per review of the information technology arrangements identified by the District as potential SBITA's, the arrangements were determined to either not meet the definition of a SBITA or were immaterial to the financial statements.

**NOTE 19. SUBSEQUENT EVENTS**

Management has reviewed events subsequent to August 31, 2024 through December 6, 2024, which is the date the financial statements were available to be issued. On October 15, 2024, the District issued \$43.2 million in Series 2024 unlimited tax refunding bonds.

REQUIRED SUPPLEMENTARY INFORMATION

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

	FY 2024 Plan Year 2023	FY 2023 Plan Year 2022	FY 2022 Plan Year 2021
District's Proportion of the Net Pension Liability (Asset)	0.0651%	0.0625%	0.056322076%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 44,696,374	\$ 37,102,038	\$ 14,343,240
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	61,532,998	54,229,701	25,160,957
Total	<u>\$ 106,229,372</u>	<u>\$ 91,331,739</u>	<u>\$ 39,504,197</u>
District's Covered Payroll	\$ 88,014,706	\$ 85,111,576	\$ 79,427,936
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	50.78%	43.59%	18.07%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.15%	75.62%	88.79%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2023 for year 2024, August 31, 2022 for year 2023, August 31, 2021 for year 2022, August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for year 2015.

<u>FY 2021</u> <u>Plan Year 2020</u>	<u>FY 2020</u> <u>Plan Year 2019</u>	<u>FY 2019</u> <u>Plan Year 2018</u>	<u>FY 2018</u> <u>Plan Year 2017</u>	<u>FY 2017</u> <u>Plan Year 2016</u>	<u>FY 2016</u> <u>Plan Year 2015</u>	<u>FY 2015</u> <u>Plan Year 2014</u>
0.053039324%	0.0523144%	0.0498397%	0.0459862%	0.0441213%	0.0450521%	-
\$ 28,406,780	\$ 27,194,675	\$ 27,432,958	\$ 14,703,907	\$ 16,672,778	\$ 15,925,318	\$ 6,220,974
51,136,922	45,308,051	44,810,363	26,646,736	31,513,766	28,595,115	24,125,762
<u>\$ 79,543,702</u>	<u>\$ 72,502,726</u>	<u>\$ 72,243,321</u>	<u>\$ 41,350,643</u>	<u>\$ 48,186,544</u>	<u>\$ 44,520,433</u>	<u>\$ 30,346,736</u>
\$ 69,059,529	\$ 61,492,949	\$ 55,658,471	\$ 52,352,753	\$ 49,822,143	\$ 46,306,390	\$ 41,908,789
41.13%	44.22%	49.29%	28.09%	33.46%	34.39%	15.00%
75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.00%



WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR THE YEAR ENDED AUGUST 31, 2024

	2024	2023	2022
Contractually Required Contribution	\$ 3,358,397	\$ 3,344,028	\$ 2,916,270
Contribution in Relation to the Contractually Required Contribution	(3,358,397)	(3,344,028)	(2,916,270)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 88,014,706	\$ 85,111,576	\$ 79,427,936
Contributions as a Percentage of Covered Payroll	3.82%	3.93%	3.67%

Note: GASB Codification, Vol. 2, P20.183 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

	2021	2020	2019	2018	2017	2016	2015
\$	2,403,017	\$ 2,147,911	\$ 1,831,806	\$ 1,678,999	\$ 1,506,070	\$ 1,406,647	1,334,006
	(240,317)	(2,147,911)	(1,831,806)	(1,678,999)	(1,506,070)	(1,406,647)	(1,334,006)
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
\$	74,627,359	\$ 69,059,529	\$ 61,492,949	\$ 55,655,595	\$ 52,352,753	\$ 49,822,143	46,309,390
	3.22%	3.11%	2.98%	3.02%	2.88%	2.82%	2.88%

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

	FY 2024 Plan Year 2023	FY 2023 Plan Year 2022	FY 2022 Plan Year 2021
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.086137%	0.08373%	0.079195661%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 19,069,356	\$ 20,050,191	\$ 30,549,307
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	23,010,109	24,458,083	40,929,263
Total	<u>\$ 42,079,465</u>	<u>\$ 44,508,274</u>	<u>\$ 71,478,570</u>
District's Covered Payroll	\$ 88,014,706	\$ 85,111,576	\$ 79,427,936
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	21.67%	23.56%	38.46%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	14.94%	11.52%	6.18%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. The amounts for FY 2024 are for the measurement date of August 31, 2023. The amounts for FY 2023 are for the measurement date of August 31, 2022. The amounts reported for FY 2022 are for measurement date August 31, 2021. The amounts reported for FY 2021 are for the measurement date of August 31, 2020. The amounts for FY 2020 are for the measurement date August 31, 2019. The amounts for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

This schedule shows only the years for which this information is available. Additional information will be added until 10 years of data are available and reported.

<u>FY 2021</u>	<u>FY 2020</u>	<u>FY 2019</u>	<u>FY 2018</u>
<u>Plan Year 2020</u>	<u>Plan Year 2019</u>	<u>Plan Year 2018</u>	<u>Plan Year 2017</u>
0.075857368%	0.0723712%	0.067525%	0.062862%
\$ 28,836,811	\$ 34,225,213	\$ 33,715,852	\$ 27,336,306
38,749,762	45,477,654	47,367,980	41,295,841
<u>\$ 67,586,573</u>	<u>\$ 79,702,867</u>	<u>\$ 81,083,832</u>	<u>\$ 68,632,147</u>
\$ 69,059,529	\$ 61,492,949	\$ 55,658,471	\$ 52,352,753
41.76%	55.66%	60.58%	52.22%
4.99%	2.66%	1.57%	0.91%

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)  
TEACHER RETIREMENT SYSTEM OF TEXAS  
FOR THE YEAR ENDED AUGUST 31, 2024

	2024	2023	2022
Contractually Required Contribution	\$ 728,115	\$ 742,885	\$ 595,712
Contribution in Relation to the Contractually Required Contribution	(728,115)	(742,885)	(595,712)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 88,014,706	\$ 85,111,576	\$ 79,427,936
Contributions as a Percentage of Covered Payroll	0.83%	0.87%	0.75%

Note: GASB Codification, Vol. 2, P50.238 requires that the data in this schedule be presented as of the District's respective fiscal years as opposed to the time periods covered by the measurement dates ending August 31 of the preceding year.

Information in this schedule should be provided only for the years where data is available. Eventually 10 years of data should be presented.

	2021	2020	2019	2018
\$	618,698	\$ 569,073	\$ 513,826	\$ 459,947
	(618,698)	(569,073)	(513,826)	(459,947)
\$	-	\$ -	\$ -	\$ -
\$	74,627,359	\$ 69,059,529	\$ 61,492,949	\$ 55,655,595
	0.83%	0.82%	0.84%	0.83%

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE YEAR ENDED AUGUST 31, 2024

PENSION LIABILITY:

*Changes of benefit terms:*

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 that was approved during the November 2023 elections, which will be paid in January 2024.

*Changes of assumptions:*

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

OPEB LIABILITY:

*Changes of benefit terms:*

There were no changes to benefit terms that affected measurement of the total OPEB liability during the measurement period.

*Changes of assumptions:*

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% as of August 31, 2022, to 4.13% as of August 31, 2023, accompanied by revised demographic and economic assumptions based on the TRS experience study.

## COMBINING SCHEDULES



WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2024

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	244 Career and Technical - Basic Grant
<b>ASSETS</b>				
1110	\$ -	\$ -	\$ -	\$ -
1240	76,073	162,490	2,103	14,810
1000	<u>\$ 76,073</u>	<u>\$ 162,490</u>	<u>\$ 2,103</u>	<u>\$ 14,810</u>
<b>LIABILITIES</b>				
2110	\$ 2,967	\$ -	\$ -	\$ -
2150	257	345	5	-
2160	59,370	162,145	2,098	-
2170	13,479	-	-	14,810
2000	<u>76,073</u>	<u>162,490</u>	<u>2,103</u>	<u>14,810</u>
<b>FUND BALANCES</b>				
Committed Fund Balance:				
3545	-	-	-	-
3000	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	<u>\$ 76,073</u>	<u>\$ 162,490</u>	<u>\$ 2,103</u>	<u>\$ 14,810</u>

## EXHIBIT H-1 (Cont'd)

255	263	279	282	289	315	385	397
ESEA II,A Training and Recruiting	Title III, A English Lang. Acquisition	ESSER III TCLAS ARP Act	ESSER III ARP Act	Other Federal Special Revenue Funds	SSA IDEA, Part B Discretionary	Visually Impaired SSVI	Advanced Placement Incentives
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,044
18,049	13,671	139,218	-	184	-	-	-
<u>\$ 18,049</u>	<u>\$ 13,671</u>	<u>\$ 139,218</u>	<u>\$ -</u>	<u>\$ 184</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,044</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	18	-	-	-	-	-	-
-	2,904	-	-	-	-	-	-
18,049	10,749	139,218	-	184	-	-	-
<u>18,049</u>	<u>13,671</u>	<u>139,218</u>	<u>-</u>	<u>184</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	5,044
-	-	-	-	-	-	-	5,044
<u>\$ 18,049</u>	<u>\$ 13,671</u>	<u>\$ 139,218</u>	<u>\$ -</u>	<u>\$ 184</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,044</u>

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 AUGUST 31, 2024

Data Control Codes	410 State Instructional Materials	429 Other State Special Revenue Funds	435 SSA Regional Day School - Deaf	461 Campus Activity Funds
<b>ASSETS</b>				
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ 21,470	\$ 732,774
1240 Due from Other Governments	1,736,176	290,539	-	-
1000 Total Assets	<u>\$ 1,736,176</u>	<u>\$ 290,539</u>	<u>\$ 21,470</u>	<u>\$ 732,774</u>
<b>LIABILITIES</b>				
2110 Accounts Payable	\$ -	\$ 60,509	\$ -	\$ 1,259
2150 Payroll Deductions and Withholdings Payable	-	-	6	-
2160 Accrued Wages Payable	-	-	21,464	-
2170 Due to Other Funds	1,736,176	230,030	-	-
2000 Total Liabilities	<u>1,736,176</u>	<u>290,539</u>	<u>21,470</u>	<u>1,259</u>
<b>FUND BALANCES</b>				
Committed Fund Balance:				
3545 Other Committed Fund Balance	-	-	-	731,515
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>731,515</u>
4000 Total Liabilities and Fund Balances	<u>\$ 1,736,176</u>	<u>\$ 290,539</u>	<u>\$ 21,470</u>	<u>\$ 732,774</u>

462 Metro League UIL	463 Voc Ag	464 Voc Ag II	Total Nonmajor Governmental Funds
\$ 7,304	\$ 5,105	\$ 19,004	\$ 790,701
-	-	-	2,453,313
<u>\$ 7,304</u>	<u>\$ 5,105</u>	<u>\$ 19,004</u>	<u>\$ 3,244,014</u>
\$ -	\$ -	\$ -	\$ 64,735
-	-	-	631
-	-	-	247,981
-	-	-	2,162,695
<u>-</u>	<u>-</u>	<u>-</u>	<u>2,476,042</u>
7,304	5,105	19,004	767,972
<u>7,304</u>	<u>5,105</u>	<u>19,004</u>	<u>767,972</u>
<u>\$ 7,304</u>	<u>\$ 5,105</u>	<u>\$ 19,004</u>	<u>\$ 3,244,014</u>

WAXAHACHIE 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 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	244 Career and Technical - Basic Grant
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-
5900 Federal Program Revenues	1,503,257	1,992,082	24,107	91,945
5020 Total Revenues	1,503,257	1,992,082	24,107	91,945
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	1,187,865	99,426	-	86,945
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	309,403	-	-	5,000
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	5,989	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	1,892,656	24,107	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	-	-	-	-
6030 Total Expenditures	1,503,257	1,992,082	24,107	91,945
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	-	-	-	-
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -

255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	279 ESSER III TCLAS ARP Act	282 ESSER III ARP Act	289 Other Federal Special Revenue Funds	315 SSA IDEA, Part B Discretionary	385 Visually Impaired SSVI	397 Advanced Placement Incentives
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	2,325	204
222,209	81,690	284,844	1,355,162	121,797	28,798	-	-
222,209	81,690	284,844	1,355,162	121,797	28,798	2,325	204
7,000	63,794	104,359	897,284	42,320	28,798	2,325	-
-	-	-	7,621	-	-	-	-
215,210	17,896	180,485	181,156	79,477	-	-	-
-	-	-	9,163	-	-	-	-
-	-	-	45,261	-	-	-	-
-	-	-	22,913	-	-	-	-
-	-	-	8,656	-	-	-	-
-	-	-	33,147	-	-	-	-
-	-	-	37,137	-	-	-	-
-	-	-	2,544	-	-	-	-
-	-	-	12,718	-	-	-	-
-	-	-	61,375	-	-	-	-
-	-	-	21,932	-	-	-	-
-	-	-	6,113	-	-	-	-
-	-	-	8,142	-	-	-	-
222,210	81,690	284,844	1,355,162	121,797	28,798	2,325	-
(1)	-	-	-	-	-	-	204
1	-	-	-	-	-	-	4,840
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,044

WAXAHACHIE 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	410 State Instructional Materials	429 Other State Special Revenue Funds	435 SSA Regional Day School - Deaf	461 Campus Activity Funds
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 757,416
5800 State Program Revenues	1,920,969	1,296,356	70,795	-
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	1,920,969	1,296,356	70,795	757,416
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	1,923,722	576,633	70,795	366,468
0012 Instructional Resources and Media Services	-	-	-	60,214
0013 Curriculum and Instructional Staff Development	-	309,447	-	7,131
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	-	-
0033 Health Services	-	-	-	-
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	161,740
0041 General Administration	-	-	-	74,803
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	410,282	-	-
0053 Data Processing Services	-	-	-	-
0061 Community Services	-	-	-	-
6030 Total Expenditures	1,923,722	1,296,362	70,795	670,356
1200 Net Change in Fund Balance	(2,753)	(6)	-	87,060
0100 Fund Balance - September 1 (Beginning)	2,753	6	-	644,455
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ 731,515

	462 Metro League UIL	463 Voc Ag	464 Voc Ag II	Total Nonmajor Governmental Funds
\$	26,681	\$ -	\$ 78,220	\$ 862,317
	-	-	-	3,290,649
	-	-	-	5,705,891
	26,681	-	78,220	9,858,857
	-	-	-	5,457,734
	-	-	-	67,835
	-	-	-	1,305,205
	-	-	-	9,163
	-	-	-	51,250
	-	-	-	1,939,676
	-	-	-	8,656
	-	-	-	33,147
	-	-	-	37,137
	22,097	-	75,441	261,822
	-	-	-	87,521
	-	-	-	61,375
	-	-	-	432,214
	-	-	-	6,113
	-	-	-	8,142
	22,097	-	75,441	9,766,990
	4,584	-	2,779	91,867
	2,720	5,105	16,225	676,105
\$	7,304	\$ 5,105	\$ 19,004	\$ 767,972



WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 AUGUST 31, 2024

	863 Payroll Clearing Account	865 Custodial Fund Student Activity Acct	899 Employee Sunshine Fund	Total Custodial Funds
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 562,992	\$ 202,857	\$ 7,031	\$ 772,880
Due from Student Groups	-	75	-	75
Total Assets	<u>562,992</u>	<u>202,932</u>	<u>7,031</u>	<u>772,955</u>
<b>LIABILITIES</b>				
Accounts Payable	-	1,704	-	1,704
Payroll Deductions and Withholdings Payable	45,969	-	-	45,969
Due to Other Funds	517,023	-	-	517,023
Due to Student Groups	-	-	7,031	7,031
Total Liabilities	<u>562,992</u>	<u>1,704</u>	<u>7,031</u>	<u>571,727</u>
<b>NET POSITION</b>				
Unrestricted Net Position	-	201,228	-	201,228
Total Net Position	<u>\$ -</u>	<u>\$ 201,228</u>	<u>\$ -</u>	<u>\$ 201,228</u>

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
 CUSTODIAL FUNDS  
 FOR THE YEAR ENDED AUGUST 31, 2024

EXHIBIT H-10

	863 Payroll Clearing Account	865 Custodial Fund Student Activity Acct	899 Employee Sunshine Fund	Total Total Custodial Funds
<b>ADDITIONS:</b>				
Miscellaneous Revenue - Student Activities	\$ -	\$ 328,189	\$ -	\$ 328,189
Total Additions	<u>-</u>	<u>328,189</u>	<u>-</u>	<u>328,189</u>
<b>DEDUCTIONS:</b>				
Other Deductions	-	316,421	-	316,421
Total Deductions	<u>-</u>	<u>316,421</u>	<u>-</u>	<u>316,421</u>
Change in Net Position	-	11,768	-	11,768
Net Position - September 1 (Beginning)	<u>-</u>	<u>189,460</u>	<u>-</u>	<u>189,460</u>
Net Position - August 31 (Ending)	<u>\$ -</u>	<u>\$ 201,228</u>	<u>\$ -</u>	<u>\$ 201,228</u>

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
 COMBINING BALANCE SHEET  
 CAPITAL PROJECT FUNDS  
 AUGUST 31, 2024

Data	627	627	628	629	Total
Control	2023		2023	2023	
Codes	Proposition A		Proposition B	Proposition C	
<b>ASSETS</b>					
1110 Cash and Cash Equivalents	\$ 6	\$ 78,377,239	\$ 188,970,124	\$ 49,432,183	\$ 316,779,552
1240 Due from Other Governments		-			-
1000 Total Assets	<u>\$ 6</u>	<u>\$ 78,377,239</u>	<u>\$ 188,970,124</u>	<u>\$ 49,432,183</u>	<u>\$ 316,779,552</u>
<b>LIABILITIES</b>					
2110 Accounts Payable		\$ 12,947,449	\$ 833,785	\$ 616,523	\$ 14,397,757
2150 Payroll Deductions and Withholdings Payable		-			-
2160 Accrued Wages Payable		-			-
2170 Due to Other Funds		-			-
2180 Due to Other Governments		-			-
2000 Total Liabilities	<u>-</u>	<u>12,947,449</u>	<u>833,785</u>	<u>616,523</u>	<u>14,397,757</u>
<b>FUND BALANCES</b>					
Restricted Fund Balance:					
3470 Capital Acquisition and Contractual Obligation	6	65,429,790	188,136,339	48,815,660	302,381,795
3000 Total Fund Balances	<u>6</u>	<u>65,429,790</u>	<u>188,136,339</u>	<u>48,815,660</u>	<u>302,381,795</u>
4000 Total Liabilities and Fund Balances	<u>\$ 6</u>	<u>\$ 78,377,239</u>	<u>\$ 188,970,124</u>	<u>\$ 49,432,183</u>	<u>\$ 316,779,552</u>

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WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
 FUND BALANCES - CAPITAL PROJECT FUNDS  
 AUGUST 31, 2024

Data	626	627	628	629	Total
Control Codes	2023		2023		
Codes	Proposition A		Proposition B		Proposition C
<b>REVENUES:</b>					
5700 Total Local and Intermediate Sources	\$ -	\$ 5,631,913	\$ 3,986,915	\$ 1,677,107	\$ 11,295,935
5800 State Program Revenues	-	-	-	-	-
5900 Federal Program Revenues	-	-	-	-	-
5020 Total Revenues	<u>-</u>	<u>5,631,913</u>	<u>3,986,915</u>	<u>1,677,107</u>	<u>11,295,935</u>
<b>EXPENDITURES:</b>					
Current:					
0011 Instruction	-	1,246,186	-	-	1,246,186
0012 Instructional Resources and Media Services	-	75,448	-	-	75,448
0013 Curriculum and Instructional Staff Development	-	-	-	-	-
0023 School Leadership	-	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	-	-	-
0035 Food Services	-	15,175	-	-	15,175
0036 Extracurricular Activities	-	-	-	-	-
0041 General Administration	-	-	-	-	-
0051 Facilities Maintenance and Operations	-	59,388	-	33,138	92,526
0052 Security and Monitoring Services	-	-	-	-	-
Debt Service:	-	-	-	-	-
0072 Interest on Long-Term Liabilities	-	-	-	-	-
0073 Bond Issuance Cost and Fees	-	153,361	1,150,205	235,331	1,538,897
Capital Outlay:	-	-	-	-	-
0081 Facilities Acquisition and Construction	-	82,942,705	5,955,178	11,040,025	99,937,908
6030 Total Expenditures	<u>-</u>	<u>84,492,263</u>	<u>7,105,383</u>	<u>11,308,494</u>	<u>102,906,140</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(78,860,350)	(3,118,468)	(9,631,387)	(91,610,205)
<b>OTHER FINANCING SOURCES (USES):</b>					
7911 Capital Related Debt Issued	-	19,673,143	147,548,573	30,188,284	197,410,000
7916 Premium or Discount on Issuance of Bonds	-	480,218	3,601,632	736,890	4,818,740
8911 Transfers Out (Use)	-	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>20,153,361</u>	<u>151,150,205</u>	<u>30,925,174</u>	<u>202,228,740</u>
1200 Net Change in Fund Balance	-	(58,706,989)	148,031,737	21,293,787	110,618,535
0100 Fund Balance - September 1 (Beginning)	<u>6</u>	<u>124,136,779</u>	<u>40,104,602</u>	<u>27,521,873</u>	<u>191,763,260</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ 6</u>	<u>\$ 65,429,790</u>	<u>\$ 188,136,339</u>	<u>\$ 48,815,660</u>	<u>\$ 302,381,795</u>

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REQUIRED T.E.A. SCHEDULES

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF DELINQUENT TAXES RECEIVABLE  
FOR THE YEAR ENDED AUGUST 31, 2024

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2015 and prior years	Various	Various	\$ Various
2016	1.170000	0.383900	3,147,980,202
2017	1.170000	0.383900	3,423,459,544
2018	1.170000	0.383900	3,423,459,544
2019	1.170000	0.383900	3,758,297,257
2020	1.068300	0.383900	3,974,454,148
2021	0.981500	0.383900	5,142,861,140
2022	0.960300	0.383900	5,726,344,347
2023	0.942900	0.383900	7,279,064,190
2024 (School year under audit)	0.757500	0.412900	8,114,223,294
1000 TOTALS			
8000 Total Taxes Refunded Under Section 26.1115, Tax Code			

(10) Beginning Balance 9/1/2023	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2024	(99) Taxes Refunded Under Section 26.1115c
\$ 185,941	\$ -	\$ 5,648	\$ 1,692	\$ -	\$ 178,601	
30,679	-	1,152	378	-	29,149	
38,227	-	1,347	442	-	36,438	
49,745	-	(10,644)	(3,492)	(17,824)	46,057	
111,076	-	35,562	11,668	(7,903)	55,943	
159,796	-	47,509	17,072	(17,905)	77,310	
194,265	-	58,213	22,769	58,403	171,686	
280,176	-	7,416	2,966	(40,650)	229,144	
1,046,628	-	96,327	39,220	(329,529)	581,552	
-	91,977,803	57,496,323	31,340,235	(2,122,536)	1,018,709	
<u>\$ 2,096,533</u>	<u>\$ 91,977,803</u>	<u>\$ 57,738,853</u>	<u>\$ 31,432,950</u>	<u>\$ (2,477,944)</u>	<u>\$ 2,424,589</u>	

\$ 90,808



WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM  
FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
	<b>REVENUES:</b>			
5700 Total Local and Intermediate Sources	\$ 1,572,000	\$ 1,572,000	\$ 2,506,388	\$ 934,388
5800 State Program Revenues	314,678	314,678	552,820	238,142
5020 Total Revenues	1,886,678	1,886,678	3,059,208	1,172,530
<b>EXPENDITURES:</b>				
Current:				
0035 Food Services	5,102,544	6,010,950	5,953,315	57,635
0051 Plant Maintenance and Operations	79,572	80,572	80,190	382
6030 Total Expenditures	5,182,116	6,091,522	6,033,505	58,017
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,295,438)	(4,204,844)	(2,974,297)	1,230,547
<b>OTHER FINANCING SOURCES (USES):</b>				
7952 National School Breakfast Program	415,000	415,000	729,159	314,159
7953 National School Lunch Program	2,675,000	2,675,000	2,807,746	132,746
7954 Donated Commodities (USDA)	-	326,225	326,229	4
7080 Total Other Financing Sources (Uses)	3,090,000	3,416,225	3,863,134	446,909
1200 Change in Net Position	(205,438)	(788,619)	888,837	1,677,456
0100 Total Net Position - September 1	3,596,238	3,596,238	3,596,238	-
3000 Total Net Position - August 31 (Ending)	\$ 3,390,800	\$ 2,807,619	\$ 4,485,075	\$ 1,677,456

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
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 (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
<b>REVENUES:</b>				
5700 Total Local and Intermediate Sources	\$ 33,699,502	\$ 33,186,442	\$ 33,484,523	\$ 298,081
5800 State Program Revenues	-	3,555,423	3,555,423	-
5900 Federal Program Revenues	100,000	100,000	53,063	(46,937)
5020 Total Revenues	33,799,502	36,841,865	37,093,009	251,144
<b>EXPENDITURES:</b>				
Debt Service:				
0071 Principal on Long-Term Liabilities	6,000,000	20,185,000	15,941,070	4,243,930
0072 Interest on Long-Term Liabilities	31,836,388	17,651,388	21,725,318	(4,073,930)
0073 Bond Issuance Cost and Fees	6,500	6,500	5,550	950
6030 Total Expenditures	37,842,888	37,842,888	37,671,938	170,950
1200 Net Change in Fund Balances	(4,043,386)	(1,001,023)	(578,929)	422,094
0100 Fund Balance - September 1 (Beginning)	16,638,039	16,638,039	16,638,039	-
3000 Fund Balance - August 31 (Ending)	\$ 12,594,653	\$ 15,637,016	\$ 16,059,110	\$ 422,094

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
STATE COMPENSATORY EDUCATION AND BILINGUAL EDUCATION PROGRAM EXPENDITURES  
FOR THE YEAR ENDED AUGUST 31, 2024

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**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.	\$8,465,935
AP4	Actual direct program expenditures for state compensatory education programs during the district's fiscal year. (PICs 24,26,28,29,30)	\$2,667,330

**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.	\$721,677
AP8	Actual direct program expenditures for bilingual education programs during the district's fiscal year. (PIC 25)	\$801,821

FEDERAL AWARDS SECTION

Members:  
AMERICAN INSTITUTE OF  
CERTIFIED PUBLIC  
ACCOUNTANTS  
TEXAS SOCIETY OF CERTIFIED  
PUBLIC ACCOUNTANTS

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**HANKINS, EASTUP, DEATON,  
TONN, SEAY & SCARBOROUGH**

A Limited Liability Company

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CERTIFIED PUBLIC ACCOUNTANTS

902 NORTH LOCUST  
P.O. BOX 977  
DENTON, TX 76202-0977

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Waxahachie Independent School District, as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise Waxahachie Independent School District's basic financial statements, and have issued our report dated December 6, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

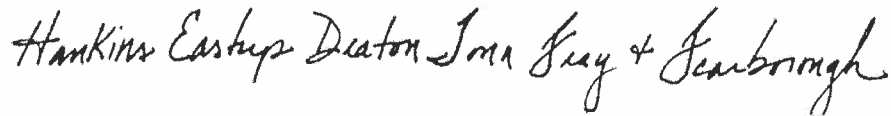
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC  
Denton, Texas  
December 6, 2024

Members:  
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

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

*Opinion on Each Major Federal Program*

We have audited Waxahachie Independent School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Waxahachie Independent School District's major federal programs for the year ended August 31, 2024. Waxahachie Independent School 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, Waxahachie Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 Waxahachie Independent School 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 Waxahachie Independent School 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 Waxahachie Independent School District's federal programs.

*Auditor's Responsibilities for the Audit of Compliance*

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Waxahachie Independent School 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 generally accepted auditing standards, *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 Waxahachie Independent School District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *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 Waxahachie Independent School 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 Waxahachie Independent School 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 Waxahachie Independent School 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.

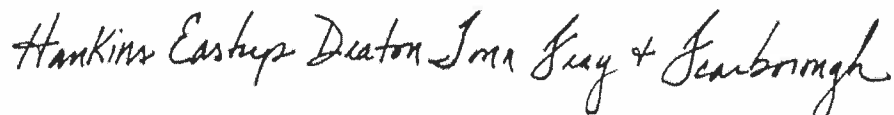
#### **Report on Internal Control over Compliance**

*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.



Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC  
Denton, Texas  
December 6, 2024



WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED AUGUST 31, 2024

I. Summary of Auditor's Results

1. Type of auditor's report issued on the financial statements: Unmodified.
2. Internal control over financial reporting:  
Material weakness(es) identified: None  
Significant deficiency(ies) identified that are not considered to be material weaknesses: None reported
3. Noncompliance which is material to the financial statements: None
4. Internal controls over major federal programs:  
Material weakness(es) identified: None  
Significant deficiency(ies) identified that are not considered to be material weaknesses: None reported
5. Type of auditor's report on compliance for major federal programs: Unmodified.
6. Did the audit disclose findings which are required to be reported in accordance with 2 CFR 200.516(a)?: No
7. Major programs include:

FALN 84.365A	ESEA Title III, Part A, English Language Acquisition Grants
FALN 84.367A	ESEA, Title II, Part A, Teaching Principal Training
FALN 84.425U	ESSER III, ESSER III (TCLAS)
8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
9. Low risk auditee: Yes

II. Findings Related to the Financial Statements

None

III. Findings and Questioned Costs Related to Federal Awards

None

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF STATUS OF PRIOR FINDINGS  
FOR THE YEAR ENDED AUGUST 31, 2024

There were no prior year findings.

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED AUGUST 31, 2024

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<u>Passed Through Texas Education Agency</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010 A	24610101070912	\$ 133,350
ESEA, Title I, Part A - Improving Basic Programs	84.010 A	24610101070912	1,219,259
ESEA, Title I, Part A - Focused Support Grant	84.010 A	246101397110090	150,649
Total Assistance Listing Number 84.010			1,503,258
*IDEA - Part B, Formula	84.027 A	246600010709126600	1,992,083
*SSA - IDEA - Part B, Preschool	84.027 A	246610010709126610	28,798
*SSA - IDEA - Part B, Deaf	84.027 A	246600110709126673	35,126
Total Assistance Listing Number 84.027			2,056,007
Total Special Education Cluster (IDEA)			2,056,007
Career and Technical - Basic Grant	84.048 A	24420006070912	91,945
Title III, Part A - English Language Acquisition	84.365 A	24671001057950	77,226
Title III, Part A - Immigrant	84.365 A	24671003057950	4,990
Total Assistance Listing Number 84.365			82,216
ESEA, Title II, Part A, Teacher Principal Training	84.367 A	24694501070912	222,210
Title IV, Part A Subpart I	84.424 A	24680101070912	4,742
Title IV, Part A Subpart 1	84.424 A	24680101070912	117,056
Total Assistance Listing Number 84.424			121,798
COVID 19 - ESSER III - School Emergency Relief	84.425 U	21528001070912	1,355,163
COVID 19 - Learning Supports - (TCLAS) ESSER III	84.425 U	21528042070912	284,844
Total Assistance Listing Number 84.425			1,640,007
Total Passed Through Texas Education Agency			5,717,441
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			5,717,441
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<u>Passed Through the Texas Department of Agriculture</u>			
*School Breakfast Program	10.553	71402401	729,159
*National School Lunch Program - Cash Assistance	10.555	71402401	2,807,746
*National School Lunch Prog. - Non-Cash Assistance	10.555	71402401	326,229
Total Assistance Listing Number 10.555			3,133,975
Total Child Nutrition Cluster			3,863,134
Total Passed Through the Texas Department of Agriculture			3,863,134
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			3,863,134
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ 9,580,575
*Clustered Programs			

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

WAXAHACHIE INDEPENDENT SCHOOL DISTRICT  
NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS  
YEAR ENDED AUGUST 31, 2024

- For all Federal programs, the District uses the fund types specified in Texas Education Agency's *Financial Accountability System Resource Guide*.
  - **General Fund** - is used to account for among other things, revenues from School Health and Related Services (SHARS) and indirect cost reimbursements.
  - **Special Revenue Funds** - are used to account for resources restricted to or designated for specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.
- The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in a Special Revenue Fund or, in some instances, in the General Fund which are Governmental Fund type funds.

With this measurement focus, only current assets and current liabilities and the fund balance are included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used in the Governmental Fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on General Long-Term Debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned.

- The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 90 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Performance of Federal Funds, 3 CFR Section 200.343 (b).
- ALN numbers for commodity assistance are the ALN numbers of the programs under which USDA donated the commodities.
- The District also received \$266,496 of School Health and Related Services (SHARS) payments recorded in the General Fund and \$53,063 of interest subsidy payments on its Qualified School Construction Bonds recorded in the Debt Service Fund. These payments are not considered Federal awards for purposes of The Schedule of Expenditures of Federal Awards but are included in federal revenue on Exhibit C-3.

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