



Annual Financial Report
For The Fiscal Year Ended
June 30, 2024

WICHITA FALLS INDEPENDENT SCHOOL DISTRICT

WICHITA FALLS, TEXAS

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Annual Financial Report

Wichita Falls Independent School District

Wichita Falls, Texas

For the Fiscal Year Ended June 30, 2024

**Prepared by
Wichita Falls ISD Finance Department**

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Wichita Falls Independent School District
Annual Financial Report
For the Fiscal Year Ended June 30, 2024
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Wichita Falls Independent School District

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Certificate of Board

Wichita Falls Independent School District
Name of School District

Wichita
County

243-905
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) _____ approved _____ disapproved for the fiscal year ended June 30, 2024 at a meeting of the Board of Trustees of such school district on the 12th 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):

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Financial Section

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Independent Auditor's Report

To the Board of Trustees
Wichita Falls Independent School District
Wichita Falls, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wichita Falls 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 as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (GAS)*, 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.

Weaver and Tidwell, L.L.P.
2300 North Field Street, Suite 1000 | Dallas, Texas 75201
Main: 972.490.1970

CPAs AND ADVISORS | WEAVER.COM

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and 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.

The Board of Trustees
Wichita Falls Independent School District

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Combining Statements and 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* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining Statements and Schedules, and Schedule of Expenditures of Federal Awards 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 Statements and Schedules, and Schedule of Expenditures of Federal Awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
October 31, 2024

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Management's Discussion and Analysis

Our discussion and analysis of Wichita Falls Independent School District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources of the District at the close of the most recent fiscal year by \$115.8 million (net position).
- During the year, the District expensed \$167.7 million, which was \$38.5 million less than the District's revenue of \$206.2 million. Of this, \$52.3 million was program revenue and \$153.9 million was general revenue.
- The fund balance of the General Fund was \$47.9 million, which was an increase of \$5.7 million. Unassigned fund balance of the general fund was \$46.5 million or 35 percent of the year's total general fund expenditures.
- The fund balance of the Child Nutrition Fund was \$8.1 million, which was an increase of \$814 thousand. The fund balance of the Debt Service Fund was \$10.3 million, which was an increase of \$3.5 million. The fund balance of the Capital Projects Fund was \$29.2 million, which was a decrease of \$99.9 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The basic financial statements are composed of: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements and required supplementary information. This report also contains other supplementary information in addition to the basic financial statements.

The basic financial statements include two kinds of statements that present different views of the District:

The first are government-wide financial statements, which provide both long-term and short-term information about the District's overall financial status. The remaining statements are fund financial statements that focus on individual parts of the government, reporting the District's operations in more detail than the government-wide statements.

The governmental fund financial statements tell how general government services were financed in the short-term as well as what remains for future spending.

Proprietary fund financial statements offer short-term and long-term financial information about the activities the District operates like businesses, such as self-insurance. The District has internal service funds reflected in the proprietary fund financial statements.

Fiduciary fund financial 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 belong.

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

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

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

Most of the District's basic services are included in the governmental activities, 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. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. 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 on the reconciliations 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. The District's proprietary funds are internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions.

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. Fiduciary funds are excluded from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

Notes to the Financial Statements. The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the budgetary comparison of the general fund and child nutrition fund and the TRS pension and OPEB schedules.

Financial Analysis of the District as a Whole

Net position. The District's overall net position increased between fiscal year 2023 and the fiscal year ended June 30, 2024 – a net position of \$115,765,463. (See Table A-1).

Table A-1
Wichita Falls Independent School District's Net Position

	Governmental Activities			Percentage Change
	June 30, 2024	June 30, 2023	Increase (Decrease)	
Assets				
Current and other assets	\$ 138,866,321	\$ 227,451,185	\$ (88,584,864)	-39%
Capital assets, net	429,079,467	313,367,460	115,712,007	37%
Total assets	567,945,788	540,818,645	27,127,143	-2%
Total deferred outflows of resources	37,208,077	30,175,326	7,032,751	23%
Liabilities				
Long-term debt	393,810,865	394,668,072	(857,207)	0%
Other liabilities	52,791,331	51,343,685	1,447,646	3%
Total liabilities	446,602,196	446,011,757	590,439	3%
Total deferred inflows of resources	42,786,206	47,723,792	(4,937,586)	-10%
Net position				
Net investment in capital assets	129,902,254	85,617,079	44,285,175	52%
Restricted	15,018,574	10,384,918	4,633,656	45%
Unrestricted	(29,155,365)	(18,743,575)	(10,411,790)	56%
Total net position	\$ 115,765,463	\$ 77,258,422	\$ 38,507,041	152%

Changes in net position. The District's total revenues were \$206.2 million, a decrease of \$10.9 million or 5%. (See Table A-2.) General revenues decreased due to the decrease in the M&O tax rate which led to less tax collections combined with an increase in the State Aid allotment in the current year. Operating grants and contributions decreased due to the ESSER funding ending in the current year. Expenses increased \$12.2 million or 8%, staying fairly comparable to the prior year.

Governmental Activities. Table A-2 compares the District's operating and general revenues and functional expenses for both the prior year and the fiscal year ended June 30, 2024. Following the table, we provide explanations for the significant fluctuations between the two periods.

Table A-2
Changes in the Wichita Falls Independent School District's Net Position

	Governmental Activities			
	June 30, 2024	June 30, 2023	Increase (Decrease)	Percentage Change
Program revenues:				
Charges for services	\$ 2,568,939	\$ 2,300,996	\$ 267,943	12%
Operating grants and contributions	49,748,818	67,201,489	(17,452,671)	-26%
General revenues:				
Property taxes	58,406,787	71,123,814	(12,717,027)	-18%
Unrestricted operating grants (mostly state aid)	82,881,236	68,467,856	14,413,380	21%
Investment earnings	8,395,813	7,502,578	893,235	12%
Miscellaneous	4,171,881	465,861	3,706,020	796%
Total revenues	206,173,474	217,062,594	(10,889,120)	-5%
Expenses:				
Instruction	94,109,254	87,247,003	6,862,251	8%
Instructional resources and media services	1,564,214	1,555,915	8,299	1%
Curriculum and staff development	1,837,539	1,587,057	250,482	16%
Instructional leadership	3,330,044	3,304,066	25,978	1%
School leadership	8,355,692	8,303,885	51,807	1%
Guidance, counseling and evaluation services	6,915,547	6,735,186	180,361	3%
Social work services	661,064	559,395	101,669	18%
Health services	1,882,091	2,032,464	(150,373)	-7%
Student transportation	3,392,598	3,279,445	113,153	3%
Food services	7,610,711	7,149,351	461,360	6%
Extracurricular activities	4,131,773	4,008,407	123,366	3%
General administration	4,961,909	3,343,376	1,618,533	48%
Facilities maintenance and operations	13,273,991	11,909,170	1,364,821	11%
Security and monitoring services	1,622,401	1,063,301	559,100	53%
Data processing services	4,089,661	3,135,594	954,067	30%
Community services	730,158	603,612	126,546	21%
Debt service	8,366,769	8,761,694	(394,925)	-5%
Bond issuance costs and fees	7,150	6,251	899	14%
Payments for shared service arrangements	99,432	195,171	(95,739)	-49%
Payments related to juvenile justice programs	29,627	20,210	9,417	47%
Other intergovernmental charges	694,808	714,140	(19,332)	-3%
Total expenses	167,666,433	155,514,693	12,151,740	8%
Change in net position	\$ 38,507,041	\$ 61,547,901	\$ (23,040,860)	-37%

Sources of Revenues for Fiscal Year 2024

Graph A-1

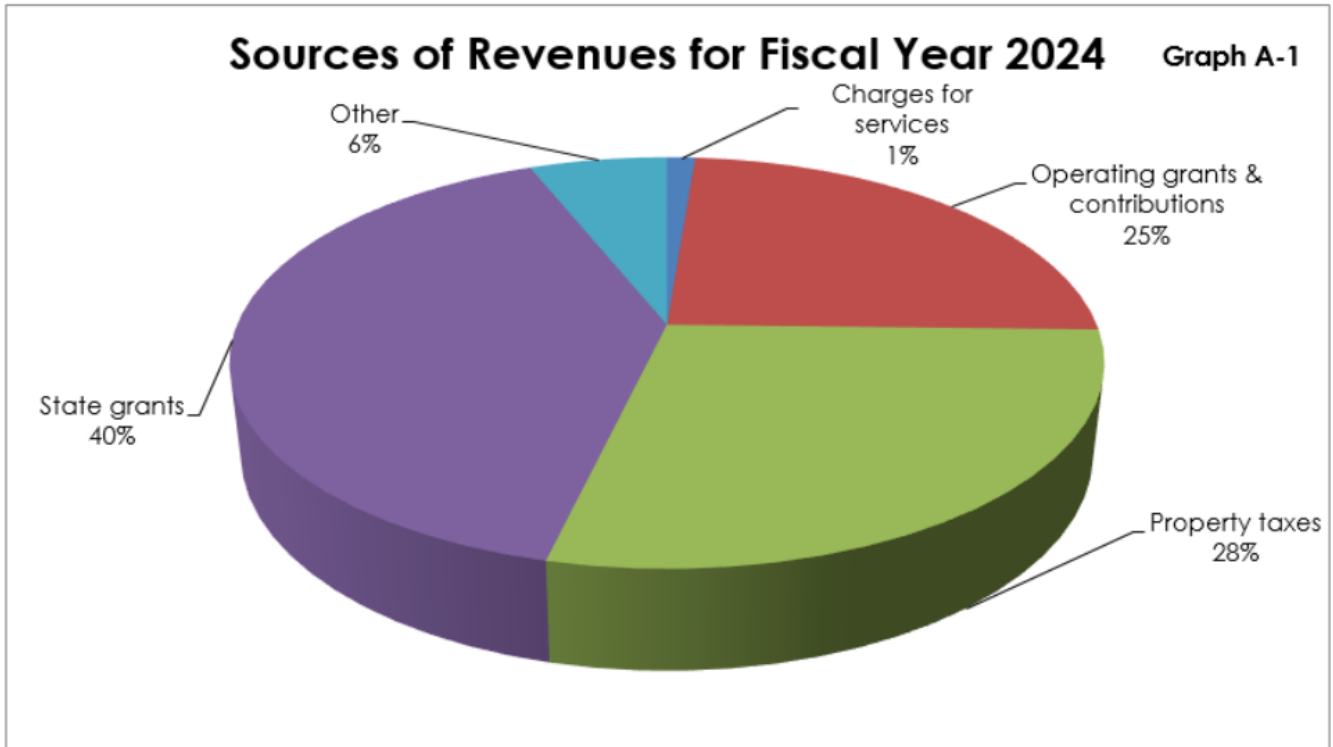


Table A-3 presents the cost of each of the District's largest functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table A-3
Wichita Falls Independent School District
Net Cost of Selected District Functions

	Total Cost of Services			
	June 30, 2024	June 30, 2023	Increase (Decrease)	Percentage Change
Instruction	\$ 94,109,254	\$ 87,247,003	\$ 6,862,251	7.9%
School leadership	8,355,692	8,303,885	51,807	0.6%
Guidance, counseling and evaluation services	6,915,547	6,735,186	180,361	2.7%
Food services	7,610,711	7,149,351	461,360	6.5%
Facilities maintenance and operations	13,273,991	11,909,170	1,364,821	11.5%
	Net Cost of Services			
	June 30, 2024	June 30, 2023	Increase (Decrease)	Percentage Change
Instruction	\$ 67,626,586	\$ 47,172,447	\$ 20,454,139	43.4%
School leadership	6,396,365	5,096,150	1,300,215	25.5%
Guidance, counseling and evaluation services	5,293,920	4,133,429	1,160,491	28.1%
Food services	(227,935)	(1,084,966)	857,031	-79.0%
Facilities maintenance and operations	10,043,368	7,225,066	2,818,302	39.0%

The cost of all governmental activities this year was \$167.7 million; however, the amount our taxpayers paid for these activities through property taxes was \$58.4 million. Some of the cost was paid by those who directly benefited from the programs, through charges for services - \$2.6 million, or by operating grants and contributions - \$49.7 million. The amount funded by the state was \$82.9 million in formula grants and state aid.

Financial Analysis of the District's Funds

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

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$96.0 million. Approximately \$46.0 million constitutes the unassigned fund balance. The remainder of fund balance is nonspendable, restricted, committed or assigned to indicate that it is not available for new spending because it has already been: 1) restricted for retirement of long-term debt or capital projects and 2) restricted, committed or assigned for other purposes, or nonspendable.

The general fund is the primary operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$46.5 million, while the total fund balance of all governmental funds was \$96.0 million.

The general fund reported an ending fund balance of \$47,941,344. The net change in fund balance resulted in an increase in the general fund balance from the prior year in the amount of \$5,667,089. Payroll costs increased in the general fund as it absorbed much of the Payroll costs previously paid for by ESSER funds. In addition, there was increased funding from the State Aid allotment, combined with less tax revenue resulting from the M&O tax rate decrease.

The child nutrition fund reported an ending fund balance of \$8,051,306, which represents an increase of \$814,827. This increase is due to maintaining the minimum price of meals while running an efficient food service program.

The debt service fund reported an ending fund balance of \$10,346,293, all of which is restricted for the payment of debt service. The net increase in fund balance during the period in the debt service fund was \$3,543,832. The increase is due to increased property tax collections from rising property values. The revenue increase was offset by increased debt payments.

The capital projects fund reported an ending fund balance of \$29,211,041, which represents a decrease of \$99,883,209. This decrease is the direct result of the continued construction of two new high schools.

General Fund Budgetary Highlights

Over the course of the year, the District recommended, and the Board approved several revisions to budgeted revenues and appropriations. The amendments fall into the following categories:

- Amendments throughout the year for transfers to and from other funds and federal indirect cost calculations.
- Amendments throughout the year for unexpected occurrences.
- Amendments throughout the year for resignations and employment of new personnel.

After appropriations were amended as described above, actual revenues for the general fund were increased. TEA calculated the district's state funding based on estimated ADA of 11,507 when actual ADA for 2023-24 was 11,480.

Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2024, amounts to \$429.1 million (net of accumulated depreciation). This amount represents a net increase (including additions and deletions) of \$115.7 million or 37%. The investment in capital assets includes land, buildings and improvements, vehicles, equipment, and construction in progress.

Table A-4
Wichita Falls Independent School District's Capital Assets

	Governmental Activities			
	June 30, 2024	June 30, 2023	Increases (Decreases)	Percentage Change
Land	\$ 19,273,163	\$ 19,273,163	\$ -	0%
Bldgs and improvements	208,873,988	206,900,272	1,973,716	1%
Equipment	20,016,732	17,812,235	2,204,497	12%
Property under financed purchase	4,239,102	4,239,102	-	0%
Construction in progress	311,524,268	193,813,415	117,710,853	61%
Totals at historical cost	563,927,253	442,038,187	121,889,066	28%
Less accumulated depreciation	134,847,786	128,670,727	6,177,059	5%
Net capital assets	\$ 429,079,467	\$ 313,367,460	\$ 115,712,007	37%

Additional information on the District's capital assets can be found in the notes to the financial statements.

Long-term Debt. At June 30, 2024 the District had \$324.7 million in long term debt – a decrease of 4.3% over last year – as shown in Table A-5. This decrease was due to the annual payment on bonds.

**Table A-5
Wichita Falls Independent School District's Long-term Debt**

	Governmental Activities			Percentage Change
	June 30, 2024	June 30, 2023	Increase (Decrease)	
General obligation bonds	\$ 301,290,000	\$ 313,205,000	\$ (11,915,000)	-3.8%
Premium on bonds	20,101,106	21,833,993	(1,732,887)	-7.9%
Total bonds payable	321,391,106	335,038,993	(13,647,887)	-4.1%
Note payable	2,140,000	3,180,000	(1,040,000)	-32.7%
Compensated absences	1,175,684	1,149,745	25,939	2.3%
Total long-term obligations	\$ 324,706,790	\$ 339,368,738	\$ (14,661,948)	-4.3%

Economic Factors and Next Year's Budgets and Tax Rates

The District's certified property values for 2024 reflect a 5% increase in property values, from the prior year.

The maintenance and operating tax rate of \$0.6674 is now compressed down to \$0.6511 allowing for \$0.04 additional pennies based off the 2024-25 Maintenance and Operations adopted rate as well as an extra \$0.01 for a unanimous approval of the board of trustees in adoption of the tax rate. The 2024-25 Maintenance and Operations tax rate was set at \$0.7011. A total decrease of \$0.0163.

The District's 2024-25 refined average daily attendance was budgeted at 11,250.

The Administration is carefully monitoring future and outstanding debt, as well as fund balance, to maintain a tax rate not to exceed \$0.50 for debt service payments. The debt service tax rate was approved at \$0.412393 for the 2024-25 year.

The Board of Trustees adopted a 2024-2025 general fund budget reflecting revenues and transfers in of \$126,953,501 and expenditures and transfers out of \$126,953,501 resulting in a balanced budget. The district utilized the revised 2024-25 Teacher Pay Scale and all employees a pay raise.

The District will continue to review its priorities to maintain the level of service to its children and taxpayers for future budget years.

Requests for Information

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Chief Financial Officer or Director of Finance.

Basic Financial Statements

Wichita Falls Independent School District

Statement of Net Position

June 30, 2024

Exhibit A-1

1

Data Control Codes		Governmental Activities
ASSETS		
1110	Cash and cash equivalents	\$ 113,058,913
1120	Current investments	10,117,901
1220	Property taxes receivables (net)	1,314,815
1240	Due from other governments	13,532,649
1290	Other receivables	623,490
1300	Inventories	217,844
1410	Prepaid items	709
	Capital assets:	
1510	Land	19,273,163
1520	Buildings and improvements, net	93,995,994
1530	Furniture and equipment, net	1,836,611
1540	Financed purchases, net	2,449,431
1580	Construction in progress	311,524,268
1000	Total assets	567,945,788
DEFERRED OUTFLOWS OF RESOURCES		
1701	Deferred charges from refunding bonds	520,099
1705	Deferred outflows of resources - pensions	24,610,052
1706	Deferred outflows of resources - OPEB	12,077,926
1700	Total deferred outflows of resources	37,208,077
LIABILITIES		
2110	Accounts payable	21,069,283
2150	Payroll deductions and withholdings	2,300,628
2165	Accrued liabilities	10,636,797
2140	Interest payable	3,999,576
2180	Due to other governments	1,084
2300	Unearned revenue	911,674
	Noncurrent liabilities:	
2501	Due within one year	13,872,289
2502	Due in more than one year	310,834,501
2590	Claims and judgments	377,000
2540	Net pension liability (District's share)	57,039,787
2545	Net OPEB liability (District's share)	25,559,577
2000	Total liabilities	446,602,196
DEFERRED INFLOWS OF RESOURCES		
2602	Deferred inflows of resources - leases	175,000
2605	Deferred inflows of resources - pensions	3,357,549
2606	Deferred inflows of resources - OPEB	39,253,657
2600	Total deferred inflows of resources	42,786,206
NET POSITION		
3200	Net investment in capital assets	129,902,254
	Restricted for:	
3820	Retirement of long-term debt	6,908,248
3850	Grants	8,110,326
3900	Unrestricted	(29,155,365)
3000	TOTAL NET POSITION	\$ 115,765,463

The Notes to the Financial Statements are an integral part of this statement.

Wichita Falls Independent School District

Statement of Activities

For the Fiscal Year ended June 30, 2024

Exhibit B-1

Data Control Codes	Functions/Programs	1 Expenses	Program Revenues		Net (expense) Revenue and Changes in Net Position 6 Governmental Activities
			3 Charges for Services	4 Operating Grants and Contributions	
PRIMARY GOVERNMENT					
Governmental activities:					
11	Instruction	\$ 94,109,254	\$ 59,254	\$ 26,423,414	\$ (67,626,586)
12	Instructional resources and media services	1,564,214	-	366,793	(1,197,421)
13	Curriculum and staff development	1,837,539	-	430,885	(1,406,654)
21	Instructional leadership	3,330,044	-	780,862	(2,549,182)
23	School leadership	8,355,692	-	1,959,327	(6,396,365)
31	Guidance, counseling, and evaluation services	6,915,547	-	1,621,627	(5,293,920)
32	Social work services	661,064	-	155,013	(506,051)
33	Health services	1,882,091	-	441,332	(1,440,759)
34	Student transportation	3,392,598	-	795,530	(2,597,068)
35	Food services	7,610,711	1,413,580	6,425,066	227,935
36	Cocurricular/extracurricular activities	4,131,773	978,101	968,860	(2,184,812)
41	General administration	4,961,909	-	1,163,518	(3,798,391)
51	Facilities maintenance and operations	13,273,991	118,004	3,112,619	(10,043,368)
52	Security and monitoring services	1,622,401	-	380,437	(1,241,964)
53	Data processing services	4,089,661	-	958,985	(3,130,676)
61	Community services	730,158	-	171,215	(558,943)
72	Interest on long-term debt	8,366,769	-	3,593,335	(4,773,434)
73	Bond issuance costs and fees	7,150	-	-	(7,150)
93	Payments related to shared services arrangements	99,432	-	-	(99,432)
95	Payments related to juvenile justice programs	29,627	-	-	(29,627)
99	Other intergovernmental charges	694,808	-	-	(694,808)
TG	Total governmental activities	<u>167,666,433</u>	<u>2,568,939</u>	<u>49,748,818</u>	<u>(115,348,676)</u>
TOTAL PRIMARY GOVERNMENT		<u>\$ 167,666,433</u>	<u>\$ 2,568,939</u>	<u>\$ 49,748,818</u>	<u>(115,348,676)</u>
General revenues:					
MT	Property taxes, levied for general purposes				36,929,843
DT	Property taxes, levied for debt service				21,476,944
GC	Grants and contributions not restricted to specific programs				82,881,236
IE	Investment earnings				8,395,813
MI	Miscellaneous				4,171,881
TR	Total general revenues				<u>153,855,717</u>
CN	Change in net position				38,507,041
NB	Net position - beginning				<u>77,258,422</u>
NE	NET POSITION, ending				<u>\$ 115,765,463</u>

The Notes to the Financial Statements are an integral part of this statement.

Wichita Falls Independent School District

Balance Sheet – Governmental Funds

June 30, 2024

Data Control Codes		10 General Fund	24 Child Nutrition Fund
ASSETS			
1110	Cash and cash equivalents	\$ 46,369,279	\$ 8,258,936
1120	Current investments	10,114,929	-
1220	Taxes receivable	1,498,113	-
1230	Allowance for uncollectible taxes (credit)	(760,473)	-
1240	Due from other governments	7,824,107	43,926
1260	Due from other funds	5,066,849	-
1290	Other receivables	55,784	3,706
1300	Inventories	208,971	-
1410	Prepays	709	-
1000	TOTAL ASSETS	<u>\$ 70,378,268</u>	<u>\$ 8,306,568</u>
LIABILITIES			
Current liabilities:			
2110	Accounts payable	\$ 3,654,751	\$ 130,727
2150	Payroll deductions and withholdings	2,212,779	21,684
2160	Accrued wages payable	9,847,730	56,585
2170	Due to other funds	5,918,136	46,266
2180	Due to other governments	-	-
2300	Unearned revenue	24,489	-
2000	Total liabilities	21,657,885	255,262
DEFERRED INFLOWS OF RESOURCES			
2601	Unavailable revenue - property taxes	604,039	-
2602	Deferred inflow - leases	175,000	-
2600	Total deferred inflows of resources	779,039	-
FUND BALANCES			
Nonspendable fund balances:			
3410	Inventories	208,971	-
3430	Prepaid items	709	-
Restricted fund balances:			
3450	Federal/state funds grant restrictions	-	8,051,306
3470	Capital projects	-	-
3480	Retirement of long-term debt	-	-
Committed fund balance:			
3540	Self-insurance	100,000	-
3545	Other committed fund balance	1,175,684	-
3600	Unassigned	46,455,980	-
3000	Total fund balances	<u>47,941,344</u>	<u>8,051,306</u>
4000	TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	<u>\$ 70,378,268</u>	<u>\$ 8,306,568</u>

The Notes to the Financial Statements are an integral part of this statement.

Exhibit C-1

50 Debt Service Fund	60 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
\$ 8,489,780	\$ 45,803,838	\$ 3,487,194	\$ 112,409,027
-	2,972	-	10,117,901
642,908	-	-	2,141,021
(65,733)	-	-	(826,206)
1,840,797	-	3,823,819	13,532,649
72	100,000	150	5,167,071
-	564,000	-	623,490
-	-	8,873	217,844
-	-	-	709
<u>\$ 10,907,824</u>	<u>\$ 46,470,810</u>	<u>\$ 7,320,036</u>	<u>\$ 143,383,506</u>
\$ -	17,259,769	\$ 23,856	\$ 21,069,103
-	-	66,165	2,300,628
-	-	732,482	10,636,797
-	-	5,166,849	11,131,251
-	-	1,084	1,084
-	-	887,185	911,674
-	17,259,769	6,877,621	46,050,537
561,531	-	-	1,165,570
-	-	-	175,000
561,531	-	-	1,340,570
-	-	-	208,971
-	-	-	709
-	-	59,020	8,110,326
-	29,211,041	-	29,211,041
10,346,293	-	-	10,346,293
-	-	-	100,000
-	-	838,329	2,014,013
-	-	(454,934)	46,001,046
<u>10,346,293</u>	<u>29,211,041</u>	<u>442,415</u>	<u>95,992,399</u>
<u>\$ 10,907,824</u>	<u>\$ 46,470,810</u>	<u>\$ 7,320,036</u>	<u>\$ 143,383,506</u>

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Wichita Falls Independent School District

Exhibit C-1R

Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position June 30, 2024

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS, balance sheet		\$ 95,992,399
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources; therefore are not reported in the governmental fund financial statements.		563,927,253
Accumulated depreciation has not been included in the governmental fund financial statements.		(134,847,786)
Long-term debt and other contractual liabilities have not been included in the governmental fund financial statements:		
Bonds and notes payable	\$(303,430,000)	
Compensated absences	(1,175,684)	(304,605,684)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the governmental fund financial statements, interest expenditures are reported when due.		(3,999,576)
Premiums on the issuance of current interest bonds are capitalized, net of amortization, on the government-wide financial statements.		(20,101,106)
In the governmental fund financial statements, refunding losses are expensed when incurred, whereas in the government-wide financial statements they are capitalized, net of amortization.		520,099
Revenue reported as a deferred inflow of resources in the governmental fund financial statements is recorded as revenue in the government-wide financial statements.		1,165,570
Internal service funds are used by management to charge the costs of various services to the individual funds. The assets and liabilities of the internal service funds are included in the governmental activities.		6,236,886
The District's net pension liability and related deferred outflows and inflows related to its proportionate share of the state Teacher Retirement System (TRS) pension are not due and payable in the current period and are, therefore, not reported in the governmental funds financial statements. These items consist of:		
Net pension liability	\$ (57,039,787)	
Deferred outflows - pension related items	24,610,052	
Deferred inflows - pension related items	(3,357,549)	(35,787,284)
The District's net OPEB liability and related deferred outflows and inflows related to its proportionate share of TRS-Care are not due and payable in the current period and are, therefore, not reported in the governmental funds financial statements. These items consist of:		
Net OPEB liability	\$ (25,559,577)	
Deferred outflows - OPEB related items	12,077,926	
Deferred inflows - OPEB related items	(39,253,657)	(52,735,308)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES, statement of net position		<u>\$ 115,765,463</u>

The Notes to the Financial Statements are an integral part of this statement.

Wichita Falls Independent School District
Statement of Revenues, Expenditures,
and Changes in Fund Balances – Governmental Funds
For the Fiscal Year Ended June 30, 2024

Data Control Codes		10 General Fund	24 Child Nutrition Fund
REVENUES			
5700	Local and intermediate sources	\$ 44,339,346	\$ 1,824,423
5800	State program revenues	89,032,214	43,628
5900	Federal program revenues	4,253,662	6,833,543
5020	Total revenues	137,625,222	8,701,594
EXPENDITURES			
Current:			
0011	Instruction	72,813,991	-
0012	Instructional resources and media services	1,383,362	-
0013	Curriculum and staff development	577,999	-
0021	Instructional leadership	1,756,305	-
0023	School leadership	7,243,008	-
0031	Guidance, counseling, and evaluation services	3,985,636	-
0032	Social work services	211,317	-
0033	Health services	1,750,867	-
0034	Student transportation	4,433,072	-
0035	Food services	-	7,544,313
0036	Cocurricular/extracurricular activities	3,935,766	-
0041	General administration	4,900,396	-
0051	Facilities maintenance and operations	14,843,064	-
0052	Security and monitoring services	1,709,265	-
0053	Data processing services	3,844,001	-
0061	Community services	20,680	-
Debt service:			
0071	Principal on long-term debt	1,040,000	-
0072	Interest on long-term debt	63,600	-
0073	Bond issuance costs and fees	-	-
Capital outlay:			
0081	Facilities maintenance and operations	6,693,538	-
Intergovernmental charges:			
0093	Payments to shared service arrangements	99,432	-
0095	Payments related to juvenile justice alternative education program	29,627	-
0099	Other intergovernmental charges	694,808	-
6030	Total expenditures	132,029,734	7,544,313
1100	Excess (deficiency) of revenues over (under) expenditures	5,595,488	1,157,281
OTHER FINANCING SOURCES (USES)			
7912	Sale of real or personal property	37,829	322
7915	Transfers in	342,776	-
8911	Transfers out	(309,004)	(342,776)
7080	Total other financing sources and (uses)	71,601	(342,454)
1200	Net change in fund balances	5,667,089	814,827
0100	Fund balances, beginning, July 1	42,274,255	7,236,479
3000	FUND BALANCES, ending, June 30	\$ 47,941,344	\$ 8,051,306

The Notes to the Financial Statements are an integral part of this statement.

50 Debt Service Fund	60 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
\$ 21,969,130	\$ 10,562,399	\$ 1,705,930	\$ 80,401,228
3,593,335	-	2,907,250	95,576,427
-	-	14,857,047	25,944,252
<hr/> 25,562,465	<hr/> 10,562,399	<hr/> 19,470,227	<hr/> 201,921,907
-	-	13,006,359	85,820,350
-	-	81,576	1,464,938
-	-	1,169,980	1,747,979
-	-	1,269,895	3,026,200
-	-	234,376	7,477,384
-	-	2,385,236	6,370,872
-	-	369,756	581,073
-	-	17,012	1,767,879
-	-	65,694	4,498,766
-	-	-	7,544,313
-	356,342	321,229	4,613,337
-	-	29,482	4,929,878
-	-	147	14,843,211
-	-	103,410	1,812,675
-	-	51,498	3,895,499
-	-	678,936	699,616
11,915,000	-	-	12,955,000
10,096,483	-	-	10,160,083
7,150	-	-	7,150
-	110,264,266	-	116,957,804
-	-	-	99,432
-	-	-	29,627
-	-	-	694,808
<hr/> 22,018,633	<hr/> 110,620,608	<hr/> 19,784,586	<hr/> 291,997,874
3,543,832	(100,058,209)	(314,359)	(90,075,967)
-	-	-	38,151
-	175,000	134,004	651,780
-	-	-	(651,780)
<hr/> -	<hr/> 175,000	<hr/> 134,004	<hr/> 38,151
3,543,832	(99,883,209)	(180,355)	(90,037,816)
6,802,461	129,094,250	622,770	186,030,215
<hr/> \$ 10,346,293	<hr/> \$ 29,211,041	<hr/> \$ 442,415	<hr/> \$ 95,992,399

Wichita Falls Independent School District

Exhibit C-2R

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund
Balances to the Government-Wide Statement of Activities
For the Fiscal Year Ended June 30, 2024

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS		\$ (90,037,816)
Amounts reported for governmental activities in the statement of activities are different because:		
Current year capital outlays are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements.		122,106,661
The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.		(217,595)
Depreciation is not recognized as an expenditure in the governmental fund financial statements since it does not use current financial resources. Current year depreciation is:		(6,177,059)
Long-term debt principal payments are expenditures in the governmental fund financial statements, but are reported as reductions of long-term debt in the government-wide financial statements. Current year long-term debt principal payments are:		12,955,000
Interest is accrued on long-term debt in the government-wide financial statements, whereas interest is reported when due in the governmental fund financial statements. Accrued interest decreased by:		233,792
Changes in liabilities for compensated absences are not reflected in the governmental fund financial statements, but are reported as increases and decreases in long-term liabilities of the government-wide financial statements. The liability for compensated absences increased by:		(25,939)
Bond premiums are expended when incurred in the governmental fund financial statements, but capitalized and amortized over the maturity of the debt for government-wide financial statements. Current year bond premium amortization is:		1,732,887
Amortization of deferred losses on refundings is only reported in the government-wide financial statements. Current year amortization is:		(173,365)
Revenue from property taxes is deferred in the governmental fund financial statements until it is considered available to finance current year expenditures, but is recognized when assessed, net of an allowance for uncollectible accounts, in the government-wide financial statements.		(104,151)
Internal service funds are used by management to charge the costs of various services to the individual funds. The change in net position of the internal service funds is reported in the governmental activities.		370,271
The net change in the net pension liability, deferred outflows and deferred inflows is reported in the statement of activities but does not provide or require the use of current financial resources and is not reported as revenues or expenditures in the governmental funds. The net change consists of:		
Deferred outflows increase	\$ 5,608,693	
Deferred inflows decrease	1,790,372	
Net pension liability increase	<u>(14,775,707)</u>	(7,376,642)
The net change in the net OPEB liability, deferred outflows and deferred inflows is reported in the statement of activities but does not provide or require the use of current financial resources and is not reported as revenues or expenditures in the governmental funds. The net change consists of:		
Deferred outflows increase	\$ 1,597,423	
Deferred inflows decrease	3,122,214	
Net OPEB liability decrease	<u>501,360</u>	<u>5,220,997</u>
CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ 38,507,041</u></u>

The Notes to the Financial Statements are an integral part of this statement.

Wichita Falls Independent School District
Statement of Net Position – Proprietary Funds
June 30, 2024

Exhibit D-1

<u>Data Control Codes</u>		<u>Insurance Fund</u>
	ASSETS	
	Current assets:	
1110	Cash and cash equivalents	\$ 649,886
	Receivables:	
1260	Due from other funds	5,964,180
	Total current assets	<u>6,614,066</u>
1000	Total assets	6,614,066
	LIABILITIES	
	Current liabilities:	
2110	Accounts payable	180
	Total current liabilities	<u>180</u>
	Noncurrent liabilities:	
2590	Claims and judgments	377,000
	Total noncurrent liabilities	<u>377,000</u>
2000	Total liabilities	377,180
	NET POSITION	
3900	Unrestricted	<u>6,236,886</u>
3000	TOTAL NET POSITION	<u><u>\$ 6,236,886</u></u>

The Notes to the Financial Statements are an integral part of this statement.

Wichita Falls Independent School District
Statement of Revenues, Expenses, and Changes
in Fund Net Position – Proprietary Funds
For the Fiscal Year Ended June 30, 2024

Exhibit D-2

Data Control Codes		Insurance Fund
OPERATING REVENUES		
5700	Total local and intermediate sources	\$ 924,802
5020	Total operating revenues	924,802
OPERATING EXPENSES		
6100	Payroll costs	86,329
6200	Professional and contracted services	7,837
6300	Supplies and materials	2,304
6400	Other operating costs	489,945
6030	Total operating expenses	586,415
	Operating income	338,387
NONOPERATING REVENUES		
7955	Earnings from temporary deposits and investments	31,884
8030	Total non-operating revenues	31,884
1300	Change in net position	370,271
0100	Net position, beginning, September 1	5,866,615
3300	TOTAL NET POSITION, ending, June 30	\$ 6,236,886

The Notes to the Financial Statements are an integral part of this statement.

Wichita Falls Independent School District**Exhibit D-3**Statement of Cash Flows – Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash receipts for quasi-external operating transactions with others	\$ 476,862
Cash payments to employees for services	(86,329)
Cash payments to other suppliers for goods and services	(384,055)
	<hr/>
Net cash provided by operating activities	6,478
Cash Flows from Investing Activities:	
Purchase of investments	583,806
Interest and dividends on investments	31,884
	<hr/>
Net cash provided by investing activities	615,690
	<hr/>
Net increase in cash and cash equivalents	622,168
CASH AND CASH EQUIVALENTS, beginning of year	27,718
	<hr/>
CASH AND CASH EQUIVALENTS, end of year	\$ 649,886
	<hr/>
RECONCILIATION OF OPERATING INCOME TO NET CASH	
CASH PROVIDED BY OPERATING ACTIVITIES	
Operating income	\$ 338,387
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in assets and liabilities:	
Increase in due from other funds	(447,940)
Increase in accounts payable	31
Increase in claims liability	116,000
	<hr/>
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 6,478
	<hr/>

The Notes to the Financial Statements are an integral part of this statement.

Wichita Falls Independent School District
Statement of Fiduciary Net Position – Fiduciary Funds
June 30, 2024

Exhibit E-1

<u>Data Control Codes</u>		<u>Custodial Funds</u>
	ASSETS	
1110	Cash and cash equivalents	\$ 886,691
1290	Other receivables	71,837
		<hr/>
1000	TOTAL ASSETS	958,528
	LIABILITIES	
2110	Accounts payable	828
		<hr/>
2000	TOTAL LIABILITIES	828
	NET POSITION	
3000	Restricted for other purposes	957,700
		<hr/>
	TOTAL NET POSITION	<u>\$ 957,700</u>

The Notes to the Financial Statements are an integral part of this statement.

Wichita Falls Independent School District

Statement of Changes in Fiduciary Net Position – Fiduciary Funds
For the Fiscal Year Ended June 30, 2024

Exhibit E-2

	Custodial Funds
ADDITIONS	
Gifts and bequests	\$ 223,065
Miscellaneous revenue from student groups	335,929
	<hr/>
Total additions	558,994
DEDUCTIONS	
Scholarship awards	247,500
Dues and fees	308,763
	<hr/>
Total deductions	556,263
Change in net position	2,731
NET POSITION:	
Restricted for students and other organizations	
Net position, beginning	954,969
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NET POSITION, ending	\$ 957,700
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Wichita Falls Independent School District

Notes to the Financial Statements

Note 1. Summary of Significant Accounting Policies

Wichita Falls Independent School District (the District) prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and it complies with the requirements of the appropriate version of Texas Education Agency's Financial Accountability System Resource Guide (the Resource Guide) and the requirements of contracts and grants of agencies from which it receives funds.

A. Reporting Entity

The Board of School Trustees (the Board), a seven member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. The Board is elected by the public and has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency (Agency) or to the State Board of Education are reserved for the Board, and the Agency may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District is not included in any other governmental "reporting entity".

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the District (primary government) and its component units. There are no component units of the District that are required to be presented in the financial statements.

The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

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 District's nonfiduciary activities with most of the interfund activities removed except for interfund services provided and used which are not eliminated. *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. *Direct expenses* are those that are clearly identified with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Revenues that are not classified as program revenues, including taxes, are reported as *general revenues*.

The fund financial statements provide information 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 emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating 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 nonoperating.

Wichita Falls Independent School District

Notes to the Financial Statements

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

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

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 unmatured interest and principal on long-term debt, which is recognized when due. The expenditures related to certain compensated absences and claims, and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources. 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 and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

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

The proprietary fund types 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.

Fund Accounting

The District reports the following major governmental funds:

The General Fund

The general fund is the District's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.

Wichita Falls Independent School District

Notes to the Financial Statements

Child Nutrition Fund

This fund accounts for the child nutrition program's transactions. The child nutrition fund is considered a special revenue fund because it meets the following criteria: 1) user fees are charged to supplement the national school lunch program (NSLP), 2) the general fund subsidizes the child nutrition program for all expenditures in excess of NSLP, and 3) the District does not consider the child nutrition program completely self-supporting. Child nutrition fund balances are used exclusively for child nutrition program purposes.

Debt Service Fund

The District accounts for resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds in a debt service fund.

Capital Projects Funds

The proceeds from long-term debt financing and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in the capital projects funds.

Additionally, the District reports the following fund types:

Governmental Funds

Special Revenue Funds

The District accounts for resources restricted to, or designated for, a specific purpose by the District or a grantor in a special revenue fund. Most federal and some state financial assistance is accounted for in a special revenue fund and sometimes unused balances must be returned to the grantor at the close of specified project periods.

Proprietary Fund

Internal Service Funds

This fund is used to account for revenues and expenses related to services provided to parties inside the District. This fund facilitates the distribution of support costs to the users of support services on a cost-reimbursement basis. Because the principal users of the internal services are the District's governmental activities, this fund type is included in the "governmental activities" column of the government-wide financial statements.

Fiduciary Funds

Custodial Funds

The District accounts for resources held for others in a custodial capacity in custodial funds. The District's custodial funds include the student activity fund, as well as the Ryan Scholarship Fund and Renton Aviation Fund. The funds are used to account for assets held by the District as a custodian for student and other organizations.

Financial Statement Amounts

Cash and Cash Equivalents

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.

Wichita Falls Independent School District

Notes to the Financial Statements

Investments

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-bearing investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by an impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments, which have a remaining term of one year or less at time of purchase. The term nonparticipating means that the investment value does not vary with the market interest rate changes.

Inventory and Prepaid Items

The District records purchases of supplies as expenditures, utilizing the purchase method of accounting for inventory in accordance with the Resource Guide.

Certain payments to vendors, if any, reflect costs applicable to future accounting periods and are recorded as prepaid items.

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. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which they were imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the school fiscal year.

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.

The tax rates assessed for the year ended June 30, 2024 to finance general fund operations and the payment of principal and interest on general obligation debt were \$0.717400 and \$0.424999 per \$100 valuation, respectively, for a total of \$1.142399 per \$100 valuation.

Capital Assets

Capital assets, which include land, construction in progress, buildings, furniture, and equipment, are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Wichita Falls Independent School District

Notes to the Financial Statements

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

Asset Class	Estimated Useful Lives
Buildings	40
Building Improvements	20-40
Vehicles	5-10
Other Equipment	5-7
Financed Purchase Assets	7-10

Long-term Debt

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Gains or losses on refunding are deferred and amortized over the lesser of the remaining life of the old debt or the life of the new debt using the straight-line method and are presented as deferred inflows/outflows in the government-wide financial statements. 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.

Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused sick pay benefits. School Board Policy contains a provision to compensate all employees in the District for accrued leave days upon retirement. This policy allows any employee who retires from the District through the Teacher Retirement System of Texas (TRS) to receive, following termination of employment, a lump sum payment for accrued leave days.

School Board Policy also contains a provision to compensate all twelve-month employees for accrued local and state leave days upon a resignation from the District up to a maximum of 90 days.

Fund Balances and Net Position

Government-Wide Financial Statements

Net position on the statement of net position includes the following:

Net investment in capital assets -- the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, net of premiums and discounts, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

Restricted for debt service -- the component of net position that reports the difference between assets and liabilities with constraints placed on their use by the bond covenants.

Restricted for federal and state grants -- the component of net position that reports the difference between assets and liabilities with constraints placed on their use by the U.S. Department of Agriculture or other federal and state agencies.

Wichita Falls Independent School District

Notes to the Financial Statements

Unrestricted -- the difference between the assets and liabilities that is not reported in net position invested in capital assets, net of related debt, restricted for federal and state grants, net position restricted for food service or net position restricted for debt service.

Governmental Fund Financial Statements

The District classifies governmental fund balances as follows:

Nonspendable -- includes amounts that cannot be spent because they are either not in spendable form, or, for legal or contractual reasons, must be kept intact. This classification includes inventories and prepaid items.

Restricted -- includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts restricted due to constitutional provisions or enabling legislation. This classification includes the child nutrition program, retirement of long-term debt, construction programs and other federal and state grants.

Committed -- includes fund balance amounts that are constrained for specific purposes that are internally imposed by the District through formal action of the highest level of decision-making authority. Committed fund balance is reported pursuant to resolution passed by the District's Board of Trustees. At June 30, 2024, the Board has committed fund balances as follows:

	General Fund	Other Governmental Funds	Totals
Self-insurance	\$ 100,000	\$ -	\$ 100,000
Accumulated sick leave benefits obligations	1,175,684	-	1,175,684
Campus Activity Funds	-	838,329	838,329
Totals	<u>\$ 1,275,684</u>	<u>\$ 838,329</u>	<u>\$ 2,114,013</u>

Assigned -- includes fund balance amounts that are self-imposed by the District to be used for a particular purpose. Fund balance can be assigned by the District's Board, the Superintendent, or the Assistant Superintendent of Finance and Human Resources. This classification includes insurance deductibles, encumbrances, program start-up costs, projected budget deficit for subsequent years and other legal uses.

Unassigned -- includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The order of spending is to first use committed fund balance, then assigned fund balance, and last of all, unassigned fund balance. Restricted fund balance will be used before the unrestricted portion.

Wichita Falls Independent School District

Notes to the Financial Statements

Interfund Activities

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

Data Control Codes

Data control codes refer to the account code structure prescribed by the Agency in the Resource Guide. The Agency requires the District to display these codes in its financial statements filed with the Agency in order to ensure accuracy in building a statewide database for policy development and funding plans.

Account Code Reporting

In accordance with Texas Education Code, Chapter 44, Subchapter A, the District adopted and implemented an accounting system which at least meets the minimum requirements prescribed by the State Board of Education and approved by the state auditor. The District's accounting system uses codes and the code structure presented in the accounting code section of the *Resource Guide*. Mandatory codes are utilized in the form provided in that section.

Estimates

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

The amount of state foundation revenue a school district earns for a year can and does vary until the time when final values for each of the factors in the formula become available. Availability can be as late as midway into the next fiscal year. It is at least reasonably possible that the foundation revenue estimates as of June 30, 2024 will change.

Pensions

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS 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.

Other Postemployment 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 postemployment 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.

Wichita Falls Independent School District

Notes to the Financial Statements

Note 2. Cash, Cash Equivalents, and Investments

Cash Deposits

The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities which comply with state law and these securities are held for safekeeping and trust with the District's and the depository banks' agent bank. The pledged securities shall be in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

Investments

The District's investment policy is in accordance with the Public Funds Investment Act, the Public Funds Collateral Act, and federal and state laws. For the fiscal year ended June 30, 2024, the District invested in TexPool and TexasTERM, Certificates of Deposit, and through Hilltop Securities.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, Fair Value Measurement and Application provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs - other than quoted prices included within Level 1- that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

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

The District's investments are in investment pools and are not subject to fair value measurements and are not required to be reported by levels.

TexasTERM Local Government Investment Pool (TexasTERM) has been organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code (PFIA). TexasTERM offers a series of professionally managed portfolios that are available to municipalities, counties, school districts, special districts and other governmental entities in the State of Texas. An Advisory Board is responsible for the overall management of TexasTERM. With respect to TexasTERM, the Advisory Board's responsibilities include the formulation and implementation of its investment and operating policies. TexasTERM complies with statutory investment restrictions for Texas local governments as provided in the PFIA. The Investment Advisor and Administrator for TexasTERM is PFM Asset Management LLC. Weighted average maturity for TexasTERM is 26 days.

Wichita Falls Independent School District

Notes to the Financial Statements

The District is a voluntary participant in TexPool. The State Comptroller of Public Accounts exercises responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. TexPool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. TexPool uses amortized cost rather than the market value to report net position to compute share prices. Accordingly, the fair value of the position in TexPool is the same as the value of TexPool shares. Weighted average maturity for TexPool is 25 days.

Cash and investments as of June 30, 2024 are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and cash equivalents	\$ 113,058,913
Investments	10,117,901
Fiduciary funds:	
Cash and cash equivalents	886,691
Total cash and investments	\$ 124,063,505
Cash on hand	\$ 5,355
Deposits with financial institutions	6,495,718
Cash equivalents - investment pools	107,444,531
Investments	10,117,901
Total cash and investments	\$ 124,063,505

Credit Risk

For the fiscal year ended June 30, 2024, the District invested in TexasTERM and Texpool Investment Pool. The TexasTERM portfolio is a fixed rate, fixed term portfolio option rated AAAM by Standard & Poor's rating agency. TexPool is rated AAAM by Standard & Poor's rating agency. This rating is the highest principal stability fund rating assigned by Standard & Poor's.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of the investments. The District monitors interest rate risk and at year end, was not exposed to interest rate risk.

Concentration of Credit Risk

The District's investment policy dictates that no individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2024, the District's bank balance of \$9,493,176, including fiduciary activity, was not exposed to custodial credit risk because it was insured and collateralized with securities held by the District's agent and in the District's name. With the exception of the date of highest balance, January 24, 2024, the District's cash deposits as of and during the year ended June 30, 2024 were covered by the FDIC and pledged securities.

Wichita Falls Independent School District

Notes to the Financial Statements

The following is disclosed regarding coverage of combined balances on the date of highest deposit:

- a. Depository: American National Bank.
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was \$16,491,887.
- c. The highest combined balances of cash, savings, and time deposit accounts amounted to \$30,656,375 and occurred on January 29, 2024.
- d. Total amount of FDIC coverage at the time of the highest combined balance was \$250,000.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District is not exposed to custodial risk due to the investments are insured or registered, or securities held by the District or its agent in the District's name.

Note 3. Interfund Receivables, Payables, and Transfers

Interfund balances at June 30, 2024 consisted of the following individual fund receivables and payables:

Payable Fund	Receivable Fund	Amount	Primary Purpose
Nonmajor Governmental Funds	Capital Projects Fund	\$ 100,000	Short-term borrowing
General Fund	Internal Service Fund	5,917,914	Short-term borrowing
Child Nutrition Fund	Internal Service Fund	46,266	Short-term borrowing
Nonmajor Governmental Funds	General Fund	5,066,849	Short-term borrowing
General Fund	Debt Service Fund	72	Short-term borrowing
General Fund	Nonmajor Governmental Funds	150	Short-term borrowing
		\$ 11,131,251	

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

The detail transfer schedule for the year ended June 30, 2024 includes the following:

Transferred From	Transferred To	Amount	Purpose
Child Nutrition Fund	General Fund	\$ 342,776	Supplement other funds
General Fund	Nonmajor Governmental Funds	134,004	Supplement other funds
General Fund	Capital Projects Fund	175,000	Supplement other funds
		\$ 651,780	

Wichita Falls Independent School District

Notes to the Financial Statements

Note 4. Capital Asset Activity

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

	Beginning Balance	Additions	Adjustments/ Retirements	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 19,273,163	\$ -	\$ -	\$ 19,273,163
Construction in progress	193,813,415	117,710,853	-	311,524,268
Total capital assets not being depreciated	213,086,578	117,710,853	-	330,797,431
Capital assets being depreciated:				
Buildings and improvements	206,900,272	1,973,716	-	208,873,988
Furniture and equipment	17,812,235	2,422,092	(217,595)	20,016,732
Financed purchases	4,239,102	-	-	4,239,102
Total capital assets being depreciated	228,951,609	4,395,808	(217,595)	233,129,822
Less accumulated depreciation for:				
Buildings and improvements	109,523,599	5,354,395	-	114,877,994
Furniture and equipment	17,541,907	638,214	-	18,180,121
Financed purchases	1,605,221	184,450	-	1,789,671
Total accumulated depreciation	128,670,727	6,177,059	-	134,847,786
Total capital assets being depreciated, net	100,280,882	(1,781,251)	(217,595)	98,282,036
Governmental activities capital assets, net	\$ 313,367,460	\$ 115,929,602	\$ (217,595)	\$ 429,079,467

Depreciation expense was charged to governmental functions as follows:

Governmental Function	Depreciation
Instruction	\$ 3,461,233
Instructional resources and media services	56,461
Curriculum and staff development	71,039
Instructional leadership	122,986
School leadership	303,576
Guidance, counseling and evaluation services	253,539
Social work services	23,615
Health services	71,847
Student transportation	182,832
Food services	306,604
Co-curricular/ Extracurricular activities	176,728
General administration	285,888
Plant maintenance and operations	603,230
Security and monitoring services	73,668
Data processing services	155,380
Community services	28,433
Total depreciation expense	\$ 6,177,059

Wichita Falls Independent School District

Notes to the Financial Statements

Note 5. Long-term Debt

Long-term obligation activity

Long-term obligation activities during the fiscal year ended June 30, 2024, were as follows:

	Beginning Balance	Additions	Retired	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable:					
General obligation bonds	\$ 313,205,000	\$ -	\$ (11,915,000)	\$ 301,290,000	\$ 12,465,000
Bond premium (discount)	21,833,993	-	(1,732,887)	20,101,106	-
Total bonds payable	335,038,993	-	(13,647,887)	321,391,106	12,465,000
Note payable	3,180,000	-	(1,040,000)	2,140,000	1,060,000
Compensated absences	1,149,745	1,844,087	(1,818,148)	1,175,684	347,289
Net pension liability	42,264,080	19,044,110	(4,268,403)	57,039,787	-
Net OPEB liability	26,060,937	3,356,670	(3,858,030)	25,559,577	-
Total long-term liabilities	\$ 407,693,755	\$ 24,244,867	\$ (24,632,468)	\$ 407,306,154	\$ 13,872,289

The District issues unlimited tax bonds for the governmental activities to provide funds for the acquisition and construction of major capital facilities. Unlimited tax bonds are direct obligations and pledge the full faith and credit of the District. Bonded indebtedness of the District is reflected in the statement of net position. The bonds issued require the District to levy an ad valorem tax annually to retire the current maturities.

Unlimited tax bonds and the maintenance tax note outstanding as of June 30, 2024 are as follows:

Purpose and Lawful Authority	Interest Rate	Amount	Amounts Outstanding 7/1/2023	Issued	Retired	Amounts Outstanding 6/30/2024
Unlimited Tax Refunding Bonds, Series 2015	2.125% to 5.00%	\$ 35,350,000	\$ 15,925,000	\$ -	\$ 3,695,000	\$ 12,230,000
Unlimited Tax School Building Bonds, Series 2015A	1.00% to 5.00%	53,645,000	37,365,000	-	2,425,000	34,940,000
Unlimited Tax School Building Bonds, Series 2021	1.625% to 4.00%	257,245,000	247,570,000	-	5,545,000	242,025,000
Unlimited Tax School Building Bonds, Series 2021A	2.125% to 5.00%	12,685,000	12,345,000	-	250,000	12,095,000
Maintenance Tax Notes, Series 2016	2.00%	9,000,000	3,180,000	-	1,040,000	2,140,000
			\$ 316,385,000	\$ -	\$ 12,955,000	\$ 303,430,000

Wichita Falls Independent School District

Notes to the Financial Statements

Debt service requirements are as follows:

Years Ending June 30,	Principal Requirements	Interest Requirements	Total Requirements
2025	\$ 13,525,000	\$ 9,598,983	\$ 23,123,983
2026	14,095,000	9,012,183	23,107,183
2027	13,510,000	8,452,933	21,962,933
2028	9,625,000	7,979,483	17,604,483
2029	10,035,000	7,573,182	17,608,182
2030 - 2034	56,485,000	31,645,816	88,130,816
2035 - 2039	48,680,000	22,796,225	71,476,225
2040 - 2044	51,790,000	15,508,674	67,298,674
2045 - 2049	59,690,000	7,599,410	67,289,410
2050 - 2054	25,995,000	927,387	26,922,387
	<u>\$ 303,430,000</u>	<u>\$ 121,094,276</u>	<u>\$ 424,524,276</u>

There are a number of limitations and restrictions contained in the unlimited tax school building and refunding bond indentures. Management has indicated that the District is in compliance with all significant limitations and restrictions at June 30, 2024.

Note 6. Revenue from Local and Intermediate Sources

During the fiscal year ended June 30, 2024, the District received revenues from local and intermediate sources consisting of the following:

	General Fund	Child Nutrition Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Property taxes-current	\$ 35,705,065	\$ -	\$ 21,152,239	\$ -	\$ -	\$ 56,857,304
Property taxes-delinquent	675,411	-	274,847	-	-	950,258
Penalties, interest, and other	507,692	-	195,684	-	-	703,376
Investment earnings	2,736,211	410,843	346,360	4,902,399	-	8,395,813
Rent	118,004	-	-	-	-	118,004
Food service income	-	1,413,580	-	-	-	1,413,580
Gifts and bequest	-	-	-	5,660,000	746,069	6,406,069
Campus activity	-	-	-	-	609,423	609,423
Cocurricular/extracurricular activities	350,505	-	-	-	-	350,505
Other	4,246,458	-	-	-	350,438	4,596,896
Total local revenue	<u>\$ 44,339,346</u>	<u>\$ 1,824,423</u>	<u>\$ 21,969,130</u>	<u>\$ 10,562,399</u>	<u>\$ 1,705,930</u>	<u>\$ 80,401,228</u>

Note 7. Employees' Retirement Plan

Plan Description

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

Wichita Falls Independent School District

Notes to the Financial Statements

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

Pension Plan Fiduciary Net Position

Detailed information about the TRS'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 http://www.trs.texas.gov/Pages/about_archive_acfr.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% (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 where the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic postemployment benefit changes, including automatic cost of living adjustments (COLAs). Ad hoc postemployment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as previously noted in the Plan Description above.

Texas Government Code section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Contributions

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025.

Rates for such plan fiscal years are as follows:

	Contribution Rates	
	2024	2023
Member	8.25%	8.00%
Non-employer contributing entity (state)	8.25%	8.00%
Employers	8.25%	8.00%

Wichita Falls Independent School District

Notes to the Financial Statements

The contribution amounts for the District's fiscal year 2024 are as follows:

2024 District contributions	\$	3,134,958
2024 Member contributions		6,890,970
2024 NECE on-behalf contributions (State)		3,872,673

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.

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

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

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

- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment-after-retirement surcharge.
- Public education employer contribution - all public schools, charter schools and regional education service centers must contribute 1.8% of the member's salary beginning in fiscal year 2023, gradually increasing to 2.0% in fiscal year 2025.

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

On June 30, 2024 the District reported a liability of \$57,039,787 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 are as follows:

District's proportionate share of the collective net pension liability	\$	57,039,787
State's proportionate share that is associated with District		51,751,543
Total		<u><u>\$ 108,791,330</u></u>

Wichita Falls Independent School District

Notes to the Financial Statements

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 August 31, 2022 rolled forward to August 31, 2023. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2022 through August 31, 2023.

At the measurement date of August 31, 2023, the District's proportion of the collective net pension liability was 0.0830390% which was an increase of 0.0118483% from its proportion measured as of August 31, 2022.

For the fiscal year ended June 30, 2024, the District recognized pension expense of \$18,325,635 and revenue of \$3,872,673 for support provided by the State.

On June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Differences between expected and actual experience	\$ 2,032,347	\$ 690,689
Changes of assumptions	5,394,847	1,320,242
Difference between projected and actual earnings on pension plan investments	8,300,674	-
Changes in proportion and differences between District's contributions and the proportionate share of contributions	6,334,197	1,346,618
District contributions paid subsequent to the measurement date	2,547,987	-
	<u> </u>	<u> </u>
Total	\$ 24,610,052	\$ 3,357,549

\$2,547,987 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense (Income)
<u> </u>	<u> </u>
2025	\$ 3,503,474
2026	2,885,741
2027	8,215,386
2028	3,249,587
2029	850,328
Thereafter	-
	<u> </u>
Total	\$ 18,704,516

Wichita Falls Independent School District

Notes to the Financial Statements

Actuarial Methods and Assumptions

The actuarial valuation of the total pension liability was performed as of August 31, 2022. Update procedures were used to roll forward the total pension liability to August 31, 2023 and was determined using the following actuarial methods and assumptions:

Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.00%
Long-term expected rate of return	7.00%
Municipal bond rate as of August 2023	4.13%. Source for the rate is the Fixed Income Market Data / Yield Curve / Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."
Last year ending August 31 in projection period (100 years)	2122
Inflation	2.30%
Salary increases	2.95% to 8.95% including inflation
Ad hoc postemployment benefit changes	None
Mortality rates	The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioners Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published projection scale ("U-MP"). The active mortality rates were based on the published PUB(2010) Mortality Tables for Teachers, below median, also with full generational mortality.

The actuarial methods and assumptions are primarily based on a study of actual experience for the four-year period ending August 31, 2021 and adopted in July 2022.

Discount Rate and Long-Term Expected Rate of Return

A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine the single discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity will be made at the rates set by the legislature in the 2019 session. It is assumed that future employer and state contributions will be 9.50 percent of payroll in fiscal year 2024 gradually increasing to 9.56 percent in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected 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.

Wichita Falls Independent School District

Notes to the Financial Statements

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 weighing 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 TRS's target asset allocation as of August 31, 2023 are summarized below:

Asset Class	Target Allocation*	Long-term Expected Geometric Real Rate of Return**	Expected Contribution to Long-term Portfolio Returns
Global equity:			
U.S.	18.0%	4.0%	1.0%
Non-U.S. 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*	-	3.6%	-
Stable value hedge funds	5.0%	4.1%	0.2%
Real return:			
Real estate	15.0%	4.9%	1.1%
Energy, natural resources and infrastructure	6.0%	4.8%	0.4%
Commodities	-	4.4%	-
Risk parity:			
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%
Total	100.0%		8.0%

* Absolute return includes credit sensitive investments.

** Target allocations are based on the FY 2023 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 District's proportionate share of the TRS net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1% lower or 1% higher than the current rate:

1 % Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
\$ 85,277,641	\$ 57,039,787	\$ 33,559,997

Wichita Falls Independent School District

Notes to the Financial Statements

Change of Assumptions Since the Prior Measurement Date

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

Change of Benefit Terms Since the Prior Measurement Date

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

Note 8. Defined Other Postemployment Benefit Plan

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 Postemployment Benefit (OPEB) plan that has a special funding situation. TRS-Care was established in 1986 by the Texas Legislature and is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees in accordance with the Texas Insurance Code, Chapter 1575. 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

Detailed 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_archive_acfr.aspx ; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

Benefits Provided

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

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 cost of living adjustments (COLAs). The Board of Trustees of TRS 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.

Wichita Falls Independent School District

Notes to the Financial Statements

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

TRS-Care Monthly Premium Rates

	Medicare	Non-medicare
Retiree or surviving spouse	\$ 135	\$ 200
Retiree and spouse	529	689
Retiree or surviving spouse and children	468	408
Retiree and family	1,020	999

Contributions

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

Texas Insurance Code, section 1575.202 establishes the State's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act.

Rates for such plan fiscal years are as follows:

	Contribution Rates	
	2024	2023
Active employee	0.65%	0.65%
Non-employer contribution entity (state)	1.25%	1.25%
Employers/District	0.75%	0.75%
Federal/private funding*	1.25%	1.25%

*Contributions paid from federal funds and private grants are remitted by the employer (District) and paid at the State rate.

The contribution amounts for the District's fiscal year 2024 are as follows:

2024 District contributions	\$ 758,602
2024 Member contributions	542,925
2024 NECE on-behalf contributions (state)	1,208,506

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

The State of Texas also contributed \$466,151, \$437,510, and \$305,482 in 2024, 2023, and 2022, respectively, for on-behalf payments for Medicare Part D.

Wichita Falls Independent School District

Notes to the Financial Statements

TRS-Care received a supplemental appropriation from the State of Texas as the Non-Employer Contributing Entity in the amount of \$21 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.

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

On June 30, 2024, the District reported a liability of \$25,559,577 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided by the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District are as follows:

District's proportionate share of the net OPEB liability	\$ 25,559,577
State's proportionate share of the net OPEB liability associated with the District	30,841,558
	<u>\$ 56,401,135</u>

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

At the measurement date of August 31, 2023, the employer's proportion of the collective net OPEB liability was 0.1154541% which was an increase of 0.0066129% from its proportion measured as of August 31, 2022.

For the fiscal year ended June 30, 2024, the District recognized net OPEB revenue of \$11,055,669 due to recognition of deferred inflows in excess of deferred outflows and current year expense. OPEB revenue of \$1,208,506 was recognized for support provided by the State.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,156,377	\$ 21,503,542
Changes of assumptions	3,488,696	15,650,807
Net difference between projected and actual earnings on investments	11,044	-
Changes in proportion and differences between District contributions and proportionate share of contributions (cost-sharing plan)	6,808,193	2,099,308
District contributions after measurement date	613,616	-
	<u>\$ 12,077,926</u>	<u>\$ 39,253,657</u>

Wichita Falls Independent School District

Notes to the Financial Statements

\$613,616 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30,	OPEB Expense (Income)
2025	\$ (6,586,243)
2026	(5,413,947)
2027	(3,826,851)
2028	(4,246,715)
2029	(3,307,273)
Thereafter	(4,408,318)
	\$ (27,789,347)

Actuarial Methods and Assumptions

The actuarial valuation of the total OPEB liability 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 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 following assumptions used for the valuation of the TRS-Care OPEB liability are identical to the assumptions employed in the August 31, 2022 TRS pension actuarial valuation that was rolled forward to August 31, 2023:

Demographic Assumptions	Economic Assumptions
Rates of mortality	General inflation
Rates of retirement	Wage inflation
Rates of termination	
Rates of disability	

See Note 7 for detail on these assumptions. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2021.

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.

The initial medical trend rates were 7.75% for Medicare retirees and 7.00% for non-Medicare retirees. There was an initial prescription drug trend rate of 7.75% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 12 years.

Wichita Falls Independent School District

Notes to the Financial Statements

The following methods and additional assumptions were used in the TRS-Care OPEB valuation:

Actuarial cost method	Individual entry age normal
Single discount rate	4.13%
Aging factors	Based on plan specific experience
Election rates	Normal retirement: 62% participation prior to age 65 and 25% after age 65. Pre-65 retirees: 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Ad hoc postemployment benefit changes	None

Discount Rate

A single discount rate of 4.13% was used to measure the total OPEB liability at August 31, 2023. This was an increase of 0.22% in the discount rate since the August 31, 2022 measurement date. The plan is essentially a “pay-as-you-go” plan, and based on the assumption that contributions are made at the statutorily required rates, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments to current plan members and therefore, the single discount rate is equal to the prevailing municipal bond rate. The source for the rate is the Fixed Income Market Data / Yield Curve / Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-Year Municipal GO AA Index” as of August 31, 2023.

Sensitivity Analysis of Rates

Discount Rate

The following table presents the District’s proportionate share of the TRS-Care net OPEB liability, as well as what the District’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that was 1% less than and 1% greater than the discount rate that was used (4.13%) in measuring the net OPEB liability.

Sensitivity of the Net OPEB Liability
to the Single Discount Rate Assumptions

1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
\$ 30,103,859	\$ 25,559,577	\$ 21,851,335

Wichita Falls Independent School District

Notes to the Financial Statements

Healthcare Cost Trend Rates

The following table presents the District's proportionate share of net OPEB liability 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 1% lower or 1% higher than the assumed health-care cost trend rate:

Sensitivity of the Net OPEB Liability to
the Healthcare Cost Trend Rate Assumption

<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
\$ 21,047,032	\$ 25,559,577	\$ 31,364,981

Change of Assumptions Since the Prior Measurement Date

The following were changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period:

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

Change of Benefit Terms Since the Prior Measurement Date

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

Note 9. Facilities Use Agreement

During fiscal year 2022, the District entered into a 10-year agreement with another entity for the use of one of the District's stadiums for the total amount of \$250,000. This agreement fell under GASB Statement No. 87, *Leases*. The District received the payment of \$250,000 at the start of the agreement in July 2021 and recorded a deferred inflow of resources for leases. This deferred inflow of resources will be amortized and recognized over the 10-year period. As of June 30, 2024, the remaining deferred inflow of resources for leases is \$175,000.

Note 10. Risk Management

Self-insured Worker's Compensation Plan

The District maintains a self-insured worker's compensation plan. The District has third party insurance coverage for any losses in excess of \$350,000 per claim and a maximum of \$1,000,000 per claim. The District is responsible for claims up to \$350,000 per claim.

Wichita Falls Independent School District

Notes to the Financial Statements

As of June 30, 2024, the worker's compensation benefit obligation consisted of \$377,000 in reported claims and estimated incurred but not reported claims. These amounts represent estimated ultimate costs to settle claims. A summary of the changes in the benefit obligation is as follows:

	2024	2023
Claims payable, beginning of year	\$ 261,000	\$ 247,000
Claims incurred	372,000	211,000
Claim payments	(256,000)	(198,000)
Excess coverage	-	1,000
Claims payable, end of year	\$ 377,000	\$ 261,000

Other Risk Management

The District is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year ended June 30, 2024, the District purchased commercial insurance to cover these liabilities. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

Note 11. Commitments and Contingencies

The District is a party to various legal actions, none of which are believed by administration to have a material effect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying basic financial statements for such contingencies. The District participates in numerous state and federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at June 30, 2024 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

The Tax Reform Act of 1986 imposed regulations on tax-exempt bond issues. Governmental bonds issued after August 31, 1986 are subject to the rebate provisions of the Tax Reform Act of 1986. The rebate applies to earnings from bond issue proceeds investments that exceed bond issue stated interest rates. There is a complicated formula based on a five year history, therefore the exact amount of liability, if any, is not known until five years from the bond issuance date. There was no rebate liability as of June 30, 2024.

The District is in the construction phase of the two new high schools, with remaining construction commitments of approximately \$13,346,543 (East site) and \$10,762,727 (West site) at June 30, 2024.

Wichita Falls Independent School District

Notes to the Financial Statements

Note 12. Shared Service Arrangement

The District is the fiscal agent for a Shared Service Arrangement which provides a regional day school for the deaf to member districts. All services are provided by the District as a fiscal agent. The member districts provide funds to the fiscal agent for operations. According to TEA guidance, the District has accounted for the fiscal agent activities of the SSA in special revenue funds 315, 316, 317, and 435 and such activities have been accounted for using Module 3 in the SSA section of TEA's Resource Guide. These expenditures of the SSA are summarized as follows:

Member Districts	#315	#435	Totals
Big Four Special Education Coop	\$ 2,344	\$ 58,666	\$ 61,010
Burkburnett ISD	781	19,809	20,590
Clay-Jack Coop	3,907	83,748	87,655
Graham ISD	260	10,271	10,531
Greenbelt Coop	781	13,098	13,879
Montague County Coop	2,084	25,463	27,547
Vernon ISD	1,563	33,940	35,503
West Wichita County Coop	2,605	51,779	54,384
Wichita Falls ISD	10,170	394,069	404,239
Totals	\$ 24,495	\$ 690,843	\$ 715,338

Note 13. Nonmonetary Transactions

During the fiscal year ended June 30, 2024, the District received textbooks purchased by the State of Texas for the benefit of the District for a purchase price of \$1,909,605. The district receives the textbooks as part of state funding for textbook allotment. The textbooks have been recorded in the amount of \$1,909,605 in a special revenue fund as both state revenues and expenditures, which represents the amount of consideration given by the State of Texas.

Note 14. Recent Accounting Pronouncements

GASB Statement No. 101, Compensated Absences (GASB 101), improves the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023, with earlier application encouraged. GASB 101 will be implemented in the District's fiscal year 2025 financial statements and the impact has not yet been determined.

GASB Statement No. 102, Certain Risk Disclosures (GASB 102), establishes financial reporting requirements for risks related to vulnerabilities due to certain concentrations or constraints. GASB 102 will be implemented in the District's fiscal year 2025 financial statements and the impact has not yet been determined.

Wichita Falls Independent School District

Notes to the Financial Statements

GASB 103 Statement No. 103, Financial Reporting Model Improvements (GASB 103), establishes new accounting and financial reporting requirements – or modifies existing requirements – related to the following:

- Management's discussion & analysis
- Unusual or infrequent items
- Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position
- Information about major component units in basic financial statements
- Budgetary comparison information
- Financial trends information in the statistical section

GASB 103 will be implemented in the District's fiscal year 2026 financial statements and the impact has not yet been determined.

Wichita Falls Independent School District
 Budgetary Comparison Schedule – General Fund
 For the Fiscal Year Ended June 30, 2024

Exhibit G-1
 Page 1 of 2

Data Control Codes		1 Budgeted Amounts		3	Variance With Final Budget Positive (Negative)
		Original	Final	Actual	
REVENUES					
5700	Local and intermediate sources	\$ 49,782,000	\$ 45,278,576	\$ 44,339,346	\$ (939,230)
5800	State program revenues	70,588,815	87,610,091	89,032,214	1,422,123
5900	Federal program revenues	3,215,000	2,215,000	4,253,662	2,038,662
5020	Total revenues	123,585,815	135,103,667	137,625,222	2,521,555
EXPENDITURES					
Current:					
Instruction & instructional related services:					
0011	Instruction	71,017,463	73,078,716	72,813,991	264,725
0012	Instructional resources and media services	1,513,133	1,517,295	1,383,362	133,933
0013	Curriculum and staff development	668,539	692,477	577,999	114,478
	Total instruction & inst. related services	73,199,135	75,288,488	74,775,352	513,136
Instructional and school leadership:					
0021	Instructional leadership	2,157,646	2,173,121	1,756,305	416,816
0023	School leadership	7,171,822	7,287,134	7,243,008	44,126
	Total instructional & school leadership	9,329,468	9,460,255	8,999,313	460,942
Support services - student (pupil) :					
0031	Guidance, counseling, and evaluation services	4,035,747	3,980,476	3,985,636	(5,160)
0032	Social work services	276,377	285,027	211,317	73,710
0033	Health services	1,906,697	1,943,756	1,750,867	192,889
0034	Student transportation	5,389,900	5,390,900	4,433,072	957,828
0036	Cocurricular/extracurricular activities	3,731,679	3,943,065	3,935,766	7,299
	Total support services - student (pupil)	15,340,400	15,543,224	14,316,658	1,226,566
Administration support services:					
0041	General administration	3,564,272	4,902,289	4,900,396	1,893
	Total administrative support service	3,564,272	4,902,289	4,900,396	1,893
Support services:					
0051	Facilities maintenance and operations	15,321,522	15,636,279	14,843,064	793,215
0052	Security and monitoring services	1,567,109	1,713,521	1,709,265	4,256
0053	Data processing services	3,379,524	3,849,520	3,844,001	5,519
	Total support services - nonstudent based	20,268,155	21,199,320	20,396,330	802,990
Ancillary services:					
0061	Community services	12,650	21,278	20,680	598
	Total ancillary services	12,650	21,278	20,680	598
Debt service:					
0071	Principal on long-term debt	1,040,000	1,040,000	1,040,000	-
0072	Interest on long-term debt	63,600	63,600	63,600	-
	Total debt services	1,103,600	1,103,600	1,103,600	-
Capital outlay:					
0081	Capital outlay	-	6,784,461	6,693,538	90,923
	Total capital outlay	-	6,784,461	6,693,538	90,923
Intergovernmental charges:					
0093	Payments to fiscal agent/member dist. - SSA	-	-	99,432	(99,432)
0095	Payments related to juvenile justice alternative education program	-	-	29,627	(29,627)
0099	Other intergovernmental charges	-	-	694,808	(694,808)
	Total intergovernmental charges	-	-	823,867	(823,867)
6030	Total expenditures	122,817,680	134,302,915	132,029,734	2,273,181

Wichita Falls Independent School District

Budgetary Comparison Schedule – General Fund – Continued
 For the Fiscal Year Ended June 30, 2024

Exhibit G-1
 Page 2 of 2

Data Control Codes		1 Budgeted Amounts		3	Variance With Final Budget Positive (Negative)
		Original	Final	Actual	
1100	Excess (deficiency) of revenues over (under) expenditures	768,135	800,752	5,595,488	4,794,736
OTHER FINANCING SOURCES (USES)					
7912	Sale of real or personal property	10,000	10,000	37,829	27,829
7915	Transfers in	342,776	342,776	342,776	-
8911	Transfers out	(175,000)	(175,000)	(309,004)	(134,004)
7080	Total other financing sources (uses)	177,776	177,776	71,601	(106,175)
1200	Net change in fund balance	945,911	978,528	5,667,089	4,688,561
0100	Fund balances, beginning	42,274,255	42,274,255	42,274,255	-
3000	FUND BALANCES, ending	\$ 43,220,166	\$ 43,252,783	\$ 47,941,344	\$ 4,688,561

The Notes to the Required Supplementary Information are an integral part of this statement.

Wichita Falls Independent School District

Exhibit G-2

Budgetary Comparison Schedule – Child Nutrition Fund
For the Fiscal Year Ended June 30, 2024

Data Control Codes		1 Budgeted Amounts		3	Variance With Final Budget Positive (Negative)
		Original	Final	Actual	
REVENUES					
5700	Total local and intermediate sources	\$ 844,581	\$ 844,581	\$ 1,824,423	\$ 979,842
5800	State program revenues	36,000	36,000	43,628	7,628
5900	Federal program revenues	7,111,432	7,111,432	6,833,543	(277,889)
5020	Total revenues	7,992,013	7,992,013	8,701,594	709,581
EXPENDITURES					
0035	Food service	7,421,337	9,789,317	7,544,313	2,245,004
6030	Total expenditures	7,421,337	9,789,317	7,544,313	2,245,004
1100	Excess of revenues over expenditures	570,676	(1,797,304)	1,157,281	2,954,585
OTHER FINANCING SOURCES (USES)					
7912	Sale of real or personal property	-	-	322	322
8911	Transfers out	(342,776)	(342,776)	(342,776)	-
6030	Total other financing sources (uses)	(342,776)	(342,776)	(342,454)	322
1200	Net change in fund balances	227,900	(2,140,080)	814,827	2,954,907
0100	Fund balance, beginning	7,236,479	7,236,479	7,236,479	-
3000	FUND BALANCE, ending	<u>\$ 7,464,379</u>	<u>\$ 5,096,399</u>	<u>\$ 8,051,306</u>	<u>\$ 2,954,907</u>

The Notes to the Required Supplementary Information are an integral part of this statement.

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Wichita Falls Independent School District

Schedule of the District's Proportionate Share of the Net Pension Liability - TRS For the Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>
District's proportion of the net pension liability	0.0830390%	0.0711907%	0.0659294%
District's proportionate share of net pension liability	\$ 57,039,787	\$ 42,264,080	\$ 16,789,883
State's proportionate share of the net pension liability associated with the District	<u>51,751,543</u>	<u>69,266,656</u>	<u>34,282,912</u>
TOTAL	<u>\$ 108,791,330</u>	<u>\$ 111,530,736</u>	<u>\$ 51,072,795</u>
District's covered payroll	\$ 85,939,362	\$ 85,939,362	\$ 95,606,273
District's proportionate share of the net pension liability as a percentage of its covered payroll	66.37%	49.18%	17.56%
Plan fiduciary net position as a percentage of the total pension liability	73.15%	75.62%	88.79%

Note: The amounts presented for the fiscal year were determined as of the Plan's fiscal year end, August 31, of the prior year.

Exhibit G-3

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.0670845%	0.0646314%	0.0769752%	0.0787869%	0.0736353%	0.0768421%	0.0469081%
\$ 35,929,105	\$ 33,597,439	\$ 42,369,006	\$ 25,191,798	\$ 27,825,674	\$ 27,162,660	\$ 12,529,802
<u>71,626,487</u>	<u>64,367,245</u>	<u>64,754,864</u>	<u>39,446,573</u>	<u>48,749,401</u>	<u>46,921,674</u>	<u>41,778,062</u>
<u>\$ 107,555,592</u>	<u>\$ 97,964,684</u>	<u>\$ 107,123,870</u>	<u>\$ 64,638,371</u>	<u>\$ 76,575,075</u>	<u>\$ 74,084,334</u>	<u>\$ 54,307,864</u>
\$ 93,632,822	\$ 81,962,063	\$ 82,044,781	\$ 81,886,153	\$ 78,562,967	\$ 77,683,359	\$ 74,925,429
38.37%	40.99%	51.64%	30.76%	35.42%	34.97%	16.72%
75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

Wichita Falls Independent School District

Schedule of the District's Contributions - TRS

For the Last Ten Fiscal Years

	<u>2024 *</u>	<u>2023 *</u>	<u>2022 *</u>
Contractually required contribution	\$ 3,134,958	\$ 4,225,867	\$ 3,268,521
Contribution in relation to the contractually required contribution	<u>(3,134,958)</u>	<u>(4,225,867)</u>	<u>(3,268,521)</u>
CONTRIBUTION DEFICIENCY (EXCESS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 83,526,915	\$ 83,526,915	\$ 96,047,196
Contributions as a percentage of covered payroll	3.75%	5.06%	3.40%

Note: GASB 68, Paragraph 81.2.b requires that the data in this schedule be presented as of the District's current fiscal year as opposed to the time period covered by the measurement date of September 1, 2022 - August 31, 2023.

* The amounts presented for the period was determined as of the District's fiscal period ended June 30.

** The amounts presented for the fiscal years was determined as of the District's fiscal year ended August 31.

Exhibit G-4

<u>2021 *</u>	<u>2020 *</u>	<u>2019 *</u>	<u>2018 **</u>	<u>2017 **</u>	<u>2016 **</u>	<u>2015 **</u>
\$ 2,763,780	\$ 2,706,170	\$ 1,897,605	\$ 2,559,998	\$ 2,687,750	\$ 2,445,845	\$ 2,258,375
<u>(2,763,780)</u>	<u>(2,706,170)</u>	<u>(1,897,605)</u>	<u>(2,559,998)</u>	<u>(2,687,750)</u>	<u>(2,445,845)</u>	<u>(2,258,375)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 95,308,623	\$ 91,626,695	\$ 68,352,841	\$ 82,044,781	\$ 81,886,153	\$ 78,562,967	\$ 77,683,359
2.90%	2.95%	2.78%	3.12%	3.28%	3.11%	2.91%

Wichita Falls Independent School District

Schedule of the District's Proportionate Share of the Net OPEB Liability of a Cost-Sharing Multiple-Employer OPEB Plan Teacher Retirement System of Texas Last Seven Fiscal Years*

	<u>2024</u>	<u>2023</u>	<u>2022</u>
District's proportion of the net OPEB liability	0.1154541%	0.1088412%	0.1050993%
District's proportionate share of net OPEB liability	\$ 25,559,577	\$ 26,060,937	\$ 40,541,485
State's proportionate share of the net OPEB liability associated with the District	<u>30,841,558</u>	<u>31,790,248</u>	<u>54,316,555</u>
TOTAL	<u>\$ 56,401,135</u>	<u>\$ 57,851,185</u>	<u>\$ 94,858,040</u>
District's covered payroll	\$ 85,939,362	\$ 85,939,362	\$ 95,606,273
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	29.74%	30.32%	42.40%
Plan fiduciary net position as a percentage of the total OPEB liability	14.94%	11.52%	6.18%

Note: The amounts presented for the fiscal year were determined as of the Plan's fiscal year end, August 31, of the prior year.

* Ten years of data is not available.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
0.1073316%	0.1022262%	0.1056270%	0.1067345%
\$ 40,801,580	\$ 48,344,019	\$ 52,740,505	\$ 46,414,842
<u>54,827,544</u>	<u>64,238,388</u>	<u>66,948,830</u>	<u>60,491,454</u>
<u>\$ 95,629,124</u>	<u>\$ 112,582,407</u>	<u>\$ 119,689,335</u>	<u>\$ 106,906,296</u>
\$ 93,632,822	\$ 81,962,063	\$ 82,044,781	\$ 81,886,153
43.58%	58.98%	64.28%	56.68%
4.99%	2.66%	1.57%	0.91%

Wichita Falls Independent School District
Schedule of the District's Contributions to the
Teacher Retirement System of Texas OPEB Plan
Last Seven Fiscal Years***

	<u>2024 *</u>	<u>2023 *</u>	<u>2022 *</u>
Contractually required contribution	\$ 758,602	\$ 998,409	\$ 889,948
Contribution in relation to the contractually required contribution	<u>(758,602)</u>	<u>(998,409)</u>	<u>(889,948)</u>
CONTRIBUTION DEFICIENCY (EXCESS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 83,526,915	\$ 83,526,915	\$ 96,047,196
Contributions as a percentage of covered payroll	0.91%	1.20%	0.93%

* The amounts presented for the fiscal period was determined as of the District's fiscal period ended June 30.

** The amounts presented for the fiscal year were determined as of the District's fiscal year ended August 31.

*** Ten years of data is not available.

<u>2021 *</u>	<u>2020 *</u>	<u>2019 *</u>	<u>2018 **</u>
\$ 817,581	\$ 799,787	\$ 607,232	\$ 729,149
(817,581)	(799,787)	(607,232)	(729,149)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 95,308,623	\$ 91,626,695	\$ 68,352,841	\$ 82,044,781
0.86%	0.87%	0.89%	0.89%

Wichita Falls Independent School District

Notes to the Required Supplementary Information

Note 1. Budgetary Data

A. Budgetary Information

The official budget was prepared for adoption for the general, child nutrition, and debt service funds. The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

- 1.** Prior to June 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning July 1.
- 2.** A meeting of the Board is called for the purpose of adopting the proposed budget with public notice given at least 10 days prior to the meeting.
- 3.** Prior to July 1, the budget is adopted by the Board.

After adoption, the budget may be amended through action by the Board. Budget amendments are approved at the functional expenditure level. All amendments are before the fact and reflected in the official minutes of the Board. Budgets are controlled at the functional level by personnel responsible for the organizational financial reporting.

Combining Statements and Schedules

Wichita Falls Independent School District

Combining Balance Sheet
 Nonmajor Governmental Funds
 June 30, 2024

		205	206	211
Data Control Codes		Head Start	ESEA Title X Part C Homeless	ESEA Title I Improving Basic Programs
ASSETS				
1110	Cash and cash equivalents	\$ 137,242	\$ 3,846	\$ 36,740
1240	Due from other governments	590,401	1,774	577,301
1260	Due from other funds	-	-	-
1300	Inventories	-	-	-
1000 TOTAL ASSETS		727,643	5,620	614,041
LIABILITIES				
Current liabilities;				
2110	Accounts payable	2,304	-	8,364
2150	Payroll deductions & withholdings	47,638	123	25,512
2160	Accrued wages payable	303,671	986	221,801
2170	Due to other funds	373,974	4,511	357,818
2180	Due to other governments	-	-	546
2300	Unearned revenue	-	-	-
2000 Total liabilities		727,587	5,620	614,041
FUND BALANCES				
Restricted:				
3450	Federal/state funds grant restrictions	56	-	-
Committed:				
3545	Other committed fund balance	-	-	-
3600	Unassigned	-	-	-
3000 Total fund balances		56	-	-
4000 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		\$ 727,643	\$ 5,620	\$ 614,041

213	215	224	225	226	244	255
ESEA Title I Part B - Even St. Family Literacy	ESEA Title I Part A Capital Expenses	IDEA-B Formula	IDEA-B Preschool Grant	IDEA-B High Cost	Career and Tech Basic Grant	ESEA Title II Training & Recruiting
\$ 2,705	\$ 20,966	\$ 162,150	\$ 2,047	\$ -	\$ 3,480	\$ -
-	18,879	440,733	6,528	1,722	15,235	5,359
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,705	39,845	602,883	8,575	1,722	18,715	5,359
-	-	-	-	-	3,020	-
-	1,746	28,905	745	-	-	-
(2,600)	9,405	40,488	8,574	-	-	(5,850)
5,305	28,694	533,490	(744)	1,722	15,275	11,209
-	-	-	-	-	420	-
-	-	-	-	-	-	-
2,705	39,845	602,883	8,575	1,722	18,715	5,359
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 2,705</u>	<u>\$ 39,845</u>	<u>\$ 602,883</u>	<u>\$ 8,575</u>	<u>\$ 1,722</u>	<u>\$ 18,715</u>	<u>\$ 5,359</u>

Wichita Falls Independent School District
Combining Balance Sheet
Nonmajor Governmental Funds – Continued
June 30, 2024

		263	272	279
Data Control Codes		Title III Part A Language	MAC Program	ESSER III - TCLAS
ASSETS				
1110	Cash and cash equivalents	\$ -	\$ -	\$ -
1240	Due from other governments	2,663	3,640	58,320
1260	Due from other funds	-	-	-
1300	Inventories	-	-	-
1000	Total assets	2,663	3,640	58,320
LIABILITIES				
Current liabilities				
2110	Accounts payable	-	2,280	-
2150	Payroll deductions & withholdings	-	(70)	-
2160	Accrued wages payable	-	6,698	-
2170	Due to other funds	2,545	(5,268)	58,320
2180	Due to other governments	118	-	-
2300	Unearned revenue	-	-	-
2000	Total liabilities	2,663	3,640	58,320
FUND BALANCES				
Restricted:				
3450	Federal/state funds grant restrictions	-	-	-
Committed:				
3545	Other committed fund balance	-	-	-
3600	Unassigned	-	-	-
3000	Total fund balances	-	-	-
4000	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 2,663	\$ 3,640	\$ 58,320

281	282	284	285	287/291	288	289
ESSER II	ESSER III	IDEA - Part B, Formula - ARP	IDEA - Part B, Preschool - ARP	Department of Defense Grant	HIPPY Grant	Summer School
\$ 1,188,440	\$ -	\$ -	\$ -	\$ 210	\$ 685	\$ 68,586
-	1,536,925	-	-	46,576	164,233	24,899
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,188,440	1,536,925	-	-	46,786	164,918	93,485
-	-	-	-	503	726	-
23,288	(81,340)	(966)	(90)	1,201	5,031	1,538
-	-	-	-	9,833	42,558	3,798
1,165,152	1,618,265	966	90	35,249	116,500	85,208
-	-	-	-	-	-	-
-	-	-	-	-	103	-
1,188,440	1,536,925	-	-	46,786	164,918	90,544
-	-	-	-	-	-	2,941
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	2,941
<u>\$ 1,188,440</u>	<u>\$ 1,536,925</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,786</u>	<u>\$ 164,918</u>	<u>\$ 93,485</u>

Wichita Falls Independent School District
Combining Balance Sheet
Nonmajor Governmental Funds – Continued
June 30, 2024

		315	316	397
Data Control Codes		IDEA-B Discretionary	IDEA-B Deaf	Advanced Placement Incentives
ASSETS				
1110	Cash and cash equivalents	\$ 269	\$ 190	\$ 813
1240	Due from other governments	2,695	-	-
1260	Due from other funds	-	-	-
1300	Inventories	-	-	-
1000 TOTAL ASSETS		2,964	190	813
LIABILITIES				
Current liabilities				
2110	Accounts payable	2,355	-	-
2150	Payroll deductions & withholdings	-	-	-
2160	Accrued wages payable	-	-	-
2170	Due to other funds	609	-	-
2180	Due to other governments	-	-	-
2300	Unearned revenue	-	-	-
2000 Total liabilities		2,964	-	-
FUND BALANCES				
Restricted:				
3450	Federal/state funds grant restrictions	-	190	813
Committed:				
3545	Other committed fund balance	-	-	-
3600	Unassigned	-	-	-
3000 Total fund balances		-	190	813
4000 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		\$ 2,964	\$ 190	\$ 813

410	415	427	429	435	461	480
State Textbook Fund	Kindergarten and Pre-K Grant	HOPES Grant	State Funded Special Revenue Fund	Regional Day School for the Deaf	Campus Activity Funds	No Kid Hungry Grant
\$ 569,680	\$ -	\$ 30,812	\$ -	\$ -	\$ 839,190	\$ 16,636
-	50	31,203	20,858	273,825	-	-
-	-	-	-	-	150	-
-	-	-	-	-	-	-
569,680	50	62,015	20,858	273,825	839,340	16,636
-	-	123	948	-	1,002	-
-	-	1,070	-	11,834	-	-
-	-	5,508	-	87,612	-	-
-	2,653	32,717	15,732	606,848	9	-
-	-	-	-	-	-	-
537,257	-	-	19,649	-	-	16,636
537,257	2,653	39,418	36,329	706,294	1,011	16,636
32,423	-	22,597	-	-	-	-
-	-	-	-	-	838,329	-
-	(2,603)	-	(15,471)	(432,469)	-	-
32,423	(2,603)	22,597	(15,471)	(432,469)	838,329	-
<u>\$ 569,680</u>	<u>\$ 50</u>	<u>\$ 62,015</u>	<u>\$ 20,858</u>	<u>\$ 273,825</u>	<u>\$ 839,340</u>	<u>\$ 16,636</u>

Wichita Falls Independent School District
Combining Balance Sheet
Nonmajor Governmental Funds – Continued
June 30, 2024

Exhibit H-1
Page 4 of 4

Data Control Codes		489	499	Total Nonmajor Governmental Funds
		West Foundation	Local Special Revenue	
ASSETS				
1110	Cash and cash equivalents	\$ 237,141	\$ 165,366	\$ 3,487,194
1240	Due from other governments	-	-	3,823,819
1260	Due from other funds	-	-	150
1300	Inventories	8,873	-	8,873
1000 TOTAL ASSETS		246,014	165,366	7,320,036
LIABILITIES				
Current liabilities				
2110	Accounts payable	12	2,219	23,856
2150	Payroll deductions & withholdings	-	-	66,165
2160	Accrued wages payable	-	-	732,482
2170	Due to other funds	100,000	-	5,166,849
2180	Due to other governments	-	-	1,084
2300	Unearned revenue	148,357	165,183	887,185
2000 Total liabilities		248,369	167,402	6,877,621
FUND BALANCES				
Restricted:				
3450	Federal/state funds grant restrictions	-	-	59,020
Committed:				
3545	Other committed fund balance	-	-	838,329
3600	Unassigned	(2,355)	(2,036)	(454,934)
3000 Total fund balances		(2,355)	(2,036)	442,415
4000	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 246,014	\$ 165,366	\$ 7,320,036

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Wichita Falls Independent School District

Combining Statement of Revenues, Expenditures and Changes
 In Fund Balance – Nonmajor Governmental Funds
 For the Fiscal Year Ended June 30, 2024

Data Control Codes		205	206	211
		Head Start	ESEA Title X Part C Homeless	ESEA Title I Improving Basic Programs
REVENUES				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	2,689,338	21,804	3,512,071
5020	Total revenues	2,689,338	21,804	3,512,071
EXPENDITURES				
Current:				
0011	Instruction	2,262,820	6,482	2,526,739
0012	Instructional resources and media services	-	-	-
0013	Curriculum and staff development	8,732	-	482,575
0021	Instructional leadership	-	-	349,359
0023	School leadership	166,788	-	26,436
0031	Guidance, counseling, and evaluation services	20,347	-	6,230
0032	Social work services	308,827	15,322	45,607
0033	Health services	4,688	-	12,324
0034	Student transportation	50,000	-	15,694
0036	Cocurricular/extracurricular activities	-	-	-
0041	General administration	-	-	14,410
0051	Facilities maintenance and operations	23	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	1,117	-	32,697
Intergovernmental:				
0093	Payments to shared service arrangements	-	-	-
6030	Total expenditures	2,823,342	21,804	3,512,071
1100	Excess (deficiency) of revenues over (under) expenditures	(134,004)	-	-
OTHER FINANCING SOURCES (USES)				
7915	Transfers in	134,004	-	-
8911	Transfers out	-	-	-
7080	Total other financing sources (uses)	134,004	-	-
1200	Net change in fund balances	-	-	-
0100	Fund balances, beginning	56	-	-
3000	FUND BALANCES, ending	\$ 56	\$ -	\$ -

213	215	224	225	226	244	255
ESEA Title I Part B - Even St. Family Literacy	ESEA Title I Part A Capital Expenses	IDEA-B Formula	IDEA-B Preschool Grant	IDEA-B High Cost	Career and Tech Basic Grant	ESEA Title II Training & Recruiting
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
916	90,588	3,021,040	75,533	-	152,374	178,387
916	90,588	3,021,040	75,533	-	152,374	178,387
916	90,187	798,559	75,533	-	18,880	3,819
-	-	-	-	-	-	-
-	-	156,052	-	-	-	173,366
-	-	-	-	-	133,494	-
-	-	2,066,429	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	401	-	-	-	-	1,202
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
916	90,588	3,021,040	75,533	-	152,374	178,387
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Wichita Falls Independent School District

Combining Statement of Revenues, Expenditures and Changes
 In Fund Balance – Nonmajor Governmental Funds – Continued
 For the Fiscal Year Ended June 30, 2024

		263	272	279
Data Control Codes		Title III Part A Language	MAC Program	ESSER III - TCLAS
REVENUES				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	129,020	154,553	317,404
5020	Total revenues	129,020	154,553	317,404
EXPENDITURES				
Current:				
0011	Instruction	113,899	149	177,348
0012	Instructional resources and media services	5,780	-	-
0013	Curriculum and staff development	4,216	250	-
0021	Instructional leadership	749	51,114	140,056
0023	School leadership	-	-	-
0031	Guidance, counseling, and evaluation services	-	101,281	-
0032	Social work services	-	-	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0036	Cocurricular/extracurricular activities	-	-	-
0041	General administration	401	1,759	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	3,975	-	-
Intergovernmental:				
0093	Payments to shared service arrangements	-	-	-
6030	Total expenditures	129,020	154,553	317,404
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-
OTHER FINANCING SOURCES (USES)				
7915	Transfers in	-	-	-
8911	Transfers out	-	-	-
7080	Total other financing sources (uses)	-	-	-
1200	Net change in fund balances	-	-	-
0100	Fund balances, beginning	-	-	-
3000	FUND BALANCES, ending	\$ -	\$ -	\$ -

281	282	284	285	287/291	288	289
ESSER II	ESSER III	IDEA - Part B, Formula - ARP	IDEA - Part B, Preschool - ARP	Department of Defense Grant	HIPPY Grant	Summer School
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	3,394,499	47	-	153,196	541,319	400,463
-	3,394,499	47	-	153,196	541,319	400,463
-	3,252,933	-	-	62,811	-	83,208
-	-	-	-	-	-	-
-	141,566	-	-	7,372	-	144,731
-	-	-	-	82,572	15,309	-
-	-	-	-	441	-	-
-	-	47	-	-	-	99,194
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	10,908	401
-	-	-	-	-	-	-
-	-	-	-	-	-	69,988
-	-	-	-	-	-	-
-	-	-	-	-	515,102	-
-	-	-	-	-	-	-
-	3,394,499	47	-	153,196	541,319	397,522
-	-	-	-	-	-	2,941
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	2,941
-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,941

Wichita Falls Independent School District

Combining Statement of Revenues, Expenditures and Changes
 In Fund Balance – Nonmajor Governmental Funds – Continued
 For the Fiscal Year Ended June 30, 2024

		315	316	397
Data Control Codes		IDEA-B Discretionary	IDEA-B Deaf	Advanced Placement Incentives
REVENUES				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	24,495	-	-
5020	Total revenues	24,495	-	-
EXPENDITURES				
Current:				
0011	Instruction	21,950	-	-
0012	Instructional resources and media services	-	-	-
0013	Curriculum and staff development	2,545	-	-
0021	Instructional leadership	-	-	-
0023	School leadership	-	-	-
0031	Guidance, counseling, and evaluation services	-	-	-
0032	Social work services	-	-	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0036	Cocurricular/extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	-	-	-
Intergovernmental:				
0093	Payments to shared service arrangements	-	-	-
6030	Total expenditures	24,495	-	-
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-
OTHER FINANCING SOURCES (USES)				
7915	Transfers in	-	-	-
8911	Transfers out	-	-	-
7080	Total other financing sources (uses)	-	-	-
1200	Net change in fund balances	-	-	-
0100	Fund balances, beginning	-	190	813
3000	FUND BALANCES, ending	\$ -	\$ 190	\$ 813

410	415	427	429	435	461	480
State Textbook Fund	Kindergarten and Pre-K Grant	HOPES Grant	State Funded Special Revenue Fund	Regional Day School for the Deaf	Campus Activity Funds	No Kid Hungry Grant
\$ -	\$ -	\$ -	\$ -	\$ 350,261	\$ 609,600	\$ -
1,909,605	-	126,045	637,970	233,630	-	-
-	-	-	-	-	-	-
1,909,605	-	126,045	637,970	583,891	609,600	-
1,909,606	-	-	12,565	689,520	215,738	-
-	-	-	-	-	74,482	-
-	-	-	8,575	-	-	-
-	-	-	497,242	-	-	-
-	-	-	-	-	40,711	-
-	-	-	88,490	1,323	1,895	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	291,370	-
-	-	-	-	-	-	-
-	-	-	-	-	124	-
-	-	-	33,422	-	-	-
-	-	-	-	-	51,498	-
-	-	126,045	-	-	-	-
-	-	-	-	-	-	-
1,909,606	-	126,045	640,294	690,843	675,818	-
(1)	-	-	(2,324)	(106,952)	(66,218)	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(1)	-	-	(2,324)	(106,952)	(66,218)	-
32,424	(2,603)	22,597	(13,147)	(325,517)	904,547	-
\$ 32,423	\$ (2,603)	\$ 22,597	\$ (15,471)	\$ (432,469)	\$ 838,329	\$ -

Wichita Falls Independent School District

Combining Statement of Revenues, Expenditures and Changes
 In Fund Balance – Nonmajor Governmental Funds – Continued
 For the Fiscal Year Ended June 30, 2024

Exhibit H-2

Page 4 of 4

Data Control Codes		489	499	Total Nonmajor Governmental Funds
		West Foundation	Local Special Revenue	
REVENUES				
5700	Local and intermediate sources	\$ 212,251	\$ 533,818	\$ 1,705,930
5800	State program revenues	-	-	2,907,250
5900	Federal program revenues	-	-	14,857,047
		<hr/>	<hr/>	<hr/>
5020	Total revenues	212,251	533,818	19,470,227
EXPENDITURES				
Current:				
0011	Instruction	176,518	506,179	13,006,359
0012	Instructional resources and media services	1,314	-	81,576
0013	Curriculum and staff development	40,000	-	1,169,980
0021	Instructional leadership	-	-	1,269,895
0023	School leadership	-	-	234,376
0031	Guidance, counseling, and evaluation services	-	-	2,385,236
0032	Social work services	-	-	369,756
0033	Health services	-	-	17,012
0034	Student transportation	-	-	65,694
0036	Cocurricular/extracurricular activities	-	29,859	321,229
0041	General administration	-	-	29,482
0051	Facilities maintenance and operations	-	-	147
0052	Security and monitoring services	-	-	103,410
0053	Data processing services	-	-	51,498
0061	Community services	-	-	678,936
Intergovernmental:				
0093	Payments to shared service arrangements	-	-	-
		<hr/>	<hr/>	<hr/>
6030	Total expenditures	217,832	536,038	19,784,586
1100	Excess (deficiency) of revenues over (under) expenditures	(5,581)	(2,220)	(314,359)
OTHER FINANCING SOURCES (USES)				
7915	Transfers in	-	-	134,004
8911	Transfers out	-	-	-
		<hr/>	<hr/>	<hr/>
7080	Total other financing sources (uses)	-	-	134,004
1200	Net change in fund balances	(5,581)	(2,220)	(180,355)
0100	Fund balances, beginning	3,226	184	622,770
		<hr/>	<hr/>	<hr/>
3000	FUND BALANCES, ending	<u>\$ (2,355)</u>	<u>\$ (2,036)</u>	<u>\$ 442,415</u>

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Wichita Falls Independent School District
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2024

Exhibit H-3

Data Control Codes		828 Ryan Scholarship Fund	829 Renton Aviation Fund	865 Student Activity Fund	Total Custodial Funds
	ASSETS				
1110	Cash and cash equivalents	\$ 641,109	\$ 3,000	\$ 242,582	\$ 886,691
1290	Other receivables	-	-	71,837	71,837
1000	TOTAL ASSETS	\$ 641,109	\$ 3,000	\$ 314,419	\$ 958,528
	LIABILITIES:				
2190	Accounts payable	\$ -	\$ -	828	\$ 828
2000	Total liabilities	-	-	828	828
	NET POSITION				
3800	Restricted for other purposes	641,109	3,000	313,591	957,700
3000	TOTAL NET POSITION	\$ 641,109	\$ 3,000	\$ 313,591	\$ 957,700

Wichita Falls Independent School District**Exhibit H-4**

Combining Statement of Changes in Fiduciary Net Position

Custodial Funds

For the Fiscal Year Ended June 30, 2024

	828 Ryan Scholarship Fund	829 Renton Aviation Fund	865 Student Activity Fund	Total Custodial Funds
ADDITIONS				
Gifts and bequests	\$ 223,065	\$ -	\$ -	\$ 223,065
Miscellaneous revenue from student groups	-	-	335,929	335,929
Total additions	223,065	-	335,929	558,994
DEDUCTIONS				
Scholarship awards	247,500	-	-	247,500
Dues and fees	-	-	308,763	308,763
Total deductions	247,500	-	308,763	556,263
Changes in net position	(24,435)	-	27,166	2,731
NET POSITION:				
Net position, beginning	665,544	3,000	286,425	954,969
NET POSITION, end of year	<u>\$ 641,109</u>	<u>\$ 3,000</u>	<u>\$ 313,591</u>	<u>\$ 957,700</u>

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Required TEA Schedules

Wichita Falls Independent School District

Schedule of Delinquent Taxes Receivable

For the Fiscal Year Ended June 30, 2024

Last Ten Years Ended June 30,	1		2		3
	Tax Rates				Net Assessed/Appraised Value For School Tax Purposes
	Maintenance		Debt Service		
2014 and prior years	\$	Various	\$	Various	Various
2015		1.04		0.095	4,123,975,683
2016		1.04		0.190	4,257,991,182
2017		1.04		0.190	4,335,535,584
2018		1.04		0.190	4,429,361,935
2019		1.04		0.180	4,556,179,129
2020		0.97		0.180	4,766,677,223
2021		0.9664		0.180	4,952,215,675
2022		0.9401		0.425	5,285,038,473
2023		0.8715		0.425	5,814,464,019
2024		0.7174		0.425	5,159,394,451

1000 TOTALS

8000 - Taxes refunded under section 26.1115, tax code,
for owners who received an exemption as provided by section 11.42(f), tax code

9000 - Portion of row 1000 for taxes paid into tax increment zone under chapter 311, tax code

Exhibit J-1

10	20	31	32	40	50	99
Beginning Balance 7/1/2023	Current Year's Total Levy	Maintenance Collections	Debt Service Collections	Entire Year's Adjustments	Ending Balance 6/30/2024	Total Taxes Refunded Under Section 26.1115(c)
\$ -	\$ -	\$ 14,461	\$ 2,294	\$ (21,616)	\$ (38,371)	
434,523	-	4,733	432	(1,287)	428,071	
124,405	-	3,526	644	(1,335)	118,900	
203,846	-	5,075	927	(1,109)	196,735	
192,211	-	10,725	1,959	(1,399)	178,128	
48,916	-	19,890	3,442	(2,786)	22,798	
(528,496)	-	30,637	5,686	(2,403)	(567,222)	
198,477	-	41,525	7,734	(2,844)	146,374	
287,483	-	37,152	16,795	(72,712)	160,824	
1,283,808	-	499,185	243,435	(367,778)	173,410	
-	58,940,870	35,705,064	21,152,239	(762,193)	1,321,374	
<u>\$ 2,245,173</u>	<u>\$ 58,940,870</u>	<u>\$ 36,371,973</u>	<u>\$ 21,435,587</u>	<u>\$ (1,237,462)</u>	<u>\$ 2,141,021</u>	
						\$ 836,734
		\$ -				

Wichita Falls Independent School District
 Budgetary Comparison Schedule – Debt Service Fund
 For the Fiscal Year Ended June 30, 2024

Exhibit J-2

Data Control Codes		Budgeted Amounts		Actual	Variance Final Budget Positive or (Negative)
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 23,614,035	\$ 23,614,035	\$ 21,969,130	\$ (1,644,905)
5800	State program revenues	-	-	3,593,335	3,593,335
5020	Total revenues	23,614,035	23,614,035	25,562,465	1,948,430
EXPENDITURES					
Debt service:					
0071	Principal on long-term debt	11,915,000	11,915,000	11,915,000	-
0072	Interest on long-term debt	10,096,484	10,096,484	10,096,483	1
0073	Bond issuance costs and fees	-	8,000	7,150	850
	Total debt service	22,011,484	22,019,484	22,018,633	851
6030	Total expenditures	22,011,484	22,019,484	22,018,633	851
	Net change in fund balance	1,602,551	1,594,551	3,543,832	1,947,579
0100	Fund balances, beginning	6,802,461	6,802,461	6,802,461	-
3000	FUND BALANCES, ending	<u>\$ 8,405,012</u>	<u>\$ 8,397,012</u>	<u>\$ 10,346,293</u>	<u>\$ 1,947,579</u>

Wichita Falls Independent School District

Use of Funds Report – Select State Allotment

June 30, 2024

Exhibit J-4

<u>Data Codes</u>		<u>Responses</u>
Section A: Compensatory Education Programs		
AP1	Did your District expend any state compensatory education program state allotment funds during the District's fiscal year?	Yes
AP2	Does the District have written policies and procedures for its state compensatory education program?	Yes
AP3	Total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 13,719,860
AP4	Actual direct program expenditures for state compensatory education programs during the District's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 9,370,118
Section B: Bilingual Education Programs		
AP5	Did your District expend any bilingual education program state allotment funds during the District's fiscal year?	Yes
AP6	Does the District have written policies and procedures for its bilingual education program?	Yes
AP7	Total state allotment funds received for bilingual education programs during the District's fiscal year.	\$ 840,987
AP8	Actual direct program expenditures for bilingual education programs during the District's fiscal year. (PICs 25)	\$ 470,112

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Overall Compliance and Internal Controls 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
Wichita Falls Independent School District

We have audited, 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, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wichita Falls 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 October 31, 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 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

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

Weaver and Tidwell, L.L.P.
2300 North Field Street, Suite 1000 | Dallas, Texas 75201
Main: 972.490.1970

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The Board of Trustees
Wichita Falls Independent School District

Purpose of this Report

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
October 31, 2024

**Independent Auditor's Report on Compliance for Each Major
Federal Program and Report on Internal Control over Compliance
Required by the Uniform Guidance**

To the Board of Trustees
Wichita Falls Independent School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Wichita Falls Independent School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended 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 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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Weaver and Tidwell, L.L.P.
2300 North Field Street, Suite 1000 | Dallas, Texas 75201
Main: 972.490.1970

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

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

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

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

Report on Internal Control Over Compliance

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

The Board of Trustees
Wichita Falls Independent School District

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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
October 31, 2024

Wichita Falls Independent School District

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2024

Section 1. Summary of the Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified that are not considered a material weakness? _____ Yes X None reported

Noncompliance material to financial statements noted _____ Yes X No

Major Programs

Internal control over major programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified that are not considered a material weakness? _____ Yes X None reported

An unmodified opinion was issued on compliance for major programs.

Any audit findings disclosed that were required to be reported in accordance with section 2 CFR 200.516(a)? _____ Yes X No

Identification of major federal programs:

10.553, 10.555, & 10.559 – Child Nutrition Cluster
93.600 – Head Start

The dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as a low-risk auditee? X Yes _____ No

Wichita Falls Independent School District

Schedule of Findings and Questioned Costs

For the Fiscal Year Ended June 30, 2024

Section 2. Findings Relating To the Financial Statements

None

Section 3. Findings and Questioned Costs

None

Section 4. Prior Year Findings and Questioned Costs

Finding 2023-01 – Compliance with FSP Allotment spending

Corrective Action

The District continually monitored spending as required by TEA to ensure that all allotments are expended during the year. All allotments met the spending requirement in fiscal year 2024.

Status - Corrected

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Wichita Falls Independent School District

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2024

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Region IX Education Service Center:			
Head Start	93.600	06CH011086-06-00	\$ 2,103,272
Head Start	93.600	06CH011086	586,066
Total Assistance Listing # 93.600			2,689,338
Passed Through North Texas Area United Way:			
Maternal, Infant, and Early Childhood Home Visiting Program	93.505	529-14-0109-00001	591,373
Passed Through Texas Health and Human Services Commission:			
Medicaid Administrative Claiming Program - MAC	93.778	HHS000537900146	154,553
Total U.S. Department of Health and Human Services			3,435,264
U.S. DEPARTMENT OF EDUCATION			
Direct Programs:			
Impact Aid - P.L.	84.041	N/A	362,087
Passed Through Region 10:			
Texas McKinney-Vento Program 2	84.196A	236400057110083	282
Texas McKinney-Vento Program 2	84.196A	244600057110090	22,571
Total Assistance Listing # 84.196A			22,853
Passed Through State Department of Education:			
ESEA Title I Part A - Improving Basic Programs	84.010A	236101010243905	272,495
ESEA Title I Part A - Improving Basic Programs	84.010A	246101010243905	3,403,418
ESEA Title I - School Improvement Program	84.010A	23610141243905	916
ESEA Title I Part D, Subpart 2 - Delinquent Programs	84.010A	23610103243905	2,977
ESEA Title I Part D, Subpart 2 - Delinquent Programs	84.010A	24610103243905	91,225
Total Assistance Listing # 84.010A			3,771,031
Special Education Cluster:			
IDEA-B Formula	84.027A	236600012439056000	63,871
IDEA-B Formula	84.027A	246600012439056000	3,089,462
IDEA-B Formula - ARP	84.027A	225350022439055000	47
SSA IDEA-B Discretionary Deaf	84.027A	2466000112439056673	24,495
IDEA-B Preschool	84.173A	236610012439056610	1,494
IDEA-B Preschool	84.173A	246610012439056610	74,039
Total Special Education Cluster			3,253,408
Vocational Education - Basic Grant	84.048A	23420006243905	17,005
Vocational Education - Basic Grant	84.048A	24420006243905	142,345
Total Assistance Listing # 84.048A			159,350
ESEA Title III-LEP	84.365A	23671001243905	16,533
ESEA Title III-LEP	84.365A	24671001243905	118,396
Total Assistance Listing # 84.365A			134,929
ESEA Title II, Part A - Teacher & Principal Training & Recruiting	84.367A	23694501243905	45,968
ESEA Title II, Part A - Teacher & Principal Training & Recruiting	84.367A	24694501243905	142,378
Total Assistance Listing # 84.367A			188,346
ESEA Title IV Part A - Subpart 1	84.424A	23680101243905	111,965
ESEA Title IV Part A - Subpart 1	84.424A	24680101243905	236,229
Total Assistance Listing # 84.424A			348,194
COVID-19 ARP ESSER III	84.425U	21528001243905	3,394,499
COVID-19 TCLAS ESSER III	84.425U	21528042243905	317,404
Total Assistance Listing # 84.425U			3,711,903
Total Passed Through State Department of Education			11,567,161
Total U.S. Department of Education			11,952,101

Exhibit K-1

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U. S. DEPARTMENT OF AGRICULTURE			
Child Nutrition Cluster:			
Passed Through State Department of Agriculture:			
Food Distribution - SBP - Noncash Assistance	10.553	806780706	11,416
Food Distribution - NSLP - Noncash Assistance	10.555	806780706	31,141
Total Passed Through State Department of Agriculture			<u>42,557</u>
Passed Through State Department of Education:			
School Breakfast Program	10.553	7140901	1,866,731
National School Lunch Program	10.555	7130901	4,440,454
Total Passed Through State Department of Education			<u>6,307,185</u>
Passed Through State Department of Human Services:			
Summer Feeding Program	10.559	TX-2431005SU	75,324
Total Passed Through State Department of Human Services			<u>75,324</u>
Total Child Nutrition Cluster			6,425,066
Passed Through State Department of Agriculture:			
Supply Chain Assistance (SCA)	10.558	01138	170,878
Child and Adult Care Food Program (SCA)	10.558	01138	237,599
Total Passed Through State Department of Agriculture			<u>408,477</u>
Total U.S. Department of Agriculture			6,833,543
U. S. DEPARTMENT OF JUSTICE			
Direct programs:			
COPS Office School Violence Prevention Program	16.710	2020\$VW X0027	67,538
Total U.S. Department of Justice			<u>67,538</u>
U.S. DEPARTMENT OF DEFENSE			
Direct programs:			
ROTC (Instructional Reimbursement)	12.000	243-905	203,065
Military-Connected Academic and Support Programs	12.556	HE12541510030	72,100
Military-Connected Academic and Support Programs	12.556	HE12542210016	81,096
Total U.S. Department of Defense			<u>356,261</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 22,644,707</u>

The Notes to the Schedule of Expenditures of Federal Awards are an integral part of this statement.

Wichita Falls Independent School District

Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2024

Basis of Presentation

The modified accrual basis of accounting is used for the governmental funds. Accordingly, the schedule of expenditures of federal awards was prepared under this basis of accounting, which requires that revenues are recognized in the accounting period in which they become susceptible to accrual, i.e., both measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for interest on 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 deferred revenues until earned.

The following table reconciles total expenditures per the schedule of expenditures of federal awards (Exhibit K-1) to the federal program revenues per Exhibit C-2:

Total expenditures of federal awards per Exhibit K-1	\$	22,644,707
E-Rate program		23,230
SHARS revenue		3,276,315
		<hr/>
Total federal program revenues per Exhibit C-2	\$	25,944,252
		<hr/> <hr/>

Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate.