

Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

WESLACO, TEXAS

Weslaco
Independent School District



AS CLASS 6A
CHAMPIONS



WALK-ON
WE GOT



WESLACO
INDEPENDENT SCHOOL DISTRICT

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**FOR THE
FISCAL YEAR ENDED JUNE 30, 2024**

**Report Issued by the
Business Office**

**312 W. 5th Street
Weslaco, Texas 78599**

www.wisd.us

WESLACO INDEPENDENT SCHOOL DISTRICT
Weslaco, Texas

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR)

JUNE 30, 2024

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OFFICE OF THE SUPERINTENDENT, DR. RICHARD RIVERA
319 W. 4th Street • Weslaco, Tx • 78596 • (956) 969-6500 • rrivera@wisd.us

November 19, 2024

Members of the Board of Trustees and
Citizens of the Weslaco Independent School District

Administration hereby submits the Annual Comprehensive Financial Report (Annual Report) for the fiscal year ended June 30, 2024. The Weslaco Independent School District's (District) Business Office prepared the Annual Report in accordance with generally accepted accounting principles (GAAP). The Annual Report is management's report of financial operations to the Board of Trustees (the Board), taxpayers, grantor agencies, employees, the Texas Education Agency (TEA), and other interested parties.

The financial statements in this report provide an overview of our operations and financial position as a whole and of individual funds. Responsibility for the accuracy and completeness of the financial statements and fairness of the presentation, including all disclosures, rests with our District. We believe the data, as presented, is accurate in all material respects.

The TEA requires all school districts to publish, within 150 days of the close of each fiscal year, a complete set of financial statements presented in conformity with GAAP and audited in accordance with generally accepted auditing standards (GAAS) by a firm of licensed certified public accountants.

Carr, Riggs, & Ingram, LLC has issued an unmodified ("clean") opinion on the Weslaco Independent School District's financial statements for the year ended June 30, 2024. The independent auditors' report is located at the front of the Financial Section.

The Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

This report provides valuable information for management as well as other users of the financial statements. Copies will be made available to the public, the Texas Education Agency, financial rating services, and other interested parties.

Profile of the District

Weslaco is located in the southern tip of Texas in the heart of the Rio Grande Valley, which is considered to be one of the top growth areas in the state and in the country. Weslaco city officials organized the school district soon after the city's establishment in 1919. With an enrollment of 350 in its first school year, 1921-22, the District had a faculty of ten and a graduating class of nine students. The first official school building, which still stands on the corner of Illinois and 7th Streets, was completed in February 1922.

Today, Weslaco ISD provides a full range of educational services appropriate to a diverse student population in grade levels Pre-K through 12. These include regular and advanced academics, special education for students with disabilities, gifted and talented classes and many individualized programs, such as specialized instruction for at-risk students and Emergent Bilingual students. These basic services are supplemented by a wide variety of offerings in career and technical education, fine arts, athletics, and JROTC programs.

Our District encompasses approximately 54.40 square miles. The District is empowered to levy property taxes on all real and personal property within its boundaries. The District is governed by a seven member Board of Trustees (the Board) elected by the registered voters of the District. The Board is responsible, among other things, for adopting and amending the annual budget, making policy, setting goals, approving contracts and personnel appointments, and hiring the superintendent. The superintendent is responsible for carrying out the policies of the Board and for overseeing the day-to-day operations of the District. With an official budget of around \$237 million and over 2,200 employees, Weslaco ISD is the largest employer in the city of Weslaco.

Internal and Budgetary Controls

Our District has established a comprehensive internal control framework designed both to protect assets from loss, theft, or misuse and to compile sufficiently reliable information for the preparation of financial statements in conformity with GAAP. Internal controls are designed to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and those transactions are executed in accordance with management's authorization and recorded properly. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management.

As a recipient of federal, state and local grants, our District is also responsible for an adequate internal control structure that ensures compliance with applicable laws and regulations related to the grants. All federally funded grants are subject to testing as part of the District's Single Audit as mandated by the Single Audit Act Amendments of 1996 and Title 2 of the United States Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The results of our Single Audit for the fiscal year ended June 30, 2024, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations. The report may be viewed in the Federal Awards section of the Annual Report.

The annual budget is the foundation of the District's financial planning and control. After public hearings, the budget is legally enacted by Board resolution each year prior to July 1. Once it is approved, the budget can only be changed at the function and fund level by amendments approved by a majority of the members of the Board. Budget-to-actual comparisons are provided in this report for the General Fund, the Food Service Fund, and the Debt Service Fund. The comparison for the General Fund is presented in Exhibit C-5, and the Food Service Fund and Debt Service Fund in Exhibits J-2 and J-3, respectively. Most of the other special revenue funds are controlled by project-length budgets approved by State and Federal grantor agencies, for which budget-to-actual comparisons are not included in this report.

Budget managers have the authority to approve budget transfers anytime during the year. A budget transfer is the movement of appropriations between budget line items within the same function. Any request to move appropriations between budget line items to different functions is considered a

budget amendment. Any budget amendment requested by budget managers requires Board approval.

The District feels that the budgetary controls currently in place are adequate to ensure that expenditures remain within the approved budget and that the District complies with regulations established by the Texas Education Code and the Financial Accountability Systems Resource Guide.

Current Economic Condition

The state and local economy have been affected by the coronavirus (Covid-19). On March 13, 2020 the Texas governor declared a statewide disaster for Covid-19. The federal government approved Texas as a major disaster on March 25, 2020 which allowed the state to receive federal assistance due to Covid-19. In 2020 and 2021, Congress passed three stimulus bills that provided nearly \$190.5 billion to the Elementary and Secondary School Emergency Relief (ESSER) Fund. States receive funds based on the same proportion that each state receives under the Elementary and Secondary Education Act (ESEA) Title I Part A. States must distribute at least 90% of funds to local education agencies (LEAs) based on their proportional share of ESEA Title I Part A funds. States have the option to reserve 10% of the allocation for emergency needs as determined by the state to address issues responding to the COVID-19 pandemic. TEA allocated approximately \$77.2 million of ESSER funding to the District starting 2019-20 and going through 2024-25. TEA substituted \$10.3 million of this federal revenue for the state revenue the District would have received from the foundation school program for fiscal year 2020 and 2021. The balance will be used over fiscal years 2021-2022 and 2022-2023 to provide stability in operations as the pandemic continues to unsettle attendance-based funding streams. Finally, the American Rescue Plan Act (ARP) of March 2021 provided a third round of ESSER funding (ESSER III). For fiscal years 2020-2021 through 2023-2024, we will utilize \$63.2 million to implement prevention and mitigation strategies to address the academic impact of lost instructional time, the social, emotional, and mental health needs of students, and the safe operation of schools. As required by federal law, our District's ESSER III plan can be found at <https://www.wisd.us/departments/assistant-superintendent-for-teaching-learning-innovation/title-1-federal-programs/esser-iii-09-01-21-plan-english>.

Property Taxes

In Texas, property values are assessed as of January 1. For 2023-2024, a strong housing and commercial market in Weslaco led to an increase in appraisal values of more than 8.2 percent. Overall appraisal value for 2024-2025 grew by more than 9.8 percent. The average market value for a single-family residence grew from \$168,744 to nearly \$172,076.

Two years of higher-than-normal increases in property values prompted the State to pass legislation providing property tax relief. Although a tax compression requirement already existed in law, the 88th Legislature lowered tax rates further. Additionally, voters approved a constitutional amendment to provide homeowners with additional relief as the homestead exemption was increased from \$40,000 to \$100,000. Lowering property taxes will require the State to contribute more of the funding needed for public education since public schools will receive less in property taxes.

State Education Funding

School districts in Texas are funded through two main sources of revenue: local property taxes and state aid that is distributed based on the number of students in attendance, the type of instructional services provided, and the school district's property wealth.

The basic framework of the school funding system includes: (a) student attendance, student demographics and instructional settings, which drive the calculation of total funding; and (b) a school district's property wealth, indexed to a state-determined compression percentage, which determines the state and local shares of that funding. Beginning in school year 2020-2021, a school district's Maintenance & Operations (M&O) tax revenue growth is capped at 2.5 percent by annual compression of the M&O base tax rate. Additional compression was added by the 88th Legislature. For 2024-2025, the M&O base tax rate was compressed to \$0.6169. With the 11.22 enrichment pennies allowable by law without an election and accessed by the Board, the total M&O tax rate for 2024-2025 is \$0.7291. As noted earlier, state funding is indexed to property value and the compressed tax rate.

Our District also levies an Interest & Sinking (I&S) tax rate to make the principal and interest payments of its debt. For 2024-2025, we maintained our I&S rate at \$0.219 to meet our debt requirements.

Local Economy

Located in the center of the Rio Grande Valley, Weslaco continues to experience steady growth. Property values reflect an increase in comparison to prior year and are expected to continue growing in the next few years.

At the end of June 2024, the national unemployment was at about 4.3% which has risen slightly from June of 2023. Texas was slightly below the national average at 4.1%. According to the Texas Workforce Commission, the unemployment rate in Weslaco has decreased from 6.9% percent in June 2023 to 6.7 percent in June 2024.

The District has maintained a stable fund balance. This strong financial position allows the District to receive AA+ high bond ratings issued by both Fitch and Standard and Poor's. A strong fund balance also allows the District to respond to unexpected situations that arise.

Long-Term Financial Planning

The District continues to experience a small decline in student enrollment of approximately 0.39% over the past five years to a little over 16,470 students in 2024, a number close to pre COVID-19 times. In an effort to increase ADA for future years, the District offered pre-school for all 3 and 4 year olds starting in 2022-2023. Anticipated enrollment for the 2024-2025 school year is expected to increase to around 16,500 students. The seventeen school sites that serve these students were built as early as 1922 with the most recent elementary school built in 2010.

The educational stakeholders of the District continue working on strategic plans for educational programs, technology resources, facilities, and staffing that will be implemented over the next several years. By applying conservative principles and proactive staffing guidelines and practices, Weslaco ISD has been able to maintain a strong financial position. Future budgets should be able to meet all the District's needs.

Awards

Weslaco ISD has received the highest financial accountability rating of “Superior Achievement” on the Financial Integrity Rating System of Texas (FIRST) as awarded by the Texas Education Agency for the past twenty-one years. Senate Bill 218 of the 77th Legislature (2001) authorized the implementation of a financial accountability rating system referred to as School FIRST. Weslaco ISD has received a perfect score in seven out of the last eight years. The primary purpose of the Financial Integrity Rating System of Texas (FIRST) is to ensure that school districts will be held accountable for the quality of their financial management practices and to achieve improved performance in the management of their financial resources.

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Weslaco Independent School District for its Annual Comprehensive Financial Report in 2019 through 2021, & 2023. Weslaco ISD first earned this prestigious award in 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A certificate of achievement is valid for a period of one year only. The Certificate of Achievement applications for 2022 are pending. However, we believe that our 2024 Annual Comprehensive Financial Reports continue to meet the Certificate of Achievement Program's requirements and will be submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements

Preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the Business Office Department. We appreciate the contribution made in the preparation of this report.

We would especially like to thank the District's Board of Trustees for their time, dedication, and support to the students and staff of Weslaco ISD. A sincere appreciation is also extended to our independent auditors, Carr, Riggs, & Ingram, LLC for their assistance in the preparation of this report.

Respectfully,



Dr. Richard Rivera
Superintendent of Schools



Mr. David Robledo, RTSBA, MACC
Chief Financial Officer

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WESLACO INDEPENDENT SCHOOL DISTRICT
WESLACO, TEXAS

LIST OF PRINCIPAL OFFICIALS

2023 - 2024

BOARD OF TRUSTEES

Jaclyn Sustaita, President

Isidoro Nieto, Vice President

Dr. Jaime Rodríguez, Secretary

Ben Castillo, Trustee

Armando Cuéllar Jr., Trustee

Marcos De Los Santos Jr., Trustee

Jesse Treviño, Trustee

ADMINISTRATORS

Dr. Richard Rivera, Superintendent of Schools

Abel Aguilar, Deputy Superintendent

David Robledo, Chief Financial Officer

Daniel Budimir, Assistant Superintendent for Secondary School Leadership & Instruction

Beatriz Solano, Assistant Superintendent for Elementary School Leadership & Instruction

Janie Ybarra Rodríguez, Assistant Superintendent for Human Resources

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Government Finance Officers Association

Certificate of
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in Financial
Reporting

Presented to

**Weslaco Independent School District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

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2023-2024 ORGANIZATIONAL STRUCTURE



WESLACO INDEPENDENT SCHOOL DISTRICT
BOARD OF TRUSTEES

SUPERINTENDENT OF SCHOOLS

Deputy Superintendent

Assistant Superintendent for School Leadership & Instruction
ELEMENTARY SCHOOLS

Assistant Superintendent for School Leadership & Instruction
SECONDARY SCHOOLS

Executive Director for Technology

Executive Director of Safe & Supportive Schools & Administration

Executive Director for District Communications

Executive Director for Maintenance & Operations

Assistant Superintendent for Human Resources

Chief Financial Officer

Director for Special Education

Director for Assessment & Accountability

Director of Student Support Services

Director of Instructional Technology

Manager of Instructional Programs

Director of Athletics

Director of Fine Arts

Bilingual Coordinator

Director of CTE

Migrant Coordinator

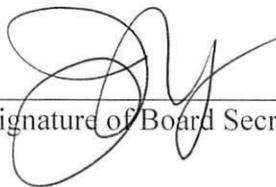
Lead Librarian

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CERTIFICATE OF BOARD

<u>Weslaco Independent School District</u> Name of School District	<u>Hidalgo</u> County	<u>108-913</u> Co-District Number
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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 June 30, 2024, at a meeting of the Board of Trustees of such school district on the 19th day of November, 2024.



Signature of Board Secretary



Signature of Board President

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

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FINANCIAL SECTION

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INDEPENDENT AUDITOR’S REPORT

To the Board of Trustees
Weslaco Independent School District

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Weslaco Independent School District (the “District”), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Weslaco Independent School District 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 Weslaco Independent School District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund 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 Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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, Pension and OPEB liabilities related schedules, and the related notes to the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying combining nonmajor fund financial statements, combining internal service funds, the required Texas Education Agency ("TEA") schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 nonmajor fund financial statements, combining internal service funds, the required Texas Education Agency ("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 Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 15, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 District's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

McAllen, Texas
November 15, 2024

MANAGEMENT’S DISCUSSION AND ANALYSIS

Year Ended June 30, 2024 (Unaudited)

This section of Weslaco Independent School District’s annual comprehensive financial report presents our discussion and analysis of the District’s financial performance during the fiscal year ended June 30, 2024. Please read it in conjunction with the District’s transmittal letter, the independent auditors’ report, and financial statements.

Governmental Accounting Standards Board (GASB) Statements issued in 2012 and 2015 changed the requirements for recognition of liabilities, deferred inflows and deferred outflows related to pensions and Other Post Employment Benefits (OPEB). These have had a significant negative impact on the District’s full accrual government-wide financial statements: the Statement of Net Position and the Statement of Activities. The implementation of these GASB Statements results in the recognition of significant liabilities with considerable annual adjustments, both positive and negative. The Government-wide financial statements do not allow stakeholders to properly assess the educational programs and operating results of the District. Therefore, this Management Discussion & Analysis will distinguish between the District’s operational activities and the effects of these GASB accounting pronouncements related to pensions and OPEB.

FINANCIAL HIGHLIGHTS

The District’s total net position is \$43,743,341 at June 30, 2024 as shown on the government-wide financial statements. This amounted to an increase in net position of \$13,439,211 as a result of current year’s operations.

The District’s governmental fund financial statements reported an ending fund balance of \$258.8 million at June 30, 2024, which is a net increase in fund balance of \$171.9 million as a result of current year’s operations. The increase in governmental fund balances was primarily due to an increase in the 2024 Bonds Capital Project Fund of \$160.4 million due to the sale of bonds during the year.

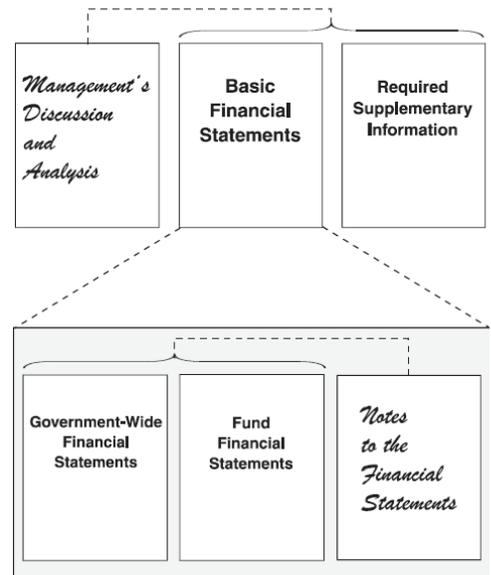
At June 30, 2024, total unassigned fund balance for the General Fund was \$65.4 million or 37.0 percent of the total General Fund expenditures of \$176.7 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- * The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District’s overall financial status. The *government-wide financial statements* include the Statement of Net Position and the Statement of Activities. These statements 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 private business enterprise.
- * The remaining statements report the District’s operations in more detail than the government-wide statements by providing information about the District’s most significant funds.

Figure A-1, Required Components of the District’s Annual Financial Report



- * *The governmental funds* statements tell how *general government* services were financed in the *short term* as well as what remains for future spending.
- * *Proprietary fund* statements offer *short-* and *long-term* financial information about the activities the government operates *like businesses*.
- * *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a *trustee or agent* for the benefit of others, to whom the resources in question belong.

The notes to the financial statements provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements. The combining statements for Nonmajor Governmental Funds provide additional information about the District's individual funds. The Federal Awards Section contains data used by monitoring or regulatory agencies to determine the District's compliance with the terms of grant awards. Figure A-1 on the previous page shows how the required parts of this annual report are arranged and related to one another.

Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide Statements

The primary purpose of the government-wide financial statements (the Statement of Net Position and the Statement of Activities) is to show positive or negative changes in the District's financial condition as a result of this fiscal year's activities. The Statement of Net Position includes all District assets and liabilities at the end of the year while the Statement of Activities includes all revenues and expenses generated by the District's operations for the fiscal year. These statements are intended to reflect private sector accounting practices based on full accrual reporting for revenues and expenses.

The District's revenues are divided as follows: (1) program revenues provided by outside parties who share the costs of some programs, such as tuition from students outside the District or U.S. Department of Education grants to assist low-income children or those with disabilities; and (2) general revenues provided by local taxpayers or the Texas Education Agency's (TEA) State foundation program. All District assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

The District's net position (the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position is one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, one should also consider non-financial factors, such as changes in the District's average daily attendance, changes in its property tax base, the condition of the District's facilities, as well as the District's academic rating.

The District's growth in prior years, along with the age and condition of several facilities, has necessitated the renovation of existing facilities and construction of additional facilities. The need for additional or improved facilities is continually reassessed to ensure that our students are best served.

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes *all* of the government's

assets and liabilities. All of the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District’s *net position* and *statement of activities*.

Figure A-2. Major Features of the District's Government-wide and Fund Financial Statements

<i>Type</i>	<i>of</i>			
	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
<i>Scope</i>	Entire District’s government (except fiduciary funds) and the District’s component units	The activities of the district that are not proprietary or fiduciary	Activities the district operates similar to private businesses	Instances in which the district is the trustee or agent for someone else’s resources
<i>Required financial statements</i>	<input type="checkbox"/> Statement of net position	<input type="checkbox"/> Balance sheet	<input type="checkbox"/> Statement of net position	<input type="checkbox"/> Statement of fiduciary net position
	<input type="checkbox"/> Statement of activities	<input type="checkbox"/> Statement of revenues, expenditures & changes in fund balances	<input type="checkbox"/> Statement of revenues, expenses and changes in fund net position	<input type="checkbox"/> Statement of changes in fiduciary net position
			<input type="checkbox"/> Statement of cash flows	
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the custodial funds do not currently contain capital assets, although they can
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

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

Fund Financial Statements

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

- Some funds are required by State law and by bond covenants.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has the following kinds of funds:

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

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net position. The District's combined net position increased by \$13,439,211, between fiscal years 2023 and the fiscal year ending June 30, 2024 to \$43,743,341. (See Table A-1 on the next page).

Table A-1
Weslaco Independent School District
Net Position

	Governmental Activities			Total
	2024	2023	Change	Percentage Change
Current and other assets	\$ 292,765,772	\$ 120,642,494	\$ 172,123,278.45	142.67%
Capital assets, net	125,946,050	129,646,160	(3,700,110)	-2.85%
Total Assets	418,711,823	250,288,654	168,423,168	67.29%
Deferred outflow of resources	36,921,393	38,456,156	(1,534,763)	-3.99%
Current liabilities	29,444,669	30,719,990	(1,275,321)	-4.15%
Long term liabilities	323,452,574	160,741,772	162,710,802	101.22%
Total Liabilities	352,897,242	191,461,762	161,435,481	84.32%
Deferred inflow of resources	58,992,632	66,978,918	(7,986,286)	-11.92%
Net Position:				
Net investment in capital assets	67,705,155	65,732,749	1,972,405	3.00%
Restricted	19,378,671	10,645,411	8,733,261	82.04%
Unrestricted	(43,340,485)	(46,074,030)	2,733,545	-5.93%
Total Net Position	\$ 43,743,341	\$ 30,304,130	\$ 13,439,211	44.35%

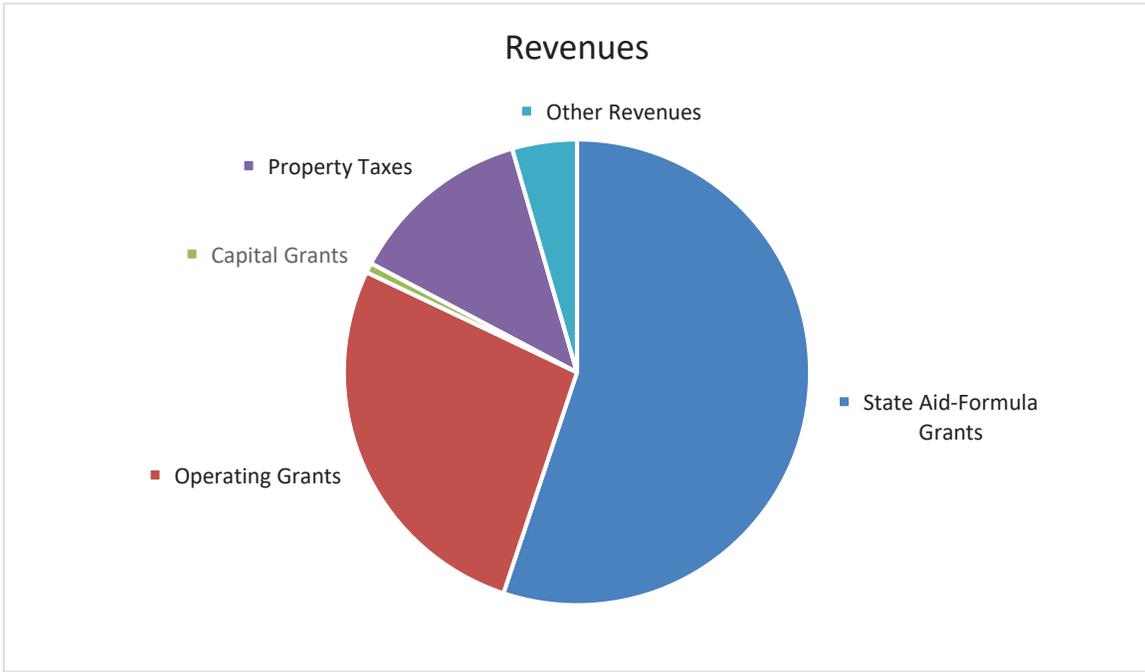
The District's net position increased 44.35% from a prior year amount of \$30,304,130 to \$43,743,341 at June 30, 2024. However, most of the total net position is either net invested in capital assets or is restricted as to the purposes they can be used for. Restricted net position increased by 82.04% due to an increase in restricted for construction and restricted for debt service. Unrestricted net position amounted to \$(43,340,485) at June 30, 2024. The unrestricted balance deficit decreased by 5.93% from the prior year. The deficit in the unrestricted balance was mainly due to GASB 68 and 75 transactions.

Governmental Activities

Changes in net position. The District's total revenues were \$241,152,534 for the fiscal year ended June 30, 2024. A significant portion of revenue is derived from the following: 55.10% comes from state-aid formula grants, 26.96% of the District's revenue comes from operating grants, 0.69% comes from capital grants, and 12.75% is related to property taxes collected, 4.49% of total revenue is composed of investment earnings received, charges for services, and miscellaneous revenue. (See Figure A-2 on the next page).

Governmental Activities-Continued

FIGURE A-2 WISD SOURCES OF REVENUE FOR THE FISCAL YEAR ENDING JUNE 30, 2024



The property tax rate was 0.9464 in 2023-24. The Maintenance and Operations tax rate was 0.7314 and the Debt Service tax rate was 0.2150. The property tax rate will increase slightly in 2024-25 due to an increase in the Debt Service tax rate. The Maintenance and Operations tax rate will be 0.7291 and the Debt Service tax rate will be 0.2190 for a total tax rate of 0.9481.

The total cost of all programs and services was \$227,713,323 of which 47.1% of these costs was for instruction, 13.0% was for general administration, 8.7% is for facilities maintenance and operations, and 5.4% for food services to students which represent the major function percentages for the fiscal year ended June 30, 2024. (See Figure A-4).

Governmental Activities – Changes in the District’s Net Position Table A-3 Continues on next page.

Table A-3
Weslaco Independent School District
Changes in Net Position

	Governmental Activities		Change	Total Percentage Change
	2024	2023		
Program Revenues:				
Charges for services	\$ 4,758,753	\$ 5,106,657	\$ (347,904)	-6.81%
Operating grants & contributions	65,012,733	75,495,760	(10,483,027)	-13.89%
Capital grants & contributions	1,655,355	-	1,655,355	N/A
General Revenues :				
Property taxes	30,763,158	29,125,058	1,638,101	5.62%
Grants and contributions , unrestricted state aid-formula	132,900,860	122,142,451	10,758,409	8.81%
Investment earnings	5,936,714	3,173,943	2,762,771	87.05%
Miscellaneous	124,961	145,085	(20,124)	-13.87%
Total Revenues	\$ 241,152,534	\$ 235,188,954	\$ 5,963,580	2.54%
Total Expenses (By-Function)				
Instruction	\$ 107,185,873	\$ 103,433,069	\$ 3,752,804	3.63%
Instructional resources and media services	3,545,817	3,533,694	12,123	0.34%
Curriculum and staff development	2,801,711	2,884,443	(82,732)	-2.87%
Instructional leadership	3,122,051	2,863,368	258,683	9.03%
School leadership	9,579,678	9,888,779	(309,101)	-3.13%
Guidance, counseling and evaluation services	8,016,185	7,800,278	215,907	2.77%
Social work services	922,063	986,907	(64,844)	-6.57%
Health services	2,499,543	2,680,265	(180,723)	-6.74%
Student (pupil) transportation	5,837,647	6,002,038	(164,391)	-2.74%
Food services	12,296,505	12,364,774	(68,269)	-0.55%
Extracurricular activities	9,455,832	8,903,700	552,133	6.20%
General administration	29,550,811	27,179,611	2,371,200	8.72%
Facilities maintenance and operations	19,758,261	19,176,373	581,888	3.03%
Security and monitoring services	3,420,597	3,528,441	(107,844)	-3.06%
Data processing services	2,842,893	2,832,481	10,411	0.37%
Community services	2,595,918	2,424,153	171,765	7.09%
Debt service - interest on long term debt	2,072,102	1,763,808	308,294	17.48%
Debt service - bond issuance cost and fees	1,553,932	3,095	1,550,837	50107.83%
Payments to SSA's	340,911	-	340,911	N/A
Payments to juvenile justice alternative ed. program	100,000	126,690	(26,690)	-21.07%
Other Intergovernmental Charges	214,991	259,501	(44,510)	-17.15%
Total Expenses	\$ 227,713,323	\$ 218,635,470	\$ 9,077,854	4.15%
Total Increase (decrease) in Net Position	\$ 13,439,211	\$ 16,553,484	\$ (3,114,274)	-18.81%
Net position beginning	30,304,130	13,645,643	16,658,488	122.08%
Prior Period Adjustment	-	105,004	(105,004)	-100.00%
Net position on beginning, as restated	30,304,130	13,750,646	16,553,484	120.38%
Net Position Ending	\$ 43,743,341	\$ 30,304,130	\$ 13,439,211	44.35%

Governmental Activities-Continued

- The cost of all governmental activities this year was \$227,713,323.
- Cost paid by those who directly benefited from the programs totaled \$4,758,753.
- Other cost were paid by Operating Grants and Contributions of \$65,012,733.
- Other cost were paid by Capital Grants and Contributions of \$1,655,355.
- However, the amount that our taxpayers paid for these activities through property taxes was \$30,763,158.

Table A-4 presents the cost of each of the District’s largest functions as well as each function’s net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars. General Administration, Instruction, and Facilities Maintenance & Operations. net costs increased 45.69%, 10.79%, and 6.98%. There are a few of reasons for this. One, the Board approved an increase in salaries for the 23/24 school year. The second reason is, inflation increased the costs of items during the 23/24 school year. Finally, we received ESSER II funds in 22/23 to offset the District’s prior years’ COVID-19 medical costs pay outs. This resulted in a dramatic increase in the net costs on General Administration in 23/24 since 22/23 net costs were reduced by over \$3.8 million. Food Service net costs decreased by 6.47%. There are a couple of reasons for this. One, the federal reimbursement rates have increased dramatically in recent years. The other reason is that many positions in food service have not been filled. Net costs for School Administration decreased slightly. This was primarily due to the closing of our early college high school at the end of the 22/23 school year.

Table A-4
Weslaco Independent School District
Net Cost of District's Major Governmental Activities

	<u>Costs</u>			<u>Net Costs</u>		
	2024	2023	% Change	2024	2023	% Change
Instruction	\$ 107,185,873	\$ 103,433,069	3.63%	\$ 72,402,277	\$ 65,349,441	10.79%
General Administration	29,550,811	27,179,611	8.72%	23,115,423	15,865,853	45.69%
Facilities Maintenance & Operations	19,758,261	19,176,373	3.03%	18,105,359	16,924,028	6.98%
Food Service	12,296,505	12,364,774	-0.55%	(2,194,586)	(2,061,231)	-6.47%
School Administration	9,579,678	9,888,779	-3.13%	8,957,658	8,980,333	-0.25%

FINANCIAL ANALYSIS OF THE DISTRICT’S GOVERNMENTAL FUNDS

The focus of the District’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources.

As of June 30, 2024, the District’s governmental funds reported ending fund balances of \$258,761,737. Of the current ending fund balances, the general fund reported an ending fund balance of \$85,519,797 while the rest of the funds amounted to a fund balance of \$173,241,940. The following categories are recorded and primary uses noted in accordance with GASB No. 54.

- \$3,030,084 is recorded as non-spendable, of which \$1,368,088 is non-spendable for inventories and \$1,661,995 is non-spendable for prepaid items.
- \$180,648,520 is recorded as restricted, of which \$7,960,481 is restricted for federal or state programs; \$171,034,751 is restricted for capital acquisitions and contractual obligations; and \$1,653,288 is restricted retirement of long-term debt.
- \$513,786 is recorded as committed fund balance for student activities.

- \$9,134,151 is recorded as assigned, of which \$7,000,000 for construction related items, \$2,093,036 for unliquidated purchase orders rolled forward; \$40,115 is assigned for scholarships; and \$1,000 is assigned for parental involvement.
- \$65,435,196 is recorded as unassigned and is available for spending at the government's discretion. Revenues from governmental fund types totaled \$241,112,229 as of June 30, 2024. This is an increase of \$6,771,807 from June 30, 2023's total of \$234,340,423. The increase was mainly due to an over 8.66% increase in state funding due to an increase in ADA numbers and tax rate compression, additional interest income, and the use of ESSER to cover teacher salaries.

General Fund

The general fund is the chief operating fund of the District. At the end of the fiscal year, the fund balance of the general fund was \$85,519,797. This represents an increase of \$1,487,726 or 1.77%. Factors listed below contributed to the overall increase in fund balance to the General Fund.

- State funding increased by over 8.66% due to an increase in ADA numbers and tax rate compression.
- Investment earnings increased by 55.93% due to a higher than expected increase in interest rates.
- The District paid over 325 elementary and middle school teachers out of ESSER funds during the fiscal year.

General Fund Budgetary Highlights

Over the course of the year, the District revised its budget numerous times. The most significant revisions were increases to the state allotment budgets due to the carry over from the prior year and higher than expected FTE and ADA numbers. Even with these adjustments, actual expenditures were \$21,041,663 below final budget amounts. The most significant positive variance resulted from staffing. Staffing is budgeted for full employment throughout the full year. Budget amounts for vacant positions throughout the year are not revised.

- Instructional expenses were budgeted at a total of \$94,477,108 and actual expenditures totaled \$86,337,440. The District reclassified 325 elementary and middle school teachers' salaries to ESSER II, some of them during the year. This created one of the most significant expenditure variance in the budget which totaled a savings of \$8,139,668 of expected expenses.

On the other hand, resources available were originally budgeted at a total of \$176,710,618. Like the District's budgeted expenditures, this figure was revised numerous times during the year. The most significant revision was a \$11.33 million increase in State Aid due to higher ADA and tax rate compression. The final budgeted resources available amount ended up at \$186,942,686 and actual revenues totaled \$189,036,388, netting a difference of \$2,093,702 more.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of June 2024, the District had invested \$326,456,920 in a broad range of capital assets, including land, equipment, buildings, vehicles, and right to use leased assets (See Table A-5 on the next page). This amount represents a net decrease of \$3,700,110 or 2.85% (including additions, deductions and depreciation/amortization).

Table A-5
Weslaco Independent School District
District's Capital Assets

	2024	2023	Change	Change
Land and Improvements	\$ 27,290,480	\$ 25,457,587	\$ 1,832,893	7.20%
Construction in Progress	2,231,254	1,325,728	905,526	68.30%
Buildings and Improvements	266,215,268	265,762,870	452,398	0.17%
Furniture and Equipment	29,294,453	27,743,903	1,550,549	5.59%
Right to use Leased Assets	1,004,351	884,406	119,944	13.56%
SBITA Assets	421,115	421,115	-	0.00%
Totals at Historical Cost	326,456,920	321,595,610	4,861,311	1.51%
Accumulated Depreciation/Amortization	(200,510,870)	(191,949,449)	(8,561,421)	4.46%
Net Capital Assets	\$ 125,946,050	\$ 129,646,160	\$ (3,700,110)	-2.85%

More detailed information about the District's capital assets is presented in the notes to the financial statements (Note F).

Long Term Debt

At year-end, the District had \$184,199,977 in bonds and \$21,451,809 notes and loans outstanding as shown in Table A-6. The District's long term liabilities increased by 95.61% due mainly to the District issuing \$160 million in bonds for school improvement projects. More detailed information about the District's debt is presented in the notes to the financial statements (Note G).

Bond Ratings

The District's bonds presently carry "AAA/Stable" ratings with underlying ratings as follows: S & P Global Ratings "A+/Stable"

Table A-6
Weslaco Independent School District
District's Long Term Debt

	2024	2023	Change	%
Bond Payable	\$ 184,199,977	\$ 33,954,977	\$ 150,245,000	442.48%
Notes/Loans Payable	21,451,809	23,108,740	(1,656,931)	-7.17%
Premium on Bonds	11,813,345	6,875,473	4,937,873	71.82%
Compensated Absences	921,040	996,640	(75,600)	-7.59%
Gain or Loss on Defeasance	437,876	-	437,876	N/A
Accumulated Accretion on CABs	120,754	67,180	53,574	79.75%
Lease Payable	379,075	400,767	(21,692)	-5.41%
SBITA Payable	217,255	332,194	(114,939)	-34.60%
Net Pension Liability	74,050,656	65,695,196	8,355,460	12.72%
Net OPEB Liability	29,860,786	33,928,424	(4,067,638)	-11.99%
Total Long Term Liabilities	\$ 323,452,574	\$ 165,359,590	\$ 158,092,983	95.61%

NEXT YEAR'S BUDGETS AND RATE

At \$0.7291 per hundred dollars of assessed valuation, the District's 2024-2025 Maintenance and Operations (M&O) tax rate is the maximum rate the Board can levy without voter approval. The rate is a little less than \$0.0023 of a cent lower than 2023-2024, as state-mandated rate compression is implemented to offset property value growth. Normally, as a part of updated school finance legislation in 2019, state revenue moves inversely with property value growth, indexed to the compressed rate.

These indicators were taken into account when adopting the General Fund budget for 2025. Amounts available for appropriation in the General Fund budget are \$192.6 million, with an increase of 3.05% over the final 2024 budget of \$186.9 million. State foundation payments account for most all of the expected revenue increase. This increase is due to higher expected ADA in the 2024/25 school year than the 2023/24 school year. As planned, as of mid-October 2023, ADA was approximately 1,612 students higher than budgeted ADA of 14,500. The District will continue to reach out to all students registered last year who did not show up at the start of school in August 2024.

The District will use its revenues to finance programs we currently offer, which includes all day pre-school for all 3 and 4 year olds. Budgeted expenditures are expected to decrease 2.58% to \$192.6 million from \$197.75 million original budget in 2024. This decrease is due mainly due to an adjustment of staffing levels throughout the District.

If these estimates are realized, the District's budgetary General Fund fund balance is expected to remain stable by the close of 2025.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. David Robledo, Chief Financial Officer, at the District's Business Office, at Weslaco Independent School District, 312 West Fifth Street, Weslaco, Texas 78596.

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BASIC FINANCIAL STATEMENTS

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WESLACO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

Data Control Codes		Primary Government
		Governmental Activities
	ASSETS	
1110	Cash and cash equivalents	\$ 261,233,309
1220	Property taxes receivable	4,543,101
1230	Allowance for uncollectible taxes	(272,621)
1240	Due from other governments	23,140,555
1290	Other receivables	845,417
1300	Inventories - supplies and materials	1,434,291
1410	Prepaid items	1,841,722
	Capital assets not being depreciated:	
1510	Land	6,661,889
1580	Construction in progress	2,231,254
	Capital assets net of accumulated depreciation:	
1510	Land improvements, net	7,503,257
1520	Buildings, net	103,509,497
1530	Furniture and equipment, net	5,451,288
1550	Right-to-use leased assets, net	364,926
1553	SBITA assets, net	223,938
1000	TOTAL ASSETS	418,711,823
	DEFERRED OUTFLOWS OF RESOURCES	
1701	Deferred charge on refunding	516,373
1705	Deferred outflows for TRS pension	27,815,088
1706	Deferred outflows for TRS OPEB	8,589,932
1700	TOTAL DEFERRED OUTFLOWS OF RESOURCES	36,921,393
	LIABILITIES	
2110	Accounts payable	4,603,328
2120	Accrued liabilities	1,396,385
2140	Interest payable	1,277,199
2150	Payroll deductions & withholdings	1,813,055
2160	Accrued wages payable	18,237,874
2180	Due to other governments	245,712
2300	Unearned revenues	1,871,116
	Noncurrent liabilities:	
2501	Due within one year: Loans, Notes, Leases, etc.	3,636,771
	Due in more than one year	
2502	Bonds, Notes, Leases, etc.	215,904,361
2540	Net pension liabilities	74,050,656
2545	Net OPEB liability (proportionate share)	29,860,786
2000	TOTAL LIABILITIES	352,897,242
	DEFERRED INFLOWS OF RESOURCES	
2605	Deferred inflows for TRS pension	5,496,197
2606	Deferred inflows for TRS OPEB	53,496,435
2600	TOTAL DEFERRED INFLOWS OF RESOURCES	58,992,632
	NET POSITION	
3200	Net investment in capital assets	67,705,155
	Restricted for:	
3820	Federal and state programs	8,187,897
3850	Debt service	1,087,685
3860	Capital projects	10,103,090
3900	Unrestricted	(43,340,485)
3000	TOTAL NET POSITION	\$ 43,743,341

WESLACO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

		1	3	Program Revenues 4	5	Net (Expenses) Revenue & Changes in Net Position 6
Data Control Codes		Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
GOVERNMENTAL ACTIVITIES:						
11	Instruction	\$ 107,185,873	\$ 126,591	\$ 33,943,849	\$ 713,155	\$ (72,402,277)
12	Instruction resources & media services	3,545,817	11,307	1,969,801	-	(1,564,708)
13	Curriculum & staff development	2,801,711	367	1,575,112	-	(1,226,232)
21	Instructional leadership	3,122,051	54	1,092,283	-	(2,029,714)
23	School leadership	9,579,678	11,438	610,582	-	(8,957,658)
31	Guidance, counseling & evaluation services	8,016,185	16	1,980,267	-	(6,035,902)
32	Social work services	922,063	-	150,365	-	(771,698)
33	Health services	2,499,543	303	1,251,936	-	(1,247,304)
34	Student (pupil) transportation	5,837,647	3,557	1,378,213	-	(4,455,877)
35	Food services	12,296,505	192,109	14,298,982	-	2,194,586
36	Co-curricular/extracurricular activities	9,455,832	714,964	203,808	898,879	(7,638,180)
41	General administration	29,550,811	3,476,294	2,959,094	-	(23,115,423)
51	Facilities maintenance & operations	19,758,261	49,243	1,603,660	-	(18,105,359)
52	Security & monitoring services	3,420,597	492	609,423	43,320	(2,767,363)
53	Data processing services	2,842,893	308	117,499	-	(2,725,086)
61	Community services	2,595,918	171,677	1,207,194	-	(1,217,047)
72	Debt service - interest on long term debt	2,072,102	32	10,665	-	(2,061,405)
73	Debt service - bond issuance cost & fees	1,553,932	-	-	-	(1,553,932)
81	Capital Outlay	-	-	-	-	-
93	Payments to SSA's	340,911	-	50,000	-	(290,911)
95	Payments to Juvenile Justice Alternative Ed. Prog.	100,000	-	-	-	(100,000)
99	Other intergovernmental charges-Appraisal District	214,991	-	-	-	(214,991)
	[TG] Total Government Activities:	<u>227,713,323</u>	<u>4,758,753</u>	<u>65,012,733</u>	<u>1,655,355</u>	<u>(156,286,483)</u>
	[TP] TOTAL PRIMARY GOVERNMENT:	<u>\$ 227,713,323</u>	<u>\$ 4,758,753</u>	<u>\$ 65,012,733</u>	<u>\$ 1,655,355</u>	<u>(156,286,483)</u>
Data Control Codes	General Revenues					
MT	Property taxes levied for general purposes					23,842,019
DT	Property taxes levied for debt service					6,921,140
GC	Grants & contributions not restricted					132,900,860
IE	Investment earnings					5,936,714
MI	Miscellaneous revenue					124,961
TR	Total General Revenues					<u>169,725,693</u>
CN		Change in Net Position				13,439,211
NB	Net position - beginning					30,304,130
NE	Net position - ending					<u>\$ 43,743,341</u>

The accompanying notes are an integral part of this statement.

WESLACO INDEPENDENT SCHOOL DISTRICT
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2024

Data Control Codes	10					Total Governmental Funds
	General Fund	ESSER III	2024 Bonds Construction	Other Funds		
ASSETS						
1110	Cash and cash equivalents	\$ 83,963,616	\$ -	\$ 160,763,220	\$ 14,643,928	\$ 259,370,764
1220	Property taxes receivable	4,026,916	-	-	516,185	4,543,101
1230	Allowance for uncollectible taxes	(254,557)	-	-	(18,064)	(272,621)
1240	Due from other governments	14,545,091	4,805,446	-	3,790,018	23,140,555
1260	Due from other funds	3,600,435	-	-	-	3,600,435
1290	Other receivables	10,799	-	1,958	-	12,758
1300	Inventories	1,434,291	-	-	-	1,434,291
1410	Prepaid items	1,661,995	-	-	179,726	1,841,722
1000	Total Assets	<u>\$ 108,988,587</u>	<u>\$ 4,805,446</u>	<u>\$ 160,765,178</u>	<u>\$ 19,111,793</u>	<u>\$ 293,671,003</u>
LIABILITIES						
Liabilities:						
2110	Accounts payable	\$ 2,607,027	\$ 4,417	\$ 339,642	\$ 1,074,398	\$ 4,025,483
2150	Payroll deductions & withholdings payable	1,813,055	-	-	-	1,813,055
2160	Accrued wages payable	13,894,471	2,352,108	-	1,991,294	18,237,874
2170	Due to other funds	-	2,448,921	-	1,151,514	3,600,435
2180	Due to other governments	97,555	-	-	148,157	245,712
2300	Unearned revenues	461,669	-	-	1,409,447	1,871,116
2000	Total Liabilities	<u>18,873,778</u>	<u>4,805,446</u>	<u>339,642</u>	<u>5,774,810</u>	<u>29,793,675</u>
DEFERRED INFLOWS OF RESOURCES						
2601	Unavailable revenue - property taxes	3,850,708	-	-	520,578	4,371,287
2602	Unavailable revenue - SHARS	744,305	-	-	-	744,305
2600	Total deferred inflows of resources	<u>4,595,013</u>	<u>-</u>	<u>-</u>	<u>520,578</u>	<u>5,115,591</u>
FUND BALANCES						
Nonspendable fund balance:						
3410	Inventories	1,368,088	-	-	-	1,368,088
3430	Prepaid items	1,661,995	-	-	-	1,661,995
Restricted fund balance:						
3450	Grant restrictions	7,960,481	-	-	-	7,960,481
3470	Capital acquisitions	-	-	160,425,536	10,609,215	171,034,751
3480	Retirement of debt	-	-	-	1,653,288	1,653,288
Committed fund balance:						
3545	Other committed fund balances	-	-	-	513,786	513,786
Assigned fund balance:						
3550	Assigned fund balance-construction	7,000,000	-	-	-	7,000,000
3590	Other assigned fund balance	2,094,036	-	-	40,115	2,134,151
3600	Unassigned fund balance	65,435,196	-	-	-	65,435,196
	Total Fund Balances	<u>85,519,797</u>	<u>-</u>	<u>160,425,536</u>	<u>12,816,404</u>	<u>258,761,737</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 108,988,587</u>	<u>\$ 4,805,446</u>	<u>\$ 160,765,178</u>	<u>\$ 19,111,793</u>	<u>\$ 293,671,003</u>

The accompanying notes are an integral part of this statement.

WESLACO INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2024

Total Fund Balance - Governmental Funds	\$ 258,761,737
<p>The District uses internal service funds to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of position. The net effect of this consolidation is to increase (decrease) net position.</p>	
	720,975
<p>Capital 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 \$321,595,610 and the accumulated depreciation and amortization was \$191,949,449. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase (decrease) net position.</p>	
	71,849,483
<p>Current year capital outlays, new right to use asset agreements, new SBITA agreements, and long-term debt principal payments are expenditures in the fund financial statement, but they should be shown as increases in capital and right to use assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2024 capital outlays, new right to use asset agreements, new SBITA agreements, and debt principal is an increase /(decrease) in net position.</p>	
	9,703,230
<p>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. The net position related to TRS included a deferred resource outflow in the amount of \$27,815,088, a deferred resource inflow in the amount of \$5,496,197, and a net pension liability in the amount of \$74,050,656. This resulted in an decrease in net position.</p>	
	(51,731,765)
<p>Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB 75. The net position related to TRS included a deferred resource outflow in the amount of \$8,589,932, a deferred resource inflow in the amount of \$53,496,435, and a net OPEB liability in the amount of \$29,860,786. This resulted in an decrease in net position.</p>	
	(74,767,289)
<p>The 2024 depreciation and amortization expense increases accumulated depreciation and amortization. The net effect of the current year's depreciation and amortization is to decrease net position.</p>	
	(8,869,853)
<p>Proceeds from the issuance of bonds is a revenue source in the governmental funds, but it increases long-term liabilities in the statement of net assets and does not impact the statement of activities.</p>	
	(161,518,233)
<p>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 as revenue, recognizing the liabilities associated with maturing long-term debt, interest, and compensated balances. The net effect of these reclassifications and recognitions is to increase (decrease) net position.</p>	
	(404,943)
Net Position of Governmental Activities	\$ 43,743,341

The accompanying notes are an integral part of this statement.

WESLACO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	10 General Fund	ESSER III	2024 Bonds Construction	Other Funds	Total Governmental Funds	
REVENUES:						
5700	Local and intermediate sources	\$ 29,050,295	\$ -	\$ 763,220	\$ 7,459,433	\$ 37,272,948
5800	State program revenues	141,280,458	-	-	3,247,492	144,527,951
5900	Federal program revenues	18,705,635	23,618,194	-	16,987,502	59,311,331
	Total Revenues	<u>189,036,388</u>	<u>23,618,194</u>	<u>763,220</u>	<u>27,694,427</u>	<u>241,112,229</u>
EXPENDITURES:						
Current						
0011	Instruction	86,337,440	19,357,856	-	11,997,324	117,692,620
0012	Instruction resources & media services	2,108,919	118,047	-	1,751,849	3,978,816
0013	Curriculum & staff development	1,465,512	212,913	-	1,302,416	2,980,841
0021	Instructional leadership	2,440,186	325,429	-	669,560	3,435,176
0023	School leadership	10,251,839	273,790	-	21,697	10,547,326
0031	Guidance, counseling & evaluation services	7,139,744	854,877	-	857,378	8,851,999
0032	Social work services	898,569	24,442	-	94,075	1,017,086
0033	Health services	1,597,349	321,299	-	848,938	2,767,587
0034	Student (pupil) transportation	5,723,857	192,526	-	155,298	6,071,681
0035	Food services	12,965,892	278,506	-	-	13,244,398
0036	Co-curricular/extracurricular activities	8,144,044	36,815	-	219,320	8,400,179
0041	General administration	5,741,944	89,561	-	66,327	5,897,832
0051	Facilities maintenance & operations	20,305,992	469,868	-	259,167	21,035,027
0052	Security & monitoring services	3,577,832	82,615	-	55,428	3,715,876
0053	Data processing services	2,826,771	51,938	-	28,151	2,906,860
0061	Community services	1,609,293	75,409	-	1,052,148	2,736,850
Debt Service:						
0071	Debt service - principal on long term debt	2,019,517	-	-	2,513,198	4,532,715
0072	Debt service - interest on long term debt	922,191	-	-	1,226,634	2,148,825
0073	Debt service - bond issuance cost & fees	1,000	-	1,516,275	45,300	1,562,575
Capital Outlay						
0081	Facilities acquisitions and construction	21,970	852,302	339,642	1,976,903	3,190,817
Intergovernmental:						
0093	Payments to SSA's	290,911	-	-	50,000	340,911
0095	Payments to juvenile justice alternative ed. prog.	100,000	-	-	-	100,000
0099	Other intergovernmental charges-appraisal district	214,991	-	-	-	214,991
6030	Total Expenditures	<u>176,705,766</u>	<u>23,618,194</u>	<u>1,855,916</u>	<u>25,191,112</u>	<u>227,370,988</u>
1100	Excess (Deficiency) of Revenues Over (Under)	<u>12,330,622</u>	<u>-</u>	<u>(1,092,696)</u>	<u>2,503,316</u>	<u>13,741,241</u>
OTHER FINANCING SOURCES (USES)						
7911	Issuance of bonds	-	-	155,345,000	-	155,345,000
7912	Sale of real and personal property	22,951	-	-	-	22,951
7913	Issuance of debt-right to use lease	234,153	-	-	-	234,153
7915	Transfers in	-	-	-	10,200,000	10,200,000
7916	Premium or Discount on Issuance of Bonds	-	-	6,173,233	-	6,173,233
8911	Transfers out	(11,100,000)	-	-	-	(11,100,000)
8949	Other uses	-	-	-	(2,677,316)	(2,677,316)
7080	Total Other Financing Sources (Uses)	<u>(10,842,896)</u>	<u>-</u>	<u>161,518,233</u>	<u>7,522,684</u>	<u>158,198,022</u>
1200	Net change in fund balances	1,487,726	-	160,425,536	10,026,000	171,939,263
0100	Fund balance - July 1 (beginning)	<u>84,032,070</u>	<u>-</u>	<u>-</u>	<u>2,790,404</u>	<u>86,822,474</u>
3000	Fund balance - June 30 (ending)	<u>\$ 85,519,797</u>	<u>\$ -</u>	<u>\$ 160,425,536</u>	<u>\$ 12,816,404</u>	<u>\$ 258,761,737</u>

The accompanying notes are an integral part of this statement.

WESLACO 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 JUNE 30, 2024

Total Net Change in Fund Balance - Governmental Funds	\$ 171,939,263
The District uses internal service funds to charge the costs of certain activities such as self-insurance, to appropriate functions in other funds. The net income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase (decrease) net position.	(2,203,997)
Current year capital outlays, new right to use asset agreements, new SBITA agreements, and long-term debt principal payments are expenditures in the fund financial statement, but they should be shown as increases in capital and right to use assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2024 capital outlays, new right to use asset agreements, new SBITA agreements, and debt principal is an increase/(decrease) in net position.	9,703,230
The 2024 depreciation and amortization expense increases accumulated depreciation and amortization. The net effect of the current year's depreciation and amortization is to decrease net position.	(8,869,853)
Proceeds from the issuance of bonds is a revenue source in the governmental funds, but it increases long-term liabilities in the statement of net assets and does not impact the statement of activities.	(161,518,233)
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 as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, and recognizing the liabilities associated with maturing long-term debt, interest, and compensated balances. The net effect of these reclassifications and recognitions is to increase (decrease) net position.	2,134,445
GASB 68 requires that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$5,135,898. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. This caused a decrease in net position totaling \$4,649,616. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense increased the change in net position by \$6,660,760. The net result is an decrease in the change in net position.	(6,174,478)
GASB 75 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$1,010,062. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net OPEB liability. This caused a decrease in net position totaling \$983,121. Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense increased the change in net position by \$8,401,893. The net result is an increase in the change in net position.	8,428,834
Change in Net Position of Governmental Activities	\$ 13,439,211

The accompanying notes are an integral part of this statement.

WESLACO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	Original	Final	Actual Amounts	Variance With Final Budget Positive or (Negative)
REVENUES:				
5700	\$ 32,965,188	\$ 29,196,874	\$ 29,050,295	\$ (146,579)
5800	127,723,311	139,056,174	141,280,458	2,224,284
5900	16,022,119	18,689,638	18,705,635	15,997
	<u>176,710,618</u>	<u>186,942,686</u>	<u>189,036,388</u>	<u>2,093,702</u>
EXPENDITURES:				
Current				
0011	85,713,312	94,477,108	86,337,440	8,139,668
0012	2,167,449	2,493,361	2,108,919	384,442
0013	2,256,234	2,307,898	1,465,512	842,386
0021	2,507,142	2,685,956	2,440,186	245,770
0023	11,304,039	11,277,064	10,251,839	1,025,225
0031	7,259,733	7,631,228	7,139,744	491,484
0032	1,123,317	1,067,603	898,569	169,034
0033	1,532,290	1,764,370	1,597,349	167,021
0034	5,797,031	8,748,689	5,723,857	3,024,832
0035	14,182,035	15,618,538	12,965,892	2,652,646
0036	7,459,771	8,595,078	8,144,044	451,034
0041	5,500,170	6,240,437	5,741,944	498,493
0051	18,827,462	21,538,671	20,305,992	1,232,679
0052	3,143,555	4,347,519	3,577,832	769,687
0053	2,974,865	3,348,417	2,826,771	521,646
0061	1,543,143	1,746,193	1,609,293	136,900
0071	2,158,635	2,158,635	2,019,517	139,118
0072	835,710	867,075	922,191	(55,116)
0073	3,000	3,000	1,000	2,000
0081	-	98,950	21,970	76,980
0093	-	309,914	290,911	19,003
0095	125,000	125,000	100,000	25,000
0099	296,725	296,725	214,991	81,734
6030	<u>176,710,618</u>	<u>197,747,429</u>	<u>176,705,766</u>	<u>21,041,663</u>
1100	-	(10,804,743)	12,330,622	23,135,365
OTHER FINANCING SOURCES (USES)				
7912	-	16,820	22,951	(6,131)
7913	-	234,155	234,153	2
7949	-	150,656	-	150,656
8911	-	(10,200,000)	(11,100,000)	900,000
7080	<u>-</u>	<u>(9,798,369)</u>	<u>(10,842,896)</u>	<u>1,044,527</u>
1200	-	(20,603,112)	1,487,726	24,179,892
0100	<u>84,032,070</u>	<u>84,032,070</u>	<u>84,032,070</u>	<u>-</u>
3000	<u>\$ 84,032,070</u>	<u>\$ 63,428,958</u>	<u>\$ 85,519,797</u>	<u>\$ 24,179,892</u>

The accompanying notes are an integral part of this statement

WESLACO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024

	<u>Governmental Activities</u> <u>Internal</u> <u>Service Funds</u>
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 1,862,545
Other receivables	<u>832,659</u>
Total Assets	<u><u>2,695,204</u></u>
LIABILITIES	
Current Liabilities:	
Account payables	577,845
Accrued expenses	<u>1,396,385</u>
Total Liabilities	<u>1,974,229</u>
NET POSITION	
Unrestricted	<u>720,975</u>
Total Net Position	<u><u>\$ 720,975</u></u>

The accompanying notes are an integral part of this statement.

WESLACO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Governmental Activities Internal Service Funds
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 20,758,144
Total Operating Revenues	20,758,144
OPERATING EXPENSES:	
Professional and Contracted Services	3,681,223
Other Operating Costs	20,454,632
Total Operating Expenses	24,135,856
Operating Income (Loss)	(3,377,712)
NONOPERATING REVENUES:	
Earning from Temporary Deposits and Investements	170,933
Other Non-Operating Revenue	102,781
Total Nonoperating Revenues	273,715
Income (Loss) Before Transfers	(3,103,997)
Transfers In	900,000
Change in Net Position	(2,203,997)
Total Net Position-July 1, (Beginning)	2,924,972
Total Net Position - June 30, (Ending)	\$ 720,975

The accompanying notes are an integral part of this statement.

WESLACO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Governmental Activities
	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from interfund services provided	\$ 17,286,405
Receipts from employees	3,467,895
Receipts from other participants	3,844
Receipts from reimbursements and refunds	1,543,566
Payments for benefit claims	(22,113,244)
Payments for administration	(3,629,436)
	(3,440,970)
Net cash used in operating activities	
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Other Non-Operating Revenue	126,750
Transfers In	900,000
	1,026,750
Net cash provided by noncapital financing activities	
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest received	146,965
	146,965
Net cash provided by investing activities	
Net decrease in cash and cash equivalents	(2,267,255)
Cash and Cash equivalents-beginning	4,129,800
	\$ 1,862,545
	\$ 1,862,545
Reconciliation of operating income/(loss) to net cash used in operating activities	
Operating loss	\$ (3,377,712)
Adjustments to reconcile operating loss to net cash used in:	
(Increase) decrease in other receivables	(148,078)
(Increase) decrease in prepaid items	63,086
Increase (Decrease) in account payables	(563,300)
Increase (Decrease) in other current liabilities	585,033
Total adjustments	(63,258)
Net cash used in operating activities	\$ (3,440,970)

The accompanying notes are an integral part of this statement.

WESLACO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024

	Custodial Funds
<hr/>	
ASSETS	
Cash and cash equivalents	\$ 873,039
Total Assets	<u>873,039</u>
NET POSITION	
Restricted for Other Purposes	<u>873,039</u>
Total Net Position	<u><u>\$ 873,039</u></u>

The accompanying notes are an integral part of this statement.

WESLACO INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Custodial Funds
<hr/>	
ADDITIONS:	
Miscellaneous Revenue - Student Activities	\$ 2,047,286
Contributions, Gifts, and Donations	291,498
	<hr/>
Total Additions	2,338,784
	<hr/>
DEDUCTIONS	
Contracted Services	\$ 145,667
Supplies and Materials	1,003,363
Scholarship Payments	112,497
Other Deductions	901,068
	<hr/>
Total Deductions	2,162,595
	<hr/>
Change in Fiduciary Net Position	176,189
Total Net Position - July 1 (Beginning)	696,850
	<hr/>
Total Net Position - June 30 (Ending)	\$ 873,039
	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Weslaco Independent School District (the "District") is an independent public educational agency operating under applicable laws and regulations of the State of Texas. A seven-member Board of Trustees, elected by the District's residents to staggered three-year terms, has fiscal accountability over all activities within the jurisdiction of the District. Board vacancies may be filled by appointment until the next election. Board decisions are based on a majority vote. The Board adopts policies, employs the Superintendent, and oversees operations of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board ("GASB") and other authoritative sources identified in Statement on Auditing Standards of the American Institute of Certified Public Accountants; and it complies with the requirements of the appropriate version of Texas Education Agency's Financial Accountability System Resource Guide (the "Resource Guide" or "FASRG") and the requirements of contracts and grants of agencies from which it receives funds.

The following is a summary of the most significant accounting policies.

A. REPORTING ENTITY

The District is considered an independent entity for financial reporting purposes and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared, based on considerations regarding the potential for inclusion of other entities, organizations, or functions, as part of the District's financial reporting entity. Based on these considerations, no other entities have been included in the District's financial reporting entity. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

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

Additionally prescribed criteria under generally accepted accounting principles include considerations pertaining to organizations for which the primary government is financially accountable; and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Board of Trustees (the "Board") is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by GASB.

The District receives support from various PTA, PTO, and Booster club organizations. Generally Accepted Accounting Principles require the District to report certain legally separate organizations as component units even though the District is not financially accountable for these organizations. These standards promulgated by GASB require that a legally separate tax-exempt organization be reported as a component unit if all of the criteria on the next page are met:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

A. REPORTING ENTITY - Continued

1. The economic resources of the separate organization entirely, or almost entirely, directly benefit the primary government, its component units, or its constituents.
2. The primary government is entitled to, or can otherwise access, a majority of the economic resources of the separate organization.
3. The economic resources of the individual separate organization that the primary government is entitled to, or can otherwise access, are significant to that primary government.

While the various organizations noted above meet the first criteria specified by GASB, none of the organizations meet the second two requirements and are therefore not included as component units within the reporting entity.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Weslaco Independent School District's non-fiduciary activities with most of the inter-fund activities removed. *Governmental activities* include programs supported primarily by taxes, State foundation funds, grants, and other intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. The District does not allocate indirect expenses in the statement of activities. Program revenues include fees, fines, and charges paid by recipients of goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. The "charges for services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. Examples include tuition paid by students not residing in the district, school lunch charges, etc. The "grants and contributions" column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If revenue is not a program revenue, it is a general revenue used to support all of the District's functions. Taxes are always general revenues.

Inter-fund activities between governmental funds appear as due to/due from on the governmental fund balance sheet and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balance. All inter-fund transactions between governmental funds are eliminated on the government-wide statements.

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

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

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

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets, current liabilities and fund balances are included on the balance sheet. Operating statements of these funds present net increases and decreases in current assets (i.e., revenues and other financing sources and expenditures and other financing uses).

The modified accrual basis of accounting recognizes revenues in the accounting period in which they become both measurable and available and it recognizes expenditures in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. The District considers all revenues available if they are collectible within 60 days after year end.

Revenues from local sources consist primarily of property taxes. Property tax revenues are considered available when they are collected within the current period or within 60 days after the District's fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are both measurable and available.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount.

The proprietary fund types and fiduciary funds are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable. The District applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless these pronouncements conflict or contradict GASB pronouncements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the Statement of Net Position. The equity is segregated into net investment in capital assets, restricted net position, and unrestricted net position.

D. FUND ACCOUNTING

The District reports the following major governmental fund:

1. **General Fund** – The general fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
2. **Elementary and Secondary School Emergency Relief Fund III (ESSER III)** – This fund is used to account for federal stimulus ESSER III funds granted to LEAs through the American Rescue Plan Act to address learning loss and the disproportionate impact of the coronavirus on certain student subgroups, identify and provide homeless children and youth with services in light of challenges of the coronavirus, and enable homeless children and youth to attend school and participate fully in school activities.
3. **2024 Unlimited Tax School Building Bonds Fund Capital Projects Fund** – This fund is used to account for construction projects paid for with the proceeds of the 2024 Unlimited Tax School Building Bonds.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

D. FUND ACCOUNTING – Continued

Additionally, the District reports the following fund types:

Governmental Funds:

4. **Special Revenue Funds** – The District accounts for resources restricted to, or designated for, specific purposes by the District or a grantor in a special revenue fund. Most federal and some state financial assistance is accounted for in special revenue funds and sometimes unused balances must be returned to the grantor at the close of specified project periods.
5. **Debt Service Fund** - The District accounts for resources accumulated and payments made for principal and interest on long term obligation debt of governmental funds.
6. **Capital Projects Fund** - The proceeds from long-term debt financing, revenues and expenditures related to authorized construction, and other capital asset acquisitions are accounted for in a capital project fund.

Proprietary Funds:

7. **Internal Service Funds** – Revenues and expenses related to services provided to organizations inside the District on a cost reimbursement basis are accounted for in an internal service fund. The following internal service funds are used by the District:

Health Insurance Fund

The Health Insurance Fund is used to account for the operations of the District's employee health insurance plan, which is supported principally by employer and employee contributions. Expenses include plan benefit payments to medical providers and employees and charges incurred in administering the plan.

Workers' Compensation Fund

The Workers' Compensation Fund is used to account for the operations of the District's Workers' Compensation insurance plan, which is supported principally by employer contributions. Expenses include plan benefit payments to providers of medical services or to employees for claims, administrative costs, and stop-loss premium charges. Estimated amounts due for claims incurred but not reported at year-end are included as fund liabilities.

Unemployment Insurance Fund

The Unemployment Insurance Fund is used to account for the operations of the District's unemployment insurance plan, which is supported principally by employer contributions. Expenses include plan benefit payments for eligible employees and charges incurred in administering the plan.

Fiduciary Funds:

7. **Custodial Funds** – The District accounts for resources held for others in a custodial capacity. The District's custodial funds are:

- ❑ Student Activity Funds

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or custodial capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

E. OTHER ACCOUNTING POLICIES

1. For purposes of the statement of cash flows for proprietary and similar fund-types, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.
2. Money market investments which are short-term, highly liquid debt instruments including commercial paper, bankers' acceptances, and U.S. Treasury and agency obligations that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. Investments in entities (such as investment pools) that calculate Net Asset Value per Share and follow the requirements of GASB Statement NO. 79 are also reported at amortized cost. Nonparticipating interest-earning investment contracts, including repurchase agreements, are reported using a cost-based measure. The term nonparticipating means that the investment's value does not vary with market interest rate changes. All other investments are reported at fair value.
3. The District reports inventories of supplies at average cost including consumable maintenance, instructional, office, athletic, and transportation items. Supplies are recorded as expenditures when they are consumed. Inventories of food commodities are recorded at market values supplied by the Texas Department of Health and Human Services. Although commodities are received at no cost, their fair market value is supplied by the Texas Department of Health and Human Services and recorded as inventory and deferred revenue when received. When requisitioned, inventory and deferred revenue are relieved, expenditures are charged, and revenue is recognized for an equal amount.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These expenditures will be recorded when consumed (consumption method) rather than when purchased.

4. In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities. 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.

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.

5. It is the District's policy to permit employees to accumulate state sick leave. Local leave shall be non-cumulative. There is a liability for unpaid accumulated state sick leave. The District has a policy to pay professionals \$100 per day and paraprofessionals \$60 per day when employees retire from service with the District. 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. A liability for these amounts is reported in the government-wide statements when employees become eligible to retire.
6. Capital assets, which include land improvements, buildings, furniture and equipment, are reported in the applicable governmental columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. OTHER ACCOUNTING POLICIES – Continued

The District has recorded right to use lease assets and right to use subscription assets as a result of implementing GASB 87 and GASB 96. These assets are initially measured at an amount equal to the initial measurement of the related liability plus any payments made prior to the agreement term, less incentives, and plus ancillary charge necessary to place the asset into service. These right to use assets are amortized on a straight-line basis over the life of the related agreement.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Land improvements, buildings, and furniture and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	40
Building Improvements	20
Buses	10
Vehicles	5
Office Equipment	5
Computer Equipment	5
Right of Use Assets	Term of the lease
SBITA Agreements	Term of the agreement
Land Improvements	12

7. The District has a central receiving warehouse where all equipment and supplies are received. All assets received are tagged and labeled before they are delivered. The equipment is posted and confirmed with the purchase order. The items are labeled for delivery to make sure they reach their destination. Transfer forms are used when the assets are moved from one location to another.
8. The District complies with GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net position*, which provides guidance for reporting the financial statement elements of deferred outflows of resources, which represent a consumption of net assets that applies to future periods, and deferred inflows of resources, which represent an acquisition of net position that applies to future periods.
9. The District complies with GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.
10. The District complies with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an Amendment to GASB Statement No. 27*. 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.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. OTHER ACCOUNTING POLICIES - Continued

11. The District complies with GASB Statement No. 72, *Fair Value Measurement and Application*, which defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

- Level 1 inputs are based on unadjusted quoted market prices for identical assets or liabilities in an active market the entity has the ability to access.
- Level 2 inputs are observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.
- Level 3 are unobservable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value:

- Market approach - uses prices generated by market transactions involving identical or comparable assets or liabilities.
- Cost approach - uses the amount that currently would be required to replace the service capacity of an asset (replacement cost).
- Income approach - uses valuation techniques to convert future amounts to present amounts based on current market expectations.

12. The following District insurance programs are self-funded insured plans: the workmen's compensation, health, and unemployment are self-funded programs. The health insurance program met the minimum state requirement per employee. The health insurance low plan is a 70/30 plan, the health insurance high plan is an 80/20 plan, and the health insurance state plan is a 90/10 plan. The District cost per employee was \$640.

13. The District complies with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. In the fund financial statements, certain resources of the governmental funds are set aside for the repayment or use of specific programs and are recorded to four categories of designations:

Nonspendable – Amounts that cannot be spent because they are either not in a spendable form or are legally or contractually required to be maintained intact. The District has inventories and prepaid items that are considered non-spendable. Non-spendable for inventory will not equal the District's end of the year inventory amount due to inventories of food commodities. These are recorded at fair market value as inventory and deferred revenue.

Restricted – Amounts that can be spent only for specific purposes because of constraints imposed by external providers, or imposed by constitutional provisions or enabling legislation.

Committed – This classification includes amounts constrained to specific purposes by the District

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. OTHER ACCOUNTING POLICIES – Continued

itself, using its highest level of decision-making authority (i.e. the Board of Trustees). To be reported as committed, amounts cannot be used for any other purposes unless the District takes the same highest level of action to remove or change the constraint. The District establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. A fund balance commitment is further indicated in the budget document as a commitment of the fund. The District has committed fund balance in the Campus Activity Fund in the amount of \$513,786 for uses benefiting the respective campuses where the funds were raised.

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, the Superintendent, or Superintendent's designee.

Unassigned fund balances are amounts that are available for any purpose; these amounts can be reported only in the District's general fund. The District's unassigned fund balance will be maintained to provide the District with sufficient working capital and a margin of safety to address local and regional emergencies without borrowing. The unassigned general fund fund balance may only be appropriated by resolution of the Board of Trustees. Amendments or modifications of the committed fund balance must also be approved by formal action of the Board of Trustees. When it is appropriate for fund balance to be assigned, the Board of Trustees has delegated authority by resolution to the Superintendent or Assistant Superintendent of Business and Finance. In circumstances where expenditures are to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted, committed, assigned, and unassigned. The purpose of the debt service fund is to account for funds used to pay the long and short term debt obligations used to fund the District's capital projects. The District's governmental fund balance designations can be identified as follows on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. OTHER ACCOUNTING POLICIES – Continued

General fund	
Nonspendable	
Inventories	\$ 1,368,088
Prepaid Items	1,661,995
Restricted	
Food Service	4,648,076
State Compensatory Education	2,602,834
State Bilingual Education	221,281
State Dyslexia	135,963
Early Education Allotment	138,039
CCMR	214,287
Assigned	
Assigned Fund Balance - Construction	7,000,000
Other Assigned Fund Balance - PO Rollforward	2,093,036
Other Assigned Fund Balance - Parental Involvement	<u>1,000</u>
Total Nonspendable, Restricted, Assigned - General Fund	<u><u>\$ 20,084,600</u></u>
2024 Bonds Construction Fund	
Restricted	
Capital Acquisitions	<u>\$ 160,425,536</u>
Total Restricted-2024 Bonds Construction Fund	<u><u>\$ 160,425,536</u></u>
Nonmajor Funds	
Restricted	
Capital Acquisitions	\$ 10,609,215
Retirement of Debt	1,653,288
Committed	
Campus Activity Funds	513,786
Assigned	
Scholarship Fund	<u>40,115</u>
Total Restricted, Committed, Assigned - Nonmajor Funds	<u><u>\$ 12,816,404</u></u>
Total Nonspendable, Restricted, Committed, Assigned - Governmental Funds	<u><u>\$ 193,326,541</u></u>

14. When the District incurs an expense for which it may use either restricted or unrestricted assets, it uses the restricted assets first unless unrestricted assets will have to be returned because they were not used.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. OTHER ACCOUNTING POLICIES - Continued

15. The Data Control Codes refer to the account code structure prescribed by TEA in the *Financial Accountability System Resource Guide*. Texas Education Agency requires school districts to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a statewide database for policy development and funding plans.
16. The District complies with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for the fiscal years beginning after June 15, 2017. The objective of GASB Statement No. 75 is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. GASB Statement No. 75 establishes standards for measuring and recognizing liabilities, deferred outflows of resources and deferred inflows of resources, and expense/expenditures. GASB Statement No. 75 also identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. In addition, GASB Statement No. 75 addresses the recognition and disclosure requirements for employers with liabilities (payables) to a defined benefit other postemployment benefits plan and for employers whose employees are provided with defined contribution other postemployment benefits plan and for employers whose employees are provided with defined contribution other postemployment benefits.

The District evaluated GASB Statement No. 83, *Certain Asset Retirement Obligations*. This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A Government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in the Statement. The requirements of this Statement took effect for financial statements started with the fiscal year that ended August 31, 2020.

The District complies with GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This Statement improves the information that is disclosed in notes to governmental financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. Additional essential information related to debt should be disclosed in the notes to the financial statement, including unused lines of credit; assets pledged as collateral for debt, and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. The requirements of this Statement took effect for financial statements started with the fiscal year that ended August 31, 2020.

The District complies with GASB Statement No. 84, *Fiduciary Activities*. This statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. The requirements of this Statement were originally effective for reporting periods beginning after December 15, 2018. However, due to the effects of the COVID-19 pandemic, Statement No. 95 was issued which postponed the original implementation date. As a result, Statement No. 84 took effect for reporting periods beginning after December 15, 2019. The implementation of this Statement is reflected in the District's fiduciary fund financial statements. This statement was implemented in the prior year.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. OTHER ACCOUNTING POLICIES – Continued

The District complies with Statement No. 90, *Majority Equity Interests-an amendment of GASB Statements No.14 and No.61*. This statement improves the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. This Statement originally became effective for reporting periods beginning after December 15, 2018. However, due to the effects of the COVID-19 pandemic, Statement No. 95 was issued which postponed the original implementation date. As a result, Statement No. 90 took effect for reporting periods beginning after December 15, 2019. It was determined that this Statement was not applicable to the District.

The District complies with Statement No. 87, *Leases*. This statement improves the accounting and financial reporting for leases by governments. This Statement increases the usefulness of the governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement were originally effective for reporting periods beginning after December 15, 2019. However, due to the effects of the COVID-19 pandemic, Statement No. 95 was issued which postponed the original implementation date. As a result, Statement No. 87 is now effective for reporting periods beginning after June 15, 2021. This statement was implemented during the current year. Refer to Note W for implications to the financial statements in the implementation of this standard.

The District complies with Statement No. 92, *Omnibus 2020*. This statement enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement was adopted in the 2021/2022 school year, resulting in no material effect.

17. New Accounting Standards

The District complies with Statement No. 91, *Conduit Debt Obligations* which provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and importing required note disclosures. The requirements of this Statement were originally effective for reporting periods beginning after December 15, 2020. However, due to the effects of the COVID-19 pandemic, Statement No. 95 was issued which postponed the original implementation date. As a result, Statement No. 91 is now effective for reporting periods beginning after December 15, 2021.

The District complies with Statement No. 93, *Replacement of Interbank Offered Rates* which establishes accounting requirements for effects from a change in the Interbank Offered Rates (IBOR) used to calculate variable payment agreements. This Statement establishes accounting and financial reporting requirements when these are changed in hedging derivative instruments and in lease agreements. Due to the effects of the COVID-19 pandemic, Statement No. 95 was issued which postponed the original implementation date. Implementation of this standard has been extended until the reporting periods beginning after December 15, 2022. GASB 95 postponed the implementation by one year.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

E. OTHER ACCOUNTING POLICIES – Continued

The District complies with Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements (PPP)* which improves the accounting and financial reporting for public-private and public-public partnership arrangements (PPP). A distinction is made between PPP that meets the definition of a service arrangement and a PPP that meets the definition of a lease as defined under GASB 87. All arrangements other than those requiring the guidance of GASB No. 87 must be accounted for and reported using the guidance in GASB No. 94. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Earlier application is encouraged. It was determined that this Statement was not applicable to the District.

The District complies with Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting of subscription-based information technology arrangements (SBITAs) for government end users. This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset-an intangible asset- and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for the SBITAs are based on the standards established in GASB No. 87, *Leases*, as amended. The requirements of this Statement are effective for the fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement. Additional information about the changes to the financial statements related to the implementation of this Statement can be found in Note I.

The District complies with Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No 14 and 84, and a Supersession of GASB Statement No. 32 Subscription-Based Information Technology Arrangements* which increases consistency and comparability related to reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements, and enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective for fiscal years beginning after June 15, 2021.

The District complies with Statement No. 99, *Omnibus 2022* which enhances comparability in accounting and financial reporting and improves the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements of this Statement are effective as follows: related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges are effective upon issuance; related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022; and related to financial guarantees and the classification and reporting of derivative instruments within the

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

E. OTHER ACCOUNTING POLICIES – Continued

scope of Statement No. 53 are effective for fiscal years beginning after June 15, 2023. The adoption of this pronouncement had no impact on the District's financial Statements.

The District complies with Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB Statement No. 622* which 100 enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023. The adoption of this pronouncement had no impact on the District's financial Statements.

Future possible applicable accounting standards to the District that have been issued by the Governmental Accounting Standards Board are:

- Statement No. 101, *Compensated Absences*
- Statement No. 102, *Certain Risk Disclosures*
- Statement No. 103, *Financial Reporting Model Improvements*

Statement No. 101 objective is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023.

Statement No. 102 objective is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024 and all reporting periods thereafter. The District is evaluating the requirements of GASB No. 102 and the impact on reporting for future years.

Statement No. 103 objective is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. The District is evaluating the requirements of GASB No. 103 and the impact on reporting for future years.

18. Rounding Adjustments

Throughout this annual comprehensive financial report, dollar amounts are rounded, thereby creating differences between the details and the totals.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

F. PENSION

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for the 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.

G. OTHER POST – EMPLOYMENT BENEFITS

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

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

Exhibit C-2 provides the reconciliation between the fund balance for total governmental funds on the governmental fund balance sheet and the net position for governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that capital assets are not financial resources and are therefore not reported in governmental funds. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period and are not reported as liabilities in the funds.

The details of capital assets and long-term debt at the beginning of the year were as follows on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS – Continued

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION- Continued

<u>Capital Assets at the Beginning of the Year as Restated</u>	<u>Historical Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Value at the Beginning of the Year</u>	<u>Change in Net Position</u>
Land	\$ 6,661,889	\$ -	\$ 6,661,889	
Construction in Progress	1,325,728	-	1,325,728	
Land Improvements	18,795,697	(12,057,901)	6,737,796	
Buildings	265,762,870	(157,068,153)	108,694,717	
Furniture & Equipment	27,743,903	(22,242,095)	5,501,809	
Right-to-Use Leased Equipment	884,406	(493,135)	391,272	
Right-to-Use Subscription Assets	421,115	(88,166)	332,949	
Change in Net Position				<u>\$ 129,646,160</u>
			<u>Payable at the Beginning of the Year</u>	
<u>Long-term Liabilities at the Beginning of the Year as Restated</u>				
Bonds Payable			\$ 33,954,977	
Notes Payable			22,246,000	
Loan Payable			862,740	
Right-to-Use Lease Liability			400,767	
SBITA Liability			<u>332,194</u>	
				<u>(57,796,678)</u>
Net Adjustment to Net Position				<u>\$ 71,849,483</u>

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

Exhibit C-4 provides reconciliation between the net changes in fund balance as shown on the governmental fund statement of revenues, expenditures, and changes in fund balances and the changes in net position of governmental activities as reported on the government-wide statement of activities. One element of that reconciliation explains that current year capital outlays and debt principal payments are expenditures in the fund financial statements, but should be shown as increases in capital assets and decreases in long-term debt in the government-wide statements. This adjustment affects both the net position balance and the change in net position. The details of this adjustment are as follows on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS – Continued

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES-Continued

	Amount	Adjustments to Changes in Net Position	Adjustments to Net Position
Current Year Capital Outlay			
Land & Improvements	\$ 1,119,708		
Buildings & Improvements	452,398		
Furniture & Equipment	1,745,544		
Right to Use Leased Equipment	234,153		
Construction in Progress	1,618,711		
Total Capital Outlay		\$ 5,170,515	\$ 5,170,515
Debt Principal Payments			
Bond Principal	2,505,000		
Notes Principal	1,531,000		
Loan Principal	125,931		
Lease Principal	255,845		
SBITA Principal	114,939		
Total Principal Payments		4,532,715	4,532,715
Total Adjustment		\$ 9,703,230	\$ 9,703,230

Another element of the reconciliation on Exhibit C-4 is described as various other reclassifications and eliminations necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. This adjustment is the result of several items. The details for this element are as follows on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS – Continued

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES - Continued

	Amount	Adjustments to Change in Net Position	Adjustments to Net Position
Adjustments to Revenue and Unavailable Revenue			
Taxes Collected from Prior Year Levies	\$ 840,808	\$ (840,808)	\$ -
Uncollected Taxes (assumed collectible) from Current Year Levy	1,843,970	1,843,970	1,843,970
Uncollected Taxes (assumed collectible) from Prior Year Levy	2,527,317	(303,086)	2,527,317
Uncollected SHARS Revenue	744,305	(1,168,987)	744,305
Reclassify Proceeds of Bonds, Loans, & Right to Use Assets			
Discount (Premium) on Issuance of Bonds	6,190,882	684,591	(6,190,882)
Deferred Charge on Refunding	538,308	(68,720)	538,308
Interest Payable	1,277,199	(485,574)	(1,277,199)
Current Year Defeasance of Debt	2,685,958	2,685,958	2,685,958
Accreted Interest on Cap Bonds	120,754	(53,574)	(120,754)
Current Year Right to Use Leases	234,153	(234,153)	(234,153)
Undepreciated Amount on Retired Asset	772	(772)	(772)
Reclassify liabilities incurred but not liquidated this year			
Unused Vacation Pay and/or Unused Sick Leave	921,040	75,600	(921,040)
Total		\$ 2,134,445	\$ (404,943)

C. COMPUTATION OF NET INVESTMENT IN CAPITAL ASSETS

The following is the District's computation of net investment in capital assets:

Capital Assets	\$ 326,456,920
Less:	
Accumulated depreciation/amortization	(200,510,870)
Outstanding debt	(206,248,116)
Capital projects funds payables	(1,189,592)
Premiums on debt	(11,813,345)
Gain on defeasance	(437,876)
Add:	
Deferred charge on refunding	516,373
Unspent bond proceeds	160,931,662
Net investment in capital assets	\$ 67,705,155

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY DATA

The Board of Trustees adopts an "appropriated budget" for the General Fund, Food Service Fund which is included in the General Fund, and Debt Service Fund. Annual budgets were adopted on a basis consistent with generally accepted accounting principles. The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures. The General Fund Budget report appears in Exhibit C-5 and the other two reports are in Exhibit J-2 and J-3.

The following procedures are followed in establishing the budgetary data reflected in the general-purpose financial statements:

1. Prior to June 19, the District prepares a budget for the next succeeding fiscal year beginning September. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget. At least ten days public notice of the meeting must be given.
3. Prior to July 1, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end. Because the District has a policy of careful budgetary control, several amendments were necessary during the year.
4. Each budget is controlled by the budget coordinator at the revenue and expenditure function/object levels. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end. Reconciliation of fund balances for both appropriated budget and non-appropriated budget special revenue funds are as follows:

June 30, 2024 Fund Balance	
Non-appropriated Budget Funds	<u>\$ 553,901</u>
All Special Revenue Funds	<u>\$ 553,901</u>

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. DEPOSITS AND INVESTMENTS

The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. At June 30, 2024, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$1,789,926 and the bank balance was \$2,998,599. The District's cash deposits at June 30, 2024 and during the year ended June 30, 2024 were entirely covered by FDIC insurance and by pledged collateral held by the District's agent bank in the District's name. The following is a reconciliation of the District's total cash and investments with the Statement of Net Position on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS

A. DEPOSITS AND INVESTMENTS-Continued

Deposits	\$	1,789,926
Cash With Paying Agent		535
Petty Cash		9,288
Investments		<u>260,306,599</u>
Total of all funds		262,106,348
Less: Statement of Fiduciary Net Position		<u>(873,039)</u>
Statement of Net Position	\$	<u>261,233,309</u>

In addition, the following is disclosed regarding coverage of combined balances on the date of highest deposit:

- a. Name of Bank: Texas National Bank
- b. The amount of pledged securities as of the date of the highest combined balance on deposit was \$13,000,000.
- c. The largest combined balances of cash and savings accounts amounted to \$12,457,793 and occurred during the month of December 2023.
- d. Total amount of FDIC coverage at the time of the largest combined balance was \$250,000.

District Policies and Legal and Contractual Provisions Governing Deposits

Custodial Credit Risk for Deposits State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the District complies with this law, it has no custodial credit risk for deposits.

Foreign Currency Risk The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit by limiting all deposits denominated in a foreign currency to less than 5% of all deposits. At June 30, 2024, the District was not exposed to foreign currency risk.

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, and (10) 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.

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

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - Continued

A. DEPOSITS AND INVESTMENTS - Continued

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. All of the investment pools that the District is invested in have met the criteria established under GASB Statement No. 79 to report their value at amortized cost. All of the investment pools strive to maintain a \$1 per share net asset value. Additionally, the pools do not have any limitations or restrictions on withdrawals such as notice periods or maximum transaction amounts. The pools do not impose any liquidity or redemption gates.

As of June 30, 2024, Weslaco Independent School District had the following investments:

	Weighted Average <u>Maturity</u>	Reported <u>Amount</u>
First Public Investment Pool	52 days average	\$ 241,084,000
Texas Range Investment Program	41 days average	12,509,551
Texpool	38 days average	6,713,048
		\$ 260,306,599

Additional policies and contractual provisions governing deposits and investments for Weslaco Independent School District are specified below:

Credit Risk In accordance with state law and the District’s investment policy, investments in mutual funds and investment pools must be rated at least AAA or have an equivalent rating, commercial paper must be rated at least A-1, P-1 or have equivalent rating, and obligations of states, agencies, counties, and cities must be at least A or its equivalent. As of June 30, 2024, the District's investments in First Public Investment Pool were rated AAAM, by Standard & Poor's (S&P), Texas Range Investment Program was rated AAAM by Standard and Poor’s (S&P) and Texpool was rated AAAM by Standard and Poor’s (S&P).

Custodial Credit Risk for 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. All of the investments held by third parties were fully collateralized and held in the District’s name.

Concentration of Credit Risk The investment portfolio is diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific single issuer. As of June 30, 2024, the District had 92.61% of its investments in First Public Investment Pools rated AAaf/S1+ as noted above, 4.81% of its investments in Texas Range Investment Program rated AAAMmf, and 2.58% in Texpool rated AAAM.

Interest Rate Risk In accordance with state law and District’s investment policy, the District does not purchase any investments with a maturity greater than one (1) year for its operating funds.

Foreign Currency Risk for Investments The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment. At year-end, the District was not exposed to foreign currency risk.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - Continued

B. PROPERTY TAXES

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. The District's property taxes are levied on \$ 0.9464 per \$ 100 property tax valuation, \$0.7314 for M & O and \$0.2150 for I & S. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1st of the year following the year in which imposed. On February 1st of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the school fiscal year.

C. DELINQUENT TAXES RECEIVABLE

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the General and Debt Service Funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

D. SUMMARY OF RECEIVABLES AND PAYABLES

Receivables at June 30, 2024 were as follows:

	Property Taxes	Due from Other Governments	Due from Other Funds	Other	Total Receivables
<u>Governmental Funds</u>					
General Fund	\$ 4,026,916	\$ 14,545,091	\$ 3,600,435	\$ 10,799	\$ 22,183,242
ESSER III	-	4,805,446	-	-	4,805,446
2024 Bonds Fund	-	-	-	1,958	1,958
Non-major Funds	516,185	3,790,018	-	-	4,306,202
Total Governmental Funds	4,543,101	23,140,555	3,600,435	12,758	31,296,849
<u>Proprietary Funds</u>					
Internal Service Fund	-	-	-	832,659	832,659
Total Proprietary Funds	-	-	-	832,659	832,659
Total	4,543,101	23,140,555	3,600,435	845,417	32,129,508
Less: Allowance for Uncollectible	(272,621)	-	-	-	(272,621)
Total Receivables, Net	<u>\$4,270,479</u>	<u>\$23,140,555</u>	<u>\$ 3,600,435</u>	<u>\$ 845,417</u>	<u>\$ 31,856,886</u>

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - Continued

D. SUMMARY OF RECEIVABLES AND PAYABLES-Continued

Payables at June 30, 2024 were as follows:

	Accounts Payable	Accrued Wages Payable	Due to Other Funds	Due to Other Governments	Other	Total Payables
Governmental Funds						
General Fund	\$ 2,607,027	\$ 13,894,471	\$ -	\$ 97,555	\$ 1,813,055	\$ 18,412,109
ESSER III	4,417	2,352,108	2,448,921	-	-	4,805,446
2024 Bonds Fund	339,642	-	-	-	-	339,642
Non-major Funds	1,074,398	1,991,294	1,151,514	148,157	-	4,365,364
Total Governmental Funds	4,025,483	18,237,874	3,600,435	245,712	1,813,055	27,922,560
Proprietary Funds						
Internal Service Fund	577,845	-	-	-	1,396,385	1,974,229
Total Proprietary Funds	577,845	-	-	-	1,396,385	1,974,229
Total	\$ 4,603,328	\$ 18,237,874	\$ 3,600,435	\$ 245,712	\$ 3,209,440	\$ 29,896,789

E. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2024 is as follows:

	Due from Other Funds	Due to Other Funds
General Fund		
ESSER III	\$ 2,448,921	\$ -
Non-major Funds	1,151,514	-
ESSER III		
General Fund	-	2,448,921
Non-major Funds		
General Fund	-	1,151,514
Totals	\$ 3,600,435	\$ 3,600,435

Funds:	Transfers In	Transfers out	Purpose
General Fund	\$ -	\$ 11,100,000	Equity Transfer
Non-major Funds	10,200,000	-	Equity Transfer
Total Governmental Funds	10,200,000	11,100,000	
Internal Service Fund	900,000	-	Equity Transfer
Totals	\$ 11,100,000	\$ 11,100,000	

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

E. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS-Continued

Balances resulted from the time lag between the dates that 1) interfund goods and services are provided and/or reimbursement expenditures occur, and 2) transactions are recorded in the accounting system, and 3) payments between funds are made. All amounts are scheduled to be repaid within one year.

F. CAPITAL ASSET ACTIVITY

Capital asset activity for the District for the year ended June 30, 2024 was as follows:

Governmental Activities	Balance				Balance
	July 1, 2023	Increases	Decreases	Transfers	June 30, 2024
Capital Assets, Not Being Depreciated					
Land	\$ 6,661,889	\$ -	\$ -	\$ -	\$ 6,661,889
Construction in Progress	1,325,728	1,618,711	-	(713,185)	2,231,254
Total Capital Assets, Not Being Depreciated	7,987,618	1,618,711	-	(713,185)	8,893,144
Capital Assets, Being Depreciated					
Land Improvements	18,795,697	1,119,708	-	713,185	20,628,590
Buildings and Improvements	265,762,870	452,398	-	-	266,215,268
Furniture and Equipment	27,743,903	1,745,544	(194,995)	-	29,294,453
Total Capital Assets, Being Depreciated	312,302,470	3,317,650	(194,995)	713,185	316,138,311
Capital Assets, Being Amortized					
Right-to-use Leased Equipment	884,406	234,153	(114,209)	-	1,004,351
Right-to-use Subscription Assets	421,115	-	-	-	421,115
Total Capital Assets, Being Amortized	1,305,521	234,153	(114,209)	-	1,425,466
Less Accumulated Depreciation For:					
Land Improvements	(12,057,901)	(1,067,432)	-	-	(13,125,333)
Buildings and Improvements	(157,068,153)	(5,637,618)	-	-	(162,705,771)
Furniture and Equipment	(22,242,095)	(1,795,294)	194,223	-	(23,843,165)
Total Accumulated Depreciation	(191,368,149)	(8,500,344)	194,223	-	(199,674,269)
Less Accumulated Amortization For:					
Right-to-use Leased Equipment	(493,135)	(260,498)	114,209	-	(639,424)
Right-to-use Subscription Assets	(88,166)	(109,011)	-	-	(197,177)
Total Accumulated Amortization	(581,301)	(369,509)	114,209	-	(836,601)
Governmental Capital Assets	\$ 129,646,160	\$ (3,699,339)	\$ (771)	\$ -	\$ 125,946,050

The District has recorded right-to-use subscription-based information technology assets (SBITA) as a result of implementing GASB 96. The right to use assets are initially measured at an amount equal to the initial measurement of the related subscription liability plus any payments made prior to the agreement term, less agreement incentives, and plus ancillary charges necessary. The right-to-use subscription assets are amortized on a straight line basis over the life of the agreement.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - Continued

F. CAPITAL ASSET ACTIVITY-Continued

Depreciation/amortization expense was charged to governmental functions as follows:

Instruction	\$	3,998,724
Instructional Resources and Media Services		171,130
Curriculum Development and Instructional Staff Development		18,898
Instructional Leadership		76,584
School Leadership		346,858
Guidance, Counseling and Evaluation Services		169,582
Social Work Services		31,311
Health Services		122,691
Student (Pupil) Transportation		777,604
Food Services		466,025
Co-curricular/Extracurricular Activities		1,390,833
General Administration		32,850
Facilities Maintenance and Operations		765,401
Security and Monitoring Service		112,320
Data Processing Services		215,890
Community Services		173,151
	<u>\$</u>	<u>8,869,853</u>

G. BONDS PAYABLE AND CONTRACTUAL OBLIGATIONS

Bonded indebtedness of the District is reflected in the General Long-Term Debt Account Group. Current requirements for principal and interest expenditures are accounted for in the Debt Service Fund and General Fund. A summary of changes in general long-term debt for the year ended June 30, 2024 is as follows on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - Continued

G. BONDS PAYABLE AND CONTRACTUAL OBLIGATIONS-Continued

Description	Interest Rate Payable	Amounts Original Issue	Interest Current Year	Balance July 1, 2023	Issued	Retired	Balance June 30, 2024
Public Property Note							
Contractual Obligations Series 2014	0.200%	\$ 12,712,000	\$ 10,262	\$ 5,131,000	\$ -	\$ 851,000	\$ 4,280,000
Unlimited Tax Refunding Bonds, Series 2015A	2.000% 5.000%	\$ 14,470,000	136,500	2,730,000	-	2,730,000	-
Unlimited Tax Refunding Bonds, Series 2015B	2.000%	\$ 17,100,000	112,500	2,250,000	-	1,360,000	890,000
Unlimited Tax Refunding Bonds, Series 2016	5.000%	\$ 19,470,000	683,400	17,140,000	-	1,000,000	16,140,000
Maintenance Tax Notes Series 2017	3.000% 5.000%	\$ 15,020,000	636,250	12,725,000	-	575,000	12,150,000
Maintenance Tax Notes Series 2018	2.000% 4.000%	\$ 4,905,000	175,600	4,390,000	-	105,000	4,285,000
Public Property Finance Contract 2019	5.125%	\$ 1,304,339	43,345	862,740	-	125,931	736,809
Unlimited Tax Refunding Bonds, Series 2022	2.290% 3.000%	\$ 11,844,977	294,131	11,834,977	-	10,000	11,824,977
Unlimited Tax School Building Bonds, Series 2024	4.125% 5.000%	\$ 155,345,000	-	-	155,345,000	-	155,345,000
			<u>\$ 2,091,988</u>	<u>\$ 57,063,717</u>	<u>\$ 155,345,000</u>	<u>\$ 6,756,931</u>	<u>\$ 205,651,786</u>

Tax levies are pledged to the payment of interest and principal of the tax notes. The District’s football scoreboard is pledged as collateral for the Public Property Finance Contract 2019 loan.

The District issued \$155,345,000 in Unlimited Tax School Building Bonds, Series 2024 with interest rates ranging from 4.125% to 5%. The bonds mature annually on February 15th from 2025 through 2054. The proceeds will be used for school improvement construction projects, HVAC improvements, Ag farm remodeling, drainage improvements, technology upgrades, athletic field and stadium improvements, and various other projects.

Cash Defeasance

The District had a cash defeasance of debt. The District wired \$2,720,616 to provide resources to cover the costs related to the defeasance and to purchase qualifying securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the defeased debt. This cash defeasance was undertaken to reduce total debt service payments over the next 14 years by \$2,979,750. The economic gain on this transaction is a net present value of \$259,134. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District’s financial statements. At June 30, 2024, the following balances are considered defeased on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - Continued

G. BONDS PAYABLE AND CONTRACTUAL OBLIGATIONS-Continued

Deceased 2024

Unlimited Tax Refunded Bonds 2015A	1,400,000
Unlimited Tax Refunded Bonds 2015B	695,000
Unlimited Tax Refunded Bonds 2016	500,000
	\$ 2,595,000

In addition to the outstanding bonds and contractual obligations in the amount of \$205,651,786 at June 30, 2024, the District also reported gain or loss on defeasance of \$437,876, accreted interest on capital appreciation bonds of \$120,754, unamortized premiums and discounts on issuance of bonds of \$11,813,345, right to use lease liability of \$379,075 (refer to Note H), SBITA liability of \$217,255 (refer to Note I), long term liability for sick leave benefits in the amount of \$921,040 (refer to Note J), a liability of \$74,050,656 of Net Pension Liability as per GASB 68 (refer to Note M), and a liability of Net OPEB Liability of \$29,860,786 as per GASB 75 (refer to Note N). These amounts, in aggregate, represent total long term liabilities in the amount of \$323,452,574, as reflected in the *Statement of Net Position*.

Debt service requirements are as follows:

Year ended June 30,	General Obligations		
	Principal	Interest	Total Requirements
2025	\$ 3,275,673	\$ 6,783,294	\$ 10,058,968
2026	4,753,657	8,713,123	13,466,780
2027	4,275,422	9,318,571	13,593,992
2028	4,485,275	9,262,605	13,747,880
2029	5,556,759	8,230,455	13,787,214
2030-2034	29,860,000	37,868,808	67,728,808
2035-2039	29,930,000	31,435,005	61,365,005
2040-2044	32,570,000	24,114,595	56,684,595
2045-2049	40,835,000	15,837,832	56,672,832
2050-2054	50,110,000	6,566,464	56,676,464
	\$ 205,651,786	\$ 158,130,752	\$ 363,782,538

Refunding

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements, but are still considered outstanding. At June 30, 2024, the following balances are considered defeased on the following page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - Continued

G. BONDS PAYABLE AND CONTRACTUAL OBLIGATIONS-Continued

Refunded 2006		
Unlimited Tax School Building 2000	\$	1,435,000
Refunded 2015		
Unlimited Tax Refunded Bonds 2006		1,405,000
Unlimited Tax School Building 2006		13,550,000
Refunded 2016		
Unlimited Tax School Building 2008		16,065,000
Refunded 2022		
Unlimited Tax Refunded Bonds 2015B		11,845,000
		\$ 44,300,000

There are a number of limitations and restrictions contained in the general obligation bond indenture. Management has indicated that the District is in compliance with all significant limitations and restrictions at June 30, 2024.

H. LEASES

The District had entered into agreements to lease certain equipment in prior years. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum payments as of the date of their inception. There are no variable payment components of the leases. The lease liability is measured at a discount rate of 5% and 7%.

In October 2023, the District entered into a lease for 24 new copiers totaling \$193,908 for 36 months. The future cash flows were discounted at a rate of 7.5% and are expected to complete in November 2026. The District also entered into a lease for an additional 18 new copiers totaling \$73,332 for 60 months. The future cash flows were also discounted at a rate of 7.5% and are expected to complete in November 2028. The assets are right to use assets for leased equipment.

As a result of these right to use leases, the District has recorded a right to use asset with a net book value of \$223,938. See note F-Capital Asset Activity for more detail.

Description	Balance 7/01/2023	Increases	Decreases	Balance 6/30/2024
Right-to-Use Leases	884,406	234,153	(114,209)	1,004,351
	\$ 884,406	\$ 234,153	\$ (114,209)	\$ 1,004,351

Changes in the lease liability for the year ended June 30, 2024 are as follows:

Description	Balance 7/01/2023	Issued	Retired	Balance 6/30/2024
Right to Use Lease Liability	400,767	234,153	255,845	379,075
	\$ 400,767	\$ 234,153	\$ 255,845	\$ 379,075

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS - Continued

H. LEASES-Continued

Lease required payments are as follows:

Year ended June 30,	Principal	Interest	Total Requirements
2025	\$ 195,947	\$ 20,818	\$ 216,765
2026	134,517	13,709	148,226
2027	28,957	2,216	31,173
2028	13,656	1,011	14,666
2029	5,998	113	6,111
	<u>\$ 379,075</u>	<u>\$ 37,867</u>	<u>\$ 416,942</u>

I. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

In prior years, the District has entered into agreements to use another party's IT software for a period of time. Two of these agreements qualify as SBITAs under GASB 96, *Subscription-Based Information Technology Arrangements* and therefore, have been recorded at the present value of the future minimum payments as of the beginning of the year or as of the date of their inception, whichever is later.

SBITA liabilities at June 30, 2024 are as follows:

In October of 2022, the District entered in an agreement with LEAF Capital Funding for a Palo Alto Firewall for 5 annual payments of \$85,357. The SBITA liability is measured at a discount rate of 8.69%, which is the stated rate in the agreement.

	<u>\$ 217,255</u>
Total SBITA Liability	<u>\$ 217,255</u>

The future minimum SBITA obligations and the net present value of these minimum payments as of June 30, 2024 are as follows:

Year ended June 30,	Principal	Interest	Total Requirements
2025	\$ 66,473	\$ 18,884	\$ 85,357
2026	72,251	13,106	85,357
2027	78,531	6,826	85,357
	<u>\$ 217,255</u>	<u>\$ 38,817</u>	<u>\$ 256,072</u>

J. ACCUMULATED UNPAID SICK LEAVE BENEFITS

Upon retirement or death of certain employees, the District pays any accrued sick leave in a lump cash payment to such employee or his/her estate. A summary of changes in the accumulated sick leave liability follows:

	<u>Sick Leave</u>
Balance July 1, 2023	\$ 996,640
Additions - New Entrants and Salary Increments	273,210
Deductions - Payments/Reductions to Participants	(348,810)
Balance June 30, 2024	<u>\$ 921,040</u>

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

K. CONSTRUCTION COMMITMENTS AND ENCUMBRANCES

At June 30, 2024, the District had the following remaining construction commitments:

<u>Project</u>	<u>Authorization</u>	<u>Expended</u>	<u>Remaining</u>	<u>Sources</u>	<u>Est. Completion Date</u>
Central MS Access Controls	\$ 224,633	\$ 213,737	\$ 10,897	Capital Projects Fund	November 2024
B Garza MS Access Controls	129,106	124,182	4,923	Capital Projects Fund	November 2024
Cuellar MS Access Controls	199,697	192,274	7,423	Capital Projects Fund	November 2024
Mary Hoge MS Access Controls	121,067	115,524	5,543	Capital Projects Fund	November 2024
Weslaco East Scoreboard	69,950	22,000	47,950	Capital Projects Fund	December 2024
HVAC Upgrades-Memorial, Airport, N. Bridge	7,515,902	236,250	7,279,652	Capital Projects Fund	October 2025
HVAC Upgrades-Cuellar M.S.	1,502,426	87,322	1,415,104	2024 Bonds Fund	December 2025
Middle Schools Running Tracks, Tennis Courts, etc.	6,188,426	115,377	6,073,049	2024 Bonds Fund	December 2025
Store Front Doors Project	802,500	7,310	795,190	School Safety Standards Grant	June 2025
Vestibules Districtwide	456,696	33,600	423,096	COPS Grant	June 2025
Playground Equipment & Canopy Additions	2,765,773	20,000	2,745,773	Capital Projects Fund	July 2025
Billboard Digital Conversion	531,755	68,007	463,748	Capital Projects Fund	February 2025
Lackey Stadium LED Lighting Upgrade	456,750	23,400	433,350	Capital Projects Fund	December 2025
Aquatic Center RTU Replacement	1,058,940	720,400	338,540	Capital Projects Fund	February 2025
	<u>\$ 22,023,621</u>	<u>\$ 1,979,383</u>	<u>\$ 20,044,238</u>		

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at June 30th, and encumbrances outstanding at the time are to be either cancelled or appropriately provided for in the subsequent year's budget.

End-of-year outstanding encumbrances that are provided for in the subsequent year's budget were \$2,093,036 for the General Fund.

L. MEDICARE PART D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries know as Medicare Part D. Under Medicare Part D, TRS-Care receives retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the year ended June 30, 2024, June 30, 2023, and the ten month period ended June 30, 2022, the subsidy payments received by TRS-Care on behalf of the District are as follows:

<u>Year</u>	<u>Medicare Part D</u>
2024	\$ 691,741
2023	673,614
2022	498,138

M. DEFINED BENEFIT PENSION PLAN

Weslaco Independent School District participates in a cost-sharing multiple-employer defined benefit pension plan that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS). 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

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

M. DEFINED BENEFIT PENSION PLAN - Continued

within the guidelines of the Texas Constitution. The pension’s Board of Trustees does not have the authority to establish or amend benefit terms.

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

Pension Plan Fiduciary Net Position

Detail information about the Teacher Retirement System’s fiduciary net position is available in a separately issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information.

That report may be obtained on the Internet at https://www.trs.texas.gov/Pages/about_publications.aspx; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

Benefits Provided

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

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

Contributions

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member’s annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year.

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

Contribution Rates

	<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%

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

M. DEFINED BENEFIT PENSION PLAN - Continued

2024 Employer Contributions	\$6,035,288
2024 Member Contributions	\$10,621,529
2023 measurement year NECE On-Behalf Contributions	\$6,084,042

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

As the non-employer contributing entity for public education, 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 sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50 percent of the state contribution rate for certain instructional or administrative employees; and 100 percent of the state contribution rate for all other employees.

In addition to the employer contributions listed in the prior page, there is an additional surcharge an employer is subject to:

- All public schools, charter schools, and regional educational service centers must contribute 1.8 percent of the member’s salary beginning in fiscal year 2023, gradually increasing to 2 percent in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions

The total pension liability in the August 31, 2022 actuarial valuation was determined using the following actuarial assumptions: *Actuarial Assumptions can be found in the 2023 TRS ACFR, Note 11, page 89.*

Valuation Date	August 31, 2022 rolled forward to August 31, 2023
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term expected Investment Rate of Return	7.00%

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

M. DEFINED BENEFIT PENSION PLAN - Continued

Municipal Bond Rate of August 2023	4.13%. Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20 Year Municipal GO AA Index.”
Last year ending August 31 in Projection Period (100 years)	2122
Inflation	2.30%
Salary Increases including inflation	2.95% to 8.95% including inflation
Ad hoc post-employment benefit changes	None

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

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 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 on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

M. DEFINED BENEFIT PENSION PLAN – Continued

Table 3.A.1: Asset Allocations				
Asset Class	Target Allocation %**	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long-Term Portfolio Returns	
Global Equity				
USA	18.0 %	4.0 %	1.0 %	
Non-US Developed	13.0	4.5	0.9	
Emerging Markets	9.0	4.8	0.7	
Private Equity*	14.0	7.0	1.5	
Stable Value				
Government Bonds	16.0	2.5	0.5	
Absolute Return*	0.0	3.6	0.0	
Stable Value Hedge Funds	5.0	4.1	0.2	
Real Return				
Real Estate	15.0	4.9	1.1	
Energy, Natural Resources & Infrastructure	6.0	4.8	0.4	
Commodities	0.0	4.4	0.0	
Risk Parity	8.0	4.5	0.4	
Asset Allocation Leverage				
Cash	2.0	3.7	0.0	
Asset Allocation Leverage	(6.0)	4.4	(0.1)	
Inflation Expectation			2.3	
Volatility Drag****			(0.9)	
Expected Return	100.0 %		8.0 %	
*Absolute Return includes Credit Sensitive Investments.				
**Target allocations are based on the FY2023 policy model.				
***Capital Market Assumptions come from Aon Hewitt (as of 6/30/2023).				
****The volatility drag results from the conversion between arithmetic and geometric mean returns.				

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. The discount rate can be found in the 2023 TRS ACFR, Note 11, page 90 and the Table of Sensitivities [Table 11.I.1] can be found on page 91.

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
Proportionate share of net pension liability	\$ 110,709,832	\$ 74,050,656	\$ 43,568,532

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

M. DEFINED BENEFIT PENSION PLAN – Continued

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

At June 30, 2024, the District reported a liability of \$74,050,656 for its proportionate share of the TRS’s net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District follows:

District's proportionate share of the collective net pension liability	\$ 74,050,656	
State's proportionate share that is associated with the District	81,302,640	
Total	\$ 155,353,296	

The net pension liability was measured as of 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 0.1078035782% which was a decrease of 0.0028550746% from its proportion measured as of August 31, 2022.

Changes Since the Prior Actuarial Valuation

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

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

For the year ended June 30, 2024, the District recognized pension expense of \$23,586,371 and revenue of \$12,275,995 for support provided by the State.

At June 30, 2024, the District reported its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to pensions from the following sources on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

M. DEFINED BENEFIT PENSION PLAN - Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experiences	\$ 2,638,450	\$ 896,672
Changes in actuarial assumptions	7,003,742	1,713,975
Net difference between projected and actual investment earnings	10,776,168	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	2,260,830	2,885,550
Total as of August 31, 2022 measurement date	22,679,190	5,496,197
Contributions paid to TRS subsequent to the measurement date that will be recognized in fiscal year 2025	5,135,898	-
Total as of fiscal year-end	\$ 27,815,088	\$ 5,496,197

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

Year ended June 30,	Pension Expense Amount	Balance of Deferred Outflows/ (Inflows)
2025	\$ 3,437,436	\$ 13,745,557
2026	2,060,957	11,684,600
2027	8,870,677	2,813,923
2028	2,693,976	119,947
2029	119,946	1
Thereafter	1	-
Total	17,182,993	

N. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature.

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

OPEB Plan Fiduciary Net Position

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

**WESLACO INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

N. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS-Continued

Benefits Provided

TRS-Care provides a basic health insurance coverage to all retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

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

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for a retiree with and without Medicare coverage.

TRS-Care Plan Premium Rates		
	Medicare Plan	TRS-Care 2 Non-Medicare Plan
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 public school district payroll. The TRS Board of trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, section 1575.202 establishes the state’s contribution rate which is 1.25 percent of the employee’s salary. Section 1575.203 establishes the active employee’s rate which is 0.65 percent of salary. Section 1575.204 establishes a public school 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 employer. The actual public school 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.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

N. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS – Continued

The following table shows contributions to the TRS-Care plan by type of contributor.

	<u>Contribution Rates</u>	
	<u>2023</u>	<u>2024</u>
Member	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding Remitted by Employers	1.25%	1.25%
Current fiscal year employer contributions		\$ 1,205,062
Current fiscal year member contributions		\$ 840,866
2023 measurement year NECE on-behalf contributions		\$ 1,411,875

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (*regardless of whether or not they participate in the TRS Care OPEB program*). When employers hire a TRS retiree, they are required to pay to TRS Care, a monthly surcharge of \$535 per retiree.

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

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. The actuarial valuation was determined using the following actuarial assumptions: Actuarial Assumptions can be found in the 2023 TRS ACFR, Note 9, page 79.

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
Rates of Retirement
Rates of Termination

Rates of Disability Incidence
General Inflation
Wage Inflation

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

N. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS – Continued

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

Additional Actuarial Methods and Assumptions:

Valuation Date	8/31/21, rolled forward to 8/31/22
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	4.13% as of August 31, 2023
Aging Factors	Based on Plan Specific Experience
Expenses	Third Party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Salary Increases	2.95% to 8.95%, including inflation
Ad-hoc Post Employment Benefit Changes	None

Discount Rate

A single discount rate of 4.13 percent was used to measure the total OPEB liability. This was an increase of 0.22 percent in the discount rate since the previous year. The Discount Rate can be found in the 2023 TRS ACFR on page 80.

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 in measuring the Net OPEB Liability.

	Decrease in Discount <u>Rate (3.13%)</u>	Discount <u>Rate (4.13%)</u>	1% Increase in Discount Rate <u>(5.13%)</u>
Proportionate share of net OPEB liability	\$ 35,169,787	\$ 29,860,786	\$ 25,528,514

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

At June 30, 2024 the District reported a liability of \$29,860,786 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

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

N. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS – Continued

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	\$ 29,860,786
State's proportionate share that is associated with the District	36,031,628
Total	\$ 65,892,414

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

At August 31, 2023, the employer's proportion of the collective Net OPEB Liability was 0.1348828893% which is a decrease of 0.006816427% from its proportion measured as of August 31, 2022.

The following presents the net OPEB liability of the plan using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare cost trend rate.

	1% Decrease in Discount Rate	Current Healthcare Cost Trend Rate	1% Increase in Increase Rate
District's Proportionate Share of the Net OPEB Liability	\$ 24,588,862	\$ 29,860,786	\$ 36,643,133

Changes Since the Prior Actuarial Valuation – The following were changes to the actuarial assumptions or other inputs that affected measurement of the Total OPEB liability (TOL) since the prior measurement period: These can be found in the 2023 TRS ACFR on page 80.

- The single 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.
- Change of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

For the year ended June 30, 2024, the District recognized OPEB expense of \$(15,121,573) and revenue of \$(7,702,801) for support provided by the State.

At June 30, 2024, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

N. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS – Continued

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experiences	\$ 1,350,974	\$ 25,122,195
Changes in actuarial assumptions	4,075,780	18,284,551
Net differences between projected and actual investment earnings	12,901	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	2,140,215	10,089,689
Total as of August 31, 2022 measurement date	7,579,870	53,496,435
Contributions paid to TRS subsequent to the measurement date	1,010,062	-
Total as of fiscal year-end	<u>\$ 8,589,932</u>	<u>\$ 53,496,435</u>

The net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	OPEB Expense Amount	Balance of Deferred Outflows/ (Inflows)
2025	\$ (9,717,252)	\$ 36,199,313
2026	(8,347,678)	27,851,635
2027	(6,493,513)	21,358,122
2028	(6,903,016)	14,455,106
2029	(5,877,121)	8,577,985
Thereafter	<u>(8,577,985)</u>	-
	(45,916,565)	

O. CHANGES IN LONG-TERM LIABILITIES

The District's long-term liabilities consist of bond and note indebtedness, accrued compensated absences, and net pension liability. General obligation bond expenditure requirements are accounted for in the debt service fund while notes payable are accounted for in the general fund. The general fund is used to liquidate accrued compensated absences. Other long-term liabilities are generally liquidated with resources of the general fund. Long-term activity for the year ended June 30, 2024 was as follows on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

O. CHANGES IN LONG-TERM LIABILITIES - Continued

Governmental Activities	Balance 7/1/2023	Additions	Reductions	Balance 6/30/2024	Due Within One Year
Bonds and Notes Payable					
General Obligation Bonds, Maintenance Tax Notes, and Notes Unamortized Premiums/ Discounts	\$ 57,063,717	\$ 155,345,000	\$ 6,756,931	\$ 205,651,786	\$ 3,275,673
	6,875,473	6,173,233	1,235,360	11,813,345	-
Total Bonds and Notes Payable	63,939,190	161,518,233	7,992,291	217,465,131	3,275,673
Other Liabilities					
Compensated Balances	996,640	273,210	348,810	921,040	98,678
Lease Liability	400,767	234,153	255,845	379,075	195,947
SBITA Liability	278,411	-	61,157	217,255	66,473
Deferred Gain on Defeasance of Bonds	-	446,519	8,642	437,876	-
Accumulated Accretion on Cap Bonds	67,180	53,574	-	120,754	-
Net Pension Liability	65,695,196	13,896,821	5,541,361	74,050,656	-
Net OPEB Liability	33,928,424	-	4,067,638	29,860,786	-
Total Other Liabilities	101,366,618	14,904,277	10,283,453	105,987,442	361,098
Total Governmental Activities Long-term Liabilities	\$ 165,305,808	\$ 176,422,510	\$ 18,275,744	\$ 323,452,574	\$ 3,636,771

P. UNEARNED REVENUE

Unearned revenue at year end consisted of the following on the next page:

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

P. UNEARNED REVENUE - Continued

	General Fund	Non-major Funds	Total
Food Service Commodities	\$ 66,202	\$ -	\$ 66,202
Supply Chain Grant	367,217	-	367,217
Margo Elementary Donation	25,000	-	25,000
Parental Donation	3,250	-	3,250
Medicaid Adm. Fund	-	598,389	598,389
Summer LEP	-	10,897	10,897
Teacher Training Reimbursement	-	28,885	28,885
I.M.A. Funds	-	638,053	638,053
GR-AP Teacher Grant	-	22,147	22,147
Blended Learning Grant-TEA	-	11,950	11,950
Barbara Bush Foundation-Silva	-	125	125
Youth Literacy Grant	-	153	153
Children's Defense Fund	-	736	736
Blended Learners Fund	-	57,695	57,695
Mentoring and Leadership Grant	-	13,980	13,980
Project Lead the Way	-	14,909	14,909
United Way Fund	-	5,414	5,414
Best Buy Cyber Grant	-	3,465	3,465
No Kid Hungry Grant	-	2,650	2,650
Total Unearned Revenue	<u>\$ 461,669</u>	<u>\$ 1,409,447</u>	<u>\$ 1,871,116</u>

Q. 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 and Per Capita Programs. Amounts due from federal and state governments as of June 30, 2024 are summarized below. All federal grants shown below are passed through the TEA and are reported on the combined financial statements as Due from other Governments except for the Gear-Up program and the Effective Advising Planning Grant which are received from Region One, and the NSLP Equipment Assistance, Child and Adult Care, Fresh Fruits and Vegetables, and Child and Adult Care programs which pass through the Texas Department of Agriculture. The amount reported in Due from other Governments is \$23,140,555, and includes non-entitlement receivables of \$903,269. The receivable balance, \$22,237,286 is as follows:

Fund	State Entitlement	Federal Grants	Total
General	\$ 13,449,812	\$ 217,052	\$ 13,666,864
ESSER III	-	4,805,446	4,805,446
Non-Major Funds	785,031	2,979,944	3,764,975
	<u>\$ 14,234,843</u>	<u>\$ 8,002,443</u>	<u>\$ 22,237,286</u>

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

R. REVENUE FROM LOCAL AND INTERMEDIATE SOURCES

During the year ended June 30, 2024, current year, revenues from local and intermediate sources consisted of the following:

	2024 General Fund	Bonds Fund	Non-major Governmental Funds	Total Governmental Funds	Self- Insurance	Fiduciary Funds	Total
Property Taxes	\$ 22,675,958	\$ -	\$ 6,458,485	\$ 29,134,443	\$ -	\$ -	\$ 29,134,443
Penalties, Int. and Other							
Tax-related Income	844,875	-	83,765	928,640	-	-	928,640
Investment Income	4,514,114	763,220	488,447	5,765,781	170,933	-	5,936,714
Food Sales	193,372	-	-	193,372	-	-	193,372
Co-curricular Student Activities	325,591	-	335,922	661,513	-	2,047,286	2,708,798
Other	496,384	-	92,815	589,200	20,758,144	291,498	21,638,842
Total	\$ 29,050,295	\$ 763,220	\$ 7,459,433	\$ 37,272,948	\$ 20,929,078	\$ 2,338,784	\$ 60,540,809

S. LITIGATION

The District is a defendant in a number of lawsuits arising out of the normal course of operations. In the opinion of the administration, the outcome of these lawsuits will not have a material adverse effect on the accompanying combined financial statements and accordingly, no provision for potential losses has been recorded.

T. DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Governmental funds report deferred inflows in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

At the fund level financial statements (Exhibit C-1), the District has the following Deferred Inflows of Resources:

	Balance July 01, 2023	Additions	Reductions	Balance June 30, 2024
Deferred charge on refunding	\$ 607,028	\$ -	\$ 90,655	\$ 516,373
Deferred outflows for TRS pension	27,273,908	40,177,511	39,636,331	27,815,088
Deferred outflows for TRS OPEB	10,575,220	1,010,062	2,995,350	8,589,932
Total Deferred Outflows	\$ 38,456,156	\$ 41,187,573	\$ 42,722,336	\$ 36,921,393
Deferred inflow for TRS pension	\$ 7,135,999	\$ 17,858,620	\$ 19,498,422	\$ 5,496,197
Deferred inflow for TRS OPEB	59,842,919	(6,291,477)	55,007	53,496,435
Total Deferred Inflows	\$ 66,978,918	\$ 11,567,143	\$ 19,553,429	\$ 58,992,632

At the government-wide financial statements (Exhibit A-1), the District reports deferred charges on refunding as Deferred Outflows of Resources in the amount of \$516,373, a Deferred Outflows due to GASB 68 of \$27,815,088, and a Deferred Outflow for TRS OPEB of \$8,589,932 for a total of \$36,921,393 of Deferred Outflows. The District also reported \$5,496,197 of Deferred Inflows due to GASB 68 and \$53,496,435 of Deferred Inflows due to GASB 75 for a total of \$58,992,632 of Deferred Inflows.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

U. SHARED SERVICE ARRANGEMENTS

The District belongs to a Shared Service Arrangement (SSA) in which McAllen ISD is the fiscal agent that provides deaf education services to member districts whose students are enrolled in the Regional Day School Program for the Deaf. Other Districts that belong to the Program for the Deaf are Donna ISD, Edcouch-Elsa ISD, Edinburg CISD, Excellence in Leadership Academy, Hidalgo ISD, IDEA Public Schools, La Joya ISD, La Villa ISD, Mercedes ISD, Mission CISD, Progreso ISD, Pharr-San Juan-Alamo ISD (PSJA), Rio Grande City ISD, Roma ISD, San Isidro ISD, Sharyland ISD, South Texas ISD, Triumph Public High Schools, Valley View ISD, and Vanguard Academy.

McAllen ISD, acting as the fiscal agent, receives monies from the granting agencies and administers the program. The fiscal agent is responsible for employment of personnel, budgeting, accounting, and reporting.

According to the SSA agreement, costs incurred by the SSA shall be divided among the Member Districts in proportion to the number of students of each member district attending the Regional Day School program.

Expenditures allocated to the SSA members as of June 30, 2024 are summarized below:

<u>Member District</u>	<u>Fund</u>			<u>Total</u>
	<u>315</u>	<u>340</u>	<u>435</u>	
Donna	\$ 7,810	\$ -	\$ 65,692	\$ 73,502
Edcouch-Elsa	5,579	-	46,923	52,502
Edinburg	11,715	133	98,537	110,385
Excellence in Leadership	-	-	-	-
Hidalgo	2,789	-	23,461	26,250
IDEA	20,084	-	168,921	189,005
La Joya	24,547	-	206,459	231,006
La Villa	558	-	4,692	5,250
McAllen	31,241	664	262,766	294,671
Mercedes	4,463	-	37,538	42,001
Mission	12,273	266	103,230	115,769
Progreso	2,232	133	18,769	21,134
PSJA	7,252	-	60,999	68,251
Rio Grande City	12,831	-	107,922	120,753
Roma	6,137	-	51,615	57,752
Sharyland	1,674	-	14,077	15,751
South Texas	1,674	-	14,077	15,751
Triumph Public High Schools	1,674	-	14,077	15,751
Valley View	3,905	133	32,846	36,884
Vanguard	6,137	-	51,615	57,752
Weslaco	20,084	399	168,921	189,404
Total Allocated	\$ 184,659	\$ 1,728	\$ 1,553,137	\$ 1,739,524

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

U. SHARED SERVICE ARRANGEMENTS - Continued

The District also belongs to a Shared Service Arrangement (SSA) in which Region One is the fiscal agent to provide career and technical education (CTE) to develop new or improved CTE programs for paid and unpaid employment. The District received \$15,000 from this SSA.

The District is also the fiscal agent for the 21st Century Community Learning Centers SSA which funds community learning centers to provide academic enrichment and other services to students and literacy-related educational development for their families. San Isidro Independent School District is the only member district in this SSA and they received \$50,000 in the 23/24 fiscal year.

The District, acting as the fiscal agent, receives monies from the granting agencies and administers the program. The fiscal agent is responsible for employment of personnel, budgeting, accounting and reporting. According to guidance provided in Texas Education Agency’s Resource Guide, the District has accounted for the activities of the SSA in the appropriate Special Revenue Funds. Additionally, the SSA is accounted for using the Accounting and Reporting Treatment Guidance section of the Resource Guide.

V. COMPLIANCE AND ACCOUNTABILITY

The District does not have funds with deficit fund balances at year-end. The District has a negative unrestricted net position in the Governmental Activities of (\$43,877,228) at year-end. The result of this negative balance is due to the effect of GASB No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* implemented in a prior year (Refer to Note M).

W. RISK MANAGEMENT

A. General

During the fiscal year, the District maintained insurance for all governmental functions it may be liable for claims. The more significant of these included a property insurance policy covering District buildings and properties in an aggregate amount of approximately \$672,974,616, for all perils, except named storms.

During the year ended June 30, 2024, the District made no property damage claims.

There were no reductions in coverage in the year ended June 30, 2024 and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

B. Health Plan

During the year ended June 30, 2024, employees of the Weslaco Independent School District were covered by a health care insurance plan (the Plan) which is accounted for in the Internal Service Fund. The plan year runs from September 1 through August 31. The District contributed premiums of \$640 per employee per month through the plan year ended June 30, 2024. Employees, at their option, authorized payroll withholdings to pay contributions or premiums for dependents. The Plan was authorized by Section 22.005, Texas Education Code, and was documented by contractual agreement.

The contract between the Weslaco Independent School District and the third-party administrator is renewable each September 1st, and terms of coverage and contribution costs are included in the contractual provisions. In accordance with state statute, the District was protected against unanticipated catastrophic individual and aggregate loss by stop-loss coverage provided by Sun Life through SA Benefit Services.

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

IV. DETAILED NOTES ON ALL FUNDS AND ACCOUNT GROUPS – Continued

W. RISK MANAGEMENT - Continued

For the plan year, stop-loss coverage was in effect for individual claims exceeding \$150,000. Minimum aggregate retention was \$22,096,015 with a maximum aggregate stop loss limit of \$1,000,000. Management believes that adequate funding plans have been made for all incurred and anticipated claims at June 30, 2024.

C. Workers' Compensation

The District has a self-insured workers' compensation program which is accounted for in the Internal Service Fund. The District is self-insured for individual claims up to \$500,000. Management believes that adequate funding has been made for all incurred and anticipated claims at June 30, 2024.

D. Claims Liabilities

The claims for health insurance and workers' compensation insurance liability of \$1,396,385 reported in the Internal Service Fund at June 30, 2024, is based on the requirements of Governmental Accounting Standards Board Statement No. 10. This Statement requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Changes in the Fund's claims liability amount in fiscal year 2023 and 2024 were as follows:

	<u>2023</u>		<u>2024</u>	
	<u>Health</u>	<u>Workers' Compensation</u>	<u>Health</u>	<u>Workers' Compensation</u>
Beginning of fiscal year claims	\$ 1,485,198	\$ 101,896	\$ 686,862	\$ 124,490
Current year claims and changes in estimates	16,647,908	427,315	19,962,612	481,690
Claim payments net of stop loss	<u>(17,446,243)</u>	<u>(404,722)</u>	<u>(19,416,461)</u>	<u>(442,808)</u>
End of fiscal year claims liability	<u>\$ 686,862</u>	<u>\$ 124,490</u>	<u>\$ 1,233,013</u>	<u>\$ 163,371</u>

X. PRIOR PERIOD ADJUSTMENT

The District had a prior period adjustment on Exhibit J-2 for \$8,725. This was due to the Texas Department of Agriculture disallowing a purchase of an item which required prior approval.

Y. SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 15, 2024, which is the date these financial statements were available to be issued.

There are no subsequent events that require disclosure.

REQUIRED SUPPLEMENTARY SCHEDULES

WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS

	Measurement Year Ended August 31,			
	2023	2022	2021	2020
District's Proportion of the Net Pension Liability (Asset)	0.1078035782%	0.1106586528%	0.1030019577%	0.1089628511%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 74,050,656	\$ 65,695,196	\$ 26,230,954	\$ 58,358,280
States Proportionate Share of the Net Pension Liability (Asset) associated with the District	81,302,640	76,087,917	35,572,740	79,599,099
Total	<u>\$ 155,353,296</u>	<u>\$ 141,783,113</u>	<u>\$ 61,803,694</u>	<u>\$ 137,957,379</u>
District's Covered Payroll	\$ 125,963,222	\$ 124,265,853	\$ 119,063,022	\$ 122,673,262
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered Payroll	58.79%	52.87%	22.03%	47.57%
Plan Fiduciary Net Position as a % of Total Pension Liability	73.15%	75.62%	88.79%	75.54%

Measurement Year Ended August 31,					
2019	2018	2017	2016	2015	2014
0.1086991998%	0.1130687757%	0.1115737071%	0.1150849744%	0.1209544000%	0.0789022000%
\$ 56,505,242	\$ 62,235,798	\$ 35,675,261	\$ 43,488,901	\$ 42,755,770	\$ 21,075,868
80,301,107	53,878,625	52,956,929	62,706,553	60,514,661	54,025,417
<u>\$ 136,806,349</u>	<u>\$ 116,114,423</u>	<u>\$ 88,632,190</u>	<u>\$ 106,195,454</u>	<u>\$ 103,270,431</u>	<u>\$ 75,101,285</u>
\$ 116,433,350	\$ 116,426,339	\$ 114,553,639	\$ 110,273,732	\$ 107,243,868	\$ 104,235,177
48.53%	53.46%	31.14%	39.44%	39.87%	20.22%
75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

	Fiscal Year Ended June 30,		For the Ten Month Period Ended June 30, 2022
	2024	2023	2022
Contractually Required Contribution	\$ 6,035,288	\$ 5,441,516	\$ 4,373,200
Contribution in Relation to Contractually Required Contribution	<u>(6,035,288)</u>	<u>(5,441,516)</u>	<u>(4,373,200)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 129,364,668	\$ 126,508,036	\$ 103,306,022
Contributions as a % of Covered Payroll	4.67%	4.30%	4.23%

Fiscal Year Ended August 31,						
2021	2020	2019	2018	2017	2016	2015
\$ 4,399,138	\$ 4,494,769	\$ 3,789,038	\$ 3,811,690	\$ 3,656,734	\$ 3,488,340	\$ 3,335,759
(4,399,138)	(4,494,769)	(3,789,038)	(3,809,404)	(3,656,734)	(3,488,340)	(3,335,759)
\$ -	\$ -	\$ -	\$ 2,286	\$ -	\$ -	\$ -
\$ 119,063,022	\$ 122,673,262	\$ 116,433,350	\$ 116,426,339	\$ 114,553,639	\$ 110,273,732	\$ 107,243,868
3.69%	3.66%	3.25%	3.27%	3.19%	3.16%	3.11%

WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS

	Measurement Year Ended August 31, 2023
District's Proportion of the Net OPEB Liability (Asset)	0.1348828893%
District's Proportionate Share of the Net OPEB Liability (Asset)	\$ 29,860,786
State's Proportionate Share of the Net OPEB Liability (Asset) associated with the District	36,031,628
Total	\$ 65,892,414
District's Covered Payroll	\$ 125,962,879
District's Proportionate Share of the Net OPEB Liability (Asset) as a percentage of its Covered Payroll	23.71%
Plan Fiduciary Net Position as a % of Total OPEB Liability	14.94%

Note: Only seven years of data is presented in accordance with GASB #75, paragraph 245. "The information for all fiscal years for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

Measurement Year Ended August 31,					
2022	2021	2020	2019	2018	2017
0.1416990320%	0.1370982882%	0.1469942494%	0.1507015713%	0.1535480390%	0.1560764102%
\$ 33,928,424	\$ 52,884,936	\$ 55,879,152	\$ 71,268,618	\$ 76,667,942	\$ 67,871,776
41,387,346	70,854,029	75,088,186	94,700,053	63,761,130	81,789,934
<u>\$ 75,315,770</u>	<u>\$ 123,738,965</u>	<u>\$ 130,967,338</u>	<u>\$ 165,968,671</u>	<u>\$ 140,429,072</u>	<u>\$ 149,661,710</u>
\$ 124,266,285	\$ 119,064,398	\$ 122,674,383	\$ 116,433,422	\$ 116,426,642	\$ 114,553,639
27.30%	44.42%	45.55%	61.21%	65.85%	59.25%
11.52%	6.18%	4.99%	2.66%	1.57%	0.91%

WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

	Fiscal Year Ended June 30, <u>2024</u>
Contractually Required Contribution	\$ 1,205,062
Contribution in Relation to Contractually Required Contribution	<u>(1,205,062)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>
District's Covered Payroll	\$ 129,363,940
Contributions as a % of Covered Payroll	0.93%

Note: Only seven years of data is presented in accordance with GASB #75, paragraph 245. "The information for all fiscal years for the 10-year schedules that are required to be presented as required supplementary information may not be available initially. In these cases, during the transition period, that information should be presented for as many years as are available. The schedules should not include information that is not measured in accordance with the requirements of this Statement."

Fiscal Year Ended June 30, 2023	For the Ten Month Period Ended June 30, 2022	Fiscal Year Ended August 31,			
		2021	2020	2019	2018
\$ 1,166,691	\$ 934,197	\$ 1,075,288	\$ 1,116,733	\$ 1,065,864	\$ 1,061,361
(1,166,691)	(934,197)	(1,075,288)	(1,116,733)	(1,065,864)	(1,060,941)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 420</u>
\$ 126,507,970	\$ 103,306,454	\$ 119,064,398	\$ 122,674,383	\$ 116,433,422	\$ 116,426,642
0.92%	0.90%	0.90%	0.91%	0.92%	0.91%

**WESLACO INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024**

A. TRS Pension

Changes of Benefit Terms.

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

Changes in Assumptions

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

Other Information

Effective September 1, 2014, employers who did not contribute to Social Security for TRS-eligible employees were required to contribute an additional 1.5% of TRS-eligible compensation which nearly doubled the District's contributions into the Plan. Because the District's proportional share of the plan is determined by its proportional share of contributions, the District recognized a corresponding increase in its share of net pension liability.

B. TRS OPEB Plan

Changes of Benefit Terms.

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

Changes in Assumptions

The following assumptions, methods, and plan changes which are specific to TRS-Care were updated from the prior year's report:

- The discount rate changed from 3.91 percent as of August 31, 2022 to 4.13 percent, as of August 31, 2023. This change decreased the Total OPEB Liability (TOL).

COMBINING STATEMENTS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for resources restricted for specific purposes by a grantor or for purposes committed by the Board of Trustees. Federal financial assistance often is accounted for in a Special Revenue Fund. In most Special Revenue funds, unused balances are recorded as unearned revenue and carried forward to the succeeding fiscal year, provided the amount carried forward is within the limits established by the grantor. In some cases, the unused balances are returned to the grantor at the close of specified project periods. The District budgets for Special Revenue Funds as grants are awarded by the various grantors. The District uses project accounting for them in order to maintain integrity for the various sources of funds. These funds utilize the modified accrual basis of accounting and budgeting. Included in the District's Special Revenue Funds are:

211 ESEA, Title I, Part A, Improving Basic Programs - This fund classification is to be used to account, on a project basis, for funds allocated to local educational agencies to enable schools to provide opportunities for children served to acquire the knowledge and skills contained in the challenging State content standards and to meet the challenging State performance standards developed for all children.

212 ESEA, Title I, Part C, Migrant - This fund classification is to be used to account, on a project basis, for funds granted for programs benefiting children of migrant agriculture or agriculture-related workers and children of migrant fishermen.

224 IDEA - Part B, Formula - This fund classification is to be used to account, on a project basis, for funds granted to operate educational programs for children with disabilities. This fund classification includes capacity building and improvement (sliver) subgrants.

225 IDEA - Part B, Preschool - This fund classification is to be used to account, on a project basis, for funds granted for preschool children with disabilities.

244 Carl D. Perkins – Basic Formula Grant - This fund classification is to be used to account, on a project basis, for funds granted to provide Career and Technical education to develop new and/or improve Career and Technical education programs for paid and unpaid employment. Full participation in the basic grant is from individuals who are members of special populations, at 1) a limited number of campuses (sites) or 2) a limited number of program areas.

255 ESEA, Title II, Part A, Teacher and Principal Training and Recruiting- This fund classification is to be used to provide financial assistance to LEAs to (1) Increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools, and (2) hold local education agencies and schools accountable for improving student academic achievement.

263 Title III, Part A, English Language Acquisition and Language Enhancement LEP - This fund classification is to be used to account, on a project basis, for funds granted to improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.

272 Medicaid Administrative Claiming Program – MAC (Effective September 1, 2005) – This fund classification is to be used to account, on a project basis, for funds allocated to local education agencies for reimbursement of eligible administrative costs for activities attributed to the implementation of the Medicaid state plan. Expenditures attributed to the required matching amount are recorded in the General Fund and are to be accounted for with use of a local option account code, as needed, for local monitoring of compliance with federal matching requirements.

274 GEAR UP (Effective fiscal year 2008/09) - This fund classification is to be used to account, on a project basis, for funds granted to provide services and support to low-income minority school districts to ensure that students are academically prepared for higher education, graduate from high school, and have access to higher education opportunities.

280 American Rescue Plan (ARP) Act-Homeless II-Education for Homeless Children and Youth Program - This fund classification is to be used to account, on a project basis, for funds granted to provide services and support to homeless children and youth in light of the challenges of COVID-19, to enable them to attend school and participate fully in school activities.

281 Elementary and Secondary School Emergency Relief Fund II (ESSER II) – This fund is used to account for federal stimulus ESSER II funds granted to LEAs through the CRRSA Act to support LEAs’ ability to operate, instruct its students, address learning loss, prepare schools for reopening, test, repair, and upgrade projects to improve air quality in school buildings during the coronavirus pandemic.

284 IDEA—Part B, Formula—American Rescue Plan Act of 2021 – This fund classification is to be used to account, on a project basis, for funds granted under the ARP Act to operate educational programs for children with disabilities.

289 Federally Funded Special Revenue Funds – This fund classification is to be used to account, on a project basis, for federally funded special revenue funds that have not been specified above. The following grants are in Fund 289:

- 289 – Summer School LEP Students in K1
- 289 – Title IV, Part A – SSAEP
- 289 – COVID-19-Public Health Emergency Response
- 289 – COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases
- 289 – SPED Capacity Contracted Services Grant
- 289 – Stronger Connections Grant

352 Shared Services Arrangements—21st Century Community Learning Centers—The fiscal agent of a shared services arrangement uses this code to account for funds granted to community learning centers to provide academic enrichment and other services to students and literacy-related educational development for their families.

397 Advanced Placement Incentives – This fund classification is to be used to account, on a project basis, for funds awarded to school districts under the Texas Advanced Placement Award Incentive Program, Chapter 28, Subchapter C, TEC.

410 State Textbook Fund – This fund classification is to be used to account, on a project basis, for funds awarded to school districts under the textbook allotment.

429 State Funded Special Revenue Funds – State funded special revenue funds not listed above are to be accounted for in this fund. The following locally defined grants are to be converted to Fund 429 for PEIMS reporting:

- 429 – Reading to Learn Achievement Academies
- 429 – Math Achievement Academies
- 429 – Literacy Achievement Academies
- 429 – Read to Succeed
- 429 – CTE Certification Exam Reimbursements
- 429 – Strong Foundations Math & Literacy Framework
- 429 – Silent Panic Alert
- 429 – Dyslexia Funding Support Grant
- 429 – School Safety Standards
- 429 – Blended Learning Development
- 429 – School Safety and Security Grant
- 429 – JET Grant

461 Campus Activity Funds – This fund classification is to be used to account for transactions related to a principal’s activity fund if the monies generated are not subject to recall by the school district’s board of trustees into the General Fund.

499 Locally Funded Special Revenue Funds – Locally funded special revenue funds not listed above are to be accounted for in this fund (effective September 1, 2001, this fund classification is also to be used for transactions that were accounted for as expendable trust funds prior to implementation of GASB Statement 34 reporting standards). The following locally defined grants are to be converted to Fund 499 for PEIMS reporting:

- 481 – Barbara Bush Texas Foundation
- 483 – Children’s Defense Fund
- 485 – Blended Learners
- 488 – Mentoring and Leadership Fund
- 489 – Project Lead the Way
- 490 – United Way Fund
- 491 – Best Buy Cyber Grant
- 492 – No Kid Hungry Grant
- 499 – Other Local Special Revenue Fund-Scholarships

DEBT SERVICE FUNDS

Debt service funds are governmental funds, with budgetary control, that must be used to account for general long-term debt principal and interest for debt issues and other long-term debts for which a tax has been dedicated. A separate bank account must be kept for this fund. Principal and interest payments for operating indebtedness including warrants, notes, and short-term lease-purchase agreements, are to be made from the fund for which the debt was incurred. This fund utilizes the modified accrual basis of accounting.

599 I & S Fund – This fund is used to account for general long-term debt principal and interest for debt issues and other long-term debts for which a tax has been dedicated.

CAPITAL PROJECT FUNDS

Capital projects funds are governmental funds that must be used to account, on a project basis, for projects financed by the proceeds from bond issues, or for capital projects otherwise mandated to be accounted for in this fund. The capital projects funds utilize the modified accrual basis of accounting.

610 Construction Fund – This fund is used to account for construction projects not paid for by bond issues or tax notes.

617 2017 Tax Note Fund – This fund is used to account for construction projects paid for with proceeds of the 2017 WISD Tax Notes.

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WESLACO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2024

Data Control Codes	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	224 IDEA Part - B Formula	225 IDEA Part - B Pre-School	
ASSETS					
1110	Cash and cash equivalents	\$ -	\$ -	\$ 499,840	\$ -
1220	Property taxes receivable (delinquent)	-	-	-	-
1230	Allowance for uncollectible taxes	-	-	-	-
1240	Due from other governments	2,250,163	59,947	-	17,605
1290	Other receivables	-	-	-	-
1410	Prepaid items	-	-	-	-
1000	Total Assets	<u>\$ 2,250,163</u>	<u>\$ 59,947</u>	<u>\$ 499,840</u>	<u>\$ 17,605</u>
LIABILITIES					
2110	Accounts payable	\$ 35,758	\$ 25,653	\$ -	\$ 7,590
2160	Accrued wages payable	1,212,393	30,187	351,683	9,643
2170	Due to other funds	1,002,011	4,107	-	372
2180	Due to other governments	-	-	148,157	-
2300	Unearned revenues	-	-	-	-
2000	Total Liabilities	<u>2,250,163</u>	<u>59,947</u>	<u>499,840</u>	<u>17,605</u>
DEFERRED INFLOWS OF RESOURCES					
2601	Unavailable revenue - property taxes	-	-	-	-
2602	Unavailable revenue - SHARS	-	-	-	-
2600	Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
3470	Restricted for capital acquisitions	-	-	-	-
3480	Restricted for retirement of debt	-	-	-	-
3545	Other committed fund balances	-	-	-	-
3590	Other assigned fund balance	-	-	-	-
4000	Total Fund Equity	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 2,250,163</u>	<u>\$ 59,947</u>	<u>\$ 499,840</u>	<u>\$ 17,605</u>

244 Vocational Ed. Basic Grant	255 ESEA II, A Training & Recruiting	263 English Language Acquisition	272 Medicaid Adm. Claiming Program	274 Gear - Up	280 ARP Homeless	281 ESSER II	284 IDEA B ARP
\$ -	\$ -	\$ -	\$ 627,600	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
24,125	174,287	154,356	-	63,480	13,799	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 24,125</u>	<u>\$ 174,287</u>	<u>\$ 154,356</u>	<u>\$ 627,600</u>	<u>\$ 63,480</u>	<u>\$ 13,799</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ 13,122	\$ 9,913	\$ 945	\$ 2,369	\$ 12,344	\$ -	\$ -
7,643	107,521	138,259	28,267	30,018	-	-	-
16,482	53,643	6,183	-	31,094	1,454	-	-
-	-	-	-	-	-	-	-
-	-	-	598,389	-	-	-	-
<u>24,125</u>	<u>174,287</u>	<u>154,356</u>	<u>627,600</u>	<u>63,480</u>	<u>13,799</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 24,125</u>	<u>\$ 174,287</u>	<u>\$ 154,356</u>	<u>\$ 627,600</u>	<u>\$ 63,480</u>	<u>\$ 13,799</u>	<u>\$ -</u>	<u>\$ -</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2024

Data Control Codes	288 COPS Grant	289 Other Federal Grants	352 Nita M Lowey 21st CCLC Grant	397 Advanced Placement Incentives
ASSETS				
1110	\$ -	\$ -	\$ -	\$ 31,285
1220	-	-	-	-
1230	-	-	-	-
1240	33,660	99,292	89,231	-
1290	-	-	-	-
1410	-	-	-	-
1000	<u>\$ 33,660</u>	<u>\$ 99,292</u>	<u>\$ 89,231</u>	<u>\$ 31,285</u>
LIABILITIES				
2110	\$ 33,660	\$ 749	\$ 65,029	\$ 2,400
2160	-	75,040	640	-
2170	-	12,606	23,561	-
2180	-	-	-	-
2300	-	10,897	-	28,885
2000	<u>33,660</u>	<u>99,292</u>	<u>89,231</u>	<u>31,285</u>
DEFERRED INFLOWS OF RESOURCES				
2601	-	-	-	-
2602	-	-	-	-
2600	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
3470	-	-	-	-
3480	-	-	-	-
3545	-	-	-	-
3590	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Equity				
4000	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows & Fund Balances				
	<u>\$ 33,660</u>	<u>\$ 99,292</u>	<u>\$ 89,231</u>	<u>\$ 31,285</u>

410 State Textbook Fund	429 Misc. State Spec. Revenues	461 Campus Activity Fund	481 B. Bush Texas Fund	482 Youth Literacy Grant	483 Children's Defense Fund	485 Blended Learners	488 Mentoring and Leadership
\$ 458,326	\$ 34,097	\$ 518,540	\$ 125	\$ 153	\$ 736	\$ 57,695	\$ 13,980
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	9,660	-	-	-	-	-	-
-	-	-	-	-	-	-	-
179,726	-	-	-	-	-	-	-
<u>\$ 638,053</u>	<u>\$ 43,757</u>	<u>\$ 518,540</u>	<u>\$ 125</u>	<u>\$ 153</u>	<u>\$ 736</u>	<u>\$ 57,695</u>	<u>\$ 13,980</u>
\$ -	\$ 9,660	\$ 4,754	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
638,053	34,097	-	125	153	736	57,695	13,980
<u>638,053</u>	<u>43,757</u>	<u>4,754</u>	<u>125</u>	<u>153</u>	<u>736</u>	<u>57,695</u>	<u>13,980</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	513,786	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	513,786	-	-	-	-	-
<u>\$ 638,053</u>	<u>\$ 43,757</u>	<u>\$ 518,540</u>	<u>\$ 125</u>	<u>\$ 153</u>	<u>\$ 736</u>	<u>\$ 57,695</u>	<u>\$ 13,980</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2024

Data Control Codes	489 Project Lead The Way	490 United Way Fund	491 Best Buy Cyber Grant	492 No Kid Hungry Grant	
ASSETS					
1110	Cash and cash equivalents	\$ 14,909	\$ 5,414	\$ 3,465	\$ 2,650
1220	Property taxes receivable (delinquent)	-	-	-	-
1230	Allowance for uncollectible taxes	-	-	-	-
1240	Due from other governments	-	-	-	-
1290	Other receivables	-	-	-	-
1410	Prepaid items	-	-	-	-
1000	Total Assets	<u>\$ 14,909</u>	<u>\$ 5,414</u>	<u>\$ 3,465</u>	<u>\$ 2,650</u>
LIABILITIES					
2110	Accounts payable	\$ -	\$ -	\$ -	\$ -
2160	Accrued wages payable	-	-	-	-
2170	Due to other funds	-	-	-	-
2180	Due to other governments	-	-	-	-
2300	Unearned revenues	14,909	5,414	3,465	2,650
2000	Total Liabilities	<u>14,909</u>	<u>5,414</u>	<u>3,465</u>	<u>2,650</u>
DEFERRED INFLOWS OF RESOURCES					
2601	Unavailable revenue - property taxes	-	-	-	-
2602	Unavailable revenue - SHARS	-	-	-	-
2600	Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:					
3470	Restricted for capital acquisitions	-	-	-	-
3480	Restricted for retirement of debt	-	-	-	-
3545	Other committed fund balances	-	-	-	-
3590	Other Assigned Fund Balance	-	-	-	-
	Total Fund Equity	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 14,909</u>	<u>\$ 5,414</u>	<u>\$ 3,465</u>	<u>\$ 2,650</u>

499 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds	599 I & S Fund	610 Construction Fund	617 2017 Tax Notes Fund	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ 40,615	\$ 2,309,430	\$ 875,333	\$ 10,953,040	\$ 506,125	\$ 11,459,166	\$14,643,928
-	-	516,185	-	-	-	516,185
-	-	(18,064)	-	-	-	(18,064)
-	2,989,604	800,414	-	-	-	3,790,018
-	-	-	-	-	-	-
-	179,726	-	-	-	-	179,726
<u>\$ 40,615</u>	<u>\$ 5,478,761</u>	<u>\$ 2,173,867</u>	<u>\$ 10,953,040</u>	<u>\$ 506,125</u>	<u>\$ 11,459,166</u>	<u>\$19,111,793</u>
\$ 500	\$ 224,448	\$ -	\$ 849,951	\$ -	\$ 849,951	\$ 1,074,398
-	1,991,294	-	-	-	-	1,991,294
-	1,151,514	-	-	-	-	1,151,514
-	148,157	-	-	-	-	148,157
-	1,409,447	-	-	-	-	1,409,447
<u>500</u>	<u>4,924,860</u>	<u>-</u>	<u>849,951</u>	<u>-</u>	<u>849,951</u>	<u>5,774,810</u>
-	-	520,578	-	-	-	520,578
-	-	-	-	-	-	-
-	-	520,578	-	-	-	520,578
-	-	-	10,103,090	506,125	10,609,215	10,609,215
-	-	1,653,288	-	-	-	1,653,288
-	513,786	-	-	-	-	513,786
40,115	40,115	-	-	-	-	40,115
<u>40,115</u>	<u>553,901</u>	<u>1,653,288</u>	<u>10,103,090</u>	<u>506,125</u>	<u>10,609,215</u>	<u>12,816,404</u>
<u>\$ 40,615</u>	<u>\$ 5,478,761</u>	<u>\$ 2,173,867</u>	<u>\$ 10,953,040</u>	<u>\$ 506,125</u>	<u>\$ 11,459,166</u>	<u>\$19,111,793</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE-NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	211 ESEA I, A Improving Basic Program	212 ESEA Title I Part C Migrant	224 IDEA Part B Formula
REVENUES:			
5700	\$ -	\$ -	\$ -
5800	-	-	-
5900	8,633,243	334,191	2,425,856
5020	<u>8,633,243</u>	<u>334,191</u>	<u>2,425,856</u>
EXPENDITURES:			
Current			
0011	4,498,566	128,362	1,909,415
0012	1,732,672	-	-
0013	322,326	1,111	-
0021	281,165	108,352	102,731
0023	-	-	-
0031	-	-	380,107
0032	-	92,104	-
0033	779,970	-	-
0034	56,064	-	33,602
0035	-	-	-
0036	-	-	-
0041	-	-	-
0051	-	-	-
0052	-	-	-
0053	-	-	-
0061	959,596	-	-
Debt Service:			
0071	2,849	4,209	-
0072	36	53	-
0073	-	-	-
Capital Outlay			
0081	-	-	-
Intergovernmental:			
0093	-	-	-
6030	<u>8,633,243</u>	<u>334,191</u>	<u>2,425,856</u>
1100	-	-	-
OTHER FINANCING SOURCES (USES)			
7915	-	-	-
8949	-	-	-
7080	<u>-</u>	<u>-</u>	<u>-</u>
1200	-	-	-
0100	<u>-</u>	<u>-</u>	<u>-</u>
3000	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

225 IDEA Part B Pre-School	244 Vocational Basic Grant	255 ESEA II Training & Recruiting	263 English Language Acquisition	272 Medicaid Adm. Claiming Program	274 Gear - Up	280 ARP Homeless	281 ESSER II
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
49,578	322,189	1,114,053	519,618	148,950	380,853	107,133	450,822
<u>49,578</u>	<u>322,189</u>	<u>1,114,053</u>	<u>519,618</u>	<u>148,950</u>	<u>380,853</u>	<u>107,133</u>	<u>450,822</u>
49,578	187,534	276,654	491,995	147,130	32,703	97,068	450,822
-	-	-	-	-	-	-	-
-	4,830	836,245	5,431	-	3,779	-	-
-	2,000	-	1,550	-	-	8,093	-
-	2,000	-	7,044	-	-	-	-
-	125,826	-	-	-	342,274	-	-
-	-	-	-	-	-	1,972	-
-	-	-	-	1,820	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	1,197	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	900	-	-
-	-	-	-	-	-	-	-
-	-	-	13,599	-	-	-	-
-	-	1,139	-	-	-	-	-
-	-	14	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>49,578</u>	<u>322,189</u>	<u>1,114,053</u>	<u>519,618</u>	<u>148,950</u>	<u>380,853</u>	<u>107,133</u>	<u>450,822</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE-NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	284 IDEA B ARP	288 COPS Grant	289 Other Federal Grants	352 Nita M Lowey 21st CCLC Grant
REVENUES:				
5700	\$ -	\$ -	\$ -	\$ -
5800	-	-	-	-
5900	15,415	33,660	630,402	1,821,540
5020	<u>15,415</u>	<u>33,660</u>	<u>630,402</u>	<u>1,821,540</u>
EXPENDITURES:				
Current				
0011	6,226	-	433,049	1,483,010
0012	-	-	-	-
0013	-	-	48,056	-
0021	-	-	35,588	130,080
0023	-	-	-	-
0031	9,189	-	(18)	-
0032	-	-	-	-
0033	-	-	67,148	-
0034	-	-	-	65,632
0035	-	-	-	-
0036	-	-	-	-
0041	-	-	-	-
0051	-	-	-	-
0052	-	-	-	19,128
0053	-	-	-	-
0061	-	-	-	73,690
Debt Service:				
0071	-	-	-	-
0072	-	-	-	-
0073	-	-	-	-
Capital Outlay				
0081	-	33,660	46,577	-
Intergovernmental:				
0093	-	-	-	50,000
6030	<u>15,415</u>	<u>33,660</u>	<u>630,402</u>	<u>1,821,540</u>
1100	-	-	-	-
OTHER FINANCING SOURCES (USES)				
7915	-	-	-	-
8949	-	-	-	-
7080	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	-	-	-	-
0100	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

397 Advanced Placement Incentives	410 State Textbook Fund	429 Misc. State Spec. Revenues	461 Campus Activity Fund	481 B. Bush Texas Fund	482 Youth Literacy Grant	483 Children's Defense Fund
\$ -	\$ -	\$ -	\$ 337,460	\$ 4,875	\$ 2,847	\$ 2,764
6,166	891,999	859,730	-	-	-	-
-	-	-	-	-	-	-
<u>6,166</u>	<u>891,999</u>	<u>859,730</u>	<u>337,460</u>	<u>4,875</u>	<u>2,847</u>	<u>2,764</u>
-	873,324	756,420	112,742	-	-	-
-	-	-	11,455	4,875	2,847	-
6,166	-	57,350	-	-	-	-
-	-	-	-	-	-	-
-	-	-	12,653	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	218,123	-	-	-
-	18,675	-	-	-	-	-
-	-	-	21,674	-	-	-
-	-	36,300	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	2,764
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	9,660	-	-	-	-
-	-	-	-	-	-	-
<u>6,166</u>	<u>891,999</u>	<u>859,730</u>	<u>376,648</u>	<u>4,875</u>	<u>2,847</u>	<u>2,764</u>
-	-	-	(39,188)	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	(39,188)	-	-	-
-	-	-	552,974	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 513,786</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE-NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	485 Blended Learners	488 Mentoring and Leadership	489 Project Lead The Way	490 United Way Fund	491 Best Buy Cyber Grant
REVENUES:					
5700	Local & intermediate sources	\$ 79,848	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-
5900	Federal program revenues	-	-	-	-
5020	Total Revenues	<u>79,848</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES:					
Current					
0011	Instruction	62,726	-	-	-
0012	Instruction resources & media services	-	-	-	-
0013	Curriculum & staff development	17,122	-	-	-
0021	Instructional leadership	-	-	-	-
0023	School leadership	-	-	-	-
0031	Guidance, counseling & evaluation services	-	-	-	-
0032	Social work services	-	-	-	-
0033	Health services	-	-	-	-
0034	Student (pupil) transportation	-	-	-	-
0035	Food Services	-	-	-	-
0036	Co-curricular/extracurricular activities	-	-	-	-
0041	General administration	-	-	-	-
0051	Facilities maintenance & operations	-	-	-	-
0052	Security & monitoring services	-	-	-	-
0053	Data processing services	-	-	-	-
0061	Community services	-	-	-	-
Debt Service:					
0071	Debt service - principal on long term debt	-	-	-	-
0072	Debt service - interest on long term debt	-	-	-	-
0073	Debt service - bond issuance cost & fees	-	-	-	-
Capital Outlay					
0081	Facilities acquisition and construction	-	-	-	-
Intergovernmental:					
0093	Payments to SSA's	-	-	-	-
6030	Total Expenditures	<u>79,848</u>	<u>-</u>	<u>-</u>	<u>-</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)					
7915	Transfers in	-	-	-	-
8949	Other uses	-	-	-	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200	Net change in fund balances	-	-	-	-
0100	Fund balance - July 1 (beginning)	-	-	-	-
3000	Fund balance - June 30 (ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

492 No Kid Hungry Grant	499 Other Local Special Revenue Funds	Total Nonmajor Special Revenue Funds	599 I & S Fund	610 Construction Fund	617 2017 Tax Notes Fund	Total Nonmajor Capital Project Funds	Total Nonmajor Governmental Funds
\$ -	\$ 1,873	\$ 429,666	\$ 6,600,290	\$ 401,921	\$ 27,556	\$ 429,477	\$ 7,459,433
-	-	1,757,895	1,489,597	-	-	-	3,247,492
-	-	16,987,502	-	-	-	-	16,987,502
-	1,873	19,175,063	8,089,887	401,921	27,556	429,477	27,694,427
-	-	11,997,324	-	-	-	-	11,997,324
-	-	1,751,849	-	-	-	-	1,751,849
-	-	1,302,416	-	-	-	-	1,302,416
-	-	669,560	-	-	-	-	669,560
-	-	21,697	-	-	-	-	21,697
-	-	857,378	-	-	-	-	857,378
-	-	94,075	-	-	-	-	94,075
-	-	848,938	-	-	-	-	848,938
-	-	155,298	-	-	-	-	155,298
-	-	-	-	-	-	-	-
-	-	219,320	-	-	-	-	219,320
-	-	18,675	-	47,652	-	47,652	66,327
-	-	22,574	-	236,593	-	236,593	259,167
-	-	55,428	-	-	-	-	55,428
-	-	-	-	28,151	-	28,151	28,151
-	2,500	1,052,148	-	-	-	-	1,052,148
-	-	8,198	2,505,000	-	-	-	2,513,198
-	-	103	1,226,531	-	-	-	1,226,634
-	-	-	45,300	-	-	-	45,300
-	-	89,897	-	1,887,006	-	1,887,006	1,976,903
-	-	50,000	-	-	-	-	50,000
-	2,500	19,214,879	3,776,831	2,199,402	-	2,199,402	25,191,112
-	(627)	(39,816)	4,313,056	(1,797,481)	27,556	(1,769,925)	2,503,316
-	-	-	-	10,200,000	-	10,200,000	10,200,000
-	-	-	(2,677,316)	-	-	-	(2,677,316)
-	-	-	(2,677,316)	10,200,000	-	10,200,000	7,522,684
-	(627)	(39,816)	1,635,741	8,402,519	27,556	8,430,075	10,026,000
-	40,742	593,717	17,548	1,700,570	478,569	2,179,139	2,790,404
\$ -	\$ 40,115	\$ 553,901	\$ 1,653,288	\$ 10,103,090	\$ 506,125	\$ 10,609,215	\$12,816,404

WESLACO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2024

	Self Insurance Fund	Workers' Comp Fund	Unemployment Fund	Total Internal Service Funds
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 1,004,211	\$ 192,394	\$ 665,941	\$ 1,862,545
Other receivables	<u>827,159</u>	<u>5,500</u>	<u>-</u>	<u>832,659</u>
Total Assets	<u>1,831,369</u>	<u>197,894</u>	<u>665,941</u>	<u>2,695,204</u>
LIABILITIES				
Current Liabilities:				
Account payables	577,845	-	-	577,845
Accrued expenses	<u>1,233,013</u>	<u>163,371</u>	<u>-</u>	<u>1,396,385</u>
Total Liabilities	<u>1,810,858</u>	<u>163,371</u>	<u>-</u>	<u>1,974,229</u>
NET POSITION				
Unrestricted	<u>20,511</u>	<u>34,523</u>	<u>665,941</u>	<u>720,975</u>
Total Net Position	<u>\$ 20,511</u>	<u>\$ 34,523</u>	<u>\$ 665,941</u>	<u>\$ 720,975</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Self Insurance Fund	Workers' Comp Fund	Unemployment Fund	Total Internal Service Funds
OPERATING REVENUES:				
Local and Intermediate Sources	\$ 20,180,039	\$ 452,746	\$ 125,359	\$ 20,758,144
Total Operating Revenues	<u>20,180,039</u>	<u>452,746</u>	<u>125,359</u>	<u>20,758,144</u>
OPERATING EXPENSES:				
Professional and Contracted Services	3,511,711	114,281	55,231	3,681,223
Other Operating Costs	<u>19,962,612</u>	<u>492,020</u>	<u>-</u>	<u>20,454,632</u>
Total Operating Expenses	<u>23,474,323</u>	<u>606,302</u>	<u>55,231</u>	<u>24,135,856</u>
Operating Income (Loss)	<u>(3,294,284)</u>	<u>(153,556)</u>	<u>70,129</u>	<u>(3,377,712)</u>
NONOPERATING REVENUES:				
Earning from Temporary Deposits and Investments	126,750	11,960	32,224	170,933
Other Non-Operating Revenue	<u>102,781</u>	<u>-</u>	<u>-</u>	<u>102,781</u>
Total Nonoperating Revenues	<u>229,531</u>	<u>11,960</u>	<u>32,224</u>	<u>273,715</u>
Income (Loss) Before Transfers	(3,064,753)	(141,596)	102,353	(3,103,997)
Transfers In	<u>900,000</u>	<u>-</u>	<u>-</u>	<u>900,000</u>
Change in Net Position	(2,164,753)	(141,596)	102,353	(2,203,997)
Fund balance - July 1 (beginning)	<u>2,185,265</u>	<u>176,119</u>	<u>563,588</u>	<u>2,924,972</u>
Total Net Position - June 30, (Ending)	<u>\$ 20,511</u>	<u>\$ 34,523</u>	<u>\$ 665,941</u>	<u>\$ 720,975</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Self Insurance Fund	Workers' Comp Fund	Unemployment Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from interfund services provided	\$ 16,708,300	\$ 452,746	\$ 125,359	\$ 17,286,405
Receipts from employees	3,467,895	-	-	3,467,895
Receipts from other participants	3,844	-	-	3,844
Receipts from reimbursements and refunds	1,543,835	(269)	-	1,543,566
Payments for benefit claims	(21,666,823)	(446,421)	-	(22,113,244)
Payments for administration	<u>(3,511,711)</u>	<u>(62,494)</u>	<u>(55,231)</u>	<u>(3,629,436)</u>
Net cash used in operating activities	<u>(3,454,660)</u>	<u>(56,438)</u>	<u>70,129</u>	<u>(3,440,970)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Other Non-Operating Revenue	126,750	-	-	126,750
Transfers In	<u>900,000</u>	<u>-</u>	<u>-</u>	<u>900,000</u>
Net cash provided by noncapital financing activities	<u>1,026,750</u>	<u>-</u>	<u>-</u>	<u>1,026,750</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	<u>102,781</u>	<u>11,960</u>	<u>32,224</u>	<u>146,965</u>
Net cash provided by investing activities	<u>102,781</u>	<u>11,960</u>	<u>32,224</u>	<u>146,965</u>
Net decrease in cash and cash equivalents	(2,325,129)	(44,479)	102,353	(2,267,255)
Cash and cash equivalents-beginning	<u>3,329,340</u>	<u>236,873</u>	<u>563,588</u>	<u>4,129,800</u>
Cash and cash equivalents-ending	<u>\$ 1,004,211</u>	<u>\$ 192,394</u>	<u>\$ 665,941</u>	<u>\$ 1,862,545</u>
Reconciliation of operating income/(loss) to net cash used in operating activities				
Operating income/(loss)	\$ (3,294,284)	\$ (153,556)	\$ 70,129	\$ (3,377,712)
Adjustments to reconcile operating loss to net cash used in:				
(Increase) decrease in other receivables	(143,227)	(4,850)	-	(148,078)
(Increase) decrease in prepaid items	-	63,086	-	63,086
Increase (decrease) in account payables	(563,300)	-	-	(563,300)
Increase (decrease) in other current liabilities	546,151	38,882	-	585,033
Total adjustments	<u>(160,376)</u>	<u>97,117</u>	<u>-</u>	<u>(63,258)</u>
Net cash used in operating activities	<u>\$ (3,454,660)</u>	<u>\$ (56,438)</u>	<u>\$ 70,129</u>	<u>\$ (3,440,970)</u>

REQUIRED TEA SCHEDULES

WESLACO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FOR THE YEAR ENDED JUNE 30, 2024

Last 10 Years	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purpose
	Maintenance	Debt Service	
2015 & Prior	Various	Various	Various
2016	1.1397	-	2,058,098,631
2017	1.1397	-	2,169,706,968
2018	1.1397	0.0200	2,292,112,169
2019	1.1397	0.0200	2,302,601,674
2020	1.0487	0.0200	2,409,136,097
2021	0.9989	0.0200	2,558,311,523
2022	0.9407	0.0400	2,727,607,664
2023	0.9233	0.0360	2,994,824,232
2024 (School year under audit)	0.7314	0.2150	3,246,458,520
1000	TOTALS JUNE 30, 2024		

8000 Total Taxes Refunded Under Section 26.1115, Tax Code

	(10) Beginning Balance 7/1/2023	(20) Current Year's Levy	(31) Maintenance Total Collection	(32) Interest & Sinking Total Collection	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2024	(99) Taxes Refunded Under Section 26.115c
\$	1,128,675	\$ -	\$ 74,841	\$ 5,224	\$ (11,812)	\$ 1,036,799	
	108,240	-	15,068	-	(348)	92,824	
	122,200	-	17,509	-	(991)	103,700	
	142,125	-	30,155	529	(861)	110,580	
	195,370	-	39,496	693	(24,419)	130,762	
	235,229	-	4,775	91	(59,238)	171,125	
	340,150	-	152,963	3,063	15,892	200,017	
	594,840	-	182,083	7,742	(82,036)	322,978	
	1,601,007	-	798,503	31,134	(164,030)	607,341	
	-	29,972,406	21,945,152	6,450,924	190,645	1,766,975	
\$	<u>4,467,836</u>	<u>29,972,406</u>	<u>23,260,544</u>	<u>6,499,400</u>	<u>(137,197)</u>	<u>4,543,101</u>	
							<u>\$ 25,239</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL-CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes		Budgeted Amount		Actual Amount GAAP Basis	Variance With Final Budget Positive or (Negative)
		Original	Final		
	REVENUES:				
5700	Local and intermediate sources	\$ 291,989	\$ 291,989	\$ 334,139	\$ 42,150
5800	State program revenues	-	-	46,722	46,722
5900	Federal program revenues	14,552,119	15,549,971	14,683,747	(866,224)
5020	Total Revenues	<u>14,844,108</u>	<u>15,841,960</u>	<u>15,064,609</u>	<u>(777,351)</u>
	EXPENDITURES:				
0035	Food services	14,162,636	15,596,468	12,945,210	2,651,258
0051	Facilities maintenance and operations	681,472	681,472	688,128	(6,656)
0071	Debt service-principal on long term debt	-	6,000	1,830	4,170
0072	Debt service-interest on long term debt	-	-	404	(404)
6030	Total Expenditures	<u>14,844,108</u>	<u>16,283,940</u>	<u>13,635,572</u>	<u>2,648,368</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(441,980)	1,429,037	1,871,017
	OTHER FINANCING SOURCES (USES)				
7912	Sale of real and personal property	-	-	1,345	(1,345)
7913	Proceeds from right to use leased assets	-	7,980	7,980	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>7,980</u>	<u>9,325</u>	<u>(1,345)</u>
1200	Net Change in Fund Balances	-	(434,000)	1,438,362	1,869,672
0100	Fund balance - July 1 (beginning)	3,428,405	3,428,405	3,428,405	-
1300	Prior period adjustment	-	-	8,725	-
3000	Fund Balance - June 30 (Ending)	<u>\$ 3,428,405</u>	<u>\$ 2,994,405</u>	<u>\$ 4,875,492</u>	<u>\$ 1,869,672</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL-DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	Budgeted Amount		Actual Amount GAAP Basis	Variance With Final Budget Positive or (Negative)	
	Original	Final			
REVENUES:					
5700	Local and intermediate sources	\$ 3,420,183	\$ 6,703,128	\$ 6,600,290	\$ (102,838)
5800	State program revenues	967,713	1,302,605	1,489,597	186,992
5020	Total Revenues	<u>4,387,896</u>	<u>8,005,733</u>	<u>8,089,887</u>	<u>84,154</u>
EXPENDITURES:					
0071	Debt service - principal on long term debt	2,505,000	2,505,000	2,505,000	-
0072	Debt service - interest on long term debt	1,226,531	1,226,531	1,226,531	-
0073	Debt service - bond issuance cost & fees	3,000	48,300	45,300	3,000
6030	Total Expenditures	<u>3,734,531</u>	<u>3,779,831</u>	<u>3,776,831</u>	<u>3,000</u>
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>653,365</u>	<u>4,225,902</u>	<u>4,313,056</u>	<u>87,154</u>
OTHER FINANCING SOURCES (USES)					
8949	Other Uses	-	(2,677,316)	(2,677,316)	-
7080	Total Other Financing Sources (Uses)	<u>-</u>	<u>(2,677,316)</u>	<u>(2,677,316)</u>	<u>-</u>
1200	Net Change in Fund Balances	653,365	1,548,586	1,635,741	87,154
0100	Fund balance - July 1 (beginning)	<u>17,548</u>	<u>17,548</u>	<u>17,548</u>	<u>-</u>
3000	Fund Balance - June 30 (Ending)	<u>\$ 670,913</u>	<u>\$ 1,566,134</u>	<u>\$ 1,653,288</u>	<u>\$ 87,154</u>

STATE COMPENSATORY EDUCATION AND BILINGUAL EDUCATION PROGRAM EXPENDITURES

Weslaco Independent School District

For the year ended June30, 2024

Data		
Codes	<u>Section A: Compensatory Education Programs</u>	
AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$20,931,197
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.	\$12,433,437
	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 2,176,695
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25,35)	\$ 1,246,580

STATISTICAL SECTION

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WESLACO INDEPENDENT SCHOOL DISTRICT

STATISTICAL SECTION OVERVIEW (Unaudited)

This part of the District's Annual Comprehensive Financial Report presents detailed information to provide the readers of the District's financial information with a background for a better understanding of the information in the financial statements, note disclosures, and required supplementary information.

The statistical section is organized in the following sections:

Financial Trends Information – These schedules contain trend information to help the reader understand how the District's financial performance well-being have changed over time.

Revenue Capacity Information – This section contains schedules that provide information about the District's most significant major own-source revenue, which is property taxes, and the factors that impact the District's ability to generate such revenue.

Debt Capacity Information – This section contains schedules that provide information on the District's current levels of outstanding debt, the District's ability to repay the debt, and to issue additional debt in the future.

Demographic and Economic Information – This section contains schedules that provide an understanding of the environment within which the District's financial activities take place.

Operating Information – This section contains schedules that provide information about the services the District provides and the activities it performs; such as, employees and facilities of the District.

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FINANCIAL TRENDS INFORMATION

WESLACO INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN YEARS

	2015 *	2016	2017	2018 **	2019
Governmental Activities					
<i>Net Investment in Capital Assets</i>	\$65,082,018	\$70,172,243	\$53,852,720	\$68,417,270	\$64,654,480
<i>Restricted</i>	13,318,765	20,308,022	31,073,280	34,045,172	19,951,983
<i>Unrestricted</i>	13,712,717	11,348,644	9,316,031	(92,484,770)	(81,580,218)
 <i>Total Net Position</i>	 \$92,113,501	 \$101,828,909	 \$94,242,030	 \$9,977,672	 \$3,026,245

Source: Financial Statements and Independent Auditors' Report
Statement of Net Position (Exhibit A-1)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30
*Implementation of GASB 65
**Implementation of GASB 75

TABLE L-1

2020	2021	2022	2023	2024
\$67,359,544	\$67,097,951	\$66,904,615	\$65,732,749	\$67,705,155
18,907,287	14,223,015	12,009,680	10,645,411	19,378,671
(87,504,983)	(78,645,669)	(65,268,652)	(46,074,030)	(43,340,485)
<u>\$ (1,238,152)</u>	<u>\$ 2,675,298</u>	<u>\$ 13,645,643</u>	<u>\$ 30,304,130</u>	<u>\$ 43,743,341</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL ACTIVITIES EXPENSES AND PROGRAM REVENUES
LAST TEN YEARS

Expenses	2015 *	2016	2017	2018 **
<i>Governmental Activities:</i>				
<i>Instruction</i>	\$89,938,794	\$93,758,756	\$92,471,673	\$61,875,457
<i>Instructional Resource and Media Services</i>	3,219,111	3,407,707	3,270,878	2,133,005
<i>Curriculum and Staff Development</i>	5,833,373	7,866,159	6,672,451	3,444,618
<i>Instructional Leadership</i>	1,918,149	1,958,667	2,102,624	1,457,965
<i>School Leadership</i>	5,353,983	5,347,324	5,525,639	4,182,155
<i>Guidance, Counseling and Evaluation Services</i>	5,922,963	6,457,628	6,274,128	3,675,415
<i>Social Work Services</i>	1,744,838	1,893,278	2,078,113	1,123,254
<i>Health Services</i>	1,917,008	2,031,580	1,991,617	1,175,267
<i>Student Transportation</i>	4,053,767	4,372,443	4,841,325	4,463,629
<i>Food Services</i>	10,967,135	12,651,725	12,346,731	9,934,616
<i>Cocurricular/Extracurricular Activities</i>	7,850,006	8,388,595	8,491,903	6,951,528
<i>General Administration</i>	20,123,067	21,627,390	24,261,944	18,956,735
<i>Facilities Maintenance and Operations</i>	15,576,051	17,098,058	16,614,367	13,666,829
<i>Security and Monitoring Services</i>	2,100,843	2,057,040	2,235,845	1,685,302
<i>Data Processing Services</i>	2,019,983	2,163,703	2,034,553	1,639,951
<i>Community Services</i>	2,121,282	2,261,487	3,991,891	2,239,217
<i>Debt Service-Interest and Fees on Long Term Debt</i>	3,448,931	2,620,552	2,900,318	2,761,245
<i>Facilities Acquisition and Construction</i>	-	-	-	-
<i>Payments Related to Shared Services Arrangements</i>	-	-	-	-
<i>Payment to Juvenile Justice Alternative Ed. Prg</i>	220,000	239,520	248,000	129,946
<i>Other Intergovernmental Charges</i>	230,394	245,133	161,539	279,379
Total Governmental Activities Expenses	\$ 184,559,678	\$ 196,446,745	\$ 198,515,540	\$ 141,775,514
Program Revenues				
<i>Charges for Services:</i>				
<i>Instruction</i>	\$132,283	\$152,654	\$113,191	\$119,627
<i>Instructional Resources and Media Services</i>	-	83	470	121
<i>Curriculum and Staff Development</i>	645	269	367	182
<i>Instructional Leadership</i>	-	-	-	-
<i>School Leadership</i>	519	-	791	896
<i>Guidance, Counseling and Evaluation Services</i>	-	-	-	-
<i>Social Work Services</i>	-	-	-	-
<i>Health Services</i>	-	-	-	-
<i>Student Transportation</i>	52,641	20	15	4,302
<i>Food Services</i>	582,296	463,055	374,151	343,168
<i>Cocurricular/Extracurricular Activities</i>	725,639	593,179	602,391	609,479
<i>General Administration</i>	2,087,523	3,101,767	2,590,722	2,937,756
<i>Facilities Maintenance and Operations</i>	72,560	303,091	35,734	73,515
<i>Security and Monitoring Services</i>	-	-	-	-
<i>Data Processing Services</i>	-	-	-	-
<i>Community Services</i>	197,761	190,100	170,131	194,503
<i>Debt Service-Interest and Fees on Long Term Debt</i>	-	-	-	-
<i>Facilities Acquisition and Construction</i>	-	-	-	-
<i>Other Intergovernmental Charges</i>	-	-	-	-
<i>Operating Grants/Capital and Contributions</i>	40,834,221	42,251,555	41,621,847	11,559,296
Total Governmental Activities Program Revenues	\$ 44,686,089	\$ 47,055,774	\$ 45,509,811	\$ 15,842,845
Net Government Activities Revenue/(Expenses)	\$(139,873,589)	\$(149,390,971)	\$(153,005,729)	\$(125,932,669)

Source: Financial Statements and Independent Auditors' Report
Statement of Activities(Exhibit B-1)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

*Implementation of GASB 65

**Implementation of GASB 75

TABLE L-2

2019	2020	2021	2022	2023	2024
\$95,436,737	\$105,000,280	\$100,410,445	\$87,215,143	\$103,433,069	\$107,185,873
3,392,142	3,778,530	3,596,076	3,171,683	3,533,694	3,545,817
6,150,592	8,242,148	7,582,845	6,145,143	2,884,443	2,801,711
2,382,522	2,602,581	2,374,248	1,912,459	2,863,368	3,122,051
6,132,735	6,917,888	6,478,937	5,098,741	9,888,779	9,579,678
6,769,747	7,683,091	7,271,716	6,427,660	7,800,278	8,016,185
1,462,253	1,422,668	1,263,214	887,796	986,907	922,063
2,131,586	2,535,787	2,412,946	2,769,198	2,680,265	2,499,543
5,186,794	5,114,576	4,427,142	4,167,353	6,002,038	5,837,647
12,483,909	11,777,372	11,775,865	9,518,394	12,364,774	12,296,505
8,646,890	8,587,794	6,557,145	7,245,687	8,903,700	9,455,832
25,322,624	21,989,362	26,477,291	22,862,775	27,179,611	29,550,811
16,356,513	17,892,505	19,074,364	15,045,414	19,176,373	19,758,261
2,538,862	3,527,828	2,387,880	2,448,670	3,528,441	3,420,597
2,225,427	2,368,371	2,609,708	2,125,849	2,832,481	2,842,893
3,888,612	4,001,334	3,998,704	1,864,414	2,424,153	2,595,918
2,928,189	2,649,331	2,345,521	1,627,229	1,766,903	3,626,035
209,787	200,435	-	-	-	-
-	-	-	-	-	340,911
80,582	85,635	100,000	-31,330	126,690	100,000
246,175	248,201	259,939	270,375	259,501	214,991
\$ 203,972,678	\$ 216,625,715	\$ 211,403,986	\$ 180,772,654	\$ 218,635,470	\$ 227,713,323
\$133,186	\$70,060	\$6,788	\$67,669	\$184,471	\$126,591
-	-	-	855	10,953	11,307
605	-	5	125	321	367
-	-	-	141	426	54
6,434	9,827	11,921	4,662	28,713	11,438
-	-	-	181	414	16
-	-	-	-	-	-
-	-	-	633	193	303
21,025	54,065	12,525	6,772	887	3,557
366,362	257,904	42,967	165,905	275,620	192,109
670,225	718,532	141,670	696,029	753,879	714,964
2,307,310	3,936,962	3,857,689	3,149,423	3,604,292	3,476,294
101,964	38,868	29,356	27,469	30,680	49,243
-	-	-	45	436	492
-	-	-	262	1,098	308
173,670	136,589	153,067	207,490	214,274	171,677
-	-	-	-	-	32
-	-	-	-	-	-
-	-	-	-	-	-
41,652,961	53,350,814	49,462,645	45,619,840	75,495,760	66,668,088
\$ 45,433,741	\$ 58,573,620	\$ 53,718,633	\$ 49,947,502	\$ 80,602,417	\$ 71,426,841
<u>\$(158,538,937)</u>	<u>\$(158,052,095)</u>	<u>\$(157,685,353)</u>	<u>\$(130,825,152)</u>	<u>\$(138,033,053)</u>	<u>\$(156,286,483)</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
GENERAL REVENUE AND CHANGES IN NET POSITION
LAST TEN YEARS

	2015 *	2016	2017	2018 **
Net Governmental Activities				
Revenue/(Expenses)	\$(139,873,589)	\$(149,390,971)	\$(153,005,729)	\$(125,932,669)
General Revenue and Changes in Net Position:				
<i>Governmental Activities:</i>				
<i>Property Taxes-General</i>	23,546,542	23,882,403	24,915,531	26,329,885
<i>Property Taxes-Debt Services</i>	18,319	17,547	13,984	469,888
<i>Grants & Contributions Not Restricted</i>	115,521,053	130,154,799	119,855,162	126,931,141
<i>Investment Earnings</i>	78,825	222,846	564,446	1,375,217
<i>Miscellaneous</i>	86,890	17,789	69,727	21,126
<i>Extraordinary Item-Net</i>	-	-	-	3,088,259
<i>Special Item - (Use)</i>	-	-	-	-
<i>Sale of Real Property</i>	-	-	-	-
<i>Transfers In (Out)</i>	-	-	-	-
Total Governmental Activities	139,251,628	154,295,385	145,418,850	158,215,514
Changes in Net Position	\$(621,961)	\$4,904,414	\$(7,586,879)	\$32,282,846

Source: Financial Statements and Independent Auditors' Report
Statement of Activities(Exhibit B-1)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30
*Implementation of GASB 65
**Implementation of GASB 75

TABLE L-3

2019	2020	2021	2022	2023	2024
\$(158,538,937)	\$(158,052,095)	\$(157,685,353)	\$(130,825,152)	\$(138,033,053)	\$(156,286,483)
26,447,893	25,165,883	26,279,167	26,574,436	28,037,089	23,842,019
473,001	478,881	531,746	1,131,451	1,087,968	6,921,140
122,918,825	127,012,919	134,574,757	113,802,896	122,142,451	132,900,860
1,895,536	1,093,132	89,255	215,187	3,173,943	5,936,714
20,648	36,884	36,501	71,526	145,085	124,961
(399,642)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
151,356,262	153,787,699	161,511,426	141,795,497	154,586,537	169,725,693
\$(7,182,676)	\$(4,264,397)	\$3,826,073	\$10,970,345	\$16,553,484	\$13,439,211

WESLACO CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN YEARS

	2015	2016	2017	2018
General				
POST GASB 54				
<i>Non-spendable:</i>				
<i>Inventories</i>	\$ 903,195	\$ 847,969	\$ 960,789	\$ 848,180
<i>Prepaid Items</i>	1,564,045	1,584,354	1,379,451	1,350,744
<i>Restricted:</i>				
<i>Federal/State Funds Grant Restrictions</i>	5,695,725	7,302,864	5,093,955	5,862,080
<i>Other Restrictions of Fund Balance</i>	-	-	-	-
<i>Assigned:</i>				
<i>Construction</i>	-	-	-	-
<i>Capital Expenditures for Equipment</i>	-	-	-	-
<i>Other</i>	11,245,626	19,470,602	23,385,542	15,800,786
<i>Unassigned:</i>	16,500,000	17,000,000	17,500,000	18,000,000
Total General Fund Balance	\$ 35,908,591	\$ 46,205,789	\$ 48,319,737	\$ 41,861,790
All Other Governmental Funds				
POST GASB 54				
<i>Restricted:</i>				
<i>Federal/State Funds Grant Restrictions</i>	\$ 10,668	\$ 10,668	\$ 10,668	\$ -
<i>Capital Acquisition and Contractual Obligation</i>	5,043,128	4,278,991	21,250,253	23,768,132
<i>Retirement of Long Term Debt</i>	1,287,408	7,427,367	3,306,023	2,993,691
<i>Other Restrictions of Fund Balance</i>	-	-	-	-
<i>Committed:</i>				
<i>Construction</i>	-	-	-	-
<i>Capital Expenditures for Equipment</i>	-	-	-	-
<i>Other Commitments of Fund Balance</i>	292,792	270,009	244,819	243,452
<i>Assigned:</i>				
<i>Other</i>	9,584	9,584	9,584	9,584
<i>Unassigned:</i>	-	-	-	-
<i>Total All</i>	6,643,581	11,996,619	24,821,347	27,014,860
Total Governmental Funds -Fund Balance	\$ 42,552,172	\$ 58,202,409	\$ 73,141,084	\$ 68,876,650
Governmental Funds -				
<i>Beginning Fund Balance</i>	\$ 46,765,842	\$ 42,552,172	\$ 58,202,409	\$ 73,141,084
<i>Prior Period Adjustment</i>	-	4,810,995	-	-
<i>Net Change in Fund Balance</i>	(4,213,670)	10,839,242	14,938,675	(4,264,434)
Ending Fund Balance	\$ 42,552,172	\$ 58,202,409	\$ 73,141,084	\$ 68,876,650

Source: Financial Statements and Independent Auditors' Report
Balance Sheet - Governmental Funds (Exhibit C-1) 2015-2024
Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit C-3)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-4

2019		2020		2021		2022		2023		2024	
\$	992,097	\$	1,104,190	\$	1,324,486	\$	1,284,963	\$	1,280,741	\$	1,368,088
	1,401,976		537,627		1,303,050		1,388,301		2,193,705		1,661,995
	5,177,298		6,574,402		6,948,370		7,481,618		8,853,182		7,960,481
	-		-		-		-		-		-
	-		-		-		-		8,000,000		7,000,000
	3,169,825		1,228,530		-		-		-		-
	115,821		63,400		252,880		1,131,072		242,269		2,094,036
	38,089,304		39,032,046		50,357,236		58,494,676		63,462,173		65,435,196
\$	48,946,321	\$	48,540,195	\$	60,186,022	\$	69,780,631	\$	84,032,070	\$	85,519,797
<hr/>											
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	10,150,363		10,723,179		5,405,526		3,897,800		2,179,139		171,034,751
	4,122,147		3,291,769		2,520,676		1,689,507		17,548		1,653,288
	-		-		-		-		-		-
	-		-		-		-		-		-
	249,365		316,891		389,959		490,234		552,974		513,786
	9,284		44,321		40,864		40,949		40,742		40,115
	-		-		-		-		-		-
	14,531,159		14,376,159		8,357,024		6,118,491		2,790,404		173,241,940
\$	63,477,479	\$	62,916,354	\$	68,543,046	\$	75,899,122	\$	86,822,474	\$	258,761,737
<hr/>											
\$	68,876,650	\$	63,477,479	\$	62,916,354	\$	68,543,046	\$	75,899,122	\$	86,822,474
	(336,213)		-		87,377		-		-		-
	(5,062,958)		(561,125)		5,539,315		7,356,076		10,923,352		171,939,263
\$	63,477,479	\$	62,916,354	\$	68,543,046	\$	75,899,122	\$	86,822,474	\$	258,761,737

WESLACO INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUND REVENUE BY SOURCE
LAST TEN YEARS

Fiscal Year	Local and Intermediate Sources			State Programs
	Property Tax	Investment Income	Other	Per Capita and Foundation
2015	23,828,401	69,479	1,790,487	116,096,469
2016	23,878,352	206,734	1,738,866	128,561,142
2017	24,900,863	561,541	1,416,357	120,529,452
2018	26,172,229	1,341,246	2,303,180	125,377,866
2019	26,032,561	1,835,856	2,344,241	121,882,771
2020	25,000,546	1,059,301	2,017,966	126,934,947
2021	26,169,473	82,004	1,334,657	134,183,191
2022	27,064,049	201,234	1,920,880	113,612,633
2023	28,292,078	3,043,115	2,624,191	122,133,121
2024	29,134,443	5,765,781	2,372,724	132,707,885

Source: Financial Statements and Independent Auditors' Report
Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit C-3)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-5

State Programs			
On Behalf		Federal	
TRS Payments	Other	Programs	Total
6,552,087	3,360,290	30,392,295	182,089,508
5,854,875	3,655,672	31,065,845	194,961,485
4,813,494	1,596,924	33,226,272	187,044,904
7,519,851	4,394,436	31,640,576	198,749,384
7,306,859	3,430,201	31,120,740	193,953,228
8,432,280	2,173,740	35,508,235	201,127,015
7,848,777	1,337,825	37,566,355	208,522,283
6,650,114	1,419,768	45,431,279	196,299,955
8,403,465	1,665,917	68,178,536	234,340,423
8,523,351	3,296,715	59,311,331	241,112,229

WESLACO INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUND EXPENDITURES BY FUNCTION
LAST TEN YEARS

Fiscal Year	Instructional And Instructional Related Services	Instructional and School Leadership	Support Services Student Other	Administrative Support Services	Support Services Non-Student Based	Ancillary Services
2015	101,502,586	7,607,364	33,756,126	4,785,079	20,799,472	2,066,825
2016	103,403,648	7,333,985	35,547,335	4,818,619	21,667,224	2,109,182
2017	103,876,653	7,848,224	37,345,499	5,056,378	21,649,161	3,853,593
2018	106,669,533	9,111,967	42,080,897	5,387,771	23,865,350	3,754,897
2019	106,858,463	8,787,835	35,857,976	5,086,076	23,396,398	3,734,906
2020	113,652,568	9,390,234	35,224,338	5,047,190	25,097,258	3,743,556
2021	114,697,784	9,228,453	33,062,768	5,618,825	24,823,898	3,929,140
2022	111,464,195	8,301,241	33,550,108	4,945,072	21,637,730	2,108,712
2023	123,805,219	14,396,266	40,916,973	5,975,036	27,799,794	2,646,402
2024	124,652,277	13,982,502	40,352,930	5,897,832	27,657,763	2,736,850

Source: Financial Statements and Independent Auditors' Report
Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit C-3)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-6

Debt Service Principal	Service Interest and Other	Debt Service Other Fees	Facilities Acquisition & Construction-Capital Outlay	Inter-Governmental Charges	Total Governmental Fund Expenditures	Ratio of Debt Services to Non-Capital Expenditures
5,595,000	2,835,623	398,973	8,961,815	450,394	188,759,258	4.97%
4,947,000	2,668,955	3,455	1,155,976	484,653	184,140,033	4.20%
4,654,000	2,191,565	491,418	1,162,753	409,539	188,538,783	3.98%
4,443,492	3,009,612	2,825	9,202,858	409,325	207,938,527	3.89%
3,636,567	2,932,269	113,969	13,713,224	326,757	204,444,440	3.54%
3,657,030	2,871,403	2,150	2,705,463	333,836	201,725,025	3.31%
3,746,690	2,742,257	1,700	4,808,015	359,939	203,019,468	3.27%
4,100,896	1,388,898	212,119	1,490,951	239,045	189,438,967	3.08%
4,348,375	2,244,782	3,095	1,649,647	386,191	224,171,780	3.00%
4,532,715	2,148,825	1,562,575	3,190,817	655,903	227,370,988	3.70%

WESLACO INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS OTHER SOURCES, USES
AND CHANGES IN FUND BALANCES
LAST TEN YEARS

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Excess of Revenue Over				
(Under) Expenditures	\$(6,669,750)	\$10,821,452	\$(1,493,880)	\$(9,189,142)
Other Financing Sources (Uses)				
Issuance of Bonds	-	-	-	-
Refunding Bonds Issued	31,570,000	-	19,470,000	-
Sale of Real and Personal Property	36,472	17,789	69,727	21,126
Proceeds from Sales of Capital Assets	-	-	-	-
Issuance of Capital Leases	-	-	-	1,577,168
Proceeds from Right-to-use Leased Assets	-	-	-	-
Issuance of Loans	-	-	15,020,000	-
Issuance on Non-Current Debt	-	-	-	-
Transfer In	11,251,447	5,700,039	21,609,631	14,359,549
Premium on Issuance of Bonds	5,463,084	-	4,623,821	-
Proceeds from SBITA Agreements	-	-	-	-
Transfer Out	(9,251,447)	(5,700,039)	(22,749,631)	(18,519,549)
Other Uses	(36,613,477)	-	(21,610,993)	-
Total Other Financing Sources (Uses)	<u>2,456,079</u>	<u>17,789</u>	<u>16,432,555</u>	<u>(2,561,706)</u>
Special Items				
Extraordinary Items (Resources)	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,486,415</u>
Net Changes in Fund Balances	<u><u>\$(4,213,670)</u></u>	<u><u>\$10,839,242</u></u>	<u><u>\$14,938,675</u></u>	<u><u>\$(4,264,434)</u></u>

Source: Financial Statements and Independent Auditors' Report
Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit C-3)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-7

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
\$(10,491,212)	\$(598,010)	\$5,502,815	\$6,860,988	\$10,168,643	\$13,741,241
4,905,000	-	-	-	-	155,345,000
-	-	-	11,844,977	-	-
20,648	36,884	36,501	71,526	147,008	22,951
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	48,547	329,290	234,153
1,304,339	-	-	161,475	-	-
-	-	-	-	-	-
3,608,923	5,816,000	2,159,528	-	275,000	10,200,000
209,705	-	-	1,373,505	-	6,173,233
-	-	-	-	278,411	-
(3,608,923)	(5,816,000)	(2,159,528)	-	(275,000)	(11,100,000)
<u>(1,194,493)</u>	<u>-</u>	<u>-</u>	<u>(13,004,943)</u>	<u>-</u>	<u>(2,677,316)</u>
5,245,198	36,884	36,501	495,088	754,709	158,198,022
<u>183,056</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u><u>\$(5,062,958)</u></u>	<u><u>\$(561,125)</u></u>	<u><u>\$5,539,315</u></u>	<u><u>\$7,356,076</u></u>	<u><u>\$10,923,352</u></u>	<u><u>\$171,939,263</u></u>

WESLACO INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUND EXPENDITURES BY FUNCTION
PER AVERAGE DAILY ATTENDANCE
LAST TEN YEARS

Fiscal Year	Average Daily Attendance	Instructional and Instructional Related Services	Instructional and School Leadership	Support Services Student Other	Administrative Support Services
2015	16,056	6,322	474	2,102	298
2016	16,333	6,331	449	2,176	295
2017	16,096	6,453	488	2,320	314
2018	15,906	6,706	573	2,646	339
2019	15,851	6,742	554	2,262	321
2020	15,094	7,530	622	2,334	334
2021	14,986	7,654	616	2,206	375
2022	13,660	8,160	608	2,456	362
2023	13,622	9,089	1,057	3,004	439
2024	14,526	8,581	963	2,778	406

Source: Financial Statements and Independent Auditors' Report
PEIMS DATA Report (PFR7D001) 2012-2021
Statement of Revenues, Expenditures, and Changes in Fund Balances (Exhibit C-3)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-8

Support Services Non-Student Based	Ancillary Services	Debt Service Prinicpal	Debt Service Interest and Other	Capital Outlay	Inter- Governmental Charges	Total Governmental Fund Expenditures
1,295	129	348	201	558	28	11,757
1,327	129	303	164	71	30	11,274
1,345	239	289	167	72	25	11,713
1,500	236	279	189	579	26	13,073
1,476	236	229	192	865	21	12,898
1,663	248	242	190	179	22	13,365
1,656	262	250	183	321	24	13,547
1,584	154	300	117	109	18	13,869
2,041	194	319	165	121	28	16,457
1,904	188	312	256	220	45	15,653

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REVENUE CAPACITY INFORMATION

WESLACO INDEPENDENT SCHOOL DISTRICT
ASSESSED AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY
LAST TEN YEARS

Fiscal Year	Assessed Value		
	Real Property	Personal Property & Mineral	Less Exemptions
2015	2,588,036,036	285,634,774	855,391,976
2016	2,732,705,107	303,776,931	978,383,407
2017	2,835,567,160	312,988,562	978,848,754
2018	3,007,673,308	319,921,470	1,035,482,609
2019	3,057,178,970	302,968,791	1,057,546,087
2020	3,155,166,207	321,881,136	1,067,911,246
2021	3,391,379,928	307,500,112	1,140,568,517
2022	3,595,900,905	321,423,038	1,189,716,279
2023	4,082,635,741	357,545,737	1,445,357,246
2024	5,061,690,399	390,104,589	2,205,336,468

Source: Financial Statements and Independent Auditors' Report
Schedule of Delinquent Taxes Receivable (Exhibit J-1)
Assessment Roll Grand Totals from Hidalgo County Appraisal District (Supplement I)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-9

Total Taxable Assessed Value	Estimated Actual Taxable Value	Ratio of Total Taxable Assessed Value to Estimated Actual Taxable Value	Total Direct Tax Rate
2,018,278,834	2,873,670,810	70.23%	1.1397
2,058,098,631	3,036,482,038	67.78%	1.1397
2,169,706,968	3,148,555,722	68.91%	1.1397
2,292,112,169	3,327,594,778	68.88%	1.1597
2,302,601,674	3,360,147,761	68.53%	1.1597
2,409,136,097	3,477,047,343	69.29%	1.0687
2,558,311,523	3,698,880,040	69.16%	1.0189
2,727,607,664	3,917,323,943	69.63%	0.9807
2,994,824,232	4,440,181,478	67.45%	0.9593
3,246,458,520	5,451,794,988	59.55%	0.9464

WESLACO INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Fiscal Year	Total Original Tax Levy	Total Adjusted Tax Levy	Collected within the Fiscal year of Levy	
			Amount	% of Original Levy
2015	22,612,366	22,709,412	21,526,880	95.20%
2016	23,079,685	22,991,371	21,886,165	94.83%
2017	24,363,529	24,018,861	22,896,620	93.98%
2018	26,145,817	26,016,238	24,951,740	95.43%
2019	26,276,635	26,075,016	24,981,509	95.07%
2020	25,421,226	25,120,165	24,037,947	94.56%
2021	25,670,034	25,975,478	25,064,319	97.64%
2022	26,211,702	27,176,192	25,989,535	99.15%
2023	28,409,990	28,327,131	26,890,153	94.65%
2024	29,972,406	30,163,052	28,396,076	94.74%

Source: Financial Statements and Independent Auditors' Report
Schedule of Delinquent Taxes Receivable (Exhibit J-1)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-10

Collection Subsequent	Total Collections to Date		
	Years	Amount	% of Adjusted Levy
	1,083,880	22,610,761	99.57%
	1,012,382	22,898,547	99.60%
	1,018,541	23,915,161	99.57%
	953,918	25,905,658	99.57%
	962,745	25,944,254	99.50%
	911,093	24,949,040	99.32%
	711,142	25,775,461	99.23%
	863,678	26,853,214	98.81%
	829,637	27,719,790	97.86%
N/A		28,396,076	94.14%

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TABLE L-11

WESLACO INDEPENDENT SCHOOL DISTRICT
ALLOCATION OF PROPERTY TAX RATES AND LEVIES
LAST TEN YEARS

Fiscal Year	Tax Rates (Per \$100 of Assessed Value)			Tax Levies		
	General Fund	Debt		General Fund	Debt	
		Service Fund	Total		Service Fund	Original Levy Total
2015	1.1397	0.0000	1.1397	22,612,366	-	22,612,366
2016	1.1397	0.0000	1.1397	23,079,685	-	23,079,685
2017	1.1397	0.0000	1.1397	24,363,529	-	24,363,529
2018	1.1397	0.0200	1.1597	25,694,911	450,907	26,145,817
2019	1.1397	0.0200	1.1597	25,823,473	453,163	26,276,635
2020	1.0487	0.0200	1.0687	24,945,485	475,741	25,421,226
2021	0.9989	0.0200	1.0189	25,166,157	503,877	25,670,034
2022	0.9407	0.0400	0.9807	25,142,601	1,069,102	26,211,702
2023	0.9233	0.0360	0.9593	27,343,838	1,066,152	28,409,990
2024	0.7314	0.2150	0.9464	23,163,375	6,809,031	29,972,406

Source: Financial Statements and Independent Auditors' Report
 Schedule of Delinquent Taxes Receivable (Exhibit J-1)
 Detail General Ledger Reports
 2015-2021 Fiscal Year End 8/31
 2022-2024 Fiscal Year End 06/30

WESLACO INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES-DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$100 ASSESSED VALUATION)
LAST TEN YEARS

<u>Fiscal</u> <u>Year</u>	<u>Tax</u> <u>Year</u>	<u>Hidalgo</u> <u>County</u>	<u>South</u> <u>Texas ISD</u>	<u>Drainage</u> <u>District No.1</u>	<u>Weslaco</u> <u>ISD</u>
2015	2014	0.5900	0.0492	0.0957	1.1397
2016	2015	0.5900	0.0492	0.0951	1.1397
2017	2016	0.5800	0.0492	0.0951	1.1397
2018	2017	0.5800	0.0492	0.0951	1.1597
2019	2018	0.5800	0.0492	0.0951	1.1597
2020	2019	0.5750	0.0492	0.1051	1.0687
2021	2020	0.5750	0.0492	0.1026	1.0189
2022	2021	0.5750	0.0492	0.1264	0.9807
2023	2022	0.5750	0.0492	0.1179	0.9593
2024	2023	0.5750	0.0492	0.1139	0.9464

Source: Financial Statements and Independent Auditors' Report
Schedule of Delinquent Taxes Receivable (Exhibit J-1)
Hidalgo County Tax Assessor-Collector Tax Rate Schedule (website)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-12

<u>STC</u>	<u>City of Weslaco</u>	<u>Total Direct and Overlapping</u>	<u>Original Levy Total</u>
0.1850	0.6767	2.7363	22,612,366
0.1850	0.6767	2.7357	23,079,685
0.1850	0.6667	2.7157	24,363,529
0.1780	0.6667	2.7287	26,145,817
0.1780	0.6667	2.7287	26,276,635
0.1733	0.6967	2.6680	25,421,226
0.0492	0.6967	2.4916	25,670,034
0.1715	0.6967	2.5995	26,211,702
0.1615	0.6967	2.5596	28,409,990
0.1562	0.6867	2.5274	29,972,406

WESLACO INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
2024 AND 2015

		Fiscal Year 2024	
		Tax Year 2023 Assessed Valuation	Percentage Total Assessed Valuation
1	H.E.Butt Grocery Company	\$40,948,773	1.26%
2	AEP Texas Central Co.	36,453,890	1.12%
3	HEB Weslaco Transportation	26,002,120	0.80%
4	Wal-Mart Real Estate Business TR	19,285,225	0.59%
5	Llano Grande Holdings Company LLC	18,695,074	0.58%
6	Capcor Weslaco LTD	13,845,139	0.43%
7	Wesfar Apts LLC	12,427,472	0.38%
8	G3C Weslaco Westgate LLC	12,319,950	0.38%
9	NWI Tenet Micro Hospital Weslaco LP	11,147,733	0.34%
10	Weslaco Motors, LLP	10,330,062	0.32%
		\$201,455,438	6.21%

Source: Hidalgo Appraisal District
Top Taxpayer 2024 & 2015
Weslaco Approval Tax Roll

TABLE L-13

		Fiscal Year 2015	
		Tax Year 2014 Assessed Valuation	Percentage Total Assessed Valuation
1	H.E.Butt Grocery Company	\$37,499,123	1.86%
2	Pioneer Hi-Bred Int'l INC	26,479,310	1.31%
3	HEB Weslaco Transportation	18,473,771	0.92%
4	AEP Texas Central Co.	17,349,340	0.86%
5	Clearview Weslaco LLP	16,021,025	0.79%
6	CAPCOR Weslaco, LTD	12,337,301	0.61%
7	Wal-Mart Real Estate Business TR	11,637,270	0.58%
8	Woodcrafters Home Products LLC	10,325,400	0.51%
9	Woodcrafters Home Products LLC	8,846,076	0.44%
10	Woodcrafters Home Products LLC	8,728,419	0.43%
		\$167,697,035	8.31%

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DEBT CAPACITY INFORMATION

WESLACO INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
LAST TEN YEARS

Fiscal Year	General Bonded Debt			Other Governmental Activities Debt		
	General			Maintenance Tax Notes	Premium/(Discount) on Tax Notes	Loans Payable
	Obligation Bonds	Premium on Bonds	Accretion of Bonds			
2015	54,140,000	4,979,384	-	15,156,000	3,391	-
2016	51,110,000	4,887,934	-	13,239,000	(3,028)	-
2017	47,515,000	7,622,679	-	26,295,000	2,215,439	-
2018	44,815,000	7,363,577	-	24,614,000	2,219,699	-
2019	42,840,000	7,114,685	-	28,082,000	2,422,484	1,304,339
2020	40,775,000	6,805,326	-	26,653,000	2,387,811	1,203,801
2021	38,610,000	6,424,531	-	25,212,000	2,343,027	1,096,236
2022	36,339,977	5,170,033	15,018	23,745,000	2,289,808	1,087,485
2023	33,954,977	4,679,142	67,180	22,246,000	2,196,331	862,740
2024	184,199,977	9,727,165	120,754	20,715,000	2,086,180	736,809

Source: Financial Statements and Independent Auditors' Report
Notes to Financial Statements Long-Term Debt Obligations 2014-2023
Academic Excellence Indicator System (AEIS Report)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-14

<u>Other Governmental Activities Debt</u>					Ratio of Total	Total Debt
			**Total Debt		Debt to Estimated	to Average
Lease	SBITA	Total	to Personal	***Total Debt	Actual	Daily
<u>Payable</u>	<u>Liability</u>	<u>Debt</u>	<u>Income</u>	<u>to Per Capita</u>	<u>Taxable Value</u>	<u>Membership</u>
-	-	74,278,775	12.12%	1,882	2.58%	4,408
-	-	69,233,906	10.07%	1,729	2.28%	4,063
-	-	83,648,118	12.04%	2,073	2.66%	5,001
1,514,676	-	80,526,952	11.58%	2,019	2.42%	4,855
95,617	-	81,859,125	11.14%	1,988	2.44%	5,019
33,125	-	77,858,062	10.91%	1,852	2.24%	4,961
-	-	73,685,794	9.69%	1,739	1.99%	4,632
361,446	-	69,008,767	8.16%	1,676	1.76%	4,602
400,767	332,194	64,739,330	7.99%	1,578	1.46%	4,434
379,075	217,255	218,182,215	23.38%	5,068	4.00%	14,119

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WESLACO INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING DEBT
GOVERNMENTAL ACTIVITIES DEBT

TABLE L-15

Political Subdivision	*Gross Debt Amounts		As of	**Percentage Applicable to WISD	***Estimated Share of Direct and Overlapping Debt
DIRECT DEBT					
<i>Weslaco ISD</i>	\$218,182,215	*	6/30/2024	100.00%	\$218,182,215
					<u>\$218,182,215</u>
OVERLAPPING DEBT					
<i>City Of Weslaco</i>	\$83,141,000	*	4/30/2024	99.18%	\$82,459,244
<i>Hidalgo County</i>	395,825,000	*	4/30/2024	7.58%	30,003,535
<i>City Of Mercedes</i>	23,230,000	*	4/30/2024	17.69%	4,109,387
<i>Hidalgo Co Drainage District #1</i>	276,378,000	*	4/30/2024	7.84%	21,668,035
<i>South Texas College</i>	94,589,693	*	4/30/2024	5.49%	5,192,974
<i>Total Net Overlapping Debt</i>					<u>143,433,175</u>
<i>Total Direct and Overlapping Debt:</i>					<u><u>\$361,615,390</u></u>
			Percent of Assessed Valuation:		10.83%
			Direct Overlapping Debt per Capita:		\$4,796

* Gross Debt. Please note that some debt may be supported by other revenues and thus be considered self supporting debt. Using gross debt may overstate the actual amount of debt supported by ad valorem taxes.

** Overlapping percentage is calculated as follows:
 Shared market value between entities from the Appraisal District divided by the total market value of each entity.

*** The overlapping debt is calculated as follows:
 The gross debt multiplied by the overlapping percentage = overlapping debt

Source: Municipal Advisory Council of Texas

WESLACO INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN YEARS

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Assessed Valuation	<u>\$ 2,018,278,834</u>	<u>\$ 2,058,098,631</u>	<u>\$ 2,169,706,968</u>	<u>\$ 2,292,112,169</u>
Debt Limit-10% of				
Assessed Valuation	\$201,827,883	\$205,809,863	\$216,970,697	\$229,211,217
General Obligation Bonds	54,140,000	51,110,000	47,515,000	44,815,000
Deduct Amount Available in				
Debt Services Fund	<u>(1,287,408)</u>	<u>(7,427,367)</u>	<u>(3,306,023)</u>	<u>(2,996,826)</u>
Net General Bonded Debt	52,852,592	43,682,633	44,208,977	41,818,174
Maintenance Tax Note	15,156,000	13,239,000	26,295,000	24,614,000
Loans Payable	-	-	-	-
Leases Payable	-	-	-	1,514,676
SBITA Payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Less : Applicable Debt Margin	<u>68,008,592</u>	<u>56,921,633</u>	<u>70,503,977</u>	<u>67,946,851</u>
Legal Debt Margin	<u><u>\$133,819,291</u></u>	<u><u>\$148,888,230</u></u>	<u><u>\$146,466,720</u></u>	<u><u>\$161,264,366</u></u>
Debt Margin as a Percentage of the Debt Limit	66.30%	72.34%	67.51%	70.36%

Source: Financial Statements and Independent Auditors' Report
Notes to Financial Statements Computation of ECISD's Legal Debt Margin
Notes to Financial Statements Long-Term Debt Obligations 2014-2023
Tax Roll Report Hidalgo County Tax Assessor
Budgetary Comparison Schedule Exhibit J-4
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-16

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>\$ 2,302,601,674</u>	<u>\$2,409,136,097</u>	<u>\$2,558,311,523</u>	<u>\$2,727,607,664</u>	<u>\$2,994,824,232</u>	<u>\$3,246,458,520</u>
\$230,260,167	\$240,913,610	\$ 255,831,152	\$ 272,760,766	\$ 299,482,423	\$ 324,645,852
42,840,000	40,775,000	38,610,000	36,339,977	33,954,977	184,199,977
<u>(4,122,147)</u>	<u>(3,291,769)</u>	<u>(2,520,676)</u>	<u>(1,689,507)</u>	<u>(17,548)</u>	<u>(1,653,288)</u>
38,717,853	37,483,231	36,089,324	34,650,470	33,937,430	182,546,689
28,082,000	26,653,000	25,212,000	23,745,000	22,246,000	20,715,000
1,304,339	1,203,801	1,096,236	1,087,485	862,740	736,809
95,617	33,125	-	361,446	400,767	379,075
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>332,194</u>	<u>217,255</u>
<u>68,199,809</u>	<u>65,373,157</u>	<u>62,397,560</u>	<u>59,844,401</u>	<u>57,779,130</u>	<u>204,594,828</u>
<u>\$162,060,358</u>	<u>\$175,540,453</u>	<u>\$193,433,592</u>	<u>\$212,916,366</u>	<u>\$241,703,293</u>	<u>\$120,051,024</u>
70.38%	72.86%	75.61%	78.06%	80.71%	36.98%

WESLACO INDEPENDENT SCHOOL DISTRICT
*RATIO OF NET GENERAL OBLIGATION BONDED DEBT
 TO ESTIMATED ACTUAL TAXABLE VALUE AND
 PER AVERAGE DAILY MEMBERSHIP
 LAST TEN YEARS*

Fiscal Year	Average Daily Membership	Estimated Actual Taxable Value	General Obligation Bonds	Premium on Bonds	Accretion of Bonds
2015	16,849	2,873,670,810	54,140,000	4,979,384	-
2016	17,041	3,036,482,038	51,110,000	4,887,934	-
2017	16,727	3,148,555,722	47,515,000	7,622,679	-
2018	16,585	3,327,594,778	44,815,000	7,363,577	-
2019	16,311	3,360,147,761	42,840,000	7,114,685	-
2020	15,693	3,477,047,343	40,775,000	6,805,326	-
2021	15,909	3,698,880,040	38,610,000	6,424,531	-
2022	14,994	3,917,323,943	36,339,977	5,170,033	15,018
2023	14,600	4,440,181,478	33,954,977	4,679,142	67,180
2024	15,453	5,451,794,988	184,199,977	9,727,165	120,754

Source: Financial Statements and Independent Auditors' Report
 Notes to Financial Statements Long-Term Debt Obligations 2014-2023
 Assessment Roll Grand Totals Hidalgo County Tax Assessor-Collector
 2015-2021 Fiscal Year End 8/31
 2022-2024 Fiscal Year End 06/30

TABLE L-17

Less: Amount Available In Debt Service	Net Bonded Debt	Net Bonded Debt to Estimated Actual Taxable Value	General Obligation Bonds Per Average Daily Membership
1,287,408	57,831,977	2.01%	3,213
7,427,367	48,570,567	1.60%	2,999
3,306,023	51,831,656	1.65%	2,841
2,996,826	49,181,751	1.48%	2,702
4,122,147	45,832,538	1.36%	2,626
3,291,769	44,288,557	1.27%	2,598
2,520,676	42,513,855	1.15%	2,427
1,689,507	39,835,521	1.02%	2,424
17,548	38,683,752	0.87%	2,326
1,653,288	192,394,608	3.53%	11,920

TABLE L-18

WESLACO INDEPENDENT SCHOOL DISTRICT
*RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT
 TO TOTAL GENERAL FUND EXPENDITURES
 LAST TEN YEARS*

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest*</u>	<u>Annual Debt Service</u>	<u>Total General Fund Expenditures</u>	<u>Ratio of Annual Debt Service to Total General Fund Expenditures</u>
2015	3,650,000	2,641,997	6,291,997	154,063,148	4.08%
2016	3,030,000	2,521,713	5,551,713	158,759,955	3.50%
2017	2,690,000	2,094,150	4,784,150	159,717,528	3.00%
2018	2,700,000	2,086,500	4,786,500	171,381,789	2.79%
2019	1,975,000	1,977,425	3,952,425	167,792,464	2.36%
2020	2,065,000	1,886,025	3,951,025	169,638,517	2.33%
2021	2,165,000	1,788,075	3,953,075	169,720,400	2.33%
2022	2,270,000	868,425	3,138,425	153,849,713	2.04%
2023	2,385,000	1,316,245	3,701,245	169,468,481	2.18%
2024	2,505,000	1,226,531	3,731,531	176,705,766	2.11%

Source: Financial Statements and Independent Auditors' Report
 Budgetary Comparison Schedule Exhibit J-3, J-4
 Budgetary Comparison Schedule Exhibit C-5
 2015-2021 Fiscal Year End 8/31
 2022-2024 Fiscal Year End 06/30

DEMOGRAPHIC AND ECONOMIC INFORMATION

WESLACO INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CALENDAR YEAR 2024 AND 2015

Employer	2024		
	Employees	Rank	Percentage
<i>Weslaco Independent School District</i>	2,225	1	41.40%
<i>Knapp Medical Center</i>	900	2	16.74%
<i>HEB (3 locations)</i>	450	3	8.37%
<i>US Board Patrol</i>	380	4	7.07%
<i>Wal-Mart</i>	260	5	4.84%
<i>Payne Auto Group</i>	250	6	4.65%
<i>Texas DPS</i>	250	6	4.65%
<i>City of Weslaco</i>	233	8	4.33%
<i>South Texas College</i>	214	9	3.98%
<i>Woodcrafters</i>	213	10	3.96%
<i>Foremost Paving</i>	-		0.00%
<i>Tx A&M University</i>	-		0.00%
<i>International Wood</i>	-		0.00%
Total Top Ten	5,375		99.99%

Source: Weslaco Economic Development Corporation
WorkForce Solutions

TABLE L-19

2015		
Employees	Rank	Percentage
2,330	1	39.98%
980	2	16.81%
407	5	6.98%
-		0.00%
455	4	7.81%
330	6	5.66%
-		
280	7	4.80%
-		0.00%
541	3	9.28%
193	8	3.31%
166	9	2.85%
147	10	2.52%
<u>5,829</u>		<u>100.00%</u>

TABLE L-20

WESLACO INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

<u>Fiscal Year</u>	<u>Estimated Population</u>	<u>*Personal Income</u>	<u>*Per Capita Personal Income</u>	<u>Unemployment Rate</u>	<u>Average Daily Attendance</u>	<u>Percentage Economically Disadvantage Students</u>
2015	39,474	612,754,902	15,523	10.00%	16,056	74.0%
2016	40,033	687,726,907	17,179	9.70%	16,333	80.1%
2017	40,358	694,803,328	17,216	8.00%	16,096	81.7%
2018	39,881	695,325,235	17,435	7.90%	15,906	82.4%
2019	41,171	734,655,324	17,844	8.10%	15,851	85.6%
2020	42,038	713,595,050	16,975	12.40%	15,094	84.1%
2021	42,380	760,721,000	17,950	11.50%	14,986	84.7%
2022	41,170	845,961,160	20,548	9.00%	13,660	82.2%
2023	41,024	810,224,000	19,750	7.90%	13,622	82.7%
2024	43,053	933,044,616	21,672	8.30%	14,526	81.9%

Source: U.S. Census Bureau 2014-2023
 Economagic.com
 PEIMS DATA +
 PEIMS Edit + Report (PRF7D001)
 Texas Academic Performance Report (TAPR formerly AEIS)
 2015-2021 Fiscal Year End 8/31
 2022-2024 Fiscal Year End 06/30
 * MSA statistics
 Department of Number website
 City of Weslaco
 Weslaco Chamber of Commerce
 Texas Hometown Locator Website

OPERATING INFORMATION

WESLACO INDEPENDENT SCHOOL DISTRICT
WORKFORCE COMPOSITION BY EMPLOYEE CLASSIFICATION
LAST TEN YEARS

<u>Classification</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
<i>Number of Employees</i>				
<i>Teachers</i>	1,084	1,084	1,094	1,105
<i>Professional Support</i>	222	228	241	238
<i>Campus Administration</i>	20	17	20	21
<i>Central Administration</i>	19	18	19	21
<i>Educational Aides</i>	196	176	204	205
<i>Auxiliary Staff</i>	<u>790</u>	<u>755</u>	<u>745</u>	<u>769</u>
<i>Total Employees</i>	<u>2,330</u>	<u>2,278</u>	<u>2,324</u>	<u>2,358</u>
 <i>Percent of Total</i>				
<i>Teachers</i>	46.53%	46.54%	47.09%	46.84%
<i>Professional Support</i>	9.53%	8.74%	10.39%	10.08%
<i>Campus Administration</i>	0.84%	1.80%	0.86%	0.89%
<i>Central Administration</i>	0.80%	0.30%	0.82%	0.89%
<i>Educational Aides</i>	8.41%	10.00%	8.78%	8.70%
<i>Auxiliary Staff</i>	<u>33.90%</u>	<u>32.62%</u>	<u>32.06%</u>	<u>32.60%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

Source: Texas Academic Performance Report (TAPR formerly AEIS)
PEIMS Edit + Reports (PDM1-110-004)
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-21

<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
1,101	1,084	1,043	1,042	1,022	1,016
226	247	236	237	263	229
25	27	26	24	18	57
23	24	24	24	20	20
203	189	199	208	196	203
<u>757</u>	<u>724</u>	<u>700</u>	<u>678</u>	<u>702</u>	<u>701</u>
<u>2,334</u>	<u>2,295</u>	<u>2,227</u>	<u>2,214</u>	<u>2,221</u>	<u>2,225</u>
47.16%	47.22%	46.83%	47.07%	46.02%	45.67%
9.67%	10.76%	10.60%	10.71%	11.84%	10.27%
1.07%	1.16%	1.15%	1.10%	0.81%	2.54%
0.99%	1.04%	1.08%	1.10%	0.90%	0.88%
8.70%	8.25%	8.93%	9.38%	8.82%	9.13%
<u>32.43%</u>	<u>31.56%</u>	<u>31.41%</u>	<u>30.64%</u>	<u>31.61%</u>	<u>31.51%</u>
<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF TEACHER INFORMATION
LAST TEN YEARS

Fiscal Year	Bachelor's Degree		Master's Degree	
	Minimum	Maximum	Minimum	Maximum
2015	50,300	50,300	50,300	50,300
2016	50,300	50,300	50,300	50,300
2017	50,300	50,300	50,300	50,300
2018	47,700	75,273	48,400	84,143
2019	48,100	76,103	48,100	85,080
2020	51,250	72,750	52,250	73,750
2021	51,150	79,860	51,800	88,068
2022	52,150	96,481	53,150	90,487
2023	53,500	91,656	54,280	108,470
2024	57,000	115,000	57,000	112,345

Source: District's Human Resource Department
Texas Academic Performance Report (TAPR Report formerly AEIS)
PEIMS Edit + Reports Data Review PRF4D004
2015-2021 Fiscal Year End 8/31
2022-2024 Fiscal Year End 06/30

TABLE L-22

<u>Doctorate Degree</u>		Average Teacher's Salary	Average Years of Experience	Bachelor's Education	Master's Education
<u>Minimum</u>	<u>Maximum</u>				
50,300	50,300	50,300	12.8	76.3%	19.8%
50,300	50,300	50,300	13.0	76.1%	18.5%
50,300	50,300	50,300	13.3	76.5%	20.8%
60,200	72,020	57,221	13.6	77.3%	20.3%
60,950	72,770	57,770	13.0	77.0%	23.0%
61,050	76,770	60,427	15.0	81.0%	18.0%
61,050	76,770	60,624	16.7	80.0%	20.0%
61,650	78,770	62,253	17.0	80.0%	20.0%
64,010	80,470	65,227	16.4	75.0%	23.7%
58,780	83,570	65,349	17.0	75.8%	22.7%

TABLE L-23

WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF ATTENDANCE AND MEMBERSHIP
LAST TEN YEARS

Fiscal Year	Average Daily Attendance	Average Daily Membership	Percent of Attendance
2015	16,056	16,849	95.29%
2016	16,333	17,041	95.85%
2017	16,096	16,727	96.23%
2018	15,906	16,585	95.91%
2019	15,851	16,311	97.18%
2020	15,094	15,693	96.18%
2021	14,986	15,909	94.20%
2022	13,660	14,994	91.10%
2023	13,622	14,600	93.30%
2024	14,526	15,453	94.00%

Source: Texas Academic Performance Report (TAPR formerly AEIS)
 PEIMS Edit + Reports Data Review (PRF7D001)
 TEA Budgeted Financial Data
 2015-2021 Fiscal Year End 8/31
 2022-2024 Fiscal Year End 06/30

WESLACO INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS TABLE
LAST TEN YEARS

Fiscal Year	Average Daily Attendance	General Fund Operating Expenditures*	Cost Per Pupil	Per Pupil Change	Governmental Operating Expenditures*	Cost Per Pupil	Per Pupil Change
2015	16,056	151,892,543	9,460	7.06%	170,967,848	10,648	7.73%
2016	16,333	156,693,732	9,594	1.41%	175,364,647	10,737	0.83%
2017	16,096	157,300,562	9,772	1.86%	180,039,047	11,185	4.17%
2018	15,906	168,714,235	10,607	8.54%	191,279,740	12,026	7.52%
2019	15,851	165,063,333	10,414	-1.82%	184,048,410	11,612	-3.44%
2020	15,094	167,060,659	11,068	6.28%	192,488,980	12,753	9.83%
2021	14,986	167,184,078	11,156	0.79%	191,879,406	12,804	0.40%
2022	13,660	151,517,185	11,092	-0.57%	182,246,104	13,342	4.20%
2023	13,622	166,595,895	12,230	10.26%	215,925,881	15,851	18.81%
2024	14,526	173,741,088	11,961	-2.20%	215,936,056	14,865	-6.22%

*General Fund and Governmental Operating Expenditures less debt service and capital projects (Function 70 and 80)

Source: PEIMS Edit + Reports Data Review (PRF7D001)
 Financial Statements and Auditors' Independent Report
 Statement of Activities (Exhibit C-3)
 Budgetary Comparison Schedule (Exhibit C-5)
 2015-2021 Fiscal Year End 8/31
 2022-2024 Fiscal Year End 06/30

TABLE L-25

WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF STUDENT INFORMATION
LAST TEN YEARS

<u>Fiscal Year</u>	<u>Teacher/ Student Ratio</u>	<u>Percentage of Free and Reduced Lunch</u>	<u>Number of Economically Disadvantage Students</u>	<u>Percentage of Economically Disadvantage Students</u>
2015	16.0	47.09%	12,878	74.0%
2016	16.4	51.58%	14,269	80.1%
2017	15.9	54.40%	14,228	81.7%
2018	15.5	58.27%	14,145	82.4%
2019	15.7	59.73%	14,786	85.6%
2020	15.8	54.28%	14,431	84.1%
2021	15.9	54.16%	14,033	84.7%
2022	15.0	49.56%	12,853	82.2%
2023	14.3	51.16%	13,632	82.7%
2024	16.2	51.36%	13,457	81.9%

Source: PEIMS Edit + Reports Data Review (PDM1-100-012)
 Child Nutrition Program
 2015-2021 Fiscal Year End 8/31
 2022-2024 Fiscal Year End 06/30

WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF SCHOOL BUILDING AND PORTABLES
 JUNE 30, 2024

	Estimated Square Footage	Building Capacity	Portable Square Footage	Year built
<i>High Schools</i>				
<i>Weslaco High School</i>	365,516	3,000	320	1975
<i>Weslaco East High School</i>	339,369	3,000	-	2000
<i>South Palm Gardens High School</i>	10,973	275	3,762	1982
<i>Early College High School</i>	57,297	850	-	1962
Sub-Total	773,155	7,125	4,082	
<i>Middle Schools</i>				
<i>Mary Hoge Middle School</i>	140,792	1,425	-	1997
<i>Cuellar Middle School</i>	114,618	1,275	-	2011
<i>Central Middle School</i>	233,267	1,625	-	2010
<i>B Garza Middle School</i>	141,244	1,325	-	1997
Sub-Total	629,921	5,650	-	
<i>Elementary Schools</i>				
<i>F. D. Roosevelt Elementary</i>	91,766	1,034		2009
<i>Sam Houston Elementary</i>	99,316	968		2012
<i>Rodolfo Rudy Silva Jr. Elementary</i>	87,675	1,056		2002
<i>Justice A. Gonzalez Elementary</i>	92,875	1,078		2002
<i>Margo Elementary</i>	119,403	1,826		1983
<i>Airport Elementary</i>	126,953	1,276		1990
<i>Memorial Elementary</i>	126,953	1,298		1990
<i>North Bridge Elementary</i>	129,953	1,298		1992
<i>A.N. (Tony) Rico Elementary</i>	89,022	1,232		1994
<i>Cleckler-heald Elementary</i>	89,772	1,232		1994
<i>PFC Mario Ybarra Elementary</i>	96,250	1,078		2011
Sub-Total	1,149,938	13,376	-	
<i>Other</i>				
<i>Calvillo CATE Center</i>	64,440	350		2002
<i>Horton DAEP</i>	17,356	350	-	1924
Sub-Total	81,796	700	-	
Total	2,634,810	26,851	4,082	

Source: Weslaco ISD Facilities

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SINGLE AUDIT SECTION

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

To the Board of Trustees
Weslaco Independent School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Weslaco Independent School District (the “District”), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District’s basic financial statements and have issued our report thereon dated November 15, 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

McAllen, Texas
November 15, 2024

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of Trustees
Weslaco Independent School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Weslaco Independent School District (“the District”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2024. The District’s major federal programs are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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 the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the 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 the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

Carr, Riggs & Ingram, L.L.C.

McAllen, Texas
November 15, 2024

**WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2024**

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

- | | |
|--|------------|
| 1. Type of auditor’s report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None Noted |
| c. Noncompliance material to the financial statements noted? | No |

Federal Awards

- | | |
|--|------------|
| 1. Type of auditor’s report issued on compliance for major programs | Unmodified |
| 2. Internal control over major programs: | |
| a. Material weaknesses identified? | No |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? | No |
| 4. Identification of major programs | |

Assistance Listing Number	Federal Program
84.010	Title I Grants to Local Educational Agencies
84.425D/84.425U/84.425W	COVID-19 Education Stabilization Fund
84.287C	Twenty-First Century Community Learning Centers

- | | |
|---|-------------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$1,744,308 |
| 6. Auditee qualified as low-risk under 2CFR 200.520 | Yes |

**WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
YEAR ENDED JUNE 30, 2024**

SECTION II – FINANCIAL STATEMENT FINDINGS

No findings noted.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No findings noted.

**WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - CONTINUED
YEAR ENDED JUNE 30, 2024**

Section IV – Prior Findings and Questioned Costs for Federal Awards

Financial Statement Findings:

Reference Number: (2023-001)

Allotment Spending Requirements

Status:

The District continues working on monitoring of its required allotment spending requirements. Programs noted last year met the allotment spending requirements in year ending June 30, 2024. The District met all the allotment spending requirements during the current year.

Conclusion: Complete

Federal Award Findings:

No prior findings noted.

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WESLACO INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

(1)	(2)	(3)	(4)	
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PASS THROUGH TO SUBRECIPIENTS	FEDERAL EXPENDITURES
US DEPARTMENT OF EDUCATION				
Passed Through Region One Service Center				
Gaining Early Awareness & Readiness for Undergraduate Program	84.334	P-334A180025-24	\$ -	\$ 342,655
Gaining Early Awareness & Readiness for Undergraduate Program	84.334	P-334A180025-23	-	38,198
Total Assistance Listing Number 84.334			-	380,853
Career and Technical Education-Basic Grants to States	84.048	V048A22043	-	15,000
Total Assistance Listing Number 84.048			-	15,000
Total Passed Through Region One Service Center			-	395,853
Passed Through Region Ten Service Center				
Special Education-Grants to States	84.027A	236600497110001	-	31,105
Total Assistance Listing Number 84.027A			-	31,105
Total Passed Through Region Ten Service Center			-	31,105
Passed Through Texas Education Agency				
Title I Grants to Local Educational Agencies	84.010	24610101108913	-	8,360,273
Title I Grants to Local Educational Agencies	84.010	23610101108913	-	488,707
Title I Grants to Local Educational Agencies	84.010	24610103108913	-	25,958
Title I Grants to Local Educational Agencies	84.010	23610103108913	-	1,049
Total Assistance Listing Number 84.010			-	8,875,986
Title I Grants to Local Educational Agencies	84.010A	24601397110074	-	114,554
Total Assistance Listing Number 84.010A			-	114,554
Total Assistance Listing Number 84.010			-	8,990,540
Migrant Education-State Grant Program	84.011	24615001108913	-	347,850
Total Assistance Listing Number 84.011			-	347,850
Career and Technical Education-Basic Grants to States	84.048	23420006108913	-	319,907
Total Assistance Listing Number 84.048			-	319,907
Supporting Effective Instruction State Grants	84.367	24694501108913	-	1,151,074
Supporting Effective Instruction State Grants	84.367	23694501108913	-	8,987
Total Assistance Listing Number 84.367			-	1,160,061
English Language Acquisition State Grants	84.365	24671001108913	-	528,570
English Language Acquisition State Grants	84.365	23671001108913	-	1,441
Total Assistance Listing Number 84.365			-	530,011
Grants for State Assessments and Related Activities	84.369A	69552202	-	11,833
Grants for State Assessments and Related Activities	84.369A	69552102	-	25,250
Grants for State Assessments and Related Activities	84.369A	69552002	-	22,119
Grants for State Assessments and Related Activities	84.369A	69551902	-	11,461
Total Assistance Listing Number 84.369A			-	70,663
Student Support and Academic Enrichment Program	84.424	24680101108913	-	411,218
Student Support and Academic Enrichment Program	84.424	23680101108913	-	22,266
Total Assistance Listing Number 84.424			-	433,483
Student Support and Academic Enrichment Program-Stronger Connect	84.424F	236811017110015	-	37,062
Total Assistance Listing Number 84.424F			-	37,062
Total Assistance Listing Number 84.424			-	470,545
Twenty-First Century Community Learning Centers	84.287C	246950337110012	-	1,894,881
Total Assistance Listing Number 84.287C			-	1,894,881
COVID-19 Education Stabilization Fund	84.425D	21521001108913	-	487,434
Total Assistance Listing Number 84.425D			-	487,434
COVID-19 Education Stabilization Fund	84.425U	215280587110164	-	411,261
COVID-19 Education Stabilization Fund	84.425U	21528001108913	-	25,249,924
Total Assistance Listing Number 84.425U			-	25,661,185
COVID-19 Education Stabilization Fund	84.425W	21533002108913	-	116,763
Total Assistance Listing Number 84.425W			-	116,763
Total Assistance Listing Number 84.425			-	26,265,382

WESLACO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2024

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	ASSISTANCE LISTING NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	PASS THROUGH TO SUBRECIPIENTS FEDERAL EXPENDITURES
*COVID-19 Special Education-Grants to States	84.027	225350021089135350	-
*Special Education-Grants to States	84.027	246600011089136600	-
Total Assistance Listing Number 84.027			15,696
			2,526,286
			2,541,983
*Special Education-Preschool Grants	84.173	246610011089136610	-
Total Assistance Listing Number 84.173			51,631
			51,631
Total Special Education Cluster (IDEA)			-
			2,593,613
Total Passed Through Texas Education Agency			-
TOTAL DEPARTMENT OF EDUCATION			42,643,452
			43,070,410
US DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Region One:			
COVID-19 Public Health Emergency Response:Cooperative Agreement for Emergency Response: Public Health Crisis Response	93.354	HHS001101500001	-
Total Passed Through Region One			67,148
Total Assistance Listing Number 93.354			67,148
			67,148
Passed through Texas Health and Human Services Commission:			
Medicaid Cluster-			
*Texas Health and Human Services Commission	93.778	HHS000537900156	-
Total Assistance Listing Number 93.778			148,950
			148,950
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			216,098
US DEPARTMENT OF AGRICULTURE			
Passed through Texas Department of Agriculture:			
*School Breakfast Program	10.553	236TX332N1099	-
Total Assistance Listing Number 10.553			4,761,633
			4,761,633
*COVID-19 National School Lunch Program (Supply Chain Assistance Grant)	10.555	236TX332N1099	-
*National School Lunch Program	10.555	236TX332N1099	-
Total Assistance Listing Number 10.555			472,244
			8,547,550
			9,019,794
* Fresh Fruits and Vegetables Program	10.582	236TX375L1603	-
Total Assistance Listing Number 10.582			401,904
			401,904
Total Child Nutrition Cluster			-
			14,183,331
*Emergency Food Assistance Program (Food Commodities)	10.569	246TX332N1099	-
Total Assistance Listing Number 10.569			298,640
			298,640
Total Food Distribution Cluster			-
			298,640
Child and Adult Food Care Program (CACFP)	10.558	236TX332N1099	-
Total Assistance Listing Number 10.558			124,428
			124,428
Child Nutrition Discretionary Grants Limited Availability	10.579	236TX211I5003	-
Total Assistance Listing Number 10.579			77,348
			77,348
Total Passed Through Texas Department of Agriculture			14,683,747
TOTAL DEPARTMENT OF AGRICULTURE			14,683,747
US DEPARTMENT OF JUSTICE			
Passed through The Office of Community Oriented Policing Services			
Public Safety Partnership and Community Policing Grant	16.710	108-913	-
Total Assistance Listing Number 16.710			33,660
Total Passed Through The Office of Community Oriented Policing Services			33,660
TOTAL DEPARTMENT OF JUSTICE			33,660
US DEPARTMENT OF DEFENSE			
Direct Programs:			
Junior Reserve Officer Training Corps	12.U01	108-913	-
Total Assistance Listing Number 12.U01			139,666
			139,666
TOTAL DEPARTMENT OF DEFENSE			139,666
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 58,143,582

* Clustered Programs

WESLACO INDEPENDENT SCHOOL DISTRICT

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

FOR THE YEAR ENDED JUNE 30, 2024

1. GENERAL

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

Federal funds for R.O.T.C, the Child Nutrition Cluster, the Food Distribution Cluster, the Child and Adult Care Food Program, School Health and Related Services (SHARS), and revenues for indirect costs are reported in the General Fund. All other federal programs are accounted for and reported in Special Revenue Funds.

2. BASIS OF ACCOUNTING AND PRESENTATION

The information in this schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulation Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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 for 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 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, Part 3, Uniform Guidance Compliance Supplement.

3. SUB-RECIPIENTS

During the year ended June 30, 2024, the District had no sub-recipients.

4. INDIRECT COST RATE

Weslaco Independent School District has elected not to use the 10% of the minimis indirect cost rate allowed under the Uniform Guidance.

5. FEDERAL LOANS AND LOAN GUARANTEES

During the year ended June 30, 2024, the District had no outstanding federal loans payable or loan guarantees.

6. FEDERALLY FUNDED INSURANCE

During the year ended June 30, 2024, the District had no outstanding federally funded insurance.

7. NONCASH AWARDS

During the year ended June 30, 2024, the District received \$298,640 as non-cash assistance under the National School Lunch Program.

8. CONTINGENCIES

Grant monies received and disbursed by the District are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon experience, the District does not believe that such disallowance, if any, would have a material effect on the financial position of the District.

9. FEDERAL PASS-THROUGH FUNDS

The District is also the sub-recipient of federal funds that have been subjected to testing and are reported as expenditures and listed as federal pass-through funds. Federal awards other than those indicated as pass-through are considered to be direct.

10. RECONCILIATION FROM THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS TO THE EXHIBIT C-3

Total Federal Award Expended	\$58,143,582
School Health and Related Services (SHARS) Revenue	<u>1,167,749</u>
Exhibit C-3	<u>\$59,311,331</u>

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CORRECTIVE ACTION

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WESLACO INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS
 AS OF JUNE 30, 2024

<u>Data Codes</u>		<u>Responses</u>
SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year-end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments.) Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued. Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.	Yes
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?	Yes
SF8	Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end	\$ 120,754