



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR FISCAL YEAR ENDED
June 30, 2025

VIOLA WILSON
ELEMENTARY SCHOOL

2025

Boerne, Texas

Prepared By :

**Boerne ISD Office of
Business & Finance**

ANNUAL COMPREHENSIVE FINANCIAL REPORT

BOERNE INDEPENDENT SCHOOL DISTRICT
235 JOHNS RD.
BOERNE, TEXAS 78006

FOR FISCAL YEAR ENDED JUNE 30, 2025

Prepared By :
Boerne ISD Office of Business & Finance



BOERNE INDEPENDENT SCHOOL DISTRICT

Boerne, Texas

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2025

BOARD OF SCHOOL TRUSTEES

| | |
|-----------------------|----------------|
| Kristi Schmidt | President |
| Courtney Darter-Bruce | Vice-President |
| Rich Sena | Secretary |
| Sarah Faulkenberry | Trustee |
| Garrett Wilson | Trustee |
| Dallas Pipes | Trustee |
| Carlin Friar | Trustee |

Prepared by the Office of
Business & Finance

Wesley Scott
Chief Financial & Operations Officer

Boerne Independent School District
Boerne, Texas
Annual Comprehensive Financial Report
June 30, 2025

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Introductory Section



November 13, 2025

Citizens of Boerne Independent School District
Members of the Board of School Trustees
Boerne Independent School District
Boerne, Texas

Dear Board Members, Citizens, and Patrons of Boerne Independent School District:

The Texas Education Code requires that all school districts file and publish a complete set of financial statements with the Texas Education Agency ("TEA") within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with accounting principles generally accepted in the United States of America. The financial statements must be audited by a firm of licensed certified public accountants 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. Pursuant to these requirements, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the Boerne Independent School District ("District," "Boerne," or "BISD") for the year ended June 30, 2025.

This report consists of management's representation concerning the financial condition and operations of the District. Accordingly, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to help protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the presentation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement.

Weaver and Tidwell, L.L.P., a firm of licensed certified public accountants, has audited the District's financial statements. The goal of the independent audit was to provide reasonable assurance that the District's financial statements for the fiscal year ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon the audit, that there was reasonable basis for rendering an unmodified opinion that the District's basic financial statements for the fiscal year ended June 30, 2025, are fairly presented in conformity with accounting principles generally accepted in the United States of America. The independent auditors' report is presented as the first component of the financial section of this report.

The Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of the Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the Independent Auditor's Report.

Profile of the District

Boerne was established in 1907. The District is located in rapidly growing Kendall County and includes portions of Bexar and Comal counties and the City of Fair Oak Ranch. The District includes 315 square miles of suburban growth and rural Texas hill country.

Boerne enrollment is 11,101 students for 2024-25. Student demographics for 2024-25 are: 34.77% Hispanic, 58.12% White, 1.38% African American, 0.13% Asian/Pacific Islander, 0.26% Native American, and 2.77% of two or more races. Just over 19 percent of students are considered economically disadvantaged.

Residents of the District elect members of the Board of Trustees to three-year terms from each of seven at-large seats. The Trustee seats are up for election on a rotating basis on the second Saturday in May. Vacancies may be filled by appointment until the next election. Trustees annually elect Board officers, including President, Vice President, and Secretary. The Trustees serve the citizens of the District without compensation.

The District provides a full range of educational services for grade levels Pre-K through 12, in addition to educational programs that begin at age 3 for some children and extend through age 22 for others. These programs include regular and enriched academic education, special education for students with disabilities, occupational and vocational education, bilingual instruction for students with limited English proficiency, and specialized instruction for economically disadvantaged students.

Academically talented students may seek challenges in Honors, Advanced Placement, and dual credit courses in English, Mathematics, Social Studies, and Science, and other subjects in grades 6-12. In addition, students may study four different foreign languages (Spanish, German, American Sign Language, and Computer Science). The District provides programs for gifted students in various settings in grades K-12 that focus on developing higher-level and cognitive thinking skills.

A unique program that every 5th grader in BISD can engage in is The Boerne Outdoor Academy (BOA). This program was created by parents, teachers, and outdoor educators to enrich and extend classroom learning. The program features outdoor inquiry, experience-based learning, and interpersonal skills development through group learning, living, and recreation in an idyllic Hill Country camp setting. The Boerne Outdoor Academy exists to nurture our youth's commitment to themselves, their community, and their environment.

Another non-traditional program BISD offers is the Boerne Academy, which is an alternative high school experience available for students needing a different approach to completing high school. The Boerne Academy not only prepares students to complete high school but also works with students individually to ensure they are ready for their future after high school with connections to the workforce or post-secondary opportunities.

BISD is also committed to serving our community and has partnered with ESC 20 to offer classes for those needing to learn English (English as a Second Language) or to help earn a GED.

In addition to academic instruction, the Boerne ISD Student Support Department and associated campus teams provide comprehensive care services that lead to empathy, resilience, and positive academic outcomes for all students. In conjunction with the District Safety and Security Department, we aim to create a safe, supportive environment that fosters emotional well-being, physical health, and crisis resolution. Using a "System of Care" (SOC) framework, we deliver comprehensive, coordinated, and collaborative services to students with complex needs and their families. The primary goal is to ensure that services support the whole child, are family-driven, and youth-guided. This Boerne ISD framework emphasizes the integration of various services to ensure every student in our schools is healthy, safe, supported, engaged, and challenged.

District Accomplishments

- Boerne ISD students consistently score above the state average on the State's standardized tests in English Language Arts, Mathematics, Science, and Social Studies. In Spring 2012, the Texas Assessment of Knowledge and Skills was replaced by the State of Texas Assessments of Academic Readiness (STAAR). Beginning in 2018-2019, schools in Texas were rated under the new A-F accountability system. Boerne ISD has earned six consecutive 'A' ratings from 2018-25, with an overall average score of 92.4. In addition, multiple campuses received distinctions for excellence in academic subjects and academic growth.
- Over 800 students received diplomas in 2 commencement ceremonies held during the 2024-2025 school year.
- The first two Boerne ISD students graduated from the District's Early College P-TECH program with their associate's degree in Cybersecurity in the Spring of 2025.
- Boerne ISD had a total of 534 students who earned an AP Scholar designation Spring of 2025.
- Ninety percent (95%) of the class of 2024 graduated with at least one measure to indicate College, Career, and Military Readiness. For the Class of 2024, the most recent data available, the graduation rate was 99.4 percent.
- Boerne ISD was named a 2022 and 2024 Innovative District (1 of 12 across the nation) from the Center for Model Schools for their systemwide focus on instruction and organization structures to increase student growth. Innovative districts are selected annually based on rigorous criteria. Innovative Districts have evidence of growth year over year, an aligned vision and structures, and are intentional about instructional decisions.
- Boerne ISD consistently earns an "A" rating from the TEA, reflecting excellence in academic achievement, growth, and school performance. The district has received numerous prestigious honors, including being named the 2020 Best Small School District in Texas by the H-E-B Excellence in Education Awards and a 2020 Top Workplace by the *San Antonio Express-News*.
- In 2019, 2021, 2022, 2023, and 2024, Boerne ISD was nationally recognized as one of the Best Communities for Music Education.
- In 2025, Curington, Herff, Kendall, Fabra, and Fair Oaks Ranch Elementaries were honored as Capturing Kids' Hearts National Showcase Schools.

Innovative Initiatives

- Project Lead the Way (PLTW) curriculum and teacher training for the development of the Engineering Planning & Development CTE pathway and in Elementary Technology Applications classes.
- Implementation of Pathways to Technology Early College HS (P-TECH) in Cybersecurity opened in the Fall of 2022.
- Implementation of Pathways to Technology Early College HS (P-TECH) in Health Science opened in the Fall of 2024.
- Texas Lesson Study - Embedded within the Professional Learning Community learning cycle - this is a model that allows teachers to lead their learning to improve student outcomes.

Community Support

- Since 2004, voters have approved almost \$462 million in bonds to build new schools and make improvements to existing schools. In May 2022, Boerne voters approved a \$165 million bond election.
- The Boerne Education Foundation, established in 1997, is dedicated to enhancing educational experiences within the Boerne Independent School District. Its mission is to inspire community engagement and support innovative educational programs by raising and distributing funds and resources that enrich the lives of Boerne ISD students. To date, the Foundation has proudly contributed over \$8 million to Boerne ISD schools, empowering students with opportunities for growth and learning.

Financial Stewardship

- The District has one of the lowest interest and sinking (dedicated to bond debt) tax rates among similar fast-growth ISDs in Texas. Under House Bill 3, which passed in the 2019 legislative session, the M&O rate for the District has decreased by thirty-six cents through the 2024-25 fiscal year.

OUR MISSION, VISION, AND CORE VALUES

Mission:

To engage, enrich, and inspire every student, every day.

Vision:

Boerne ISD is committed to providing a safe, supportive, and innovative learning environment, ensuring that all students are prepared for their futures as responsible, productive citizens.

Core Values:

Every Child, Every Day - We are committed to ensuring every student is engaged, enriched, and inspired.

Respectful Relationships - We build a culture of trust and compassion by actively listening to and learning from others.

Excellence through Integrity - We hold ourselves and others to high standards.

Commitment to Service - We are committed to leading, serving, and enriching our community.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is best understood when it is considered from the broader perspective of the specific environment within which the District operates.

Introduction

The District is located in the heart of a rapidly growing area in Kendall County, just outside of the seventh largest city in America, San Antonio. The District's appeal to families is due to factors such as excellent teachers, strong academics, and outstanding extracurricular programs. The District facilities provide functionality with aesthetically pleasing facades. As a family-friendly District, our emphasis is on children and families. The District also places great emphasis on a high-quality workforce and an employee-family culture.

Population

There are an estimated 54,453 (as of 2025) people residing in the District and almost 20,000 households. Enrollment in the District has been steadily growing over the past 15 years, with a 1-6% increase each year, and recent trends show a stable enrollment of around 11,100.

Local Economy

The political boundaries of Boerne ISD effectively serve as a bedroom community to the greater San Antonio Metropolitan area. Its proximity to entities such as USAA and Valero, as well as the Texas Hill Country, impacts the economy of the District in unique ways. The largest employment sectors are education, health care, and professional services.

Access

The District has an excellent transportation system, with many major roads and highways traversing through it. Interstate Highway 10, which is the major east-west interstate highway in the southern United States, runs north-south through the District. Highway 46 is the major east-west thoroughfare, and Highway 3351 provides access through the eastern portion of the District.

THE REPORTING ENTITY

Boerne Independent School District is an independent reporting entity clearly within the criteria established in Section 2100 of the Governmental Accounting Standards Board codification.

Internal and Budgetary Controls

The development and evaluation of the District's accounting system considers the adequacy of the internal control structure. The internal control structure is designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that (1) the cost of controls should not exceed the benefits expected to be derived, and (2) the evaluation of costs and benefits requires estimates and judgments by management.

We believe that the District's accounting controls provide reasonable assurance that errors or irregularities that could be material to the financial statements are prevented or would be detected within a timely period by employees in the normal course of performing their assigned functions.

Budgetary controls are established by regulations of the Texas Education Agency and by District policy for all administrators with line-item responsibility. TEA regulations set the level of budgetary control at the major functional expenditure level. Administrators have the responsibility to develop and manage their own program budgets once approved. Revisions within the categories are accepted upon request, but additions in amount or revisions between functions require recommendation of the Superintendent and approval by the Board of Trustees.

General Educational Functions

Principally, local taxes and state entitlements support general educational activities. Direct federal aid is nominal in the General Fund; however, the Special Revenue Fund receives most of its funding from Federal grants, which are distributed through the Texas Education Agency. General educational activities are accounted for in the General and Special Revenue Funds. State and federal grants or entitlements primarily support the Special Revenue Fund. They include support for the economically and academically disadvantaged, federal support for special and vocational education, and a variety of other projects as described in the Combining Statements.

Cash Management

The District's cash position is reviewed regularly, and all idle cash is invested in accordance with the District's investment policy. The District's investment officers invest primarily in U.S. Government agency notes, municipal bonds, and local government investment pools. Yields on investments remain favorable compared to the three-month Treasury bill rate.

The District's investment policy is to protect principal and minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral pledged to the District was held in the District's name by the Federal Reserve in Boston, Massachusetts.

Risk Management

The purpose of Risk Management is to plan for the negative consequences of any decision, process, or action by using whatever means feasible to control the chance of financial loss. Effective risk management is a critical component of any sound organization. Every dollar spent on property damage, on-the-job injuries, liability claims, and insurance premiums is a dollar not spent on school district services.

The objectives of risk management are to:

1. Ensure that District assets are protected and managed appropriately;
2. Identify situations that may create liability and financial burden upon the District;
3. Implement effective procedures to minimize and/or avoid loss exposures;
4. Act as a resource and service center for all District employees.

The District also maintains a workers' compensation program, property and casualty coverage, and a safety training and inspection program.

Worker's Compensation Program

The District provides all employees with workers' compensation coverage for injuries that occur in the course and scope of employment.

Property and Casualty Coverage

Commercial property and casualty policy (P&C) is purchased by the District to provide fire and extended coverage of all District permanent structures and their contents. Other P&C exposures insured are Boiler & Machinery, Underground Storage Tank Liability, Crime Coverage, Errors & Omissions Coverage, and numerous Fidelity Bonds.

Safety Program

The District provides regular training to various campus personnel and employee groups throughout the District. Specific or targeted training is provided on the basis of need and at periodic intervals throughout the year. In addition, the use of inspections has allowed the District to identify unsafe acts or conditions, make necessary changes, and prevent loss situations from occurring to others.

Employee Benefits

Boerne makes an array of benefits available through a Section 125 Cafeteria Plan to all regular employees who work 20 hours or more per week. Participation in the Cafeteria Plan allows for certain benefits to be deducted from the employee's pay with tax-deferred money. The District subsidizes premiums for active employees based on the coverage tier selected (i.e., employee only, employee and spouse, employee and children, employee and family). The District does not subsidize retiree benefits.

Health Insurance Program

The District offers its employees a suite of health benefit plans fully insured by TRS-ActiveCare.

Supplemental Employee Benefits

Other benefits offered are voluntary and supplemental in nature. The participant pays the total cost of these insurances. The supplemental benefits include 1) Dental Insurance, 2) Vision Insurance, 3) Employee, Spouse and Child Term Life Insurance, 4) Disability/Income Replacement, 5) Pre-Paid Legal, 6) Medical and Dependent Care Spending Accounts, 7) Cancer Insurance, 8) Critical Illness Insurance, and 9) Health Spending Accounts.

Fiscal Strategic Planning

The District continues to be proactive in its strategic fiscal planning by requesting input from community members and staff. The priorities of the Strategic Plan focus on promoting community involvement; educating diverse learners; hiring, developing, and retaining quality staff; and promoting a safe environment for the students and staff.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awards the Certificate of Achievement for Excellence in Financial Reporting to local governments that issue annual financial reports that meet certain requirements. In order to receive a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy accounting principles generally accepted in the United States as well as applicable legal requirements.

A Certificate of Achievement is valid for a period of only one year. We believe our current annual comprehensive financial report meets the Certificate of Achievement program's requirements, and we are submitting it to GFOA to determine its eligibility.

Senate Bill 218 of the 77th Texas Legislature (2001) authorized the implementation of the Financial Integrity Rating System of Texas, officially known as Schools FIRST. This law requires each school district to prepare and distribute an annual financial management report and provide the public with an opportunity to comment on the report at a public meeting. The primary goal of Schools FIRST is to improve the management of a school district's financial resources.

For fourteen years in a row, the District earned a “Superior Achievement” rating from the TEA. This is the highest possible rating under the Schools FIRST accountability system. Beginning in 2014-15, the TEA modified the ratings to a point system with a maximum of 100 points and a “Superior” rating for achieving a minimum of 90 points. In the latest FIRST report presented to the public in October 2024 for 2022-23, the District earned a “Superior” rating with a score of 100 points.

The timely preparation of this report could not have been accomplished without the assistance of the following departments: Academics, Administration, Communications, Human Resources, Technology, and Business and Finance. We would like to acknowledge our independent auditors, Weaver and Tidwell, L.L.P., for their role in providing professional guidance and assistance in the preparation of this report.

Finally, without the interest, leadership, and support of the Board of Trustees, the preparation of this report would not have been possible.

Thanks to the collective efforts of several key departments, this report was prepared in a timely and efficient manner. We are thankful for the assistance of the Academics, Administration, Communications, Human Resources, Technology, and Business and Finance teams. Special recognition also goes to Weaver and Tidwell, L.L.P., for their expert advice and support, and to the Board of Trustees for their unwavering interest and leadership.

Kristin Craft, Ed.D.
Superintendent of Schools

Wesley Scott
Chief Financial Officer

CERTIFICATE OF BOARD

Boerne Independent School District
Name of School District

Kendall County
County

130-901
Co.-Dist. Number

We, the undersigned, certify that the attached Annual Financial Reports of the above-named school district were reviewed and { } approved { } disapproved for the year ended June 30, 2025, at a meeting of the Board of School Trustees of such school district on the _____ day of _____, 2025.

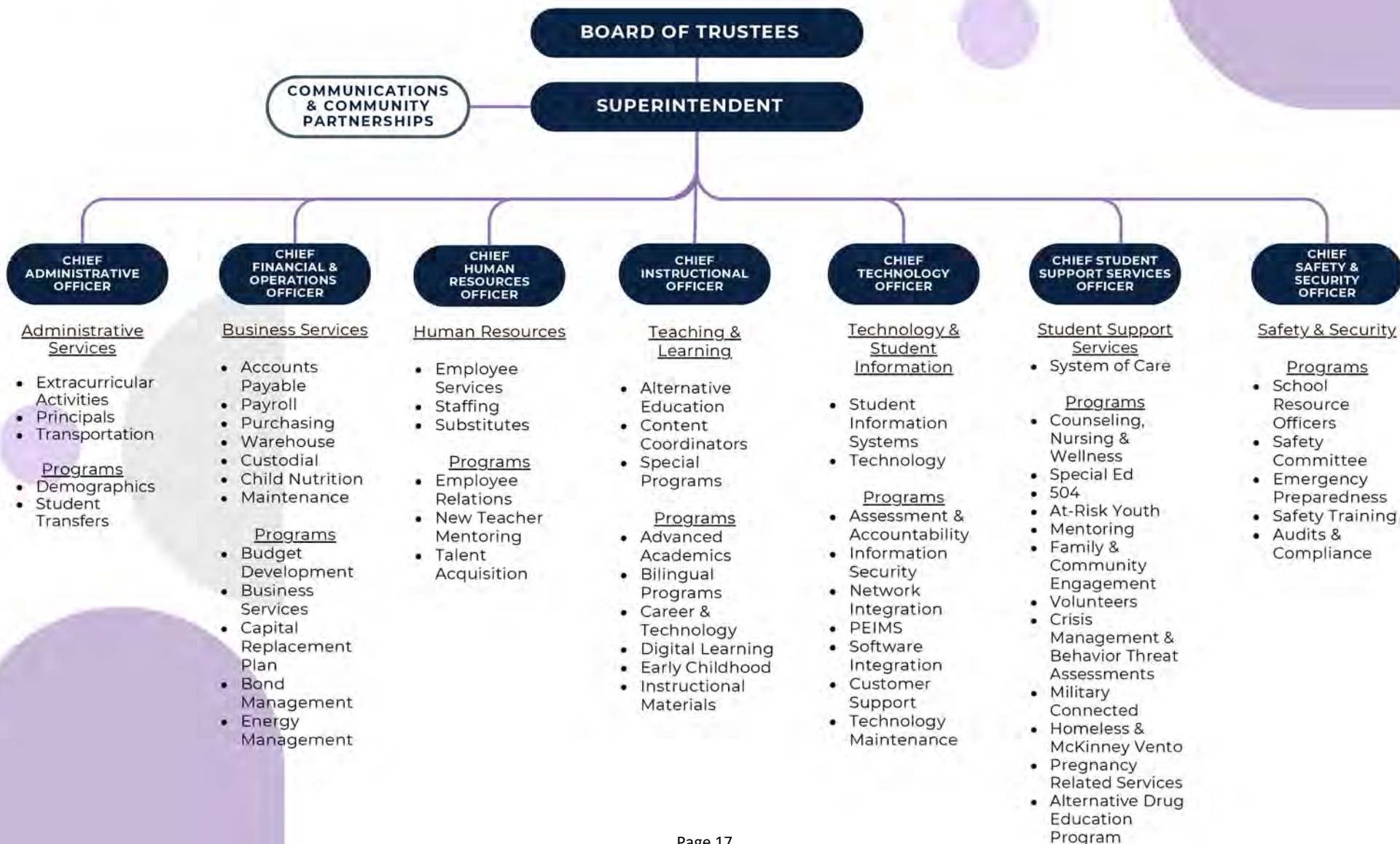
Signature of Board Secretary

Signature of Board President

If the board of trustees disapproved of the auditor's report, the reason(s) for *disapproving of it is (are)*:
(attach list as necessary)



BOERNE ISD EXECUTIVE LEADERSHIP



BOERNE INDEPENDENT SCHOOL DISTRICT

Boerne, Texas

EXECUTIVE LEADERSHIP AND ADVISORS

June 30, 2025

EXECUTIVE LEADERSHIP

| | |
|-------------------------|--------------------------------------|
| Kris. n Craft, Ed.D. | Superintendent |
| Jill Rhodes-Pruin | Chief Human Resources Officer |
| John O’Hare, Ed.D. | Chief Administrative Officer |
| Krista Pomeroy | Chief Student Support Officer |
| Larissa Flores | Chief Instructional Officer |
| Maggie Dominguez, Ph.D. | Executive Director of Communications |
| Rick Goodrich | Chief Safety & Security Officer |
| Sean Babcock | Chief Technology Officer |
| Wesley Scott | Chief Financial & Operations Officer |

ACCOUNTANTS AND ADVISORS

Weaver and Tidwell, L.L.P.
Certified Public Accountants
San Antonio, Texas

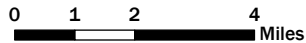
Walsh, Gallegos, Trevino, Russo & Kyle, Inc.
General Counsel
San Antonio, Texas

Hilltop Securities, Inc.
Financial Advisors
San Antonio, Texas

McCall Parkhurst & Horton, LLP
Bond Counsel
San Antonio, Texas

Facilities Map

Boerne ISD



Map Layers

District Boundary

Streets

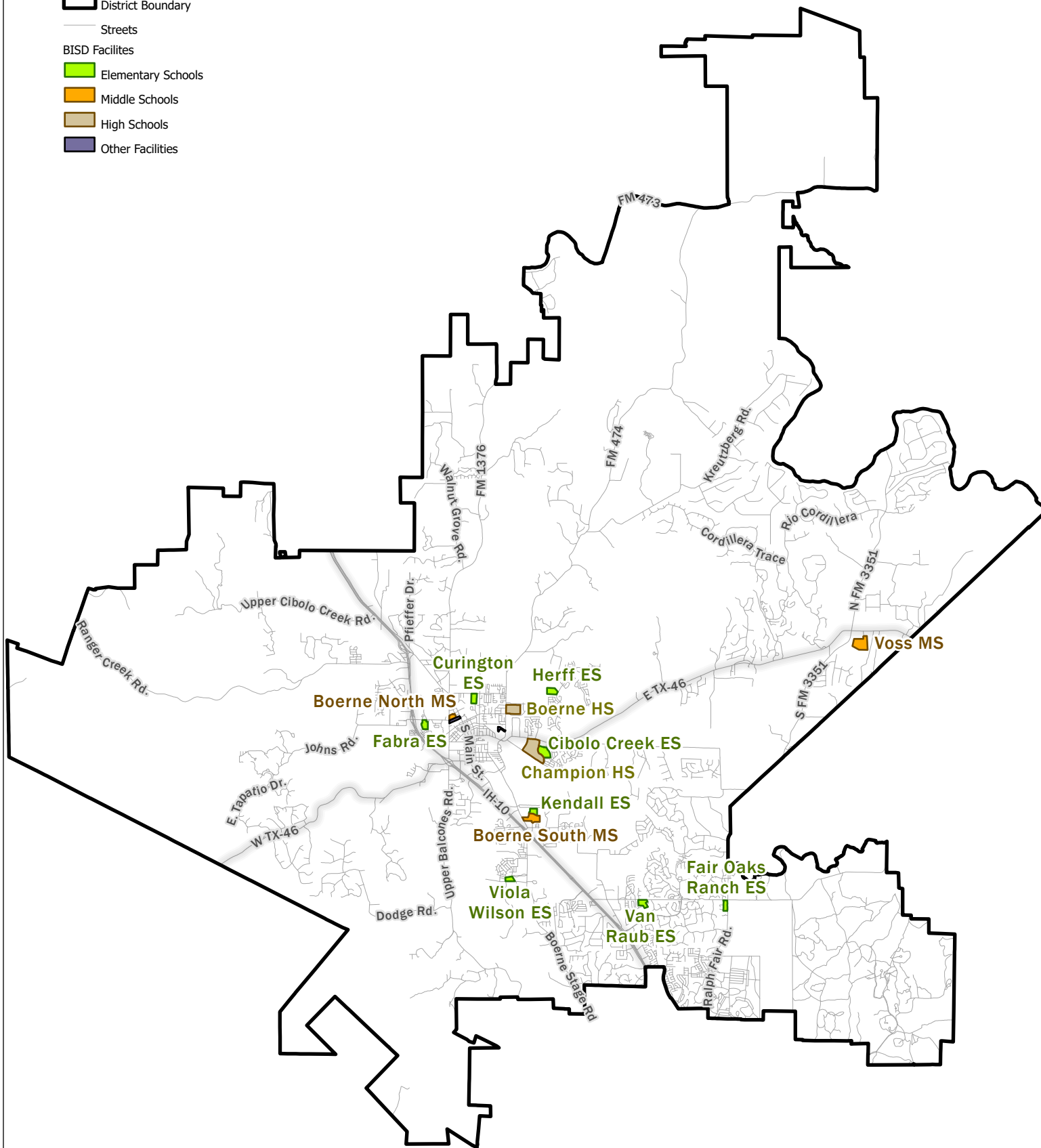
BISD Facilities

Elementary Schools

Middle Schools

High Schools

Other Facilities





Financial Section

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Boerne Independent School District (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note II. G. of the basic financial statements, during the year ended June 30, 2025, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. Beginning net position was restated as a result of this implementation. Our opinions are not modified with respect to this manner.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and GAS, we:

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District 's basic financial statements. The supplementary information – combining statements and TEA required schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information – combining statements and TEA required schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information – combining statements and TEA required schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the Introductory Section and Statistical Section but does not include the financial statements and our auditor's report thereon. Our opinions on the 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 financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the 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 13, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P

Austin, Texas
November 13, 2025



***Management's Discussion & Analysis
(MD&A)***

BOERNE INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025

This discussion and analysis of the Boerne Independent School District's (the "District") financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. It should be read in conjunction with the District's financial statements.

FINANCIAL HIGHLIGHTS

- The District's total combined net position at June 30, 2025, was \$44,806,462.
- For the fiscal year ended June 30, 2025, the District's general fund reported a total fund balance of \$29,548,279, of which \$29,295,268 was unassigned.
- At the end of the fiscal year, the District's governmental funds (the general fund plus all federal, state, and local grant funds, the debt service fund, and the capital projects fund) reported combined ending fund balances of \$79,619,488.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual report consists of three parts – *Management's Discussion and Analysis* (this section), the *Basic Financial Statements*, and *Required Supplementary Information*. The basic 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.
- The proprietary fund statements provide information about services provided to parties inside the District. The proprietary funds include the internal service fund (the District's insurance fund).
- 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 fiduciary resources belong. This fund includes student activity funds.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The notes to the financial statements are followed by a section entitled *Required Supplementary Information* that further explains and supports the information in the financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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

The government-wide statements report on the District's net position and how it has changed. Net position is the difference between the District's assets and liabilities and 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, staffing patterns, enrollment, and attendance.

The government-wide financial statements of the District include the *governmental activities*. Most of the District's basic services, such as instruction, extracurricular activities, curriculum, and staff development, health services, general administration, and plant operation and maintenance, are included in *governmental activities*. Locally assessed property taxes, together with State foundation program entitlements, which are based upon student enrollment and attendance, finance most of the governmental 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 simply accounting devices that are used to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by State law, and other funds are mandated by bond agreements or bond covenants.
- The Board of Trustees (the "Board") establishes other funds to control and manage money set aside for particular purposes or to show that the District is properly using certain taxes and grants.
- Other funds are used to account for assets held by the District in a custodial capacity – these assets do not belong to the District, but the District is responsible for properly accounting for them.

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* can readily be converted to cash flow in and out and (2) the balances left at year's end that are available for spending. Consequently, the governmental fund statements provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds* – These funds include the internal service fund. The District's workers' compensation and unemployment fund activity is reported in the internal service fund and is shown in a separate statement of net position and statement of changes in net position.
- *Fiduciary funds* – The District serves as the trustee, or fiduciary, for certain funds such as student activity 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 governmental operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's combined net position was \$44,806,462 at June 30, 2025. *Table 1* focuses on net position, while *Table 2* shows the revenues and expenses that changed the net position balance during the fiscal year ended June 30, 2025. Revenues for the District, not restricted to specific programs, increased commensurate with an increase in enrollment and attendance in accordance with State funding provision and hold harmless provisions instituted by the Texas Education Agency for the 2025 fiscal year. Property tax revenues increased commensurate with an increase in property values and a small decrease in the tax rate. *Table 1* indicates the overall condition of the District remained relatively stable. The District's current assets decreased, and capital assets increased due to the continuation of construction projects stemming from the successful May 2022 bond authorization. The District's long-term liabilities decreased due to the planned defeasance of callable bond issues.

TABLE 1
Net Position

| | <u>Governmental Activities</u> | |
|--------------------------------------|--------------------------------|----------------------|
| | <u>2025</u> | <u>2024</u> |
| Assets | | |
| Current and Other Assets | \$ 97,259,856 | \$ 146,687,766 |
| Capital Assets | <u>433,464,434</u> | <u>408,503,976</u> |
| Total Assets | 530,724,290 | 555,191,742 |
| Total Deferred Outflows of Resources | <u>17,828,789</u> | <u>20,314,777</u> |
| Liabilities | | |
| Current and Other Liabilities | 21,359,118 | 25,072,027 |
| Long-term Liabilities | <u>463,925,762</u> | <u>484,049,938</u> |
| Total Liabilities | 485,284,880 | 509,121,965 |
| Total Deferred Inflows of Resources | <u>18,461,737</u> | <u>24,112,794</u> |
| Net Position | | |
| Net Investment in Capital Assets | 71,455,056 | 52,645,468 |
| Restricted | 3,923,992 | 4,905,828 |
| Unrestricted | <u>(30,572,586)</u> | <u>(15,279,536)</u> |
| Total Net Position | <u>\$ 44,806,462</u> | <u>\$ 42,271,760</u> |

TABLE 2
Change in Net Position

| | Governmental Activities | |
|---|--------------------------------|----------------------|
| | 2025 | 2024 |
| Revenues | | |
| <u>Program Revenues</u> | | |
| Charges for Services | \$ 4,190,025 | \$ 3,742,862 |
| Operating Grants and Contributions | 24,681,739 | 22,665,643 |
| <u>General Revenues</u> | | |
| Property Taxes | 111,868,531 | 102,284,008 |
| State Aid - formula | 26,121,505 | 23,441,435 |
| Investment Earnings | 5,843,582 | 7,083,759 |
| Other | 3,305,051 | 438,757 |
| Total Revenues | <u>176,010,433</u> | <u>159,656,464</u> |
| Expenses | | |
| Instruction | 76,146,566 | 72,437,345 |
| Instructional Resources & Media Services | 1,641,591 | 1,348,689 |
| Curriculum & Staff Development | 3,487,220 | 3,504,085 |
| Instructional Leadership | 1,694,271 | 1,644,269 |
| School Leadership | 6,993,222 | 6,811,609 |
| Guidance, Counseling & Evaluation Services | 5,660,098 | 5,131,134 |
| Health Services | 1,441,462 | 1,336,925 |
| Student (pupil) Transportation | 4,644,753 | 3,859,543 |
| Child Nutrition Services | 5,240,414 | 4,726,271 |
| Co-Curricular Activities | 5,083,886 | 5,180,777 |
| General Administration | 4,302,766 | 4,528,720 |
| Plant Maintenance and Operations | 25,626,917 | 18,182,023 |
| Security & Monitoring Services | 3,108,353 | 2,960,499 |
| Data Processing Services | 4,939,545 | 5,661,924 |
| Community Services | 19,288 | 44,118 |
| Debt Service | 13,286,161 | 13,713,408 |
| Contracted Instructional Services Between Schools | - | - |
| Other Governmental Charges | 1,221,012 | 1,061,912 |
| Total Expenses | <u>164,537,525</u> | <u>152,133,251</u> |
| Change in Net Position | 11,472,908 | 7,523,213 |
| Beginning Net Position (as restated) | <u>33,333,554</u> | <u>34,748,547</u> |
| Ending Net Position | <u>\$ 44,806,462</u> | <u>\$ 42,271,760</u> |

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At the close of the fiscal year ending June 30, 2025, the District's governmental funds reported a combined fund balance of \$79,619,488. This compares to a combined fund balance of \$123,178,366 at June 30, 2024. Fund balance reached a peak in 2023 primarily as a result of the issuance of bond debt from the 2022 bond authorization approved by voters in May 2022. The decline in fund balance to 2024 and again in 2025 is due to the beginning and continuation of the major construction project phase of the authorization. Larger declines in fund balance are anticipated in the next several fiscal years as the completion phase progresses.

GENERAL FUND BUDGETARY HIGHLIGHTS

In accordance with State law, the District prepares an annual budget for the general fund, the food service special revenue fund, and the debt service fund. The District budgets the capital projects fund for each *project*, which normally covers multiple years. Special revenue funds have budgets approved by the funding agency and are amended throughout the year as required.

During the period ended June 30, 2025, the District amended its budget as required by State law to reflect current levels of revenue and anticipated expenses. Changes between the original budget and the final amended budget were due primarily to the continuing implementation of 2023 property tax legislation related to frozen values. The general fund's actual revenues exceeded budgeted revenues by \$1,902,517 and the budgeted expenditures exceeded actual expenditures by \$1,814,273.

CAPITAL ASSETS

Capital assets are generally defined as those items that have useful lives of two years or more and have an initial cost or value (if donated) of an amount determined by the Board. During the fiscal year ended June 30, 2025, the District used a capitalization threshold of \$5,000, which means that all capital-type assets, including library books, with a cost or initial value of less than \$5,000 were not included in the capital assets inventory.

As of June 30, 2025, the District had a total of \$433,464,434 invested in capital assets such as land, buildings, and District equipment, net of depreciation. This is a substantial increase from the prior year due to the number of construction projects underway as a result of the 2022 bond authorization.

More detailed information about the District's capital assets can be found in the notes to the financial statements.

LONG-TERM DEBT

At year's end, the District had \$384,264,896 in general obligation bonds and notes outstanding versus \$411,994,896 last year. More detailed information about the District's long-term liabilities is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND TAX RATES

Total appraised market value of the District for the 2025-2026 (2025 Tax Year) is \$21.1 billion, which is a 5 percent increase from the preceding year. Total taxable property values (including "frozen" values) used for the 2025-2026 budget preparation increased one percent from the preceding year, primarily due to the proposed increases in homestead exemptions in the 2025 legislative session, offset by the current year expiration of the homestead cap.

The Board set the tax rate for the 2025-2026 school year at the August 2025 Board meeting. The tax rates were approved with an increase from the prior year, which prompted a Voter Approval Tax Ratification Election. Debt service tax rate is \$0.314, and maintenance and operation rate is \$0.6969 for a total tax rate of \$1.0109 per \$100 valuation.

The original 2025-2026 general operating fund budget was \$116.5 million, an increase of 14.84 percent from the 2024-2025 adopted budget and a 6.4 percent increase from the 2024-2025 final amended budget. Compensation was the primary increase driver and was approved for teaching positions for the 2024-2025 fiscal year. New positions were budgeted to accommodate growth.

The District's 2025-2026 estimated average membership is projected at 11,237, with estimated average daily attendance at 10,542. Attendance was estimated at 94.00 percent.

Enrollment of 11,180 through September 2025 is in line with budgeted expectations. Accordingly, the Administration is closely monitoring revenue and expenditure considerations to ensure budgetary limitations are appropriate.

The District remains aware of its dependence on local taxation to support all phases of its operations and is committed to providing the best possible education to every student, using the resources made available to it by State law and local taxpayer support.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and creditors with a general overview of the District's finances and to demonstrate the District's commitment to accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Boerne Independent School District's business office at 235 Johns Road, Boerne, Texas 78006 or by calling (830) 357-2000.

A young girl with dark hair and glasses is sitting at a wooden desk in a classroom. She is wearing a light blue sweater with thin white horizontal stripes. She has a friendly smile and is looking towards the left of the frame. Her hands are clasped together on the desk. In front of her are several colored markers (yellow, purple, pink) and a small pink eraser. The background is a blurred classroom setting with wooden paneling.

Basic Financial Statements

BOERNE INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF NET POSITION
 JUNE 30, 2025

| Data Control Codes | | Primary Government Governmental Activities |
|---------------------------------------|---|--|
| ASSETS | | |
| 1110 | Cash and Cash Equivalents | \$ 88,167,352 |
| 1220 | Property Taxes Receivable (Delinquent) | 3,097,164 |
| 1230 | Allowance for Uncollectible Taxes | (1,889,950) |
| 1240 | Due from Other Governments | 7,460,893 |
| 1290 | Other Receivables | 92,109 |
| 1300 | Inventories | 67,557 |
| 1490 | Other Current Assets | 264,731 |
| Capital Assets | | |
| 1510 | Land | 38,930,665 |
| 1520 | Buildings, net | 358,596,441 |
| 1530 | Furniture & Equipment, net | 7,845,704 |
| 1540 | Vehicles, net | 5,423,630 |
| 1550 | Leases and Subscriptions, net | 591,303 |
| 1580 | Construction in Progress | 9,666,456 |
| 1590 | Infrastructure, net | 12,410,235 |
| 1000 | Total Assets | <u>530,724,290</u> |
| DEFERRED OUTFLOWS OF RESOURCES | | |
| 1701 | Deferred Charge for Refunding | 281,040 |
| 1705 | Deferred Outflow Related to TRS Pension | 7,035,565 |
| 1706 | Deferred Outflow Related to TRS OPEB | 10,512,184 |
| 1700 | Total Deferred Outflows of Resources | <u>17,828,789</u> |
| LIABILITIES | | |
| 2110 | Accounts Payable | 4,728,417 |
| 2140 | Accrued Interest | 5,100,424 |
| 2150 | Payroll Deductions & Withholdings Payable | 31,825 |
| 2160 | Accrued Wages Payable | 10,796,375 |
| 2180 | Due to Other Governments | 94,406 |
| 2210 | Accrued Expenses | 96,411 |
| 2300 | Unearned Revenue | 511,260 |
| Noncurrent Liabilities | | |
| 2501 | Due within one year | 14,560,898 |
| 2502 | Due in more than one year | 396,692,594 |
| 2530 | Leases and Subscriptions - Long Term | 345,582 |
| 2540 | Net Pension Liability (District's Share) | 28,019,973 |
| 2545 | Net OPEB Liability (District's Share) | 19,802,374 |
| 2590 | Other Long term liabilities - due or payable after one year | 4,504,341 |
| 2000 | Total Liabilities | <u>485,284,880</u> |
| DEFERRED INFLOWS OF RESOURCES | | |
| 2605 | Deferred Inflow Related to TRS Pension | 1,113,019 |
| 2606 | Deferred Inflow Related to TRS OPEB | 17,348,718 |
| 2600 | Total Deferred Inflows of Resources | <u>18,461,737</u> |
| NET POSITION | | |
| 3200 | Net Investment in Capital Assets | 71,455,056 |
| 3820 | Restricted for Federal and State Programs | 644,784 |
| 3850 | Restricted for Debt Service | 1,675,226 |
| 3890 | Other Restrictions on Net Position | 1,603,982 |
| 3900 | Unrestricted | (30,572,586) |
| 3000 | Total Net Position | <u>\$ 44,806,462</u> |

The accompanying notes are an integral part of this statement.

BOERNE INDEPENDENT SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

YEAR ENDED JUNE 30, 2025

| Data Control Codes | Functions/Programs | 1 Expenses | Program Revenues | | 6 Governmental Activities | Net (Expense)/ Revenue and Changes in Net Position |
|--------------------------|---|-----------------------|------------------------------|---|------------------------------|---|
| | | | 3 Charges for Services | 4 Operating Grants and Contributions | | |
| Governmental Activities: | | | | | | |
| 0011 | Instruction | \$ 76,146,566 | \$ 452,012 | \$ 14,222,815 | \$ (61,471,739) | |
| 0012 | Instructional Resources & Media Services | 1,641,591 | 7,582 | 133,700 | (1,500,309) | |
| 0013 | Curriculum & Staff Development | 3,487,220 | 23,067 | 498,458 | (2,965,695) | |
| 0021 | Instructional Leadership | 1,694,271 | - | 138,121 | (1,556,150) | |
| 0023 | School Leadership | 6,993,222 | 13,068 | 701,759 | (6,278,395) | |
| 0031 | Guidance, Counseling & Evaluation Services | 5,660,098 | 43,596 | 793,002 | (4,823,500) | |
| 0033 | Health Services | 1,441,462 | 18 | 133,859 | (1,307,585) | |
| 0034 | Student (Pupil) Transportation | 4,644,753 | 179 | 277,393 | (4,367,181) | |
| 0035 | Child Nutrition Services | 5,240,414 | 2,745,303 | 2,198,800 | (296,311) | |
| 0036 | Co-curricular/Extracurricular Activities | 5,083,886 | 538,091 | 469,927 | (4,075,868) | |
| 0041 | General Administration | 4,302,766 | 1,669 | 587,032 | (3,714,065) | |
| 0051 | Plant Maintenance & Operations | 25,626,917 | 319,005 | 522,981 | (24,784,931) | |
| 0052 | Security & Monitoring Services | 3,108,353 | 46,435 | 145,369 | (2,916,549) | |
| 0053 | Data Processing Services | 4,939,545 | - | 137,232 | (4,802,313) | |
| 0061 | Community Services | 19,288 | - | 8,322 | (10,966) | |
| 0072 | Debt Service - Interest | 13,275,809 | - | 3,712,969 | (9,562,840) | |
| 0073 | Debt Service - Fiscal Charges | 10,352 | - | - | (10,352) | |
| 0099 | Other Governmental Charges | 1,221,012 | - | - | (1,221,012) | |
| TP | TOTAL PRIMARY GOVERNMENT | <u>\$ 164,537,525</u> | <u>\$ 4,190,025</u> | <u>\$ 24,681,739</u> | (135,665,761) | |
| General Revenues: | | | | | | |
| Taxes: | | | | | | |
| MT | Property Taxes, Levied for General Purposes | | | | 75,331,402 | |
| DT | Property Taxes, Levied for Debt Service | | | | 36,537,129 | |
| SF | State aid - unrestricted formula grants | | | | 26,121,505 | |
| MI | Miscellaneous local & intermediate | | | | 3,305,051 | |
| IE | Investment earnings | | | | 5,843,582 | |
| TR | Total general revenues | | | | <u>147,138,669</u> | |
| CN | Changes in Net Position | | | | 11,472,908 | |
| NB | Net Position -- beginning (as restated) | | | | <u>33,333,554</u> | |
| NE | Net Position -- ending | | | | <u>\$ 44,806,462</u> | |

The accompanying notes are an integral part of this statement.

BOERNE INDEPENDENT SCHOOL DISTRICT
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2025

| Data Control Codes | General Fund | Debt Service Fund | Capital Projects Fund | Non-Major Governmental Funds | Total Governmental Funds |
|--|----------------------|----------------------|-----------------------|------------------------------|--------------------------|
| ASSETS | | | | | |
| 1110 Cash and Cash Equivalents | \$ 34,157,286 | \$ 10,492,749 | \$ 40,752,570 | \$ 2,746,489 | \$ 88,149,094 |
| 1220 Property Taxes - Delinquent | 2,186,782 | 910,382 | - | - | 3,097,164 |
| 1230 Allowance for Uncollectible Taxes (credit) | (1,362,679) | (527,271) | - | - | (1,889,950) |
| 1240 Due from Other Governments | 6,415,123 | 7,308 | - | 1,038,462 | 7,460,893 |
| 1260 Due from Other Funds | 460,540 | - | 52,540 | 142,001 | 655,081 |
| 1290 Other Receivables | 39,767 | - | 13,392 | 38,950 | 92,109 |
| 1300 Inventories, at cost | 36,583 | - | - | 30,974 | 67,557 |
| 1490 Other Current Assets | 253,011 | - | - | 11,720 | 264,731 |
| 1000 Total Assets | <u>\$ 42,186,413</u> | <u>\$ 10,883,168</u> | <u>\$ 40,818,502</u> | <u>\$ 4,008,596</u> | <u>\$ 97,896,679</u> |
| LIABILITIES | | | | | |
| 2110 Accounts Payable | \$ 1,609,584 | \$ - | \$ 3,536,179 | \$ 156,354 | \$ 5,302,117 |
| 2150 Payroll Deductions & Withholdings Payable | 31,825 | - | - | - | 31,825 |
| 2160 Accrued Wages Payable | 10,145,813 | - | - | 650,562 | 10,796,375 |
| 2170 Due to Other Funds | 179,411 | - | - | 475,670 | 655,081 |
| 2180 Due to Other Governments | - | 94,406 | - | - | 94,406 |
| 2210 Accrued Expenditures | 96,411 | - | - | - | 96,411 |
| 2300 Unearned Revenue | 34,016 | - | - | 477,244 | 511,260 |
| 2000 Total Liabilities | <u>12,097,060</u> | <u>94,406</u> | <u>3,536,179</u> | <u>1,759,830</u> | <u>17,487,475</u> |
| DEFERRED INFLOWS OF RESOURCES | | | | | |
| 2601 Unavailable Revenue - Property Taxes | 541,074 | 248,642 | - | - | 789,716 |
| 2600 Total Deferred Inflows of Resources | <u>541,074</u> | <u>248,642</u> | <u>-</u> | <u>-</u> | <u>789,716</u> |
| FUND BALANCES | | | | | |
| 3410 Nonspendable | 253,011 | - | - | 40,974 | 293,985 |
| 3450 Restricted - Grant Funds | - | - | - | 603,810 | 603,810 |
| 3470 Restricted - Capital Acquisitions and Contractual Obligations | - | - | 37,282,323 | - | 37,282,323 |
| 3480 Restricted - Debt Service | - | 10,540,120 | - | - | 10,540,120 |
| 3490 Restricted - Other | - | - | - | 1,603,982 | 1,603,982 |
| 3600 Unassigned | 29,295,268 | - | - | - | 29,295,268 |
| 3000 Total Fund Balance | <u>29,548,279</u> | <u>10,540,120</u> | <u>37,282,323</u> | <u>2,248,766</u> | <u>79,619,488</u> |
| 4000 Total Liabilities, Deferred Inflows and Fund Balances | <u>\$ 42,186,413</u> | <u>\$ 10,883,168</u> | <u>\$ 40,818,502</u> | <u>\$ 4,008,596</u> | <u>\$ 97,896,679</u> |

The accompanying notes are an integral part of this statement.

BOERNE INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
 STATEMENT OF NET POSITION
 JUNE 30, 2025

Amounts reported for government activities in the Statement of Net Position are different because:

Total fund balances - governmental funds \$ 79,619,488

The District uses internal service funds to charge the costs of worker's compensation, equipment and unemployment) to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net position, including furniture and equipment and accumulated depreciation in the following amounts: (47,842)

Capital assets used in governmental activities are not financial resources, and therefore, are not reported as assets in the governmental funds.

| | | | |
|---|----|---------------------|---------------|
| Land | \$ | 38,930,665 | |
| Buildings | | 453,416,013 | |
| Furniture and Equipment | | 19,636,138 | |
| Leases and Subscriptions | | 1,165,040 | |
| Vehicles | | 10,765,107 | |
| Construction in Progress | | 9,666,456 | |
| Infrastructure | | <u>36,917,782</u> | 570,497,201 |
| Accumulated Depreciation - Buildings | | (94,819,572) | |
| Accumulated Depreciation - Furniture and Equipment | | (11,790,434) | |
| Accumulated Depreciation - Leases and Subscriptions | | (573,737) | |
| Accumulated Depreciation - Vehicles | | (5,341,477) | |
| Accumulated Depreciation - Infrastructure | | <u>(24,507,547)</u> | (137,032,767) |

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported as liabilities in the funds. Unearned revenue is not reported as a liability in the government-wide financial statements, because the revenue is considered earned.

| | | | |
|---|----|--------------------|---------------|
| Accrued Interest - Bonds | \$ | (5,100,424) | |
| Leases and Subscriptions Payable | | (549,455) | |
| Bonds Payable - Long-term | | (384,264,896) | |
| Unamortized Bond Premiums | | (12,225,008) | |
| Arbitrage Rebate Payable | | (3,864,541) | |
| Compensated Absences | | (7,893,768) | |
| Accretion of Interest on Capital Appreciation Bonds | | <u>(6,665,947)</u> | (420,564,039) |

Unavailable revenue from property taxes and other items is not reported as a deferred inflow in the government-wide financial statements, because the revenue is considered earned.

Property Taxes 789,716

Deferred Charge on Refunding Bonds is a deferred outflow and is not reported in the fund financial statements. 281,040

Included in the items related to long term debt, as required by GASB 68 and 75, are the following:

| | | | |
|---|----|-------------------|---------------------|
| District's proportionate share of the net pension liability | \$ | (28,019,973) | |
| District's proportionate share of the net OPEB liability | | (19,802,374) | |
| Deferred resource inflow related to TRS pension | | (1,113,019) | |
| Deferred resource inflow related to TRS OPEB | | (17,348,718) | |
| Deferred resource outflow related to TRS pension | | 7,035,565 | |
| Deferred resource outflow related to TRS OPEB | | <u>10,512,184</u> | <u>(48,736,335)</u> |

Net Position - Governmental Activities \$ 44,806,462

The accompanying notes are an integral part of this statement.

BOERNE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

| Data Control Codes | General Fund | Debt Service Fund | Capital Projects Fund | Non-Major Governmental Funds | Total Governmental Funds |
|---|----------------------|----------------------|-----------------------|------------------------------|--------------------------|
| REVENUES: | | | | | |
| 5700 Local and Intermediate Sources | \$ 78,599,350 | \$ 37,141,631 | \$ 5,625,943 | \$ 5,337,856 | \$ 126,704,780 |
| 5800 State Sources | 32,322,421 | 3,712,969 | 212,800 | 2,810,614 | 39,058,804 |
| 5900 Federal Sources | 175,556 | - | - | 4,631,916 | 4,807,472 |
| 5020 Total Revenues | <u>111,097,327</u> | <u>40,854,600</u> | <u>5,838,743</u> | <u>12,780,386</u> | <u>170,571,056</u> |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| 0011 Instruction | 61,800,222 | - | 185,123 | 5,569,855 | 67,555,200 |
| 0012 Instructional Resources and Media Services | 1,111,912 | - | 194,590 | 93,423 | 1,399,925 |
| 0013 Curriculum and Instructional Staff Development | 2,932,498 | - | - | 284,240 | 3,216,738 |
| 0021 Instructional Leadership | 1,689,734 | - | - | - | 1,689,734 |
| 0023 School Leadership | 6,096,729 | - | - | 161,027 | 6,257,756 |
| 0031 Guidance and Counseling Services | 4,596,785 | - | - | 537,204 | 5,133,989 |
| 0033 Health Services | 1,257,173 | - | - | 216 | 1,257,389 |
| 0034 Pupil Transportation | 4,070,151 | - | 1,200,536 | 2,206 | 5,272,893 |
| 0035 Child Nutrition Services | 120,058 | - | - | 4,407,042 | 4,527,100 |
| 0036 Co-Curricular Activities | 2,866,804 | - | - | 1,014,476 | 3,881,280 |
| 0041 General Administration | 4,075,383 | - | 18,427 | 20,573 | 4,114,383 |
| 0051 Plant Maintenance and Operations | 12,626,133 | - | 2,471,820 | 12,079 | 15,110,032 |
| 0052 Security & Monitoring Services | 2,023,469 | - | 273,226 | 572,191 | 2,868,886 |
| 0053 Data Processing Services | 3,212,295 | - | 924,848 | - | 4,137,143 |
| 0061 Community Services | 12,523 | - | - | 5,223 | 17,746 |
| 0071 Debt Service - Principal on Long-Term Debt | 452,284 | 27,580,000 | - | - | 28,032,284 |
| 0072 Debt Service - Interest | 23,265 | 13,723,021 | - | - | 13,746,286 |
| 0073 Debt Service - Cost of Issuance and Fiscal Charges | 175 | 10,177 | - | - | 10,352 |
| 0081 Facilities Acquisition and Construction | - | - | 44,971,583 | - | 44,971,583 |
| 0099 Other Intergovernmental Charges | 1,221,012 | - | - | - | 1,221,012 |
| 6030 Total Expenditures | <u>110,188,605</u> | <u>41,313,198</u> | <u>50,240,153</u> | <u>12,679,755</u> | <u>214,421,711</u> |
| 1100 Excess (Deficiency) of Revenues Over Expenditures | <u>908,722</u> | <u>(458,598)</u> | <u>(44,401,410)</u> | <u>100,631</u> | <u>(43,850,655)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| 7913 Proceeds from Right to Use Leased Assets | 291,777 | - | - | - | 291,777 |
| 7915 Transfers in | - | - | 52,540 | - | 52,540 |
| 8911 Transfers out | (52,540) | - | - | - | (52,540) |
| 7080 Total Other Financing Sources (Uses) | <u>239,237</u> | <u>-</u> | <u>52,540</u> | <u>-</u> | <u>291,777</u> |
| 1200 Net Change in Fund Balance | 1,147,959 | (458,598) | (44,348,870) | 100,631 | (43,558,878) |
| 0100 FUND BALANCES, July 1, 2024 | <u>28,400,320</u> | <u>10,998,718</u> | <u>81,631,193</u> | <u>2,148,135</u> | <u>123,178,366</u> |
| 3000 FUND BALANCES, June 30, 2025 | <u>\$ 29,548,279</u> | <u>\$ 10,540,120</u> | <u>\$ 37,282,323</u> | <u>\$ 2,248,766</u> | <u>\$ 79,619,488</u> |

The accompanying notes are an integral part of this statement.

BOERNE INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 TO THE STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2025

Amounts reported for government activities in the Statement of Activities are different because:

| | |
|--|----------------------|
| Total net change in fund balances - governmental funds | \$ (43,558,878) |
| The District uses internal service funds to charge the costs of worker's compensation to appropriate functions in other funds. The net income (loss) of the internal service fund is reported with the governmental activities. | (19,873) |
| Current year capital expenditures in the fund financial statements are shown as increases in capital assets in the government-wide financial statements. | 38,134,601 |
| Long-term issuances of debt are reported as resources in the fund financial statements and are shown as increases in long-term debt in the government-wide financial statements. Payments of principal on long-term debt are expenditures in the fund financial statements and are shown as reductions in long-term debt in the government-wide financial statements. Long-term debt activity was: | |
| Accrued Interest - Bonds | (102,832) |
| Leases and Subscriptions Payable | 13,385 |
| Bonds Payable - Long-term | 27,730,000 |
| Unamortized Bond Premiums | 1,847,389 |
| Accreted Interest on Capital Appreciation Bonds | (271,157) |
| Deferred Charge for Refunding Bonds | <u>30,538</u> |
| | 29,247,323 |
| Depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position. | (13,174,143) |
| Adjustments related to the net pension liability, net OPEB liability, and related deferred inflows and deferred outflows, which impact ending net position. | 534,309 |
| Reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue as revenue, recognizing other long-term liabilities, and consolidating interfund transactions. | <u>309,569</u> |
| Changes in Net Position - Governmental Activities | <u>\$ 11,472,908</u> |

The accompanying notes are an integral part of this statement.

BOERNE INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF NET POSITION
 PROPRIETARY FUND
 JUNE 30, 2025

| | | Governmental Activities |
|---------------------|---------------------------|-----------------------------------|
| | | <u>Internal Service Funds</u> |
| ASSETS | | |
| Current Assets: | | |
| 1110 | Cash and Cash Equivalents | \$ 18,258 |
| 1000 | TOTAL ASSETS | <u>\$ 18,258</u> |
| LIABILITIES | | |
| Current Liabilities | | |
| 2110 | Accounts Payable | \$ 26,300 |
| 2123 | Other Liabilities | <u>39,800</u> |
| | Total Current Liabilities | <u>66,100</u> |
| 2000 | TOTAL LIABILITIES | <u>66,100</u> |
| NET POSITION | | |
| 3900 | Unrestricted | <u>(47,842)</u> |
| 3000 | TOTAL NET POSITION | <u>\$ (47,842)</u> |

The accompanying notes are an integral part of this statement.

BOERNE INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF REVENUES, EXPENSES, AND
 CHANGES IN NET POSITION
 PROPRIETARY FUND
 YEAR ENDED JUNE 30, 2025

| | Governmental Activities |
|--|-----------------------------------|
| | <u>Internal Service Funds</u> |
| OPERATING REVENUES | |
| 5754 Charges for Services | \$ <u>314,316</u> |
| 5020 Total Operating Revenues | <u>314,316</u> |
| OPERATING EXPENSES | |
| 6400 Other Operating Expenses | <u>334,215</u> |
| 6030 Total Operating Expenses | <u>334,215</u> |
| Operating Income (Loss) | (19,899) |
| NON-OPERATING REVENUES (EXPENSES) | |
| 7955 Investment Income | <u>26</u> |
| 1300 Changes in Net Position | (19,873) |
| 0100 TOTAL NET POSITION, July 1, 2024 | <u>(27,969)</u> |
| 3300 TOTAL NET POSITION, June 30, 2025 | <u>\$ (47,842)</u> |

The accompanying notes are an integral part of this statement.

BOERNE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2025

| | Governmental Activities |
|---|-----------------------------------|
| | <u>Internal Service Funds</u> |
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Cash Received from Interfund Services Provided | \$ 332,846 |
| Cash Payments for Premiums | <u>(327,874)</u> |
| Net Cash Provided (Used) by Operating Activities | <u>4,972</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Investment Earnings | <u>26</u> |
| Net Cash Flows Provided (Used) by Investing Activities | <u>26</u> |
| Net Increase In Cash & Cash Equivalents | 4,998 |
| CASH AND CASH EQUIVALENTS, July 1, 2024 | <u>13,260</u> |
| CASH AND CASH EQUIVALENTS, June 30, 2025 | <u><u>\$ 18,258</u></u> |
| Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: | |
| Operating Income (Loss) | \$ (19,899) |
| Effect of Changes in Current Assets and Liabilities: | |
| (Increase) Decrease in Due from Other Funds | 18,530 |
| Increase (Decrease) in Accounts Payable | 7,113 |
| Increase (Decrease) in Other Liabilities | <u>(772)</u> |
| Net Cash Provided (Used) by Operating Activities | <u><u>\$ 4,972</u></u> |

The accompanying notes are an integral part of this statement.

BOERNE INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2025

| | <u>Custodial Funds</u> |
|--|----------------------------|
| ASSETS | |
| Cash | \$ 339,085 |
| TOTAL ASSETS | <u>\$ 339,085</u> |
| LIABILITIES | |
| Accounts Payable | \$ 25,743 |
| Due to Other Governments | <u>1,497</u> |
| TOTAL LIABILITIES | <u>27,240</u> |
| NET POSITION | |
| Restricted for Individuals and Organizations | <u>\$ 311,845</u> |

The accompanying notes are an integral part of this statement.

BOERNE INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF CHANGES IN FIDUCIARY FUND NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2025

| | Custodial Funds |
|--|--------------------|
| ADDITIONS: | |
| Received from Student Groups | \$ 119,519 |
| Enterprising Services Revenue | 49,414 |
| Earnings from Temporary Deposits | 3,744 |
| Contributions, Gifts, and Donations | 94,090 |
| Total Additions | 266,767 |
| DEDUCTIONS: | |
| Professional and Contracted Services | 30,485 |
| Supplies and Materials | 72,366 |
| Other Deductions | 164,874 |
| Total Deductions | 267,725 |
| Change in Fiduciary Net Position | (958) |
| TOTAL NET POSITION, July 1 (Beginning) | 312,803 |
| TOTAL NET POSITION, June 30 (Ending) | \$ 311,845 |

The accompanying notes are an integral part of this statement.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Boerne Independent School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Texas (the "State"). It is governed by a seven-member Board of Trustees (the "Board") elected by registered voters of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB), and it complies with the requirements of the appropriate version of Texas Education Agency's (TEA) *Financial Accountability System Resource Guide* (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

The District is an independent political subdivision of the State governed by a board elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations, and is considered a primary government. As required by generally accepted accounting principles, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions as part of the District's financial reporting entity. No other entities have been included in the District's reporting entity. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

B. Government-Wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. *Governmental activities*, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately.

C. Basis of Presentation – Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

D. Basis of Presentation – Fund Financial Statements

The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. 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. Major individual governmental funds are reported as separate columns in the fund financial statements.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

Governmental Funds

General Fund

The general fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The general fund is always considered a major fund for reporting purposes.

Debt Service Fund

The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest on all long-term debt of the District. The primary source of revenue for debt service is local property taxes. The debt service fund is considered a major fund for reporting purposes.

Capital Projects Fund

The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlay, including the acquisition or construction of capital facilities and other capital assets. The capital projects fund is considered a major fund for reporting purposes.

Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes other than debt service or capital projects. The restricted proceeds of specific revenue sources comprise a substantial portion of the inflows of these special revenue funds. Most federal and some state financial assistance is accounted for in a special revenue fund.

Permanent Funds

The permanent funds are governmental funds that are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs. The District uses these funds for scholarships.

Proprietary Funds

Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is on determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues include charges for services. Operating expenses includes costs of material, contracts, personnel, and depreciation. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The proprietary fund type used by the District includes the following:

Internal Service Funds

These funds are used to account for, and report revenue and expenses related to services provided to parties inside the District on a cost-reimbursement basis. 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 service fund are the District's governmental activities, this fund type is included in the "Governmental Activities" column of the governmental-wide financial statements.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

Fiduciary Funds

The fiduciary funds account for assets held by the District in a trustee capacity or as a custodian on behalf of others. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

The District has the following type of fiduciary funds:

Custodial Funds

These funds are custodial in nature and use the economic resources measurement focus. Custodial funds are accounted for using the accrual basis of accounting. These funds are primarily used to account for the District's student activity funds.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

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

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for the revenue source (within 60 days of year-end). All other revenue items are considered measurable and available only when cash is received by the District.

F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

Investments, except for certain investment pools, commercial paper, money market funds, and investment contracts, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost. Money market funds, which are short-term highly liquid debt instruments that may include U.S. Treasury and agency obligations and commercial paper that have a remaining maturity of one year or less upon acquisition, are reported at amortized cost. Investments in nonparticipating interest earning contracts, such as certificates of deposit, are reported at cost.

The District has adopted a written investment policy regarding the investment of its funds as defined in the Public Funds Investment Act, Chapter 2256, Texas Governmental Code. In summary, the District is authorized to invest in the following:

- Direct obligations of the U.S. Government
- Fully collateralized certificates of deposit and money market accounts
- Government investment pools and commercial paper

3. Inventories and Prepaid Items

The costs of governmental fund type inventories are recorded at cost as expenditures when the related liability is incurred (i.e., the purchase method). Certain payments to vendors reflect costs applicable to the future accounting period (prepaid expenditures) are recognized as expenditures when utilized.

4. Restricted Assets

Certain proceeds of bonds, as well as other resources set aside for specific purposes, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants or contractual agreements.

5. Capital Assets

Capital assets, which include land, buildings, furniture and equipment, vehicles, leases, SBITA's, and infrastructure are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant, and equipment of the primary government are depreciated and amortized using the straight-line method over the following estimated useful lives:

| <u>Asset Description</u> | <u>Estimated Useful Life</u> |
|--------------------------|------------------------------|
| Infrastructure | 30 years |
| Buildings | 20 to 50 years |
| Vehicle | 2 to 15 years |
| Furniture and equipment | 3 to 15 years |
| Equipment under Leases | 3 to 5 years |
| SBITAs | 3 to 5 years |

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represent a consumption of net assets that applies to future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represent an acquisition of net assets that applies to future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time.

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension/other postemployment benefits (OPEB) activities are amortized over the average of the expected service lives of pension/OPEB plan members, except for the net differences between the projected and actual investment earnings on the pension/OPEB plan assets, which are amortized over a period of five years.
- For employer pension/OPEB plan contributions that were made subsequent to the measurement date through the end of the District's fiscal year, the amount is deferred and recognized as a reduction to the net pension/OPEB liability during the measurement period in which the contributions were made.
- A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

At the fund level, the District has only one type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, *unavailable revenue*, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amount becomes available.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

7. Receivable and Payables Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." All residual balances between governmental activities are eliminated in the government-wide statements. All property taxes receivable are shown net of an allowance for uncollectible taxes.

8. Interfund Activity

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

9. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method if material. Bonds payable are reported net of the applicable bond premium or discount.

Long-term debt for governmental funds is not reported as a liability in the fund financial statements until due. The debt proceeds are reported as other financing sources, net of the applicable premium or discount and payment of principal and interest reported as expenditures. In the governmental fund types, issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures. However, claims and judgments paid from governmental funds are reported as a liability in the fund financial statements only for the portion expected to be financed from expendable, available financial resources.

The property tax rate is allocated each year between the general and debt service funds. The full amount estimated to be required for debt service on general obligation debt is provided by the tax along with the interest earned in the debt service fund.

10. Fund Balance Policies

Fund balances of governmental funds are reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

Amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact are classified as nonspendable fund balance. Amounts that are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions are classified as restricted fund balance.

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The District's

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

Board is the highest level of decision-making authority for the District that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The District's Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

11. Net Position Flow Assumption

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

12. Fund Balance Flow Assumptions

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

13. Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

14. Data Control Codes

The data control codes refer to the account code structure prescribed by TEA in the Resource Guide. The TEA requires school districts to display these codes in the financial statements filed with the TEA in order to insure accuracy in building a statewide database for policy development and funding plans.

15. Pensions

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

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities, and additions to/deductions from TRS's fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

16. Other Postemployment Benefits

The fiduciary net position of the TRS Texas Public School Retired Employees Insurance Group Program ("TRS- Care") 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 expense, and information about assets, liabilities, and additions to/deductions from TRS-Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

G. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

All taxes due to the District on real or personal property are payable at the Office of the Tax Assessor-Collector and may be paid at any time after the tax rolls for the year have been completed and approved, which is no later than October 1. Taxes are due by January 31, and all taxes not paid prior to this date are deemed delinquent and are subject to such penalty and interest.

Property taxes attach as an enforceable lien on property as of January 1 each year. Taxes are levied on October 1 and are payable prior to the next February 1.

I. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Annual budgets are adopted on a basis consistent with GAAP. The original budget is adopted by the District prior to the beginning of the year. The legal level of control is the function code stated in the approved budget. Appropriations lapse at the end of the year, excluding capital project budgets.

In accordance with State law and generally accepted accounting standards, the District prepares an annual budget for the general fund, the national school lunch and breakfast program special revenue fund, and the debt service fund. The District budgets the capital projects fund for each *project*, which normally covers multiple years. Special revenue funds have budgets approved by the funding agency and are amended throughout the year as required. During the year, the District amended its budget as required by State law and to reflect current levels of revenue and anticipated expenditures.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

II. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

1. Cash Deposits

At June 30, 2025, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$1,121,001 and the bank balance was \$1,506,360. The District's cash deposits at June 30, 2025, and during the year ended June 30, 2025, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

2. Investments

The District is required by Government Code Chapter 2256, the Public Funds Investment Act (the "Act"), to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports, and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions: 1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas; 2) certificates of deposit; 3) certain municipal securities; 4) securities lending program; 5) repurchase agreements; 6) bankers' acceptances; 7) mutual funds; 8) investment pools; 9) guaranteed investment contracts; and 10) commercial paper.

As of June 30, 2025, the District had the following investments:

| Investment Type | Fair Value/ Amortized Cost | Ratings | Weighted Average Maturity (Days) |
|-------------------------------------|-------------------------------|---------|-------------------------------------|
| External investment pools: | | | |
| Lone Star | \$ 22,731,754 | AAAm | 32 |
| TexPool | 25,520,285 | AAAm | 42 |
| Texas CLASS | 38,948,678 | AAAm | 85 |
| Texas Range | 184,715 | AAAmmf | 1 |
| Total Value | <u>\$ 87,385,432</u> | | |
| Portfolio weighted average maturity | | | 58 |

Interest rate risk. In accordance with its investment policy, the District manages its exposure to declines in

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

Credit risk. – is the risk that a security issuer may default on an interest or principal payment. The District controls and monitors this risk by purchasing quality rated instruments that have been evaluated by recognized rating agencies. The District’s policy manages credit risk by authorizing only the safest types of investments backed by the federal or state government or their obligations and/or with ratings from nationally recognized rating firms of a least A or its equivalent.

Custodial credit risk – deposits. In the case of deposits, this is the risk that the District’s deposits may not be returned in the event of a bank failure. The District’s investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of June 30, 2025, fair market values of pledged securities and FDIC coverage exceeded bank balances.

Custodial credit risk – investments. For an investment, this is the risk that the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party in the event of the failure of the counterparty. The District’s investment policy requires that it will seek to safekeep securities at financial institutions, avoiding physical possession. Further, all trades, where applicable, shall be conducted on a delivery versus payment basis or commercial book entry system as utilized by the Federal Reserve and shall be protected through the use of a third-party custody/safekeeping agent.

Fair Value Measurements

The District categorizes its fair values measurements with the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application*, provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities. Level 1 inputs are quoted prices 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 the 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 inputs to these fair value measurements requires judgement and considers factors specific to each asset or liability.

The District’s investments in State Investment Pools (statewide 2a7-like external investment pools) are not required to be measured at fair value but are measured at amortized cost.

Lone Star

The Lone Star Investment Pool (“Lone Star”) is a public funds investment pool created pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. Lone Star is administered by First Public, a subsidiary of the Texas Association of School Boards, with Standish and American Beacon Advisors managing the investment and reinvestment of Lone Star’s assets. State Street Bank provides custody and valuation services to Lone Star. All of the Board of Trustees’ eleven members are Lone Star participants by either being employees or elected officials of a participant. Lone Star has established an advisory board composed of both Lone Star members and nonmembers. Lone Star is rated ‘AAAm’ by Standard and Poor’s and operated in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940. The

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

District is invested in the Government Overnight Fund of Lone Star which seeks to maintain a net asset value of \$1.00. Lone Star has 3 different funds: Government Overnight, Corporate Overnight, and Corporate Overnight Plus. Government Overnight, Corporate Overnight, and Corporate Overnight Plus maintain a net asset value of \$1.00. Lone Star is measured at amortized cost.

TexPool

TexPool was established as a trust company with the Treasurer of the State of Texas as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool.

The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rates TexPool 'AAAm.' As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review. TexPool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, TexPool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within TexPool.

TexPool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than five percent of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. TexPool has a redemption notice period of one day and may redeem daily. TexPool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium, or national state of emergency that affects TexPool's liquidity.

Texas Range

The Texas Range Investment Program "the Pool" was organized as the TexasTERM Local Government Investment Pool in conformity with the State of Texas Interlocal Cooperation Act and is administered by PFM Asset Management, LLC/ U.S. Bank serves at the Pool's custodial bank. The Pool operates three separate investment Portfolios, Texas DAILY, Texas DAILY Select and Texas TERM.

The primary objective of the Texas DAILY portfolio is to produce the highest income consistent with preserving principal and maintaining liquidity. The portfolio will maintain a dollar-weighted average maturity that does not exceed 60 days and seeks to maintain a net asset value of \$1.00 per share. Texas DAILY may invest in securities including: obligations of the United States or its agencies and instrumentalities, obligations that are fully guaranteed or insured by the FDIC or the United States, certificates of deposit issued by FDIC insured banks, money-market mutual funds, and repurchase agreements involving obligations of the United States or its agencies and instrumentalities which meet the requirements of the Public Funds Investment Act.

The Texas DAILY portfolio has a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

Texas CLASS

Texas CLASS was created in accordance with the requirements contained in section 2256.016 of the Public Funds Act (PFIA). The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Trust Agreement are Texas local government entities that choose to participate in the Trust (the Participants), Public Trust Advisors, LLC (Public Trust) as Program Administrator, and UMB Bank, N.A. as Custodian.

Texas CLASS is an external investment pool measured at fair value, i.e., net asset value. The investment pool's strategy is to seek preservation of principal, liquidity, and current income through investment in a diversified portfolio of short-term marketable securities. There are no unfunded commitments related to the investment pool. Texas CLASS has a redemption notice period of one day and may redeem daily.

The investment pool's authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pool's liquidity. The Texas CLASS portfolio consists of U.S. Government securities; collateralized repurchase and reverse repurchase agreements' AAA rated money market mutual funds; and commercial paper.

B. Receivables

Receivables due from other governments as of June 30, 2025, for the District's individual major funds and Non-major Governmental Funds are as follows:

| | |
|--------------------------------|---------------------|
| General Fund | |
| State Aid | \$ 6,363,410 |
| Other | <u>51,713</u> |
| Total General Fund | <u>6,415,123</u> |
| Nonmajor Special Revenue Funds | |
| Grants | <u>1,038,462</u> |
| Debt Service | |
| Other | <u>7,308</u> |
| Total Governmental Activities | <u>\$ 7,460,893</u> |

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

C. Capital Assets

A summary of changes in capital assets for governmental activities at year end is as follows:

| | Balance July 1, 2024 | Additions | Transfers | Deletions | Balance, June 30, 2025 |
|--|----------------------------|----------------------|---------------------|--------------------|------------------------------|
| <u>Capital Assets not being depreciated and amortized:</u> | | | | | |
| Land | \$ 26,762,567 | \$ 12,037,656 | \$ 130,442 | \$ - | \$ 38,930,665 |
| Construction In Progress | 75,910,602 | 18,514,696 | (84,758,842) | - | 9,666,456 |
| Total | <u>102,673,169</u> | <u>30,552,352</u> | <u>(84,628,400)</u> | <u>-</u> | <u>48,597,121</u> |
| <u>Capital Assets being depreciated and amortized:</u> | | | | | |
| Buildings and Improvements | 373,885,973 | - | 79,530,040 | - | 453,416,013 |
| Furniture and Equipment | 15,815,407 | 3,820,731 | - | - | 19,636,138 |
| Equipment under lease | 560,186 | 60,434 | - | - | 620,620 |
| SBITAs | 313,077 | 231,343 | - | - | 544,420 |
| Vehicles | 10,535,822 | 1,366,337 | - | (1,137,052) | 10,765,107 |
| Infrastructure | 29,672,737 | 2,146,685 | 5,098,360 | - | 36,917,782 |
| Total | <u>430,783,202</u> | <u>7,625,530</u> | <u>84,628,400</u> | <u>(1,137,052)</u> | <u>521,900,080</u> |
| <u>Less Accumulated Depreciation and Amortization:</u> | | | | | |
| Buildings and Improvements | (85,735,226) | (9,084,346) | - | - | (94,819,572) |
| Furniture and Equipment | (9,932,336) | (1,858,098) | - | - | (11,790,434) |
| Equipment under lease | (112,037) | (122,831) | - | - | (234,868) |
| SBITAs | (156,538) | (182,331) | - | - | (338,869) |
| Vehicles | (5,909,416) | (525,832) | - | 1,093,771 | (5,341,477) |
| Infrastructure | (23,106,842) | (1,400,705) | - | - | (24,507,547) |
| Total | <u>(124,952,395)</u> | <u>(13,174,143)</u> | <u>-</u> | <u>1,093,771</u> | <u>(137,032,767)</u> |
| Total Capital Assets being depreciated and amortized | <u>305,830,807</u> | <u>(5,548,613)</u> | <u>84,628,400</u> | <u>(43,281)</u> | <u>384,867,313</u> |
| Capital Assets, Net | <u>\$408,503,976</u> | <u>\$ 25,003,739</u> | <u>\$ -</u> | <u>\$ (43,281)</u> | <u>\$433,464,434</u> |

Depreciation and amortization was charged to governmental functions as follows:

| | Governmental Activities |
|---|------------------------------------|
| 11 Instruction | \$ 6,805,324 |
| 12 Instructional Resources & Media Services | 188,872 |
| 13 Curriculum & Staff Development | 181,687 |
| 23 School Leadership | 553,747 |
| 31 Guidance, Counseling & Evaluation Services | 346,092 |
| 33 Health Services | 138,437 |
| 34 Student Transportation | 492,246 |
| 35 Child Nutrition Services | 505,804 |
| 36 Co-Curricular Activities | 1,142,079 |
| 41 General Administration | 63,984 |
| 51 Plant Maintenance & Operations | 1,513,397 |
| 52 Security & Monitoring Services | 222,198 |
| 53 Data Processing Services | 1,019,541 |
| 61 Community Services | 735 |
| Total Depreciation | <u>\$ 13,174,143</u> |

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

D. Long-Term Debt

The following is a summary of changes in the District’s total governmental long-term liabilities for the year. In general, the District uses the debt service fund to liquidate governmental long-term liabilities.

| | Beginning Balance (as restated) | | | Ending Balance | Due Within One Year |
|-----------------------|------------------------------------|---------------------|----------------------|-----------------------|------------------------|
| | | Additions | Reductions | | |
| Bonds Payable | \$ 411,844,896 | \$ - | \$ 27,580,000 | \$ 384,264,896 | \$ 11,310,000 |
| Notes Payable | 150,000 | - | 150,000 | - | - |
| Subscriptions Payable | 107,704 | 231,343 | 182,331 | 156,716 | 77,087 |
| Leases Payable | 455,136 | 60,434 | 122,831 | 392,739 | 126,786 |
| Accreted Interest | 6,394,790 | 271,157 | - | 6,665,947 | - |
| Bond Premium | 14,072,397 | - | 1,847,389 | 12,225,008 | - |
| Compensated Absences | 8,938,206 | 3,180,214 | 4,224,652 | 7,893,768 | 3,047,025 |
| Total | \$ 441,963,129 | \$ 3,743,148 | \$ 34,107,203 | \$ 411,599,074 | \$ 14,560,898 |

Long-term liabilities applicable to the District’s governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental funds. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

The annual requirements to amortize debt issues outstanding at year end were as follows:

| Bonds Payable | | | |
|-------------------------|-----------------------|-----------------------|-----------------------|
| Year Ending June 30, | Principal | Interest | Total |
| 2026 | \$ 11,310,000 | \$ 13,255,172 | \$ 24,565,172 |
| 2027 | 11,095,000 | 12,799,954 | 23,894,954 |
| 2028 | 12,255,000 | 13,739,484 | 25,994,484 |
| 2029 | 11,925,000 | 14,638,507 | 26,563,507 |
| 2030 | 9,750,220 | 18,115,352 | 27,865,572 |
| 2031-35 | 72,544,676 | 68,574,582 | 141,119,258 |
| 2036-40 | 76,545,000 | 50,584,858 | 127,129,858 |
| 2041-45 | 92,010,000 | 33,316,848 | 125,326,848 |
| 2046-50 | 65,185,000 | 13,935,950 | 79,120,950 |
| 2051-54 | 21,645,000 | 2,968,850 | 24,613,850 |
| Total | \$ 384,264,896 | \$ 241,929,557 | \$ 626,194,453 |

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

A summary of changes in long term obligations for the year ended June 30, 2025, is as follows:

| Series | Original Amount | Interest Rates | Final Maturity | Outstanding 07/01/24 | Issued/ Remarketed | Retired/ Remarketed | Outstanding 06/30/25 | Due Within One Year | Accreted Interest |
|---------------------------------------|-----------------------|----------------|----------------|-----------------------|--------------------|----------------------|-----------------------|----------------------|---------------------|
| Bonds Payable | | | | | | | | | |
| <i>Current Interest</i> | | | | | | | | | |
| 2014 | \$ 8,854,992 | 0.60 - 3.55% | 2036 | \$ 5,195,000 | \$ - | \$ 90,000 | \$ 5,105,000 | \$ 90,000 | \$ - |
| 2016 | 81,545,000 | 2.00 - 5.00% | 2047 | 76,955,000 | - | 5,225,000 | 71,730,000 | 850,000 | - |
| 2017 | 81,215,000 | 3.00 - 5.00% | 2048 | 79,280,000 | - | 255,000 | 79,025,000 | 250,000 | - |
| 2019 | 40,980,000 | 5.00% | 2029 | 30,185,000 | - | 5,665,000 | 24,520,000 | 5,690,000 | - |
| 2020 | 90,699,896 | 0.28 - 2.63% | 2043 | 83,334,896 | - | 1,900,000 | 81,434,896 | 1,790,000 | 6,665,947 |
| 2024 | 13,890,000 | 3.25 - 3.42% | 2026 | 13,890,000 | - | 12,890,000 | 1,000,000 | 1,000,000 | - |
| <i>Variable Debt Rate Obligations</i> | | | | | | | | | |
| 2022 | 45,000,000 | 3.85% | 2043 | 17,300,000 | - | 540,000 | 16,760,000 | 570,000 | - |
| 2023 | 65,000,000 | 3.125% | 2053 | 64,625,000 | - | 1,015,000 | 63,610,000 | 1,070,000 | - |
| 2024 | 41,080,000 | 3.370% | 2054 | 41,080,000 | - | - | 41,080,000 | - | - |
| <i>Notes Payable</i> | | | | | | | | | |
| 2015 | 1,500,000 | 0.50 - 2.25% | 2025 | 150,000 | - | 150,000 | - | - | - |
| Totals | \$ 469,764,888 | | | \$ 411,994,896 | \$ - | \$ 27,730,000 | \$ 384,264,896 | \$ 11,310,000 | \$ 6,665,947 |

2022 Authorization

In May of 2022 voters authorized \$165.34M to be issued in bond debt solely for the purpose of constructing, equipping, and renovating school buildings, purchasing sites for future schools, and paying costs of issuance. Through June 30, 2025, the District has issued the entirety of the authorization.

The District has outstanding variable rate unlimited tax school building bonds. These bonds were issued as term bonds scheduled to mature on various dates. Following the initial rate period, the bonds will bear interest at a term rate determined by the remarketing agent with a term rate period of two years unless a different rate period is specified by the District; however, the interest rate mode on the bonds may at the District's option, be converted from time to time to a weekly rate, monthly rate, quarterly rate, semiannual rate, or a different term rate period; or to a flexible rate; or to a fixed rate until maturity. The bonds are subject to mandatory redemption and a mandatory redemption schedule for each subseries has been established.

The following is a summary of all variable rate unlimited tax school building bonds issued by the District:

| Series | Principal Amount | Issue Date | Initial/ Current Rate Period | Stated Maturity Date | Initial/ Remarketed Interest Rate | Initial/ Remarketed Yield | Stepped Rate |
|-------------|------------------|------------|------------------------------|----------------------|-----------------------------------|---------------------------|--------------|
| Series 2022 | \$ 17,300,000 | 8/1/2022 | 11/30/2027 | 12/1/2043 | 3.85% | 3.85% | 7.00% |
| Series 2023 | 65,000,000 | 4/15/2023 | 1/31/2027 | 2/1/2053 | 3.125% | 3.125% | 7.00% |
| Series 2024 | 54,970,000 | 6/5/2024 | 1/31/2028 | 2/1/2054 | 4.000% | 3.370% | 7.00% |

2024-25 Bond Transactions

On February 4, 2025, the District advance defeased \$4,430,000 of the 2016 Building Bond 2047 maturity by committing \$4,493,919 to escrow. The escrow will pay current bondholders on February 1, 2026. The defeasement produced \$3,834,481 in present value savings and \$3,898,400 in total interest savings.

Lease Payable

On July 1, 2023, the District entered a 60-month lease for the use of copier/printers. An initial lease liability was recorded in the amount of \$560,186. As of June 30, 2025, the value of the lease liability is \$392,738. The District is required to make annual fixed payments of \$137,544. The lease has an interest rate of 3.22%. The value of the right to use the asset as of June 30, 2025, is \$620,620 with accumulated amortization of \$234,868.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

The future principal and interest lease payments as of June 30, 2025, are as follows:

| <u>June 30</u> | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|----------------|-------------------|------------------|-------------------|
| 2026 | \$ 126,786 | \$ 10,757 | \$ 137,543 |
| 2027 | 130,869 | 6,675 | 137,544 |
| 2028 | 135,084 | 2,461 | 137,545 |
| | <u>\$ 392,739</u> | <u>\$ 19,893</u> | <u>\$ 412,632</u> |

Subscription-Based Information Technology Arrangements (SBITA)

The District has entered SBITA's that allows the right-to-use the SBITA vendor's information technology software over the subscription term of three years. The District is required to make annual payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. An initial lease liability was recorded in the amount of \$313,078 in November 2022 and \$231,343 in November 2024, respectively. The SBITA's have an implied interest rate of 3.24% and 3.297%, respectively, and an annual fixed payment of \$107,704 and \$79,629, respectively, due in the final year of the agreements ended November 30, 2024 and November 30, 2027, respectively.

Compensated Absences

The District provides vacation, non-duty, compensatory, sick, and personal leave benefits in accordance with Board policy. A liability is reported for leave balances that:

- Are attributable to services already rendered,
- Accumulate and may be carried forward, and
- Are more likely than not to be used for time off or otherwise paid/settled.

Vacation, Non-Duty, and Compensatory leave accumulate, are subject to limits, and are paid upon separation or retirement; therefore, the entire balance is reported as a liability. Sick and personal leave accumulate without limit but are not paid upon separation. The District records a liability for the portion of sick and personal leave that is more likely than not to be used in the future, based on historical usage patterns.

E. Commitments Under Noncapitalized Leases

The District has various operating lease agreements where the future minimum payments are immaterial to the operations of the District and, accordingly, the District has elected not to disclose future payments by fiscal year.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

F. Interfund Transactions

The interfund balances at June 30, 2025, were as follows:

| | Receivable Balance | Payable Balance |
|----------------------------------|-----------------------|--------------------|
| General Fund: | | |
| Non-Major Special Revenue Funds | \$ 460,540 | \$ 179,411 |
| Capital Projects Fund: | | |
| General Fund | 52,540 | - |
| Non-Major Special Revenue Funds: | | |
| General Fund | 126,871 | 460,096 |
| Non-Major Permanent Fund | 15,130 | - |
| Total Non-Major Special Revenue | 142,001 | 460,096 |
| Non-Major Permanent Fund: | | |
| General Fund | - | 444 |
| Non-major Special Revenue Funds | - | 15,130 |
| Total Non-Major Permanent Fund | - | 15,574 |
| TOTAL | \$ 655,081 | \$ 655,081 |

Amounts recorded as due to/from are considered to be temporary loans and will be repaid during the following year.

| Transfers From | Transfers To | Amount | Purpose |
|----------------|-----------------------|-----------|-----------------------------|
| General Fund | Capital Projects Fund | \$ 52,540 | Reimbursement of deductible |

III. OTHER INFORMATION

A. 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; and natural disasters for which the District purchases commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

B. Contingent Liabilities

Amounts received or receivable from granting agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amounts, if any, to be immaterial.

Liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or not performed correctly, it could result in a substantial liability to the District. The District has engaged an arbitrage consultant to perform the calculations in accordance with IRS rules and regulations. The calculated Arbitrage Rebate Payable at June 30, 2025 is \$3,864,541.

C. **Defined Benefit Pension Plan - Teacher Retirement System**

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 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. TRS'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 TRS.

Pension Plan Fiduciary Net Position

Detailed information about TRS's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and Required Supplementary Information. That report may be obtained on the Internet at <https://www.trs.texas.gov/learning-resources/publications>; by writing to TRS at PO Box 149676, Austin, TX, 78714-0185, or by calling (800)223-8778.

Benefits Provided

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

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

Accordingly, the 2023 Texas Legislature passed Senate Bill (SB) 10 and House Joint Resolution (HJR) 2 to provide eligible retirees with a one-time stipend and an ad hoc cost-of-living adjustment (COLA).

One-Time Stipends

Stipends, regardless of annuity amount, were paid in September 2023 to annuitants who met qualifying age requirement on or before August 31, 2023:

- A one-time \$7,500 stipend to eligible annuitants who are 75 years of age and older.
- A one-time \$2,400 stipend to eligible annuitants age 70 to 74.

Cost of Living Adjustment

A cost-of-living adjustment (COLA) was dependent on Texas voters approving a constitutional amendment (Proposition 9) to authorize the COLA. Voters approved the amendment in the November 2023 election and the following COLA was applied to eligible annuitants' payments beginning with their January 2024 payment:

- 2% COLA for eligible retirees who retired between September 1, 2013 through August 31, 2020.
- 4% COLA for eligible retirees who retired between September 1, 2001 through August 31, 2013.
- 6% COLA for eligible retirees who retired on or before August 31, 2001.

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

Contributions

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. SB12 of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2019 through 2025.

| Contribution Rates | |
|--|--------------|
| | 2024 |
| Active Employee (Member) | 8.25% |
| Non-Employer Contributing Entity (State) | 8.25% |
| Employers | 8.25% |
| Employer Contributions | \$ 2,293,830 |
| Member Contributions | \$ 6,229,715 |
| NECE On-behalf Contributions | \$ 4,438,596 |

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

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

Appropriations Act.

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

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

In addition to the employer contributions listed above, there is an additional surcharge to which an employer is subject to:

- All public schools, charter schools, and regional educational service centers must contribute 1.9% of the member's salary beginning in fiscal year 2024, gradually increasing to 2% in fiscal year 2025.
- When employing a retiree of the TRS, the employer shall pay both the member contribution rate and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions

The total pension liability (TPL) in the August 31, 2023, actuarial valuation was determined using the following actuarial assumptions:

| | |
|---|---|
| Valuation date | August 31, 2023, rolled forward to August 31, 2024 |
| Actuarial cost method | Individual entry age normal |
| Asset valuation method | Fair value |
| Single discount rate | 7.00% |
| Long-term expected investment rate of return | 7.00% |
| Municipal bond rate | 3.87%. - The source for the rate is the Bond Buyers 20 Index which represents the estimated yield of a portfolio of 20 general obligation bonds maturing in 20 years based on a survey of municipal bond traders. |
| Last year ending August 31 in projection period (100 years) | 2123 |
| Inflation | 2.30% |
| Salary increases | 2.95% to 8.95%, including inflation |
| Ad hoc postemployment benefit changes | None |

The actuarial methods and assumptions used in the determination of the TPL are the same assumptions used in the actuarial valuation as of ending August 31, 2023. For a full description of these assumptions,

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

please see the TRS actuarial valuation report dated November 21, 2023.

Discount Rate

A single discount rate of 7.00% was used to measure the TPL. 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 NECE will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 9.54% of payroll in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

Based on those assumptions, TRS' 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 TRS investments was applied to all periods of projected benefit payments to determine the TPL.

The long-term rate of return on TRS investments is 7.00%. The long-term expected rate of return on TRS pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in TRS' target asset allocation as of August 31, 2024, are summarized as follows:

| Asset Class | Target Allocation (1) | Long-Term Expected Geometric Real Rate of Return (2) | Expected Contribution to Long-Term Portfolio Results |
|------------------------------|--------------------------|--|---|
| Global Equity | | | |
| U.S. | 18.00% | 4.40% | 1.00% |
| Non-U.S. Developed | 13.00% | 4.20% | 0.80% |
| Emerging Markets | 9.00% | 5.20% | 0.70% |
| Private Equity (4) | 14.00% | 6.70% | 1.20% |
| Stable Value | | | |
| Government Bonds | 16.00% | 1.90% | 0.40% |
| Absolute Return (4) | 0.00% | 4.00% | 0.00% |
| Stable Value Hedge Funds | 5.00% | 3.00% | 0.20% |
| Real Return | | | |
| Real Estate | 15.00% | 6.60% | 1.20% |
| Energy and Natural Resources | 6.00% | 5.60% | 0.40% |
| Commodities | 0.00% | 2.50% | 0.00% |
| Risk Parity | | | |
| Risk Parity | 8.00% | 4.00% | 0.40% |
| Leverage | | | |
| Cash | 2.00% | 1.00% | 0.00% |
| Asset Allocation Leverage | -6.00% | 1.30% | -0.10% |
| Inflation Expectation | | | 2.40% |
| Volatility Drag (3) | | | -0.70% |
| Total | 100% | | 7.90% |

(1) Target allocations are based on the fiscal year 2024 policy model.

(2) Capital Market Assumptions come from 2024 SAA Study CMA Survey (as of 12/31/2023).

(3) The volatility drag results from the conversion between arithmetic and geometric mean returns.

(4) Absolute Return includes credit sensitive investments.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

Discount Rate Sensitivity Analysis

The following table presents the net pension liability (NPL) of the plan using the discount rate of 7.00%, and what the net pension liability would be if it were calculated using a discount rate that is 1% lower (6.00%) or 1% higher (8.00%) than the current rate:

| | 1% Decrease in Discount Rate (6.00%) | Discount Rate (7.00%) | 1% Increase in Discount Rate (8.00%) |
|--|---|--------------------------|---|
| District's proportionate share of the net pension liability: | \$44,754,997 | \$28,019,973 | \$14,153,816 |

Pension Liability, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions

On August 31, 2024, the District reported a liability of \$28,019,973 for its proportionate share of the TRS's NPL. 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 NPL, the related State support, and the total portion of the NPL that was associated with the District were as follows:

| | |
|--|-----------------------------------|
| District's proportionate share of the collective net pension liability | \$28,019,973 |
| State's proportionate share that is associated with District | 48,111,971 |
| Total | <u><u>\$76,131,944</u></u> |

The NPL was measured as of August 31, 2023, and rolled forward to August 31, 2024, and the TPL used to calculate the NPL was determined by an actuarial valuation as of that date. The District's proportion of the NPL was based on the District's contributions to TRS relative to the contributions of all employers to TRS for the period September 1, 2023 through August 31, 2024.

At August 31, 2024, the District's proportion of the collective NPL was 0.0458711%, which was an increase of 0.0010233% from its proportion measured as of August 31, 2023.

Changes Since the Prior Actuarial Valuation

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

The 2023 Texas Legislature passed Senate Bill 10 (SB 10), which provided a stipend payment to certain retirees and variable ad hoc cost-of-living adjustments (COLA) to certain retirees in early fiscal year 2024. Due to its timing, the legislation and payments were not reflected in August 31, 2023 actuarial valuation. Under the roll forward method, an adjustment was made to reflect the legislation in the rolled forward liabilities for the current measurement year, August 31, 2024. SB 10 and House Joint Resolution 2 (HJR 2) of the 88th Regular Legislative Session appropriated payments of \$1.645 billion for one-time stipends and \$3.355 billion for COLAs.

This appropriation is treated as a supplemental contribution and included in other additions. Since the Legislature appropriated funds for this one-time stipend and COLA, there was no impact on the Net Pension Liability of TRS.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

The amount of pension expense recognized by the District in the reporting period was \$6,075,103. For the year ended August 31, 2024, the District recognized pension expense of \$4,438,596 and revenue of \$4,438,596 for support provided by the State.

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------|-------------------------------|
| Differences between expected and actual economic experience | \$ 1,544,423 | \$ 218,766 |
| Changes in actuarial assumptions | 1,446,731 | 193,957 |
| Difference between projected and actual investment earnings | 170,324 | - |
| Changes in proportion and difference between the employer's contributions and the proportionate share of contributions | 1,580,257 | 700,296 |
| Contributions paid to TRS subsequent to the measurement date | 2,293,830 | - |
| Total | \$ 7,035,565 | \$ 1,113,019 |

The District recognized \$2,293,830 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the measurement year ended August 31, 2025. The other amounts of the District's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended June 30: | Pension Expense Amount |
|---------------------|------------------------|
| 2026 | \$ 482,982 |
| 2027 | 3,228,898 |
| 2028 | 473,061 |
| 2029 | (711,618) |
| 2030 | 155,393 |
| Thereafter | - |
| Total | \$ 3,628,716 |

D. Defined Other Postemployment Benefit Plan

Plan Description

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

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

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

OPEB Plan Fiduciary Net Position

Detailed information about the TRS-Care's fiduciary net position is available in the separately issued TRS Annual Comprehensive Financial Report that includes financial statements and Required Supplementary Information. That report may be obtained at <https://www.trs.texas.gov/learning-resources/publications>; by writing to TRS at P.O. Box 149676, Austin, TX, 78714-0185; or by calling (800)223-8778.

Benefits Provided

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

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

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

| | <u>TRS-Care Monthly Premium Rates</u> | |
|-----------------------------|---------------------------------------|---------------------|
| | <u>Medicare</u> | <u>Non-Medicare</u> |
| Retiree* | \$ 135 | \$ 200 |
| Retiree and Spouse | 529 | 689 |
| Retiree* and Children | 468 | 408 |
| Retiree and Family | 1,020 | 999 |
| <i>*or surviving spouse</i> | | |

Contributions

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

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25 percent of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65 percent of salary. Section 1575.204 establishes a public school contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the employer. The actual public school contribution rate is prescribed by the Legislature in the General Appropriations Act, which is 0.75 percent of each active employee's pay for fiscal year 2024. The following table shows contributions to the TRS-Care plan by type of contributor:

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

Contribution Rates

| | <u>2024</u> |
|---|-------------|
| Active Employee | 0.65% |
| Non-Employer Contributing Entity (State) | 1.25% |
| Employers | 0.75% |
| Federal/private funding remitted by employers | 1.25% |
| Employer Contributions | \$ 501,462 |
| Member Contributions | \$ 490,827 |
| NECE On-behalf Contributions | \$ 742,566 |

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether they participate in the TRS-Care OPEB program). When hiring a TRS retiree, employers are required to pay TRS-Care a monthly surcharge of \$535 per retiree.

Actuarial Assumptions

The actuarial valuation was performed as of August 31, 2023. Update procedures were used to roll forward the Total OPEB liability to August 31, 2024. The actuarial valuation was determined using the following actuarial assumptions:

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the TRS pension plan, except that the OPEB valuation is more complex. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2021. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2023, TRS pension actuarial valuation that was rolled forward to August 31, 2024:

- | | |
|-------------------------|------------------------|
| 1. Rates of Mortality | 5. Rates of Disability |
| 2. Rates of Retirement | 5. General Inflation |
| 3. Rates of Termination | 6. Wage Inflation |

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

Additional actuarial methods and assumptions are as follows:

| | |
|-----------------------|---|
| Valuation date | 8/31/2023 rolled forward to 8/31/2024 |
| Actuarial cost method | Individual entry age normal |
| Inflation | 2.30% |
| Single discount rate | 3.87% as of August 31, 2024 |
| Aging factors | Based on the Society of Actuaries' 2013 Study "Health Care Costs – From Birth to Death" |
| Expenses | Third-party administrative expenses related to the delivery of healthcare benefits are included in the age-adjusted claims costs. |

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

| | |
|---------------------------------------|-------------------------------------|
| Projected salary increases | 2.95% to 8.95%, including inflation |
| Ad hoc postemployment benefit changes | None |

Discount Rate

A single discount rate of 3.87% was used to measure the total OPEB liability. There was an increase of 0.26% in the discount rate since the previous year.

Because the investments are held in cash and there is no intentional objective to advance fund the benefits, the Single Discount Rate is equal to the prevailing municipal bond rate.

The source of the municipal bond rate is the Bond Buyer’s “20-Bond GO Index” as of August 31, 2024, using the Fixed Income Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Discount Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if the discount rate used was 1 percentage point lower than and 1 percentage point higher than the discount rate that was used (3.87%) in measuring the net OPEB liability.

| | 1% Decrease in Discount Rate (2.87%) | Current Single Discount Rate (3.87%) | 1% Increase in Discount Rate (4.87%) |
|---|---|---|---|
| District's proportionate share of the Net OPEB Liability: | \$ 23,526,145 | \$ 19,802,374 | \$ 16,793,510 |

Healthcare Trend Rate Sensitivity Analysis

The following schedule shows the impact of the net OPEB liability if a healthcare trend rate that is 1% less than and 1% greater than the health trend rates assumed.

| | 1% Decrease in Healthcare Trend Rate | Current Healthcare Trend Rate | 1% Increase in Healthcare Trend Rate |
|---|---|----------------------------------|---|
| District's proportionate share of the Net OPEB Liability: | \$ 16,126,094 | \$ 19,802,374 | \$ 24,592,934 |

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

At August 31, 2024, the District reported a liability of \$19,802,374 for its proportionate share of TRS-Care’s net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

| | |
|---|--------------|
| District’s proportionate share of the collective net OPEB liability | \$19,802,374 |
| State’s proportionate share that is associated with the District | 24,812,106 |
| Total | \$44,614,480 |

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

The Net OPEB Liability was measured as of August 31, 2023, and rolled forward to August 31, 2024, 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 District's contributions to TRS-Care relative to the contributions of all employers to TRS-Care for the period September 1, 2023, through August 31, 2024.

On August 31, 2024, the employer's proportion of the collective net OPEB liability was 0.0652434%, compared to 0.0651180% as of August 31, 2023.

Changes Since the Prior Actuarial Valuation

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

- The single discount rate was changed from 4.13% as of August 31, 2023, to 3.87% as of August 31, 2024, accompanied by revised demographic and economic assumptions based on the TRS experience study.
- The tables used to model the impact of aging on the underlying claims were revised.

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

For the year ended June 30, 2025, the District recognized OPEB expense of (\$1,428,250).

For the year ended August 31, 2024, the District recognized OPEB expense of \$742,566 and revenue of \$742,566 for support provided by the State.

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|-----------------------------------|----------------------------------|
| Difference between expected and actual economic experience | \$ 3,795,450 | \$ 9,882,458 |
| Changes in actuarial assumptions | 2,534,470 | 6,461,285 |
| Difference between projected and actual investment earnings | (55,453) | - |
| Changes in proportion and Differences between the District's contributions and proportionate share of contributions | 3,736,255 | 1,004,975 |
| Contributions paid to TRS subsequent to the measurement date | 501,462 | - |
| Total | \$ 10,512,184 | \$ 17,348,718 |

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

The District recognized \$501,462 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the measurement year ended August 31, 2025. The other amounts of the District's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Year ended June 30: | OPEB Expense Amount |
|---------------------|------------------------|
| 2026 | \$ (2,084,676) |
| 2027 | (1,187,800) |
| 2028 | (1,676,029) |
| 2029 | (1,466,944) |
| 2030 | (854,348) |
| Thereafter | <u>(68,199)</u> |
| Total | <u>\$ (7,337,996)</u> |

Medicare Part D Subsidies

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for TRS-Care to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended June 30, 2025, 2024, and 2023, the subsidy payments received by TRS-Care on behalf of the District were \$498,276, \$389,912, and \$371,096, respectively.

E. Employee Health Care Coverage

During the year ended June 30, 2025, employees of the District were covered by a health insurance plan (the "Plan"). The District paid premiums of \$335 per month per employee, \$365 per month per employee with child, \$395 per month per employee and spouse, and \$435 per month per employee and family to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. 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 District and the insurer is renewable September 1, 2025, and terms of coverage and premiums costs are included in the contractual provisions.

F. Risk Management

The District is exposed to various risk of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District is insured. This exposure is in property and general liability, workers' compensation, and unemployment compensation.

Property and General Liability

The District purchases commercial insurance to cover general liabilities. There have been no significant reductions in insurance coverage from the prior year for any category of risk.

Workers' Compensation

During the year ended June 30, 2025, the District purchased commercial insurance to cover workers compensation claims.

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

Unemployment Compensation

During the year ended June 30, 2025, 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 monthly until the quarterly payment has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop-loss coverage for the unemployment compensation pool. For the year ended June 30, 2025, 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, 2024, are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin.

G. Adjustments to Restatements of Beginning Balances

During fiscal year 2025, changes in accounting principles changes to or within the financial reporting entity resulted in adjustments to and restatements of beginning net position and fund net position, as follows:

| June 30, 2024 As Previously Reported | Change in Accounting Principle | June 30, 2024, As Restated |
|--|--------------------------------------|-------------------------------|
| \$ 42,271,760 | \$ (8,938,206) | \$ 33,333,554 |

Change in Accounting Principle

During fiscal year 2025, the District implemented GASB. Statement 101, Compensated Absences. The effect of the implementation is shown in the preceding table.

H. Subsequent Events

At the August 18th, 2025 meeting of the Board of Trustees for the District, the Board adopted a resolution authorizing the defeasement of an estimated \$13,875,000 from the Interest and Sinking property tax levy for the 2025-26 fiscal year.

I. New Accounting Pronouncements

GASB Statement No. 101: Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. This statement becomes effective in this fiscal year, and its impact is addressed in these financial statements.

GASB Statement No. 102: Certain Risk Disclosures. The objective of this Statement is to provide users of

BOERNE INDEPENDENT SCHOOL DISTRICT

Notes to the Financial Statements

For the Year Ended June 30, 2025

government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement becomes effective in fiscal year 2025 and it did not impact the financial statements.

GASB Statement No. 103: Financial Reporting Model Improvements. The objective of this Statement is to improve key components of the financial reporting model. The purposes of the improvements are to (a) enhance the effectiveness of the financial reporting model in providing information that is essential for decision making and assessing a government's accountability and (b) address certain application issues identified through pre-agenda research conducted by the GASB. This statement becomes effective in fiscal year 2026 and its impact has not yet been determined.



Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board, but not considered a part of the basic financial statements.

BOERNE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 GENERAL FUND
 YEAR ENDED JUNE 30, 2025

| Data Control Codes | Budgeted Amounts | | Actual Amounts | Variance with Final Budget | |
|--------------------------|--|---------------|-------------------|-------------------------------|--------------|
| | Original | Final | (GAAP Basis) | | |
| REVENUES | | | | | |
| 5700 | Local and Intermediate Sources | \$ 76,044,285 | \$ 76,599,985 | \$ 78,599,350 | \$ 1,999,365 |
| 5800 | State Sources | 24,936,998 | 32,099,825 | 32,322,421 | 222,596 |
| 5900 | Federal Sources | 495,000 | 495,000 | 175,556 | (319,444) |
| 5020 | Total Revenues | 101,476,283 | 109,194,810 | 111,097,327 | 1,902,517 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| 0010 | Instruction & Instructional Related Services: | | | | |
| 0011 | Instruction | 60,195,702 | 62,040,416 | 61,800,222 | 240,194 |
| 0012 | Instructional Resources and Media Services | 1,217,370 | 1,267,483 | 1,111,912 | 155,571 |
| 0013 | Curriculum and Instructional Staff Development | 3,026,923 | 3,126,428 | 2,932,498 | 193,930 |
| | Total Instruction & Instructional Related Services | 64,439,995 | 66,434,327 | 65,844,632 | 589,695 |
| 0020 | Instructional & School Leadership: | | | | |
| 0021 | Instructional Leadership | 1,640,694 | 1,788,897 | 1,689,734 | 99,163 |
| 0023 | School Leadership | 6,045,659 | 6,215,255 | 6,096,729 | 118,526 |
| | Total Instructional and School Leadership | 7,686,353 | 8,004,152 | 7,786,463 | 217,689 |
| 0030 | Support Services - Student: | | | | |
| 0031 | Guidance and Counseling Services | 4,275,696 | 4,645,236 | 4,596,785 | 48,451 |
| 0033 | Health Services | 1,183,396 | 1,261,442 | 1,257,173 | 4,269 |
| 0034 | Pupil Transportation | 3,378,513 | 4,134,999 | 4,070,151 | 64,848 |
| 0035 | Child Nutrition Services | 117,499 | 142,967 | 120,058 | 22,909 |
| 0036 | Co-Curricular Activities | 3,058,437 | 3,070,803 | 2,866,804 | 203,999 |
| | Total Support Services - Student | 12,013,541 | 13,255,447 | 12,910,971 | 344,476 |
| 0040 | Administration: | | | | |
| 0041 | General Administration | 4,362,744 | 4,140,159 | 4,075,383 | 64,776 |
| | Total Administration | 4,362,744 | 4,140,159 | 4,075,383 | 64,776 |
| 0050 | Support Services - Non-Student Based: | | | | |
| 0051 | Plant Maintenance and Operations | 12,028,506 | 12,710,273 | 12,626,133 | 84,140 |
| 0052 | Security & Monitoring Services | 1,829,445 | 2,095,111 | 2,023,469 | 71,642 |
| 0053 | Data Processing Services | 2,719,568 | 3,445,339 | 3,212,295 | 233,044 |
| | Total Support Services - Non-Student Based | 16,577,519 | 18,250,723 | 17,861,897 | 388,826 |
| 0060 | Ancillary Services: | | | | |
| 0061 | Community Services | 45,758 | 45,758 | 12,523 | 33,235 |
| | Total Ancillary Services | 45,758 | 45,758 | 12,523 | 33,235 |
| 0070 | Debt Service | | | | |
| 0071 | Debt Service | 407,683 | 487,312 | 475,724 | 11,588 |
| | Total Debt Service | 407,683 | 487,312 | 475,724 | 11,588 |

(Continued on next page.)

| Data Control Codes | Budgeted Amounts | | Actual Amounts | Variance with Final Budget | |
|---------------------------------|---|---------------|-------------------|-------------------------------|--------------|
| | Original | Final | (GAAP Basis) | | |
| EXPENDITURES (Continued) | | | | | |
| 0090 | Intergovernmental Charges | | | | |
| 0099 | Other Intergovernmental Charges | 1,160,000 | 1,385,000 | 1,221,012 | 163,988 |
| | Total Intergovernmental Charges | 1,160,000 | 1,385,000 | 1,221,012 | 163,988 |
| 6030 | Total Expenditures | 106,693,593 | 112,002,878 | 110,188,605 | 1,814,273 |
| 1100 | Excess (Deficiency) of Revenues Over Expenditures | (5,217,310) | (2,808,068) | 908,722 | 3,716,790 |
| | Other Financing Sources (Uses): | | | | |
| 7913 | Proceeds from Right to Use Leased Assets | - | 291,343 | 291,777 | 434 |
| 8911 | Transfer Out | - | - | (52,540) | (52,540) |
| | Total Other Financing Sources (Uses) | - | 291,343 | 239,237 | (52,106) |
| 1200 | Net Change in Fund Balance | (5,217,310) | (2,516,725) | 1,147,959 | 3,664,684 |
| 0100 | FUND BALANCES, July 1, 2024 | 28,400,320 | 28,400,320 | 28,400,320 | - |
| 3000 | FUND BALANCES, June 30, 2025 | \$ 23,183,010 | \$ 25,883,595 | \$ 29,548,279 | \$ 3,664,684 |

BOERNE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE
 SHARE OF THE NET PENSION LIABILITY
 TEACHER RETIREMENT SYSTEM OF TEXAS
 YEAR ENDED JUNE 30, 2025

| | Measurement Year | | | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| District's Proportion of the Net Pension Liability (Asset) | 0.0458711% | 0.0448478% | 0.0464649% | 0.0418674% | 0.0431739% | 0.0413868% | 0.0399888% | 0.0394284% | 0.0383046% | 0.0395622% |
| District's Proportionate Share of Net Pension Liability (Asset) | \$ 28,019,973 | \$ 30,806,109 | \$ 27,585,027 | \$ 10,662,144 | \$ 23,123,035 | \$ 21,514,139 | \$ 22,010,814 | \$ 12,607,080 | \$ 14,474,737 | \$ 13,984,711 |
| State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District | <u>48,111,971</u> | <u>54,788,474</u> | <u>47,628,259</u> | <u>22,682,109</u> | <u>45,823,139</u> | <u>41,785,626</u> | <u>42,175,066</u> | <u>24,437,063</u> | <u>28,970,238</u> | <u>26,992,031</u> |
| Total | <u>\$ 76,131,944</u> | <u>\$ 85,594,583</u> | <u>\$ 75,213,286</u> | <u>\$ 33,344,253</u> | <u>\$ 68,946,174</u> | <u>\$ 63,299,765</u> | <u>\$ 64,185,880</u> | <u>\$ 37,044,143</u> | <u>\$ 43,444,975</u> | <u>\$ 40,976,742</u> |
| District's Covered Payroll | \$ 77,394,047 | \$ 68,412,752 | \$ 65,212,403 | \$ 63,174,589 | \$ 60,689,798 | \$ 53,179,855 | \$ 48,863,880 | \$ 46,966,848 | \$ 44,011,175 | \$ 40,418,780 |
| District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | 36.20% | 45.03% | 42.30% | 16.88% | 38.10% | 40.46% | 45.05% | 26.84% | 32.89% | 34.60% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 77.51% | 73.15% | 75.62% | 75.24% | 73.74% | 73.74% | 73.74% | 82.17% | 78.00% | 78.43% |

Note: GASB 68, 81.a.(2)(a) requires that the information on this schedule be data from the period corresponding with the period covered as of the measurement date of August 31, 2024 - the period from September 1, 2023 - August 31, 2024.

BOERNE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 TEACHER RETIREMENT SYSTEM OF TEXAS
 YEAR ENDED JUNE 30, 2025

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Contractually Required Contribution | \$ 2,732,299 | \$ 2,549,957 | \$ 2,280,629 | \$ 2,075,187 | \$ 1,773,928 | \$ 1,599,407 | \$ 1,208,597 | \$ 1,340,091 | \$ 1,282,679 | \$ 1,207,743 |
| Contribution in Relation to the Contractually Required Contribution Associated with the District | (2,732,299) | (2,549,957) | (2,280,629) | (2,075,187) | (1,773,928) | (1,599,407) | (1,208,597) | (1,340,091) | (1,282,679) | (1,207,743) |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| District's Covered Payroll | \$ 79,613,020 | \$ 71,864,966 | \$ 68,019,486 | \$ 64,662,666 | \$ 62,854,308 | \$ 59,411,556 | \$ 53,179,855 | \$ 48,863,880 | \$ 46,596,786 | \$ 44,011,175 |
| Contributions as a Percentage of Covered Payroll | 3.43% | 3.55% | 3.35% | 3.21% | 2.82% | 2.69% | 2.27% | 2.74% | 2.75% | 2.74% |

Note: GASB 68, Paragraph 81.b. requires that the data in this schedule be presented as of the District's current fiscal year end.

BOERNE INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET LIABILITY OF A COST-SHARING MULTIPLE EMPLOYER OPEB PLAN
TEACHER RETIREMENT SYSTEM OF TEXAS
YEAR ENDED JUNE 30, 2025

| | Measurement Year | | | | | | | |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 |
| District's Proportion of the Net Pension Liability (Asset) | 0.0652434% | 0.0651180% | 0.0674302% | 0.0632240% | 0.0626829% | 0.0599127% | 0.0571479% | 0.0539478% |
| District's Proportionate Share of Net Pension Liability (Asset) | \$ 19,802,374 | \$ 14,416,016 | \$ 16,145,498 | \$ 24,388,321 | \$ 23,828,609 | \$ 28,333,429 | \$ 28,534,482 | \$ 23,439,856 |
| State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District | <u>24,812,106</u> | <u>17,395,139</u> | <u>19,694,970</u> | <u>32,674,914</u> | <u>41,563,944</u> | <u>37,648,788</u> | <u>43,232,210</u> | <u>37,806,439</u> |
| Total | <u>\$ 44,614,480</u> | <u>\$ 31,811,155</u> | <u>\$ 35,840,468</u> | <u>\$ 57,063,235</u> | <u>\$ 65,392,553</u> | <u>\$ 65,982,217</u> | <u>\$ 71,766,692</u> | <u>\$ 61,246,295</u> |
| District's Covered Payroll | \$ 77,394,047 | \$ 68,418,841 | \$ 65,212,403 | \$ 63,174,589 | \$ 60,689,798 | \$ 53,179,855 | \$ 48,863,880 | \$ 44,011,175 |
| District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | 25.59% | 21.07% | 24.76% | 38.60% | 39.26% | 53.28% | 58.40% | 53.26% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 13.70% | 14.94% | 11.52% | 6.18% | 4.99% | 2.66% | 1.57% | 0.91% |

Note: The authoritative pronouncement that mandates this schedule requires ten years of historical data or the maximum available as of the date the financial statements. Eight years of data is available as of the date of these statements.

BOERNE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DISTRICT CONTRIBUTIONS TO THE
 A COST-SHARING MULTIPLE EMPLOYER OPEB PLAN
 TEACHER RETIREMENT SYSTEM OF TEXAS
 YEAR ENDED JUNE 30, 2025

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Contractually Required Contribution | \$ 742,566 | \$ 681,617 | \$ 564,350 | \$ 484,924 | \$ 470,285 | \$ 466,914 | \$ 420,542 | \$ 374,736 |
| Contribution in Relation to the Contractually Required Contribution Associated with the District | (742,566) | (681,617) | (564,350) | (484,924) | (470,285) | (466,914) | (420,542) | (374,736) |
| Contribution Deficiency (Excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| District's Covered Payroll | \$79,613,020 | \$71,871,054 | \$68,019,486 | \$64,662,666 | \$62,854,308 | \$59,411,556 | \$53,179,855 | \$48,863,880 |
| Contributions as a Percentage of Covered Payroll | 0.93% | 0.95% | 0.83% | 0.75% | 0.75% | 0.79% | 0.79% | 0.77% |

Note: The amounts presented for the fiscal year were determined as of the Plan's fiscal year end, August 31 of the prior year. Eight years of data is available as of the date of these statements.

A photograph of three athletes standing on a podium during a track and field event. The athlete in the center is on the highest step (1st place), wearing a dark singlet with 'Eagle' and bib number '2049', and holding a gold medal. The athlete on the left is on the second step (2nd place), wearing a dark singlet with 'Gators' and holding a silver medal. The athlete on the right is on the lowest step (3rd place), wearing a dark singlet with 'MULLIGAN' and holding a bronze medal. The podium is orange and black with the number '1' on the top step, '2' on the left step, and '3' on the right step. The background shows a stadium with a large crowd and a city skyline with a prominent domed building.

Combining Statements

This supplementary information includes financial statements not required by the Governmental Accounting Standards Board, nor are they part of the Basic Financial Statements, but are presented for purposes of additional analysis.

BOERNE INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2025

| Data Control Codes | Federal Special Revenue Funds | State Special Revenue Funds | Local Special Revenue Funds | Total Nonmajor Special Revenue Funds | Permanent Fund Boerne Outdoor Academy | Total Nonmajor Governmental Funds |
|--|-------------------------------|-----------------------------|-----------------------------|--------------------------------------|---------------------------------------|-----------------------------------|
| ASSETS | | | | | | |
| 1110 Cash and Cash Equivalents | \$ 1,004,219 | \$ - | \$ 1,742,270 | \$ 2,746,489 | \$ - | \$ 2,746,489 |
| 1240 Due from Other Governments | 682,398 | 356,064 | - | 1,038,462 | - | 1,038,462 |
| 1260 Due from Other Funds | 126,784 | - | 15,217 | 142,001 | - | 142,001 |
| 1290 Other Receivables | 29,439 | - | 9,511 | 38,950 | - | 38,950 |
| 1300 Inventories | 30,974 | - | - | 30,974 | - | 30,974 |
| 1410 Deferred Expenditures | - | 1,720 | 10,000 | 11,720 | - | 11,720 |
| 1000 TOTAL ASSETS | <u>\$ 1,873,814</u> | <u>\$ 357,784</u> | <u>\$ 1,776,998</u> | <u>\$ 4,008,596</u> | <u>\$ -</u> | <u>\$ 4,008,596</u> |
| LIABILITIES | | | | | | |
| 2110 Accounts Payable | \$ 63,284 | \$ 37,562 | \$ 55,474 | \$ 156,320 | \$ 34 | \$ 156,354 |
| 2160 Accrued Wages Payable | 559,741 | - | 88,505 | 648,246 | 2,316 | 650,562 |
| 2170 Due to Other Funds | 335,671 | 123,312 | 1,113 | 460,096 | 15,574 | 475,670 |
| 2300 Unearned Revenues | <u>286,639</u> | <u>190,605</u> | <u>-</u> | <u>477,244</u> | <u>-</u> | <u>477,244</u> |
| 2000 TOTAL LIABILITIES | <u>1,245,335</u> | <u>351,479</u> | <u>145,092</u> | <u>1,741,906</u> | <u>17,924</u> | <u>1,759,830</u> |
| FUND BALANCES | | | | | | |
| 3410 Nonspendable | 30,974 | - | 10,000 | 40,974 | - | 40,974 |
| 3450 Restricted - Grant Funds | 597,505 | 6,305 | - | 603,810 | - | 603,810 |
| 3490 Restricted - Other | <u>-</u> | <u>-</u> | <u>1,621,906</u> | <u>1,621,906</u> | <u>(17,924)</u> | <u>1,603,982</u> |
| 3000 TOTAL FUND BALANCES | <u>628,479</u> | <u>6,305</u> | <u>1,631,906</u> | <u>2,266,690</u> | <u>(17,924)</u> | <u>2,248,766</u> |
| 4000 TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 1,873,814</u> | <u>\$ 357,784</u> | <u>\$ 1,776,998</u> | <u>\$ 4,008,596</u> | <u>\$ -</u> | <u>\$ 4,008,596</u> |

BOERNE INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 YEAR ENDED JUNE 30, 2025

| Control Codes | | Federal Special Revenue Funds | State Special Revenue Funds | Local Special Revenue Funds | Total Nonmajor Special Revenue Funds | Permanent Fund Boerne Outdoor Academy | Total Nonmajor Governmental |
|---------------|--|-------------------------------|-----------------------------|-----------------------------|--------------------------------------|---------------------------------------|-----------------------------|
| REVENUES: | | | | | | | |
| 5700 | Local & Intermediate Sources | \$ 2,745,303 | \$ - | \$ 2,531,498 | \$ 5,276,801 | \$ 61,055 | \$ 5,337,856 |
| 5800 | State Program Revenues | 26,943 | 2,783,671 | - | 2,810,614 | - | 2,810,614 |
| 5900 | Federal Program Revenues | 4,631,916 | - | - | 4,631,916 | - | 4,631,916 |
| 5020 | Total Revenues | <u>7,404,162</u> | <u>2,783,671</u> | <u>2,531,498</u> | <u>12,719,331</u> | <u>61,055</u> | <u>12,780,386</u> |
| EXPENDITURES: | | | | | | | |
| 0011 | Instruction | 2,548,644 | 2,275,021 | 668,506 | 5,492,171 | 77,684 | 5,569,855 |
| 0012 | Instructional Resources & Media Services | - | 55 | 93,368 | 93,423 | - | 93,423 |
| 0013 | Curriculum & Inst'l Staff Development | 246,066 | 6,744 | 31,430 | 284,240 | - | 284,240 |
| 0023 | School Leadership | - | - | 161,027 | 161,027 | - | 161,027 |
| 0031 | Guidance, Counseling & Evaluation Services | 196,368 | - | 340,836 | 537,204 | - | 537,204 |
| 0033 | Health Services | - | - | 147 | 147 | 69 | 216 |
| 0034 | Student (Pupil) Transportation | 2,150 | - | 56 | 2,206 | - | 2,206 |
| 0035 | Child Nutrition Services | 4,381,432 | - | - | 4,381,432 | 25,610 | 4,407,042 |
| 0036 | Cocurricular/Extracurricular Activities | - | - | 1,014,476 | 1,014,476 | - | 1,014,476 |
| 0041 | General Administration | - | - | 20,573 | 20,573 | - | 20,573 |
| 0051 | Plant Maintenance & Operations | - | - | 12,079 | 12,079 | - | 12,079 |
| 0052 | Security & Monitoring Services | - | 506,155 | 66,036 | 572,191 | - | 572,191 |
| 0061 | Community Services | 5,223 | - | - | 5,223 | - | 5,223 |
| 6030 | Total Expenditures | <u>7,379,883</u> | <u>2,787,975</u> | <u>2,408,534</u> | <u>12,576,392</u> | <u>103,363</u> | <u>12,679,755</u> |
| 1100 | Excess (Deficiency) of Revenues Over Expenditures | <u>24,279</u> | <u>(4,304)</u> | <u>122,964</u> | <u>142,939</u> | <u>(42,308)</u> | <u>100,631</u> |
| 1200 | Excess (Deficiency) Of Revenues and Other Resources Over Expenditures and Other Uses | 24,279 | (4,304) | 122,964 | 142,939 | (42,308) | 100,631 |
| 0100 | FUND BALANCE, July 1 (Beginning) | <u>604,200</u> | <u>10,609</u> | <u>1,508,942</u> | <u>2,123,751</u> | <u>24,384</u> | <u>2,148,135</u> |
| 3000 | FUND BALANCE, June 30 (Ending) | <u>\$ 628,479</u> | <u>\$ 6,305</u> | <u>\$ 1,631,906</u> | <u>\$ 2,266,690</u> | <u>\$ (17,924)</u> | <u>\$ 2,248,766</u> |



Required TEA Schedules

BOERNE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
JUNE 30, 2025

| Year Ended 06/30 | 1 | | | 2 | | 3 | 10 | 20 | 31 | 32 | 40 | 50 |
|--------------------|--------------------------|------------|------------|----------------------------|------------------|----------------------------|--------------------------------------|--------------------------|-----------------|------------------|-------------|----|
| | Maintenance & Operations | Tax Rates | | Taxable Assessed Valuation | Balance 07/01/24 | Current Year's Tax Levy ** | Maintenance & Operations Collections | Debt Service Collections | Net Adjustments | Balance 06/30/25 | | |
| 2015 & Prior years | \$ various | \$ various | \$ various | \$ various | \$255,760 | | \$14,844 | \$3,722 | -\$37,176 | \$200,018 | | |
| 2016 | 1.0400 | 0.2540 | 1.2940 | \$5,599,270,443 | \$69,525 | | \$2,660 | \$650 | | \$66,215 | | |
| 2017 | 1.0400 | 0.2760 | 1.3160 | \$5,989,593,782 | \$84,330 | | \$4,216 | \$1,119 | | \$78,995 | | |
| 2018 | 1.0400 | 0.3140 | 1.3540 | \$6,263,391,229 | \$89,785 | | \$5,884 | \$1,777 | | \$82,124 | | |
| 2019 | 1.0400 | 0.3140 | 1.3540 | \$6,688,345,157 | \$128,368 | | \$8,362 | \$2,525 | | \$117,481 | | |
| 2020 | 0.9700 | 0.3140 | 1.2840 | \$7,550,239,262 | \$159,373 | | \$24,350 | \$7,882 | \$3,713 | \$130,854 | | |
| 2021 | 0.9379 | 0.3140 | 1.2519 | \$8,046,678,127 | \$223,159 | | \$42,542 | \$14,243 | \$4,249 | \$170,623 | | |
| 2022 | 0.8806 | 0.3240 | 1.2046 | \$8,764,613,982 | \$281,303 | | \$106,820 | \$39,302 | \$44,286 | \$179,467 | | |
| 2023 | 0.8546 | 0.3240 | 1.1786 | \$10,964,833,457 | \$484,850 | | \$133,331 | \$50,549 | -\$111,834 | \$189,136 | | |
| 2024 | 0.6692 | 0.3240 | 0.9932 | \$12,016,395,913 | 1,617,248 | | \$581,465 | \$281,499 | -\$591,913 | \$162,371 | | |
| 2025 | 0.6669 | 0.3240 | 0.9909 | \$12,935,956,681 | - | \$114,573,175 | \$73,662,049 | \$35,788,492 | -\$3,402,754 | \$1,719,880 | | |
| | | | | | | \$3,393,701 | \$114,573,175 | \$74,586,523 | \$36,191,760 | -\$4,091,429 | \$3,097,164 | |

Taxes refunded under Section 26.1115, tax code, for owners who received an exemption as provided by Section 11.42(f), tax code: \$ 192,445 \$ 93,495

**Reflects net tax levy as of June 30th for the year then ended.

BOERNE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 DEBT SERVICE FUND
 YEAR ENDED JUNE 30, 2025

| Data Control Codes | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|---|----------------------|---------------------|----------------------|-------------------------------|
| | Original | Final | (GAAP Basis) | |
| REVENUES | | | | |
| 5700 Local and Intermediate Sources | \$ 36,445,000 | \$ 36,445,000 | \$ 37,141,631 | \$ 696,631 |
| 5800 State Sources | <u>1,500,000</u> | <u>3,698,928</u> | <u>3,712,969</u> | <u>14,041</u> |
| 5000 Total Revenues | <u>37,945,000</u> | <u>40,143,928</u> | <u>40,854,600</u> | <u>710,672</u> |
| EXPENDITURES | | | | |
| 0070 Debt Service | | | | |
| 0071 Debt Service - Principal on Long-Term Debt | 23,150,000 | 27,580,000 | 27,580,000 | - |
| 0072 Debt Service - Interest | 13,667,095 | 13,723,021 | 13,723,021 | - |
| 0073 Debt Service - Cost of Issuance and Fiscal Charges | <u>1,127,905</u> | <u>51,979</u> | <u>10,177</u> | <u>41,802</u> |
| Total Debt Service | <u>37,945,000</u> | <u>41,355,000</u> | <u>41,313,198</u> | <u>41,802</u> |
| 6030 Total Expenditures | <u>37,945,000</u> | <u>41,355,000</u> | <u>41,313,198</u> | <u>41,802</u> |
| 1100 Excess (Deficiency) of Revenues Over Expenditures | <u>0</u> | <u>(1,211,072)</u> | <u>(458,598)</u> | <u>752,474</u> |
| 0100 FUND BALANCES, July 1, 2024 | <u>10,998,718</u> | <u>10,998,718</u> | <u>10,998,718</u> | <u>-</u> |
| 3000 FUND BALANCES, June 30, 2025 | <u>\$ 10,998,718</u> | <u>\$ 9,787,646</u> | <u>\$ 10,540,120</u> | <u>\$ 752,474</u> |

BOERNE INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 CHILD NUTRITION FUND
 YEAR ENDED JUNE 30, 2025

| Data Control Codes | Budgeted Amounts | | Actual Amounts | Variance with Final Budget |
|--|-------------------|-------------------|-------------------|-------------------------------|
| | Original | Final | (GAAP Basis) | |
| REVENUES | | | | |
| 5700 Local and Intermediate Sources | \$ 2,100,000 | \$ 2,800,000 | \$ 2,745,303 | \$ (54,697) |
| 5800 State Sources | - | - | 24,793 | 24,793 |
| 5900 Federal Sources | 1,700,000 | 1,500,000 | 1,625,938 | 125,938 |
| 5000 Total Revenues | <u>3,800,000</u> | <u>4,300,000</u> | <u>4,396,034</u> | <u>96,034</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| 0030 Support Services - Student: | | | | |
| 0035 Child Nutrition Services | <u>3,800,000</u> | <u>4,381,909</u> | <u>4,371,754</u> | <u>10,155</u> |
| Total Support Services - Student | <u>3,800,000</u> | <u>4,381,909</u> | <u>4,371,754</u> | <u>10,155</u> |
| 6030 Total Expenditures | <u>3,800,000</u> | <u>4,381,909</u> | <u>4,371,754</u> | <u>10,155</u> |
| 1100 Excess (Deficiency) of Revenues Over Expenditures | <u>-</u> | <u>(81,909)</u> | <u>24,280</u> | <u>106,189</u> |
| 1200 Net Change in Fund Balance | - | (81,909) | 24,280 | 106,189 |
| 0100 FUND BALANCES, July 1, 2024 | <u>593,673</u> | <u>593,673</u> | <u>593,673</u> | - |
| 3000 FUND BALANCES, June 30, 2025 | <u>\$ 593,673</u> | <u>\$ 511,764</u> | <u>\$ 617,953</u> | <u>\$ 106,189</u> |

BOERNE INDEPENDENT SCHOOL DISTRICT
Use of Funds Report - Select State Allotment Programs
For the Year Ended June 30, 2025

| <u>Data Codes</u> | <u>Responses</u> |
|--|---|
| <u>Section A: Compensatory Education Programs</u> | |
| Districts are required to use at least 55% of state compensatory education state allotment funds on direct program costs. Statutory Authority: Texas Education Code §48.104. | |
| AP1 | Did your district expend any state compensatory education program state allotment funds during the district’s fiscal year? If no, please disregard the remaining questions in Section A and go to Section B. Yes |
| AP2 | Does the district have written policies and procedures for its state compensatory education program? Yes |
| AP3 | Total state allotment funds received for state compensatory education programs during the district’s fiscal year. \$ 2,982,343 |
| AP4 | Actual direct program expenditures for state compensatory education programs during the district’s fiscal year. \$ 2,401,418 |
| <u>Section B: Bilingual Education Programs</u> | |
| Districts are required to spend at least 55% of bilingual education state allotment funds on direct program costs. Statutory Authority: Texas Education Code §48.105. | |
| AP5 | Did your district expend any bilingual education program state allotment funds during the district’s fiscal year? If no, please disregard the remaining questions in Section B. Yes |
| AP6 | Does the district have written policies and procedures for its bilingual education program? Yes |
| AP7 | Total state allotment funds received for bilingual education programs during the district’s fiscal year. \$ 553,835 |
| AP8 | Actual direct program expenditures for bilingual education programs during the district’s fiscal year. \$ 707,689 |



Statistical Section



Financial Trends

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

BOERNE INDEPENDENT SCHOOL DISTRICT

Table 1

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS

(ACCRUAL BASIS OF ACCOUNTING)

| Governmental Activities | | | | | | |
|-------------------------|-------------------------------------|----------------------------------|--------------|-----------|--------------|------------------------|
| Year | Net Investment in Capital Assets | Restricted For: | | | Unrestricted | Total |
| | | State and Federal Programs | Debt Service | Other | | |
| 2025 | \$ 71,455,056 | 644,784 | 1,675,226 | 1,603,982 | (30,572,586) | \$ 44,806,462 |
| 2024 | \$ 52,645,468 | 622,554 | 2,757,693 | 1,525,581 | (15,279,536) | \$ 42,271,760 |
| 2023 | \$ 55,471,212 | 872,743 | 4,860,784 | 1,625,631 | (28,081,823) | \$ 34,748,547 |
| 2022 | \$ 37,579,928 | 15,808 | 6,474,031 | 1,552,441 | (35,185,957) | \$ 10,436,251 |
| 2021 | \$ 32,545,511 | 131,294 | 5,204,383 | 1,425,897 | (43,351,942) | \$ (4,044,857) |
| 2020 | \$ 18,413,989 | 297,585 | 7,545,123 | 2,622,056 | (31,771,067) | \$ (2,892,314) |
| 2019 | \$ 21,018,070 | 776,733 | 6,035,641 | 1,640,884 | (28,624,256) | \$ 847,072 |
| 2018 | \$ 18,437,759 | 639,037 | 6,275,417 | 1,406,281 | (29,231,840) | \$ (2,473,346) |
| 2017 | \$ 14,472,005 | 514,086 | 5,598,304 | 1,326,420 | (34,920,873) | \$ (13,010,058) |
| 2016 | \$ 16,035,572 | 337,326 | 2,434,950 | 1,135,358 | 7,791,469 | \$ 27,734,675 |

BOERNE INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Table 2

| | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|-------------------------|-------------------------|-------------------------|------------------------|-------------------------|-------------------------|-------------------------|------------------------|------------------------|------------------------|
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Instruction | \$ 76,146,566 | \$ 72,437,345 | \$ 66,578,214 | \$ 62,682,087 | \$ 61,304,730 | \$ 59,505,033 | \$ 51,419,282 | \$ 31,081,951 | \$ 45,430,069 | \$ 41,783,452 |
| Instructional Resources and Media Services | 1,641,591 | 1,348,689 | 1,272,647 | 1,287,564 | 1,252,214 | 1,227,420 | 1,021,112 | 664,834 | 832,818 | 804,378 |
| Curriculum and Staff Development | 3,487,220 | 3,504,085 | 3,397,154 | 3,058,357 | 2,817,859 | 2,410,842 | 2,489,056 | 1,294,502 | 1,498,147 | 1,364,514 |
| Instructional Leadership | 1,694,271 | 1,644,269 | 1,518,607 | 1,334,183 | 1,347,941 | 1,587,071 | 894,011 | 468,266 | 565,542 | 523,465 |
| School Leadership | 6,993,222 | 6,811,609 | 6,163,158 | 5,849,796 | 6,259,304 | 5,848,539 | 5,306,579 | 2,659,945 | 3,934,241 | 3,332,457 |
| Guidance, Counseling, and Evaluation Services | 5,660,098 | 5,131,134 | 4,839,799 | 4,324,899 | 4,382,545 | 3,971,152 | 3,753,501 | 1,754,474 | 3,103,861 | 2,973,970 |
| Health Services | 1,441,462 | 1,336,925 | 1,218,911 | 1,162,670 | 1,335,471 | 1,500,031 | 966,611 | 461,512 | 769,862 | 682,220 |
| Student (pupil) Transportation | 4,644,753 | 3,859,543 | 3,669,719 | 3,484,979 | 3,156,341 | 3,061,686 | 2,641,926 | 2,145,076 | 2,603,637 | 2,529,115 |
| Food Services | 5,240,414 | 4,726,271 | 4,660,723 | 5,024,345 | 3,592,139 | 3,841,689 | 2,732,226 | 1,969,754 | 2,595,812 | 2,381,336 |
| Co-curricular/Extracurricular Activities | 5,083,886 | 5,180,777 | 4,969,478 | 4,611,532 | 4,425,202 | 3,392,270 | 3,700,698 | 3,419,309 | 3,841,479 | 3,315,729 |
| General Administration | 4,302,766 | 4,528,720 | 3,978,418 | 3,974,448 | 3,809,047 | 4,374,559 | 2,720,077 | 1,686,850 | 2,176,813 | 1,962,739 |
| Plant Maintenance and Operations | 25,626,917 | 18,182,023 | 11,438,324 | 12,080,887 | 10,706,826 | 8,807,461 | 8,143,551 | 6,747,686 | 7,165,622 | 6,965,016 |
| Security and Monitoring Services | 3,108,353 | 2,960,499 | 1,680,131 | 1,130,245 | 1,190,892 | 1,290,174 | 690,820 | 473,564 | 371,430 | 335,898 |
| Data Processing Services | 4,939,545 | 5,661,924 | 3,805,342 | 3,336,667 | 5,509,873 | 2,382,878 | 2,388,479 | 1,601,698 | 1,618,754 | 1,416,803 |
| Community Services | 19,288 | 44,118 | 49,737 | 44,923 | 54,329 | 41,401 | 46,365 | 61,498 | 84,854 | 163,855 |
| Interest on Long-term Debt | 13,275,809 | 13,203,567 | 9,154,730 | 8,985,660 | 8,411,431 | 12,736,542 | 14,044,438 | 14,524,854 | 11,197,778 | 8,770,095 |
| Bond Issuance Costs and Fees | 10,352 | 509,841 | 774,315 | 16,739 | 2,409,195 | - | - | 215,158 | 535,917 | 164,487 |
| Capital Outlay | - | - | - | - | - | - | - | - | 12,212 | 658,007 |
| Contracted instructional services between state and others | - | - | 7,485,147 | - | 2,176,662 | - | 10,554,906 | 9,377,461 | 7,670,790 | 6,377,347 |
| Payments related to shared services arrangements | - | - | - | - | - | 18,500 | 15,000 | 15,000 | 5,000 | 15,443 |
| Other Intergovernmental Charges | 1,221,012 | 1,061,912 | 817,510 | 851,213 | 760,023 | 873,655 | 726,318 | 671,313 | 726,660 | 688,564 |
| Total Primary Government Expenses | 164,537,525 | 152,133,251 | 137,472,064 | 123,241,194 | 124,902,024 | 116,870,903 | 114,254,956 | 81,294,705 | 96,741,298 | 87,208,890 |
| Program Revenues | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for services | 4,190,025 | 3,742,862 | 3,543,543 | 1,769,004 | 2,901,070 | 2,233,620 | 2,895,384 | 3,884,811 | 4,395,138 | 4,316,399 |
| Operating Grants and Contributions | 24,681,739 | 22,665,643 | 21,639,364 | 25,515,403 | 15,286,557 | 13,065,238 | 10,362,199 | (5,800,868) | 6,889,173 | 5,078,871 |
| Capital Grants and Contributions | - | - | 4,325,000 | - | - | - | - | - | - | - |
| Total Primary Government Revenues | 28,871,764 | 26,408,505 | 29,507,907 | 27,284,407 | 18,187,627 | 15,298,858 | 13,257,583 | (1,916,057) | 11,284,311 | 9,395,270 |
| Total Primary Government Net Expense | \$ (135,665,761) | \$ (125,724,746) | \$ (107,964,157) | \$ (95,956,787) | \$ (106,714,397) | \$ (101,572,045) | \$ (100,997,373) | \$ (83,210,762) | \$ (85,456,987) | \$ (77,813,620) |
| General Revenues and Other Changes in Net Position | | | | | | | | | | |
| General Revenues: | | | | | | | | | | |
| Property taxes | \$ 111,868,531 | \$ 102,284,008 | \$ 121,300,871 | \$ 103,395,430 | \$ 98,366,506 | \$ 93,848,195 | \$ 91,745,004 | \$ 85,421,125 | \$ 77,680,838 | \$ 71,720,652 |
| Investment Earnings | 5,843,582 | 7,083,759 | 3,307,356 | 142,720 | 144,254 | 1,005,812 | 2,457,470 | 2,022,390 | 865,349 | 214,003 |
| Grants and Contributions Not Restricted to Specific Programs | 26,121,505 | 23,441,435 | 7,135,837 | 6,404,667 | 6,140,939 | 3,284,820 | 8,308,593 | 5,034,158 | 5,078,736 | 6,817,882 |
| Insurance proceeds | - | - | - | - | 534,172 | - | - | - | - | - |
| Miscellaneous | 3,305,051 | 438,757 | 532,389 | 495,078 | 375,983 | 1,815,344 | 1,806,724 | 1,269,801 | 3,771,156 | 147,230 |
| Total Primary Government General Revenues | 147,138,669 | 133,247,959 | 132,276,453 | 110,437,895 | 105,561,854 | 99,954,171 | 104,317,791 | 93,747,474 | 87,396,079 | 78,899,767 |
| Change in Net Position - Total Primary Government | \$ 11,472,908 | \$ 7,523,213 | \$ 24,312,296 | \$ 14,481,108 | \$ (1,152,543) | \$ (1,617,874) | \$ 3,320,418 | \$ 10,536,712 | \$ 1,939,092 | \$ 1,086,147 |

BOERNE INDEPENDENT SCHOOL DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Table 3

| | General Fund | | | | | All Other Governmental Funds | | | | |
|-------------|----------------------|------------------|-----------------|-------------------|---------------|-------------------------------------|-------------------|------------------|-------------------|----------------|
| | <u>Non-Spendable</u> | <u>Committed</u> | <u>Assigned</u> | <u>Unassigned</u> | <u>Total</u> | <u>Non-Spendable</u> | <u>Restricted</u> | <u>Committed</u> | <u>Unassigned</u> | <u>Total</u> |
| 2025 | \$ 253,011 | - | - | 29,295,268 | \$ 29,548,279 | \$ 40,974 | 50,030,235 | - | - | \$ 50,071,209 |
| 2024 | \$ 353,783 | - | - | 28,046,537 | \$ 28,400,320 | \$ 9,819 | 94,768,227 | - | - | \$ 94,778,046 |
| 2023 | \$ 37,508 | - | - | 28,085,039 | \$ 28,122,547 | \$ 15,693 | 104,951,257 | - | - | \$ 104,966,950 |
| 2022 | \$ 36,952 | - | - | 23,155,462 | \$ 23,192,414 | \$ 27,997 | 12,670,907 | - | (625,789) | \$ 12,073,115 |
| 2021 | \$ 40,323 | - | - | 19,482,127 | \$ 19,522,450 | \$ 66,694 | 14,093,465 | - | - | \$ 14,160,159 |
| 2020 | \$ - | - | - | 19,746,632 | \$ 19,746,632 | \$ 43,411 | 15,083,537 | - | - | \$ 15,126,948 |
| 2019 | \$ 306,551 | 677,151 | - | 18,377,054 | \$ 19,360,756 | \$ 71,638 | 32,286,023 | 1,481,507 | - | \$ 33,839,168 |
| 2018 | \$ 261,988 | 677,151 | - | 15,856,873 | \$ 16,796,012 | \$ 15,226 | 85,835,951 | - | - | \$ 85,851,177 |
| 2017 | \$ 291,646 | - | - | 15,266,876 | \$ 15,558,522 | \$ 24,199 | 61,018,861 | - | - | \$ 61,043,060 |
| 2016 | \$ 314,901 | - | - | 12,743,781 | \$ 13,058,682 | \$ 11,643 | 1,471,298 | - | - | \$ 1,482,941 |

NOTE - The increases/decreases in fund balances are explained in the governmental funds section of the Management's Discussion and Analysis.

BOERNE INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

| | <u>2025</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> |
|--|------------------------|-----------------------|----------------------|---------------------|
| REVENUES | | | | |
| Local and Intermediate Sources | \$ 126,704,780 | \$ 117,185,994 | \$ 130,747,903 | \$ 107,402,079 |
| State Sources | 39,058,804 | 33,410,863 | 13,801,637 | 12,130,351 |
| Federal Sources | 4,807,472 | 5,831,118 | 8,569,763 | 13,493,831 |
| Total Revenues | <u>170,571,056</u> | <u>156,427,975</u> | <u>153,119,303</u> | <u>133,026,261</u> |
| EXPENDITURES | | | | |
| Current: | | | | |
| Instruction | 67,555,200 | 63,611,664 | 58,432,271 | 55,174,610 |
| Instructional Resources and Media Services | 1,399,925 | 1,166,901 | 1,068,966 | 1,093,299 |
| Curriculum and Instructional Staff Development | 3,216,738 | 3,242,946 | 3,495,529 | 2,928,061 |
| Instructional Leadership | 1,689,734 | 1,627,777 | 1,469,840 | 1,289,706 |
| School Leadership | 6,257,756 | 6,117,391 | 5,474,818 | 5,218,012 |
| Guidance and Counseling Services | 5,133,989 | 4,638,520 | 4,387,787 | 3,909,005 |
| Health Services | 1,257,389 | 1,168,953 | 1,060,864 | 1,015,324 |
| Pupil Transportation | 5,272,893 | 3,237,602 | 5,231,026 | 2,917,728 |
| Child Nutrition Services | 4,527,100 | 4,125,805 | 4,255,770 | 4,425,419 |
| Co-Curricular Activities | 3,881,280 | 4,212,289 | 3,974,586 | 3,791,563 |
| General Administration | 4,114,383 | 4,279,916 | 3,738,909 | 3,775,341 |
| Plant Maintenance and Operations | 15,110,032 | 11,205,075 | 10,446,690 | 10,771,674 |
| Security & Monitoring Services | 2,868,886 | 2,728,712 | 1,494,474 | 920,194 |
| Data Processing Services | 4,137,143 | 4,635,126 | 6,815,369 | 2,646,209 |
| Community Services | 17,746 | 42,474 | 48,786 | 44,308 |
| Debt Service: | | | | |
| Principal on Long-term Debt | 28,032,284 | 21,109,708 | 20,637,283 | 14,262,447 |
| Interest | 13,746,286 | 14,702,946 | 14,208,987 | 12,994,424 |
| Cost of Issuance and Fiscal Charges | 10,352 | 509,841 | 774,315 | 16,739 |
| Capital Outlay: | | | | |
| Facilities Acquisition and Construction | 44,971,583 | 69,483,569 | 11,058,284 | 3,398,065 |
| Intergovernmental: | | | | |
| Contracted Instructional Services Between Schools | - | - | 7,485,147 | - |
| Payments to Shared Services Arrangements | - | - | - | - |
| Other Intergovernmental Charges | 1,221,012 | 1,061,912 | 817,510 | 851,213 |
| Total Expenditures | <u>214,421,711</u> | <u>222,909,127</u> | <u>166,377,211</u> | <u>131,443,341</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | <u>(43,850,655)</u> | <u>(66,481,152)</u> | <u>(13,257,908)</u> | <u>1,582,920</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Issuance of Debt - Capital-Related Bonds | - | 54,970,000 | 110,000,000 | - |
| Issuance of Debt - Refunding Bonds | - | - | - | - |
| Proceeds from Right to Use Leased Assets | 291,777 | 560,186 | 313,078 | - |
| Premium on Issuance of Bonds | - | 1,039,835 | 318,798 | - |
| Sale of Real and Personal Property | - | - | - | - |
| Insurance Recovery | - | - | - | - |
| Transfers In | 52,540 | 134,182 | 590,446 | - |
| Transfers Out | (52,540) | (134,182) | (140,446) | - |
| Payment to Refunded Bond Escrow Agent | - | - | - | - |
| Total Other Financing Sources (Uses) | <u>291,777</u> | <u>56,570,021</u> | <u>111,081,876</u> | <u>-</u> |
| Net Change in Fund Balances | <u>\$ (43,558,878)</u> | <u>\$ (9,911,131)</u> | <u>\$ 97,823,968</u> | <u>\$ 1,582,920</u> |
| Debt Service as a Percentage of Noncapital Expenditures (1) | 24.66% | 23.34% | 22.44% | 21.29% |

(1) Noncapital expenditures consist of total expenditures less capital outlays noted in the reconciliation of governmental funds to governmental activities. Debt service includes principal and interest only.

Table 4

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|----|---------------------------|----------------------------|----------------------------|--------------------------|--------------------------|----------------------------|
| \$ | 102,860,319 | \$ 98,695,584 | \$ 98,870,987 | \$ 92,051,189 | \$ 83,747,139 | \$ 76,100,028 |
| | 11,726,940 | 9,644,262 | 12,377,814 | 9,609,250 | 8,889,146 | 7,895,676 |
| | 5,115,326 | 3,507,971 | 4,054,445 | 3,517,160 | 2,878,765 | 2,929,019 |
| | <u>119,702,585</u> | <u>111,847,817</u> | <u>115,303,246</u> | <u>105,177,599</u> | <u>95,515,050</u> | <u>86,924,723</u> |
| | 51,544,091 | 50,674,786 | 43,878,596 | 41,188,738 | 39,026,550 | 36,873,668 |
| | 1,021,229 | 1,559,975 | 1,119,002 | 836,447 | 729,428 | 747,735 |
| | 2,634,764 | 2,202,629 | 2,272,207 | 1,547,192 | 1,390,643 | 1,327,614 |
| | 1,265,696 | 1,152,472 | 750,853 | 685,609 | 515,390 | 513,726 |
| | 5,395,057 | 5,110,081 | 4,461,560 | 4,119,787 | 3,617,399 | 3,146,872 |
| | 3,834,268 | 3,504,111 | 3,175,569 | 2,729,988 | 2,874,723 | 2,838,860 |
| | 1,142,920 | 1,023,112 | 821,154 | 718,574 | 714,670 | 678,785 |
| | 3,315,584 | 3,019,807 | 2,724,653 | 2,975,682 | 2,739,024 | 2,190,213 |
| | 3,069,365 | 2,658,801 | 2,575,787 | 2,386,535 | 2,339,274 | 2,283,038 |
| | 3,363,270 | 3,234,150 | 3,370,359 | 3,090,816 | 3,002,632 | 2,684,245 |
| | 3,497,488 | 3,256,730 | 2,362,868 | 2,230,089 | 2,058,582 | 2,108,670 |
| | 9,517,114 | 8,636,803 | 7,354,536 | 7,288,316 | 6,860,830 | 6,821,681 |
| | 1,087,207 | 880,938 | 628,380 | 499,686 | 360,229 | 331,638 |
| | 5,007,763 | 3,343,250 | 3,896,403 | 4,993,009 | 5,445,379 | 1,882,098 |
| | 53,137 | 40,726 | 38,020 | 68,279 | 78,238 | 160,156 |
| | 7,340,634 | 5,865,138 | 6,435,916 | 6,123,694 | 5,163,422 | 6,316,144 |
| | 14,135,869 | 15,399,731 | 15,585,094 | 14,018,547 | 11,366,885 | 9,478,303 |
| | 2,409,195 | 2,697,402 | 4,457 | 710,748 | 713,406 | 3,875 |
| | 725,491 | 15,590,043 | 53,494,235 | 61,590,990 | 36,010,427 | 31,236,865 |
| | 2,176,662 | - | 10,554,906 | 9,377,461 | 7,670,790 | 6,377,347 |
| | - | 18,500 | 15,000 | 15,000 | 5,000 | 15,443 |
| | 760,023 | 873,655 | 726,318 | 671,313 | 726,660 | 688,564 |
| | <u>123,296,827</u> | <u>130,742,840</u> | <u>166,245,873</u> | <u>167,866,500</u> | <u>133,409,581</u> | <u>118,705,540</u> |
| | (3,594,242) | (18,895,023) | (50,942,627) | (62,688,901) | (37,894,531) | (31,780,817) |
| | - | - | - | 81,215,000 | 81,545,000 | - |
| | 90,699,896 | 40,980,000 | - | - | - | - |
| | - | - | - | - | - | - |
| | 5,481,842 | 7,736,082 | - | 7,519,508 | 6,862,082 | - |
| | - | 3,346 | 13,855 | - | - | - |
| | 534,172 | - | - | - | - | - |
| | 450,000 | 1,273,835 | 750,734 | 1,058,034 | 374,639 | 178,429 |
| | (555,229) | (1,273,835) | (750,734) | (1,058,034) | (374,639) | (178,429) |
| | <u>(95,685,423)</u> | <u>(46,669,242)</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| | 925,258 | 2,050,186 | 13,855 | 88,734,508 | 88,407,082 | - |
| \$ | <u><u>(2,668,984)</u></u> | <u><u>(16,844,837)</u></u> | <u><u>(50,928,772)</u></u> | <u><u>26,045,607</u></u> | <u><u>50,512,551</u></u> | <u><u>(31,780,817)</u></u> |
| | 17.52% | 18.47% | 19.53% | 18.95% | 16.97% | 18.06% |

ith your dream. Embark on your journey.
Leave your legacy.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Started Together. Growing Forever!
- Class of '25 -

BOERNE INDEPENDENT SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Table 5

| Fiscal Year Ended 6/30: | Assessed and Actual Value | | | Total Assessed and Actual Value | Total Direct Rate (2) |
|------------------------------------|------------------------------------|--|-----------------------------|--|--------------------------------------|
| | Real Property Value (1) | Personal Property Value (1) | Less: Exemptions | | |
| 2025 | \$ 19,601,611,092 | \$ 479,434,872 | \$ (7,130,555,346) | \$ 12,950,490,618 | \$ 0.9909 |
| 2024 | 19,075,450,337 | 470,227,373 | (7,528,997,461) | 12,016,680,249 | 0.9932 |
| 2023 | 15,964,830,545 | 444,831,582 | (5,351,131,208) | 11,058,530,919 | 1.1786 |
| 2022 | 11,740,095,841 | 392,538,705 | (2,966,437,012) | 9,166,197,534 | 1.2046 |
| 2021 | 10,700,247,098 | 392,311,171 | (2,676,673,493) | 8,415,884,776 | 1.2519 |
| 2020 | 9,919,189,061 | 355,771,631 | (2,510,178,584) | 7,764,782,108 | 1.2840 |
| 2019 | 9,183,403,666 | 321,393,483 | (2,323,871,405) | 7,180,925,744 | 1.3540 |
| 2018 | 8,776,888,189 | 300,414,275 | (2,303,156,164) | 6,774,146,300 | 1.3540 |
| 2017 | 7,915,658,190 | 317,843,205 | (2,034,746,484) | 6,198,754,911 | 1.3160 |
| 2016 | 7,688,120,537 | 306,614,687 | (2,139,890,787) | 5,854,844,437 | 1.2940 |

- (1) The value is the appraised value at original certification and fluctuates due to property owner protests and preliminary appraisal values at the time of certification.
(2) Tax Rates are per \$100 of assessed value.

Source: Kendall County (Texas) Appraisal District annually provides the District's with appraised values for properties within the District's taxing authority. Appraised value equals actual value. Actual value less exemptions equals taxable value. Taxable value times the tax rate set by the District's Board of Trustees each fall equal the tax levy. The term "assessed value" means taxable value.

BOERNE INDEPENDENT SCHOOL DISTRICT

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

(PER \$100 OF ASSESSED VALUE)

Table 6

| Taxing Authority | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <u>Overlapping Rates:</u> | | | | | | | | | | |
| City of Boerne | \$ 0.4716 | \$ 0.4766 | \$ 0.4510 | \$ 0.4720 | \$ 0.4720 | \$ 0.4720 | \$ 0.4720 | \$ 0.4720 | \$ 0.4720 | \$ 0.4720 |
| City of Fair Oaks Ranch | 0.2853 | 0.3005 | 0.3291 | 0.3518 | 0.3735 | 0.3735 | 0.3668 | 0.3295 | 0.3234 | 0.3073 |
| Bexar County | 0.7433 | 0.7434 | 0.7437 | 0.7440 | 0.7451 | 0.3011 | 0.3011 | 0.3041 | 0.3090 | 0.3145 |
| Kendall County | 0.3827 | 0.3827 | 0.3877 | 0.4127 | 0.4127 | 0.4127 | 0.4127 | 0.4127 | 0.4127 | 0.3867 |
| Comal County | 0.2262 | 0.2262 | 0.2489 | 0.3140 | 0.3585 | 0.3585 | 0.3779 | 0.3579 | 0.3579 | 0.3429 |
| Kendall County MUD #1 - Cordillera MUD (1) | 0.6500 | 0.6500 | 0.6389 | 0.6500 | 0.6500 | 0.6500 | 0.6500 | 0.6500 | 0.6500 | |
| Miralomas MUD (1) | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | 1.0000 | | |
| Kendall County WCID #1 - Esperanza MUD | 0.1583 | 0.1558 | 0.0179 | 0.2693 | 0.2800 | 0.2800 | 0.3207 | 0.3149 | 0.2900 | 0.2750 |
| Cow Creek Groundwater Cons. Dist. | 0.0050 | 0.0050 | 0.0050 | 0.0050 | 0.0050 | 0.0050 | 0.0050 | 0.0050 | 0.0050 | 0.0050 |
| Total Other Entities | \$ <u>3.9224</u> | \$ <u>3.9402</u> | \$ <u>3.8222</u> | \$ <u>4.2188</u> | \$ <u>4.2968</u> | \$ <u>3.8528</u> | \$ <u>3.9062</u> | \$ <u>3.8461</u> | \$ <u>2.8200</u> | \$ <u>2.1034</u> |
| <u>District Direct Rates:</u> | | | | | | | | | | |
| Maintenance & Operations | \$ 0.6669 | \$ 0.6692 | \$ 0.8546 | \$ 0.8806 | \$ 0.9379 | \$ 0.9700 | \$ 1.0400 | \$ 1.0400 | \$ 1.0400 | \$ 1.0400 |
| Debt Service | 0.3240 | 0.3240 | 0.3240 | 0.3240 | 0.3140 | 0.3140 | 0.3140 | 0.3140 | 0.2760 | 0.2540 |
| Total District Direct Rates | \$ <u>0.9909</u> | \$ <u>0.9932</u> | \$ <u>1.1786</u> | \$ <u>1.2046</u> | \$ <u>1.2519</u> | \$ <u>1.2840</u> | \$ <u>1.3540</u> | \$ <u>1.3540</u> | \$ <u>1.3160</u> | \$ <u>1.2940</u> |

(1) - entity began taxing within the last ten fiscal years, rates shown from initial year of taxation

Source: Tax rates verified through various sources such as Kendall, Bexar, Comal County websites as well as the Texas Comptroller website.

BOERNE INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO

Table 7

| Taxpayer | Property Type | 2025 | | | 2016 | | |
|-----------------------------------|--------------------------|-----------------------|------|--|-----------------------|------|--|
| | | Assessed Value (1) | Rank | Percentage of Total Assessed Value (2) | Assessed Value (1) | Rank | Percentage of Total Assessed Value (3) |
| Amfp V Napa Oaks LLC | Apartments | 48,097,069 | 1 | 0.42% | - | | - |
| Rustico at Fair Oaks LLC | Apartments | 48,000,000 | 2 | 0.41% | - | | - |
| Breit Steadfast MF Fairmarc TX LP | Apartments | 46,000,000 | 3 | 0.40% | - | | - |
| Vantage at Fair Oaks LLC | Apartments | 43,501,050 | 4 | 0.38% | - | | - |
| Albany Engineered Composites | Industrial Manufacturing | 24,629,036 | 5 | 0.21% | 11,293,210 | 7 | 0.20% |
| Mariposa Development | Developer | 23,616,438 | 6 | 0.20% | - | | - |
| VBM Acquisition LLC | Car Dealership | 22,134,870 | 7 | 0.19% | 11,778,610 | 6 | 0.21% |
| HEB Grocery Company LP | Grocery Store | 19,744,000 | 8 | 0.17% | 17,580,600 | 3 | 0.31% |
| RV Retailer Texas II LLC | Mobile Homes/Parks | 17,814,370 | 9 | 0.15% | - | | - |
| ZYLSTRA Holdings at Boerne LLC | Apartments | 17,600,000 | 10 | 0.15% | - | | - |
| Sir Fairmark LLC | Commercial Land | - | | - | 34,566,000 | 1 | 0.62% |
| LCRA Transmission Services Corp | Oil and Gas | - | | - | 12,628,540 | 5 | 0.23% |
| Mission Pharmacal Co. | Industrial Manufacturing | - | | - | 24,188,220 | 2 | 0.43% |
| Wal-Mart Real Est. Biz Tr. | Commercial Land | - | | - | 17,170,510 | 4 | 0.31% |
| Jet Specialty Inc. | Retail Store | - | | - | 10,067,550 | 9 | 0.18% |
| Cavender Boerne Properties Ltd. | Commercial Land | - | | - | 10,295,030 | 8 | 0.18% |
| Guadalupe Valley Telephone Co-op | Telephone Utility | - | | - | 9,445,060 | 10 | 0.17% |
| TOTALS | | \$ 311,136,833 | | 2.68% | \$ 159,013,330 | | 2.84% |

(1) Assessed (taxable) value equals appraised value after exemptions.

(2) Total assessed value equals:

\$ 12,016,680,249

(3) Total assessed value equals:

\$ 5,529,906,163

Source: Municipal Advisory Council of Texas

BOERNE INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Table 8

| Fiscal Year Ended 6/30: | Net Tax Levy For The Fiscal Year (1) | Discount Realized Within the Fiscal Year of the Levy (2) | Collected within the Fiscal Year of the Levy | | Collections in Subsequent Years | Total Collections to Date | |
|----------------------------|--|--|---|----------------------------------|---------------------------------------|---------------------------|--|
| | | | Amount | Percentage of Net Tax Levy | | Amount | Percent of Total Tax Collections to Net Tax Levy |
| 2025 | \$ 114,573,175 | \$ 2,524,769 | \$ 109,450,540 | 97.68% | \$ - | \$ 109,450,540 | 97.68% |
| 2024 | 106,035,002 | 2,373,186 | 102,044,568 | 98.44% | 862,965 | 102,907,533 | 99.27% |
| 2023 | 122,710,095 | 2,834,955 | 118,619,721 | 98.42% | 954,449 | 119,574,170 | 99.75% |
| 2022 | 105,146,204 | 2,439,146 | 101,318,729 | 98.62% | 1,253,149 | 102,571,878 | 99.87% |
| 2021 | 100,328,422 | 2,257,098 | 96,717,837 | 98.64% | 1,187,113 | 97,904,950 | 99.83% |
| 2020 | 95,446,622 | 2,146,221 | 91,860,790 | 98.45% | 1,313,474 | 93,174,264 | 99.86% |
| 2019 | 92,624,870 | 2,064,966 | 89,312,079 | 98.62% | 1,130,343 | 90,442,422 | 99.87% |
| 2018 | 87,005,340 | 2,197,160 | 83,675,307 | 98.66% | 1,050,749 | 84,726,056 | 99.90% |
| 2017 | 78,823,054 | 1,869,174 | 75,830,548 | 98.54% | 1,044,335 | 76,874,883 | 99.90% |
| 2016 | 72,454,560 | 1,701,559 | 69,572,631 | 98.33% | 1,114,155 | 70,686,786 | 99.91% |

(1) Appraised value less exemptions equals taxable value. The beginning taxable value net of adjustments times the tax rate set each fall by the District's Board of Trustees equals the total net tax levy. The net tax levy for prior years reflects ongoing adjustments applied to that year's tax levy.

(2) The District provides discounts for payments made in the taxable year as follows: 3% for payments made in October, 2% for payments made in November, 1% for payments made in December.

Source: Kendall County (Texas) Appraisal District provides the District with appraised values for properties within the District's taxing authority.



Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

BOERNE INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Table 9

| Fiscal Year Ended 6/30: | Governmental Activities | | | | | Total Primary Government | Ratio of Debt to Assessed Value (2) | Debt Per Student (3) |
|----------------------------|------------------------------------|--|--------------------------|-----------------------------|----------------------|--------------------------------|---|-------------------------|
| | General Obligation Bonds (1) | Premiums/Discounts of General Obligation Bonds (1) | Accreted Interest (1) | Leases/SBITA Payable (1) | Notes Payable (1) | | | |
| 2025 | \$ 384,264,896 | \$ 12,225,008 | \$ 6,665,947 | \$ 549,455 | \$ - | \$ 403,705,306 | 3.12% | \$ 38,658 |
| 2024 | 411,844,896 | 14,072,397 | 6,394,790 | 562,840 | 150,000 | 433,024,923 | 3.60% | 42,242 |
| 2023 | 377,605,230 | 14,659,032 | 8,834,745 | 212,028 | 320,000 | 401,631,035 | 3.63% | 39,928 |
| 2022 | 287,976,463 | 16,450,660 | 12,030,912 | - | 485,000 | 316,943,035 | 3.46% | 32,957 |
| 2021 | 302,078,910 | 18,251,160 | 14,035,207 | - | 645,000 | 335,010,277 | 3.98% | 36,011 |
| 2020 | 309,264,647 | 20,627,937 | 11,486,164 | - | 800,000 | 342,178,748 | 4.41% | 37,598 |
| 2019 | 320,837,405 | 19,087,116 | 13,075,471 | - | 950,000 | 353,949,992 | 4.93% | 40,731 |
| 2018 | 327,109,650 | 19,896,332 | 13,951,192 | - | 1,095,000 | 362,052,174 | 5.34% | 43,753 |
| 2017 | 251,878,344 | 13,709,049 | 14,650,934 | - | 1,235,000 | 281,473,327 | 4.54% | 35,472 |
| 2016 | 189,806,072 | 7,069,930 | 14,444,306 | - | 1,370,000 | 212,690,308 | 3.63% | 28,015 |

(1) Details regarding the District's general obligation bonds, net of premiums and discounts, leases payable, subscriptions, accreted interest, and notes payable can be found in the Notes to the Financial Statements.

(2) See Table 5 for assessed value data.

(3) See Table 16 for student enrollment data.

BOERNE INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Table 10

| <u>Fiscal Year Ended 6/30:</u> | <u>General Obligation Bonds (1)</u> | <u>Premiums/Discounts of General Obligation Bonds (1)</u> | <u>Accreted Interest (1)</u> | <u>Less Amounts Available in Debt Service Fund (4)</u> | <u>Net Bonded Debt</u> | <u>Ratio of Net Bonded Debt to Assessed Value (2)</u> | <u>Net Bonded Debt Per Student (3)</u> |
|--------------------------------|-------------------------------------|---|------------------------------|--|------------------------|---|--|
| 2025 | \$ 384,264,896 | \$ 12,225,008 | \$ 6,665,947 | \$ 10,557,728 | \$ 373,707,168 | 2.89% | \$35,785 |
| 2024 | 411,844,896 | 14,072,397 | 6,394,790 | 10,998,718 | 400,846,178 | 3.34% | 39,103 |
| 2023 | 377,605,230 | 14,659,032 | 8,834,745 | 9,868,996 | 367,736,234 | 3.33% | 36,558 |
| 2022 | 287,976,463 | 16,450,660 | 12,030,912 | 10,423,847 | 277,552,616 | 3.03% | 28,861 |
| 2021 | 302,078,910 | 18,251,160 | 14,035,207 | 9,523,439 | 292,555,471 | 3.48% | 31,447 |
| 2020 | 309,264,647 | 20,627,937 | 11,486,164 | 7,545,123 | 301,719,524 | 3.89% | 33,152 |
| 2019 | 320,837,405 | 19,087,116 | 13,075,471 | 6,035,641 | 314,801,764 | 4.38% | 36,226 |
| 2018 | 327,109,650 | 19,896,332 | 13,951,192 | 6,275,417 | 320,834,233 | 4.74% | 38,772 |
| 2017 | 251,878,344 | 13,709,049 | 14,650,934 | 5,598,304 | 246,280,040 | 3.97% | 31,037 |
| 2016 | 189,806,072 | 7,069,930 | 14,444,306 | 5,173,030 | 184,633,042 | 3.15% | 24,319 |

(1) Details regarding the District's general obligation bonds, net of premiums and discounts, and accreted interest can be found in the Notes to the Financial Statements.

(2) See Table 5 for assessed value data.

(3) See Table 16 for student enrollment data.

(4) This is the amount restricted for debt service payments on general obligation bonds in the governmental fund financial statements.

BOERNE INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2025

Table 11

| <u>Taxing Authority</u> | <u>Gross Debt Outstanding</u> | <u>Percent Overlapping (1)</u> | <u>Overlap Applicable to School District</u> |
|---|-------------------------------|--------------------------------|--|
| <u>Overlapping:</u> | | | |
| Alamo CCD | \$ 674,050,000 | 1.70% | \$ 11,458,850 |
| Bexar Co | 2,153,310,000 | 1.70% | 36,606,270 |
| Bexar Co Hosp Dist | 1,238,865,000 | 1.70% | 21,060,705 |
| Boerne, City of | 65,830,000 | 100.00% | 65,830,000 |
| Comal Co | 98,450,000 | 0.60% | 590,700 |
| Fair Oaks Ranch, City of | 9,795,000 | 94.27% | 9,233,747 |
| Kendall Co | 30,700,000 | 85.35% | 26,202,450 |
| Kendall Co MUD #1 | 6,600,000 | 100.00% | 6,600,000 |
| Kendall Co WC&ID #3A | 7,525,000 | 100.00% | 7,525,000 |
| Kendall Co WC&ID #2A | 54,385,000 | 100.00% | 54,385,000 |
| Mirolomas MUD | 2,475,000 | 100.00% | 2,475,000 |
| San Antonio, City of | 2,798,005,000 | 0.09% | 2,518,205 |
| Total Overlapping Debt | | | <u>244,485,926</u> |
| <u>Direct:</u> | | | |
| Boerne Independent School District | 403,705,306 (2) | 100.0% | 403,705,306 |
| TOTAL OVERLAPPING AND DIRECT DEBT | | | \$ <u><u>648,191,232</u></u> |
| Ratio of Total Overlapping Debt and Direct Debt to Assessed Value | | | 5.01% |
| Direct and Overlapping Debt per Capita | | | \$ 10,963 |

- (1) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The percentage of overlapping debt is estimated using taxable assessed property values. Percentages were estimated by determining the portion of the overlapping taxing authority's taxable assessed value that is within the District's boundaries and dividing it by the overlapping taxing authority's total taxable assessed value.
- (2) The District's total direct debt includes all long term debt instruments including bonds, premiums/discounts, accreted interest, notes payable, leases, and subscriptions.

Source: Municipal Advisory Council (MAC) of Texas

BOERNE INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION (1)
LAST TEN FISCAL YEARS

Table 12

| | <u>2025</u> | <u>2024</u> | <u>2023</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Debt Limit | \$ 1,295,049,062 | \$ 1,201,668,025 | \$ 1,105,853,092 | \$ 916,619,753 | \$ 841,588,478 | \$ 776,478,211 | \$ 718,092,574 | \$ 677,414,630 | \$ 619,875,491 | \$ 585,484,444 |
| Total Net Debt | <u>373,707,168</u> | <u>400,846,178</u> | <u>367,736,234</u> | <u>277,552,616</u> | <u>292,555,471</u> | <u>301,719,524</u> | <u>314,801,764</u> | <u>320,834,233</u> | <u>246,280,040</u> | <u>184,633,042</u> |
| Legal Debt Margin | \$ <u>921,341,894</u> | \$ <u>800,821,847</u> | \$ <u>738,116,858</u> | \$ <u>639,067,137</u> | \$ <u>549,033,007</u> | \$ <u>474,758,687</u> | \$ <u>403,290,810</u> | \$ <u>356,580,397</u> | \$ <u>373,595,451</u> | \$ <u>400,851,402</u> |
| Total Net Debt Applicable as a Percentage of Debt Limit | 28.86% | 33.36% | 33.25% | 30.28% | 34.76% | 38.86% | 43.84% | 47.36% | 39.73% | 31.54% |

Legal Debt Margin Calculation for Fiscal Year 2024:

| | |
|--|-----------------------|
| Assessed Value (2) | \$ 12,950,490,618 |
| Debt Limit Percentage of Assessed Value | <u>10%</u> |
| Debt Limitation | 1,295,049,062 |
| Debt Applicable to Debt Limitation: | |
| Total Bonded Debt | 403,155,851 |
| Less Restricted for Retirement of Bonded Debt (3) | <u>10,557,728</u> |
| Total Amount of Debt Applicable to Debt Limitation | <u>392,598,123</u> |
| | \$ <u>902,450,939</u> |

- (1) The District voted its maintenance tax under former Article 2784e-1, which provided that the net bonded indebtedness of the District shall not exceed 10% of all assessed real and personal property in the District.
(2) See Table 5.
(3) See Restricted for long-term debt at the fund level.

A young woman with long dark hair and glasses is playing a violin. She is wearing a white short-sleeved sweater and a pink jacket tied around her waist. She has a blue lanyard with a badge around her neck. The background is a blurred classroom with bookshelves and a desk.

Demographic and Economic Capacity

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

| Fiscal Year Ended 6/30: | Residential Units (1) | Total Market Value of Residential Units (1) | Average Market Value per Residential Unit | Average Household Income (3) | Unemployment Rate (2) |
|--------------------------------|------------------------------|--|--|-------------------------------------|------------------------------|
| 2025 | 20,514 | \$ 12,773,821,214 | \$ 622,688 | \$ 125,386 | 2.8% |
| 2024 | 19,845 | 12,290,161,430 | 619,308 | 123,988 | 3.6% |
| 2023 | 19,246 | 10,250,710,103 | 532,615 | 117,396 | 3.5% |
| 2022 | 18,081 | 7,732,979,247 | 427,685 | 92,121 | 3.3% |
| 2021 | 17,525 | 7,075,024,751 | 403,710 | 90,403 | 4.4% |
| 2020 | 16,738 | 6,312,064,945 | 377,110 | (4) | 5.0% |
| 2019 | 15,740 | 5,822,279,409 | 369,903 | (4) | 2.7% |
| 2018 | 15,394 | 5,567,651,138 | 361,677 | (4) | 2.9% |
| 2017 | 14,717 | 5,099,232,738 | 346,486 | (4) | 3.1% |
| 2016 | 13,949 | 4,641,951,658 | 332,780 | (4) | 3.2% |

(1) Source: Kendall County (Texas) Appraisal District.

(2) Source: TRACER of Texas Workforce Commission; Unemployment rate is for Kendall County.

(3) Source: Kendall County Economic Development Corporation

(4) Information not available as of the date of this report.

BOERNE INDEPENDENT SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Table 14

| Employer | Business | 2024 | | 2015 (1) | |
|-------------------------------|------------------|------------------|-------------|------------------|-------------|
| | | Employees | Rank | Employees | Rank |
| Boerne ISD | Public School | 1,334 | 1 | 841 | 1 |
| H-E-B Super Store | Grocery Store | 385 | 2 | 385 | 2 |
| Mission Pharmacal | Manufacturing | 362 | 3 | 362 | 3 |
| Wal-Mart | Discount Store | 293 | 4 | 293 | 4 |
| Kendall County | Public Entity | 225 | 5 | 225 | 5 |
| Albany Engineered Composites | Manufacturing | 223 | 6 | 223 | 6 |
| City of Boerne | Public Entity | 220 | 7 | 220 | 7 |
| Mercedes Benz of Boerne | Automobile Sales | 147 | 8 | 147 | 8 |
| Toyota of Boerne | Automobile Sales | 145 | 9 | 145 | 9 |
| Home Depot | Retail Store | 134 | 10 | - | - |
| Cibolo Creek Health and Rehab | Healthcare | - | - | 115 | 10 |

Per the Texas Workforce Commission:

Total Employment for 2024 (Kendall County) 24,126

Total Employment for 2015 (Kendall County) 18,611

(1) closest available data is from 2016

Sources: Municipal Advisory Council (MAC) of Texas.

BOERNE INDEPENDENT SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY POSITION
LAST TEN FISCAL YEARS

Table 15

| | POSITION: | | | | | Total |
|-------------|------------------|-----------------------------|-----------------------|-------------------------|------------------------|-----------------|
| | Teacher | Professional Support | Administration | Educational Aide | Auxiliary Staff | |
| 2025 | 714.00 | 133.00 | 49.00 | 141.00 | 273.00 | 1,310.00 |
| 2024 | 689.00 | 131.00 | 51.00 | 117.00 | 280.00 | 1,268.00 |
| 2023 | 674.00 | 131.00 | 46.00 | 119.00 | 281.00 | 1,251.00 |
| 2022 | 679.00 | 137.00 | 42.00 | 136.00 | 340.00 | 1,334.00 |
| 2021 | 631.25 | 126.60 | 46.59 | 106.97 | 286.72 | 1,198.13 |
| 2020 | 609.23 | 122.51 | 41.00 | 112.79 | 270.43 | 1,155.96 |
| 2019 | 566.36 | 112.98 | 35.90 | 100.20 | 258.52 | 1,073.96 |
| 2018 | 535.65 | 85.44 | 42.86 | 87.06 | 244.05 | 995.06 |
| 2017 | 519.17 | 77.21 | 50.07 | 85.19 | 222.90 | 954.54 |
| 2016 | 500.56 | 70.62 | 37.79 | 84.38 | 262.00 | 955.35 |

BOERNE INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS

Table 16

| <u>Fiscal Year Ended 6/30:</u> | <u>Average Daily Attendance</u> | <u>Operating Expenditures (1)</u> | <u>Cost Per Student</u> | <u>Percentage Change</u> | <u>Government Wide Expenses</u> | <u>Cost Per Student</u> | <u>Percentage Change</u> | <u>Teaching Staff</u> | <u>Student to Teacher Ratio</u> | <u>Percentage of Students in Free/Reduced Lunch Program</u> |
|--------------------------------|---------------------------------|-----------------------------------|-------------------------|--------------------------|---------------------------------|-------------------------|--------------------------|-----------------------|---------------------------------|---|
| 2025 | 10,443 | \$ 127,661,206 | \$ 12,225 | 7.01% | \$ 166,174,670 | \$ 15,913 | 7.98% | 714 | 14.63 | 18.76% |
| 2024 | 10,251 | \$ 117,103,063 | \$ 11,424 | 2.40% | \$ 151,071,339 | \$ 14,737 | 8.48% | 689 | 14.88 | 20.73% |
| 2023 | 10,059 | \$ 112,213,195 | \$ 11,156 | 6.46% | \$ 136,654,554 | \$ 13,585 | 6.75% | 674 | 14.92 | 19.28% |
| 2022 | 9,617 | 100,771,666 | 10,478 | 3.14% | 122,389,981 | 12,726 | -5.21% | 679 | 14.16 | 16.67% |
| 2021 | 9,303 | 94,512,096 | 10,159 | 3.60% | 124,902,024 | 13,426 | 4.55% | 631 | 14.74 | 18.11% |
| 2020 | (2) 9,101 | 89,244,248 | 9,806 | 9.27% | 116,870,903 | 12,842 | -2.33% | 609 | 14.94 | 17.69% |
| 2019 | 8,690 | 77,983,893 | 8,974 | 3.46% | 114,254,956 | 13,148 | 33.83% | 566 | 15.35 | 18.24% |
| 2018 | 8,275 | 71,776,890 | 8,674 | 1.86% | 81,294,705 | 9,824 | -19.42% | 536 | 15.44 | 17.32% |
| 2017 | 7,935 | 67,572,407 | 8,516 | 0.27% | 96,741,298 | 12,192 | 6.14% | 519 | 15.29 | 16.81% |
| 2016 | 7,592 | 64,478,251 | 8,493 | -0.23% | 87,208,890 | 11,487 | -0.48% | 501 | 15.15 | 14.74% |
| 2015 | 7,186 | 61,172,428 | 8,513 | 2.20% | 82,939,188 | 11,542 | 6.84% | 473 | 15.19 | 14.83% |

(1) Operating expenditures are total expenditures less debt service, capital outlay (to the extent capitalized for the government-wide statement of net position), expenditures for capitalized assets included within the functional expenditures categories and recapture.

(2) Due to the outbreak of the COVID worldwide outbreak, ADA is only calculated through March of 2020.

Source: Non-financial data is from Texas Education Agency Summary of Finances Report and District records.



Operating Capacity :

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

BOERNE INDEPENDENT SCHOOL DISTRICT*TEACHER BASE SALARIES**LAST TEN FISCAL YEARS***Table 17**

| Fiscal Year Ended 6/30: | District Average Base Salary (1) | Region Average Salary (1) | Statewide Average Salary (1) |
|------------------------------------|---|--|---|
| 2025 | \$ 59,343 | \$ 59,430 | \$ 63,749 |
| 2024 | 58,935 | 59,393 | 62,463 |
| 2023 | 57,569 | 59,226 | 60,716 |
| 2022 | 57,423 | 58,634 | 58,887 |
| 2021 | 56,594 | 57,073 | 57,641 |
| 2020 | 56,289 | 57,386 | 57,091 |
| 2019 | 54,229 | 55,011 | 54,122 |
| 2018 | 53,259 | 54,547 | 53,334 |
| 2017 | 52,699 | 53,918 | 52,525 |
| 2016 | 52,561 | 54,101 | 51,892 |

(1) Source: Texas Education Agency website through 2022.

2023 and 2024 information provided by the Texas Association of School Boards.

2024 Statewide Average is an estimate from the National Education Agency

BOERNE INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST NINE FISCAL YEARS

Table 18

| Building: | 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| HIGH SCHOOLS | | | | | | | | | | |
| Boerne High School | | | | | | | | | | |
| Square Footage | 285,554 | 265,954 | 265,954 | 265,954 | 265,954 | 265,954 | 265,954 | 265,954 | 265,954 | 265,954 |
| Enrollment | 1,494 | 1,426 | 1,356 | 1,288 | 1,228 | 1,168 | 1,136 | 1,098 | 1,115 | 1,087 |
| Samuel V. Champion High School | | | | | | | | | | |
| Square Footage | 370,919 | 332,877 | 332,877 | 332,877 | 332,877 | 332,877 | 332,877 | 332,877 | 332,877 | 332,877 |
| Enrollment | 2,067 | 2,071 | 2,014 | 1,960 | 1,884 | 1,770 | 1,739 | 1,659 | 1,591 | 1,532 |
| MIDDLE SCHOOLS | | | | | | | | | | |
| Boerne Middle School North | | | | | | | | | | |
| Square Footage | 124,296 | 124,296 | 124,296 | 124,296 | 124,296 | 124,296 | 124,296 | 124,296 | 124,296 | 124,296 |
| Enrollment | 863 | 828 | 813 | 829 | 813 | 802 | 871 | 851 | 788 | 729 |
| Boerne Middle School South | | | | | | | | | | |
| Square Footage | 205,723 | 205,723 | 205,723 | 205,723 | 205,723 | 205,723 | 205,723 | 205,723 | 205,723 | 205,723 |
| Enrollment | 909 | 927 | 911 | 924 | 829 | 885 | 1,277 | 1,225 | 1,195 | 1,125 |
| Capt. Mark T. Voss Middle School | | | | | | | | | | |
| Square Footage | 199,567 | 199,567 | 199,567 | 199,567 | 199,567 | 199,567 | - | - | - | - |
| Enrollment | 764 | 772 | 772 | 761 | 706 | 559 | - | - | - | - |
| ELEMENTARY SCHOOLS | | | | | | | | | | |
| Curington Elementary School | | | | | | | | | | |
| Square Footage | 97,980 | 97,980 | 97,980 | 97,980 | 97,980 | 97,980 | 97,980 | 97,980 | 97,980 | 97,980 |
| Enrollment | 639 | 642 | 646 | 634 | 589 | 643 | 702 | 650 | 662 | 633 |
| Fabra Elementary School | | | | | | | | | | |
| Square Footage | 98,674 | 98,674 | 98,674 | 98,674 | 98,674 | 98,674 | 98,674 | 98,674 | 98,674 | 98,674 |
| Enrollment | 697 | 706 | 702 | 632 | 573 | 549 | 580 | 618 | 583 | 585 |
| Fair Oaks Elementary School | | | | | | | | | | |
| Square Footage | 83,763 | 83,763 | 83,763 | 83,763 | 83,763 | 83,763 | 83,763 | 83,763 | 83,763 | 83,763 |
| Enrollment | 821 | 805 | 825 | 768 | 649 | 689 | 609 | 1,003 | 916 | 843 |
| Kendall Elementary School | | | | | | | | | | |
| Square Footage | 88,241 | 88,241 | 88,241 | 88,241 | 88,241 | 88,241 | 88,241 | 88,241 | 88,241 | 88,241 |
| Enrollment | 562 | 834 | 816 | 727 | 710 | 752 | 719 | 762 | 694 | 658 |
| Cibolo Creek Elementary School | | | | | | | | | | |
| Square Footage | 88,713 | 88,713 | 88,713 | 88,713 | 88,713 | 88,713 | 88,713 | 88,713 | 88,713 | 88,713 |
| Enrollment | 438 | 438 | 471 | 470 | 427 | 478 | 769 | 821 | 756 | 710 |
| Van Raub Elementary School | | | | | | | | | | |
| Square Footage | 101,610 | 101,610 | 101,610 | 101,610 | 101,610 | 101,610 | 101,610 | - | - | - |
| Enrollment | 759 | 835 | 827 | 789 | 739 | 827 | 768 | - | - | - |
| Herff Elementary School | | | | | | | | | | |
| Square Footage | 102,651 | 102,651 | 102,651 | 102,651 | 102,651 | 102,651 | - | - | - | - |
| Enrollment | 615 | 626 | 610 | 545 | 470 | 457 | - | - | - | - |
| Viola Wilson Elementary School | | | | | | | | | | |
| Square Footage | 97,151 | | | | | | - | - | - | - |
| Enrollment | 473 | | | | | | - | - | - | - |
| Administration Center/Alternative Campus (Formerly Fabra ES) | | | | | | | | | | |
| Square Footage | 76,930 | 76,930 | 76,930 | 76,930 | 76,930 | 76,930 | 76,930 | - | - | - |
| Maintenance | | | | | | | | | | |
| Square Footage | 14,736 | 14,736 | 14,736 | 14,736 | 14,736 | 14,736 | 14,736 | 14,736 | 14,736 | 14,736 |
| Transportation | | | | | | | | | | |
| Square Footage | 17,176 | 17,176 | 17,176 | 17,176 | 17,176 | 17,176 | 17,176 | 17,176 | 17,176 | 17,176 |
| Former Central Office Facility | | | | | | | | | | |
| Square Footage | 16,582 | 16,582 | 16,582 | 16,582 | 16,582 | 16,582 | 16,582 | 16,582 | 16,582 | 16,582 |
| Former Alternative Campus Facility | | | | | | | | | | |
| Square Footage | 9,779 | 9,779 | 9,779 | 9,779 | 9,779 | 9,779 | 9,779 | 9,779 | 9,779 | 9,779 |

CERTIFICATE OF BOARD

Boerne Independent School District
Name of School District

Kendall County
County

130-901
Co.-Dist. Number

We, the undersigned, certify that the attached Single Audit Report of the above-named school district was reviewed and { } approved { } disapproved for the year ended June 30, 2025, at a meeting of the Board of School Trustees of such school district on the _____ day of _____, 2026.

Signature of Board Secretary

Signature of Board President

If the board of trustees disapproved of the auditor's report, the reason(s) for *disapproving of it is (are)*:
(attach list as necessary)

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Boerne Independent School District (the District) as of and for the year ended June 30, 2025 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 13, 2025.

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 District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P

Austin, Texas
November 13, 2025

**Independent Auditor's Report on Compliance for Each Major Federal Program
and Report on Internal Control over Compliance in Accordance with
the Uniform Guidance and Report on Schedule of Expenditures
of Federal Awards Required by the Uniform Guidance**

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Boerne Independent School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon, dated November 13, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas
February 11, 2026

Boerne Independent School District

Schedule of Findings and Questioned Costs

For the Year Ended June 30, 2025

I. Summary of the Auditor's Results

Financial Statements

- a. An unmodified opinion was issued on the financial statements.
- b. Internal control over financial reporting:
- Material weakness(es) identified? _____ Yes X No
 - Significant deficiency(s) identified? _____ Yes X None reported
- c. Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

- d. Internal control over major programs:
- Material weakness(es) identified? _____ Yes X No
 - Significant deficiency(s) identified? _____ Yes X None reported
- e. An unmodified opinion was issued on compliance for major programs
- f. Any audit findings disclosed that were required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes X No
- g. Identification of major programs:
- | | |
|----------------|-------------------------|
| 10.553, 10.555 | Child Nutrition Cluster |
| 84.010A | ESEA Title I, Part A |
- h. The dollar threshold used to distinguish between Type A and Type B programs \$750,000
- i. Auditee qualified as a low-risk auditee. _____ Yes X No

Boerne Independent School District

Schedule of Findings and Questioned Costs

Year Ended June 30, 2025

II. Findings Relating to the Financial Statements, which are Required to be Reported in Accordance with Generally Accepted *Government Auditing Standards*

None

III. Federal Awards Findings

None

IV. Prior Year Findings and Questioned Costs

None

Boerne Independent School District

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2025

| Federal Grantor/ Pass-Through Grantor/ Program Title | (2) Assistance Listing Number | (2A) Pass-Through Grantor's Number | (3) Federal Expenditures |
|--|--|---|--------------------------------|
| <u>United States Department of Education:</u> | | | |
| Passed Through State Department of Education: | | | |
| Special Education Cluster (IDEA): | | | |
| IDEA-B Formula | 84.027A | 246600011309016600 | \$ 204,406 |
| IDEA-B Formula | 84.027A | 256600011309016600 | 1,486,994 |
| | | | <u>1,691,400</u> |
| IDEA-B Preschool | 84.173A | 256610011309016610 | 15,149 |
| | | | <u>15,149</u> |
| IDEA-B Discretionary Residential | 84.027A | | 217,421 |
| | | | <u>217,421</u> |
| Capacity Contracted Services | 84.027A | | 68,023 |
| | | | <u>68,023</u> |
| Total Special Education Cluster (IDEA) | | | <u>1,991,993</u> |
| ESEA Title I, Part A | 84.010A | 24610101130901 | 21,356 |
| ESEA Title I, Part A | 84.010A | 25610101130901 | 601,955 |
| | | | <u>623,311</u> |
| Carl Perkins Basic Grant for Career & Technical Education | 84.048A | 24420006130901 | 1,351 |
| Carl Perkins Basic Grant for Career & Technical Education | 84.048A | 25420006130901 | 80,975 |
| | | | <u>82,326</u> |
| ESSA Title II, Part A - Teacher/Principal Training | 84.367A | 24694501130901 | 45,435 |
| ESSA Title II, Part A - Teacher/Principal Training | 84.367A | 25694501130901 | 166,913 |
| | | | <u>212,348</u> |
| Title III, English Language Acquisition- LEP | 84.365A | 24671001130901 | 23,162 |
| Title III, English Language Acquisition- LEP | 84.365A | 25671001130901 | 49,140 |
| | | | <u>72,302</u> |
| Title IV, Part A - Student Support and Academic Enrichment | 84.424A | 24680101130901 | 9,950 |
| Title IV, Part A - Student Support and Academic Enrichment | 84.424A | 25680101130901 | 26,504 |
| | | | <u>36,454</u> |
| LEP Summer School | 84.369A | 69552402 | 4,090 |
| Homeless II, ARP | 84.425W | 21533002130901 | 415 |
| | | | <u>4,505</u> |
| Total United States Department of Education | | | <u>3,023,239</u> |

Boerne Independent School District

Schedule of Expenditures of Federal Awards

For the Year Ended June 30, 2025

| Federal Grantor/ Pass-Through Grantor/ Program Title | (2) Assistance Listing Number | (2A) Pass-Through Grantor's Number | (3) Federal Expenditures |
|---|--|---|--------------------------------|
| <u>United States Department of Defense:</u> | | | |
| Direct Program: | | | |
| ROTC | 12.000 | | 67,955 |
| Total United States Department of Defense | | | 67,955 |
| <u>United States Department of Agriculture</u> | | | |
| Direct Program: | | | |
| Child Nutrition Cluster | | | |
| School Breakfast Program | 10.553 | | 178,393 |
| National School Lunch Program | 10.555 | | 1,214,930 |
| USDA Donated Commodities | 10.555 | | 232,614 |
| Total Child Nutrition Cluster | | | 1,625,937 |
| NSLP Equipment Assistance Grant | 10.579 | | 9,678 |
| Total United States Department of Agriculture | | | 1,635,615 |
| <u>United States Department of Health and Human Services</u> | | | |
| Passed Through Texas Health and Human Services Commission: | | | |
| Medicaid Administrative Claiming Program | 93.778 | HHS000537900029 | 11,560 |
| Total United States Department of Health and Human Services | | | 11,560 |
| Total Expenditures of Federal Awards | | | \$ 4,738,369 |

Boerne Independent School District

Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

Note 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2025.

The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of Boerne Independent School District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

There may be situations where federal expenditures presented in the schedule of expenditures of federal awards also include expenditures subject to pre-Uniform Guidance requirements. The US Department of Education (USDE) has clarified under 34 CFR 76.10, carryover funds are subject to the regulations in effect during the carryover period which is the last 12 months of the 27-month of availability. Therefore, all funds that became carryover on October 1, 2015, must follow the new EDGAR regulations regardless of the original start date of the Notice of Grant Award.

Federal regulations applicable to state administered grants are subject to the requirements of Part 76 of the Uniform Guidance. As of October 1, 2015, these multi-year grants are to be governed by the new Uniform Guidance rather than the OMB Circulars that were in effect when each grant was initially awarded.

Such expenditures are recognized in the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate allowed under Uniform Guidance. The USDE has given TEA authority to issue indirect cost rates for ISD's. To recover any indirect costs, the District must request and receive new indirect cost rates for every school year allowed by the Uniform Guidance Part 200.57.

Note 4. Basis of Funding

Federal funding for Food Services under child nutrition programs is primarily based upon the number and type of meals served and in user charges as reported to the US Department of Agriculture. Federal funding received related to various grant programs is based upon periodic reports detailing reimbursable expenditures made in compliance with the program guidelines to the grantor agencies. The programs are governed by various rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies.

To the extent, if any, that the District has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of funding monies may be required. In the opinion of the District's management, there are no significant contingent liabilities relating to matters of compliance and, accordingly, no provision has been made in the basic financial statements for such contingences.

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