# ANDREWS INDEPENDENT SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024



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# Annual Financial Report

## For the Fiscal Year Ended
## June 30, 2024

### ANDREWS INDEPENDENT SCHOOL DISTRICT

405 NW 3rd Street, Andrews, Texas 79714

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**Prepared by the AISD Business Office**

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Assistant Superintendent of Finance

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**ARMIDA MIRELES**
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Accounting Department

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ANDREWS INDEPENDENT SCHOOL DISTRICT

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024

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CERTIFICATE OF BOARD

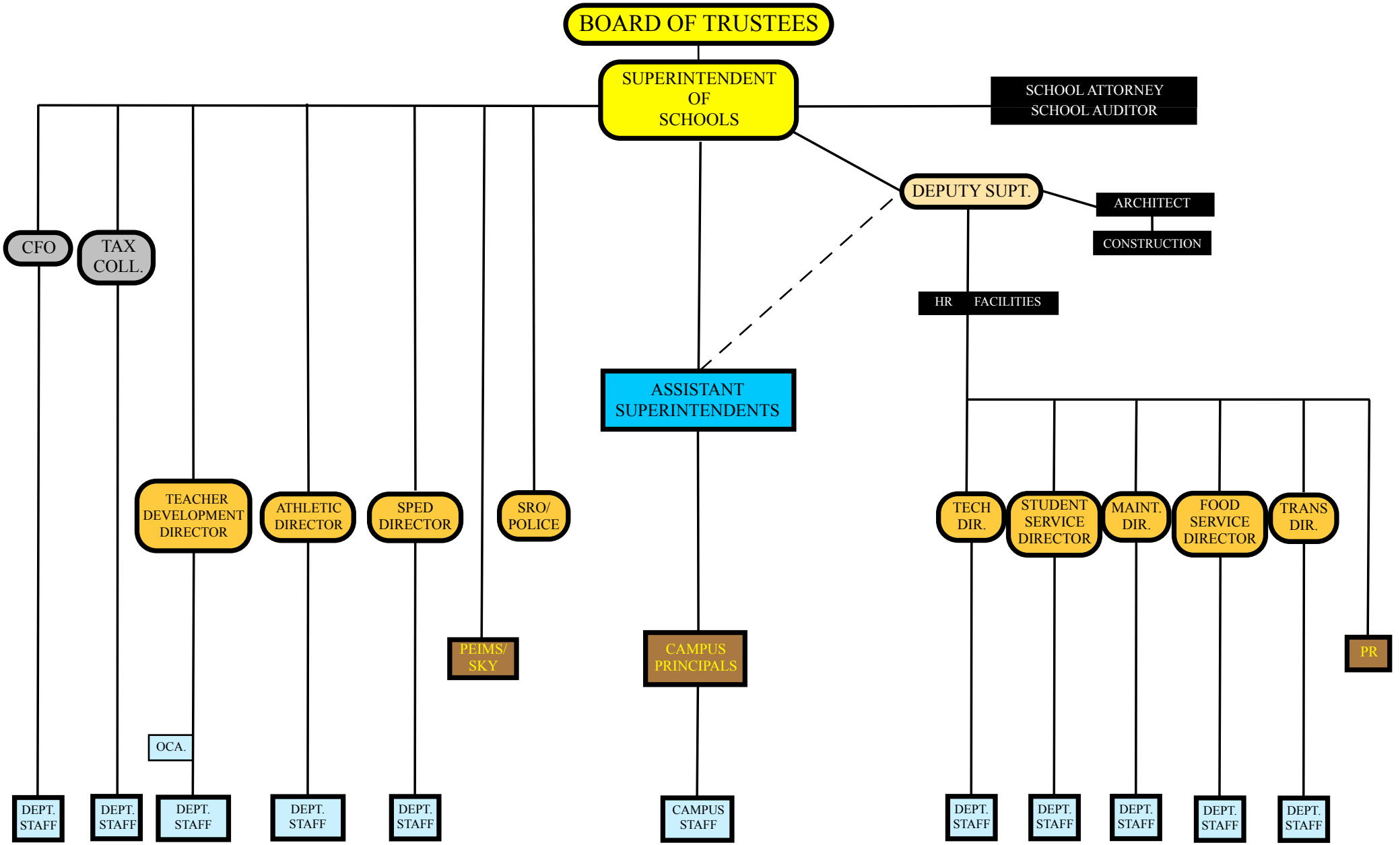
| Andrews Independent School District | Andrews County, Texas | 002901 |
|---|---|---|
| Name of School District | County | Co.-Dist. Number |

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

Signature of Board Secretary

Signature of Board President

# ANDREWS ISD
# ORGANIZATIONAL CHART




OFFICE OF THE SUPERINTENDENT
Effective: 8/22/2023

# ANDREWS INDEPENDENT SCHOOL DISTRICT

## Principal Officials and Advisors

### Board of Trustees

| | |
|---|---|
| Jeff Saldivar | President |
| Mindy Wiggins | Vice-President |
| Xavier Emiliano | Secretary |
| Jason Crutcher | Board Member |
| Blake Roberts | Board Member |
| Jim Leach | Board Member |
| Julie Stephenson | Board Member |

### Consultants and Advisors

| | |
|---|---|
| Wayne M. Manning, CPA Inc. | Independent Auditor |
| Buechler & Associates P.C. | General Counsel |
| McCall, Parkhurst & Horton LLP | Bond Counsel |
| SAMCO Capital Markets, Inc. | Financial Advisor |
| The National Bank of Andrews | Official Depository |

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**WAYNE M. MANNING**
**CERTIFIED PUBLIC ACCOUNTANT**

Independent Auditor's Report

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

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Andrews Independent School District (the "District"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

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

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

Texas Society of Certified Public Accountants
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MEMBER OF
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TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

**P.O. Box 1074 • Andrews, Texas 79714**
**(432) 523-7261 • www.wmmcpa.com • (432) 224-1068 fax**

### *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 *Governmental Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by reasonable user based on the financial statements.

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

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those 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 management's discussion and analysis, budgetary comparison information, pension information, and other-post employment benefit 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 combining and individual nonmajor fund financial statements, required Texas Education Agency (TEA) schedules, and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, required TEA schedules, and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

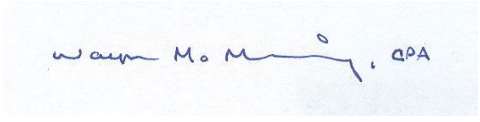
***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the Schedule L-1 but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards,* we have also issued our report dated October 25, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Wayne M. Manning, CPA
Andrews, Texas
October 25, 2024

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**ANDREWS INDEPENDENT SCHOOL DISTRICT**
**MANAGEMENT'S DISCUSSION AND ANALYSIS**
**FOR THE YEAR ENDED JUNE 30, 2024**

As management of Andrews Independent School District, we offer readers of the District's annual financial report this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2024. Please read it in conjunction with the independent auditors' report and the District's basic financial statements, which follow this section.

## FINANCIAL HIGHLIGHTS

- General revenues accounted for $86,412,386 and program-specific revenues in the form of charges for services and grants and contributions accounted for $12,440,361.

- The District had $85,148,929 in expenses related to governmental activities; $12,440,361 of these expenses were offset by program-specific charges for services or grants and contributions. General revenues of $86,412,386 were adequate to provide for the remaining cost of these programs, resulting in an increase of $13,703,818 to net position.

- The General Fund reported an ending fund balance of $32,295,632. This was an increase of $307,537 from the prior year.

- At the end of the current fiscal period, the District's governmental funds reported combined ending fund balances of $92,802,144, which is an increase of $47,220,923 from the prior year. Over 19% of this total amount or $18,131,378 is unassigned and available for use within the District's commitments and policies.

## OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.

- The remaining statements are fund financial statements that focus on individual parts of the government, reporting the District's operations in more detail than the government-wide statements.

- The governmental funds statements focus on how general government services were financed in the short-term as well as what remains for future spending.

- Proprietary fund statements offer short-term and long-term financial information about the activities the government operates like businesses, such as the District's concession stands.

- Fiduciary fund statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.

The basic financial statements also include notes that explain some of the information in the basic financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explain and support the information in the basic financial statements. Figure A-1 summarizes the major features of the District's basic financial statements including the portion of the District government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

**Figure A-1. Major Features of the District's Government-wide and Fund Financial Statements**

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

## GOVERNMENT-WIDE STATEMENTS

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

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

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

The government-wide financial statements of the District are divided into two categories:

*Governmental activities* - Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services and general administration. Property taxes and grants finance most of these activities.

*Business-type activities* - The District charges fees to customers to help it cover the costs of certain services it provides. The District's concession fund, school supply sales and yearbook sales funds are included here.

## FUND FINANCIAL STATEMENTS

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

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

The District has the following types of funds:

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

• *Proprietary funds*—Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information. Our enterprise funds are presented in aggregate and account for activities such as concessions and yearbook sales. We use internal service funds to report activities that provide supplies and services for the District's other programs and activities.

• *Fiduciary funds*—The District is the trustee, or fiduciary, for certain funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

The District's combined net position was $89,071,873 at June 30, 2024.

Table A-1

Andrews Independent School District's Net Position

| | Governmental Activities | | Business-Type Activities | | Total Government | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Assets | | | | | | |
| Cash and cash equivalents | $ 119,662,714 | $ 75,605,480 | $ 54,857 | $ 51,670 | $ 119,717,571 | $ 75,657,150 |
| Other assets | 3,948,277 | 4,184,672 | 2,314 | 2,794 | 3,950,591 | 4,187,466 |
| Capital assets, net | 90,781,585 | 85,869,228 | - | - | 90,781,585 | 85,869,228 |
| Total assets | 214,392,576 | 165,659,380 | 57,171 | 54,464 | 214,449,747 | 165,713,844 |
| Deferred outflows of resources | 8,486,332 | 9,152,629 | - | - | 8,486,332 | 9,152,629 |
| Liabilities | | | | | | |
| Current liabilities | 28,736,630 | 31,372,794 | 3,052 | 3,419 | 28,739,682 | 31,376,213 |
| Non-current liabilities | 92,970,098 | 54,822,688 | - | - | 92,970,098 | 54,822,688 |
| Total liabilities | 121,706,728 | 86,195,482 | 3,052 | 3,419 | 121,709,780 | 86,198,901 |
| Deferred inflows of resources | 12,154,427 | 13,302,588 | - | - | 12,154,427 | 13,302,588 |
| Net Position | | | | | | |
| Invested in capital assets, net of related debt | 75,593,331 | 61,382,681 | - | - | 75,593,331 | 61,382,681 |
| Restricted | 5,509,028 | 14,560,819 | - | - | 5,509,028 | 14,560,819 |
| Unrestricted | 7,915,394 | (629,566) | 54,120 | 51,045 | 7,969,514 | (578,521) |
| Total net position | $ 89,017,753 | $ 75,313,934 | $ 54,120 | $ 51,045 | $ 89,071,873 | $ 75,364,979 |

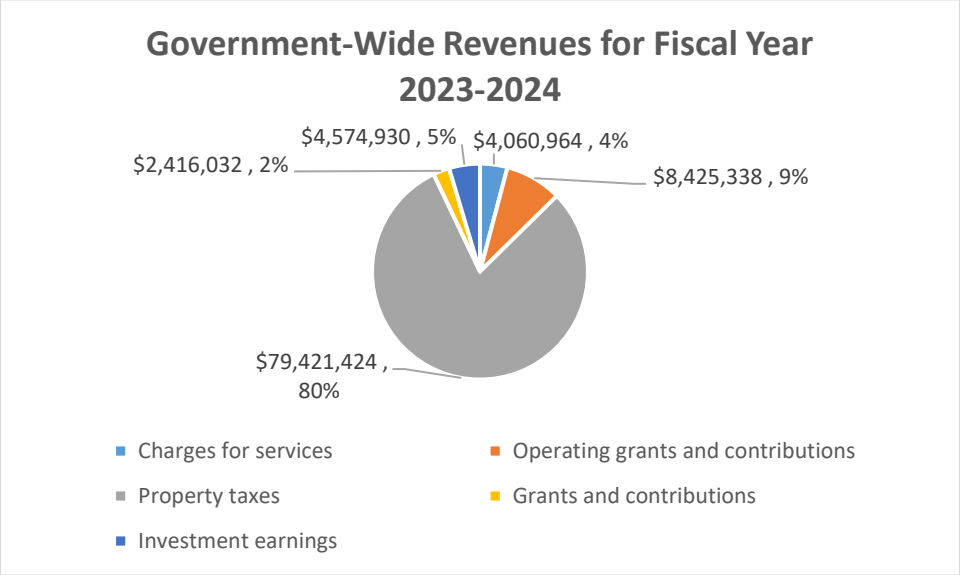
## CHANGES IN NET POSITION

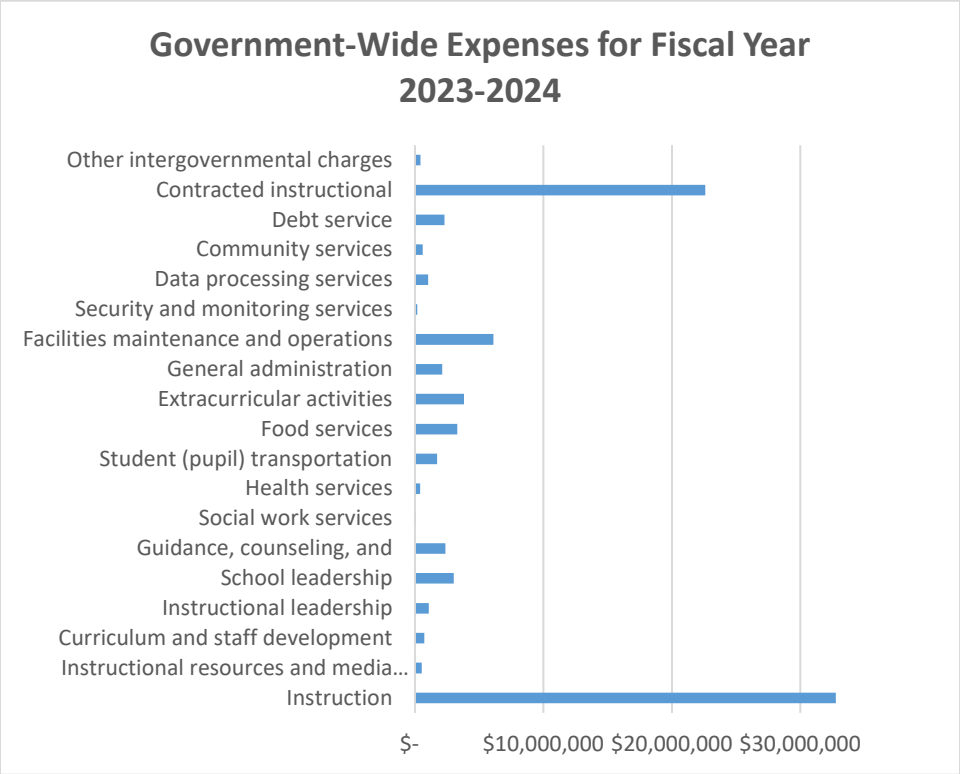
The District's total revenues were $98,898,688. 80.31% of the District's revenue comes from local property taxes (See Table). 19.69% relates to state aid and federal grants, charges for services, and other miscellaneous sources including investment earnings. The total cost of all programs and services was $85,191,794. The largest expense categories were instruction and instructional related services which totaled $32,758,282 or 38.45% of total expenses.

Table A-2

Andrews Independent School District's Statement of Activities

| | Governmental Activities | | Business-Type Activities | | Total Government | |
|---|---|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| Program Revenues | | | | | | |
| Charges for services | $ 4,015,023 | $ 6,955,085 | $ 45,941 | $ 42,639 | $ 4,060,964 | $ 6,997,724 |
| Operating grants and contributions | 8,425,338 | 2,810,858 | - | - | 8,425,338 | 2,810,858 |
| General revenues | | | | | | |
| Property taxes | 79,421, 424 | 69,419,210 | - | - | 79,421, 424 | 69,419,210 |
| Grants and contributions | 2,416,032 | 7,970,253 | - | - | 2,416,032 | 7,970,253 |
| Investment earnings | 4,574,930 | 2,473,101 | - | - | 4,574,930 | 2,473,101 |
| Miscellaneous | - | 1,895,439 | - | - | - | 1,895,439 |
| Total revenues | 98,852,747 | 91,523,946 | 45,941 | 42,639 | 98,898,688 | 91,566,585 |
| Expenses | | | | | | |
| Instruction | 32,758,282 | 32,187,041 | - | - | 32,758,282 | 32,187,041 |
| Instructional resources and media sources | 481,611 | 561,086 | 42,865 | 33,380 | 524,476 | 594,466 |
| Curriculum and staff development | 728,660 | 622,780 | - | - | 728,660 | 622,780 |
| Instructional leadership | 1,079,138 | 980,407 | - | - | 1,079,138 | 980,407 |
| School leadership | 3,012,622 | 2,655,772 | - | - | 3,012,622 | 2,655,772 |
| Guidance, counseling, and evaluation services | 2,382,317 | 1,889,198 | - | - | 2,382,317 | 1,889,198 |
| Social work services | 89,952 | 168,918 | - | - | 89,952 | 168,918 |
| Health services | 408,414 | 420,388 | - | - | 408,414 | 420,388 |
| Student (pupil) transportation | 1,719,273 | 1,619,893 | - | - | 1,719,273 | 1,619,893 |
| Food services | 3,306,377 | 3,100,380 | - | - | 3,306,377 | 3,100,380 |
| Extracurricular activities | 3,828,652 | 3,833,427 | - | - | 3,828,652 | 3,833,427 |
| General administration | 2,120,415 | 1,918,568 | - | - | 2,120,415 | 1,918,568 |
| Facilities maintenance and operations | 6,103,027 | 5,485,869 | - | - | 6,103,027 | 5,485,869 |
| Security and monitoring services | 172,671 | 133,620 | - | - | 172,671 | 133,620 |
| Data processing services | 1,015,407 | 1,039,340 | - | - | 1,015,407 | 1,039,340 |
| Community services | 594,724 | 619,448 | - | - | 594,724 | 619,448 |
| Debt service | 2,302,312 | 808,975 | - | - | 2,302,312 | 808,975 |
| Contracted instructional | 22,607,559 | 24,193,568 | - | - | 22,607,559 | 24,193,568 |
| Other intergovernmental charges | 437,516 | 413,526 | - | - | 437,516 | 413,526 |
| Total expenses | 85,148,929 | 82,652,204 | 42,865 | 33,380 | 85,191,794 | 82,685,584 |
| Increase (decrease) in net position | 13,703,818 | 8,871,742 | 3,076 | 9,259 | 13,706,894 | 8,881,001 |
| Net position – beginning | 75,313,935 | 66,442,192 | 51,044 | 41,785 | 75,364,979 | 66,483,977 |
| Prior period adjustment | - | - | - | - | - | - |
| Net position - ending | 89,017,753 | 75,313,934 | 54,120 | 51,044 | 89,071,873 | 75,364,978 |


Government-Wide Revenues for Fiscal Year 2023-2024
$4,574,930 , 5%
$4,060,964 , 4%
$2,416,032 , 2%
$8,425,338 , 9%
$79,421,424 , 80%
Charges for services
Operating grants and contributions
Property taxes
Grants and contributions
Investment earnings


Government-Wide Expenses for Fiscal Year 2023-2024
Other intergovernmental charges
Contracted instructional
Debt service
Community services
Data processing services
Security and monitoring services
Facilities maintenance and operations
General administration
Extracurricular activities
Food services
Student (pupil) transportation
Health services
Social work services
Guidance, counseling, and
School leadership
Instructional leadership
Curriculum and staff development
Instructional resources and media...
Instruction
$-
$10,000,000
$20,000,000
$30,000,000

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues from governmental fund types totaled $99,477,167. Any increase in state revenues is a result of attendance gains. Any decrease in federal revenues is primarily due to a decrease in federal program revenue distributed through other agencies.

The General Fund reported an ending fund balance of $32,295,632. This was an increase in the General Fund balance from the prior year in the amount of $307,534.

## GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the District recommended and the Board of Trustees approved revisions of the District's general fund budget for various reasons. The following is a summary of significant budget amendments made to estimated revenues:

| | | Estimated Revenues |
|---|---|---|
| Beginning Estimated Revenues | $ | 76,137,863 |
| Adjust State & Federal Funding Estimates | | 3,424,810 |
| Final Amended Estimated Revenues | $ | 79,562,673 |

The following is a summary of significant budget amendments made to appropriations and other sources.

| | | Appropriations |
|---|---|---|
| Beginning Appropriations | $ | 77,602,100 |
| Adjust Due to Capital Outlay Expenses | | 31,893 |
| Adjust Due to Insurance Costs / Increase in Travel | | 257,071 |
| Adjust For ESSER III Expenses and IMA/Textbook and Other Supply Increases | | 1,388,093 |
| Adjust Due to Increased Staffing / Salary Costs / ESSER III Retention Bonuses | | 2,339,947 |
| Adjust Due to Construction | | 521,466 |
| Final Amended Appropriations | $ | 82,140,570 |

Resources available were $3,424,810 higher than final budget due to higher than anticipated State and Federal/Local funding. Expenditures were approximately $4,538,470 more primarily due to higher textbook/supply costs and increased salary costs.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

At the end of fiscal year 2024, the District had invested $90,781,585 in a broad range of capital assets, including land, construction in progress, furniture and equipment, buildings and improvements and vehicles.

**Andrews Independent School District's**
**Capital Assets**

| | Governmental Activities | | Total Percentage |
|---|---|---|---|
| | 2024 | 2023 | Change 2023-2024 |
| Land | $ 1,747,474 | $ 1,747,474 | 0.00% |
| Buildings, net | 73,850,609 | 75,368,462 | (2.01%) |
| Furniture and equipment, net | 9,162,587 | 8,604,216 | 6.49% |
| Construction in progress | 6,020,915 | 149,076 | 3,938.82% |
| Net capital assets | $ 90,781,585 | $ 85,869,228 | 5.72% |

## LONG TERM DEBT

More detailed information about the District's debt is presented in the notes to the basic financial statements.

**Andrews Independent School District's**
**Long-Term Debt**

| | Governmental Activities 2024 | Governmental Activities 2023 | Total Percentage Change 2023-2024 |
|---|---|---|---|
| Bonds payable | $ 69,666,480 | $ 31,910,136 | 118.32% |
| Net pension liability | 15,529,984 | 14,235,039 | 9.10% |
| Net OPEB liability | 7,084,821 | 8,021,936 | (11.68)% |
| Compensated absences | 688,813 | 655,577 | 5.10% |
| Total debt payable | $ 92,970,098 | $ 54,822,688 | 64.11% |

## BOND RATING

The credit rating for the District is "A+" by Standard & Poor's Rating Services.

## ECONOMIC FACTORS

The District's overall tax rates are $.8792 for 2024 and $1.0046 for 2023. The District's Maintenance tax rate for 2024 is $0.6792 and the Interest and Sinking tax rate is $0.20. The District's assessed valuation for property taxes is $9,976,767,357 for fiscal year 2024, which is an increase of $1,167,819,564 or 13.257% more than fiscal year 2023.

The District's current student enrollment is 4,249 for the fiscal year 2024 which is an increase of 53 from the fiscal year 2023. There is an increase of 83 students for the last three years.

## CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, please address to the Assistant Superintendent of Finance, Andrews Independent School District, 405 NW 3rd Street, Andrews, TX 79714.

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# BASIC FINANCIAL STATEMENTS

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

EXHIBIT A-1

| Data Control Codes | | 1 Primary Government Governmental Activities | 2 Primary Government Business Type Activities | 3 Primary Government Total |
|---|---|---|---|---|
| **ASSETS** | | | | |
| 1110 | Cash and Cash Equivalents | $ 119,662,714 | $ 54,857 | $ 119,717,571 |
| 1220 | Property Taxes - Delinquent | 2,049,882 | - | 2,049,882 |
| 1230 | Allowance for Uncollectible Taxes | (204,970) | - | (204,970) |
| 1240 | Due from Other Governments | 1,163,932 | - | 1,163,932 |
| 1267 | Due from Fiduciary Funds | 49 | - | 49 |
| 1290 | Other Receivables, Net | 50 | - | 50 |
| 1300 | Inventories | 20,498 | 2,314 | 22,812 |
| 1410 | Prepayments | 918,835 | - | 918,835 |
| | Capital Assets: | | | |
| 1510 | Land | 1,747,474 | - | 1,747,474 |
| 1520 | Buildings, Net | 73,850,609 | - | 73,850,609 |
| 1530 | Furniture and Equipment, Net | 9,162,587 | - | 9,162,587 |
| 1580 | Construction in Progress | 6,020,915 | - | 6,020,915 |
| 1000 | Total Assets | 214,392,575 | 57,171 | 214,449,746 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| 1705 | Deferred Outflow Related to TRS Pension | 5,814,557 | - | 5,814,557 |
| 1706 | Deferred Outflow Related to TRS OPEB | 2,671,775 | - | 2,671,775 |
| 1700 | Total Deferred Outflows of Resources | 8,486,332 | - | 8,486,332 |
| **LIABILITIES** | | | | |
| 2110 | Accounts Payable | 485,919 | 3,052 | 488,971 |
| 2140 | Interest Payable | 603,666 | - | 603,666 |
| 2150 | Payroll Deductions and Withholdings | 648,824 | - | 648,824 |
| 2160 | Accrued Wages Payable | 3,718,639 | - | 3,718,639 |
| 2180 | Due to Other Governments | 22,727,690 | - | 22,727,690 |
| 2200 | Accrued Expenses | 382,393 | - | 382,393 |
| 2300 | Unearned Revenue | 169,499 | - | 169,499 |
| | Noncurrent Liabilities: | | | |
| 2501 | Due Within One Year: Loans, Note, Leases, etc. | 19,543,813 | - | 19,543,813 |
| | Due in More than One Year: | | | |
| 2502 | Bonds, Notes, Loans, Leases, etc. | 50,811,480 | - | 50,811,480 |
| 2540 | Net Pension Liability (District's Share) | 15,529,984 | - | 15,529,984 |
| 2545 | Net OPEB Liability (District's Share) | 7,084,821 | - | 7,084,821 |
| 2000 | Total Liabilities | 121,706,728 | 3,052 | 121,709,780 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| 2605 | Deferred Inflow Related to TRS Pension | 1,067,475 | - | 1,067,475 |
| 2606 | Deferred Inflow Related to TRS OPEB | 11,086,951 | - | 11,086,951 |
| 2600 | Total Deferred Inflows of Resources | 12,154,426 | - | 12,154,426 |
| **NET POSITION** | | | | |
| 3200 | Net Investment in Capital Assets and Right-to-Use Lease | 75,593,331 | - | 75,593,331 |
| | Restricted: | | | |
| 3820 | Restricted for Federal and State Programs | 28,729 | - | 28,729 |
| 3850 | Restricted for Debt Service | 5,480,299 | - | 5,480,299 |
| 3900 | Unrestricted | 7,915,394 | 54,120 | 7,969,514 |
| 3000 | Total Net Position | $ 89,017,753 | $ 54,120 | $ 89,071,873 |

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

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

| Data Control Codes | | 1 | Program Revenues 3 | 4 |
|---|---|---|---|---|
| | | Expenses | Charges for Services | Operating Grants and Contributions |
| **Primary Government:** | | | | |
| | GOVERNMENTAL ACTIVITIES: | | | |
| 11 | Instruction | $ 32,758,282 | $ - | $ 4,722,820 |
| 12 | Instructional Resources and Media Services | 481,611 | - | 24,385 |
| 13 | Curriculum and Instructional Staff Development | 728,660 | - | 36,605 |
| 21 | Instructional Leadership | 1,079,138 | - | 59,379 |
| 23 | School Leadership | 3,012,622 | - | 177,290 |
| 31 | Guidance, Counseling, and Evaluation Services | 2,382,317 | - | 222,637 |
| 32 | Social Work Services | 89,952 | - | 6,472 |
| 33 | Health Services | 408,414 | - | 23,627 |
| 34 | Student (Pupil) Transportation | 1,719,273 | - | 65,909 |
| 35 | Food Services | 3,306,377 | 1,000,080 | 1,818,176 |
| 36 | Extracurricular Activities | 3,828,652 | - | 671,116 |
| 41 | General Administration | 2,120,415 | 3,014,943 | 104,937 |
| 51 | Facilities Maintenance and Operations | 6,103,027 | - | 409,436 |
| 52 | Security and Monitoring Services | 172,671 | - | 33,764 |
| 53 | Data Processing Services | 1,015,407 | - | 34,616 |
| 61 | Community Services | 594,724 | - | 14,169 |
| 72 | Debt Service - Interest on Long-Term Debt | 1,659,699 | - | - |
| 73 | Debt Service - Bond Issuance Cost and Fees | 642,613 | - | - |
| 91 | Contracted Instructional Services Between Schools | 22,607,559 | - | - |
| 99 | Other Intergovernmental Charges | 437,516 | - | - |
| | [TG] Total Governmental Activities: | 85,148,929 | 4,015,023 | 8,425,338 |
| | BUSINESS-TYPE ACTIVITIES: | | | |
| 01 | Enterprise Funds - Locally Defined | 42,866 | 45,941 | - |
| | [TB] Total Business-Type Activities: | 42,866 | 45,941 | - |
| | [TP] TOTAL PRIMARY GOVERNMENT: | $ 85,191,795 | $ 4,060,964 | $ 8,425,338 |

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

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

| Net (Expense) Revenue and Changes in Net Position | | |
|---|---|---|
| 6 | 7 | 8 |
| Primary Government | | |
| Governmental Activities | Business-type Activities | Total |
| $ (28,035,462) | $ - | $ (28,035,462) |
| (457,226) | - | (457,226) |
| (692,055) | - | (692,055) |
| (1,019,759) | - | (1,019,759) |
| (2,835,332) | - | (2,835,332) |
| (2,159,680) | - | (2,159,680) |
| (83,480) | - | (83,480) |
| (384,787) | - | (384,787) |
| (1,653,364) | - | (1,653,364) |
| (488,121) | - | (488,121) |
| (3,157,536) | - | (3,157,536) |
| 999,465 | - | 999,465 |
| (5,693,591) | - | (5,693,591) |
| (138,907) | - | (138,907) |
| (980,791) | - | (980,791) |
| (580,555) | - | (580,555) |
| (1,659,699) | - | (1,659,699) |
| (642,613) | - | (642,613) |
| (22,607,559) | - | (22,607,559) |
| (437,516) | - | (437,516) |
| (72,708,568) | - | (72,708,568) |
| - | 3,075 | 3,075 |
| - | 3,075 | 3,075 |
| (72,708,568) | 3,075 | (72,705,493) |
| 60,302,839 | - | 60,302,839 |
| 19,118,585 | - | 19,118,585 |
| 2,416,032 | - | 2,416,032 |
| 4,574,930 | - | 4,574,930 |
| 86,412,386 | - | 86,412,386 |
| 13,703,818 | 3,075 | 13,706,893 |
| 75,313,935 | 51,044 | 75,364,979 |
| $ 89,017,753 | $ 54,119 | $ 89,071,872 |

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

| Data Control Codes | | 10 General Fund | 50 Debt Service Fund | 60 Capital Projects |
|---|---|---|---|---|
| | ASSETS | | | |
| 1110 | Cash and Cash Equivalents | $ 57,560,593 | $ 4,865,534 | $ 24,260,620 |
| 1220 | Property Taxes - Delinquent | 1,735,510 | 314,190 | - |
| 1230 | Allowance for Uncollectible Taxes | (173,551) | (31,419) | - |
| 1240 | Due from Other Governments | 393,557 | 331,994 | - |
| 1260 | Due from Other Funds | 911,543 | - | - |
| 1300 | Inventories | - | - | - |
| 1410 | Prepayments | 918,835 | - | - |
| 1000 | Total Assets | $ 61,346,487 | $ 5,480,299 | $ 24,260,620 |
| | LIABILITIES | | | |
| 2110 | Accounts Payable | $ 130,366 | $ - | $ 10,938 |
| 2150 | Payroll Deductions and Withholdings Payable | 569,304 | - | - |
| 2160 | Accrued Wages Payable | 3,353,803 | - | - |
| 2170 | Due to Other Funds | 593,269 | - | - |
| 2180 | Due to Other Governments | 22,727,636 | - | - |
| 2300 | Unearned Revenue | 114,353 | - | - |
| 2000 | Total Liabilities | 27,488,731 | - | 10,938 |
| | DEFERRED INFLOWS OF RESOURCES | | | |
| 2601 | Unavailable Revenue - Property Taxes | 1,562,123 | 282,771 | - |
| 2600 | Total Deferred Inflows of Resources | 1,562,123 | 282,771 | - |
| | FUND BALANCES | | | |
| | Restricted Fund Balance: | | | |
| 3450 | Federal or State Funds Grant Restriction | - | - | - |
| 3470 | Capital Acquisition and Contractural Obligation | - | - | 24,249,683 |
| 3480 | Retirement of Long-Term Debt | - | 5,197,528 | - |
| | Committed Fund Balance: | | | |
| 3510 | Construction | 4,000,000 | - | - |
| 3530 | Capital Expenditures for Equipment | 2,014,254 | - | - |
| 3540 | Self Insurance | 2,150,000 | - | - |
| 3545 | Other Committed Fund Balance | 6,000,000 | - | - |
| 3600 | Unassigned Fund Balance | 18,131,378 | - | - |
| 3000 | Total Fund Balances | 32,295,632 | 5,197,528 | 24,249,683 |
| 4000 | Total Liabilities, Deferred Inflows & Fund Balances | $ 61,346,486 | $ 5,480,299 | $ 24,260,621 |

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

| 60 Capital Projects | Other Funds | Total Governmental Funds |
|---|---|---|
| $ 27,229,183 | $ 4,533,593 | $ 118,449,523 |
| - | - | 2,049,700 |
| - | - | (204,970) |
| - | 438,382 | 1,163,933 |
| - | 510,795 | 1,422,338 |
| - | 20,498 | 20,498 |
| - | - | 918,835 |
| $ 27,229,183 | $ 5,503,268 | $ 123,819,857 |
| | | |
| $ 342,425 | $ 2,100 | $ 485,829 |
| - | 79,520 | 648,824 |
| - | 364,836 | 3,718,639 |
| - | 829,069 | 1,422,338 |
| - | 54 | 22,727,690 |
| - | 55,146 | 169,499 |
| 342,425 | 1,330,725 | 29,172,819 |
| | | |
| - | - | 1,844,894 |
| - | - | 1,844,894 |
| | | |
| - | 28,729 | 28,729 |
| 26,886,758 | 3,341,785 | 54,478,226 |
| - | - | 5,197,528 |
| | | |
| - | - | 4,000,000 |
| - | - | 2,014,254 |
| - | - | 2,150,000 |
| - | 802,029 | 6,802,029 |
| - | - | 18,131,378 |
| 26,886,758 | 4,172,543 | 92,802,144 |
| $ 27,229,183 | $ 5,503,268 | $ 123,819,857 |

| | | | |
|---|---|---|---|
| **Total Fund Balances - Governmental Funds** | | $ | 92,802,144 |
| 1 | The District uses internal service funds to charge the costs of certain activities, such as self-insurance and printing, to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase/(decrease) net position. | | 830,989 |
| 2 | Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was $153,587,995 and the accumulated depreciation was $67,718,767. In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to increase net position. | | 52,969,617 |
| 3 | The issuance of long-term debt is not due and payable within the current period and, therefore, is not reported in the governmental funds balance sheet. Also, governmental funds report the effect of premiums, discounts, and deferred gains/losses on refunding when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. The District issued school building bonds series 2023 and 2024 during 2024. The net effect of the issuance and net bond premium is ($59,466,344). | | (59,466,344) |
| 4 | Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of including the 2024 capital outlays and debt principal payments is to increase (decrease) net assets. | | 32,288,278 |
| 5 | Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68. The net position related to TRS included a deferred resource outflow in the amount of $5,814,557, a deferred resource inflow in the amount of $1,067,475, and a net pension liability in the amount of $15,529,984. This resulted in a decrease in net position. | | (10,782,902) |
| 6 | Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB 75. The net position related to TRS included a deferred resource outflow in the amount of $2,671,775, a deferred resource inflow in the amount of $11,086,951, and a net OPEB liability in the amount of $7,084,821. This resulted in a decrease to net position. | | (15,499,997) |
| 7 | The 2024 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position. | | (5,665,921) |
| 8 | Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to | | 1,541,889 |

increase/(decrease) net position.

| | | |
|---|---|---|
| 29 | **Net Position of Governmental Activities** | $ 89,017,753 |

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

| Data Control Codes | | 10 General Fund | 50 Debt Service Fund | 60 Capital Projects |
|---|---|---|---|---|
| | REVENUES: | | | |
| 5700 | Total Local and Intermediate Sources | $ 66,103,900 | $ 19,645,482 | $ 1,150,120 |
| 5800 | State Program Revenues | 4,353,758 | 307,909 | - |
| 5900 | Federal Program Revenues | 86,582 | - | - |
| 5020 | Total Revenues | 70,544,240 | 19,953,391 | 1,150,120 |
| | EXPENDITURES: | | | |
| | Current: | | | |
| 0011 | Instruction | 25,797,947 | - | - |
| 0012 | Instructional Resources and Media Services | 479,537 | - | - |
| 0013 | Curriculum and Instructional Staff Development | 731,196 | - | - |
| 0021 | Instructional Leadership | 1,073,666 | - | - |
| 0023 | School Leadership | 2,657,909 | - | - |
| 0031 | Guidance, Counseling, and Evaluation Services | 1,940,946 | - | - |
| 0032 | Social Work Services | 90,394 | - | - |
| 0033 | Health Services | 406,586 | - | - |
| 0034 | Student (Pupil) Transportation | 1,231,377 | - | - |
| 0035 | Food Services | - | - | - |
| 0036 | Extracurricular Activities | 2,777,637 | - | - |
| 0041 | General Administration | 1,931,146 | - | - |
| 0051 | Facilities Maintenance and Operations | 6,091,628 | - | - |
| 0052 | Security and Monitoring Services | 176,564 | - | - |
| 0053 | Data Processing Services | 1,012,844 | - | - |
| 0061 | Community Services | 579,995 | - | - |
| | Debt Service: | | | |
| 0071 | Principal on Long-Term Liabilities | - | 21,710,000 | - |
| 0072 | Interest on Long-Term Liabilities | - | 1,579,443 | - |
| 0073 | Bond Issuance Cost and Fees | - | 640,113 | 2,500 |
| | Capital Outlay: | | | |
| 0081 | Facilities Acquisition and Construction | - | - | 1,897,937 |
| | Intergovernmental: | | | |
| 0091 | Contracted Instructional Services Between Schools | 22,607,559 | - | - |
| 0099 | Other Intergovernmental Charges | 437,516 | - | - |
| 6030 | Total Expenditures | 70,024,447 | 23,929,556 | 1,900,437 |
| 1100 | Excess (Deficiency) of Revenues Over (Under) Expenditures | 519,793 | (3,976,165) | (750,317) |
| | OTHER FINANCING SOURCES (USES): | | | |
| 7911 | Capital Related Debt Issued | - | 59,655,856 | - |
| 7915 | Transfers In | 2,598,532 | - | 25,000,000 |
| 8911 | Transfers Out (Use) | (2,810,789) | (59,000,000) | - |
| 7080 | Total Other Financing Sources (Uses) | (212,257) | 655,856 | 25,000,000 |
| 1200 | Net Change in Fund Balances | 307,536 | (3,320,309) | 24,249,683 |
| 0100 | Fund Balance - July 1 (Beginning) | 31,988,096 | 8,517,838 | - |
| 3000 | Fund Balance - June 30 (Ending) | $ 32,295,632 | $ 5,197,529 | $ 24,249,683 |

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

| 60 Capital Projects | Other Funds | Total Governmental Funds |
|---|---|---|
| $ 183,321 | $ 1,874,291 | $ 88,957,114 |
| - | 809,096 | 5,470,763 |
| - | 4,962,708 | 5,049,290 |
| 183,321 | 7,646,095 | 99,477,167 |
| | | |
| - | 3,605,964 | 29,403,911 |
| - | 2,447 | 481,984 |
| - | 4,941 | 736,137 |
| - | 12,484 | 1,086,150 |
| - | 43,219 | 2,701,128 |
| - | 124,340 | 2,065,286 |
| - | 824 | 91,218 |
| - | 4,118 | 410,704 |
| - | 11,530 | 1,242,907 |
| - | 2,971,712 | 2,971,712 |
| - | 532,473 | 3,310,110 |
| - | 19,970 | 1,951,116 |
| - | 229,395 | 6,321,023 |
| - | - | 176,564 |
| - | 8,301 | 1,021,145 |
| - | 15,710 | 595,705 |
| | | |
| - | - | 21,710,000 |
| - | - | 1,579,443 |
| - | - | 642,613 |
| | | |
| 5,931,563 | 2,538,669 | 10,368,169 |
| | | |
| - | - | 22,607,559 |
| - | - | 437,516 |
| 5,931,563 | 10,126,097 | 111,912,100 |
| (5,748,242) | (2,480,002) | (12,434,933) |
| | | |
| - | - | 59,655,856 |
| 32,635,000 | 1,577,257 | 61,810,789 |
| - | - | (61,810,789) |
| 32,635,000 | 1,577,257 | 59,655,856 |
| 26,886,758 | (902,745) | 47,220,923 |
| - | 5,075,288 | 45,581,222 |
| | | |
| $ 26,886,758 | $ 4,172,543 | $ 92,802,145 |

| | | |
|---|---|---|
| **Total Net Change in Fund Balances - Governmental Funds** | $ | 47,220,923 |
| The District uses internal service funds to charge the costs of certain activities, such as self-insurance and printing, to appropriate functions in other funds. The net income (loss) of internal service funds is reported with governmental activities. The net effect of this consolidation is to increase (decrease) net position. | | (232,239) |
| Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of removing the 2024 capital outlays and debt principal payments is to increase (decrease) net assets. | | 32,288,278 |
| Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position. | | (5,665,921) |
| The issuance of long-term debt is not due and payable within the current period and, therefore, is not reported in the governmental funds balance sheet. Also, governmental funds report the effect of premiums, discounts, and deferred gains/losses on refunding when debt is issued, whereas these amounts are deferred and amortized in the statement of activities. The District issued school building bonds series 2023 and 2024 during 2024. The net effect of the issuance and net bond premium is ($59,466,344). | | (59,466,344) |
| Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to decrease net position. | | (564,914) |
| GASB 68 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by $1,046,933. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. This caused a decrease in net position totaling $969,439. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense increased the change in net position by $1,534,537. The net result is a increase (decrease) in the change in net position. | | (1,457,043) |
| GASB 75 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by $251,546. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net OPEB liability. This caused a decrease in net position totaling $230,818. Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense increased the change in net position by $(1,560,350). The net result is a increase (decrease) in the change in net position. | | 1,581,078 |
| **Change in Net Position of Governmental Activities** | $ | 13,703,818 |

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

EXHIBIT D-1

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

| | Business-Type Activities - | Governmental Activities - |
|---|---|---|
| | Total Enterprise Funds | Internal Service Fund |
| ASSETS | | |
| Current Assets: | | |
| Cash and Cash Equivalents | $ 54,857 | $ 1,213,191 |
| Inventories | 2,314 | - |
| Total Assets | 57,171 | 1,213,191 |
| LIABILITIES | | |
| Current Liabilities: | | |
| Accounts Payable | 3,052 | 90 |
| Short Term Debt Payable | - | 382,112 |
| Total Liabilities | 3,052 | 382,202 |
| NET POSITION | | |
| Unrestricted Net Position | 54,120 | 830,989 |
| Total Net Position | $ 54,120 | $ 830,989 |

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

EXHIBIT D-2

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

| | Business-Type Activities - | Governmental Activities - |
|---|---|---|
| | Total Enterprise Funds | Internal Service Fund |
| OPERATING REVENUES: | | |
| Local and Intermediate Sources | $ 45,941 | $ 5,575,384 |
| Total Operating Revenues | 45,941 | 5,575,384 |
| OPERATING EXPENSES: | | |
| Professional and Contracted Services | 500 | 5,807,623 |
| Supplies and Materials | 42,366 | - |
| Total Operating Expenses | 42,866 | 5,807,623 |
| Operating Income (Loss) | 3,075 | (232,239) |
| Total Net Position - July 1 (Beginning) | 51,045 | 1,063,228 |
| Total Net Position - June 30 (Ending) | $ 54,120 | $ 830,989 |

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

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

EXHIBIT D-3

| | Business-Type Activities | Governmental Activities - |
|---|---|---|
| | Total Enterprise Funds | Internal Service Fund |
| Cash Flows from Operating Activities: | | |
| Cash Received from User Charges | $ 45,941 | $ 5,575,384 |
| Cash Payments for Insurance Claims | - | (5,920,633) |
| Cash Payments for Suppliers | (42,254) | - |
| Cash Payments for Other Operating Expenses | (500) | - |
| Net Cash Provided by (Used for) Operating Activities | 3,187 | (345,249) |
| Net Increase (Decrease) in Cash and Cash Equivalents | 3,187 | (345,249) |
| Cash and Cash Equivalents at Beginning of Year | 51,670 | 1,558,440 |
| Cash and Cash Equivalents at End of Year | $ 54,857 | $ 1,213,191 |
| Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities: | | |
| Operating Income (Loss): | $ 3,075 | $ (232,239) |
| Effect of Increases and Decreases in Current Assets and Liabilities: | | |
| Decrease (increase) in Inventories | 480 | - |
| Increase (decrease) in Accounts Payable | (368) | 90 |
| Increase (decrease) in Short-Term Debt Payable | - | (113,100) |
| Net Cash Provided by (Used for) Operating Activities | $ 3,187 | $ (345,249) |

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

EXHIBIT E-1

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

| | Total Custodial Funds |
|---|---|
| ASSETS | |
| Cash and Cash Equivalents | $ 93,611 |
| Total Assets | 93,611 |
| NET POSITION | |
| Restricted for Other Purposes | 93,611 |
| Total Net Position | $ 93,611 |

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

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

| | Total Custodial Funds |
|---|---|
| **ADDITIONS:** | |
| Miscellaneous Revenue - Student | $ 100,880 |
| Total Additions | 100,880 |
| **DEDUCTIONS:** | |
| Supplies and Materials | 93,521 |
| Total Deductions | 93,521 |
| Change in Fiduciary Net Position | 7,359 |
| Total Net Position - July 1 (Beginning) | 86,252 |
| Total Net Position - June 30 (Ending) | $ 93,611 |

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

**ANDREWS INDEPENDENT SCHOOL DISTRICT**
Notes to the Financial Statements
June 30, 2024

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

## A. REPORTING ENTITY

Andrews Independent School District (the "District") is a public educational agency operating under the applicable laws and regulations of the State of Texas. The Board of Trustees (the "Board"), a seven-member group elected by registered voters of the District, has the fiscal accountability over all activities related to public elementary and secondary education with the jurisdiction of the District. The Trustees, as a body corporate, have the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency ("Agency") or to the State Board of Education are reserved for the Trustees, and the Agency may not substitute its judgment for the lawful exercise of those powers and duties by the Trustees. The District is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards. There are no component units included within the reporting entity. The basic financial statements of the District include all activities for which the Board exercises these governance responsibilities. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding sources. The District changed its fiscal year end from August 31 to June 30 during the 2013 fiscal year.

## B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The District is a public educational agency operating under the applicable laws and regulations of the State of Texas. The District prepares its basic financial statements in conformity with generally accepted accounting principles ("GAAP") promulgated by the Governmental Accounting Standards Board ("GASB") and other authoritative sources identified in GASB Statement No. 56; and it complies with the requirements of the appropriate version of Texas Education Agency's Financial Accountability System Resource Guide (the "Resource Guide") and the requirements of contracts and grants of agencies from which it receives funds.

The District participates with the City of Andrews and the Permian Regional Medical Center in an inter-local cooperation contract for the collection and remittance of their property taxes. Both entities reimburse the District a set fee for collecting and remitting property taxes.

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

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

## B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 1. Government-Wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the District's non-fiduciary activities with most of the inter-fund activities removed. *Governmental activities* include programs supported primarily by taxes, State foundation funds, grants and other intergovernmental revenues. *Business-type activities* include operations that rely to a significant extent on fees and charges for support.

The Statement of Activities demonstrates how other people or entities that participate in programs the District operates have shared in the payment of the direct costs. Direct expenses are those that are clearly identifiable with a specific program. The "charges for services" column includes payments made by parties that purchase, use, or directly benefit from goods or services provided by a given function or segment of the District. Examples include tuition paid by students not residing in the District, school lunch charges, etc. The "grants and contributions" column includes amounts paid by organizations outside the District to help meet the operational or capital requirements of a given function. Examples include grants under the Elementary and Secondary Education Act. If revenue is not program revenue, it is general revenue used to support all of the District's functions. Taxes are always general revenues.

Interfund activities between governmental funds and proprietary funds appear as due to/due from on the Governmental Fund Balance Sheet and Proprietary Fund Statement of Net Position and as other resources and other uses on the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Position. All interfund transactions between governmental funds and internal service funds are eliminated on the government-wide statements. Interfund activities between governmental funds and fiduciary funds remain as due to/due from on the government-wide Statement of Net Position.

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

Separate financial statements are provided for governmental funds, proprietary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

## B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements use the *economic resources measurement* focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows or resources and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the "susceptible to accrual" concept, that is, when they are both measurable and available. The District considers them “available” if they will be collected within 60 days of the end of the fiscal year. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

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

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

## B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 2. Fund Accounting

The District reports the following major governmental fund:

- **General Fund** – The General Fund is the District's primary operating fund and used to account for all financial transactions except those required to be accounted for in another fund. This is a budgeted fund, and any fund balances are considered as resources available for current operations. General Fund primary revenue sources include local property taxes and state funding. The District's General Fund includes state distributed federal funds and direct federal funds not required to be included in the Special Revenue Funds.

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

Additionally, the District reports the following non-major governmental fund types:

- **Capital Projects Fund –** The proceeds from long-term debt financing, and revenues and expenditures related to authorized construction and other capital asset acquisitions are accounted for in a capital projects fund. The District has capital projects funds to separately account for various locally funded capital projects occurring throughout the District.

- **Special Revenue Funds –** The District accounts for resources restricted to, or designated for, specific purposes by the District or a grantor in a special revenue fund. Most Federal and some State financial assistance is accounted for in a special revenue fund and sometimes unused balances must be returned to the grantor at the close of specified project periods.

- **Enterprise Fund –** The Enterprise Fund, a proprietary fund type, accounts for activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities. The District's non-major Enterprise Fund is comprised to account for the concession stand that serves the general public at school sponsored events.

- **Internal Service Fund –** The Internal Service Fund, a proprietary fund type, accounts for revenues and expenses related to services provided to organizations inside the District on a cost reimbursement basis. The District's Internal Service Fund is comprised of the fund for health care self-insurance.

- **Fiduciary Funds –** The District accounts for resources held for others in a custodial capacity. This fund uses the economic resources measurement focus and accrual basis. The District's Fiduciary Fund is comprised of the student activity fund.

  Proprietary funds distinguish operating revenues and expenses from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service fund are charges to the funds and/or employees for self-funded health services. Operating expenses for the internal service fund are charges to the fund include the cost of services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

## B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 4. Other Accounting Policies

For purposes of the statement of cash flows for proprietary funds, the District considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

### 5. Budgetary Data

The following procedures are utilized in establishing the budgetary data reflected in the basic financial statements:

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

The legal level of budgetary control is at the major functional expenditure level by fund type. Each budget is controlled by the budget coordinator. Annual budgets are adopted for the General Fund, Food Service Fund, and Debt Service on a basis consistent with generally accepted accounting principles. Budgets for the Special Revenue funds as well as the Capital Projects funds are adopted on a project basis rather than on an annual basis. Appropriations in these funds remain open as carryover to succeeding years until related expenditures are made or until they are modified or cancelled. All budget appropriations lapse at year end.

Once a budget is approved, it may be amended by management without Board approval within a major functional expenditure category and can be amended at the function and fund level only by approval of a majority of the members of the Board. Amendments at the function and fund level are presented to the Board at its regular meetings. As dictated by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end. The budget amounts included in this report reflect various amendments made by management or adopted by the Board throughout the year through the final amended budget. The General and Debt Service Fund Budgets are prepared on the modified accrual basis and the Food Service Fund budget is prepared on the accrual basis of accounting.

Expenditures may not legally exceed budgeted appropriations at the function level within an individual fund for General Funds, Debt Service Funds, and the Capital Projects Fund, except when a budget amendment is approved by the Board. For Special Revenue Funds, a budget amendment is required by the TEA when cumulative transfers among direct cost categories exceed or are expected to exceed twenty-five percent of the total current approved budget. The District may transfer resources among categories without submitting an amendment as long as the total amount of resources transferred is twenty-five percent or less of the total current approved budget. The total expenditures per funding source per fiscal year cannot exceed the total amount approved. The budget was amended during the year for certain supplementary appropriations as discussed in Management's Discussion and Analysis.

## B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 6. Deficit Fund Equity

Any deficits in fund equity will be supported with entity-wide funding through transfers.

### 7. Encumbrance Accounting

Encumbrances for goods or purchased services are documented by purchase orders or contracts. An encumbrance represents a commitment of Board appropriation related to unperformed contracts for goods or services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period, only a commitment to expend resources. Appropriations lapse at June 30 and encumbrances outstanding at that time are either canceled or appropriately provided for in the subsequent year's budget.

### 8. Inventories

The District reports inventories of supplies at weighted average cost. Supplies are recorded as expenditures when they are consumed. Inventories of food commodities are recorded at market values supplied by the Texas Department of Human Services. Although commodities are received at no cost, their fair market value is supplied by the Texas Department of Human Services and recorded as inventory and unearned revenue when received. When requisitioned, inventory and unearned revenue are relieved, expenditures are charged, and revenue is recognized for an equal amount.

### 9. Inter-fund Receivable and Payable Balances

During the course of normal operations, the District has numerous transactions between funds. The most significant are short-term inter-fund loans, due to the fact that checking account balances for most governmental funds are pooled into one demand account.

### 10. Net Position

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

### 11. Data Control Codes

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

In accordance with the Resource Guide, the District has adopted and installed an accounting system which meets at least the minimum requirements prescribed by the Texas State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure presented in the Resource Guide. Mandatory codes are recorded in the order provided in the Resource Guide.

## B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 12. Foundation School Program Revenue

The State of Texas provides funding to Districts through the Foundation School Program based on instructional days, average daily attendance by fiscal year, and other factors.

### 13. Eliminations

Eliminating entries have not been made in the basic financial statements for transactions between or within fund types.

### 14. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Accretion is an adjustment of the difference between the price of a bond issued at an original discount and the par value of the bond. For the governmental activities debt, the accreted value is recognized as it accrues by fiscal year.

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

### 15. 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, represents a consumption of a government's net position (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

- Deferred outflows of resources for refunding – Reported in the government-wide financial statement of net position, this 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.

- Deferred outflows of resources for pension – Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results 1) changes in actuarial assumptions; 2) differences between expected and actual actuarial experiences and 3) changes in the District's proportional share of pension liabilities. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The remaining pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.

## B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 15. Deferred Outflows / Inflows of Resources (continued)

- Deferred outflows of resources for post-employment benefits – Reported in the government wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of 1) differences between projected and actual earnings on pension plan investments and 2) changes in the District's proportional share of pension liabilities. The deferred outflows of resources related to post-employment benefits resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net post-employment benefit liability in the next fiscal year. The deferred outflows resulting from differences between projected and actual earnings on OPEB plan investments will be amortized over a closed five-year period. The remaining deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with post-employment benefits through the post-employment benefit plan.

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, represents an acquisition of net position (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District has three items that qualify for reporting in this category:

- Deferred inflows of resources for unavailable revenues – Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow or resources in the period that the amounts become available.

- Deferred inflows of resources for pension – reported in the government-wide financial statement of net position, these deferred inflows result primarily from 1) differences between projected and actual earnings on pension plan investments; 2) changes in actuarial assumptions; 3) differences between expected and actual actuarial experiences and 4) changes in the District's proportional share of pension liabilities. The deferred inflows resulting from differences between projected and actual earnings on pension plan investments will be amortized over a closed five- year period. The remaining pension related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan.

- Deferred inflows of resources for post-employment benefits – Reported in the government wide financial statement of net position, these deferred inflows result primarily from 1) changes in actuarial assumptions and 2) differences between expected and actual actuarial experiences. These post-employment related deferred inflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with post-employment benefits through the post-employment benefit plan.

## B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 16. Pensions

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

### 17. Other Post-Employment Benefits

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

### 18. Accumulated Unpaid Compensatory Leave

It is the District's policy to permit some employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the district. All vacation pay is accrued when incurred in the government-wide financial statements.

### 19. Internal Service Fund Consolidation

Since Internal Service Funds support the operations of governmental funds, they are consolidated with the governmental funds in the government-wide financial statements. The expenditures of governmental funds that create the revenues of internal service funds are eliminated to avoid "grossing up" the revenues and expenses of the District as a whole.

### 20. Capital Assets

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

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and materially complete. Buildings, furniture and equipment of the District are depreciated using the straight line method over the following estimated useful lives:

## B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 20. Capital Assets (continued)

| Assets | Years |
|---|---|
| Buildings | 40 |
| Building Improvements | 40 |
| Vehicles | 5-10 |
| Office Equipment | 5 |
| Computer Equipment | 3-5 |

### 21. Unearned Revenues

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

**Right of Use Assets and Liabilities**

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

**Subscription-Based Information Technology Arrangements (SBITA)**

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

### 22. Health Care Self-Insurance

The District sponsors a modified self-insurance plan to provide health care benefits to employees and their dependents which are accounted for in the Internal Service Fund, which is a proprietary fund. The District contributes 100% for employee coverage; employee-paid contributions are required for dependent coverage. Claims incurred but not reported (IBNR) are accrued if it is probable that a claim will be asserted and the loss can reasonably be estimated. The accrued liabilities for IBNR in the self-insurance fund are based on estimates provided by a third-party administrator.

### 23. Estimates

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

## B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

### 24. Implementation of New Accounting Standards

The following GASB pronouncements have been implemented by the District in the current fiscal year:

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

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

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

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

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

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

### 25. Accounting System

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

## C. DEPOSITS AND INVESTMENTS

District Policies and Legal and Contractual Provisions Governing Deposits and Investments

*Custodial Credit Risk for Deposits* State law requires governmental entities to contract with financial institutions in which funds will be deposited to secure those deposits with insurance or pledged securities with a fair value equaling or exceeding the amount on deposit at the end of each business day. The pledged securities must be in the name of the governmental entity and held by the entity or its agent. Since the District complies with this law, it has no custodial credit risk for deposits. The District's cash deposits at June 30, 2024 of $4,778,086 and also throughout the year ended June 30, 2024 were covered by the FDIC insurance and by pledged collateral held by the District's agent in the District's name.

## C. DEPOSITS AND INVESTMENTS (Continued)

*Foreign Currency Risk* The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit by not participating in foreign currency transactions.

The **Texas Public Funds Investment Act** (Government Code Chapter) contains specific provisions in the areas of investment practices, management reports, and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas, (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) mutual funds, (8) investment pools, (9) guaranteed investment contracts, and (10) common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

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

| Investment Type | | Amortized Cost | Maturity (Days) |
|---|---|---|---|
| Lone Star Investment Pool | $ | 28,610,465 | 42 |
| TexPool | | 86,422,633 | 36 |
| Total Fair Value | $ | 115,033,098 | |

Due to the immediate availability of the funds, the District's temporary investments at June 30, 2024 are included in cash and cash equivalents. Local government investment pools are recorded at amortized cost which approximates fair value. TexPool and Lone Star Investment Pool do not impose any liquidity fees or redemption gates.

### Lone Star Investment Pool

The Lone Star Investment Pool (Lone Star) is a public funds investment pool created pursuant to the Interlocal Cooperation Act, Texas Government Code, Chapter 791, and the Public Fund Investment Act, Texas Government Code, Chapter 2256. Lone Star is administered by First Public, a subsidiary of the Texas Association of School Boards (TASB), 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 pool members and non-members. Lone Star is rated AAAm by Standard and Poor's. Lone Star has no limitations or restrictions on withdrawals. The District is invested in the Corporate overnight Plus Fund of Lone Star. Lone Star has 3 different funds: Government Overnight, Corporate Overnight and Corporate Overnight Plus. Government and Corporate Overnight maintain a net asset value of one dollar and the Corporate Overnight Plus maintains a net Asset value of 50 cents. The Government Overnight and Corporate Overnight Funds value all investments at amortized cost and are operated in accordance with GASB 79. The Corporate Overnight Plus Fund values all investments at fair value and is operated in accordance with GASB 72.

## C. DEPOSITS AND INVESTMENTS (Continued)

### Texas Local Government Investment Pool

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

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

*Credit Risk* To limit the risk that an issuer or other counterparty to an investment will not fulfill its obligations, the District limits investments in obligations of, or guaranteed by, governmental entities, public funds investment pools rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent and certificates of deposit and share certificates.

*Custodial Credit Risk for Investments* To limit the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in possession of an outside party, the District requires counterparties to register the securities in the name of the District and hand them over to the District or its designated agent. This includes securities in securities lending transactions. All of the securities are in the District's name and are held by the District or its agent.

*Concentration of Credit Risk/Interest Rate Risk* The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce the risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity or specific issuer.

*Foreign Currency Risk for Investments* The District limits the risk that changes in exchange rates will adversely affect the fair value of an investment by not investing in foreign currencies.

*Interest Rate Risk* Investments shall be made in a manner that ensures the preservation of capital in the overall portfolio and offsets during a 12-month period any market price losses resulting from interest-rate fluctuations by income received from the balance of the portfolio. No individual investment transaction shall be undertaken that jeopardizes the total capital position of the overall portfolio.

## C. DEPOSITS AND INVESTMENTS (Continued)

Information regarding the District's investment pools may be obtained by contacting the following:

| | | |
|---|---|---|
| Lone Star: | Internet: | www.firstpublic.com |
| | Telephone: | 1-800-558-8875 |
| | Address: | First Public<br>12007 Research Boulevard<br>Austin, Texas 78759 |
| TexPool: | Internet: | www.texpool.com |
| | Telephone: | 1-866-839-7665 |
| | Address: | TexPool Participant Services<br>c/o Federated Investors, Inc.<br>1001 Texas Avenue, Suite 1150<br>Houston, Texas 77002 |

*Fair Value Measurements* The District categorizes its fair value investments with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below. The District's local government investment pools are recorded at amortized costs as permitted by GASB Statement No. 79, *Certain Investment Pools and Pool Participants*.

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

The Districts investments in the various local government investment pools is not required to be measured at fair value but is measured at amortized cost.

## D. PROPERTY TAXES

Property taxes are levied by October 1st on the assessed value listed as of the prior January 1st for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1st of the year following the year in which imposed. On January 31st of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the District's fiscal year. The assessed value of the property tax roll (net of exemptions) on January 1, 2023, upon which the levy for the June 30, 2024, period was based was $9,435,491,061.

## D. PROPERTY TAXES (continued)

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the General and Debt Service Funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of June 30, 2024, property taxes receivable, net of estimated uncollectible taxes of $204,970, totaled $1,844,912.

The tax rate to finance general governmental services was $0.6792 per $100 for the year ended June 30, 2024, and a tax rate of $0.20 per $100 was assessed to finance the payment of principal and interest on long-term obligations.

## E. INTER-FUND RECEIVABLES AND PAYABLES

The District has numerous transactions between funds which involve receipts and disbursements by one fund for amounts for another fund. Those transactions which require one fund to reimburse another are classified in the balance sheets of the various funds as "due to/from other funds," as appropriate. Transactions that would be treated as revenues, expenditures, or expenses if they involved organizations external to the District, are accounted for as revenues, expenditures or expenses of the funds involved.

The inter-fund balances between funds result mainly from federal and state grants that operate on a reimbursement basis. Inter-fund balances occur when one fund pays or receives resources for another fund. The inter-fund balances between the General Fund and the Non-Major Funds are specifically due to accounts payable invoices that were dated and merchandise/supplies received before June 30, 2024.

Inter-fund balances at June 30, 2024, consisted of the following amounts:

| **General Fund:** | **Due From Other Funds** | **Due to Other Funds** |
|---|---|---|
| General Fund | $ 82,474 | $ 82,474 |
| Special Revenue Funds | 784,770 | 510,795 |
| Capital Projects Funds | 44,299 | - |
| Total General Fund | 911,543 | 593,269 |
| **Capital Projects Fund:** | | |
| General Fund | - | 44,299 |
| Total Capital Projects Fund | - | 44,299 |
| **Special Revenue Funds:** | | |
| General Fund | - | 784,770 |
| Special Revenue Funds | 510,795 | - |
| Total Special Revenue Funds | 510,795 | 784,770 |
| **TOTAL** | $ 1,422,338 | $ 1,422,338 |

## E. INTER-FUND RECEIVABLES AND PAYABLES (Continued)

Inter-fund transfers during fiscal year ended June 30, 2024 consisted of the following amounts:

| | Transfers Out | Transfers In |
|---|---|---|
| **General Fund:** | | |
| Special Revenue Funds | $ - | $ - |
| General Fund | 2,810,789 | 2,598,532 |
| **Capital Projects Fund:** | | |
| General Fund | - | - |
| Debt Service Fund | - | 57,635,000 |
| **Debt Service Fund:** | | |
| Capital Projects Fund | 59,000,000 | - |
| **Special Revenue Funds:** | | |
| General Fund | - | 1,577,257 |
| **Internal Service Fund:** | | |
| General Fund | - | - |
| **TOTAL** | $ 61,810,789 | $ 61,810,789 |

## F. CAPITAL ASSET ACTIVITY

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

| | Primary Government | | | | |
|---|---|---|---|---|---|
| Governmental Activities: | Beginning Balance | Additions | Retirements | Transfers | Ending Balance |
| Land | $ 1,747,474 | - | - | - | 1,747,474 |
| Buildings and Improvements | 127,558,650 | 266,397 | - | 1,881,252 | 129,706,299 |
| Furniture and Equipment | 24,132,795 | 2,558,790 | - | - | 26,691,585 |
| Construction in Progress | 149,076 | 7,753,091 | - | (1,881,252) | 6,020,915 |
| Totals at Historic Cost | $ 153,587,995 | 10,578,278 | - | - | 164,166,273 |
| Less Accumulated Depreciation for: | | | | | |
| Buildings and Improvements | $ (52,190,188) | (3,665,502) | - | - | (55,855,690) |
| Furniture and Equipment | (15,528,579) | (2,000,419) | - | - | (17,528,998) |
| Total Accumulated Depreciation | $ (67,718,767) | (5,665,912) | - | - | (73,384,688) |
| Governmental Activities Capital Assets, Net | $ 85,869,228 | 4,912,357 | - | - | 90,781,585 |

Depreciation expense was charged to governmental functions as follows:

| | |
|---|---|
| Instruction | $ 3,477,671 |
| School Leadership | 333,550 |
| Guidance, Counseling and Evaluation Services | 333,550 |
| Student (Pupil) Transportation | 481,147 |
| Food Services | 339,212 |
| Co-curricular/Extracurricular Activities | 521,621 |
| General Administration | 179,170 |
| Total Depreciation Expense | $ 5,665,921 |

## G. BONDS PAYABLE AND OTHER LONG-TERM LIABILITIES

Long-term activity for the year ended June 30, 2024 was as follows:

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| **Governmental Activities:** | | | | | |
| General Obligation Bonds | $ 30,625,000 | 57,085,000 | (21,710,000) | $ 66,000,000 | $ 18,855,000 |
| Accreted interest on capital appreciation bonds | - | - | - | - | - |
| Deferred amounts for issuance premiums/discounts | 1,285,136 | 2,570,856 | (189,512) | 3,666,480 | - |
| Other Liabilities: | | | | | |
| Compensated Absences | 655,577 | 429,039 | (395,803) | 688,813 | 688,813 |
| Total Governmental Activities Long-Term Liabilities | $ 32,565,713 | $ 60,084,895 | $ (22,295,315) | $ 70,355,293 | $ 19,543,813 |
| **Business-type Activities:** | | | | | |
| Total Business-type Activities Long-term Liabilities | - | - | - | - | - |

The bonded debt payable is supported by a pledge of the District's full faith and credit. The bond indentures require a levy and collection of taxes without limitation as to rate or amount on all property subject to taxation by the District sufficient in amount to pay the principal and interest on such bonds as they become due. The indentures also require that a debt service fund be created and administered by the District solely for the purpose of paying principal and interest when due. Bonded indebtedness of the District is reflected in the General Long-Term Debt Account Group.

## G. BONDS PAYABLE AND OTHER LONG-TERM LIABILITIES (Continued)

A summary of changes in general long-term debt for the year ended June 30, 2024 is as follows:

| | Interest Rate Payable | Amount Original Issue | Outstanding 07/01/23 | Issued / Accretion | Retired / Refunded | Outstanding 06/30/23 | Maturity Date |
|---|---|---|---|---|---|---|---|
| Unlimited Tax School Building Bonds – Series 2018 | 3.0% to 4.0% | 7,040,000 | 6,710,000 | - | (340,000) | 6,370,000 | 2/15/38 |
| Unlimited Tax School Building Bonds – Series 2019A | 3.0% to 5.0% | 6,020,000 | 4,490,000 | - | (220,000) | 4,270,000 | 2/15/38 |
| Unlimited Tax School Building Bonds – Series 2020 | 1.0% to 3.0% | 5,835,000 | 5,265,000 | - | (300,000) | 4,965,000 | 2/15/38 |
| Unlimited Tax School Building Bonds – Series 2021 | 1.05% to 3.25% | 2,000,000 | 1,010,000 | - | (335,000) | 675,000 | 2/15/26 |
| Unlimited Tax School Building Bonds – Series 2021A | 0.73% to 2.25% | 5,000,000 | 3,755,000 | - | (1,235,000) | 2,520,000 | 2/15/26 |
| Unlimited Tax School Building Bonds – Series 2021B | 1.15% to 2.50% | 2,500,000 | 1,895,000 | - | (620,000) | 1,275,000 | 2/15/26 |
| Unlimited Tax School Building Bonds – Series 2022 | 2.75% to 4.50% | 7,500,000 | 7,500,000 | - | (6,255,000) | 1,245,000 | 2/15/25 |
| Unlimited Tax School Building Bonds – Series 2023 | 4.00% to 5.00% | 30,315,000 | - | 30,315,000 | (12,405,000) | 17,910,000 | 2/15/43 |
| Unlimited Tax School Building Bonds – Series 2024 | 4.00% to 5.00% | 26,770,000 | - | 26,770,000 | - | 26,770,000 | 2/15/43 |
| Total Bonded Debt Payable | | $ 92,980,000 | $ 30,625,000 | $ 57,085,000 | $ (21,710,000) | $ 66,000,000 | |

*Authorized Debt Status*

Voters have authorized the issuance of additional bonds for construction and improvements. The following authorizations are effective at year end:

| Date of Authorization | Amount Authorized | Amount Issued | Remaining Unissued |
|---|---|---|---|
| May 12, 2018 | $50,000,000 | $35,000,000 | $15,000,000 |
| May 6, 2023 | 156,730,000 | 59,000,0000 | 97,730,000 |
| | $206,730,000 | $94,000,000 | $112,730,000 |

## G. BONDS PAYABLE AND OTHER LONG-TERM LIABILITIES (Continued)

There are a number of limitations and restrictions contained in the general obligation bond indenture. Management has indicated that the District is in compliance with all significant limitations and restrictions at June 30, 2024. Annual debt service requirements to maturity for general obligation bonds are as follows:

| **Governmental Activities:** | General Obligations | | |
|---|---|---|---|
| Year Ended June 30, | Principal | Interest | Total Requirements |
| 2025 | 18,855,000 | 2,386,887 | 21,241,887 |
| 2026 | 5,925,000 | 1,899,045 | 7,824,045 |
| 2027 | 3,775,000 | 1,703,412 | 5,478,412 |
| 2028 | 2,805,000 | 1,524,962 | 4,329,962 |
| 2029 | 2,935,000 | 1,395,463 | 4,330,463 |
| 2030-2034 | 13,640,000 | 5,070,048 | 18,710,048 |
| 2035-2039 | 10,765,000 | 2,727,260 | 13,492,260 |
| 2040-2043 | 7,300,000 | 744,600 | 8,044,600 |
| | $ 66,000,000 | $ 17,451,677 | $ 83,451,677 |

During the year ended June 30, 2024, the District issued $30,315,000 in Unlimited Tax School Building Bonds – Series 2023 and $26,770,000 in Unlimited Tax School Building Bonds – Series 2024. The net proceeds were used to fund District construction, improvements, renovations, equip school buildings and upgrade classroom technology.

*Arbitrage Payable*

In accordance with the provisions of Section 148(f) of the Internal Revenue Code of 1986, as amended, bonds must satisfy certain arbitrage rebate requirements. Positive arbitrage is the excess of (1) the amount earned on investments purchased with bond proceeds over (2) the amount that such investments would have earned if such investments had been invested at a rate equal to the yield on the bonds issue. In order to comply with the arbitrage rebate requirements, positive arbitrage must be paid to the U.S. Treasury at the end of each five year anniversary date of the bond issue. The District had no arbitrage liability as of June 30, 2024.

## H. ACCUMULATED UNPAID VACATION AND SICK LEAVE BENEFITS

Upon retirement or death of certain employees, the District pays any accrued sick leave and vacation leave in a lump cash payment to such employee or his/her estate. Individuals employed after October 1, 1985 are not eligible to receive the lump sum payments. A summary of changes in the accumulated sick leave and vacation leave liability follows:

| | Sick Leave | Vacation Leave |
|---|---|---|
| Balance, July 1, 2023 | $591,226 | $64,351 |
| Additions - New Entrants and Salary Increments | 335,262 | 93,777 |
| Deductions – Payments to Participants | (290,112) | (105,691) |
| Balance, June 30, 2024 | $636,376 | $52,437 |

## I. DEFINED BENEFIT PENSION PLAN

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

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

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

The information provided in the Notes to the Financial Statements in the 2023 and 2022 Annual Financial Report for TRS provides the following information regarding the Pension Plan fiduciary net position as of August 31, 2022 and 2021:

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

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

Texas Government Code section 821.006 prohibits benefit improvements, if, because 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.

**I. DEFINED BENEFIT PENSION PLAN (Continued)**

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

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

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

Contribution Rates

| | 2023 | 2024 |
|---|---|---|
| Member | 8.00% | 8.25% |
| Non-Employer Contributing Entity (State) | 8.00% | 8.25% |
| Employers | 8.00% | 8.25% |

| | |
|---|---|
| Current fiscal year employer contributions | $ 1,240,466 |
| Current fiscal year member contributions | $ 2,632,156 |
| 2023 measurement year NECE on-behalf contributions | $ 1,881,954 |

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

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

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

**I. DEFINED BENEFIT PENSION PLAN (Continued)**

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

- All public schools, charter schools, and regional educational service centers must contribute 1.7% of the member's salary beginning in fiscal year 2022, gradually increasing to 2% in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

***Actuarial Assumptions.*** Roll forward – The actuarial valuation was performed as of August 31, 2022. Update procedures were used to roll forward the total pension liability to August 31, 2023.

The total pension liability is determined by an annual actuarial valuation. The actuarial methods and assumptions were selected by the Board of Trustees based upon analysis and recommendations by the System's actuary. The Board of Trustees has the sole authority to determine the actuarial assumptions used for the Plan. The actuarial methods and assumptions were primarily based on a study of actual experience for the four year period ending August 31, 2021 and were adopted in July 2022.

The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioner Mortality Tables with full generational projection using the ultimate improvement rates from the most recently published projection scale U-MP. The active mortality rates were based on the published PUB(2010) Mortality Tables for Teachers, below median, also with full generational mortality.

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

| | |
|---|---|
| Valuation Date | August 31, 2022 rolled forward to August 31, 2023 |
| Actuarial Cost Method | Individual Entry Age Normal |
| Asset Valuation Method | Fair Value |
| Single Discount Rate | 7.00% |
| Long-term Expected Rate | 7.00% |
| Municipal Bond Rate | 4.13% The source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds are reported in Fidelity Index'x "20-Year Municipal GO AA Indez" |
| Last year ending August 31 in projection period | 2122 |
| Inflation | 2.30% |
| Salary Increases | 2.95% to 8.95% including inflation |
| Ad hoc post-employment benefit changes | None |

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

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

## I. DEFINED BENEFIT PENSION PLAN (Continued)

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

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

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2023 are summarized below:

| Asset Class | Target Allocation (b) | Long-Term Expected Arithmetic Real Rate of Return (c) | Expected Contribution to Long-Term Portfolio Returns |
|---|---|---|---|
| **Global Equity** | | | |
| USA | 18.0% | 4.0% | 1.00% |
| Non-U.S. Developed | 13.0% | 4.5% | 0.90% |
| Emerging Markets | 9.0% | 4.8% | 0.75% |
| Private Equity | 14.0% | 7.0% | 1.50% |
| **Stable Value** | | | |
| Government Bonds | 16.0% | 2.5% | 0.50% |
| Absolute Return (a) | 0.0% | 3.6% | 0.0% |
| Stable Value Hedge Funds | 5.0% | 4.1% | 0.20% |
| **Real Return** | | | |
| Real Estate | 15.0% | 4.9% | 1.10% |
| Energy, Natural Resources, and Infrastructure | 6.0% | 4.8% | 0.40% |
| Commodities | 0.0% | 4.4% | 0.0% |
| **Risk Parity** | | | |
| Risk Parity | 8.0% | 4.5% | 0.40% |
| **Leverage** | | | |
| Cash | 2.0% | 3.7% | 0.00% |
| Asset Allocation Leverage | -6.0% | 4.4% | -0.10% |
| Inflation Expectation | - | | 2.30% |
| Volatility Drag (d) | - | | -0.90% |
| **Total** | **100.0%** | | **8.00%** |

(a) Absolute Return includes Credit Sensitive Investments
(b) Target Allocations are based on the FY 2023 policy model
(c) Capital Market Assumptions come from Aon Hewitt (as of 6/30/2023)
(d) The volatility drag results from the conversion between arithmetic and geometric mean returns

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

***Discount Rate Sensitivity Analysis.*** The following table presents the Net Pension Liability of the plan using discount rate of 7.00%, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point 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%) |
|---|---|---|---|
| Proportionate share of the net pension liability: | $23,218,186 | $15,529,984 | $9,137,240 |

## I. DEFINED BENEFIT PENSION PLAN (Continued)

***Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.*** At June 30, 2024, the District reported a liability of $15,529,984 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

| | |
|---|---|
| District's Proportionate share of the collective net pension liability | $15,529,984 |
| State's Proportionate share that is associated with the District | $25,149,038 |
| Total | $40,679,022 |

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

At August 31, 2022 the employer's proportion of the collective net pension liability was 0.0226086834%, which was an increase (decrease) of 0.0013691769% from its proportion measured as of August 31, 2022.

For the year ended June 30, 2023, the District recognized pension expense of $6,301,263 and revenue of $3,797,287 for support provided by the State.

***Changes since the Prior Actuarial Valuation.*** The actuarial assumptions and methods are the same as used in the determination of the prior year's Net Pension Liability.

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

***Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.*** At June 30, 2024, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | | Deferred Outflows of Resources | | Deferred Inflows of Resources |
|---|---|---|---|---|
| Differences between expected and actual economic experiences | $ | 553,339 | | $188,051 |
| Changes in actuarial assumptions | | 1,468,832 | | 359,457 |
| Differences between projected and actual investment earnings | | 2,259,989 | | - |
| Changes in proportion and differences between the employer's contributions and the proportionate share of contributions | | 485,464 | | 519,967 |
| Total as of August 31, 2022 measurement date | $ | 4,767,624 | | 1,067,475 |
| Contributions paid to TRS subsequent to the measurement date | | 1,046,933 | | - |
| Total as of fiscal year-end | $ | 5,814,557 | | 1,067,475 |

## I. DEFINED BENEFIT PENSION PLAN (Continued)

***Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued).***

Deferred outflows of resources resulting from District contributions subsequent to the measurement date in the amount of $1,046,933 will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. The net amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

| Fiscal year ended June 30, | | Pension Expense Amount |
|---|---|---|
| 2025 | $ | 827,716 |
| 2026 | | 510,627 |
| 2027 | | 1,880,741 |
| 2028 | | 497,481 |
| 2029 | | (16,415) |
| Thereafter | | (2) |
| | $ | 3,700,149 |

For the year ended June 30, 2024, the District received approximately $178,437 in Medicare Part D on-behalf payments. The General and Special Revenue Funds are used to liquidate pension liabilities.

| Long-Term Liability Disclosure | Beginning Balance | Additions | Retirements | Ending Balance |
|---|---|---|---|---|
| Net Pension Liability | $14,235,039 | $1,294,945 | - | $15,529,984 |

## J. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

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

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

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

**J. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)**

Components of the net OPEB liability of the TRS-Care plan as of August 31, 2023 and 2022 are as follows:

| Net OPEB Liability | 2023 | 2022 |
|---|---|---|
| Total OPEB Liability | $ 26,028,070,267 | $ 27,061,942,520 |
| Less: Plan Fiduciary Net Position | (3,889,765,203) | (3,117,937,218) |
| Net OPEB Liability | $ 22,138,305,064 | $ 23,944,005,302 |
| Net Position as Percentage of Total OPEB Liability | 14.94% | 11.52% |

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

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

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

| TRS-Care Monthly Premium Rates | | |
|---|---|---|
| | **Medicare** | **Non-Medicare** |
| Retiree or Surviving Spouse | $135 | $200 |
| Retiree & Spouse | 529 | 689 |
| Retiree or Surviving Spouse & Children | 468 | 408 |
| Retiree & Family | 1,020 | 999 |

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

**J. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)**

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

| Contribution Rates | | |
|---|---|---|
| | 2023 | 2024 |
| Active Employee | 0.65% | 0.65% |
| Non-Employer Contributing Entity (State) | 1.25% | 1.25% |
| Employers | 0.75% | 0.75% |
| Federal/private Funding remitted by Employers | 1.25% | 1.25% |

| | |
|---|---|
| Current fiscal year employer contributions | $ 276,505 |
| Current fiscal year member contributions | $ 208,672 |
| 2022 measurement year NECE on-behalf contributions | $ 335,668 |

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 to TRS Care, a monthly surcharge of $535 per retiree.

A Supplemental appropriation was received in 2023 for $21.3 million provided by Rider 14 of the Senate Bill GAA of the 87th legislature. These amounts were re-appropriated from amounts received by the pension and TRS-Care fund in excess of the state's actual obligation and then transferred to TRS-Care.

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

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. All the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation and salary increases, used in the OPEB valuation were identical to those used in the respective TRS pension valuation. 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, 2022 TRS pension actuarial valuation that was rolled forward to August 31, 2023:

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

**J. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)**

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

***Additional Actuarial Methods and Assumptions:***

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

***Discount Rate***. A single discount rate of 4.13% was used to measure the total OPEB liability. There was a increase of 0.22% in the discount rate since the previous year. Because the plan is essentially a "pay-as-you-go" plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to *not be able to* make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

***Discount Rate Sensitivity Analysis.***

**Discount Rate -** 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 (4.13%) in measuring the Net OPEB Liability.

| Discount Rate | | | |
|---|---|---|---|
| | 1% Decrease in Discount Rate (3.13%) | Current Rate (4.13%) | 1% Increase in Discount Rate (5.13%) |
| District's proportionate share of the net OPEB liability: | $8,344,444 | $7,084,821 | $6,056,939 |

**Healthcare Cost Trend Rate -** The following schedule presents the District's proportional share of the net OPEB liability of the plan using net OPEB liability would be if it were calculated using a trend rate that is one-percentage point lower or one-percentage point higher than the assumed healthcare trend rate:

| Healthcare Cost Trend | | | |
|---|---|---|---|
| | 1% Decrease in Discount Rate | Current Rate | 1% Increase in Discount Rate |
| District's proportionate share of the net OPEB liability: | $5,833,996 | $7,084,821 | $8,694,012 |

**J. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)**

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.*** At June 30, 2024, the District reported a liability of $7,084,821 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

| | |
|---|---|
| District's Proportionate share of the collective net OPEB liability | $ 7,084,821 |
| State's Proportionate share that is associated with the District | 8,548,926 |
| Total | $15,633,747 |

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

At August 31, 2023, the employer's proportion of the collective net OPEB liability was 0.0320025455%, which was an increase (decrease) of (0.0015003550%) from its proportion measured at August 31, 2022.

For the year ended June 30, 2024, the District recognized OPEB expense of ($3,157,112) and revenue of ($1,827,580) for support provided by the State.

All future statutorily required contributions will be made from the General Fund.

***Changes since the Prior Actuarial Valuation.*** The following were changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period:

- The discount rate changed from 3.91% as of August 31, 2022 to 4.13% as of August 31, 2023. This change decreased the Total OPEB Liability.
- There were no changes in benefit terms since the prior measurement date.

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

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Differences between expected and actual economic experiences | $320,534 | $5,960,535 |
| Changes in actuarial assumptions | 967,026 | 4,338,224 |
| Differences between projected and actual investment earnings | 3,061 | - |
| Changes in proportion and differences between the employer's contributions and the proportionate share of contributions | 1,129,608 | 788,192 |
| Total as of August 31, 2023 measurement date | $2,420,229 | $11,086,951 |
| Contributions paid to TRS subsequent to the measurement date | 251,546 | - |
| Total as of fiscal year-end | $2,671,775 | $11,086,951 |

## J. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS (Continued)

The $251,546 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2025. The net amounts of the District's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| Fiscal year ended June 30 | | OPEB Expense Amount |
|---|---|---|
| 2025 | $ | (1,872,438) |
| 2026 | $ | (1,547,492) |
| 2027 | $ | (1,107,565) |
| 2028 | $ | (1,229,629) |
| 2029 | $ | (1,074,790) |
| Thereafter | $ | (1,834,808) |

| Long-Term Liability Disclosure | Beginning Balance | Additions | Retirements | Ending Balance |
|---|---|---|---|---|
| Net OPEB Liability | $8,021,936 | - | $937,115 | $7,084,821 |

## K. HEALTH CARE COVERAGE

The District sponsors a modified self-funded insurance plan to provide health care benefits to staff members and their dependents. Transactions related to the plan are accounted for in the Health Insurance Fund (the "Fund"), an internal service fund of the District. The District contributes 100% for employee coverage; employee-paid contributions are required for dependent coverage. The District obtained excess loss insurance which limited annual claims paid from the Fund for the year ended June 30, 2024 to $130,000 for any individual participant and an aggregate limit equal to $6,519,076. Estimates of claims payable and of claims incurred, but not reported at June 30, 2024, are reflected as accounts and claims payable of the Fund. The plan is funded to discharge liabilities of the Fund as they become due.

Changes in the balances of claims liabilities during the past year are as follows:

| | | Year Ended June 30, 2024 |
|---|---|---|
| Unpaid claims, beginning of the fiscal year | $ | 495,212 |
| Incurred claims (including IBNR's) | | 5,048,135 |
| Claim payments | | (5,161,235) |
| Unpaid claims, end of fiscal year | $ | 382,112 |

## L. UNEARNED OR UNAVAILABLE REVENUE

Unearned or unavailable revenue at June 30, 2024 consisted of the following:

| | General Fund | Special Revenue Fund | Debt Service Fund | Total |
|---|---|---|---|---|
| Net Tax Revenue | $ 1,561,959 | $ - | $ 282,771 | $ 1,844,730 |
| Food Service Receipts | - | 55,146 | - | 55,146 |
| Technology Deposits | 114,353 | - | - | 114,353 |
| Total Unearned or Unavailable Revenue | $ 1,676,312 | $ 55,146 | $ 282,771 | $ 2,014,229 |

## M. DUE FROM STATE AGENCIES

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of June 30, 2024, are summarized below. All federal grants shown below are passed through the TEA and are reported on the combined financial statements as Due From/Receivables from Other Governments.

| | State Entitlements | Federal Grants | Other Governments | Total |
|---|---|---|---|---|
| General | $ - | $ - | $ 393,557 | $ 393,557 |
| Debt Service Fund | - | - | 331,994 | 331,994 |
| Special Revenue | 70,715 | 367,667 | - | 438,382 |
| Total | $ 70,715 | $ 367,667 | $ 725,551 | $ 1,163,933 |

## N. RISK MANAGEMENT

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

## O. FUND BALANCE

The District has adopted GASB Statement No. 54, which redefined how fund balances of the governmental funds are presented in the financial statements. Fund balances are classified as follows:

- *Non-spendable*: Portion of the Fund Balance that is legally or contractually required to be maintained in tact (and is generally not expected to be converted to cash).
- *Restricted*: Amounts that can be spent only for specific purposes because of restrictions by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- *Committed*: Amounts that can be used only for specific purposes determined by formal action by the Board of Trustees, the highest level of decision-making authority.
- *Assigned*: Represents amounts the District intends to use for a specific purpose. Intent can be expressed by the District or by an official or body to which the Board of Trustees delegates the authority.
- *Unassigned*: Amounts not included in other spendable classifications.

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

When the District incurs an expense for which it may use either restricted or unrestricted resources, it uses the restricted resources first unless unrestricted resources will have to be returned because they were not used. Since Internal Service Funds support the operations of governmental funds, they are consolidated with the governmental funds in the government- wide financial statements. The expenditures of governmental funds that create the revenues of internal service funds are eliminated to avoid “grossing up” the revenues and expenses of the District as a whole.

The District sponsors self-insured plans to provide workers’ compensation benefits to employees and a Medical Trust Fund to provide health care benefits to employees and dependents. Revenues of these Internal Service Funds are received from both the District’s governmental funds. Expenses are comprised of claims incurred during the fiscal year, professional and contracted services, and other miscellaneous expenses.

The General Fund is contingently liable for liabilities of these funds.

## P. REVENUE FROM LOCAL AND INTERMEDIATE SOURCES

During the current year, revenues from local and intermediate sources consisted of the following:

| | General Fund | Special Revenue Fund | Debt Service Fund | Capital Projects Fund | | Total |
|---|---|---|---|---|---|---|
| Property Taxes | $ 60,641,970 | - | 19,099,738 | - | $ | 79,741,708 |
| Penalties, Interest and Other Tax-related Income | 273,467 | - | 50,837 | - | | 324,304 |
| Investment Income | 2,674,884 | - | 494,907 | 1,523,825 | | 4,693,616 |
| Food Sales | - | 1,000,080 | - | - | | 1,000,080 |
| Co-curricular Student Activities | 34,741 | - | - | - | | 34,741 |
| Other | 2,478,838 | 683,827 | - | - | | 3,162,665 |
| Total | $ 66,103,900 | 1,683,907 | 19,645,482 | 1,523,825 | $ | 88,957,114 |

## Q. LITIGATION AND CONTINGENCIES

The District is not a party to any legal actions that are believed by administration to have a material effect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying combined financial statements for such contingencies.

The District participates in numerous federally-funded programs, on both a direct and state pass-through basis. In connection with these grants, the District is required to comply with specific terms and agreements, as well as applicable federal and state laws and regulations. Such compliance is subject to review and audit by grantors and their representatives, including audits under the "Single Audit" concept and compliance examinations which build upon such audits. In the opinion of the District, the District has materially complied with all requirements. However, as such programs are subject to future audit or review, the possibility of disallowed expenditures exists. In the event of such disallowance of claimed expenditures, the District does not expect the resulting liability to have a material adverse effect on its combined financial statements as of June 30, 2024.

## R. CONSTRUCTION COMMITMENTS

The District had the following construction commitments as of June 30, 2024:

| Name of Project | | Contractor | | Original Contract Amount |
|---|---|---|---|---|
| Prop A – Entry Way/Service Building | | Collier Construction | | $19,103,125 |
| Prop A – Fencing | | Hellas Construction | | $185,937 |
| Prop B – Softball Project | | Hellas Contruction | | $4,164,883 |
| Prop B – Softball Restroom/Concessions | | Corworth Restroom Facilities Ltd | | $521,466 |
| High School Cooling Towe Replacement | | High Plains Boiler Services | | $268,059 |

## S. RELATED ORGANIZATIONS

The A.I.S.D. Education Foundation (the "Foundation"), a not-for-profit entity organized to provide scholarship funds, is a "related organization" of the District as defined by ***Governmental Accounting Standards Board Statement No. 14***. The members of the Board of the Foundation are appointed by an outside taxpayer group.

## T. MAINTENANCE OF EFFORT

The District contributions for health care for 2023-2024 were $4,642,706, of which non-medical life insurance premiums were $42,440, resulting in maintenance of effort of $4,600,266.

## U. CHAPTER 313 AGREEMENTS

Value limitation agreements are part of a state program, originally created in 2001, which allows school districts to limit the taxable value of an approved project for Maintenance and Operations (M&O) for a period of years specified in the statute. The project(s) under the Chapter 313 Agreement(s) must be consistent with the State's goal to "encourage large scale capital investments in this state." Chapter 313 of the Texas Tax Code grants eligibility to companies engaged in manufacturing, research and development, renewable electric energy production, clean coal projects, nuclear power generation and data centers.

In order to qualify for a value limitation agreement, each Applicant has been required to meet a series of capital investment, job creation, and wage requirements specified by state law. At the time of the Applications' approval, each of the Agreements were deemed to have done so by both the District's Board of Trustees and the Texas Comptroller's Office, which recommended approval of the projects. The Applications, the Agreements, and state reporting requirement documentation can be viewed at the Texas Comptroller's website: https://www.comptroller.texas.gov/economy/local/ch313/agreement-docs.php.

In prior fiscal years, the District Board of Trustees approved an agreement with third parties, for a Limitation on Appraised Value of Property for School District Maintenance and Operations Taxes pursuant to Chapter 313 of the Texas Tax Code, i.e., the Texas Economic Development Act, as set forth in Chapter 313 of the Texas Tax Code, as amended. The third parties qualified for a tax limitation agreement under Texas Tax Code §313.024(b)(5), as a renewable energy electric generation project.

After approval, the Applicant third party must maintain a viable presence in the District for the entire period of the value limitation, plus a period of years thereafter. In addition, there are specific reporting requirements, which are monitored on an annual and biennial basis in order to ensure relevant job, wage, and operational requirements are being met. In 2024, the District received payments totaling $1,908,080 under Chapter 313 agreements.

## V. SUBSEQUENT EVENTS

The District's management has evaluated subsequent events through October 25, 2024, the date that the financial statements were available to be issued and concluded there are no other events requiring disclosure in the notes or recognition in the financial statements.

# REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT G-1

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

| Data Control Codes | | Budgeted Amounts Original | Budgeted Amounts Final | Actual Amounts (GAAP BASIS) | Variance With Final Budget Positive or (Negative) |
|---|---|---|---|---|---|
| | REVENUES: | | | | |
| 5700 | Total Local and Intermediate Sources | $ 68,496,508 | $ 68,496,508 | $ 66,103,900 | $ (2,392,608) |
| 5800 | State Program Revenues | 3,976,765 | 3,976,765 | 4,353,758 | 376,993 |
| 5900 | Federal Program Revenues | - | - | 86,582 | 86,582 |
| 5020 | Total Revenues | 72,473,273 | 72,473,273 | 70,544,240 | (1,929,033) |
| | EXPENDITURES: | | | | |
| | Current: | | | | |
| 0011 | Instruction | 26,874,827 | 26,624,827 | 25,797,947 | 826,880 |
| 0012 | Instructional Resources and Media Services | 558,052 | 585,052 | 479,537 | 105,515 |
| 0013 | Curriculum and Instructional Staff Development | 710,994 | 765,994 | 731,196 | 34,798 |
| 0021 | Instructional Leadership | 955,188 | 1,085,188 | 1,073,666 | 11,522 |
| 0023 | School Leadership | 2,756,325 | 2,756,325 | 2,657,909 | 98,416 |
| 0031 | Guidance, Counseling, and Evaluation Services | 2,127,135 | 2,127,135 | 1,940,946 | 186,189 |
| 0032 | Social Work Services | 176,818 | 176,818 | 90,394 | 86,424 |
| 0033 | Health Services | 433,125 | 433,125 | 406,586 | 26,539 |
| 0034 | Student (Pupil) Transportation | 1,101,316 | 1,325,134 | 1,231,377 | 93,757 |
| 0036 | Extracurricular Activities | 2,986,265 | 3,071,265 | 2,777,637 | 293,628 |
| 0041 | General Administration | 2,064,040 | 2,060,166 | 1,931,146 | 129,020 |
| 0051 | Facilities Maintenance and Operations | 5,813,892 | 6,437,895 | 6,091,628 | 346,267 |
| 0052 | Security and Monitoring Services | 208,880 | 208,880 | 176,564 | 32,316 |
| 0053 | Data Processing Services | 1,219,357 | 1,219,357 | 1,012,844 | 206,513 |
| 0061 | Community Services | 551,029 | 581,029 | 579,995 | 1,034 |
| | Capital Outlay: | | | | |
| 0081 | Facilities Acquisition and Construction | - | 521,466 | - | 521,466 |
| | Intergovernmental: | | | | |
| 0091 | Contracted Instructional Services Between Schools | 24,005,332 | 23,365,332 | 22,607,559 | 757,773 |
| 0099 | Other Intergovernmental Charges | 461,025 | 461,025 | 437,516 | 23,509 |
| 6030 | Total Expenditures | 73,003,600 | 73,806,013 | 70,024,447 | 3,781,566 |
| 1100 | Excess (Deficiency) of Revenues Over (Under) Expenditures | (530,327) | (1,332,740) | 519,793 | 1,852,533 |
| | OTHER FINANCING SOURCES (USES): | | | | |
| 7915 | Transfers In | - | - | 2,598,532 | 2,598,532 |
| 8911 | Transfers Out (Use) | - | - | (2,810,789) | (2,810,789) |
| 7080 | Total Other Financing Sources (Uses) | - | - | (212,257) | (212,257) |
| 1200 | Net Change in Fund Balances | (530,327) | (1,332,740) | 307,536 | 1,640,276 |
| 0100 | Fund Balance - July 1 (Beginning) | 31,988,096 | 31,988,096 | 31,988,096 | - |
| 3000 | Fund Balance - June 30 (Ending) | $ 31,457,769 | $ 30,655,356 | $ 32,295,632 | $ 1,640,276 |

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ANDREWS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

| | FY 2024<br>Plan Year 2023 | FY 2023<br>Plan Year 2022 | FY 2022<br>Plan Year 2021 |
|---|---|---|---|
| District's Proportion of the Net Pension Liability (Asset) | 0.022606834% | 0.02397786% | 0.023251266% |
| District's Proportionate Share of Net Pension Liability (Asset) | $ 15,529,984 | $ 14,235,039 | $ 5,921,275 |
| State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District | 25,149,038 | 21,478,356 | 9,964,584 |
| Total | $ 40,679,022 | $ 35,713,395 | $ 15,885,859 |
| District's Covered Payroll | $ 32,335,657 | $ 30,803,357 | $ 30,066,998 |
| District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll | 48.03% | 46.21% | 19.69% |
| Plan Fiduciary Net Position as a Percentage of the Total Pension Liability | 73.15% | 75.62% | 88.79% |

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

| FY 2021 Plan Year 2020 | FY 2020 Plan Year 2019 | FY 2019 Plan Year 2018 | FY 2018 Plan Year 2017 | FY 2017 Plan Year 2016 | FY 2016 Plan Year 2015 | FY 2015 Plan Year 2014 |
|---|---|---|---|---|---|---|
| 0.22672705% | 0.021941902% | 0.02169029% | 0.021840679% | 0.021569701% | 0.0237108% | 0.0165225% |
| $ 12,143,038 | $ 11,406,086 | $ 11,938,862 | $ 6,983,473 | $ 8,150,869 | $ 8,381,452 | $ 4,413,388 |
| 20,613,721 | 18,670,023 | 20,025,509 | 12,443,553 | 16,774,504 | 15,302,050 | 12,267,251 |
| $ 32,756,759 | $ 30,076,109 | $ 31,964,371 | $ 19,427,026 | $ 24,925,373 | $ 23,683,502 | $ 16,680,639 |
| $ 28,613,951 | $ 25,383,680 | $ 24,351,625 | $ 24,597,526 | $ 25,422,502 | $ 24,374,480 | $ 22,920,299 |
| 42.44% | 44.93% | 49.03% | 28.39% | 32.06% | 34.39% | 19.26% |
| 75.54% | 75.24% | 73.74% | 82.17% | 78.00% | 78.43% | 83.25% |

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

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Contractually Required Contribution | $ 1,240,466 | $ 1,151,752 | $ 1,095,893 |
| Contribution in Relation to the Contractually Required Contribution | (1,240,466) | (1,151,752) | (1,095,893) |
| Contribution Deficiency (Excess) | $ - | $ - | $ - |
| District's Covered Payroll | $ 32,073,913 | $ 32,102,191 | $ 30,520,651 |
| Contributions as a Percentage of Covered Payroll | 3.87% | 3.59% | 3.59% |

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

| 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|
| $ 977,649 | $ 915,195 | $ 764,474 | $ 717,489 | $ 715,681 | $ 678,534 | $ 662,588 |
| (977,649) | (915,195) | (764,474) | (717,489) | (715,681) | (678,534) | (662,588) |
| $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| $ 29,855,982 | $ 28,117,867 | $ 25,131,092 | $ 24,277,473 | $ 24,721,571 | $ 25,333,808 | $ 24,181,792 |
| 3.27% | 3.25% | 3.04% | 2.96% | 2.89% | 2.68% | 2.74% |

ANDREWS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

| | FY 2024<br>Plan Year 2023 | FY 2023<br>Plan Year 2022 | FY 2022<br>Plan Year 2021 |
|---|---|---|---|
| District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits | 0.032005455% | 0.033502901% | 0.03263238% |
| District's Proportionate Share of Net OPEB Liability (Asset) | $ 7,084,821 | $ 8,021,936 | $ 12,587,767 |
| State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District | 8,548,926 | 9,785,502 | 16,864,803 |
| Total | $ 15,633,747 | $ 17,807,438 | $ 29,452,570 |
| District's Covered Payroll | $ 32,336,754 | $ 30,803,357 | $ 30,066,998 |
| District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll | 21.91% | 26.04% | 41.87% |
| Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability | 14.94% | 11.52% | 6.18% |

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

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

| FY 2021 Plan Year 2020 | FY 2020 Plan Year 2019 | FY 2019 Plan Year 2018 | FY 2018 Plan Year 2017 |
|---|---|---|---|
| 0.032524115% | 0.031098603% | 0.030457614% | 0.030677949% |
| $ 12,363,885 | $ 14,706,912 | $ 15,207,765 | $ 13,340,689 |
| 16,614,098 | 19,542,194 | 20,855,527 | 19,339,435 |
| $ 28,977,983 | $ 34,249,106 | $ 36,063,292 | $ 32,680,124 |
| $ 28,613,951 | $ 25,383,680 | $ 24,351,625 | $ 24,597,526 |
| 43.21% | 57.94% | 62.45% | 54.24% |
| 4.99% | 2.66% | 1.57% | 0.91% |

ANDREWS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

| | 2024 | 2023 | 2022 |
|---|---|---|---|
| Contractually Required Contribution | $ 298,881 | $ 276,505 | $ 270,602 |
| Contribution in Relation to the Contractually Required Contribution | (298,881) | (276,505) | (270,602) |
| Contribution Deficiency (Excess) | $ - | $ - | $ - |
| District's Covered Payroll | $ 32,073,913 | $ 32,103,288 | $ 30,520,651 |
| Contributions as a Percentage of Covered Payroll | 0.93% | 0.86% | 0.89% |

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

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

| 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|
| $ 253,137 | $ 245,027 | $ 218,124 | $ 199,754 |
| (253,137) | (245,027) | (218,124) | (199,754) |
| $ - | $ - | $ - | $ - |
| $ 29,855,982 | $ 28,117,867 | $ 25,131,092 | $ 24,277,473 |
| 0.85% | 0.87% | 0.87% | 0.82% |

ANDREWS INDEPENDENT SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

A. Notes to Schedules for the TRS Pension

*Changes of Benefit terms.*

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

*Changes of Assumptions.*

There were no changes in assumptions.

B. Notes to Schedules for the TRS OPEB Plan

*Changes in Benefits.*

There were no changes in benefits.

*Changes in Assumptions.*

The single discount rate changed from 3.91 percent as of August 31, 2022 to 4.13 percent as of August 31, 2023. This change decreased the total OPEB liability.

# COMBINING AND OTHER STATEMENTS

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

| Data Control Codes | | 211 ESEA I, A Improving Basic Program | 224 IDEA - Part B Formula | 225 IDEA - Part B Preschool | 240 National Breakfast and Lunch Program |
|---|---|---|---|---|---|
| | ASSETS | | | | |
| 1110 | Cash and Cash Equivalents | $ (209,952) | $ 245,357 | $ 40,887 | $ 241,466 |
| 1240 | Due from Other Governments | 154,331 | 53,271 | 1,694 | 14,625 |
| 1260 | Due from Other Funds | 410,492 | (1,666) | 41,509 | (21,519) |
| 1300 | Inventories | - | - | - | 20,498 |
| 1000 | Total Assets | $ 354,871 | $ 296,962 | $ 84,090 | $ 255,070 |
| | LIABILITIES | | | | |
| 2110 | Accounts Payable | $ 608 | $ - | $ - | $ 36 |
| 2150 | Payroll Deductions and Withholdings Payable | 15,624 | 17,497 | 889 | 38,961 |
| 2160 | Accrued Wages Payable | 69,396 | 91,231 | 5,691 | 160,926 |
| 2170 | Due to Other Funds | 267,768 | 188,234 | 77,510 | 1 |
| 2180 | Due to Other Governments | - | - | - | - |
| 2300 | Unearned Revenue | - | - | - | 55,146 |
| 2000 | Total Liabilities | 353,396 | 296,962 | 84,090 | 255,070 |
| | FUND BALANCES | | | | |
| | Restricted Fund Balance: | | | | |
| 3450 | Federal or State Funds Grant Restriction | 1,475 | - | - | - |
| 3470 | Capital Acquisition and Contractural Obligation | - | - | - | - |
| | Committed Fund Balance: | | | | |
| 3545 | Other Committed Fund Balance | - | - | - | - |
| 3000 | Total Fund Balances | 1,475 | - | - | - |
| 4000 | Total Liabilities and Fund Balances | $ 354,871 | $ 296,962 | $ 84,090 | $ 255,070 |

| 244 Career and Technical - Basic Grant | 255 ESEA II,A Training and Recruiting | 263 Title III, A English Lang. Acquisition | 280 ESSER III Homelss Children | 281 ESSER II CRRSA Act Supplemental | 282 ESSER III ARP Act | 284 IDEA B Formula ARP Act | 289 Title IV Part A Subpart 1 |
|---|---|---|---|---|---|---|---|
| $ (9,077) | $ (29,375) | $ 17,951 | $ - | $ 33,675 | $ (41,620) | $ 14,431 | $ 24,841 |
| 4,075 | 31,965 | 400 | - | - | 107,306 | - | - |
| 25,361 | 57,526 | 481 | - | (14,029) | - | 12,640 | - |
| - | - | - | - | - | - | - | - |
| $ 20,359 | $ 60,116 | $ 18,832 | $ - | $ 19,646 | $ 65,686 | $ 27,071 | $ 24,841 |
| $ 1,337 | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| - | 3,238 | - | - | - | 3,311 | - | - |
| - | 18,867 | - | - | - | 18,725 | - | - |
| 18,968 | 38,011 | 18,832 | - | 19,646 | 43,650 | 27,071 | 24,841 |
| 54 | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 20,359 | 60,116 | 18,832 | - | 19,646 | 65,686 | 27,071 | 24,841 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| $ 20,359 | $ 60,116 | $ 18,832 | $ - | $ 19,646 | $ 65,686 | $ 27,071 | $ 24,841 |

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

| Data Control Codes | | 397 Advanced Placement Incentives | 410 State Instructional Materials | 429 Other State Special Revenue Funds | 461 Campus Activity Funds |
|---|---|---|---|---|---|
| | ASSETS | | | | |
| 1110 | Cash and Cash Equivalents | $ 117 | $ - | $ 49 | $ 577,825 |
| 1240 | Due from Other Governments | - | 70,715 | - | - |
| 1260 | Due from Other Funds | - | - | - | - |
| 1300 | Inventories | - | - | - | - |
| 1000 | Total Assets | $ 117 | $ 70,715 | $ 49 | $ 577,825 |
| | LIABILITIES | | | | |
| 2110 | Accounts Payable | $ - | $ - | $ - | $ 128 |
| 2150 | Payroll Deductions and Withholdings Payable | - | - | - | - |
| 2160 | Accrued Wages Payable | - | - | - | - |
| 2170 | Due to Other Funds | - | 43,461 | - | - |
| 2180 | Due to Other Governments | - | - | - | - |
| 2300 | Unearned Revenue | - | - | - | - |
| 2000 | Total Liabilities | - | 43,461 | - | 128 |
| | FUND BALANCES | | | | |
| | Restricted Fund Balance: | | | | |
| 3450 | Federal or State Funds Grant Restriction | - | 27,254 | - | - |
| 3470 | Capital Acquisition and Contractural Obligation | - | - | - | - |
| | Committed Fund Balance: | | | | |
| 3545 | Other Committed Fund Balance | 117 | - | 49 | 577,697 |
| 3000 | Total Fund Balances | 117 | 27,254 | 49 | 577,697 |
| 4000 | Total Liabilities and Fund Balances | $ 117 | $ 70,715 | $ 49 | $ 577,825 |

| 480 Teacher Academy | 499 Other Local Special Revenue Funds | Total Nonmajor Special Revenue Funds | 616 Capital Projects | 625 Capital Projects | Total Nonmajor Capital Project Funds | Total Nonmajor Governmental Funds |
|---|---|---|---|---|---|---|
| $ 224,130 | $ 16,813 | $ 1,147,518 | $ 2,017,103 | $ 1,368,972 | $ 3,386,075 | $ 4,533,593 |
| - | - | 438,382 | - | - | - | 438,382 |
| - | - | 510,795 | - | - | - | 510,795 |
| - | - | 20,498 | - | - | - | 20,498 |
| $ 224,130 | $ 16,813 | $ 2,117,193 | $ 2,017,103 | $ 1,368,972 | $ 3,386,075 | $ 5,503,268 |
| $ - | $ - | $ 2,109 | $ (9) | $ - | $ (9) | $ 2,100 |
| - | - | 79,520 | - | - | - | 79,520 |
| - | - | 364,836 | - | - | - | 364,836 |
| - | 16,777 | 784,770 | 44,299 | - | 44,299 | 829,069 |
| - | - | 54 | - | - | - | 54 |
| - | - | 55,146 | - | - | - | 55,146 |
| - | 16,777 | 1,286,435 | 44,290 | - | 44,290 | 1,330,725 |
| - | - | 28,729 | - | - | - | 28,729 |
| - | - | - | 1,972,813 | 1,368,972 | 3,341,785 | 3,341,785 |
| 224,130 | 36 | 802,029 | - | - | - | 802,029 |
| 224,130 | 36 | 830,758 | 1,972,813 | 1,368,972 | 3,341,785 | 4,172,543 |
| $ 224,130 | $ 16,813 | $ 2,117,193 | $ 2,017,103 | $ 1,368,972 | $ 3,386,075 | $ 5,503,268 |

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

| Data Control Codes | | 211 ESEA I, A Improving Basic Program | 224 IDEA - Part B Formula | 225 IDEA - Part B Preschool | 240 National Breakfast and Lunch Program |
|---|---|---|---|---|---|
| | REVENUES: | | | | |
| 5700 | Total Local and Intermediate Sources | $ - | $ - | $ - | $ 1,000,080 |
| 5800 | State Program Revenues | - | - | - | 256,114 |
| 5900 | Federal Program Revenues | 672,766 | 1,018,140 | 34,124 | 1,467,413 |
| 5020 | Total Revenues | 672,766 | 1,018,140 | 34,124 | 2,723,607 |
| | EXPENDITURES: | | | | |
| | Current: | | | | |
| 0011 | Instruction | 673,374 | 918,829 | 34,124 | - |
| 0012 | Instructional Resources and Media Services | - | - | - | - |
| 0013 | Curriculum and Instructional Staff Development | - | - | - | - |
| 0021 | Instructional Leadership | - | - | - | - |
| 0023 | School Leadership | - | - | - | - |
| 0031 | Guidance, Counseling, and Evaluation Services | - | 100,327 | - | - |
| 0032 | Social Work Services | - | - | - | - |
| 0033 | Health Services | - | - | - | - |
| 0034 | Student (Pupil) Transportation | - | - | - | - |
| 0035 | Food Services | - | - | - | 2,934,240 |
| 0036 | Extracurricular Activities | - | - | - | - |
| 0041 | General Administration | - | - | - | - |
| 0051 | Facilities Maintenance and Operations | - | - | - | - |
| 0053 | Data Processing Services | - | - | - | - |
| 0061 | Community Services | - | - | - | - |
| | Capital Outlay: | | | | |
| 0081 | Facilities Acquisition and Construction | - | - | - | - |
| 6030 | Total Expenditures | 673,374 | 1,019,156 | 34,124 | 2,934,240 |
| 1100 | Excess (Deficiency) of Revenues Over (Under) Expenditures | (608) | (1,016) | - | (210,633) |
| | OTHER FINANCING SOURCES (USES): | | | | |
| 7915 | Transfers In | 608 | 1,016 | - | 210,633 |
| 1200 | Net Change in Fund Balance | - | - | - | - |
| 0100 | Fund Balance - July 1 (Beginning) | 1,475 | - | - | - |
| 3000 | Fund Balance - June 30 (Ending) | $ 1,475 | $ - | $ - | $ - |

| 244<br>Career and Technical - Basic Grant | 255<br>ESEA II,A Training and Recruiting | 263<br>Title III, A English Lang. Acquisition | 280<br>ESSER III Homelss Children | 281<br>ESSER II CRRSA Act Supplemental | 282<br>ESSER III ARP Act | 284<br>IDEA B Formula ARP Act | 289<br>Title IV Part A Subpart 1 |
|---|---|---|---|---|---|---|---|
| $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| - | - | - | - | 94 | - | - | - |
| 46,337 | 133,771 | 61,190 | - | 259,437 | 1,216,931 | - | 52,599 |
| 46,337 | 133,771 | 61,190 | - | 259,531 | 1,216,931 | - | 52,599 |
| | | | | | | | |
| 46,337 | 133,771 | 61,190 | - | 259,531 | 1,027,834 | - | 52,599 |
| - | - | - | - | - | 2,447 | - | - |
| - | - | - | - | - | 4,941 | - | - |
| - | - | - | - | - | 7,412 | - | - |
| - | - | - | - | - | 28,001 | - | - |
| - | - | - | - | - | 18,941 | - | - |
| - | - | - | - | - | 824 | - | - |
| - | - | - | - | - | 4,118 | - | - |
| - | - | - | - | - | 11,530 | - | - |
| - | - | - | - | - | 37,472 | - | - |
| - | - | - | - | - | 4,118 | - | - |
| - | - | - | - | - | 12,361 | - | - |
| - | - | - | - | - | 37,993 | - | - |
| - | - | - | - | - | 5,765 | - | - |
| - | - | - | - | - | 13,174 | - | - |
| - | - | - | - | - | - | - | - |
| 46,337 | 133,771 | 61,190 | - | 259,531 | 1,216,931 | - | 52,599 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |

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

| Data Control Codes | | 397 Advanced Placement Incentives | 410 State Instructional Materials | 429 Other State Special Revenue Funds | 461 Campus Activity Funds |
|---|---|---|---|---|---|
| | REVENUES: | | | | |
| 5700 | Total Local and Intermediate Sources | $ - | $ - | $ - | $ 551,364 |
| 5800 | State Program Revenues | - | 308,225 | 244,663 | - |
| 5900 | Federal Program Revenues | - | - | - | - |
| 5020 | Total Revenues | - | 308,225 | 244,663 | 551,364 |
| | EXPENDITURES: | | | | |
| | Current: | | | | |
| 0011 | Instruction | - | 308,225 | 15,218 | - |
| 0012 | Instructional Resources and Media Services | - | - | - | - |
| 0013 | Curriculum and Instructional Staff Development | - | - | - | - |
| 0021 | Instructional Leadership | - | - | 5,072 | - |
| 0023 | School Leadership | - | - | 15,218 | - |
| 0031 | Guidance, Counseling, and Evaluation Services | - | - | 5,072 | - |
| 0032 | Social Work Services | - | - | - | - |
| 0033 | Health Services | - | - | - | - |
| 0034 | Student (Pupil) Transportation | - | - | - | - |
| 0035 | Food Services | - | - | - | - |
| 0036 | Extracurricular Activities | - | - | - | 457,006 |
| 0041 | General Administration | - | - | 7,609 | - |
| 0051 | Facilities Maintenance and Operations | - | - | 191,402 | - |
| 0053 | Data Processing Services | - | - | 2,536 | - |
| 0061 | Community Services | - | - | 2,536 | - |
| | Capital Outlay: | | | | |
| 0081 | Facilities Acquisition and Construction | - | - | - | - |
| 6030 | Total Expenditures | - | 308,225 | 244,663 | 457,006 |
| 1100 | Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | 94,358 |
| | OTHER FINANCING SOURCES (USES): | | | | |
| 7915 | Transfers In | - | - | - | - |
| 1200 | Net Change in Fund Balance | - | - | - | 94,358 |
| 0100 | Fund Balance - July 1 (Beginning) | 117 | 27,254 | 49 | 483,339 |
| 3000 | Fund Balance - June 30 (Ending) | $ 117 | $ 27,254 | $ 49 | $ 577,697 |

| 480 Teacher Academy | 499 Other Local Special Revenue Funds | Total Nonmajor Special Revenue Funds | 616 Capital Projects | 625 Capital Projects | Total Nonmajor Capital Project Funds | Total Nonmajor Governmental Funds |
|---|---|---|---|---|---|---|
| $ 57,531 | $ 74,932 | $ 1,683,907 | $ 186,412 | $ 3,972 | $ 190,384 | $ 1,874,291 |
| - | - | 809,096 | - | - | - | 809,096 |
| - | - | 4,962,708 | - | - | - | 4,962,708 |
| 57,531 | 74,932 | 7,455,711 | 186,412 | 3,972 | 190,384 | 7,646,095 |
| | | | | | | |
| - | 74,932 | 3,605,964 | - | - | - | 3,605,964 |
| - | - | 2,447 | - | - | - | 2,447 |
| - | - | 4,941 | - | - | - | 4,941 |
| - | - | 12,484 | - | - | - | 12,484 |
| - | - | 43,219 | - | - | - | 43,219 |
| - | - | 124,340 | - | - | - | 124,340 |
| - | - | 824 | - | - | - | 824 |
| - | - | 4,118 | - | - | - | 4,118 |
| - | - | 11,530 | - | - | - | 11,530 |
| - | - | 2,971,712 | - | - | - | 2,971,712 |
| 71,349 | - | 532,473 | - | - | - | 532,473 |
| - | - | 19,970 | - | - | - | 19,970 |
| - | - | 229,395 | - | - | - | 229,395 |
| - | - | 8,301 | - | - | - | 8,301 |
| - | - | 15,710 | - | - | - | 15,710 |
| - | - | - | 2,538,669 | - | 2,538,669 | 2,538,669 |
| 71,349 | 74,932 | 7,587,428 | 2,538,669 | - | 2,538,669 | 10,126,097 |
| (13,818) | - | (131,717) | (2,352,257) | 3,972 | (2,348,285) | (2,480,002) |
| - | - | 212,257 | - | 1,365,000 | 1,365,000 | 1,577,257 |
| (13,818) | - | 80,540 | (2,352,257) | 1,368,972 | (983,285) | (902,745) |
| 237,948 | 36 | 750,218 | 4,325,070 | - | 4,325,070 | 5,075,288 |
| $ 224,130 | $ 36 | $ 830,758 | $ 1,972,813 | $ 1,368,972 | $ 3,341,785 | $ 4,172,543 |

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# T.E.A. REQUIRED SCHEDULES

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

| Last 10 Years Ended | | (1) Tax Rates | (2) | (3) |
|---|---|---|---|---|
| | | Maintenance | Debt Service | Assessed/Appraised Value for School Tax Purposes |
| 2015 | and prior years | $ 1.060000 | $ 0.110000 | $ 17,617,309,449 |
| 2016 | | 1.060000 | 0.110000 | 4,617,679,700 |
| 2017 | | 1.060000 | 0.140000 | 3,320,004,510 |
| 2018 | | 1.060000 | 0.140000 | 3,876,326,735 |
| 2019 | | 1.060000 | 0.140000 | 4,292,305,773 |
| 2020 | | 0.990000 | 0.140000 | 4,898,780,876 |
| 2021 | | 0.976400 | 0.140000 | 4,672,258,679 |
| 2022 | | 0.973400 | 0.140000 | 4,696,820,772 |
| 2023 | | 0.864600 | 0.140000 | 6,861,228,237 |
| 2024 | (School year under audit) | 0.679200 | 0.200000 | 8,757,782,833 |
| 1000 | TOTALS | | | |
| 8000 | Total Taxes Refunded Under Section 26.1115, Tax Code | | | |

| (10) Beginning Balance 7/1/2023 | (20) Current Year's Total Levy | (31) Maintenance Collections | (32) Debt Service Collections | (40) Entire Year's Adjustments | (50) Ending Balance 6/30/2024 | (99) Taxes Refunded Under Section 26.1115c |
|---|---|---|---|---|---|---|
| $ 249,487 | $ - | $ 3,694 | $ 386 | $ - | $ 245,407 | |
| 124,120 | - | 2,107 | 219 | (507) | 121,287 | |
| 57,561 | - | 3,811 | 503 | - | 53,247 | |
| 69,010 | - | 8,990 | 1,187 | - | 58,833 | |
| 73,453 | - | 12,245 | 1,617 | (73) | 59,518 | |
| 127,376 | - | 27,325 | 3,864 | (6,295) | 89,892 | |
| 259,658 | - | 85,104 | 12,203 | (4,944) | 157,407 | |
| 374,331 | - | 111,501 | 16,036 | (24,868) | 221,926 | |
| 1,024,941 | - | 425,244 | 68,857 | (121,005) | 409,835 | |
| - | 78,500,355 | 59,903,560 | 18,994,880 | 1,030,615 | 632,530 | |
| $ 2,359,937 | $ 78,500,355 | $ 60,583,581 | $ 19,099,752 | $ 872,923 | $ 2,049,882 | |
| | | | | | | $ 201,330 |

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

| Data Control Codes | | Budgeted Amounts Original | Budgeted Amounts Final | Actual Amounts (GAAP BASIS) | Variance With Final Budget Positive or (Negative) |
|---|---|---|---|---|---|
| | REVENUES: | | | | |
| 5700 | Total Local and Intermediate Sources | $ 559,500 | $ 559,500 | $ 1,000,080 | $ 440,580 |
| 5800 | State Program Revenues | - | 160,909 | 256,114 | 95,205 |
| 5900 | Federal Program Revenues | 1,297,000 | 1,297,000 | 1,467,413 | 170,413 |
| 5020 | Total Revenues | 1,856,500 | 2,017,409 | 2,723,607 | 706,198 |
| | EXPENDITURES: | | | | |
| | Current: | | | | |
| 0035 | Food Services | 2,969,726 | 3,217,000 | 2,934,240 | 282,760 |
| 6030 | Total Expenditures | 2,969,726 | 3,217,000 | 2,934,240 | 282,760 |
| 1100 | Excess (Deficiency) of Revenues Over (Under) Expenditures | (1,113,226) | (1,199,591) | (210,633) | 988,958 |
| | OTHER FINANCING SOURCES (USES): | | | | |
| 7915 | Transfers In | - | - | 210,633 | 210,633 |
| 1200 | Net Change in Fund Balances | (1,113,226) | (1,199,591) | - | 1,199,591 |
| 0100 | Fund Balance - July 1 (Beginning) | - | - | - | - |
| 3000 | Fund Balance - June 30 (Ending) | $ (1,113,226) | $ (1,199,591) | $ - | $ 1,199,591 |

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

| Data Control Codes | | Budgeted Amounts Original | Budgeted Amounts Final | Actual Amounts (GAAP BASIS) | Variance With Final Budget Positive or (Negative) |
|---|---|---|---|---|---|
| | REVENUES: | | | | |
| 5700 | Total Local and Intermediate Sources | $ 16,164,120 | $ 18,914,120 | $ 19,645,482 | $ 731,362 |
| 5800 | State Program Revenues | - | - | 307,909 | 307,909 |
| 5020 | Total Revenues | 16,164,120 | 18,914,120 | 19,953,391 | 1,039,271 |
| | EXPENDITURES: | | | | |
| | Debt Service: | | | | |
| 0071 | Principal on Long-Term Liabilities | 15,380,178 | 21,710,000 | 21,710,000 | - |
| 0072 | Interest on Long-Term Liabilities | 781,942 | 1,783,758 | 1,579,443 | 204,315 |
| 0073 | Bond Issuance Cost and Fees | 2,000 | 640,114 | 640,113 | 1 |
| 6030 | Total Expenditures | 16,164,120 | 24,133,872 | 23,929,556 | 204,316 |
| 1100 | Excess (Deficiency) of Revenues Over (Under) Expenditures | - | (5,219,752) | (3,976,165) | 1,243,587 |
| | OTHER FINANCING SOURCES (USES): | | | | |
| 7911 | Capital Related Debt Issued | - | - | 59,655,856 | 59,655,856 |
| 8911 | Transfers Out (Use) | - | - | (59,000,000) | (59,000,000) |
| 7080 | Total Other Financing Sources (Uses) | - | - | 655,856 | 655,856 |
| 1200 | Net Change in Fund Balances | - | (5,219,752) | (3,320,309) | 1,899,443 |
| 0100 | Fund Balance - July 1 (Beginning) | 8,517,838 | 8,517,838 | 8,517,838 | - |
| 3000 | Fund Balance - June 30 (Ending) | $ 8,517,838 | $ 3,298,086 | $ 5,197,529 | $ 1,899,443 |

ANDREWS INDEPENDENT SCHOOL DISTRICT

USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAMS

FOR THE YEAR ENDED JUNE 30, 2024

**Section A: Compensatory Education Programs**

| | | |
|---|---|---|
| AP1 | Did your district expend any state compensatory education program state allotment funds during the district's fiscal year? | Yes |
| AP2 | Does the district have written policies and procedures for its state compensatory education program? | Yes |
| AP3 | Total state allotment funds received for state compensatory education programs during the district's fiscal year. | 3153775 |
| AP4 | Actual direct program expenditures for state compensatory education programs during the district's fiscal year. (PICs 24,26,28,29,30) | 4248354 |

**Section B: Bilingual Education Programs**

| | | |
|---|---|---|
| AP5 | Did your district expend any bilingual education program state allotment funds during the district's fiscal year? | Yes |
| AP6 | Does the district have written policies and procedures for its bilingual education program? | Yes |
| AP7 | Total state allotment funds received for bilingual education programs during the district's fiscal year. | 536699 |
| AP8 | Actual direct program expenditures for bilingual education programs during the district's fiscal year. (PIC 25) | 862512 |

# REPORTS ON

# INTERNAL CONTROLS, COMPLIANCE

# AND

# FEDERAL AWARDS

# WAYNE M. MANNING

**CERTIFIED PUBLIC ACCOUNTANT**


## 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*

Board of Trustees
Andrews Independent School District
405 N.W. 3rd Street
Andrews, Texas 79714

To the Members of the Board:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Andrews Independent School District (the "District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 25, 2024.

### Report Internal Control over Financial Reporting

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

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


Texas Society of Certified Public Accountants

MEMBER OF
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
TEXAS SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

**P.O. Box 1074 • Andrews, Texas 79714**
**(432) 523-7261 • www.wmmcpa.com • (432) 224-1068 fax**

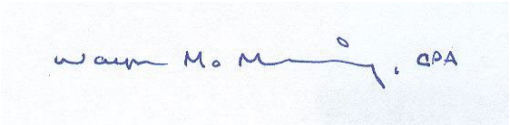
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations during our audit, we did not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

**Report on Compliance and Other Matters**

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

**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.



Wayne M. Manning, CPA
Andrews, Texas
October 25, 2024

# WAYNE M. MANNING

**CERTIFIED PUBLIC ACCOUNTANT**


## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS TO EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE AS REQUIRED BY THE UNIFORM GUIDANCE

Board of Trustees
Andrews Independent School District
405 N.W. 3rd Street
Andrews, Texas 79714

To the Members of the Board:

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

***Opinion on Each Major Federal Program***

We have audited Andrews Independent School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Andrews Independent School District's major federal programs for the year ended June 30, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Andrews Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

***Basis for Opinion on Each Major Federal Program***

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

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

***Responsibilities of Management for Compliance***

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

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Andrews Independent School District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions,

misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Andrews Independent School District's compliance with the requirements of each major federal program as a whole.

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

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

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

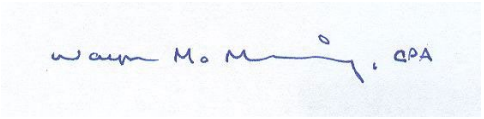
**Report on Internal Control over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or 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.



Wayne M. Manning, CPA
Andrews, Texas
October 25, 2024

ANDREWS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

I. **Summary of the Auditor's Results**:

☒ The type of report issued on the financial statements of the Andrews Independent School District was an unmodified opinion.

☒ With respect to internal control over financial reporting we identified no material weaknesses and we reported no significant deficiencies.

☒ We noted no noncompliance material to the financial statements.

☒ With respect to internal control over major federal programs we identified no material weaknesses and we reported no significant deficiencies.

☒ The type of report we issued on compliance for major programs was an unmodified opinion,

☒ We disclosed no audit findings which the auditor is required to report in accordance with 2 CFR 200.516(a). These include:

(1) Significant deficiencies and material weaknesses in internal control over major programs and significant instances of abuse relating to major programs. The auditor's determination of whether a deficiency in internal control is a significant deficiency or material weakness for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the Compliance Supplement.

(2) Material noncompliance with the provisions of Federal statutes, regulations, or the terms and conditions of Federal awards related to a major program. The auditor's determination of whether a noncompliance with the provisions of Federal statues, regulations, or the terms and conditions of Federal awards is material for the purpose of reporting an audit finding is in relation to a type of compliance requirement for a major program identified in the supplement.

(3) Known questioned costs that are greater than $25,000 for a type of compliance requirement for a major program. Known questioned costs are those specifically identified by the auditor. In evaluating the effect of questioned costs on the opinion on compliance, the auditor considers the best estimate of total costs questioned (likely questioned costs), not just the questioned costs specifically identified (known questioned costs). The auditor must also report known questioned costs when likely questioned costs are greater than $25,000 for a type of compliance requirement for a major program. In reporting questioned costs, the auditor must include information to provide proper perspective for judging the prevalence and consequences of the questioned costs.

(4) Known questioned costs that are greater than $25,000 for a Federal program which is not audited as a major program. Except for audit follow-up, the auditor is not required under this part to perform audit procedures for such a Federal program; therefore, the auditor will normally not find questioned costs for a program that is not audited as a major program. However, if the auditor does become aware of questioned costs for a Federal program that is not audited as a major program (e.g. as part of audit follow-up or other audit procedures) and the known questioned costs are greater than $25,000, then the auditor must report this as an audit finding.

(5) The circumstances concerning why the auditor's report on compliance for each major program is other than an unmodified opinion, unless such circumstances are otherwise reported as audit findings in the schedule of findings and questioned costs for Federal awards.

(6) Known or likely fraud affecting a Federal award, unless such fraud is otherwise reported as an audit finding in the schedule of findings and questioned costs for Federal awards. This paragraph does not require the auditor to report publicly information which could compromise investigative or legal proceedings or to make an additional reporting when the auditor confirms that the fraud was reported outside the auditor's reports under the direct reporting requirements of GAGAS.

(7) Instances where the results of audit follow-up procedures disclosed that the summary schedule of prior audit findings prepared by the auditee in accordance with § 200.511 (b) materially misrepresents the status of any prior audit finding.

- We identified the following major programs:

| Assistance Listing Number (s) (ALN) | Name of Federal Program or Cluster |
|---|---|
| *U.S. Department of Education* | |
| 84.010A | ESEA, Title I, Part A - Improving Basic Programs |
| *U.S. Department of Education: Special Education Cluster* | |
| 84.027A | IDEA Part B, Formula |
| 84.173A | IDEA Part B, Preschool |

- The dollar threshold used to distinguish between Type A and Type B programs was $750,000.
- The auditee does qualify as a low-risk auditee.
- Financial Statement Findings: The audit disclosed no findings required to be reported.
- Federal Finding and Questioned Costs: The audit disclosed no findings required to be reported.

ANDREWS INDEPENDENT SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024

Status of prior year findings / non-compliance: none noted.

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

| (1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE | (2) Federal Assistance Listing No. | (3) Pass-Through Entity Identifying Number | (4) Federal Expenditures |
|---|---|---|---|
| **U.S. DEPARTMENT OF EDUCATION** | | | |
| Passed Through Texas Education Agency | | | |
| ESSA Title IV Part A Student Support and Academic | 84.424A | 23680101002901 | $ 29,902 |
| ESSA Title IV Part A Student Support and Academic | 84.424A | 23680101002901 | 22,697 |
| Total Assistance Listing Number 84.424 | | | 52,599 |
| ESEA, Title I, Part A - Improving Basic Programs | 84.010A | 23610101002901 | 11,456 |
| ESEA, Title I, Part A - Improving Basic Programs | 84.010A | 24610101002901 | 661,918 |
| Total Assistance Listing Number 84.010 | | | 673,374 |
| *IDEA - Part B, Formula | 84.027 | 236600010029016600 | 50,433 |
| *IDEA - Part B, Formula | 84.027 | 246600010029016600 | 968,723 |
| Total Assistance Listing Number 84.027 | | | 1,019,156 |
| Total Special Education Cluster (IDEA) | | | 1,053,280 |
| Career and Technical - Basic Grant | 84.048 | 23420006002901 | 501 |
| Career and Technical - Basic Grant | 84.048 | 24420006002901 | 45,836 |
| Total Assistance Listing Number 84.048 | | | 46,337 |
| *IDEA - Part B, Preschool | 84.173A | 246610010029016610 | 34,124 |
| Total Special Education Cluster (IDEA) | | | 1,053,280 |
| Title III, Part A - English Language Acquisition | 84.365A | 23671001002901 | 24,909 |
| Title III, Part A - English Language Acquisition | 84.365A | 24671001002901 | 36,282 |
| Total Assistance Listing Number 84.365 | | | 61,191 |
| ESEA, Title II, Part A, Teacher Principal Training | 84.367A | 24694501002901 | 133,771 |
| COVID 19 - ESSER II - School Emergency Relief | 84.425D | 22521001002901 | 259,532 |
| COVID 19 - ESSER III - School Emergency Relief | 84.425D | 22528001002901 | 1,216,931 |
| Total Assistance Listing Number 84.425 | | | 1,476,463 |
| Total Passed Through Texas Education Agency | | | 3,497,015 |
| **TOTAL U.S. DEPARTMENT OF EDUCATION** | | | 3,497,015 |
| **U.S. DEPARTMENT OF AGRICULTURE** | | | |
| Passed Through the Texas Department of Agriculture | | | |
| *School Breakfast Program | 10.553 | 71402101 | 243,209 |
| *National School Lunch Program - Cash Assistance | 10.555 | 71302101 | 1,076,517 |
| *National School Lunch Prog. - Non-Cash Assistance | 10.555 | 71302101 | 147,687 |
| Total Assistance Listing Number 10.555 | | | 1,224,204 |
| Total Child Nutrition Cluster | | | 1,467,413 |
| Total Passed Through the Texas Department of Agriculture | | | 1,467,413 |
| **TOTAL U.S. DEPARTMENT OF AGRICULTURE** | | | 1,467,413 |
| **TOTAL EXPENDITURES OF FEDERAL AWARDS** | | | $ 4,964,428 |

*Clustered Programs

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

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ANDREWS INDEPENDENT SCHOOL DISTRICT

NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

- For all Federal programs, the District uses the fund types specified in Texas Education Agency's ***Financial Accountability System Resource Guide***.
  - **(i) General Fund** - is used to account for , among other things, resources related to the United States Department of Defense ROTC program and the United States Department of Education's Impact Aid.
  - **(ii) Special Revenue Funds** - are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.

- The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in a Special Revenue Fund or, in some instances, in the General Fund which are Governmental Fund type funds.

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

- The District must submit to the pass-through entity, no later than 90 calendar days (or an earlier date as agreed upon by the pass-through entity and District) after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity may approve extensions when requested and justified by the non-Federal entity, as applicable. (2 CFR 200.344(a))

  Unless the Federal awarding agency or pass-through entity authorizes an extension, a non-Federal entity must liquidate all financial obligations incurred under the Federal award no later than 120 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.(2 CFR 200.344(b))

- Assistance Listing Numbers for commodity assistance are the Assistance Listing Numbers of the programs under which USDA donated the commodities.

- At June 30, 2024, the District had no food commodities in inventory.

- The District does not use the 10% de minimus indirect cost rate for federal programs.

- The District did not pass through any federal funding to sub-recipients.

- Federal financial assistance revenues are reported in the District's general purpose financial statements as follows:

| | | |
|---|---|---|
| Amount reported on the Schedule of Expenditures of Federal awards | $ | 4,964,428 |
| SHARS Revenue reported in the General Fund | | 84,862 |
| Federal Program Revenue Reported on Exhibit C-3 | $ | 5,049,290 |

SCHOOLS FIRST QUESTIONNAIRE

Andrews Independent School District

Fiscal Year 2024

| | | |
|---|---|---|
| SF1 | Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole? | Yes |
| SF2 | Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year-end? | No |
| SF3 | Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If payments were not made or warrant hold not cleared within 30 days of when due, then payments are NOT timely.) | Yes |
| SF4 | Was the school district issued a warrant hold? (Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, answer is still YES.) | No |
| SF5 | Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state or federal funds and/or substantial doubt about the district's ability to continue as a going concern? | No |
| SF6 | Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? | No |
| SF7 | Did the school district post the required financial information on its website in accordance with Government Code, Local Govenment Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end? | Yes |
| SF8 | Did the school district's administration and school board members discuss any changes and/or impact to local, state, and federal funding at a board meeting within 120 days before the school district adopted its budget? | Yes |
| SF9 | Total accumulated accretion on CABs included in government-wide financial statements at fiscal year end. | 0 |