



FINANCIAL STATEMENT

FINANCIAL STATEMENT (As of August 31, 2025)

Net Taxable Assessed Valuation ("A.V."), 2025	\$954,508,282
New Debt	\$28,280,000
Outstanding Debt	9,495,000

GO Debt payable from Ad Valorem Taxes	\$37,775,000
Less: I&S Fund	2,197,668

Net Debt	\$35,577,332(a)
	=====

(a) Texas School Districts may receive funds from the State of Texas to offset capital debt expenses. The District expects to receive 8.44% of the August 31, 2025-2026 annual debt service requirement from State Aid, excluding Maintenance Tax Notes. These funds are subject to change and are recalculated each year.

Net Debt Per Net Taxable Assessed Valuation - 3.73%
Net Debt Per Sq mile - \$265,542.11
Net Debt Per Capita - \$10,479.33
Net Debt Per ADA - \$59,675.49

Net Taxable Assessed Valuation Per Capita - \$281,151.19
Net Taxable Assessed Valuation Per ADA - \$1,601,040.43
2019-2020 ADA-492; 2020 Pop Est-2,803
2025-2026 ADA-596; 2026 Pop Est-3,395
Area: 133.98 Sq mile

PAYMENT RECORD

Never defaulted.

TAX DATA

Tax Year	A.V.(a,b)	Tax Rate	Adjusted Levy	% Collected within FY	Total % Collected as of 08/31/2025(c)
2020	\$380,415,596	\$1.1251	\$4,299,977	98.29	99.75
2021	\$446,290,403	\$1.0420	\$4,655,432	98.55	99.69
2022	\$567,057,869	\$0.9939	\$5,912,165	98.85	99.60
2023	\$723,733,918	\$0.8892	\$5,252,170(d)	98.35	99.35
2024	\$858,481,596	\$0.8637	\$6,071,100(d)	98.56	98.56
2025	\$954,508,282	\$0.8544	\$6,035,319(d)(In process of collection)		

(a) Reflects assessed valuation for I&S tax rate only. Beginning in the 2022 tax year, the assessed valuation for the maintenance tax portion is limited pursuant to Chapter 313 of the tax code. Assessed values for M&O are shown below.

(b) Increase in assessed values due to increasing economic activity and rapid growth within the District.

(c) Delinquent tax collections are allocated to the respective years in which the taxes are levied.

(d) The tax levy in the table above is calculated by applying the I&S and M&O tax rate to the applicable tax roll.

	Assessed Valuation for M&O Purposes
2023	\$569,554,110
2024	651,399,394
2025	635,327,415

Tax Rate Distribution	2025	2024	2023	2022
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M&O	\$0.6642	\$0.6669	\$0.6692	\$0.8546
I&S	\$0.1902	\$0.1968	\$0.2200	\$0.1393
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Totals	\$0.8544	\$0.8637	\$0.8892	\$0.9939

TAX ABATEMENT

CHAPTER 313 (Texas Economic Development Act) of the Texas Tax Code allows school districts to enter into value limitation agreements with qualifying taxpayers who agree to build or install property in exchange for a ten-year limit on the taxable value of the property for M&O purposes. The Chapter 313 valuation limitation program expired December 31, 2022. The District has entered into the following valuation limitation agreements:

Applicant	Property Type	Limitation Amount	First Qualifying Tax Year	Value Limitation Period
Blue Jay Solar I LLC	Solar	\$20,000,000	2022	2022-2031
Grimes County Solar Project, LLC	Solar	\$20,000,000	2024	2024-2033

TAX RATE LIMITATION

MAINTENANCE TAX LIMITATION: The District is authorized to levy an M&O tax rate pursuant to the approval of the voters of the District. The maximum M&O tax rate per \$100 of taxable value that may be adopted by a school district is the sum of \$0.17 and the school district's Maximum Compressed Tax Rate (MCR). A school district's MCR is, generally, inversely proportional to the change in taxable property values both within the school district and the State, and is subject to recalculation annually. For any year, the highest possible MCR for a school district is \$0.93. Furthermore, a school district cannot annually increase its tax rate in excess of the school district's Voter-Approval Tax Rate without submitting such tax rate to an election and a majority of the voters voting at such election approving the adopted rate.

Election Date	Tax Type	Rate Per \$100	Tax Authorization Statute
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05/26/1956	M&O	1.5000	ISD - Mtc Tax - Ch. 20
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DETAILS OF OUTSTANDING DEBT

Details of Unlimited Tax Debt (Outstanding 8/31/2025)

Unlimited Tax Refunding Bonds Series 2016

Tax Treatment:	Bank Qualified
Original Issue Amount	\$9,030,000.00
Dated Date:	11/01/2016
Sale Date:	10/31/2016
Delivery Date:	11/30/2016
Sale Type:	Competitive
TIC:	2.3206%
Record Date:	MSRB
Bond Form:	BE
Denomination	\$5,000
Interest pays	Semi-Annually: 08/15, 02/15
1st Coupon Date:	02/15/2017

Paying Agent: Amegy Bank, Houston, TX
Bond Counsel: Andrews Kurth Kenyon LLP, Houston, TX
Municipal Advisor: USCA Municipal Advisors LLC, Houston, TX
Lead Manager: Robert W. Baird & Co., Inc.
Co-Manager: Alamo Capital
Co-Manager: Bernardi Securities, Inc.
Co-Manager: CL King & Associates
Co-Manager: Country Club Bank
Co-Manager: Cronin & Co.
Co-Manager: Davenport & Co. LLC
Co-Manager: Duncan-Williams, Inc.



Co-Manager: Edward Jones
Co-Manager: First Empire Securities
Co-Manager: FMSbonds, Inc.
Co-Manager: George K. Baum & Company
Co-Manager: IFS Securities, Inc.
Co-Manager: Isaak Bond
Co-Manager: Loop Capital Markets LLC
Co-Manager: Northland Securities
Co-Manager: Oppenheimer & Co. Inc.
Co-Manager: Rafferty Capital Markets, LLC
Co-Manager: Ross, Sinclair & Associates, Inc.
Co-Manager: Sierra Pacific
Co-Manager: SumRidge Partners, LLC
Co-Manager: UMB Bank
Co-Manager: Vining-Sparks IBG
Co-Manager: W. H. Mell Associates, Inc
Co-Manager: Wayne Hummer Investments
Disclosure Counsel: Powell & Leon, L.L.P., Austin, TX
Escrow Agent: UMB Bank, Houston, TX

Insurance: PSF

Use of Proceeds: Refunding.

Refunding Notes: This bond refunded maturities from the following issues:
U/L Tax Sch Bldg Bds Ser 2009

Refunded Amount	Mat Date	Coupon	Price	Sched Call
280,000.00	02/15/2019	4.000	Par	02/15/2018
110,000.00*	02/15/2020	4.000	Par	02/15/2018
120,000.00*	02/15/2021	4.000	Par	02/15/2018
140,000.00*	02/15/2022	4.000	Par	02/15/2018
330,000.00	02/15/2023	4.125	Par	02/15/2018
345,000.00	02/15/2024	4.500	Par	02/15/2018
360,000.00	02/15/2025	4.375	Par	02/15/2018
375,000.00	02/15/2026	4.250	Par	02/15/2018
395,000.00	02/15/2027	4.625	Par	02/15/2018
415,000.00	02/15/2028	4.625	Par	02/15/2018
430,000.00	02/15/2029	4.625	Par	02/15/2018
2,510,000.00	02/15/2034	5.000	Par	02/15/2018
3,220,000.00	02/15/2039	5.000	Par	02/15/2018

* Partial Maturity

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2026	425,000.00	4.0000%	1.600%
02/15/2027	440,000.00	2.0000%	1.700%
02/15/2028	450,000.00	2.0000%	1.800%
02/15/2037T	3,620,000.00	2.5000%	2.200%
02/15/2038	575,000.00	3.0000%	2.600%
02/15/2039	595,000.00	3.0000%	2.650%
-----\$6,105,000.00			

Call Option: Current Interest Bonds: Bonds maturing on 02/15/2027 to 02/15/2028 and 02/15/2038 to 02/15/2039 and term bonds maturing on 02/15/2037 callable in whole or in part on any date beginning 02/15/2026 @ par.

CABs: Non-callable

Term Call: Term bonds maturing on 02/15/2037 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
02/15/2029	\$455,000
02/15/2030	\$475,000
02/15/2031	\$480,000
02/15/2032	\$495,000
02/15/2033	\$505,000
02/15/2034	\$520,000
02/15/2035	\$530,000
02/15/2036	\$160,000

\$3,620,000

Refunded Notes: Maturities refunded by cash

Refunded On	Refunded Amt	Maturity	Coupon	Price	Call Date
12/27/2024	950,000.00*	02/15/2037	2.500	Par	02/15/2026

* Partial Maturity

Unlimited Tax School Building Bonds, Series 2026

Tax Treatment: Tax Exempt
Original Issue Amount \$28,280,000.00
Dated Date: 08/15/2026
Sale Date: 07/20/2026
Delivery Date: 08/19/2026
Sale Type: Negotiated
NIC: 4.3046%
Record Date: MSRB
Bond Form: BE
Denomination \$5,000
Interest pays Semi-Annually: 08/15, 02/15
1st Coupon Date: 02/15/2027

Paying Agent: Amegy Bank, Houston, TX

Bond Counsel: Cantu Harden Montoya LLP, San Antonio, TX

Municipal Advisor: Nickel Hayden Advisors, Austin, TX

Lead Manager: RBC Capital Markets

Co-Manager: JPMorgan Securities Inc.

Underwriter's Counsel: Orrick, Herrington & Sutcliffe LLP, Austin, TX

Insurance: PSF

Use of Proceeds: School Building.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
08/15/2027	2,145,000.00	5.0000%	2.530%
08/15/2028	1,475,000.00	5.0000%	2.600%
08/15/2029	1,440,000.00	5.0000%	2.720%
08/15/2030	1,380,000.00	5.0000%	2.850%
08/15/2031	1,315,000.00	5.0000%	2.950%
08/15/2032	1,235,000.00	5.0000%	3.050%
08/15/2033	1,160,000.00	5.0000%	3.130%
08/15/2034	1,080,000.00	5.0000%	3.260%
08/15/2035	1,050,000.00	5.0000%	3.350%
08/15/2036	1,460,000.00	5.0000%	3.430%
08/15/2037	1,490,000.00	5.0000%	3.530%
08/15/2038	465,000.00	5.0000%	3.620%
08/15/2039	495,000.00	5.0000%	3.740%
08/15/2040	520,000.00	5.0000%	3.810%
08/15/2041	545,000.00	5.0000%	3.870%
08/15/2042	575,000.00	5.0000%	3.900%
08/15/2043	600,000.00	5.0000%	3.950%
08/15/2044	630,000.00	5.0000%	4.020%
08/15/2045	665,000.00	5.0000%	4.110%
08/15/2046	695,000.00	5.0000%	4.220%
08/15/2051T	3,985,000.00	4.3750%	4.640%
08/15/2055T	3,875,000.00	4.5000%	4.700%
-----\$28,280,000.00			

Call Option: Bonds maturing on 08/15/2036 to 08/15/2046 and term bonds maturing on 08/15/2051 and 08/15/2055 callable in whole or in part on any date beginning 08/15/2035 @ par.

Term Call: Term bonds maturing on 08/15/2051 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
08/15/2047	\$730,000
08/15/2048	\$765,000



08/15/2049	\$795,000
08/15/2050	\$830,000
08/15/2051	\$865,000

	\$3,985,000

Term bonds maturing on 08/15/2055 subject to mandatory redemption as follows:

Redemption Date	Principal Amount
08/15/2052	\$905,000
08/15/2053	\$945,000
08/15/2054	\$990,000
08/15/2055	\$1,035,000

	\$3,875,000

Grand Total =====> \$34,385,000.00

Bond Debt Service

Period Ending	Principal	Interest	Debt Service

08/31/26	425,000.00	151,900.00	576,900.00
08/31/27	2,585,000.00	1,493,499.68	4,078,499.68
08/31/28	1,925,000.00	1,392,568.76	3,317,568.76
08/31/29	1,895,000.00	1,308,631.26	3,203,631.26
08/31/30	1,855,000.00	1,225,006.26	3,080,006.26
08/31/31	1,795,000.00	1,144,068.76	2,939,068.76
08/31/32	1,730,000.00	1,066,131.26	2,796,131.26
08/31/33	1,665,000.00	991,881.26	2,656,881.26
08/31/34	1,600,000.00	921,068.76	2,521,068.76
08/31/35	1,580,000.00	853,943.76	2,433,943.76
08/31/36	1,620,000.00	792,818.76	2,412,818.76
08/31/37	1,490,000.00	717,818.76	2,207,818.76
08/31/38	1,040,000.00	634,693.76	1,674,693.76
08/31/39	1,090,000.00	593,893.76	1,683,893.76
08/31/40	520,000.00	560,218.76	1,080,218.76
08/31/41	545,000.00	534,218.76	1,079,218.76
08/31/42	575,000.00	506,968.76	1,081,968.76
08/31/43	600,000.00	478,218.76	1,078,218.76
08/31/44	630,000.00	448,218.76	1,078,218.76
08/31/45	665,000.00	416,718.76	1,081,718.76
08/31/46	695,000.00	383,468.76	1,078,468.76
08/31/47	730,000.00	348,718.76	1,078,718.76
08/31/48	765,000.00	316,781.26	1,081,781.26
08/31/49	795,000.00	283,312.50	1,078,312.50
08/31/50	830,000.00	248,531.26	1,078,531.26
08/31/51	865,000.00	212,218.76	1,077,218.76
08/31/52	905,000.00	174,375.00	1,079,375.00
08/31/53	945,000.00	133,650.00	1,078,650.00
08/31/54	990,000.00	91,125.00	1,081,125.00
08/31/55	1,035,000.00	46,575.00	1,081,575.00

	34,385,000.00	18,471,243.66	52,856,243.66
=====			

COMPUTED ON BASIS OF MANDATORY REDEMPTION

Debt Amortization Rates

Period Ending	Principal	% of Principal Retired
08/31/2026	425,000.00	01.24%
08/31/2027	2,585,000.00	08.75%
08/31/2028	1,925,000.00	14.35%
08/31/2029	1,895,000.00	19.86%
08/31/2030	1,855,000.00	25.26%
08/31/2031	1,795,000.00	30.48%

08/31/2032	1,730,000.00	35.51%
08/31/2033	1,665,000.00	40.35%
08/31/2034	1,600,000.00	45.01%
08/31/2035	1,580,000.00	49.60%
08/31/2036	1,620,000.00	54.31%
08/31/2037	1,490,000.00	58.64%
08/31/2038	1,040,000.00	61.67%
08/31/2039	1,090,000.00	64.84%
08/31/2040	520,000.00	66.35%
08/31/2041	545,000.00	67.94%
08/31/2042	575,000.00	69.61%
08/31/2043	600,000.00	71.35%
08/31/2044	630,000.00	73.19%
08/31/2045	665,000.00	75.12%
08/31/2046	695,000.00	77.14%
08/31/2047	730,000.00	79.26%
08/31/2048	765,000.00	81.49%
08/31/2049	795,000.00	83.80%
08/31/2050	830,000.00	86.21%
08/31/2051	865,000.00	88.73%
08/31/2052	905,000.00	91.36%
08/31/2053	945,000.00	94.11%
08/31/2054	990,000.00	96.99%
08/31/2055	1,035,000.00	100.00%

Details of Limited Maintenance Tax Debt (Outstanding 8/31/2025)

Maintenance Tax Notes Series 2025

Tax Treatment: Bank Qualified
Original Issue Amount \$3,500,000.00
Dated Date: 01/01/2025
Sale Date: 12/16/2024
Delivery Date: 01/03/2025
Sale Type: Private Placement
Record Date: N/A
Bond Form: FR
Denomination \$100,000
Interest pays Semi-Annually: 08/15, 02/15
1st Coupon Date: 02/15/2025

Paying Agent: Amegy Bank, Houston, TX
Bond Counsel: Cantu Harden Montoya LLP, San Antonio, TX
Municipal Advisor: Frost Bank, Austin, TX
Purchaser: Amegy Bank, Houston, TX
Placement Agent: FHN Financial Capital Markets, Austin, TX

Use of Proceeds: Maintenance & Equipment.

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2026	279,000.00	4.6400%	100.00%
02/15/2027	287,000.00	4.6400%	100.00%
02/15/2028	297,000.00	4.6400%	100.00%
02/15/2029	309,000.00	4.6400%	100.00%
02/15/2030	323,000.00	4.6400%	100.00%
02/15/2031	339,000.00	4.6400%	100.00%
02/15/2032	357,000.00	4.6400%	100.00%
02/15/2033	377,000.00	4.6400%	100.00%
02/15/2034	399,000.00	4.6400%	100.00%
02/15/2035	423,000.00	4.6400%	100.00%

			\$3,390,000.00

Call Option: Bonds maturing on 02/15/2025 to 02/15/2035 callable in whole on any date @ par.

Grand Total =====> \$3,390,000.00



Bond Debt Service

Period Ending	Principal	Interest	Debt Service
08/31/26	279,000.00	150,823.20	429,823.20
08/31/27	287,000.00	137,692.00	424,692.00
08/31/28	297,000.00	124,143.20	421,143.20
08/31/29	309,000.00	110,084.00	419,084.00
08/31/30	323,000.00	95,421.60	418,421.60
08/31/31	339,000.00	80,063.20	419,063.20
08/31/32	357,000.00	63,916.00	420,916.00
08/31/33	377,000.00	46,887.20	423,887.20
08/31/34	399,000.00	28,884.00	427,884.00
08/31/35	423,000.00	9,813.60	432,813.60
	3,390,000.00	847,728.00	4,237,728.00

COMPUTED ON BASIS OF MANDATORY REDEMPTION

Debt Amortization Rates

Period Ending	Principal	% of Principal Retired
08/31/2026	279,000.00	08.23%
08/31/2027	287,000.00	16.70%
08/31/2028	297,000.00	25.46%
08/31/2029	309,000.00	34.57%
08/31/2030	323,000.00	44.10%
08/31/2031	339,000.00	54.10%
08/31/2032	357,000.00	64.63%
08/31/2033	377,000.00	75.75%
08/31/2034	399,000.00	87.52%
08/31/2035	423,000.00	100.00%

DEBT SERVICE FUND MANAGEMENT INDEX

G.O. Debt Service Requirements for fiscal year-ending 08/31/2026		\$1,006,723(a)
I&S Fds all G.O. issues 08/31/2025	\$2,197,668	
2025 I&S Fund Tax Levy @ 90%	1,633,927	
ASAHE	48,689	

Total	3,880,284	

(a) Maintenance Tax Notes are payable from the General Fund.

BALANCE SHEET

STATEMENT OF NET POSITION

GOVT ACTIVITIES	08/31/2025	08/31/2024
ASSETS		
Current Assets	\$11,069,028	\$10,733,809
Capital Assets	\$14,076,344	\$10,803,966
	-----	-----
Total Assets	\$25,145,372	\$21,537,775
DEFERRED OUTFLOWS	\$3,412,746	\$3,733,680
LIABILITIES		
Current Liabilities	\$574,292	\$566,068
Current Long Term Liabilities	\$922,798	\$443,585
Long Term Liabilities	\$13,234,814	\$11,403,820
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Total Liabilities	\$14,731,904	\$12,413,473

DEFERRED INFLOWS	\$2,269,161	\$2,705,080
NET POSITIONS		
Invested In Capital Asset	\$4,541,491	\$3,511,172
Restricted	\$2,400,218	\$2,122,863
Unrestricted	\$4,615,344	\$4,518,867
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Total Net Positions	\$11,557,053	\$10,152,902

AUTHORIZED BUT UNISSUED

GENERAL OBLIGATION BONDS AUTHORIZED BUT UNISSUED

Election Date	Purpose	Amount Authorized	Issued To Date	Unissued
05/02/26	School Building	\$59,300,000	\$29,300,000	\$30,000,000

PENSION FUND LIABILITY

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

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

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Comprehensive Annual Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at https://www.trs.texas.gov/Pages/about_archive_cafr.aspx.

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 percent of the member's annual compensation and a state contribution rate of not less than 6 percent and not more than 10 percent of the aggregate annual compensation paid to members of the system during the fiscal year. Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025. Contribution Rates can be found on the Internet at https://www.trs.texas.gov/Pages/re_contribution_rates.aspx.

Contribution Rates Plan Fiscal Year*	2025	2024	2023	2022
Employer	2%	1.9%	1.8%	1.7%
Member	8.25%	8.25%	8.00%	8.00%
State	8.25%	8.25%	8.00%	7.75%

*The schools are required to pay the State's contribution rate for certain employer contributions such as eligible compensation paid above the State Minimum salary, new TRS members and on eligible compensation paid from Federal Funds/Private Grants.

PENSION FUND LIABILITY

Reporting Year*	08-31-2025	08-31-2024
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Net Pension Liability		
Beginning of Year	\$2,434,092	\$1,514,842
Additional Contributions	\$0	\$0
Total Pension Expense	\$377,981	\$494,255
Total Deferred Outflows	\$1,163,965	\$1,629,005
Total Deferred Inflows	\$584,085	\$568,970
This Year's Contributions	\$196,962	\$182,148
Net Pension Liability		
End of Year	\$2,134,956	\$2,434,092

	Contributions Required and Made
2025 Employer	\$219,552
2025 Member (Employee)	\$474,075
Contributing Agency (State)	\$316,799

For the year ended August 31, 2025, the District recognized pension expense of \$410,412 and revenue of \$410,412 for support provided by the State.

	08-31-2025	08-31-2024
District's Proportion of the Net Pension Liability	0.00349511%	0.00354357%
District's Proportion Share of the Net Pension Liability	\$2,134,956	\$2,434,092
State's Proportion Share of the District's Net Pension Liability	\$3,433,926	\$3,689,239
Total	\$5,568,882	\$6,123,331

District's Covered-Employee Payroll	\$4,743,937	\$4,209,398
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered - Employee Payroll	45.00%	57.83%
Plan's net pension liability as a percentage of covered - employee payroll	117.39%	145.47%

* Based on measurement period of the previous fiscal year.

Fiscal Year	2025	2024
Contractually Required Contributions	\$219,552	\$194,121
Contributions in Relation to the Contractual Required Contributions	(\$219,552)	(\$194,121)
Contributions Deficiency (Excess)	\$0	\$0
District's Covered Employee Payroll	\$5,746,345	\$4,743,937
Contributions as a Percentage of Covered Employee Payroll	3.82%	4.09%

PENSION FUND OPEB LIABILITY

OTHER POST-EMPLOYMENT BENEFITS

Iola ISD participates in the Texas Public School Retired Employees Group Insurance Program (TRSCare). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (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 orders reasonably necessary to administer the program, including minimum benefits and financing standards.

Detail information about the TRS-Care's fiduciary net position is available in the separately issued TRS Annual Comprehensive Financial Report that includes

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

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.

The General Appropriations Act passed by The 88th Legislature included funding to maintain TRS Care premiums at their current level through 2025. The 86th Legislature also passed SB 1682 which requires TRS to establish a contingency reserve in the TRS-Care fund equal to 60 days of expenditures.

	Contribution Rates	
	Fiscal Year	
	2024	2023
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%

In addition to the employer contributions listed above, there is an additional surcharge of \$535 per month when employing a retiree of TRS. The TRS-Care surcharges for fiscal year 2025 totaled \$16,852,694. Total contributions and other additions decreased \$4.6 billion, or (29.4) percent, during fiscal year 2025. This decrease was due to TRS receiving \$5 billion in supplemental appropriations in 2024 for one-time stipend payments and Cost of Living Adjustments (COLA). In 2025, TRS experienced payroll growth, but did not receive any supplemental appropriations.

	2025	2024
Current Fiscal Year Employer Contributions	\$51,277	\$53,706
Current Fiscal Year Member Contributions	\$37,350	\$30,835
Measurement Year NECE On-Behalf Contributions	\$71,384	\$66,666

For the year ended August 31, 2025, the District recognized OPEB expense of \$310,035 and revenue of \$310,035 for support provided by the State.

Reporting Period Ended*	08/31/2025	08/31/2024
District's proportion share of the net OPEB liability (asset)	0.0062719%	0.0063689%
District's proportionate share of the net OPEB liability (asset)	\$1,903,629	\$1,409,977
State's proportionate share of the net OPEB liability (asset) associated with the District	\$2,385,221	\$1,701,354
Total	\$4,288,850	\$3,111,331
District's covered-employee payroll	\$4,743,937	\$4,209,398
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered-employee payroll	40.13%	33.50%

* Based on measurement of the previous fiscal year.

Fiscal year Ended	08/31/2025	08/31/2024
Contractually required contribution	\$51,277	\$53,706
Contributions in relation to these contractually required contribution	(\$51,277)	(\$23,169)



Contribution deficiency (excess)	\$0	\$0
District's covered-employee payroll	\$5,746,345	\$4,743,937
Contribution as a percentage of covered-employee payroll	0.89%	1.13%

MEDICARE PART D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District.

For the fiscal years ended August 31, 2025 and 2024, the subsidy payments received by TRS-Care on behalf of the District were \$51,478 and \$24,281, respectively.

Source: Teacher Retirement System of Texas and the ISD's Financial Statement.

NON FUNDED DEBT

NON-FUNDED DEBT PAYABLE (As of August 31, 2025)

The District reports additional debt in the principal amount of \$4,260,401 under Govt Activities as follows:

	Amount Outstanding	Int Rate	Next Year's Requirements	Fund Reported Under
Pension Liability	\$2,134,956	N/A	N/A	Govt Activities
OPEB	\$1,903,629	N/A	N/A	Govt Activities
Leases	\$10,971	3.77%	\$8,232	Govt Activities
Compensated Absences	\$210,845	N/A	N/A	Govt Activities

For additional information on Pension and/or OPEB liabilities, see Pension Fund Liabilities section of this report.

OVERLAPPING DEBT

Taxing Body	Debt Amount	As Of	%Ovlp	Ovlp Amt
Grimes Co	-None-	06/30/26	17.72	\$0
Iola, City of	3,891,000 *	06/30/26	100.00	3,891,000
Total Overlapping Debt:				\$3,891,000
Iola ISD		08/31/25		\$35,577,332
Total Direct and Overlapping Debt:				\$39,468,332
Total Direct and Overlapping Debt % of A.V.:				4.13%
Total Direct and Overlapping Debt per Capita:				\$11,625

* Gross Debt

MATERIAL EVENTS AND OTHER FILINGS

This section contains excerpt(s) from or a summary of filings made by or on behalf of the issuer. The information below is an extract or summary only. The complete filing should be viewed on the Texas MAC website (www.mactexas.com) or the Electronic Municipal Market Access (EMMA) System of the Municipal Securities Rulemaking Board (<https://emma.msrb.org/>). See TMR disclaimer at the bottom of this page.

11/17/2021 - Notice of Sale of Corporate Trust Business

"On March 23, 2021, Wells Fargo Bank, N.A. ("Wells Fargo Bank") announced that it had entered into a definitive agreement with Computershare Trust Company, N.A. ("Computershare Trust Company"), Computershare Delaware Trust Company, N.A. ("CDTC") and Computershare Limited (collectively, "Computershare") to sell substantially all of its Corporate Trust Services ("CTS") business. The sale to Computershare closed on November 1, 2021, and virtually all CTS employees of Wells Fargo Bank, along with most existing CTS systems, technology, and offices, transferred to Computershare as part of the sale. On November 1, 2021, for some of the transactions in its CTS business, Wells Fargo Bank transferred its roles, and the duties, rights, and liabilities for such roles, under the relevant transaction agreements to Computershare Trust Company. For other transactions in its CTS business, Wells Fargo Bank intends to transfer such roles, duties, rights, and liabilities to Computershare Trust Company or CDTC, as applicable, in stages after November 1, 2021. For any transaction where Wells Fargo Bank's roles did not transfer to Computershare Trust Company or CDTC on November 1, 2021, Computershare Trust Company or CDTC performs all or virtually all of Wells Fargo Bank's obligations as its agent as of such date pursuant to a Servicing Agreement dated October 31, 2021."

"Subject to the terms of the governing agreements related to any transaction for which Wells Fargo Bank's roles did not transfer to Computershare Trust Company or CDTC on November 1, 2021, Wells Fargo Bank intends to transfer its roles to Computershare Trust Company or CDTC in the future, and will at such time give further notice of such transfer. The specific date of transfer of roles for any such transaction in Wells Fargo's CTS business is not known at this time."

ECONOMIC BACKGROUND

TEXAS PUBLIC SCHOOL FINANCE SYSTEM For information on the Texas Public School Finance System, visit the Publications area of the MAC website at www.mactexas.com.

ECONOMIC BACKGROUND

Iola ISD is an agricultural and mineral producing area located in the northwest portion of Grimes County. Included in the District is the unincorporated community of Iola, a retail center located 30 miles north of Navasota. The City's 2020 population was 311, decreasing 22.44% since 2010.

COUNTY CHARACTERISTICS

Grimes County is a southeast Texas county created from Montgomery County in 1846. Grimes is bordered by the Brazos and Navasota Rivers to the west and Bedias Creek to the north.

COUNTY SEAT: Anderson

2020 census: 29,268 increasing 10.0% since 2010
2010 census: 26,604 increasing 13.0% since 2000
2000 census: 23,552

ECONOMIC BASE

Mineral: natural gas and lignite coal.

Industry: varied manufacturing, tourism and agribusiness.

Agricultural: poultry, pecans, horses, honey, forage, Christmas trees, cattle and berries.

OIL AND GAS - 2025

The oil production for this county accounts for 0.01% of the total state production. The county ranks 125 out of all the counties in Texas for oil production. The gas production for this county accounts for 0.04% of the total state production. The county ranks 88 out of all the counties in Texas for gas production.

OIL PRODUCTION (Texas Railroad Commission)

Year	Description Volume	% Change From Previous Year
2022	Oil 213,557 BBL	-10.96

This Texas Municipal Report ("TMR") was prepared by employees of the Municipal Advisory Council of Texas ("MAC") for informational purposes only, and is not intended to be, and should not be considered as, a recommendation, endorsement or solicitation to buy or sell any security of the issuer to which it applies. The information set forth in this TMR has been obtained from the issuer and from sources believed to be reliable, but the MAC has not independently verified such information. The MAC specifically disclaims any responsibility for, and makes no representations, warranties or guarantees about, the completeness or accuracy of such information. In this connection, this TMR reflects information as of the date referred to in the TMR, as derived from filings received by the MAC from the issuer. This TMR will be updated in the ordinary course as filings are received from the issuer, but the MAC specifically disclaims any responsibility for doing so. The reader of this TMR is advised to obtain current information from other sources before making any investment decision respecting the securities of this issuer.



2023	Oil	189,361 BBL	-11.33
2024	Oil	175,256 BBL	-7.45
2025	Oil	172,683 BBL	-1.47

CASINGHEAD (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2022	Casinghead	1,266,825 MCF	-11.04
2023	Casinghead	1,136,500 MCF	-10.29
2024	Casinghead	1,033,960 MCF	-9.02
2025	Casinghead	925,436 MCF	-10.50

GAS WELL PRODUCTION (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2022	GW Gas	4,678,070 MCF	-31.16
2023	GW Gas	3,821,457 MCF	-18.31
2024	GW Gas	3,241,330 MCF	-15.18
2025	GW Gas	2,692,003 MCF	-16.95

CONDENSATE (Texas Railroad Commission)

Year	Description	Volume	% Change From Previous Year
2022	Condensate	16,334 BBL	-32.38
2023	Condensate	13,539 BBL	-17.11
2024	Condensate	12,536 BBL	-7.41
2025	Condensate	7,037 BBL	-43.87

TIMBER PRODUCTION (Texas A&M Forest Service)

Year	Volume	Value
2022	2,064,000 Cubic Feet	\$2,441,000 Harvested
2023	1,310,000 Cubic Feet	\$2,009,000 Harvested

EMPLOYMENT DATA (Texas Workforce Commission)

	2025		2024		2023	
	Employed	Earnings	Employed	Earnings	Employed	Earnings
1st Q:	8,249	\$128.5M	7,726	\$115.7M	7,574	\$116.1M
2nd Q:	8,430	\$127.7M	7,879	\$114.1M	7,777	\$111.3M
3rd Q:	8,419	\$130.7M	7,752	\$111.3M	7,777	\$113.2M
4th Q:	8,668	\$148.4M	8,272	\$131.5M	8,144	\$127.2M

Starting Q4 2021 includes Federal Data

TOP TAXPAYERS

Principal Taxpayers	2025 A.V.	% of A.V.
1. Blue Jay Solar Project Industrial - Solar Energy Plant	\$215,325,987	22.56%
2. Grimes County Solar Project, LLC Industrial - Solar Energy Plant	145,940,244	15.29%
3. Twin Oaks Renewables LLC Industrial - Oil & Gas Refinery	16,852,667	1.77%
4. CML Exploration LLC Mineral - Oil & Gas	16,719,031	1.75%
5. Texas Express Pipeline Industrial - Oil & Gas Pipeline	14,452,630	1.51%
6. Bridgetex Pipeline Industrial - Oil & Gas Pipeline	12,269,818	1.29%
7. BNSF Railway Co. Utility - Railroad	11,551,504	1.21%
8. Breviloba LLC Industrial - Oil & Gas Pipeline	11,332,333	1.19%
9. Gibbons Tract 1 LP Commercial - Commercial Land	7,629,052	0.80%
10. ETC Texas Pipeline Ltd. Industrial - Oil & Gas Pipeline	6,641,439	0.70%
Total:	\$458,714,705	48.07%

Taxpayer Concentration

As shown in the table above, the top ten taxpayers in the District currently account for over 48.07% of the District's tax base, and are primarily comprised

of businesses categorized in the Oil & Gas industry. Adverse developments in economic conditions, especially in the Oil & Gas industry, could adversely impact the businesses in the District and the tax values in the District, resulting in less local tax revenue.

The District's Taxpayer, Blue Jay Solar Project, accounts for 22.56% & Grimes County Solar Project, LLC accounts for 15.29% of the overall assessed value/tax base. The District/Issuer is dependent on the taxpayer(s) for the continued tax payments.

FINANCE CONNECTED OFFICIALS

Board President
Alec Pointer
7282 Fort Worth St
Iola, TX 77861
Phone: 936-394-2361
apointer@iolaisd.net

Superintendent
Jeff Dyer
7282 Fort Worth St
Iola, TX 77861
Phone: 936-394-2361 Ext: 106
jdyer@iolaisd.net

Business Manager
Janis Timm
7282 Fort Worth St
Iola, TX 77861
Phone: 936-394-2361 Ext: 112
jtimmm@iolaisd.net

Chief Appraiser-Tax A/C
Mark Boehnke
Grimes County Appraisal District
360 Hill St.
Anderson, TX 77830
Phone: 936-873-2163 Ext: 224
mboehnke@grimescad.org

ESCROW AGREEMENTS

The District defeased bonds with cash on hand.

The Iola ISD has entered into escrow agreement(s) with the following entity(ies):

UMB Bank, Houston, TX
Dated
12/27/2024

Copies of the Escrow Agreement and Verification Report are on file with this Council.

CALLED BONDS, if any, follow description of debt.

DETAILS OF ADVANCE REFUNDED DEBT

Unlimited Tax Refunding Bonds Series 2016
Tax Treatment: Bank Qualified
Original Issue Amount \$9,030,000.00
Dated Date: 11/01/2016
Sale Date: 10/31/2016
Delivery Date: 11/30/2016
Sale Type: Competitive
TIC: 2.3206%
Record Date: MSRB
Bond Form: BE



Denomination \$5,000
Interest pays Semi-Annually: 08/15, 02/15
1st Coupon Date: 02/15/2017

Paying Agent: Amegy Bank, Houston, TX
Bond Counsel: Andrews Kurth Kenyon LLP, Houston, TX
Municipal Advisor: USCA Municipal Advisors LLC, Houston, TX
Lead Manager: Robert W. Baird & Co., Inc.
Co-Manager: Alamo Capital
Co-Manager: Bernardi Securities, Inc.
Co-Manager: CL King & Associates
Co-Manager: Country Club Bank
Co-Manager: Cronin & Co.
Co-Manager: Davenport & Co. LLC
Co-Manager: Duncan-Williams, Inc.
Co-Manager: Edward Jones
Co-Manager: First Empire Securities
Co-Manager: FMSbonds, Inc.
Co-Manager: George K. Baum & Company
Co-Manager: IFS Securities, Inc.
Co-Manager: Isaak Bond
Co-Manager: Loop Capital Markets LLC
Co-Manager: Northland Securities
Co-Manager: Oppenheimer & Co. Inc.
Co-Manager: Rafferty Capital Markets, LLC
Co-Manager: Ross, Sinclair & Associates, Inc.
Co-Manager: Sierra Pacific
Co-Manager: SumRidge Partners, LLC
Co-Manager: UMB Bank
Co-Manager: Vining-Sparks IBG
Co-Manager: W. H. Mell Associates, Inc.
Co-Manager: Wayne Hummer Investments
Disclosure Counsel: Powell & Leon, L.L.P., Austin, TX
Escrow Agent: UMB Bank, Houston, TX

Insurance: PSF

Maturity	Amount	Coupon	Orig Reoffering Price/Yield
02/15/2037T	950,000.00	2.5000%	2.200%
-----\$950,000.00			

Call: Maturities refunded by cash

Refunded On	Refunded Amt	Maturity	Coupon	Price	Call Date
12/27/2024	950,000.00*	02/15/2037	2.500	Par	02/15/2026

* Partial Maturity

AM