

CAMPBELL INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
YEAR ENDED AUGUST 31, 2024

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CAMPBELL INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
YEAR ENDED AUGUST 31, 2024

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CERTIFICATE OF BOARD

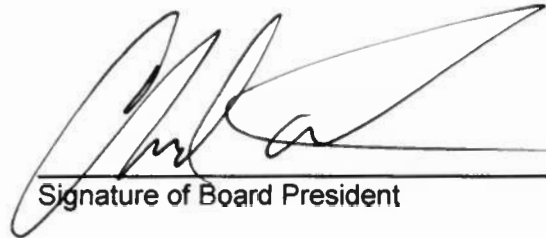
Campbell Independent School District
Name of School District

Hunt
County

116-910
Co.-Dist. Number

We, the undersigned, certify that the attached auditor's report of the above named school district was reviewed and 5 approved/ 0 disapproved for the year ended August 31, 2024, at a meeting of the board of school trustees of such school district on November 21, 2024.

Tui Damm
Signature of Board Secretary


Signature of Board President

If the auditor's report was checked above as disapproved, the reasons(s) therefore are/are (attach list if necessary):

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Members of the Board
Campbell Independent School District

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Campbell Independent School District (District), as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Campbell Independent School District as of August 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and schedules related to pension and other post-employment benefit activities 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 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.

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Rutherford, Taylor & Company PC". The signature is written in a cursive, flowing style.

November 18, 2024
Greenville, Texas

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*

Members of the Board
Campbell Independent School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Campbell Independent School District (District), as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 18, 2024.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Report on Internal Control – Continued

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.

Rutherford, Taylor & Company PC

November 18, 2024
Greenville, Texas

CAMPBELL INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2024

Financial Statement Findings (Section I)

NONE

CAMPBELL INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2024

Prior Year Findings (Section II)

NONE

CAMPBELL INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED AUGUST 31, 2024

Corrective Action Plans (Section III)

NONE

CAMPBELL INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED AUGUST 31, 2024

This section of Campbell Independent School District's annual financial report presents our discussion and analysis of the District's financial performance during the year ended August 31, 2024. Please read it in conjunction with the District's basic financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

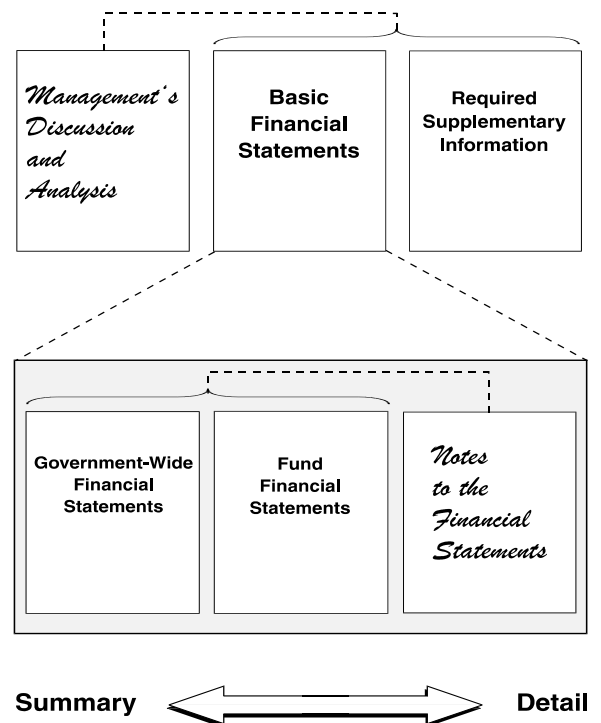
- The District's total combined net position was \$ 5,454,801 at August 31, 2024.
- During the year, the District's expenses were \$ 375,526 more than the \$ 5,151,416 generated in local property taxes and other revenues for governmental activities.
- The General Fund reported a fund balance this year of \$ 2,764,331, a decrease of \$ 190,326.
- The District issued tax maintenance notes and time warrants totaling \$ 1,517,000 to provide for facility expansion and improvements.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial 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 funds statements tell how general government services were financed in the short term as well as what remains for future spending.
- Proprietary fund statements offer short- and long-term financial information about the activities the government operates like businesses, such as a print shop.
- Fiduciary fund statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others to whom the resources in question belong.

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



The basic financial statements also include notes that explain some of the information in the basic 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 basic financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

**CAMPBELL INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED AUGUST 31, 2024**

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

<i>Type of Statements</i>	Fund Statements			
	Government-wide	Governmental Funds	Proprietary Funds	Fiduciary Funds
<i>Scope</i>	Entire Agency's government (except fiduciary funds) and the Agency's component units	The activities of the district that are not proprietary or fiduciary	Activities the district operates similar to private businesses; self insurance	Instances in which the district is the trustee or agent for someone else's resources
<i>Required financial statements</i>	<ul style="list-style-type: none"> • Statement of net assets • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenues, expenditures & changes in fund balances 	<ul style="list-style-type: none"> • Statement of net assets • Statement of revenues, expenses and changes in fund net assets • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net assets • Statement of changes in fiduciary net assets
<i>Accounting basis and measurement focus</i>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
<i>Type of asset/liability information</i>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the Agency's funds do not currently contain capital assets, although they can
<i>Type of inflow/outflow information</i>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

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

GOVERNMENT-WIDE STATEMENTS

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net position and how they have changed. Net position—the difference between the District's assets and liabilities—is one way to measure the District's financial health or position.

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

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

FUND FINANCIAL STATEMENTS

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

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

The District has the following kinds of funds:

- Governmental funds—Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information on the subsequent page that explain the relationship (or differences) between them.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED AUGUST 31, 2024

- 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. We use internal service funds to report activities that provide supplies and services for the District's other programs and activities.
- Fiduciary funds—The District is the trustee, or fiduciary, for certain funds. 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. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's combined net position was \$ 5,454,801 at August 31, 2024.

Campbell Independent School District's Net Position			Table A-1
	Governmental Activities		Total Percentage Change
	2024	2023	2023-2024
Assets:			
Cash and Investments	\$ 3,373,856	\$ 2,175,559	55.08%
Other Assets	1,524,560	1,240,618	22.89%
Capital Assets less Accumulated Depreciation	4,909,166	5,206,105	-5.70%
Total Assets	\$ 9,807,582	\$ 8,622,282	13.75%
Total Deferred Outflows of Resources	\$ 1,102,287	\$ 1,083,426	1.74%
Liabilities:			
Current Liabilities	\$ 485,770	\$ 267,996	81.26%
Long-term Liabilities	3,647,529	2,032,958	79.42%
Total Liabilities	\$ 4,133,299	\$ 2,300,954	79.63%
Total Deferred Inflows of Resources	\$ 1,321,769	\$ 1,574,427	-16.05%
Net Position:			
Net Investment in Capital Assets	\$ 3,869,105	\$ 5,060,690	-23.55%
Restricted	-	193,681	-100.00%
Unrestricted	1,585,696	575,956	175.32%
Total Net Position	\$ 5,454,801	\$ 5,830,327	-6.44%

Unrestricted net position represents resources available to fund the programs of the District next year.

CHANGES IN NET POSITION

The District's total revenues were \$ 5,151,416. 24% of the District's revenue comes from local property taxes (See Table A-2). 71% comes from state aid and federal grants, while only 5% relates to charges for services and other sources including investment earnings

The total cost of all programs and services was \$ 5,526,942. 52% of these costs are for instruction and instructional related services.

The District's tax collection percentage rate (current and delinquent base tax only) was 92.18%. The total tax collection percentage rate (base tax and penalty and interest) was 94.31%.

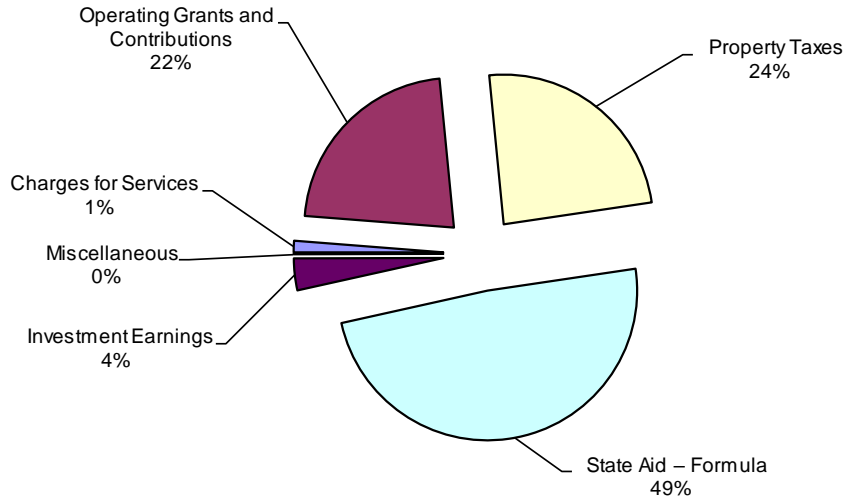
CAMPBELL INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED AUGUST 31, 2024

GOVERNMENTAL ACTIVITIES

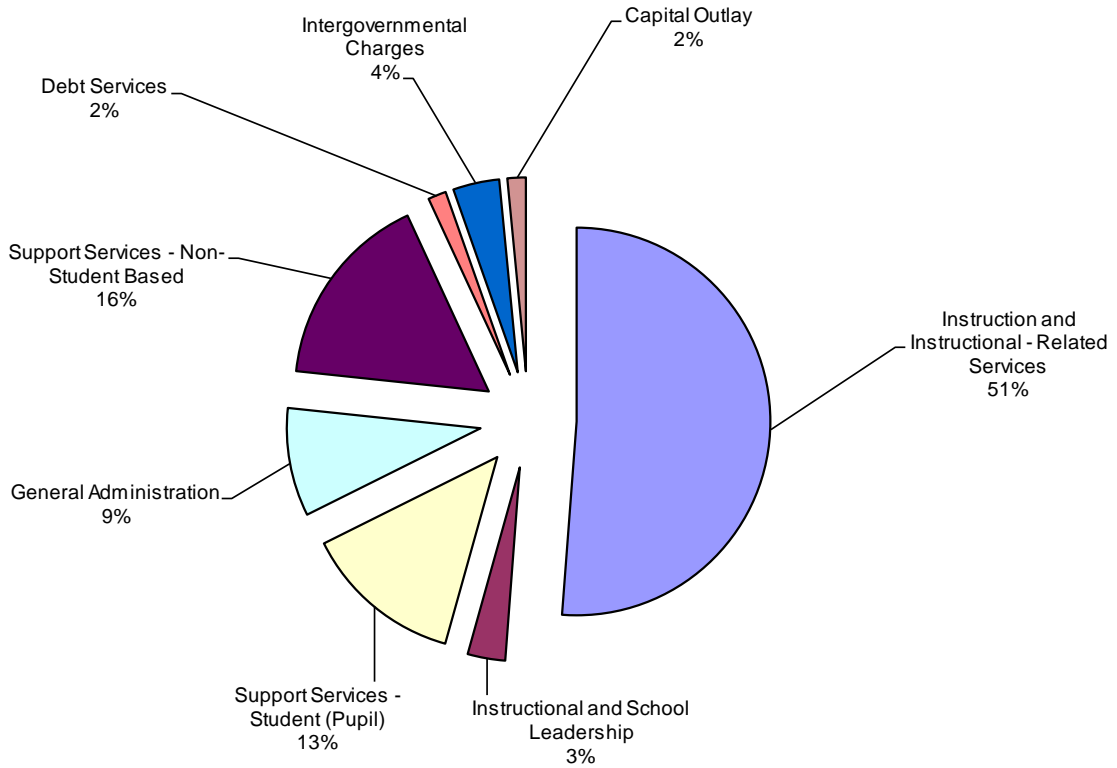
Changes in Campbell Independent School District's Net Position			Table A-2
	Governmental Activities		Total Percentage Change
	2024	2023	2023-2024
Program Revenues:			
Charges for Services	\$ 63,983	\$ 86,118	-25.70%
Operating Grants and Contributions	1,144,290	1,535,812	25.49%
General Revenues:			
Property Taxes	1,246,786	1,568,937	-20.53%
State Aid – Formula	2,517,143	2,599,612	-3.17%
Investment Earnings	176,872	98,749	79.11%
Miscellaneous	2,342	5,597	-58.16%
Total Revenues	<u>\$ 5,151,416</u>	<u>\$ 5,894,825</u>	-12.61%
Expenses:			
Instruction	\$ 2,672,225	\$ 2,607,946	2.46%
Instructional Resources and Media Services	27,816	24,169	15.09%
Curriculum and Staff Development	129,826	31,534	311.70%
School Leadership	173,393	182,056	-4.76%
Guidance, Counseling and Evaluation Services	90,353	77,841	16.07%
Health Services	74,077	58,361	26.93%
Student Transportation	66,296	147,105	-54.93%
Food Services	255,950	268,153	-4.55%
Cocurricular/Extracurricular Activities	248,720	203,201	22.40%
General Administration	498,996	412,308	21.03%
Facilities Maintenance and Operations	571,203	577,561	-1.10%
Security and Monitoring Services	90,359	39,712	127.54%
Data Processing	246,556	246,262	0.12%
Debt Service	83,229	4,650	1689.87%
Capital Outlay	84,600	40,671	108.01%
Payments for Shared Service Arrangements	173,617	118,731	46.23%
Other Governmental Charges	39,726	28,001	41.87%
Total Expenses	<u>\$ 5,526,942</u>	<u>\$ 5,068,262</u>	9.05%
Excess (Deficiency) Before Other Resources, Uses and Transfers	<u>\$ (375,526)</u>	<u>\$ 826,563</u>	-145.43%
Increase (Decrease) in Net Position	<u>\$ (375,526)</u>	<u>\$ 826,563</u>	-145.43%
Net Position - Beginning (September 1)	\$ 5,830,327	\$ 5,032,063	15.86%
Prior Period Adjustment	-	(28,299)	-100.00%
Beginning, as Restated	<u>\$ 5,830,327</u>	<u>\$ 5,003,764</u>	16.52%
Net Position - Ending (August 31)	<u>\$ 5,454,801</u>	<u>\$ 5,830,327</u>	-6.44%

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 YEAR ENDED AUGUST 31, 2024

Sources of Revenue for Fiscal Year 2024 - See Table A-2



Functional Expenses for Fiscal Year 2024 - See Table A-2



CAMPBELL INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED AUGUST 31, 2024

- Table A-3 presents the cost of selected functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by state revenues as well as local tax dollars.
- The cost of all governmental activities this year was \$ 5,526,942.
- However, the amount that our taxpayers paid for these activities through local property taxes was only \$ 1,423,658.
- Some of the cost was paid by those who directly benefited from the programs, \$ 63,983, or
- By grants and contributions, \$ 1,144,290.

Campbell Independent School District's Net Cost of Selected District Functions						Table A-3
	<u>Total Cost of Services</u>			<u>Net Cost of Services</u>		
	2024	2023	%	2024	2023	%
			Change			Change
Instruction	\$ 2,672,225	\$ 2,607,946		\$ 1,889,274	\$ 1,531,862	23.33%
School Leadership	173,393	182,056		167,670	178,241	-5.93%
General Administration	498,996	412,308		488,012	403,818	20.85%
Facilities Maintenance and Operations	571,203	577,561		560,389	571,445	-1.93%
Debt Service	83,229	4,650		83,229	4,650	1689.87%

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues in the governmental funds totaled \$ 5,219,614. This represents a decrease of \$ 775,894 from the prior year revenues of \$ 5,995,508. The change represents the expiring learning loss grants that were in place in the prior year. Additional changes to local revenues relating to tax compression and increased homestead exemption values also contributed to the decrease.

Expenditures in the governmental funds totaled \$ 5,497,743. This represents a decrease of \$ 426,671 from the prior year expenditures of \$ 5,924,414. The change represents reduced expenditures relating to federal grants for learning loss that were in place in the prior year. Overall economic conditions increased operating costs.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District revised its General Fund budget several times. With these adjustments, actual expenditures were \$ 419,864 below final General Fund budget amounts. The most significant positive variance occurred in the facility maintenance and operations functional category.

Resources available were \$ 325,102 below the final General Fund budgeted amount. The unfavorable variance was due to lower than expected local revenue funding due to the mandated homestead exemption increase, and the effects of reduced enrollment and attendance of students generating state funding.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED AUGUST 31, 2024

CAPITAL ASSETS AND DEBT ADMINISTRATION

CAPITAL ASSETS

At year end, the District had invested \$ 10,638,052 in a broad range of capital assets, including land, equipment, buildings, and vehicles (See Table A-4).

Campbell Independent School District's Capital Assets			Table A-4
	Governmental Activities		Total Percentage Change
	2024	2023	2023-2024
Land	\$ 336,088	\$ 336,088	0.00%
Construction in Progress	25,318	786,464	-96.78%
Buildings and Improvements	8,807,792	7,861,133	12.04%
Vehicles	680,143	680,143	0.00%
Equipment	718,764	707,204	1.63%
Right of Use Lease Assets	69,947	69,947	0.00%
Totals at Historical Cost	\$ 10,638,052	\$ 10,440,979	1.89%
Less Accumulated Depreciation	(5,728,886)	(5,234,874)	9.44%
Net Capital Assets	<u>\$ 4,909,166</u>	<u>\$ 5,206,105</u>	-5.70%

DEBT

At year end, the District had \$ 1,512,932 in debt outstanding as shown in Table A-5. More detailed information about the District's debt is presented in the notes to the basic financial statements.

Campbell Independent School District's Debt			Table A-5
	Governmental Activities		Total Percentage Change
	2024	2023	2023-2024
Direct Borrowings Payable	\$ 1,507,949	\$ 124,574	1110.48%
Right of Use Leases Payable	4,983	20,841	-76.09%
Total Debt Payable	<u>\$ 1,512,932</u>	<u>\$ 145,415</u>	940.42%

CAMPBELL INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED AUGUST 31, 2024

ECONOMIC FACTORS

The District's property valuation has continued to increase as economic conditions have improved following the Covid pandemic. This has provided stable tax revenues to the District. Local property tax rates for maintenance and operations are restricted by statute to \$.97, without local elections. In prior years, the State Legislature passed House Bill 2 (HB2) which included various changes to the property tax rate structure limiting school districts' opportunities for tax modifications and requires compressing the rates charged to taxpayers. During the latest special session of the Texas Legislature, the bodies passed Senate Bill 2 (SB2) which provides a mandatory increase in the homestead exemption to \$100,000. The measure was approved and implemented in the 2024 fiscal year. This and additional changes required under SB2 could impact the District's financial operations, including cash flows.

The State has increased funding levels for the 2023 - 2025 biennium, which will affect the revenue levels of the District. The level of funding per attendance credits increased but the tax rate compression and expanded homestead exemption will reduce the local effort for revenues. This reduction is to be funded by the State in its annual foundation support. With these changes in funding, the District anticipates monitoring expenditure levels to ensure financial stability remains strong.

Student population has remained at a steady historical growth rate in the District. The economic outlook for the area is for growth to be fairly stable, as indicated by property value increases in prior years. Housing has not expanded at the rate of other north central Texas communities but is in a geographic position to see population growth. These economic conditions should allow the District to maintain constant funding and staffing levels in future years.

The State failed to modify the funding plan adopted along with HB2 in the 87th legislature. As a result, increased spending for personnel salaries and other operating costs has increased putting continued pressure on the finances of all school districts across the state. The District is monitoring these conditions and will continue to seek options to control spending and maintaining educational programs for its student population.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Hubert Bares, Business Manager for the District.

BASIC FINANCIAL STATEMENTS

CAMPBELL INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
YEAR ENDED AUGUST 31, 2024

Data Control Codes	1 Governmental Activities
ASSETS	
1110 Cash and Investments	\$ 3,373,856
1225 Property Taxes Receivable, Net	178,559
1240 Due from Other Governments	349,430
1300 Inventories	11,571
1410 Unrealized Expenses	985,000
Capital Assets:	
1510 Land	336,088
1520 Buildings and Improvements, Net	3,888,350
1530 Furniture and Equipment, Net	652,919
1550 Right of Use Assets, Net	6,491
1580 Construction in Progress	25,318
1000 Total Assets	\$ 9,807,582
DEFERRED OUTFLOWS OF RESOURCES	
1705 Deferred Outflows - Pensions	\$ 723,990
1706 Deferred Outflows - OPEB	378,297
1700 Total Deferred Outflows of Resources	\$ 1,102,287
LIABILITIES	
2110 Accounts Payable	\$ 40,249
2140 Interest Payable	3,450
2165 Accrued Liabilities	227,428
2180 Due to Other Governments	201,948
2300 Unearned Revenue	12,695
Noncurrent Liabilities:	
2501 Due within one year	135,933
2502 Due in more than one year	1,376,999
2540 Net Pension Liability	1,467,009
2545 Net OPEB Liability	667,588
2000 Total Liabilities	\$ 4,133,299
DEFERRED INFLOWS OF RESOURCES	
2605 Deferred Inflows - Pensions	\$ 114,981
2606 Deferred Inflows - OPEB	1,206,828
2600 Total Deferred Inflows of Resources	\$ 1,321,769
NET POSITION	
3200 Net Investment in Capital Assets	\$ 3,869,105
3900 Unrestricted	1,585,696
3000 Total Net Position	\$ 5,454,801

The accompanying notes are an integral part of this statement.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF ACTIVITIES
 YEAR ENDED AUGUST 31, 2024

Data Control Codes	Functions/Programs	1 Expenses	3 Program Revenues		4 Net (Expense) Revenue and Changes in Net Position
			Charges for Services	Operating Grants and Contributions	
					Governmental Activities
Governmental Activities:					
11	Instruction	\$ 2,672,225	\$ 7,433	\$ 775,518	\$ (1,889,274)
12	Instructional Resources and Media Services	27,816	2,830	-	(24,986)
13	Curriculum and Staff Development	129,826	-	3,354	(126,472)
23	School Leadership	173,393	-	5,723	(167,670)
31	Guidance, Counseling and Evaluation Services	90,353	-	3,298	(87,055)
33	Health Services	74,077	-	2,407	(71,670)
34	Student Transportation	66,296	-	651	(65,645)
35	Food Services	255,950	26,634	198,576	(30,740)
36	Cocurricular/Extracurricular Activities	248,720	26,726	1,498	(220,496)
41	General Administration	498,996	-	10,984	(488,012)
51	Facilities Maintenance and Operations	571,203	360	10,454	(560,389)
52	Security and Monitoring Services	90,359	-	123,235	32,876
53	Data Processing Services	246,556	-	8,592	(237,964)
72	Interest on Long-term Debt	42,979	-	-	(42,979)
73	Bond Issuance Costs and Fees	40,250	-	-	(40,250)
81	Capital Outlay	84,600	-	-	(84,600)
93	Payments for Shared Service Arrangements	173,617	-	-	(173,617)
99	Other Intergovernmental Charges	39,726	-	-	(39,726)
TG	Total Governmental Activities	<u>\$ 5,526,942</u>	<u>\$ 63,983</u>	<u>\$ 1,144,290</u>	<u>\$ (4,318,669)</u>
TP	Total Primary Government	<u>\$ 5,526,942</u>	<u>\$ 63,983</u>	<u>\$ 1,144,290</u>	<u>\$ (4,318,669)</u>
General Revenues:					
MT	Property Taxes, Levied for General Purpose				\$ 1,246,786
IE	Investment Earnings				176,872
GC	Grant and Contributions Not Restricted to Specific Programs				2,517,143
MI	Miscellaneous				<u>2,342</u>
TR	Total General Revenues				<u>\$ 3,943,143</u>
CN	Change in Net Position				\$ (375,526)
NB	Net Position - Beginning (September 1)				<u>5,830,327</u>
NE	Net Position - Ending (August 31)				<u>\$ 5,454,801</u>

The accompanying notes are an integral part of this statement.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
YEAR ENDED AUGUST 31, 2024

Data Control Codes	10 General Fund	60 Capital Projects Fund	onmf Other Governmental Funds	98 Total Governmental Funds	
ASSETS					
1110	Cash and Investments	\$ 2,975,371	\$ 472,871	\$ -	\$ 3,448,242
1225	Property Taxes Receivable, Net	178,559	-	-	178,559
1240	Due from Other Governments	214,557	-	134,873	349,430
1300	Inventories	-	-	11,571	11,571
1410	Unrealized Expenditures	-	985,000	-	985,000
1000	Total Assets	<u>\$ 3,368,487</u>	<u>\$ 1,457,871</u>	<u>\$ 146,444</u>	<u>\$ 4,972,802</u>
LIABILITIES					
Current Liabilities:					
2110	Accounts Payable	\$ 16,026	\$ -	\$ 98,609	\$ 114,635
2160	Accrued Wages Payable	203,287	-	18,101	221,388
2180	Due to Other Governments	201,948	-	-	201,948
2200	Accrued Expenses	4,336	-	1,704	6,040
2300	Unearned Revenues	-	-	12,695	12,695
2000	Total Liabilities	<u>\$ 425,597</u>	<u>\$ -</u>	<u>\$ 131,109</u>	<u>\$ 556,706</u>
DEFERRED INFLOWS OF RESOURCES					
2610	Deferred Property Taxes - Revenue	\$ 178,559	\$ -	\$ -	\$ 178,559
2600	Total Deferred Inflows of Resources	<u>\$ 178,559</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 178,559</u>
FUND BALANCES					
Nonspendable Fund Balances:					
3410	Inventories	\$ -	\$ -	\$ 11,571	\$ 11,571
3430	Prepaid Items	-	985,000	-	985,000
Restricted Fund Balances:					
3450	Federal/State Funds Grant Restrictions	-	-	(11,571)	(11,571)
3490	Other Restrictions of Fund Balances	-	472,871	-	472,871
Committed Fund Balances:					
3545	Other Committed Fund Balances	452,000	-	15,335	467,335
3600	Unassigned	2,312,331	-	-	2,312,331
3000	Total Fund Balances	<u>\$ 2,764,331</u>	<u>\$ 1,457,871</u>	<u>\$ 15,335</u>	<u>\$ 4,237,537</u>
4000	Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 3,368,487</u>	<u>\$ 1,457,871</u>	<u>\$ 146,444</u>	<u>\$ 4,972,802</u>

The accompanying notes are an integral part of this statement.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE BALANCE SHEET (GOVERNMENTAL FUNDS)
TO THE STATEMENT OF NET POSITION
YEAR ENDED AUGUST 31, 2024

Total fund balances - Balance Sheet (governmental funds)	\$ 4,237,537
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not reported in the funds.	4,902,675
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	178,599
Payables for right of use leases which are not due in the current period are not reported in the funds.	(4,983)
Payable for debt interest which is not due in the current period are not reported in the funds.	(3,450)
Payables for direct borrowings which are not due in the current period are not reported in the funds.	(1,507,949)
Recognition of the District's proportionate share of the net pension liability is not reported in the funds.	(1,467,009)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(114,981)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	723,990
Recognition of the District's proportionate share of the net OPEB liability is not reported in the funds.	(667,588)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.	(1,206,828)
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.	378,297
Right of use lease assets used in governmental activities are not reported in the funds.	<u>6,491</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 5,454,801</u>

The accompanying notes are an integral part of this statement.

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

Data Control Codes	10 General Fund	60 Capital Projects Fund	onmf Other Governmental Funds	98 Total Governmental Funds	
REVENUES					
5700	Local and Intermediate Sources	\$ 1,414,496	\$ 24,096	\$ 47,895	\$ 1,486,487
5800	State Program Revenues	2,710,987	-	187,292	2,898,279
5900	Federal Program Revenues	237,415	-	597,433	834,848
5020	Total Revenues	\$ 4,362,898	\$ 24,096	\$ 832,620	\$ 5,219,614
EXPENDITURES					
Current:					
0011	Instruction	\$ 2,073,726	\$ -	\$ 472,012	\$ 2,545,738
0012	Instructional Resources and Media Services	7,020	-	2,819	9,839
0013	Curriculum and Staff Development	132,250	-	-	132,250
0023	School Leadership	172,023	-	-	172,023
0031	Guidance, Counseling and Evaluation Services	91,738	-	-	91,738
0033	Health Services	73,678	-	-	73,678
0034	Student Transportation	5,034	-	-	5,034
0035	Food Services	-	-	260,376	260,376
0036	Cocurricular/Extracurricular Activities	146,718	-	19,440	166,158
0041	General Administration	496,247	-	-	496,247
0051	Facilities Maintenance and Operations	530,951	-	-	530,951
0052	Security and Monitoring Services	85,368	-	123,235	208,603
0053	Data Processing Services	252,250	-	-	252,250
0071	Principal on Long-term Debt	149,483	-	-	149,483
0072	Interest on Long-term Debt	39,864	-	-	39,864
0073	Bond Issuance Costs and Fees	-	40,250	-	40,250
0081	Capital Outlay	66,943	42,975	-	109,918
0093	Payments for Shared Service Arrangements	173,617	-	-	173,617
0099	Other Intergovernmental Charges	39,726	-	-	39,726
6030	Total Expenditures	\$ 4,536,636	\$ 83,225	\$ 877,882	\$ 5,497,743
1100	Excess (Deficiency) of Revenues Over Expenditures	\$ (173,738)	\$ (59,129)	\$ (45,262)	\$ (278,129)
OTHER FINANCING SOURCES (USES)					
7914	Direct Borrowings Proceeds	\$ -	\$ 1,517,000	\$ -	\$ 1,517,000
7915	Transfers In	-	-	16,588	16,588
8911	Transfers Out	(16,588)	-	-	(16,588)
7080	Net Other Financing Sources (Uses)	\$ (16,588)	\$ 1,517,000	\$ 16,588	\$ 1,517,000
1200	Net Changes in Fund Balances	\$ (190,326)	\$ 1,457,871	\$ (28,674)	\$ 1,238,871
0100	Fund Balances - Beginning (September 1)	2,954,657	-	44,009	2,998,666
3000	Fund Balances - Ending (August 31)	\$ 2,764,331	\$ 1,457,871	\$ 15,335	\$ 4,237,537

The accompanying notes are an integral part of this statement.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 YEAR ENDED AUGUST 31, 2024

Net change in fund balances - total governmental funds	\$	1,238,871
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
Capital outlays are not reported as expenses in the SOA.		197,073
The depreciation of capital assets used in governmental activities is not reported in the funds.		(494,012)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.		3,493
Repayment of right of use lease principal is an expenditure in the funds but is not an expense in the SOA.		15,858
Repayment of direct borrowings principal is an expenditure in the funds but is not an expense in the SOA.		133,625
(Increase) decrease in accrued interest expense from beginning of year to end of year.		(3,115)
The net revenue (expense) of internal service funds is reported with governmental activities.		25,253
Proceeds of direct borrowings do not provide revenue in the SOA, but are reported as current resources in the funds.		(1,517,000)
Pension contributions in the CY are de-expended and recorded as deferred resource outflows.		115,476
Pension contributions deferred in the PY are expended in the CY.		(109,776)
Pension expense is recorded in the SOA but not in the funds.		(157,313)
OPEB contributions in the CY are de-expended and recorded as deferred resource outflows.		24,682
OPEB contributions deferred in the PY are expended in the CY.		(26,159)
OPEB expense is recorded in the SOA but not in the funds.		<u>177,518</u>
Change in net position of governmental activities - Statement of Activities	\$	<u>(375,526)</u>

The accompanying notes are an integral part of this statement.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF FUND NET POSITION - PROPRIETARY FUNDS
 AUGUST 31, 2024

<u>Data Control Codes</u>	<u>Internal Service Fund</u>
 ASSETS	
Current Assets:	
1110 Cash and Investments	\$ 16,590
	<hr/>
Total Current Assets	\$ 16,590
	<hr/>
1000 Total Assets	\$ 16,590
	<hr/>
 LIABILITIES	
Current Liabilities:	
2110 Accounts Payable	\$ 16,590
	<hr/>
Total Current Liabilities	\$ 16,590
	<hr/>
2000 Total Liabilities	\$ 16,590
	<hr/>
 NET POSITION	
3000 Total Net Position	\$ -
	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

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

<u>Data Control Codes</u>	<u>Internal Service Fund</u>
OPERATING REVENUES	
5700 Local and Intermediate Sources	\$ 37,564
5020 Total Operating Revenues	\$ 37,564
OPERATING EXPENSES	
6400 Other Operating Costs	\$ 12,311
6030 Total Operating Expenses	\$ 12,311
1300 Change in Net Position	\$ 25,253
0100 Total Net Position - Beginning (September 1)	(25,253)
3000 Total Net Position - Ending (August 31)	\$ -

The accompanying notes are an integral part of this statement.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS
YEAR ENDED AUGUST 31, 2024

	Internal Service Fund
Cash Flows from Operating Activities	
Quasi External Interfund Transfers	\$ 37,564
Cash Payments for Claims	(20,974)
Net Cash Provided by (Used for) Operating Activities	\$ 16,590
Cash Flows from Capital and Other Related Financing Activities	
NONE	
Cash Flows for Noncapital Financing Activities	
NONE	
Cash Flows from Investing Activities	
NONE	
Net Increase (Decrease) in Cash and Investments	\$ 16,590
Cash and Investments - Beginning (September 1)	-
Cash and Investments - Ending (August 31)	\$ 16,590
Reconciliation of Operating Income to Net Cash Provided by Operating Activities	
Operating Income (Loss)	\$ 25,253
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Increase (Decrease) in Claims Liability	(8,663)
Net Cash Provided by (Used for) Operating Activities	\$ 16,590

The accompanying notes are an integral part of this statement.

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

Data Control Codes	Custodial Funds Student Activity
ASSETS	
1110 Cash and Investments	\$ 12,363
1000 Total Assets	\$ 12,363
NET POSITION	
Restricted for:	
3490 Student Groups	\$ 12,363
3000 Total Net Position	\$ 12,363

The accompanying notes are an integral part of this statement.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - FIDUCIARY FUNDS
 YEAR END AUGUST 31, 2024

Data Control Codes	Custodial Funds Student Activity
ADDITIONS	
5700 Fundraising Activities	\$ 32,326
5020 Total Additions	\$ 32,326
DEDUCTIONS	
6400 Group Activities	\$ 32,263
6030 Total Deductions	\$ 32,263
1300 Change in Net Position	\$ 63
0100 Net Position, Beginning (September 1)	12,300
3000 Net Position, Ending (August 31)	\$ 12,363

The accompanying notes are an integral part of this statement.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

A. Summary of Significant Accounting Policies

The basic financial statements of the Campbell Independent School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units in conjunction with the Texas Education Agency's *Financial Accountability System Resource Guide (Guide)*. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The Board of School Trustees (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 as a body corporate 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 defined by GASB in its Statement No. 14, "The Financial Reporting Entity." There are no component units included within the reporting entity.

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

2. Basis of Presentation – Basis of Accounting

a. Basis of Presentation

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

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

Fund Financial Statements – The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The District reports the following major governmental funds:

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

Capital Projects Fund - This fund accounts for local funds set aside by the Board and are committed for future construction and improvement projects. Debt proceeds to be used for improvements are also recorded here to restrict their use.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

A. Summary of Significant Accounting Policies (Continued)

In addition, the District reports the following fund types:

Special Revenue Funds – The District accounts for resources restricted to or designated for specific purposes by the District or a grantor in a special revenue fund. Most Federal and some State financial assistance is accounted for in a special revenue fund, and sometimes unused balances must be returned to the grantor at the close of specified project years. The Board can commit specific types of resources to specific purposes which are included as special revenue funds.

Internal Service Funds – These funds are proprietary type funds. These funds are used to account for revenues and expenses related to services provided to parties inside the District. These funds facilitate 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. The District uses internal service funds for self-insured workers compensation.

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

b. Measurement Focus – Basis of Accounting

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

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are not generally measurable until received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital lease are reported as other financing sources.

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

3. Budgetary Data

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

- a. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1.
- b. 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.
- c. Prior to the expenditure of funds, the budget is adopted by the Board.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED AUGUST 31, 2024

A. Summary of Significant Accounting Policies (Continued)

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 function level by personnel responsible for organizational financial reporting. All budget appropriations lapse at the year end. Budget amendments throughout the year were not significant.

4. Encumbrance Accounting

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

End-of-year outstanding encumbrances that were provided for in the subsequent year's budget are:

General Fund	\$	-0-
Special Revenue Fund		-0-
Total	\$	-0-

5. Financial Statement Amounts

Cash and Investments

The District pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as a part of the District's cash and temporary investments.

For the purpose of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

Fund Balance

Governmental funds utilize a fund balance presentation for equity. Fund balance is categorized as nonspendable, restricted, committed, assigned or unassigned.

Nonspendable fund balance – represents amounts that cannot be spent because they are either not spendable form (such as inventory or prepaids) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted fund balance – represents amounts with external constraints placed on the use of these resources (such as debt covenants, grantors, other governments, etc.) or imposed by enabling legislation. Restrictions may be changed or lifted only with the consent of resource providers.

Committed fund balance – represents amounts that can only be used for specific purposes imposed by a formal action of the District's highest level of decision-making authority, the Board. Committed resources cannot be used for any other purpose unless the Board removes or changes the specific use by taking the same formal action that imposed the constraint originally.

Assigned fund balance – represents amounts the District intends to use for specific purposes as expressed by the Board or an official delegated the authority. The Board has delegated the authority to assign fund balances to the Superintendent.

Unassigned fund balance – represents the residual classification for the general fund or deficit balances in other funds.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

A. Summary of Significant Accounting Policies (Continued)

The following schedule provides information about the specific fund balance classification by fund:

	General	Capital Projects	Other Governmental	Total
Nonspendable:				
Inventories	\$ -	\$ -	\$ 11,571	\$ 11,571
Prepaid Items	-	985,000	-	985,000
Restricted:				
Child Nutrition Program	-	-	(11,571)	(11,571)
Capital Projects	-	472,871	-	472,871
Committed:				
Future Budget Deficits	452,000	-	-	452,000
Campus Activities	-	-	15,335	15,335
Unassigned	2,312,331	-	-	2,312,331
Totals	<u>\$ 2,764,331</u>	<u>\$ 1,457,871</u>	<u>\$ 15,335</u>	<u>\$ 4,237,537</u>

Inventories

On government-wide financial statements, inventories are presented at cost using the weighted average method and are expensed when used. On fund financial statements, inventories of governmental funds are valued at cost. For all funds, cost is determined using the weighted average method, and are determined by physical count. Inventory in governmental funds consists of expendable supplies held for consumption. The cost is recorded as an expenditure at the time of purchase. Reported inventories in these funds are equally offset by a fund balance reserve, which indicates they do not represent available spendable resources.

Prepaid Items

Certain payments to vendors reflect cost applicable to future accounting years and are recorded as prepaid items. Prepaid items are recorded as expenditures when the items are consumed or occur.

Capital Assets

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

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings and Improvements	15-50
Vehicles	5-10
Other Equipment	3-15

Right of Use Assets and Liabilities

GASB Statement 87, *Leases* created new financial statement accounts "Right of Use" assets and similar offsetting liabilities. A "right of use" asset accounts for the net present value of future payments attached to a leased asset. Common examples of "Right of Use" assets are copiers, printers, and other types of equipment that the District does not take ownership of but uses under the lease agreement. The assets value will be amortized over the life of the lease using a straight-line method. The liability offsetting the "Right of Use" is presented as lease payable.

Subscription-Based Information Technology Arrangements (SBITA)

GASB Statement 96, *Subscription-Based Information Technology Arrangements* created new financial statement assets and offsetting liabilities. A SBITA asset accounts for the net present value of future payments required for right of use subscription assets. To the extent relevant, the standards for SBITA's are based on the standards established by GASB Statement 87, *Leases*. A SBITA is defined as a contract that conveys control of the right of use of another party's information technology (software) as specified in the contract for a period of time in an exchange or exchange-like transaction. The asset will be amortized over the life of the contract allowing the use of the information technology over a straight line method. The asset is included in the financial statement caption right of use asset with the offsetting liability identified as SBITA payable.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

A. Summary of Significant Accounting Policies (Continued)

Unearned Revenues

Unearned revenues include state funds received but have not been earned in the year. The balance will be earned in the future year and not returned as liabilities.

6. Deferred Outflows and Inflows of Resources

The District implemented GASB Statement Number 68, *Accounting and Financial Reporting for Pensions* and GASB Statement Number 75, *Accounting and Financial Reporting for Postemployment Benefits and Other Pensions*. In addition to assets and liabilities, the government-wide Statement of Net Position and governmental fund Balance Sheet report separate sections for deferred outflows and deferred inflows of resources. Deferred outflows of resources represent a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent the acquisition of net position/fund balance that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The District reports certain deferred inflows and outflows related to pensions on the government-wide Statement of Net Position. At the governmental fund level, earned but unavailable revenue is reported as a deferred inflow of resources.

The District also implemented GASB Statement Number 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, which amends the transition provisions of GASB 68. GASB 71 requires that, at transition, governments recognize a beginning deferred outflow of resource for pension contributions made subsequent to the measurement date of the beginning Net Pension Liability. Implementation is reflected in the financial statements and the prior period adjustment.

7. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

8. 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 of the government-wide statement of net position.

9. Vacation, Sick Leave, and Other Compensated Absences

District employees are entitled to certain compensated absences based on their length of employment. Sick leave accrues at various rates established by the State and adopted by the Board of Trustees. Sick leave vests, accumulates, and is recorded as expense as it is incurred. Sick leave is paid upon separation from the District.

The District reimbursed employees who voluntarily retire through the Texas Retirement System, for up to 100 days of accrued local leave at a rate approved by the Board of Trustees. Currently the approved rate is \$ 75 per day.

10. Pensions

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Retirement System of Texas (TRS) and additions to/ deductions from TRS's fiduciary net position have been determined on the same basis as they are reported by TRS. For this purpose, 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.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

A. Summary of Significant Accounting Policies (Continued)

11. Other Post-Employment Benefits (OPEB)

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expenses, 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 term. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

12. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could vary from these estimates.

13. New Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued various new accounting standards to better meet the information needed for users of financial statements by improving accounting and financial reporting. The GASB does this by issuing statements that cover various issues identified as needing additional clarification or direction to maintain standardization and comparability of financial information. During the year, the GASB issued no new standards. The following statements with varying effective dates noted are to be implemented in the coming periods:

Statement 99: *Omnibus 2024* (Effective upon issuance with some effective FY beginning after June 15, 2024)

Statement 100: *Accounting Changes and Error Corrections* (Effective FY beginning after June 15, 2024)

Statement 101: *Compensated Absences* (Effective FY beginning after December 15, 2024)

Statement 102: *Certain Risk Disclosures* (Effective FY beginning after June 15, 2024)

Statement 103: *Financial Reporting Model Improvements* (Effective FY beginning after June 15, 2025)

14. Data Control Codes

Data control codes refer to the account code structure prescribed by the Agency in the *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.

15. Accounting System

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 is presented in the accounting code section of the *Guide*. Mandatory codes are utilized in the form provided in that section.

B. Deposits, Securities, and Investments

Cash Deposits

The District's funds are deposited and invested under the terms of a depository contract. The contract requires the depository to pledge approved securities in an amount significant to protect the District's day-to-day balances. The pledge is waived only to the extent of the dollar amount of Federal Deposit Insurance District (FDIC) insurance. At year end, District cash deposits appear to have been adequately covered by FDIC insurance or by pledged collateral held by the District or the depository in the District's name. Funds invested outside the depository appeared to be adequately secured at year end. The District's deposits appear to have been properly secured throughout the year.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED AUGUST 31, 2024

B. Deposits, Securities, and Investments (Continued)

Investments

The District's investment policies and types of investments are governed by the Public Funds Investment Act (PFIA). The Act requires specific training reporting and establishment of local policies. The District appears to be in compliance with all the requirements of the Act.

The PFIA (Government Code Chapter 256) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires a governmental entity to adopt, implement and publicize an investment policy. That policy must address the following areas (1) safety of principal and liquidity, (2) portfolio diversifications, (3) allowable investments, (4) acceptable risk level, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the state maturity date of portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preference for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) banker's acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The PFIA governs the District's investment policies and types of investments.

The District's management believes that it complies with the requirements of the PFIA and the District's investment policies.

District investments include investments in TexStar and TexPool, which are local government investment pools. The District also invests with financial brokers that invest in certificates of deposit.

All investments are reported at fair value and are presented as cash and investments.

The following table lists the District's investments at year end:

	Fair Value/ Amortized Cost	Weighted Average Maturity (Days)
Governmental Activities:		
Investments:		
TexPool	\$ 409,345	36
TexSTAR	409,432	28
Lone Star Investment Pool	515,846	49
Certificate of Deposits	1,202,570	N/A
Total	\$ 2,537,193	

Texas Local Government Investment Pool

The District invests in the Texas Local Government Investment Pool (TexPool), which is a local government investment pool that was established in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the PFIA, Chapter 2256 of the Texas Government Code. The State Comptroller of Public Accounts oversees TexPool. Federated Investors, Inc. is the administrator and investment manager of TexPool under contract with the State Comptroller. In accordance with the Public Funds Investment Act, the State Comptroller has appointed the TexPool Investment Advisory Board to advise with respect to TexPool. The board is composed equally of participants in TexPool Portfolios and other persons who do not have a business relationship with TexPool Portfolios and are qualified to advise in respect to TexPool Portfolios. The Advisory Board members review the investment policy and management fee structure. TexPool is rated AAAM by Standard and Poor's and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. All investments are stated at amortized cost, which approximates market value of the securities. The stated objective of TexPool is to maintain a stable average of \$1.00 per unit net asset value; however, the \$1.00 net asset value is not guaranteed or insured. The financial statements can be obtained from the Texas Trust Safekeeping Trust Company website at www.ttstc.org.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

B. Deposits, Securities, and Investments (Continued)

Texas Short Term Asset Reserve Program

Texas Short Term Asset Reserve Program (TexSTAR) has been organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the PFIA, Chapter 2256 of the Texas Government Code. These two acts provide for the creation of public funds investment pools (including TexSTAR) and authorized eligible governmental entities (Participants) to invest their public funds and funds under their control through the investment pools. J.P. Morgan Investment Management, Inc. (JPMIM) and First Southwest Asset Management, Inc. (FSAM) serve as co-administrators for TexSTAR under an agreement with the TexSTAR board of directors (Board). JPMIM provides investment services, and FSAM provides participant services and marketing. Custodial, transfer agency, fund accounting and depository services are provided by JPMorgan Chase Bank and/or its subsidiary J.P. Morgan Investor Services Co. The Board may establish separate Funds within TexSTAR from time to time. Participants choose the Funds in which their deposits are invested. Participants' assets in the Funds are represented by units of beneficial interest (units). The Board may issue an unlimited number of units in each Fund. TexSTAR is rated AAAM by Standard & Poor's rating agency. This rating and the fund's operational settings allow the fund to comply with the requirement of the PFIA.

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

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

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the Districts' name. At year end, the District was not exposed to custodial credit risk.

The largest combined balances of cash, saving and time deposit accounts amounted to \$ 1,576,622 and occurred in November 2023. The amount of bond or market value of securities pledged as of the date of the highest combine balance on deposit was \$ 3,350,682. The total amount of FDIC coverage at the time of the highest combined balance was \$ 253,020. Alliance Bank of Sulphur Springs, Texas is the District's depository.

c. Concentration of Credit Risk

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

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. District investments are limited to short term maturities to limit any potential interest rate risk. At year end, the District was not exposed to interest rate risk.

e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. State statutes do not allow for foreign investments, this eliminating foreign currency rate risk. The District was not exposed to foreign currency risk.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

B. Deposits, Securities, and Investments (Continued)

f. Fair Value Measurements

The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements require judgement and considers factors specific to each asset or liability.

C. Property Taxes

Property taxes are levied by October 1, in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the October 1 levy date. 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 when collected within the current year or expected to be collected soon enough thereafter to be used to pay liabilities of the current year.

Property taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Section 33.05, Property Tax Code, requires the tax collector for the District to cancel and remove from the delinquent tax rolls a tax on real property that has been delinquent for more than 20 years or a tax on personal property that has been delinquent for more than 10 years. Delinquent taxes meeting this criteria may not be canceled if litigation concerning these taxes is pending.

The District levied taxes on property within the District at \$ 0.854600 to fund general operations. The rates were levied on property assessed totaling \$ 182,012,169. The District contracts with a tax attorney for the collection of all delinquent taxes. Delinquent taxes are subject to both penalty and interest plus a 20% delinquent tax attorney collection fee.

D. Capital Assets

Capital asset activities during the year were as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<u>Governmental Activities:</u>				
Capital Assets not being depreciated:				
Land	\$ 336,088	\$ -	\$ -	\$ 336,088
Construction in Progress	786,464	25,318	786,464	25,318
Total Capital Assets not being depreciated	\$ 1,122,552	\$ 25,318	\$ 786,464	\$ 361,406
Capital Assets being depreciated:				
Buildings and Improvements	\$ 7,861,133	\$ 946,659	\$ -	\$ 8,807,792
Vehicles	680,143	-	-	680,143
Equipment	707,204	11,560	-	718,764
Right of Use Lease Assets	69,947	-	-	69,947
Total Capital Assets being depreciated	\$ 9,318,427	\$ 958,219	\$ -	\$ 10,276,646
Less Accumulated Depreciation for:				
Buildings and Improvements	\$ 4,569,606	\$ 349,836	\$ -	\$ 4,919,442
Vehicles	348,962	66,842	-	415,804
Equipment	266,839	63,345	-	330,184
Right of Use Lease Assets	49,467	13,989	-	63,456
Total Accumulated Depreciation	\$ 5,234,874	\$ 494,012	\$ -	\$ 5,728,886
Total Capital Assets being depreciated, net	\$ 4,083,553	\$ 464,207	\$ -	\$ 4,547,760
Governmental Activities Capital Assets, net	\$ 5,206,105	\$ 489,525	\$ 786,464	\$ 4,909,166

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

D. Capital Assets (Continued)

Depreciation and amortization was charged to governmental activities functions as follows:

Instruction	\$ 211,928
Instructional Resources and Media Services	17,982
Curriculum and Staff Development	110
School Leadership	5,992
Guidance, Counseling and Evaluation Services	1,126
Health Services	2,247
Student Transportation	62,091
Food Services	8,330
Cocurricular/Extracurricular Activities	83,974
General Administration	11,031
Facilities Maintenance and Operations	47,250
Security and Monitoring	41,951
Total	<u>\$ 494,012</u>

E. Long Term Obligation Activity

Long-term obligation activities during the year were as follows:

	Beginning Balances	Increases	Decreases	Ending Balances	Amounts Due Within One Year
<u>Governmental Activities:</u>					
Direct Borrowings Payable	\$ 124,574	\$ 1,517,000	\$ 133,625	\$ 1,507,949	\$ 130,950
Right of Use Lease Payable	20,841	-	15,858	4,983	4,983
Total Governmental Activities	<u>\$ 145,415</u>	<u>\$ 1,517,000</u>	<u>\$ 149,483</u>	<u>\$ 1,512,932</u>	<u>\$ 135,933</u>

Direct Borrowings

The District issued various agreements identified here as direct borrowings. Direct borrowings include loans, leases that transfer ownership, maintenance tax notes and other financing arrangements.

The District issued "Campbell Independent School District Maintenance Tax Note, Series 2024" totaling \$ 517,000 to provide financing for equipment for the District's use. The note requires annual principal payments along with semiannual interest payments of 5.45%. The notes will fully mature on February 15, 2039.

The District issued "Campbell Independent School District Time Warrants, Series 2024" totaling \$ 1,000,000 to provide financing for the purchase of a modular school building. The warrant requires annual principal and semiannual interest payments of 5.45%. The warrants will fully mature on August 15, 2038.

The following schedule lists personal property acquired through direct borrowings:

Description/Purpose	Interest Rate	Original Amount	Outstanding Balance
Public Property Finance Act Contract - School Buses	2.15%	\$ 297,315	\$ 62,949
Maintenance Tax Note, Series 2024	5.45%	517,000	517,000
Tax Warrants, Series 2024	5.45%	1,000,000	928,000
			<u>\$ 1,507,949</u>

Maturity requirements on direct borrowings at year end are as follows:

Year Ending August 31	Principal	Interest	Total Requirements
2025	\$ 130,949	\$ 79,480	\$ 210,429
2026	72,000	74,393	146,393
2027	77,000	70,414	147,414
2028	81,000	66,190	147,190
2029	85,000	61,749	146,749
2030-2034	502,000	232,933	734,933
2035-2039	560,000	78,943	638,943
Totals	<u>\$ 1,507,949</u>	<u>\$ 664,102</u>	<u>\$ 2,172,051</u>

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

E. Long Term Obligation Activity (Continued)

Right of Use Leases

The District executed various agreements identified here as leases. Leases represent an obligation that represents the net present value of the obligations to be paid over a specified term with no transfer of ownership.

The District executed an agreement for the use of copiers for placement at various locations throughout the District. The agreement requires 60 monthly payments of \$ 1,483.74. The lease obligation incurs an implicit rate of interest of 3%. The final payment is scheduled to be paid in January 2025.

The following schedule lists the outstanding right of use leases at year end:

Description/Purpose	Maturity Date	Interest Rate	Original Amount	Outstanding Balance
RICOH Copiers - District Wide	1/31/2025	3.00%	\$ 301,775	\$ 4,984

Maturity requirements on right of use lease liabilities at year end are as follows:

Year Ending August 31	Principal	Interest	Total Requirements
2025	\$ 4,984	\$ 31	\$ 5,015
Totals	<u>\$ 4,984</u>	<u>\$ 31</u>	<u>\$ 5,015</u>

F. Defined Benefits Pension Plan

1. Plan Description

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

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

2. Pension Plan Fiduciary Net Position

Detailed information about the System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report(ACFR) that includes financial statements and required information. That report may be obtained on the internet at http://www.trs.texas.gov/pages/about_publications.aspx; by writing to TRS at 1000 Red River Street, Austin, TX 78701-2698; or by calling (512) 542-6592. The information provided in the Notes to the Financial Statements in the 2022 ACFR for TRS provides the following information regarding the Pension Plan fiduciary net position as of August 31, 2023, and 2022.

Net Pension Liability	2023	2022
Total Pension Liability	\$ 255,860,886,500	\$ 243,553,045,455
Less: Plan Fiduciary Net Position	<u>(187,170,535,558)</u>	<u>(184,185,617,196)</u>
Net Pension Liability	<u>\$ 68,690,350,942</u>	<u>\$ 59,367,428,259</u>
Net Position as percentage of Net Pension Liability	73.15%	75.62%

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED AUGUST 31, 2024

F. Defined Benefits Pension Plan (Continued)

3. *Benefits Provided*

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There is no automatic post-employment benefit changes, including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description in (1) above.

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

In May 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for gradual contribution increases from the state, participating employers, and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, allowed the legislature to approve funding for a 13th check in September 2019. All eligible members retired as of December 31, 2018, received an extra annuity check in either the matching amount of their monthly annuity or \$ 2,000, whichever was less.

4. *Contributions*

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

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

	<u>Contribution Rates</u>	
	<u>2023</u>	<u>2024</u>
Member	8.00%	8.00%
Non-Employer Contributing Entity (State)	8.00%	8.00%
Employers	8.00%	8.00%
Current Year Employer Contributions		\$ 115,476
Current Year Employee Contributions		\$ 233,905
Measurement Period NECE On-Behalf Contributions		\$ 147,739

Contributors to the plan include members, employers, and the State of Texas (State) as the only non-employer contributing entity. The State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA).

As the non-employer contributing entity for public education, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers including public schools are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

F. Defined Benefits Pension Plan (Continued)

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

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

A Public Education Employer contribution surcharge of 1.5% increasing to 2% over the period ending 2025 on all covered payroll.

5. *Actuarial Assumptions*

The total pension liability in the August 31, 2022 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2022 rolled forward to August 31, 2023
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term expected Investment Rate	7.00%
Municipal Bond Rate as of August 31, 2022	4.13% - The source for the rate is the
Last year ending August 31 in Projection Period (100 year)	2122
Inflation	2.30%
Salary Increases including inflation	2.95% to 8.95% including inflation
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2021. For full description of these assumption please see the actuarial valuation report dated November 22, 2022.

The long-term rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term 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 the System'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			
USA	18.00%	4.00%	1.00%
Non-US Developed	13.00%	4.50%	0.90%
Emerging Markets	9.00%	4.80%	0.75%
Private Equity	14.00%	7.00%	1.50%
Stable Value			
Government Bonds	16.00%	2.50%	0.50%
Absolute Return*	0.00%	3.60%	0.00%
Stable Value Hedge Funds	5.00%	4.10%	0.20%
Real Return			
Real Estate	15.00%	4.90%	1.10%
Energy, Natural Resources & Infrastructure	6.00%	4.80%	0.40%
Commodities	0.00%	4.40%	0.00%
Risk Parity	8.00%	4.50%	0.40%
Asset Allocation Leverage			
Cash	2.00%	3.70%	0.00%
Asset Allocation Leverage	(6.00%)	4.40%	(0.10%)
Inflation Expectation			2.30%
Volatility Drag****			(0.90%)
Expected Return	100%		8.00%

* Absolute Return includes Credit Sensitive Investments.

** Target allocations are based on the FY2023 policy model.

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

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

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED AUGUST 31, 2024

F. Defined Benefits Pension Plan (Continued)

For the fiscal year ended August 31, 2023, the annual money-weighted rate of return on pension plan investments was 3.84%. The annual money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount Rate

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 plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50% of payroll in fiscal year 2020 gradually increasing to 9.55% of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term rate of return on pension plan investments is 7.00 percent. The long-term expected rate of return on pension pan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term 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 the System's target asset allocation as of August 31, 2023 are summarized on the next page:

6. *Discount Rate Sensitivity Analysis*

The following presents the District's share of the net pension liability of the plan using the discount rate of 7.00% as well as what the District's share of the net pension liability would be if it were calculated using a discount rate that is 1 – percentage point lower (6.00%) or 1 – percentage point higher (8.00%) than the current rate:

	1% Decrease	Discount Rate	1% Increase
District's proportionate share of the net pension liability	\$ 2,193,259	\$ 1,467,009	\$ 863,131

7. *Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At year end, the District reported a liability of \$ 1,467,009 for its proportionate share of the System's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 1,467,009
State's proportionate share that is associated with the District	<u>1,974,281</u>
Total	<u>\$ 3,441,290</u>

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

At August 31, 2023, the employer's proportion of the collective net pension liability was 0.0021356840%, which was an increase of 0.0001780862% from its proportion measured as of August 31, 2022.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED AUGUST 31, 2024

F. Defined Benefits Pension Plan (Continued)

Changes Since the Prior Actuarial Valuation

The actuarial assumptions and methods are the same as used in the determination of the prior year's Net Pension Liability.

Changes in Benefit Provisions Since Prior Measurement Date

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

Pension Expense

For the current year, the District recognized pension expense of \$ 565,191 and revenue of \$ 298,099 for support provided by the State.

The District reported its proportionate share of the system's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources at year end:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual actuarial experience	\$ 52,270	\$ 17,764
Changes of actuarial assumptions	138,750	33,955
Differences between projected and actual investment earnings	213,485	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	<u>204,009</u>	<u>63,262</u>
Total as of August 31, 2023 measurement date	\$ 608,514	\$ 114,981
Contributions paid to TRS subsequent to the measurement date	<u>115,476</u>	<u>-</u>
Total at fiscal year end	<u>\$ 723,990</u>	<u>\$ 114,981</u>

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

<u>Year Ending August 31</u>	<u>Amount</u>
2025	\$ 88,765
2026	81,279
2027	219,797
2028	88,656
2029	15,037
Thereafter	(1)

G. Other Post-Employment Defined Benefit Plans

1. *Plan Description*

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The TRS-Care program was established in 1986 by the Texas Legislature. The plan is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.052.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED AUGUST 31, 2024

G. Other Post-Employment Defined Benefit Plans (Continued)

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

2. *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 (ACFR) that includes financial statements and required information. That report may be obtained on the internet at http://www.trs.texas.gov/pages/about_publications.aspx; by writing to TRS at 1000 Red River Street, Austin, TX 78701-2698; or by calling (512) 542-6592.

The components of the Net OPEB Liability of the TRS-Care plan as of August 31, 2023, and 2022 are as follows:

Net OPEB Liability	2023	2022
Total OPEB Liability	\$ 26,028,070,267	\$ 27,061,942,520
Less: Plan Fiduciary Net Position	(3,889,765,209)	(3,117,937,218)
Net OPEB Liability	\$ 22,138,305,058	\$ 23,944,005,302
Net Position as percentage of Net OPEB Liability	14.94%	11.52%

3 *Benefits Provided*

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

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

4. *Contributions*

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 (public school) contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the employer. The actual employer contribution rate is prescribed by the State Legislature in the General Appropriations Act. The following table shows contribution rates and amounts provided to the TRS-Care plan by type of contributor.

	Contribution Rates	
	2023	2024
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding remitted by Employers	1.25%	1.25%
Current Year Employer Contributions		\$ 24,682
Current Year Member Contributions		\$ 18,429
Measurement Year NECE On-Behalf Contributions		\$ 31,565

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

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED AUGUST 31, 2024

G. Other Post-Employment Defined Benefit Plans (Continued)

A supplemental appropriation was received in 2023 for \$ 21.3 million 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. The premium rates for retirees are reflected in the following table.

TRS-Care Monthly Premium Rates		
	<u>Medicare</u>	<u>Non Medicare</u>
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

5. *Actuarial Assumptions*

The actuarial valuation was performed as of August 31, 2022. Updated procedures were used to roll forward the total OPEB liability to August 31, 2023. The actuarial valuation was determined using the following actuarial assumptions.

The actuarial valuation of TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. All of the demographic assumptions, rates of retirement, termination, and disability including general inflation and salary increases are identical to those used in the respective TRS Pension valuation. These assumptions were developed in the experience study performed for TRS for the measurement period ended August 31, 2021. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2022 TRS pension actuarial valuation that was rolled forward to August 31, 2023:

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

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

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2022 rolled forward to August 31, 2023
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Discount Rate	4.13% as of August 31, 2023
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Salary Increases	2.95% to 8.95%, including inflation
Ad hoc post-employment benefit changes	None

Health Care Trend Rates

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.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED AUGUST 31, 2024

G. Other Post-Employment Defined Benefit Plans (Continued)

Discount Rate

A single discount rate of 4.13% was used to measure the total OPEB liability. There was an increase of 0.22% in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate.

6. *Discount Rate Sensitivity Analysis*

The following schedule shows the impact of the net OPEB liability if the discount rate used was 1% greater than the discount rate that was used (3.91%) in measuring the net OPEB liability as well as what the net OPEB liability would be if it were calculated using a discount rate of 1% less than the rate used.

	1% Decrease	Discount Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 786,280	\$ 667,588	\$ 570,733

7. *Healthcare Cost Trend Rates Sensitivity Analysis*

The following presents the net OPEB liability of the plan using the assumed healthcare cost trend rate (8.25%), as well as what the net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare cost trend rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
District's proportionate share of the net OPEB liability	\$ 549,725	\$ 667,588	\$ 819,219

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

At August 31, 2024, the District reported a liability of \$ 667,588 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 667,588
State's proportionate share that is associated with the District	805,548
Total	\$ 1,473,136

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

At August 31, 2023, the District's proportion of the collective net OPEB liability was 0.0030155345%, which was a decrease of 0.0000139021% from its proportion measured as of August 31, 2022.

Change Since the Prior Actuarial Valuation

The following were changed 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.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

G. Other Post-Employment Defined Benefit Plans (Continued)

Changes of Benefit Terms Since the Prior Measurement Date

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

OPEB Expense

The amount of OPEB expense recognized by the District in the reporting period was (\$ 323,568) and revenue of (\$ 172,209) for support provided by the State.

At year end, the District reported its proportionate share of TRS-Care's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources at year:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
	\$ 30,203	\$ 561,649
Differences between expected and actual actuarial experience	91,121	408,782
Changes in actuarial assumptions	288	-
Differences between projected and actual investment earnings	232,003	236,397
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	<u>\$ 353,615</u>	<u>\$ 1,206,828</u>
Total as of August 31, 2023 measurement date	<u>24,682</u>	<u>-</u>
Contributions paid to TRS subsequent to the measurement date	<u>\$ 378,297</u>	<u>\$ 1,206,828</u>
Total at fiscal year end		

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

<u>Year Ending August 31</u>	<u>Amount</u>
2025	\$ (206,927)
2026	(176,307)
2027	(134,854)
2028	(143,372)
2029	(99,000)
Thereafter	(92,753)

H. Medicare Part D Coverage

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. Under Medicare Part D, TRS-Care receives retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the years ended August 31, 2024, 2023 and 2022, the subsidy payments received by TRS-Care on behalf of the District were \$ 15,946, \$ 14,936, and \$ 10,609, respectively. These payments are recorded as equal revenues and expenditures in the governmental funds financial statement of the District.

Health Care

During the year, employees of the District were covered by a health insurance plan (the Plan). The District paid premiums of \$ 410 per month per employee and employees, at their option, authorized payroll withholdings to provide dependents coverage under the Plan. All premiums were paid to a licensed insurer. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

The contract between the Campbell Independent School District and Blue Cross Blue Shield of Texas, is renewable September 1 of each year and terms of coverage and premium costs are included in the contractual provisions.

Latest financial statements for Blue Cross Blue Shield of Texas, are available for the year ended December 31, 2023 and have been filed with the Texas State Board of Insurance, Austin, Texas, and are public records.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

I. Risk Management

Workers Compensation

The District formerly participated in the East Texas Educational Insurance Association Workers Compensation Self Insurance Joint Fund. The District entered into a three year agreement for coverage, and exited after the first year. The agreement requires payment of the fixed administrative costs through the 2023-2024 school year. The District will remain responsible for claims incurred prior to exiting the program.

During the year ended August 31, 2024, the District met its statutory worker's compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas government Code. The Fund's Workers' Compensation Program is authorized by Chapter 504, Texas Labor Code. All Members participating in the fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members' injured employees.

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

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2023, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

Unemployment Compensation Pool

During the current year, the District provided unemployment compensation coverage to its employees through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligation to the Texas Workforce Commission. Expenses are accrued each month until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop loss coverage for the Unemployment Compensation pool. For the current year, the fund anticipates that the District has no additional liability beyond the contractual obligation for payment of contribution.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2023, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

Other Risk Management

The District is exposed to various risks of loss related to torts; theft of damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2024, the District purchased commercial insurance to cover these liabilities. There were not 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.

J. Litigation

The District appears to have no pending litigation as of August 31, 2024.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED AUGUST 31, 2024

K. Commitments and Contingencies

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

The effects of the coronavirus-19 (COVID-19) pandemic continues to affect the District's operations including funding for student attendance and operating programs and cost. Continued funding allowances including additional federal funding will cease in future periods. The operational costs associated with these additional revenues will be evaluated along with the need for these services. The cost of the additional federal funded programs may exceed the available resources and require the District to either eliminate or curtail their existence.

L. Subsequent Events

Management has evaluated all events or transactions that occurred after August 31, 2024 up through November 18, 2024, the date the financial statements were issued.

M. Shared Service Arrangements

The District participates in cooperative programs with other local districts. The District does not account for revenue or expenditures of these programs and does not disclose them in these financial statements.

<u>Shared Service Agreement</u>	<u>Fiscal Agent</u>	<u>Service</u>
Tri-County Cooperative	Commerce Independent School District	Special Education
Hunt County Cooperative	Lone Oak Independent School District	Administrative and Support Services
Region X Block Grant	Education Services Center, Region X	Various Federal Programs
Regional Day School for the Deaf	Greenville Independent School District	Deaf Education
DAEP	Wolfe City Independent School District	DAEP

N. Revenue from Local and Intermediate Sources

During the year, the District received revenue from local and intermediate in the District's major funds and aggregate non major funds consisting of the following:

	General	Capital Projects	Other Governmental	Total
Property Tax Collections	\$ 1,243,290	\$ -	\$ -	\$ 1,243,290
Investment Income	152,776	24,096	-	176,872
Tuition and Fees	3,109	-	-	3,109
Food Service Income	-	-	26,635	26,635
Cocurricular/Extracurricular Activities	12,620	-	21,260	33,880
Other	2,701	-	-	2,701
Totals	\$ 1,414,496	\$ 24,096	\$ 47,895	\$ 1,486,487

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 YEAR ENDED AUGUST 31, 2024

O. Receivables

Receivables at year end, for the District's individual major funds and aggregate nonmajor funds, including any applicable allowances for uncollectible accounts are as follows:

	General	Capital Projects	Other Governmental	Totals
Due from Other Governments	\$ 214,557	\$ -	\$ 134,873	\$ 349,430
Property Taxes Receivable	198,399	-	-	198,399
Less: Allowance for Uncollectible Property Taxes	(19,840)	-	-	(19,840)
Net Receivables	\$ 393,116	\$ -	\$ 134,873	\$ 527,989

P. State Aid Reconciliation

The State provides various types of funding for local school districts as provided for in state statute. The following reconciliation presents funding earned by the District in each category presented. Because of the State's delay in reconciling the funding to local districts, the summary below represents an estimate of earnings. The settle up with the State will occur some 9 to 10 months following the fiscal year end.

Funding is earned for: 1) Available – annual allocation based on prior year enrollment; 2) Foundation – annual allocation based on student attendance, property tax collections and valuations, and special student population; 3) Instructional Facilities Allotment – based on property wealth; and 4) Existing Debt Allotment – based on eligible debt, student attendance and property wealth. Various other sources are received but not reconciled here as these are the major sources of funding.

	Available	Foundation	IFA	EDA
CY Summary of Finances (SOF)	\$ 117,564	\$ 2,421,820	Not Eligible	Not Eligible
Prior Year Settle Ups	-	15,988		
August Instructional Days Receivables	2,205	(40,434)		
Financial Statement Earnings	\$ 119,769	\$ 2,397,374	\$ -	\$ -
Financial Statement Amounts - SOF Receivable (Overpayment) *	\$ -	\$ (201,948)		
August Instructional Days Receivables	12,898	201,659		

* Overpayments are represented in the financial statements as Due to Other Governments (government-wide and governmental).

Q. Interfund Balances and Activities

Transfers between Funds

During the year, the District transferred funds between various funds as noted below:

Transfers From	Transfers To	Amount	Reason
General Fund	Child Nutrition Fund	\$ 16,588	Cover Annual Deficit

REQUIRED SUPPLEMENTARY INFORMATION

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 GENERAL FUND
 BUDGETARY COMPARISON SCHEDULE
 YEAR ENDED AUGUST 31, 2024

Data Control Codes	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	
	Original	Final			
REVENUES					
5700	Local and Intermediate Sources	\$ 1,433,623	\$ 1,433,623	\$ 1,414,496	\$ (19,127)
5800	State Program Revenues	3,120,377	3,120,377	2,710,987	(409,390)
5900	Federal Program Revenues	134,000	134,000	237,415	103,415
5020	Total Revenues	\$ 4,688,000	\$ 4,688,000	4,362,898	\$ (325,102)
EXPENDITURES					
Instruction and Instructional Related Services:					
0011	Instruction	\$ 2,215,510	\$ 2,075,510	\$ 2,073,726	\$ 1,784
0012	Instructional Resources and Media Services	15,213	15,213	7,020	8,193
0013	Curriculum and Staff Development	133,430	163,430	132,250	31,180
	Total Instruction and Instr. Related Services	<u>\$ 2,364,153</u>	<u>\$ 2,254,153</u>	<u>\$ 2,212,996</u>	<u>\$ 41,157</u>
Instructional and School Leadership:					
0023	School Leadership	\$ 126,831	\$ 186,831	\$ 172,023	\$ 14,808
	Total Instructional and School Leadership	<u>\$ 126,831</u>	<u>\$ 186,831</u>	<u>\$ 172,023</u>	<u>\$ 14,808</u>
Support Services - Student (Pupil):					
0031	Guidance, Counseling and Evaluation Services	\$ 87,051	\$ 107,051	\$ 91,738	\$ 15,313
0033	Health Services	80,737	80,737	73,678	7,059
0034	Student Transportation	128,172	78,172	5,034	73,138
0036	Cocurricular/Extracurricular Activities	149,142	169,142	146,718	22,424
	Total Support Services - Student (Pupil)	<u>\$ 445,102</u>	<u>\$ 435,102</u>	<u>\$ 317,168</u>	<u>\$ 117,934</u>
Administrative Support Services:					
0041	General Administration	\$ 486,166	\$ 516,166	\$ 496,247	\$ 19,919
	Total Administrative Support Services	<u>\$ 486,166</u>	<u>\$ 516,166</u>	<u>\$ 496,247</u>	<u>\$ 19,919</u>
Support Services - Nonstudent Based:					
0051	Facilities Maintenance and Operations	\$ 631,002	\$ 631,002	\$ 530,951	\$ 100,051
0052	Security and Monitoring Services	91,759	106,759	85,368	21,391
0053	Data Processing Services	253,887	283,887	252,250	31,637
	Total Support Services - Nonstudent Based	<u>\$ 976,648</u>	<u>\$ 1,021,648</u>	<u>\$ 868,569</u>	<u>\$ 153,079</u>
Debt Services:					
0071	Principal on Long-Term Debt	\$ 41,500	\$ 149,085	\$ 149,483	\$ (398)
0072	Interest on Long-Term Debt	39,500	41,915	39,864	2,051
0073	Debt Issuance Cost and Fees	500	45,500	-	45,500
	Total Debt Services	<u>\$ 81,500</u>	<u>\$ 236,500</u>	<u>\$ 189,347</u>	<u>\$ 47,153</u>
Capital Outlay:					
0081	Capital Outlay	\$ -	\$ 77,000	\$ 66,943	\$ 10,057
	Total Capital Outlay	<u>\$ -</u>	<u>\$ 77,000</u>	<u>\$ 66,943</u>	<u>\$ 10,057</u>
Intergovernmental Charges:					
0093	Payments for Shared Service Arrangements	\$ 177,000	\$ 187,000	\$ 173,617	\$ 13,383
0099	Other Intergovernmental Charges	30,600	42,100	39,726	2,374
	Total Intergovernmental Charges	<u>\$ 207,600</u>	<u>\$ 229,100</u>	<u>\$ 213,343</u>	<u>\$ 15,757</u>
6030	Total Expenditures	\$ 4,688,000	\$ 4,956,500	\$ 4,536,636	\$ 419,864
1100	Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ (268,500)	\$ (173,738)	\$ 94,762
OTHER FINANCING SOURCES (USES)					
8911	Transfers Out	\$ -	\$ (1,025,500)	(16,588)	\$ 1,008,912
7080	Net Other Financing Sources (Uses)	\$ -	\$ (1,025,500)	\$ (16,588)	\$ 1,008,912
1200	Net Change in Fund Balance	\$ -	\$ (1,294,000)	\$ (190,326)	\$ 1,103,674
0100	Fund Balance - Beginning (September 1)	2,954,657	2,954,657	2,954,657	-
3000	Fund Balance - Ending (August 31)	\$ 2,954,657	\$ 1,660,657	\$ 2,764,331	\$ 1,103,674

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

	<u>2023*</u>	<u>2022*</u>	<u>2021*</u>	<u>2020*</u>	<u>2019*</u>
District's proportion of the net pension liability	0.0021356840%	0.0019575978%	0.0015081562%	0.0016086660%	0.0015458039%
District's proportionate share of the net pension liability	\$ 1,467,009	\$ 1,162,175	\$ 384,074	\$ 861,569	\$ 803,557
State's proportionate share of the net pension liability associated with the District	<u>1,974,281</u>	<u>1,914,419</u>	<u>899,250</u>	<u>1,857,184</u>	<u>1,676,382</u>
Total	<u>\$ 3,441,290</u>	<u>\$ 3,076,594</u>	<u>\$ 1,283,324</u>	<u>\$ 2,718,753</u>	<u>\$ 2,479,939</u>
District's covered-employee payroll (for Measurement Year)	\$ 2,740,888	\$ 2,638,270	\$ 2,407,794	\$ 2,346,062	\$ 2,039,569
District's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	53.52%	44.05%	15.99%	36.72%	39.40%
Plan fiduciary net position as a percentage of the total pension liability	73.15%	75.62%	88.79%	75.54%	75.24%
	<u>2018*</u>	<u>2017*</u>	<u>2016*</u>	<u>2015*</u>	<u>2014*</u>
District's proportion of the net pension liability	0.0019298867%	0.0021473316%	0.0019812397%	0.0019337000%	0.0011751000%
District's proportionate share of the net pension liability	\$ 1,062,256	\$ 686,601	\$ 748,681	\$ 683,537	\$ 313,886
State's proportionate share of the net pension liability associated with the District	<u>1,781,203</u>	<u>1,205,111</u>	<u>1,501,672</u>	<u>1,383,807</u>	<u>1,261,430</u>
Total	<u>\$ 2,843,459</u>	<u>\$ 1,891,712</u>	<u>\$ 2,250,353</u>	<u>\$ 2,067,344</u>	<u>\$ 1,575,316</u>
District's covered-employee payroll (for Measurement Year)	\$ 2,092,897	\$ 2,287,253	\$ 2,211,134	\$ 2,029,198	\$ 2,083,680
District's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	50.76%	30.02%	33.86%	33.69%	15.06%
Plan fiduciary net position as a percentage of the total pension liability	73.74%	82.17%	78.00%	78.43%	83.25%

* The years above present data for the measurement period ending date. The measurement period represents the period for which the pension plan prepares its reports which provides a 10 month delay for financial reporting in accordance with GASB 68.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
YEAR ENDED AUGUST 31, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually required contributions	\$ 115,476	\$ 109,779	\$ 91,347	\$ 64,360	\$ 66,344
Contributions in relations to the contractual required contributions	<u>(115,476)</u>	<u>(109,779)</u>	<u>(91,347)</u>	<u>(64,360)</u>	<u>(66,344)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 2,835,211	\$ 2,740,888	\$ 2,638,270	\$ 2,407,794	\$ 2,346,062
Contributions as a percentage of covered employee payroll	4.07%	4.01%	3.46%	2.67%	2.83%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contributions	\$ 54,105	\$ 63,779	\$ 70,377	\$ 64,698	\$ 57,259
Contributions in relations to the contractual required contributions	<u>(54,105)</u>	<u>(63,779)</u>	<u>(70,377)</u>	<u>(64,698)</u>	<u>(57,259)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 2,039,569	\$ 2,092,897	\$ 2,287,253	\$ 2,211,134	\$ 2,029,198
Contributions as a percentage of covered employee payroll	2.62%	3.05%	3.08%	2.93%	2.82%

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

	<u>2023*</u>	<u>2022*</u>	<u>2021*</u>	<u>2020*</u>
District's proportion of the Net OPEB Liability (Asset)	0.0030155535%	0.0030294366%	0.0025320422%	0.0025306884%
District's proportionate share of the Net OPEB Liability (Asset)	\$ 667,588	\$ 725,368	\$ 976,722	\$ 962,029
State's proportionate share of the Net OPEB Liability (Asset) associated with the District	<u>805,548</u>	<u>884,836</u>	<u>1,308,590</u>	<u>1,292,736</u>
				-
Total	<u>\$ 1,473,136</u>	<u>\$ 1,610,204</u>	<u>\$ 2,285,312</u>	<u>\$ 2,254,765</u>
District's covered-employee payroll (for Measurement Year)	\$ 2,740,888	\$ 2,638,270	\$ 2,407,794	\$ 2,346,062
District's proportionate share of the Net OPEB Liability as a percentage of it's covered-employee payroll	24.36%	27.49%	40.57%	41.01%
Plan fiduciary net position as a percentage of the Total OPEB Liability	14.94%	11.52%	6.18%	4.99%
	<u>2019*</u>	<u>2018*</u>	<u>2017*</u>	
District's proportion of the Net OPEB Liability (Asset)	0.0028391351%	0.0032245810%	0.0032908181%	
District's proportionate share of the Net OPEB Liability (Asset)	\$ 1,342,665	\$ 1,610,063	\$ 1,431,053	
State's proportionate share of the Net OPEB Liability (Asset) associated with the District	<u>1,784,097</u>	<u>1,771,497</u>	<u>1,800,482</u>	
				-
Total	<u>\$ 3,126,762</u>	<u>\$ 3,381,560</u>	<u>\$ 3,231,535</u>	
District's covered-employee payroll (for Measurement Year)	\$ 2,039,569	\$ 2,092,897	\$ 2,287,253	
District's proportionate share of the Net OPEB Liability as a percentage of it's covered-employee payroll	65.83%	76.93%	62.57%	
Plan fiduciary net position as a percentage of the Total OPEB Liability	2.66%	1.57%	0.91%	

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

* The years above present data for the measurement period ending date. The measurement period represents the period for which the pension plan prepares its reports which provides a 10 month delay for financial reporting in accordance with GASB 75.

CAMPBELL INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S OPEB CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
YEAR ENDED AUGUST 31, 2024

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contributions	\$ 24,682	\$ 26,159	\$ 24,882	\$ 19,780
Contributions in relations to the contractual required contributions	<u>(24,682)</u>	<u>(26,159)</u>	<u>(24,882)</u>	<u>(19,780)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered employee payroll	\$ 2,835,211	\$ 2,740,888	\$ 2,638,270	\$ 2,407,794
Contributions as a percentage of covered employee payroll	0.87%	0.95%	0.94%	0.82%
Contractually required contributions	<u>2020</u>	<u>2019</u>	<u>2018</u>	
Contributions in relations to the contractual required contributions	\$ 19,220	\$ 20,150	\$ 22,515	
	<u>(19,220)</u>	<u>(20,150)</u>	<u>(22,515)</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
District's covered employee payroll	\$ 2,346,062	\$ 2,039,569	\$ 2,092,897	
Contributions as a percentage of covered employee payroll	0.82%	0.99%	1.08%	

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

CAMPBELL INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED AUGUST 31, 2024

A. Budget

The official budget was prepared for adoption for all Government Fund Types. The budget was prepared in accordance with accounting practices generally accepted in the United States of America. The following procedures are followed in establishing the budgetary data reflected in the basic financial statements:

1. Prior to August 20 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year beginning September 1. The operating budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
3. Prior to September 1, the budget is legally enacted through passage of a resolution by the Board.

Once a budget is approved, it can be amended at function and fund level only by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings.

Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end as required by law.

Each amendment is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at August 31 and encumbrances outstanding at the time are to be either cancelled or appropriately provided for in the subsequent year's budget. There were no end-of-year outstanding encumbrances that were provided for in the subsequent year's budget.

B. Defined Benefit Pension Plan

1. Changes of Assumptions Since the Prior Measurement Date

No actuarial assumptions and methods have been modified since the determination of the prior year net pension liability.

2. Changes of Benefit Terms Since the Prior Measurement Date

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

C. OPEB Healthcare Plan

1. Changes of Assumptions Since the Prior Measurement Date

The single discount rate changed from 3.91% as of last year to 4.13% at August 31, 2023.

2. Changes of Benefit Terms Since the Prior Measurement Date

There were no changes of benefit terms that affected measurement of the total OPEB liability since the prior measurement date.

OTHER SUPPLEMENTARY INFORMATION

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 YEAR ENDED AUGUST 31, 2024

Tax Roll Year	Last Ten Years Ended August 31	1 Tax Rates		3 Assessed/Appraised Value For School Tax Purposes	10 Beginning Balance 9/1/2023	20 Current Year's Total Levy	30 Maintenance Tax Collections	30a Debt Service Tax Collections	40 Entire Year's Adjustments	50 Ending Balance 8/31/2024	Section 26.115 Tax Refunds
		Maintenance	2 Debt Service								
XXXX	2015 and Prior Years	Various	Various	Various	40,287	-	360	-	(722)	39,205	-
2015	2016	1.040000	0.050000	78,838,349	6,620	-	-	-	(71)	6,549	-
2016	2017	1.040000	0.000000	85,394,038	9,368	-	700	-	(67)	8,601	-
2017	2018	1.040000	0.000000	92,134,923	11,248	-	827	-	(68)	10,353	-
2018	2019	1.040000	0.000000	99,536,511	10,377	-	553	-	132	9,956	-
2019	2020	0.970000	0.000000	115,417,275	9,162	-	171	-	(17)	8,974	-
2020	2021	0.887600	0.000000	131,365,145	12,512	-	1,509	-	1	11,004	-
2021	2022	0.872000	0.000000	148,842,317	21,681	-	(6,936)	-	(10,546)	18,071	-
2022	2023	0.854600	0.000000	182,012,169	73,304	-	17,229	-	(17,471)	38,604	-
2023	2024	0.669200	0.000000	196,998,134	-	1,318,312	1,200,829	-	(70,401)	47,082	58,393
1000	TOTALS				\$ 194,559	\$ 1,318,312	\$ 1,215,242	\$ -	\$ (99,230)	198,399	58,393

CAMPBELL INDEPENDENT SCHOOL DISTRICT
SCHOOL BREAKFAST AND NATIONAL LUNCH PROGRAM
BUDGETARY COMPARISON SCHEDULE
YEAR ENDED AUGUST 31, 2024

Data Control Codes	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)	
	Original	Final			
REVENUES					
5700	Local and Intermediate Sources	\$ 47,500	\$ 47,500	\$ 26,634	\$ (20,866)
5800	State Program Revenues	500	500	1,370	870
5900	Federal Program Revenues	184,000	184,000	197,206	13,206
5020	Total Revenues	\$ 232,000	\$ 232,000	\$ 225,210	\$ (6,790)
EXPENDITURES					
Current:					
0035	Food Services	\$ 232,000	\$ 287,500	\$ 260,376	\$ 27,124
	Total Support Services - Student (Pupil)	\$ 232,000	\$ 287,500	\$ 260,376	\$ 27,124
6030	Total Expenditures	\$ 232,000	\$ 287,500	\$ 260,376	\$ 27,124
1100	Excess (Deficiency) of Revenues Over Expenditures	\$ -	\$ (55,500)	\$ (35,166)	\$ 20,334
Other Financing Sources (Uses)					
7915	Operating Transfers Ins	\$ -	\$ 25,500	\$ 16,588	\$ (8,912)
7080	Total Other Financing Sources (Uses)	\$ -	\$ 25,500	\$ 16,588	\$ (8,912)
1200	Net Change in Fund Balance	\$ -	\$ (30,000)	\$ (18,578)	\$ 11,422
0100	Fund Balance - Beginning (September 1)	18,578	18,578	18,578	-
3000	Fund Balance - Ending (August 31)	\$ 18,578	\$ (11,422)	\$ -	\$ 11,422

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS
 AS OF AUGUST 31, 2024

<u>Data Control Codes</u>		<u>Response</u>
SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and / other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the school district was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warranty hold was issued, the school district is considered to not have made timely Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued. Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.	Yes
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial hold was resolved and cleared within 30 days, the shool district is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state or federal funds?	No
SF7	Did the school post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Administrative Code and other statues, laws and rules that were in effect at the school district's fical year-end?	Yes
SF8	Did the school board members discuss the school district's property value at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on CABs included in government-wide financial statements at fiscal year-end.	\$ -0-

CAMPBELL INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REQUIRED RESPONSES TO
 STATE MANDATED PROGRAM REQUIREMENTS
 YEAR ENDED AUGUST 31, 2024

<u>Data Control Codes</u>		<u>Response</u>
<u>Section A: Compensatory Education Programs</u>		
<u>AP1</u>	Did the district expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
<u>AP2</u>	Does the district have written policies and procedures for its state compensatory education program?	Yes
<u>AP3</u>	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$ 283,899
<u>AP4</u>	List the actual direct program expenditures for state compensatory education programs during the district's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 438,261
<u>Section B: Bilingual Education Programs</u>		
<u>AP5</u>	Did the district expend any bilingual education program state allotment funds during the district's fiscal year?	Yes
<u>AP6</u>	Does the district have written policies and procedures for its bilingual education program?	Yes
<u>AP7</u>	List the total state allotment funds received for bilingual education programs during the district's fiscal year.	\$ 24,538
<u>AP8</u>	List the actual direct program expenditures for bilingual education programs during the district's fiscal year. (PIC's 25)	\$ 63,016