



Annual Financial Report
For The Fiscal Year Ended
June 30, 2025

WICHITA FALLS INDEPENDENT SCHOOL DISTRICT

WICHITA FALLS, TEXAS

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Annual Financial Report

Wichita Falls Independent School District

Wichita Falls, Texas

For the Fiscal Year Ended June 30, 2025

**Prepared by
Wichita Falls ISD Finance Department**

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Wichita Falls Independent School District
Annual Financial Report
For the Fiscal Year Ended June 30, 2025
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Certificate of Board

Wichita Falls Independent School District
Name of School District

Wichita
County

243-905
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) ☒ approved ☐ disapproved for the fiscal year ended June 30, 2025 at a meeting of the Board of Trustees of such school district on the 17th day of November, 2025.



Signature of Board Secretary



Signature of Board President

If the Board of Trustees disapproved of the auditors' report, the reason(s) for disapproving it is (are):

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Financial Section

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

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.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Combining Statements and Schedules, and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2025 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL L.L.P.

Dallas, Texas
November 5, 2025

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Management's Discussion and Analysis

Our discussion and analysis of Wichita Falls Independent School District's (the District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. Please read it in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources of the District at the close of the most recent fiscal year by \$151.2 million (net position).
- During the year, the District expensed \$165.1 million, which was \$35.4 million less than the District's revenue of \$200.5 million. Of this, \$47.6 million was program revenue and \$152.9 million was general revenue.
- The fund balance of the General Fund was \$56.3 million, which was an increase of \$8.4 million. Unassigned fund balance of the general fund was \$54.7 million or 42 percent of the year's total general fund expenditures.
- The fund balance of the Child Nutrition Fund was \$7.0 million, which was a decrease of \$1.0 million. The fund balance of the Debt Service Fund was \$14.5 million, which was an increase of \$4.1 million. The fund balance of the Capital Projects Fund was \$6.5 million, which was a decrease of \$22.7 million.

Overview of the Financial Statements

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

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

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

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

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

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

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

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

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

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

Fund Financial Statements. The fund financial statements provide more detailed information about the District's most significant funds—not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Proprietary Funds. Services for which the District charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information. The District's proprietary funds are internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among various functions.

Fiduciary Funds. The District is the trustee, or fiduciary, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. Fiduciary funds are excluded from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

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

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

Financial Analysis of the District as a Whole

Net position. The District's overall net position increased between fiscal year 2025 and the fiscal year ended June 30, 2025 – a net position of \$151,152,921. (See Table A-1).

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

	Governmental Activities			Percentage
	June 30, 2025	June 30, 2024	Increase (Decrease)	Change
Assets				
Current and other assets	\$ 110,640,816	\$ 138,866,321	\$ (28,225,505)	-20%
Capital assets, net	453,433,611	429,079,467	24,354,144	6%
Total assets	564,074,427	567,945,788	(3,871,361)	-15%
Total deferred outflows of resources	25,719,707	37,208,077	(11,488,370)	-31%
Liabilities				
Long-term debt	352,040,442	393,810,865	(41,770,423)	-11%
Other liabilities	34,360,903	52,791,331	(18,430,428)	-35%
Total liabilities	386,401,345	446,602,196	(60,200,851)	-46%
Total deferred inflows of resources	52,239,868	42,786,206	9,453,662	22%
Net position				
Net investment in capital assets	147,779,397	129,902,254	17,877,143	14%
Restricted	18,952,375	15,018,574	3,933,801	26%
Unrestricted	(15,578,851)	(29,155,365)	13,576,514	-47%
Total net position	\$ 151,152,921	\$ 115,765,463	\$ 35,387,458	-7%

Changes in net position. The District's total revenues were \$200.5 million, a decrease of \$5.7 million or 3%. (See Table A-2.) General revenues decreased due to a decrease in investment earnings and a decrease in operating grants and contributions due to one-time gifts in the prior year related to the two new high schools. These decreases combined with increases in tax collections and an increase in the State Aid allotment in the current year, led to this decrease in revenue. Expenses decreased \$2.6 million or 2%, staying fairly comparable to the prior year.

Governmental Activities. Table A-2 compares the District's operating and general revenues and functional expenses for both the prior year and the fiscal year ended June 30, 2025. Following the table, we provide explanations for the significant fluctuations between the two periods.

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

	Governmental Activities			
	June 30, 2025	June 30, 2024	Increase (Decrease)	Percentage Change
Program revenues:				
Charges for services	\$ 2,573,201	\$ 2,568,939	\$ 4,262	0%
Operating grants and contributions	45,056,073	49,748,818	(4,692,745)	-9%
General revenues:				
Property taxes	61,032,082	58,406,787	2,625,295	4%
Unrestricted operating grants (mostly state aid)	87,621,287	82,881,236	4,740,051	6%
Investment earnings	3,299,967	8,395,813	(5,095,846)	-61%
Miscellaneous	885,779	4,171,881	(3,286,102)	-79%
Total revenues	200,468,389	206,173,474	(5,705,085)	-3%
Expenses:				
Instruction	90,311,010	94,109,254	(3,798,244)	-4%
Instructional resources and media services	1,359,239	1,564,214	(204,975)	-13%
Curriculum and staff development	2,096,189	1,837,539	258,650	14%
Instructional leadership	2,582,980	3,330,044	(747,064)	-22%
School leadership	7,918,773	8,355,692	(436,919)	-5%
Guidance, counseling and evaluation services	7,228,669	6,915,547	313,122	5%
Social work services	689,155	661,064	28,091	4%
Health services	1,978,915	1,882,091	96,824	5%
Student transportation	4,037,425	3,392,598	644,827	19%
Food services	8,651,768	7,610,711	1,041,057	14%
Extracurricular activities	3,689,530	4,131,773	(442,243)	-11%
General administration	3,454,820	4,961,909	(1,507,089)	-30%
Facilities maintenance and operations	15,894,162	13,273,991	2,620,171	20%
Security and monitoring services	2,242,207	1,622,401	619,806	38%
Data processing services	3,507,507	4,089,661	(582,154)	-14%
Community services	713,482	730,158	(16,676)	-2%
Debt service	7,379,135	8,366,769	(987,634)	-12%
Bond issuance costs and fees	622,066	7,150	614,916	8600%
Payments for shared service arrangements	-	99,432	(99,432)	-100%
Payments related to juvenile justice programs	24,553	29,627	(5,074)	-17%
Other intergovernmental charges	699,346	694,808	4,538	1%
Total expenses	165,080,931	167,666,433	(2,585,502)	-2%
Change in net position	\$ 35,387,458	\$ 38,507,041	\$ (3,119,583)	-8%

Sources of Revenues for Fiscal Year 2025 Graph A-1

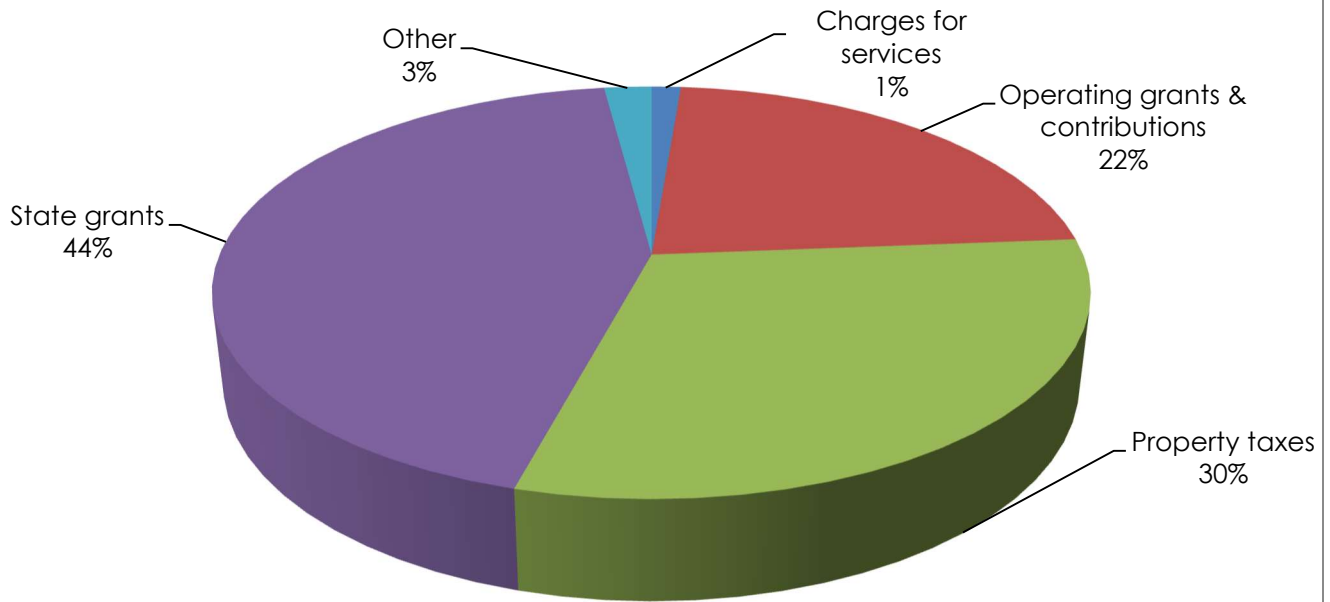


Table A-3 presents the cost of each of the District's largest functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

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

	Total Cost of Services			
	June 30, 2025	June 30, 2024	Increase (Decrease)	Percentage Change
Instruction	\$ 90,311,010	\$ 94,109,254	\$ (3,798,244)	-4.0%
School leadership	7,918,773	8,355,692	(436,919)	-5.2%
Guidance, counseling and evaluation services	7,228,669	6,915,547	313,122	4.5%
Food services	8,651,768	7,610,711	1,041,057	13.7%
Facilities maintenance and operations	15,894,162	13,273,991	2,620,171	19.7%
	Net Cost of Services			
	June 30, 2025	June 30, 2024	Increase (Decrease)	Percentage Change
Instruction	\$ 66,729,062	\$ 67,626,586	\$ (897,524)	-1.3%
School leadership	6,363,937	6,396,365	(32,428)	-0.5%
Guidance, counseling and evaluation services	5,809,334	5,293,920	515,414	9.7%
Food services	564,933	(227,935)	792,868	-347.8%
Facilities maintenance and operations	12,656,966	10,043,368	2,613,598	26.0%

The cost of all governmental activities this year was \$165.1 million; however, the amount our taxpayers paid for these activities through property taxes was \$61.0 million. Some of the cost was paid by those who directly benefited from the programs, through charges for services - \$2.6 million, or by operating grants and contributions - \$45.1 million. The amount funded by the state was \$87.6 million in formula grants and state aid.

Financial Analysis of the District's Funds

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

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$84.8 million. Approximately \$54.2 million constitutes the unassigned fund balance. The remainder of fund balance is nonspendable, restricted, committed or assigned to indicate that it is not available for new spending because it has already been: 1) restricted for retirement of long-term debt or capital projects and 2) restricted, committed or assigned for other purposes, or nonspendable.

The general fund is the primary operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$54.7 million, while the total fund balance of all governmental funds was \$84.8 million.

The general fund reported an ending fund balance of \$56,293,289. The net change in fund balance resulted in an increase in the general fund balance from the prior year in the amount of \$8,351,945. There was increased funding from the State Aid allotment, increased tax collections from rising property values, and decreased funding from the SHARS/Medicaid services.

The child nutrition fund reported an ending fund balance of \$7,034,410, which represents a decrease of \$1,016,896. This decrease is due to rising supplies costs and contracted services.

The debt service fund reported an ending fund balance of \$14,465,106, all of which is restricted for the payment of debt service. The net increase in fund balance during the period in the debt service fund was \$4,118,813. The increase is due to increased property tax collections from rising property values. The District also issued Series 2025 Unlimited Tax Refunding Bonds in the current year.

The capital projects fund reported an ending fund balance of \$6,526,766, which represents a decrease of \$22,684,275. This decrease is the direct result of the continued construction of two new high schools.

General Fund Budgetary Highlights

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

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

After appropriations were amended as described above, actual revenues for the general fund were increased. TEA calculated the district's state funding based on estimated ADA of 11,250 when actual ADA for 2024-25 was 11,340.

Capital Assets and Debt Administration

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2025, amounts to \$453.4 million (net of accumulated depreciation). This amount represents a net increase (including additions and deletions) of \$24.4 million or 6%. The investment in capital assets includes land, buildings and improvements, vehicles, equipment, and construction in progress.

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

	Governmental Activities			Percentage Change
	June 30, 2025	June 30, 2024	Increases (Decreases)	
Land	\$ 18,763,870	\$ 19,273,163	\$ (509,293)	-3%
Bldgs and improvements	211,243,136	208,873,988	2,369,148	1%
Equipment	24,718,257	20,016,732	4,701,525	23%
Property under financed purchase	4,239,102	4,239,102	-	0%
Construction in progress	335,206,362	311,524,268	23,682,094	8%
Totals at historical cost	594,170,727	563,927,253	30,243,474	5%
Less accumulated depreciation	140,737,116	134,847,786	5,889,330	4%
Net capital assets	\$ 453,433,611	\$ 429,079,467	\$ 24,354,144	6%

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

Long-term Debt. At June 30, 2025 the District had \$308.0 million in long term debt – a decrease of 5.1% over last year – as shown in Table A-5. This decrease was due to the annual payment on bonds as well as issuance of Series 2025 Unlimited Tax Refunding Bonds, which refunded Series 2015 and 2015A.

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

	Governmental Activities			
	June 30, 2025	June 30, 2024	Increase (Decrease)	Percentage Change
General obligation bonds	\$ 285,775,000	\$ 301,290,000	\$ (15,515,000)	-5.1%
Premium on bonds	19,915,576	20,101,106	(185,530)	-0.9%
Total bonds payable	305,690,576	321,391,106	(15,700,530)	-4.9%
Note payable	1,080,000	2,140,000	(1,060,000)	-49.5%
Compensated absences	1,264,784	1,175,684	89,100	7.6%
Total long-term obligations	\$ 308,035,360	\$ 324,706,790	\$ (16,671,430)	-5.1%

Economic Factors and Next Year's Budgets and Tax Rates

The District's certified property values for 2025 reflect a 1% increase in property values, from the prior year.

The maintenance and operating tax rate of \$0.6511 is now compressed down to \$0.6322 allowing for \$0.04 additional pennies based off the 2025-26 Maintenance and Operations adopted rate as well as an extra \$0.01 for a unanimous approval of the board of trustees in adoption of the tax rate. The 2025-26 Maintenance and Operations tax rate was set at \$0.6822. A total decrease of \$0.0189.

The District's 2025-26 refined average daily attendance was budgeted at 11,100.

The Administration is carefully monitoring future and outstanding debt, as well as fund balance, to maintain a tax rate not to exceed \$0.50 for debt service payments. The debt service tax rate was approved at \$0.393087 for the 2025-26 year.

The Board of Trustees adopted a 2025-2026 general fund budget reflecting revenues and transfers in of \$135,457,364 and expenditures and transfers out of \$135,457,364 resulting in a balanced budget. The district utilized the revised 2025-26 Teacher Pay Scale and gave all employees a pay raise.

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

Requests for Information

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

Basic Financial Statements

Wichita Falls Independent School District

Statement of Net Position

June 30, 2025

Exhibit A-1

1

Data Control Codes		Governmental Activities
	ASSETS	
1110	Cash and cash equivalents	\$ 78,088,898
1220	Property taxes receivables (net)	1,871,063
1240	Due from other governments	30,012,561
1290	Other receivables	442,384
1300	Inventories	224,459
1410	Prepaid items	1,451
	Capital assets:	
1510	Land	18,763,870
1520	Buildings and improvements, net	91,073,961
1530	Furniture and equipment, net	6,053,716
1540	Financed purchases, net	2,335,702
1580	Construction in progress	335,206,362
1000	Total assets	564,074,427
	DEFERRED OUTFLOWS OF RESOURCES	
1705	Deferred outflows of resources - pensions	11,254,043
1706	Deferred outflows of resources - OPEB	14,465,664
1700	Total deferred outflows of resources	25,719,707
	LIABILITIES	
2110	Accounts payable	2,278,922
2150	Payroll deductions and withholdings	2,560,877
2165	Accrued liabilities	11,248,373
2140	Interest payable	3,443,113
2180	Due to other governments	130,161
2300	Unearned revenue	578,920
	Noncurrent liabilities:	
2501	Due within one year	14,120,537
2502	Due in more than one year	293,914,823
2590	Claims and judgments	291,000
2540	Net pension liability (District's share)	32,768,437
2545	Net OPEB liability (District's share)	25,066,182
2000	Total liabilities	386,401,345
	DEFERRED INFLOWS OF RESOURCES	
2601	Deferred gain on refunding bonds	1,353,304
2602	Deferred inflows of resources - leases	150,000
2605	Deferred inflows of resources - pensions	13,564,334
2606	Deferred inflows of resources - OPEB	37,172,230
2600	Total deferred inflows of resources	52,239,868
	NET POSITION	
3200	Net investment in capital assets	147,779,397
	Restricted for:	
3820	Retirement of long-term debt	11,852,098
3850	Grants	7,100,277
3900	Unrestricted	(15,578,851)
3000	TOTAL NET POSITION	\$ 151,152,921

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

Wichita Falls Independent School District

Statement of Activities

For the Fiscal Year ended June 30, 2025

Exhibit B-1

Data Control Codes	Functions/Programs	1 Expenses	Program Revenues		Net (expense) Revenue and Changes in Net Position 6
			3 Charges for Services	4 Operating Grants and Contributions	
					Governmental Activities
	PRIMARY GOVERNMENT				
	Governmental activities:				
11	Instruction	\$ 90,311,010	\$ 49,106	\$ 23,532,842	\$ (66,729,062)
12	Instructional resources and media services	1,359,239	-	266,884	(1,092,355)
13	Curriculum and staff development	2,096,189	-	411,583	(1,684,606)
21	Instructional leadership	2,582,980	-	507,163	(2,075,817)
23	School leadership	7,918,773	-	1,554,836	(6,363,937)
31	Guidance, counseling, and evaluation services	7,228,669	-	1,419,335	(5,809,334)
32	Social work services	689,155	-	135,314	(553,841)
33	Health services	1,978,915	-	388,556	(1,590,359)
34	Student transportation	4,037,425	-	792,741	(3,244,684)
35	Food services	8,651,768	1,440,501	6,646,334	(564,933)
36	Cocurricular/extracurricular activities	3,689,530	957,915	724,432	(2,007,183)
41	General administration	3,454,820	-	678,347	(2,776,473)
51	Facilities maintenance and operations	15,894,162	125,679	3,111,517	(12,656,966)
52	Security and monitoring services	2,242,207	-	440,253	(1,801,954)
53	Data processing services	3,507,507	-	688,692	(2,818,815)
61	Community services	713,482	-	140,091	(573,391)
72	Interest on long-term debt	7,379,135	-	3,617,153	(3,761,982)
73	Bond issuance costs and fees	622,066	-	-	(622,066)
95	Payments related to juvenile justice programs	24,553	-	-	(24,553)
99	Other intergovernmental charges	699,346	-	-	(699,346)
TG	Total governmental activities	165,080,931	2,573,201	45,056,073	(117,451,657)
	TOTAL PRIMARY GOVERNMENT	\$ 165,080,931	\$ 2,573,201	\$ 45,056,073	(117,451,657)
	General revenues:				
MT	Property taxes, levied for general purposes				38,440,308
DT	Property taxes, levied for debt service				22,591,774
GC	Grants and contributions not restricted to specific programs				87,621,287
IE	Investment earnings				3,299,967
MI	Miscellaneous				885,779
TR	Total general revenues				152,839,115
CN	Change in net position				35,387,458
NB	Net position - beginning				115,765,463
NE	NET POSITION, ending				\$ 151,152,921

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

Wichita Falls Independent School District

Balance Sheet – Governmental Funds

June 30, 2025

Data Control Codes		10	24
		General Fund	Child Nutrition Fund
ASSETS			
1110	Cash and cash equivalents	\$ 44,351,598	\$ 7,120,926
1220	Taxes receivable	1,785,786	-
1230	Allowance for uncollectible taxes (credit)	(760,473)	-
1240	Due from other governments	26,444,591	44,044
1260	Due from other funds	4,942,881	-
1290	Other receivables	12,848	3,706
1300	Inventories	215,586	-
1410	Prepays	1,451	-
1000	TOTAL ASSETS	\$ 76,994,268	\$ 7,168,676
LIABILITIES			
Current liabilities:			
2110	Accounts payable	\$ 608,776	\$ 30,254
2150	Payroll deductions and withholdings	2,453,372	22,825
2160	Accrued wages payable	10,109,026	59,625
2170	Due to other funds	6,463,604	21,562
2180	Due to other governments	-	-
2300	Unearned revenue	24,489	-
2000	Total liabilities	19,659,267	134,266
DEFERRED INFLOWS OF RESOURCES			
2601	Unavailable revenue - property taxes	891,712	-
2602	Deferred inflow - leases	150,000	-
2600	Total deferred inflows of resources	1,041,712	-
FUND BALANCES			
Nonspendable fund balances:			
3410	Inventories	215,586	-
3430	Prepaid items	1,451	-
Restricted fund balances:			
3450	Federal/state funds grant restrictions	-	7,034,410
3470	Capital projects	-	-
3480	Retirement of long-term debt	-	-
Committed fund balance:			
3540	Self-insurance	100,000	-
3545	Other committed fund balance	1,264,784	-
3600	Unassigned	54,711,468	-
3000	Total fund balances	56,293,289	7,034,410
4000	TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	\$ 76,994,268	\$ 7,168,676

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

50 Debt Service Fund	60 Capital Projects Fund	Other Governmental Funds	98 Total Governmental Funds
\$ 14,522,537	\$ 7,730,861	\$ 3,702,315	\$ 77,428,237
911,483	-	-	2,697,269
(65,733)	-	-	(826,206)
54,472	-	3,469,454	30,012,561
-	-	534	4,943,415
-	424,000	1,830	442,384
-	-	8,873	224,459
-	-	-	1,451
<u>\$ 15,422,759</u>	<u>\$ 8,154,861</u>	<u>\$ 7,183,006</u>	<u>\$ 114,923,570</u>
\$ -	1,628,095	\$ 11,603	\$ 2,278,728
-	-	84,680	2,560,877
-	-	1,079,722	11,248,373
-	-	4,921,853	11,407,019
127,548	-	2,613	130,161
-	-	554,431	578,920
<u>127,548</u>	<u>1,628,095</u>	<u>6,654,902</u>	<u>28,204,078</u>
830,105	-	-	1,721,817
-	-	-	150,000
<u>830,105</u>	<u>-</u>	<u>-</u>	<u>1,871,817</u>
-	-	-	215,586
-	-	-	1,451
-	-	65,867	7,100,277
-	6,526,766	-	6,526,766
14,465,106	-	-	14,465,106
-	-	-	100,000
-	-	954,506	2,219,290
-	-	(492,269)	54,219,199
<u>14,465,106</u>	<u>6,526,766</u>	<u>528,104</u>	<u>84,847,675</u>
<u>\$ 15,422,759</u>	<u>\$ 8,154,861</u>	<u>\$ 7,183,006</u>	<u>\$ 114,923,570</u>

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Wichita Falls Independent School District**Exhibit C-1R**

Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2025

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS, balance sheet \$ 84,847,675

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources; therefore are not reported in the governmental fund financial statements.		594,170,727
Accumulated depreciation has not been included in the governmental fund financial statements.		(140,737,116)
Long-term debt and other contractual liabilities have not been included in the governmental fund financial statements:		
Bonds and notes payable	\$ (286,855,000)	
Compensated absences	(1,264,784)	(288,119,784)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the governmental fund financial statements, interest expenditures are reported when due.		(3,443,113)
Premiums on the issuance of current interest bonds are capitalized, net of amortization, on the government-wide financial statements.		(19,915,576)
In the governmental fund financial statements, refunding gains or losses are expensed when incurred, whereas in the government-wide financial statements they are capitalized, net of amortization.		(1,353,304)
Revenue reported as a deferred inflow of resources in the governmental fund financial statements is recorded as revenue in the government-wide financial statements.		1,721,817
Internal service funds are used by management to charge the costs of various services to the individual funds. The assets and liabilities of the internal service funds are included in the governmental activities.		6,833,071
The District's net pension liability and related deferred outflows and inflows related to its proportionate share of the state Teacher Retirement System (TRS) pension are not due and payable in the current period and are, therefore, not reported in the governmental funds financial statements. These items consist of:		
Net pension liability	\$ (32,768,437)	
Deferred outflows - pension related items	11,254,043	
Deferred inflows - pension related items	(13,564,334)	(35,078,728)
The District's net OPEB liability and related deferred outflows and inflows related to its proportionate share of TRS-Care are not due and payable in the current period and are, therefore, not reported in the governmental funds financial statements. These items consist of:		
Net OPEB liability	\$ (25,066,182)	
Deferred outflows - OPEB related items	14,465,664	
Deferred inflows - OPEB related items	(37,172,230)	(47,772,748)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES, statement of net position		\$ 151,152,921

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

Wichita Falls Independent School District

Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds For the Fiscal Year Ended June 30, 2025

Data Control Codes		10	24
		General Fund	Child Nutrition Fund
REVENUES			
5700	Local and intermediate sources	\$ 42,150,336	\$ 1,811,381
5800	State program revenues	94,132,685	30,560
5900	Federal program revenues	905,480	7,036,242
5020	Total revenues	137,188,501	8,878,183
EXPENDITURES			
Current:			
0011	Instruction	73,440,071	-
0012	Instructional resources and media services	1,238,332	-
0013	Curriculum and staff development	579,963	-
0021	Instructional leadership	1,672,229	-
0023	School leadership	7,297,496	-
0031	Guidance, counseling, and evaluation services	4,475,268	-
0032	Social work services	243,559	-
0033	Health services	1,910,578	-
0034	Student transportation	4,373,165	-
0035	Food services	-	9,466,551
0036	Cocurricular/extracurricular activities	3,312,232	-
0041	General administration	3,773,862	-
0051	Facilities maintenance and operations	17,008,775	-
0052	Security and monitoring services	1,761,067	-
0053	Data processing services	3,428,919	-
0061	Community services	15,752	-
Debt service:			
0071	Principal on long-term debt	1,060,000	-
0072	Interest on long-term debt	42,800	-
0073	Bond issuance costs and fees	-	-
Capital outlay:			
0081	Facilities maintenance and operations	3,033,649	-
Intergovernmental charges:			
0095	Payments related to juvenile justice alternative education program	24,553	-
0099	Other intergovernmental charges	699,346	-
6030	Total expenditures	129,391,616	9,466,551
1100	Excess (deficiency) of revenues over (under) expenditures	7,796,885	(588,368)
OTHER FINANCING SOURCES (USES)			
7901	Refunding bonds issued	-	-
7912	Sale of real or personal property	745,419	795
7915	Transfers in	429,323	-
7916	Premium or discount on issuance of bonds	-	-
8911	Transfers out	(619,682)	(429,323)
8940	Payment to refunded bond escrow agent	-	-
7080	Total other financing sources and (uses)	555,060	(428,528)
1200	Net change in fund balances	8,351,945	(1,016,896)
0100	Fund balances, beginning, July 1	47,941,344	8,051,306
3000	FUND BALANCES, ending, June 30	\$ 56,293,289	\$ 7,034,410

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

50	60	Other	98
Debt Service	Capital	Governmental	Total
Fund	Projects	Funds	Governmental
Fund	Fund	Funds	Funds
\$ 22,843,651	\$ -	\$ 1,505,799	\$ 68,311,167
3,617,153	-	2,470,672	100,251,070
-	-	17,788,858	25,730,580
26,460,804	-	21,765,329	194,292,817
-	-	14,011,818	87,451,889
-	-	76,477	1,314,809
-	-	1,495,828	2,075,791
-	-	773,851	2,446,080
-	-	246,342	7,543,838
-	-	2,487,258	6,962,526
-	-	404,523	648,082
-	-	21,535	1,932,113
-	-	66,729	4,439,894
-	-	12,328	9,478,879
-	90,398	323,749	3,726,379
-	181,119	108,214	4,063,195
-	-	70,719	17,079,494
-	-	1,194,651	2,955,718
-	-	161,239	3,590,158
-	-	669,061	684,813
12,465,000	-	-	13,525,000
9,556,183	-	-	9,598,983
622,066	-	-	622,066
-	22,587,758	-	25,621,407
-	-	-	24,553
-	-	-	699,346
22,643,249	22,859,275	22,124,322	206,485,013
3,817,555	(22,859,275)	(358,993)	(12,192,196)
37,680,000	-	-	37,680,000
-	-	-	746,214
-	175,000	444,682	1,049,005
3,386,245	-	-	3,386,245
-	-	-	(1,049,005)
(40,764,987)	-	-	(40,764,987)
301,258	175,000	444,682	1,047,472
4,118,813	(22,684,275)	85,689	(11,144,724)
10,346,293	29,211,041	442,415	95,992,399
\$ 14,465,106	\$ 6,526,766	\$ 528,104	\$ 84,847,675

Wichita Falls Independent School District**Exhibit C-2R**

Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund
Balances to the Government-Wide Statement of Activities
For the Fiscal Year Ended June 30, 2025

TOTAL NET CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS \$ (11,144,724)

Amounts reported for governmental activities in the statement of activities are different because:

Current year capital outlays are expenditures in the fund financial statements,
but they are shown as increases in capital assets in the government-wide financial statements. 31,671,728

The net effect of various miscellaneous transactions involving capital assets
(sales, trade-ins, and donations) is to decrease net position. (1,428,254)

Depreciation is not recognized as an expenditure in the governmental fund financial statements
since it does not use current financial resources. Current year depreciation is: (5,889,330)

Issuances of long-term debt are other financing sources in the governmental financial statements, but
are reported as increases in long-term liabilities in the government-wide financial statements. The
District issued the following long-term debt in the current year:

Series 2025 Refunding Bonds	\$	(37,680,000)	
Premium on issuance		(3,386,245)	
Payments to Escrow Agent		40,764,987	(301,258)

Long-term debt principal payments are expenditures in the governmental fund financial statements,
but are reported as reductions of long-term debt in the government-wide financial statements.
Current year long-term debt principal payments are: 13,525,000

Interest is accrued on long-term debt in the government-wide financial statements, whereas interest
is reported when due in the governmental fund financial statements. Accrued interest decreased by: 556,463

Changes in liabilities for compensated absences are not reflected in the governmental fund
financial statements, but are reported as increases and decreases in long-term liabilities of the
government-wide financial statements. The liability for compensated absences increased by: (89,100)

Bond premiums are expended when incurred in the governmental fund financial statements, but
capitalized and amortized over the maturity of the debt for government-wide financial statements.
Current year bond premium amortization is: 1,628,685

Amortization of deferred gains on refundings is only reported in the government-wide financial
statements. Current year amortization is: 34,700

Revenue from property taxes is deferred in the governmental fund financial statements until it is
considered available to finance current year expenditures, but is recognized when assessed, net
of an allowance for uncollectible accounts, in the government-wide financial statements. 556,247

Internal service funds are used by management to charge the costs of various services to the
individual funds. The change in net position of the internal service funds is reported in the
governmental activities. 596,185

The net change in the net pension liability, deferred outflows and deferred inflows is reported in the
statement of activities but does not provide or require the use of current financial resources and
is not reported as revenues or expenditures in the governmental funds. The net change consists of:

Deferred outflows decrease	\$	(13,356,009)	
Deferred inflows increase		(10,206,785)	
Net pension liability decrease		24,271,350	708,556

The net change in the net OPEB liability, deferred outflows and deferred inflows is reported in the
statement of activities but does not provide or require the use of current financial resources and
is not reported as revenues or expenditures in the governmental funds. The net change consists of:

Deferred outflows increase	\$	2,387,738	
Deferred inflows decrease		2,081,427	
Net OPEB liability decrease		493,395	4,962,560

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 35,387,458

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

Wichita Falls Independent School District
Statement of Net Position – Proprietary Funds
June 30, 2025

Exhibit D-1

Data Control Codes		Insurance Fund
	ASSETS	
	Current assets:	
1110	Cash and cash equivalents	\$ 660,661
	Receivables:	
1260	Due from other funds	6,463,604
	Total current assets	7,124,265
1000	Total assets	7,124,265
	LIABILITIES	
	Current liabilities:	
2110	Accounts payable	194
	Total current liabilities	194
	Noncurrent liabilities:	
2590	Claims and judgments	291,000
	Total noncurrent liabilities	291,000
2000	Total liabilities	291,194
	NET POSITION	
3900	Unrestricted	6,833,071
3000	TOTAL NET POSITION	\$ 6,833,071

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

Wichita Falls Independent School District
Statement of Revenues, Expenses, and Changes
in Fund Net Position – Proprietary Funds
For the Fiscal Year Ended June 30, 2025

Exhibit D-2

Data Control Codes		Insurance Fund
	OPERATING REVENUES	
5700	Total local and intermediate sources	\$ 956,163
5020	Total operating revenues	956,163
	OPERATING EXPENSES	
6100	Payroll costs	89,180
6200	Professional and contracted services	2,543
6300	Supplies and materials	1,575
6400	Other operating costs	296,056
6030	Total operating expenses	389,354
	Operating income	566,809
	NONOPERATING REVENUES	
7955	Earnings from temporary deposits and investments	29,376
8030	Total non-operating revenues	29,376
1300	Change in net position	596,185
0100	Net position, beginning, September 1	6,236,886
3300	TOTAL NET POSITION, ending, June 30	<u><u>\$ 6,833,071</u></u>

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

Wichita Falls Independent School District

Statement of Cash Flows – Proprietary Funds
For the Fiscal Year Ended June 30, 2025

Exhibit D-3

	Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash receipts for quasi-external operating transactions with others	\$ 456,739
Cash payments to employees for services	(89,180)
Cash payments to other suppliers for goods and services	(386,160)
Net cash used in operating activities	(18,601)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and dividends on investments	29,376
Net cash provided by investing activities	29,376
Net increase in cash and cash equivalents	10,775
CASH AND CASH EQUIVALENTS, beginning of year	649,886
CASH AND CASH EQUIVALENTS, end of year	<u>\$ 660,661</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH	
CASH USED IN OPERATING ACTIVITIES	
Operating income	\$ 566,809
Adjustments to reconcile operating income to net cash used in operating activities:	
Change in assets and liabilities:	
Increase in due from other funds	(499,424)
Increase in accounts payable	14
Decrease in claims liability	(86,000)
NET CASH USED IN OPERATING ACTIVITIES	<u>\$ (18,601)</u>

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

Wichita Falls Independent School District
Statement of Fiduciary Net Position – Fiduciary Funds
June 30, 2025

Exhibit E-1

Data Control Codes		Custodial Funds
	ASSETS	
1110	Cash and cash equivalents	\$ 748,604
1290	Other receivables	89,411
1000	TOTAL ASSETS	838,015
	LIABILITIES	
2110	Accounts payable	799
2000	TOTAL LIABILITIES	799
	NET POSITION	
3000	Restricted for other purposes	837,216
	TOTAL NET POSITION	\$ 837,216

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

Wichita Falls Independent School District**Exhibit E-2**Statement of Changes in Fiduciary Net Position – Fiduciary Funds
For the Fiscal Year Ended June 30, 2025

	Custodial Funds
ADDITIONS	
Gifts and bequests	\$ -
Miscellaneous revenue from student groups	329,621
Total additions	329,621
DEDUCTIONS	
Scholarship awards	192,500
Dues and fees	257,605
Total deductions	450,105
Change in net position	(120,484)
NET POSITION:	
Restricted for students and other organizations	
Net position, beginning	957,700
NET POSITION, ending	\$ 837,216

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

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Wichita Falls Independent School District

Notes to the Financial Statements

Note 1. Summary of Significant Accounting Policies

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

A. Reporting Entity

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

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

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

B. Government-Wide and Fund Financial Statements

The statement of net position and the statement of activities are government-wide financial statements. They report information on all of the District's nonfiduciary activities with most of the interfund activities removed except for interfund services provided and used which are not eliminated. *Governmental activities* include programs supported primarily by taxes, state foundation funds, grants and other intergovernmental revenues.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identified with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Revenues that are not classified as program revenues, including taxes, are reported as *general revenues*.

The fund financial statements provide information on the financial condition and results of operations for three fund categories - governmental, proprietary, and fiduciary. Since the resources in the fiduciary funds cannot be used for District operations, they are not included in the government-wide statements. The emphasis on fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are nonoperating.

Wichita Falls Independent School District

Notes to the Financial Statements

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

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

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

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

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

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

The proprietary fund types are accounted for on a flow of economic resources measurement focus and utilize the accrual basis of accounting. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measurable and expenses in the accounting period in which they are incurred and become measurable.

Fund Accounting

The District reports the following major governmental funds:

The General Fund

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

Wichita Falls Independent School District

Notes to the Financial Statements

Child Nutrition Fund

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

Debt Service Fund

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

Capital Projects Funds

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

Additionally, the District reports the following fund types:

Governmental Funds

Special Revenue Funds

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

Proprietary Fund

Internal Service Funds

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

Fiduciary Funds

Custodial Funds

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

Financial Statement Amounts

Cash and Cash Equivalents

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

Wichita Falls Independent School District

Notes to the Financial Statements

Investments

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

Inventory and Prepaid Items

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

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

Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which they were imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a 60-day period after the close of the school fiscal year.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the general and debt service funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas legislature.

The tax rates assessed for the year ended June 30, 2025 to finance general fund operations and the payment of principal and interest on general obligation debt were \$0.701100 and \$0.412393 per \$100 valuation, respectively, for a total of \$1.113493 per \$100 valuation.

Capital Assets

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

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

Wichita Falls Independent School District

Notes to the Financial Statements

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

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

Long-term Debt

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

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

Compensated Absences

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

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

Fund Balances and Net Position

Government-Wide Financial Statements

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

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

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

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

Wichita Falls Independent School District

Notes to the Financial Statements

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

Governmental Fund Financial Statements

The District classifies governmental fund balances as follows:

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

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

Committed -- includes fund balance amounts that are constrained for specific purposes that are internally imposed by the District through formal action of the highest level of decision-making authority. Committed fund balance is reported pursuant to resolution passed by the District's Board of Trustees. At June 30, 2025, the Board has committed fund balances as follows:

	General Fund	Other Governmental Funds	Totals
Self-insurance	\$ 100,000	\$ -	\$ 100,000
Accumulated sick leave benefits obligations	1,264,784	-	1,264,784
Campus Activity Funds	-	954,506	954,506
Totals	\$ 1,364,784	\$ 954,506	\$ 2,319,290

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

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

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

Wichita Falls Independent School District

Notes to the Financial Statements

Interfund Activities

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

Data Control Codes

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

Account Code Reporting

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

Estimates

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

The amount of state foundation revenue a school district earns for a year can and does vary until the time when final values for each of the factors in the formula become available. Availability can be as late as midway into the next fiscal year. It is at least reasonably possible that the foundation revenue estimates as of June 30, 2025 will change.

Pensions

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other Postemployment Benefits

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

Wichita Falls Independent School District

Notes to the Financial Statements

Note 2. Cash, Cash Equivalents, and Investments

Cash Deposits

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

Investments

The District's investment policy is in accordance with the Public Funds Investment Act, the Public Funds Collateral Act, and federal and state laws. For the fiscal year ended June 30, 2025, the District invested in TexPool and TexasTERM, Certificates of Deposit, and through Hilltop Securities.

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

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

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

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

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

Wichita Falls Independent School District

Notes to the Financial Statements

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

Cash and investments as of June 30, 2025 are classified in the accompanying financial statements as follows:

Statement of net position:	
Cash and cash equivalents	\$ 78,088,898
Fiduciary funds:	
Cash and cash equivalents	748,604
Total cash and investments	\$ 78,837,502
Cash on hand	\$ 5,355
Deposits with financial institutions	6,908,924
Cash equivalents - investment pools	71,923,223
Total cash and investments	\$ 78,837,502

Credit Risk

For the fiscal year ended June 30, 2025, the District invested in TexasTERM and Texpool Investment Pool. The TexasTERM portfolio is a fixed rate, fixed term portfolio option rated AAAM by Standard & Poor's rating agency. TexPool is rated AAAM by Standard & Poor's rating agency. This rating is the highest principal stability fund rating assigned by Standard & Poor's.

Interest Rate Risk

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

Concentration of Credit Risk

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

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2025, the District's bank balance of \$6,697,654, including fiduciary activity, was not exposed to custodial credit risk because it was insured and collateralized with securities held by the District's agent and in the District's name. With the exception of the date of highest balance, January 29, 2025, the District's cash deposits as of and during the year ended June 30, 2025 were covered by the FDIC and pledged securities.

Wichita Falls Independent School District

Notes to the Financial Statements

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

- a. Depository: American National Bank.
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was \$16,183,659.
- c. The highest combined balances of cash, savings, and time deposit accounts amounted to \$23,040,874 and occurred on January 29, 2025.
- d. Total amount of FDIC coverage at the time of the highest combined balance was \$250,000.

Custodial Credit Risk – Investments

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

Note 3. Interfund Receivables, Payables, and Transfers

Interfund balances at June 30, 2025 consisted of the following individual fund receivables and payables:

Payable Fund	Receivable Fund	Amount	Primary Purpose
Child Nutrition Fund	General Fund	\$ 21,562	Short-term borrowing
Nonmajor Governmental Funds	General Fund	4,921,319	Short-term borrowing
General Fund	Internal Service Fund	6,463,604	Short-term borrowing
Nonmajor Governmental Funds	Nonmajor Governmental Funds	534	Short-term borrowing
		<u>\$ 11,407,019</u>	

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

The detail transfer schedule for the year ended June 30, 2025 includes the following:

Transferred From	Transferred To	Amount	Purpose
Child Nutrition Fund	General Fund	\$ 429,323	Supplement other funds
General Fund	Nonmajor Governmental Funds	444,682	Supplement other funds
General Fund	Capital Projects Fund	175,000	Supplement other funds
		<u>\$ 1,049,005</u>	

Wichita Falls Independent School District

Notes to the Financial Statements

Note 4. Capital Asset Activity

Capital asset activity for the District for the fiscal year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Adjustments/ Retirements	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 19,273,163	\$ -	\$ (509,293)	\$ 18,763,870
Construction in progress	311,524,268	25,460,240	(1,778,146)	335,206,362
Total capital assets not being depreciated	330,797,431	25,460,240	(2,287,439)	353,970,232
Capital assets being depreciated:				
Buildings and improvements	208,873,988	591,002	1,778,146	211,243,136
Furniture and equipment	20,016,732	5,040,789	(339,264)	24,718,257
Financed purchases	4,239,102	-	-	4,239,102
Total capital assets being depreciated	233,129,822	5,631,791	1,438,882	240,200,495
Less accumulated depreciation for:				
Buildings and improvements	114,877,994	5,291,181	-	120,169,175
Furniture and equipment	18,180,121	484,420	-	18,664,541
Financed purchases	1,789,671	113,729	-	1,903,400
Total accumulated depreciation	134,847,786	5,889,330	-	140,737,116
Total capital assets being depreciated, net	98,282,036	(257,539)	1,438,882	99,463,379
Governmental activities capital assets, net	\$ 429,079,467	\$ 25,202,701	\$ (848,557)	\$ 453,433,611

Depreciation expense was charged to governmental functions as follows:

Governmental Function	Depreciation
Instruction	\$ 3,239,941
Instructional resources and media services	49,020
Curriculum and staff development	77,391
Instructional leadership	91,197
School leadership	281,260
Guidance, counseling and evaluation services	259,582
Social work services	24,162
Health services	72,034
Student transportation	165,531
Food services	353,398
Co-curricular/ Extracurricular activities	138,930
General administration	230,533
Plant maintenance and operations	636,770
Security and monitoring services	110,197
Data processing services	133,851
Community services	25,533
Total depreciation expense	\$ 5,889,330

Wichita Falls Independent School District

Notes to the Financial Statements

Note 5. Long-term Debt

Long-term obligation activity

Long-term obligation activities during the fiscal year ended June 30, 2025, were as follows:

	Beginning Balance	Additions	Retired/ Refunded	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable:					
General obligation bonds	\$ 301,290,000	\$ 37,680,000	\$ (53,195,000)	\$ 285,775,000	\$ 12,605,000
Bond premium (discount)	20,101,106	3,386,245	(3,571,775)	19,915,576	-
Total bonds payable	321,391,106	41,066,245	(56,766,775)	305,690,576	12,605,000
Note payable	2,140,000	-	(1,060,000)	1,080,000	1,080,000
Compensated absences *	1,175,684	89,100	-	1,264,784	435,537
Net pension liability	57,039,787	794,615	(25,065,965)	32,768,437	-
Net OPEB liability	25,559,577	5,848,456	(6,341,851)	25,066,182	-
Total long-term liabilities	\$ 407,306,154	\$ 47,798,416	\$ (89,234,591)	\$ 365,869,979	\$ 14,120,537

* Compensated absences are reported as a net change for the year as allowed under the provisions of GASB 101, paragraph 30.

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

Unlimited tax bonds and the maintenance tax note outstanding as of June 30, 2025 are as follows:

Purpose and Lawful Authority	Interest Rate	Amount	Amounts Outstanding 7/1/2024	Issued	Retired/ Refunded	Amounts Outstanding 6/30/2025
Unlimited Tax Refunding Bonds, Series 2015	2.125% to 5.00%	\$ 35,350,000	\$ 12,230,000	\$ -	\$ 12,230,000	\$ -
Unlimited Tax School Building Bonds, Series 2015A	1.00% to 5.00%	53,645,000	34,940,000	-	34,940,000	-
Unlimited Tax School Building Bonds, Series 2021	1.625% to 4.00%	257,245,000	242,025,000	-	5,765,000	236,260,000
Unlimited Tax School Building Bonds, Series 2021A	2.125% to 5.00%	12,685,000	12,095,000	-	260,000	11,835,000
Unlimited Tax Refunding Bonds, Series 2025	5.00%	37,680,000	-	37,680,000	-	37,680,000
Maintenance Tax Notes, Series 2016	2.00%	9,000,000	2,140,000	-	1,060,000	1,080,000
			\$ 303,430,000	\$ 37,680,000	\$ 54,255,000	\$ 286,855,000

Wichita Falls Independent School District

Notes to the Financial Statements

Debt service requirements are as follows:

Years Ending June 30,	Principal Requirements	Interest Requirements	Total Requirements
2026	\$ 13,685,000	\$ 8,736,559	\$ 22,421,559
2027	13,185,000	8,500,583	21,685,583
2028	9,360,000	7,903,683	17,263,683
2029	9,765,000	7,500,533	17,265,533
2030	10,195,000	7,079,733	17,274,733
2031 - 2035	56,910,000	29,510,411	86,420,411
2036 - 2040	46,045,000	21,247,675	67,292,675
2041 - 2045	53,315,000	13,977,289	67,292,289
2046 - 2050	61,245,000	6,050,276	67,295,276
2051 - 2055	13,150,000	311,538	13,461,538
	<u>\$ 286,855,000</u>	<u>\$ 110,818,280</u>	<u>\$ 397,673,280</u>

On April 1, 2025, the District issued "Wichita Falls Independent School District Unlimited Tax Refunding Bonds, Series 2025," totaling \$37,680,000 to refund a portion of the outstanding bonds. These bonds incur an average cost over the life of the bonds at a rate of 5.00% and mature annually with semi-annual interest payments. The proceeds were used to purchase U.S. Government securities and these securities were placed in an irrevocable escrow account until the refunded bonds are redeemed. The District, in effect, decreased the aggregate debt service payments by \$3,727,017 through 2035 and resulted in an economic gain (difference between present values of the old and new debt service payment) of \$3,221,219. The bonds will fully mature in 2035.

There are a number of limitations and restrictions contained in the unlimited tax school building and refunding bond indentures. Management has indicated that the District is in compliance with all significant limitations and restrictions at June 30, 2025.

Note 6. Revenue from Local and Intermediate Sources

During the fiscal year ended June 30, 2025, the District received revenues from local and intermediate sources consisting of the following:

	General Fund	Child Nutrition Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Property taxes-current	\$ 37,036,061	\$ -	\$ 21,784,926	\$ -	\$ -	\$ 58,820,987
Property taxes-delinquent	580,988	-	302,665	-	-	883,653
Penalties, interest, and other	535,586	-	235,609	-	-	771,195
Investment earnings	2,589,755	370,880	520,451	(181,119)	-	3,299,967
Rent	125,679	-	-	-	-	125,679
Food service income	-	1,440,501	-	-	-	1,440,501
Gifts and bequest	-	-	-	-	663,247	663,247
Campus activity	-	-	-	-	610,511	610,511
Cocurricular/extracurricular activities	328,755	-	-	-	-	328,755
Other	953,512	-	-	-	232,041	1,185,553
Total local revenue	<u>\$ 42,150,336</u>	<u>\$ 1,811,381</u>	<u>\$ 22,843,651</u>	<u>\$ (181,119)</u>	<u>\$ 1,505,799</u>	<u>\$ 68,130,048</u>

Wichita Falls Independent School District

Notes to the Financial Statements

Note 7. Employees' Retirement Plan

Plan Description

The District participates in a cost-sharing multiple-employer defined benefit pension plan that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS) and is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms. All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

Pension Plan Fiduciary Net Position

Detailed information about the TRS's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at <https://www.trs.texas.gov/learning-resources/publications>; by writing to TRS at P.O. Box 149676, Austin, TX 78714-0185; or by calling 1-800-223-8778.

Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3% (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity, except for members who are grandfathered where the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic postemployment benefit changes, including automatic cost of living adjustments (COLAs). Ad hoc postemployment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as previously noted in the Plan Description above. Accordingly, the 2023 Texas Legislature passed Senate Bill (SB) 10 and House Joint Resolution (HJR) 2 to provide eligible retirees with a one-time stipend and an ad hoc cost-of-living-adjustment (COLA).

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

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

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

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

Wichita Falls Independent School District

Notes to the Financial Statements

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

Contributions

Contribution requirements are established or amended pursuant to Article 16, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of 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 2019 thru 2025.

Rates for such plan fiscal years are as follows:

	Contribution Rates	
	2025	2024
Member	8.25%	8.25%
Non-employer contributing entity (state)	8.25%	8.25%
Employers	8.25%	8.25%

The contribution amounts for the District's fiscal year 2025 are as follows:

2025 District contributions	\$	3,228,809
2025 Member contributions		6,966,217
2025 NECE on-behalf contributions (State)		5,136,289

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

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

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

Wichita Falls Independent School District

Notes to the Financial Statements

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

- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment-after-retirement surcharge.
- All public schools, charter schools and regional education service centers must contribute 1.9% of the member's salary beginning in fiscal year 2024, gradually increasing to 2.0% in fiscal year 2025.

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

On June 30, 2025 the District reported a liability of \$32,768,437 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	\$ 32,768,437
State's proportionate share that is associated with District	55,674,582
Total	\$ 88,443,019

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

At the measurement date of August 31, 2024, the District's proportion of the collective net pension liability was 0.0536447% which was a decrease of 0.0293943% from its proportion measured as of August 31, 2023.

For the fiscal year ended June 30, 2025, the District recognized pension expense of \$6,654,043 and revenue of \$5,136,289 for support provided by the State.

On June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,806,152	\$ 255,840
Changes of assumptions	1,691,905	226,827
Difference between projected and actual earnings on pension plan investments	199,188	-
Changes in proportion and differences between District's contributions and the proportionate share of contributions	4,808,520	13,081,667
District contributions paid subsequent to the measurement date	2,748,278	-
Total	\$ 11,254,043	\$ 13,564,334

Wichita Falls Independent School District

Notes to the Financial Statements

\$2,748,278 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,	Pension Expense (Income)
2026	\$ (1,413,814)
2027	2,081,194
2028	(1,165,787)
2029	(2,918,063)
2030	(1,642,099)
Thereafter	-
Total	\$ (5,058,569)

Actuarial Methods and Assumptions

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

Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.00%
Long-term expected rate of return	7.00%
Municipal bond rate as of August 2023	3.87% - The source for the rate is the Bond Buyers 20 Index which represents the estimated yield of a portfolio of 20 general obligation bonds maturing in 20 years based on a survey of municipal bond traders.
Last year ending August 31 in projection period (100 years)	2123
Inflation	2.30%
Salary increases	2.95% to 8.95% including inflation
Ad hoc postemployment benefit changes	None
Mortality rates	The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioners Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published projection scale ("U-MP"). The active mortality rates were based on the published PUB(2010) Mortality Tables for Teachers, below median, also with full generational mortality.

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

Wichita Falls Independent School District

Notes to the Financial Statements

Discount Rate and Long-Term Expected Rate of Return

A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine the single discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity will be made at the rates set by the legislature in the 2019 session. It is assumed that future employer and state contributions will be 9.54 percent of payroll in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

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

The long-term expected 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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in TRS's target asset allocation as of August 31, 2024 are summarized below:

Asset Class	Target Allocation*	Long-term Expected Geometric Real Rate of Return**	Expected Contribution to Long-term Portfolio Returns
Global equity:			
U.S.	18.0%	4.4%	1.0%
Non-U.S. developed	13.0%	4.2%	0.8%
Emerging markets	9.0%	5.2%	0.7%
Private equity*	14.0%	6.7%	1.2%
Stable value:			
Government bonds	16.0%	1.9%	0.4%
Absolute return*	0.0%	3.0%	0.0%
Stable value hedge funds	5.0%	4.0%	0.2%
Real return:			
Real estate	15.0%	6.6%	1.2%
Energy, natural resources and infrastructure	6.0%	5.6%	0.4%
Commodities	0.0%	2.5%	0.0%
Risk parity:			
Risk parity	8.0%	4.0%	0.4%
Asset allocation leverage:			
Cash	2.0%	1.0%	0.0%
Asset allocation leverage	-6.0%	1.3%	-0.1%
Inflation expectation			2.4%
Volatility drag****			-0.7%
Total	100.0%		7.9%

* Absolute return includes credit sensitive investments.

** Target allocations are based on the FY 2024 policy model.

*** Capital market assumptions (CMA) come from 2024 SSA Study CMA Survey (as of 12/31/2023).

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

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Notes to the Financial Statements

Discount Rate Sensitivity Analysis

The following table presents the District's proportionate share of the TRS net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1% lower or 1% higher than the current rate:

1 % Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
\$ 52,339,498	\$ 32,768,437	\$ 16,552,423

Change of Assumptions Since the Prior Measurement Date

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

Change of Benefit Terms Since the Prior Measurement Date

The 2023 Texas Legislature passed Senate Bill 10 (SB 10) which provided a stipend payment to certain retirees and variable ad hoc cost-of-living adjustments (COLA) to certain retirees in early fiscal year 2024. Due to its timing, the legislation and payments were not reflected in the August 31, 2023 actuarial valuation. Under the roll forward method, an adjustment was made to reflect the legislation in the rolled forward liabilities for the current measurement year, August 31, 2024. SB 10 and House Joint Resolution 2 (HJR 2) of the 88th Regular Legislative Session appropriated payments of \$1.645 billion for one-time stipends and \$3.355 billion for COLAs. This appropriation is treated as a supplemental contribution and included in other additions. Since the legislature appropriated funds for this one-time stipend and COLA, there was no impact on the Net Pension Liability of TRS.

Note 8. Defined Other Postemployment Benefit Plan

Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRSCare). It is a multiple-employer, cost-sharing defined benefit Other Post-Employment Benefit (OPEB) plan that has a special funding situation. TRS-Care 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.

OPEB Plan Fiduciary Net Position

Detail information about TRS-Care's fiduciary net position is available in the separately issued TRS 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/learningresources/publications> ; by writing to TRS at P.O. Box 149676, Austin, TX, 78714-0185; or by calling 1-800-223-8778.

Benefits Provided

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

Wichita Falls Independent School District

Notes to the Financial Statements

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

TRS-Care Monthly Premium Rates

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

Contributions

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

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

Rates for such plan fiscal years are as follows:

	Contribution Rates	
	2025	2024
Active employee	0.65%	0.65%
Non-employer contribution entity (state)	1.25%	1.25%
Employers/District	0.75%	0.75%
Federal/private funding*	1.25%	1.25%

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

The contribution amounts for the District's fiscal year 2025 are as follows:

2025 District contributions	\$ 757,542
2025 Member contributions	548,853
2025 NECE on-behalf contributions (state)	939,953

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

Wichita Falls Independent School District

Notes to the Financial Statements

The State of Texas also contributed \$548,922, \$443,315, and \$462,243 in 2025, 2024, and 2023, respectively, for on-behalf payments for Medicare Part D.

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

On June 30, 2025, the District reported a liability of \$25,066,182 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided by the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District are as follows:

District's proportionate share of the net OPEB liability	\$ 25,066,182
State's proportionate share of the net OPEB liability associated with the District	31,407,586
	<u>\$ 56,473,768</u>

The net OPEB liability was measured as of August 31, 2023 and rolled forward to August 31, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the net OPEB liability was based on the employer's contributions to OPEB relative to the contributions of all employers to the plan for the period September 1, 2023 thru August 31, 2024.

At the measurement date of August 31, 2024, the employer's proportion of the collective net OPEB liability was 0.0825862% which was an decrease of 0.0328679% from its proportion measured as of August 31, 2023.

For the fiscal year ended June 30, 2025, the District recognized net OPEB revenue of \$4,082,407 due to recognition of deferred inflows in excess of deferred outflows and current year expense. OPEB revenue of \$939,953 was recognized for support provided by the State.

On June 30, 2025, the District reported its proportionate share of the TRS' deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 4,804,346	\$ 12,509,384
Changes of assumptions	3,208,175	8,178,805
Net difference between projected and actual earnings on investments	-	70,193
Changes in proportion and differences between District contributions and proportionate share of contributions (cost-sharing plan)	5,817,315	16,413,848
District contributions after measurement date	635,828	-
	<u>\$ 14,465,664</u>	<u>\$ 37,172,230</u>

Wichita Falls Independent School District

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\$635,828 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending June 30,	OPEB Expense (Income)
2026	\$ (4,842,633)
2027	(3,707,359)
2028	(3,986,954)
2029	(3,249,712)
2030	(2,556,325)
Thereafter	(4,999,411)
	<u>\$ (23,342,394)</u>

Actuarial Methods and Assumptions

The actuarial valuation of the total OPEB liability was performed as of August 31, 2023. Update procedures were used to roll forward the total OPEB liability to August 31, 2024.

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

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

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

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

The initial medical trend rate was 6.75 percent for non-Medicare retirees. For Medicare retirees, trend rates are higher in the first two years due to anticipated growth but thereafter match those of non-Medicare retirees. The initial prescription drug trend rate was 7.25 percent for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25 percent over a period of 11 years.

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Notes to the Financial Statements

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

Actuarial cost method	Individual entry age normal
Single discount rate	3.87% as of August 31, 2024
Aging factors	Based on the Society of Actuaries' 2013 study "Health Care Costs - From Birth to Death."
Election rates	Normal retirement: 62% participation prior to age 65 and 25% after age 65. Pre-65 retirees: 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Ad hoc postemployment benefit changes	None

Discount Rate

A single discount rate of 3.87% was used to measure the total OPEB liability at August 31, 2024. This was a decrease of 0.26% in the discount rate since the August 31, 2023 measurement date. The plan is essentially a "pay-as-you-go" plan, and based on the assumption that contributions are made at the statutorily required rates, the OPEB plan's fiduciary net position was projected to not be able to make all future benefit payments to current plan members and therefore, the single discount rate is equal to the prevailing municipal bond rate. The source for the rate is the same used for the pension plan.

Discount Rate Sensitivity Analysis

The following table presents the District's proportionate share of the TRS-Care net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that was 1% less than and 1% greater than the discount rate that was used (3.87%) in measuring the net OPEB liability.

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

1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
\$ 29,779,795	\$ 25,066,182	\$ 21,257,511

Wichita Falls Independent School District

Notes to the Financial Statements

Healthcare Cost Trend Rates Sensitivity Analysis

The following table presents the District's proportionate share of net OPEB liability using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is 1% lower or 1% higher than the assumed health-care cost trend rate:

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

1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
\$ 20,412,684	\$ 25,066,182	\$ 31,130,154

Change of Assumptions Since the Prior Measurement Date

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

- The discount rate changed from 4.13% as of August 31, 2023 to 3.87% as of August 31, 2024. Additionally, the tables used to model the impact of aging on the underlying claims were revised.

Change of Benefit Terms Since the Prior Measurement Date

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

Note 9. Facilities Use Agreement

During fiscal year 2022, the District entered into a 10-year agreement with another entity for the use of one of the District's stadiums for the total amount of \$250,000. This agreement fell under GASB Statement No. 87, Leases. The District received the payment of \$250,000 at the start of the agreement in July 2021 and recorded a deferred inflow of resources for leases. This deferred inflow of resources will be amortized and recognized over the 10-year period. As of June 30, 2025, the remaining deferred inflow of resources for leases is \$150,000.

Note 10. Risk Management

Self-insured Worker's Compensation Plan

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

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Notes to the Financial Statements

As of June 30, 2025, the worker's compensation benefit obligation consisted of \$291,000 in reported claims and estimated incurred but not reported claims. These amounts represent estimated ultimate costs to settle claims. A summary of the changes in the benefit obligation is as follows:

	2025	2024
Claims payable, beginning of year	\$ 377,000	\$ 261,000
Claims incurred	372,000	372,000
Claim payments	(458,000)	(256,000)
Claims payable, end of year	\$ 291,000	\$ 377,000

Other Risk Management

The District is exposed to various risks of loss related to torts; thefts of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the fiscal year ended June 30, 2025, the District purchased commercial insurance to cover these liabilities. There were no significant reductions in coverage in the past fiscal year, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

Note 11. Commitments and Contingencies

The District is a party to various legal actions, none of which are believed by administration to have a material effect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying basic financial statements for such contingencies. The District participates in numerous state and federal grant programs that are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at June 30, 2025 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

The Tax Reform Act of 1986 imposed regulations on tax-exempt bond issues. Governmental bonds issued after August 31, 1986 are subject to the rebate provisions of the Tax Reform Act of 1986. The rebate applies to earnings from bond issue proceeds investments that exceed bond issue stated interest rates. There is a complicated formula based on a five year history, therefore the exact amount of liability, if any, is not known until five years from the bond issuance date. There was no rebate liability as of June 30, 2025.

The District is in the construction phase of the two new high schools, with remaining construction commitments of approximately \$1,009,871 (East site) and \$1,197,703 (West site) at June 30, 2025.

Wichita Falls Independent School District

Notes to the Financial Statements

Note 12. Shared Service Arrangement

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

Member Districts	#315	#435	Totals
Big Four Special Education Coop	\$ 3,238	\$ 66,340	\$ 69,578
Burkburnett ISD	2,159	32,612	34,771
Clay-Jack Coop	4,318	118,480	122,798
Graham ISD	-	5,960	5,960
Greenbelt Coop	720	9,909	10,629
Haskell/Knox Coop	-	-	-
Montague County Coop	2,878	34,586	37,464
Vernon ISD	1,439	43,467	44,906
West Wichita County Coop	3,598	77,520	81,118
Wichita Falls ISD	16,910	318,034	334,944
Totals	\$ 35,260	\$ 706,908	\$ 742,168

Note 13. Nonmonetary Transactions

During the fiscal year ended June 30, 2025, the District received textbooks purchased by the State of Texas for the benefit of the District for a purchase price of \$720,294. The district receives the textbooks as part of state funding for textbook allotment. The textbooks have been recorded in the amount of \$720,294 in a special revenue fund as both state revenues and expenditures, which represents the amount of consideration given by the State of Texas.

Note 14. Recent Accounting Pronouncements

GASB Statement No. 101, Compensated Absences (GASB 101), improves the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023, with earlier application encouraged. GASB 101 was implemented in the District's fiscal year 2025 financial statements with no impact to amounts or disclosures previously reported.

GASB Statement No. 102, Certain Risk Disclosures (GASB 102), improves financial reporting by providing users of financial statements with essential information regarding certain concentrations of constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. The requirements of this statement are effective for reporting periods beginning after June 15, 2024, with earlier application encouraged. GASB 102 was implemented in the District's fiscal year 2025 financial statements with no impact to amounts or disclosures previously reported.

Wichita Falls Independent School District

Notes to the Financial Statements

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

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

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

GASB Statement No. 104, Disclosure of Certain Capital Assets (GASB 104), establishes requirements for certain types of capital assets to be disclosed separately in the capital assets note disclosures. It also establishes requirements for capital assets held for sale, including additional disclosures for those capital assets. The requirements of this statement are effective for reporting periods beginning after June 15, 2025, with earlier application encouraged. GASB 104 will be implemented in the District's fiscal year 2026 financial statements and the impact has not yet been determined.

Note 15. Subsequent Events

On October 20, 2025, the Board of Trustees approved the issuance of \$9,180,000 Series 2025 Maintenance Tax Notes.

Wichita Falls Independent School District
 Budgetary Comparison Schedule – General Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit G-1
 Page 1 of 2

Data Control Codes		1	2	3	Variance With
		Budgeted Amounts		Actual	Final Budget Positive (Negative)
		Original	Final		
REVENUES					
5700	Local and intermediate sources	\$ 41,117,000	\$ 41,634,790	\$ 42,150,336	\$ 515,546
5800	State program revenues	82,182,178	89,221,458	94,132,685	4,911,227
5900	Federal program revenues	3,215,000	3,215,000	905,480	(2,309,520)
5020	Total revenues	126,514,178	134,071,248	137,188,501	3,117,253
EXPENDITURES					
Current:					
Instruction & instructional related services:					
0011	Instruction	70,356,994	73,100,365	73,440,071	(339,706)
0012	Instructional resources and media services	1,254,603	1,250,569	1,238,332	12,237
0013	Curriculum and staff development	931,354	947,091	579,963	367,128
	Total instruction & inst. related services	72,542,951	75,298,025	75,258,366	39,659
Instructional and school leadership:					
0021	Instructional leadership	1,955,736	1,876,885	1,672,229	204,656
0023	School leadership	6,960,875	7,303,578	7,297,496	6,082
	Total instructional & school leadership	8,916,611	9,180,463	8,969,725	210,738
Support services - student (pupil) :					
0031	Guidance, counseling, and evaluation services	3,792,578	4,485,014	4,475,268	9,746
0032	Social work services	173,084	248,084	243,559	4,525
0033	Health services	1,863,955	1,912,598	1,910,578	2,020
0034	Student transportation	6,285,910	5,685,910	4,373,165	1,312,745
0035	Food services	30,000	30,000	-	30,000
0036	Cocurricular/extracurricular activities	3,822,186	3,926,425	3,312,232	614,193
	Total support services - student (pupil)	15,967,713	16,288,031	14,314,802	1,973,229
Administration support services:					
0041	General administration	3,886,191	3,889,159	3,773,862	115,297
	Total administrative support service	3,886,191	3,889,159	3,773,862	115,297
Support services:					
0051	Facilities maintenance and operations	17,873,851	18,815,651	17,008,775	1,806,876
0052	Security and monitoring services	1,902,550	1,902,550	1,761,067	141,483
0053	Data processing services	3,668,192	3,868,919	3,428,919	440,000
	Total support services - nonstudent based	23,444,593	24,587,120	22,198,761	2,388,359
Ancillary services:					
0061	Community services	14,490	16,920	15,752	1,168
	Total ancillary services	14,490	16,920	15,752	1,168
Debt service:					
0071	Principal on long-term debt	1,060,000	1,060,000	1,060,000	-
0072	Interest on long-term debt	42,800	42,800	42,800	-
	Total debt services	1,102,800	1,102,800	1,102,800	-
Capital outlay:					
0081	Capital outlay	-	3,069,901	3,033,649	36,252
	Total capital outlay	-	3,069,901	3,033,649	36,252
Intergovernmental charges:					
0093	Payments to fiscal agent/member dist. - SSA	100,000	100,000	-	100,000
0095	Payments related to juvenile justice alternative education program	40,000	40,000	24,553	15,447
0099	Other intergovernmental charges	763,152	763,152	699,346	63,806
	Total intergovernmental charges	903,152	903,152	723,899	179,253
6030	Total expenditures	126,778,501	134,335,571	129,391,616	4,943,955

Wichita Falls Independent School District

Budgetary Comparison Schedule – General Fund – Continued
For the Fiscal Year Ended June 30, 2025

Exhibit G-1

Page 2 of 2

Data Control Codes		1	2	3	Variance With
		Budgeted Amounts		Actual	Final Budget Positive (Negative)
		Original	Final		
1100	Excess (deficiency) of revenues over (under) expenditures	(264,323)	(264,323)	7,796,885	8,061,208
	OTHER FINANCING SOURCES (USES)				
7912	Sale of real or personal property	10,000	10,000	745,419	735,419
7915	Transfers in	429,323	429,323	429,323	-
8911	Transfers out	(175,000)	(175,000)	(619,682)	(444,682)
7080	Total other financing sources (uses)	264,323	264,323	555,060	290,737
1200	Net change in fund balance	-	-	8,351,945	8,351,945
0100	Fund balances, beginning	47,941,344	47,941,344	47,941,344	-
3000	FUND BALANCES, ending	<u>\$ 47,941,344</u>	<u>\$ 47,941,344</u>	<u>\$ 56,293,289</u>	<u>\$ 8,351,945</u>

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

Wichita Falls Independent School District

Exhibit G-2

Budgetary Comparison Schedule – Child Nutrition Fund
For the Fiscal Year Ended June 30, 2025

Data Control Codes		1	2	3	Variance With Final Budget Positive (Negative)
		Budgeted Amounts			
		Original	Final	Actual	
REVENUES					
5700	Total local and intermediate sources	\$ 1,350,042	\$ 1,350,042	\$ 1,811,381	\$ 461,339
5800	State program revenues	32,000	32,000	30,560	(1,440)
5900	Federal program revenues	7,257,395	7,257,395	7,036,242	(221,153)
5020	Total revenues	8,639,437	8,639,437	8,878,183	238,746
EXPENDITURES					
0035	Food service	7,985,114	12,638,114	9,466,551	3,171,563
6030	Total expenditures	7,985,114	12,638,114	9,466,551	3,171,563
1100	Excess of revenues over expenditures	654,323	(3,998,677)	(588,368)	3,410,309
OTHER FINANCING SOURCES (USES)					
7912	Sale of real or personal property	-	-	795	795
8911	Transfers out	(429,323)	(429,323)	(429,323)	-
6030	Total other financing sources (uses)	(429,323)	(429,323)	(428,528)	795
1200	Net change in fund balances	225,000	(4,428,000)	(1,016,896)	3,411,104
0100	Fund balance, beginning	8,051,306	8,051,306	8,051,306	-
3000	FUND BALANCE, ending	\$ 8,276,306	\$ 3,623,306	\$ 7,034,410	\$ 3,411,104

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

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Wichita Falls Independent School District

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

	<u>2025</u>	<u>2024</u>	<u>2023</u>
District's proportion of the net pension liability	0.0536447%	0.0830390%	0.0711907%
District's proportionate share of net pension liability	\$ 32,768,437	\$ 57,039,787	\$ 42,264,080
State's proportionate share of the net pension liability associated with the District	<u>55,674,582</u>	<u>51,751,543</u>	<u>69,266,656</u>
TOTAL	<u><u>\$ 88,443,019</u></u>	<u><u>\$ 108,791,330</u></u>	<u><u>\$ 111,530,736</u></u>
District's covered payroll	\$ 83,430,062	\$ 85,939,362	\$ 95,661,100
District's proportionate share of the net pension liability as a percentage of its covered payroll	39.28%	66.37%	44.18%
Plan fiduciary net position as a percentage of the total pension liability	77.51%	73.15%	75.62%

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

Exhibit G-3

<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
0.0659294%	0.0670845%	0.0646314%	0.0769752%	0.0787869%	0.0736353%	0.0768421%
\$ 16,789,883	\$ 35,929,105	\$ 33,597,439	\$ 42,369,006	\$ 25,191,798	\$ 27,825,674	\$ 27,162,660
<u>34,282,912</u>	<u>71,626,487</u>	<u>64,367,245</u>	<u>64,754,864</u>	<u>39,446,573</u>	<u>48,749,401</u>	<u>46,921,674</u>
<u>\$ 51,072,795</u>	<u>\$ 107,555,592</u>	<u>\$ 97,964,684</u>	<u>\$ 107,123,870</u>	<u>\$ 64,638,371</u>	<u>\$ 76,575,075</u>	<u>\$ 74,084,334</u>
\$ 95,606,273	\$ 93,632,822	\$ 81,962,063	\$ 82,044,781	\$ 81,886,153	\$ 78,562,967	\$ 77,683,359
17.56%	38.37%	40.99%	51.64%	30.76%	35.42%	34.97%
88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%

Wichita Falls Independent School District

Schedule of the District's Contributions - TRS

For the Last Ten Fiscal Years

	<u>2025 *</u>	<u>2024 *</u>	<u>2023 *</u>
Contractually required contribution	\$ 3,228,809	\$ 3,134,958	\$ 4,225,867
Contribution in relation to the contractually required contribution	<u>(3,228,809)</u>	<u>(3,134,958)</u>	<u>(4,225,867)</u>
CONTRIBUTION DEFICIENCY (EXCESS)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 84,438,996	\$ 83,526,915	\$ 87,555,768
Contributions as a percentage of covered payroll	3.82%	3.75%	4.83%

Note: GASB 68, Paragraph 81.2.b requires that the data in this schedule be presented as of the District's current fiscal year as opposed to the time period covered by the measurement date of September 1, 2023 - August 31, 2024.

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

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

Exhibit G-4

2022 *	2021 *	2020 *	2019 *	2018 **	2017 **	2016 **
\$ 3,268,521	\$ 2,763,780	\$ 2,706,170	\$ 1,897,605	\$ 2,559,998	\$ 2,687,750	\$ 2,445,845
(3,268,521)	(2,763,780)	(2,706,170)	(1,897,605)	(2,559,998)	(2,687,750)	(2,445,845)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 96,047,196	\$ 95,308,623	\$ 91,626,695	\$ 68,352,841	\$ 82,044,781	\$ 81,886,153	\$ 78,562,967
3.40%	2.90%	2.95%	2.78%	3.12%	3.28%	3.11%

Wichita Falls Independent School District

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

	2025	2024	2023
District's proportion of the net OPEB liability	0.0825862%	0.1154541%	0.1088412%
District's proportionate share of net OPEB liability	\$ 25,066,182	\$ 25,559,577	\$ 26,060,937
State's proportionate share of the net OPEB liability associated with the District	31,407,586	30,841,558	31,790,248
TOTAL	\$ 56,473,768	\$ 56,401,135	\$ 57,851,185
District's covered payroll	\$ 83,430,062	\$ 85,939,362	\$ 95,661,100
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	30.04%	29.74%	27.24%
Plan fiduciary net position as a percentage of the total OPEB liability	13.70%	14.94%	11.52%

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

* Ten years of data is not available.

<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
0.1050993%	0.1073316%	0.1022262%	0.1056270%	0.1067345%
\$ 40,541,485	\$ 40,801,580	\$ 48,344,019	\$ 52,740,505	\$ 46,414,842
<u>54,316,555</u>	<u>54,827,544</u>	<u>64,238,388</u>	<u>66,948,830</u>	<u>60,491,454</u>
<u>\$ 94,858,040</u>	<u>\$ 95,629,124</u>	<u>\$ 112,582,407</u>	<u>\$ 119,689,335</u>	<u>\$ 106,906,296</u>
\$ 95,606,273	\$ 93,632,822	\$ 81,962,063	\$ 82,044,781	\$ 81,886,153
42.40%	43.58%	58.98%	64.28%	56.68%
6.18%	4.99%	2.66%	1.57%	0.91%

Wichita Falls Independent School District

Schedule of the District's Contributions to the
Teacher Retirement System of Texas OPEB Plan
Last Eight Fiscal Years***

	2025 *	2024 *	2023 *
Contractually required contribution	\$ 757,542	\$ 758,602	\$ 998,409
Contribution in relation to the contractually required contribution	(757,542)	(758,602)	(998,409)
CONTRIBUTION DEFICIENCY (EXCESS)	\$ -	\$ -	\$ -
District's covered payroll	\$ 84,438,996	\$ 83,526,915	\$ 87,555,768
Contributions as a percentage of covered payroll	0.90%	0.91%	1.14%

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

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

*** Ten years of data is not available.

2022 *	2021 *	2020 *	2019 *	2018 **
\$ 889,948	\$ 817,581	\$ 799,787	\$ 607,232	\$ 729,149
(889,948)	(817,581)	(799,787)	(607,232)	(729,149)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 96,047,196	\$ 95,308,623	\$ 91,626,695	\$ 68,352,841	\$ 82,044,781
0.93%	0.86%	0.87%	0.89%	0.89%

Wichita Falls Independent School District
Notes to the Required Supplementary Information

Note 1. Budgetary Data

A. Budgetary Information

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

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

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

B. Variances with Budget

Negative budget variances were noted in the following functions. These functions' expenditures exceeded appropriations. The Instruction functions exceeded appropriation due to higher costs than budgeted.

Function	Final Budget	Actual Expenditures	Variance
Instruction	\$ 73,100,365	\$ 73,440,071	\$ (339,706)

Combining Statements and Schedules

Wichita Falls Independent School District

Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025

		205	206	211
Data Control Codes		Head Start	ESEA Title X Part C Homeless	ESEA Title I Improving Basic Programs
	ASSETS			
1110	Cash and cash equivalents	\$ 208,154	\$ 3,845	\$ 3,232
1240	Due from other governments	645,860	(611)	1,421,391
1260	Due from other funds	-	-	-
1290	Other receivables	-	-	-
1300	Inventories	-	-	-
1000	TOTAL ASSETS	854,014	3,234	1,424,623
	LIABILITIES			
	Current liabilities			
2110	Accounts payable	91	-	9,262
2150	Payroll deductions & withholdings	49,808	-	44,068
2160	Accrued wages payable	309,083	-	401,750
2170	Due to other funds	494,976	3,234	968,997
2180	Due to other governments	-	-	546
2300	Unearned revenue	-	-	-
2000	Total liabilities	853,958	3,234	1,424,623
	FUND BALANCES			
	Restricted:			
3450	Federal/state funds grant restrictions	56	-	-
	Committed:			
3545	Other committed fund balance	-	-	-
3600	Unassigned	-	-	-
3000	Total fund balances	56	-	-
4000	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 854,014</u>	<u>\$ 3,234</u>	<u>\$ 1,424,623</u>

213	215	224	225	226	244	255
ESEA Title I Part B - Even St. Family Literacy	ESEA Title I Part A Capital Expenses	IDEA-B Formula	IDEA-B Preschool Grant	IDEA-B High Cost	Career and Tech Basic Grant	ESEA Title II Training & Recruiting
\$ 2,705	\$ 16,257	\$ 273,715	\$ 1,870	\$ (1,723)	\$ 458	\$ 208,516
-	24,170	425,080	7,078	1,723	30,935	154,113
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,705	40,427	698,795	8,948	-	31,393	362,629
-	-	-	-	-	-	25
-	1,852	21,306	784	-	-	1,337
(2,600)	9,850	176,198	8,886	-	-	5,660
5,305	28,725	501,291	(722)	-	30,973	355,607
-	-	-	-	-	420	-
-	-	-	-	-	-	-
2,705	40,427	698,795	8,948	-	31,393	362,629
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
\$ 2,705	\$ 40,427	\$ 698,795	\$ 8,948	\$ -	\$ 31,393	\$ 362,629

Wichita Falls Independent School District
Combining Balance Sheet
Nonmajor Governmental Funds – Continued
June 30, 2025

		263	272	279
Data Control Codes		Title III Part A Language	MAC Program	ESSER III - TCLAS
	ASSETS			
1110	Cash and cash equivalents	\$ -	\$ -	\$ -
1240	Due from other governments	1,312	-	60
1260	Due from other funds	-	-	-
1290	Other receivables	-	-	-
1300	Inventories	-	-	-
1000	Total assets	1,312	-	60
	LIABILITIES			
	Current liabilities			
2110	Accounts payable	-	(389)	-
2150	Payroll deductions & withholdings	-	(1,527)	-
2160	Accrued wages payable	-	-	-
2170	Due to other funds	1,194	(31,422)	60
2180	Due to other governments	118	-	-
2300	Unearned revenue	-	33,338	-
2000	Total liabilities	1,312	-	60
	FUND BALANCES			
	Restricted:			
3450	Federal/state funds grant restrictions	-	-	-
	Committed:			
3545	Other committed fund balance	-	-	-
3600	Unassigned	-	-	-
3000	Total fund balances	-	-	-
4000	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 1,312	\$ -	\$ 60

281	282	284	285	287/291	288	289
ESSER II	ESSER III	IDEA - Part B, Formula - ARP	IDEA - Part B, Preschool - ARP	Department of Defense Grant	HIPPY Grant	Summer School
\$ 1,188,440	\$ -	\$ -	\$ -	\$ 210	\$ 719	\$ 43,436
-	-	-	-	47,565	128,326	52,048
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,188,440	-	-	-	47,775	129,045	95,484
-	-	-	-	-	403	344
23,288	(81,335)	(966)	(90)	1,264	5,044	1,060
-	-	-	-	10,000	39,979	2,000
1,165,152	81,457	966	90	31,231	81,987	85,048
-	-	-	-	-	1,529	-
-	-	-	-	5,197	103	-
1,188,440	122	-	-	47,692	129,045	88,452
-	-	-	-	83	-	7,032
-	-	-	-	-	-	-
-	(122)	-	-	-	-	-
-	(122)	-	-	83	-	7,032
\$ 1,188,440	\$ -	\$ -	\$ -	\$ 47,775	\$ 129,045	\$ 95,484

Wichita Falls Independent School District
Combining Balance Sheet
Nonmajor Governmental Funds – Continued
June 30, 2025

		315	316	340
Data Control Codes		IDEA-B Discretionary	IDEA-B Deaf	IDEA-C Early Intervention Deaf
	ASSETS			
1110	Cash and cash equivalents	\$ 275	\$ 190	\$ -
1240	Due from other governments	1,286	-	-
1260	Due from other funds	-	-	-
1290	Other receivables	-	-	-
1300	Inventories	-	-	-
1000	TOTAL ASSETS	1,561	190	-
	LIABILITIES			
	Current liabilities			
2110	Accounts payable	-	-	-
2150	Payroll deductions & withholdings	-	-	-
2160	Accrued wages payable	-	-	-
2170	Due to other funds	1,561	-	-
2180	Due to other governments	-	-	-
2300	Unearned revenue	-	-	-
2000	Total liabilities	1,561	-	-
	FUND BALANCES			
	Restricted:			
3450	Federal/state funds grant restrictions	-	190	-
	Committed:			
3545	Other committed fund balance	-	-	-
3600	Unassigned	-	-	-
3000	Total fund balances	-	190	-
4000	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,561</u>	<u>\$ 190</u>	<u>\$ -</u>

397	410	415	427	429	435	461
Advanced Placement Incentives	State Textbook Fund	Kindergarten and Pre-K Grant	HOPES Grant	State Funded Special Revenue Fund	Regional Day School for the Deaf	Campus Activity Funds
\$ 3,109	\$ 87,063	\$ -	\$ 36,232	\$ -	\$ 239,767	\$ 953,168
-	-	50	27,130	223,587	278,351	-
-	-	-	-	384	-	150
-	-	-	-	-	-	1,830
-	-	-	-	-	-	-
3,109	87,063	50	63,362	223,971	518,118	955,148
-	-	-	-	-	-	-
-	-	-	1,165	4,175	13,447	-
-	-	-	6,788	23,908	88,220	-
-	-	2,653	32,813	191,634	888,401	642
-	-	-	-	-	-	-
-	54,640	-	-	19,649	-	-
-	54,640	2,653	40,766	239,366	990,068	642
3,109	32,423	-	22,596	-	-	-
-	-	-	-	-	-	954,506
-	-	(2,603)	-	(15,395)	(471,950)	-
3,109	32,423	(2,603)	22,596	(15,395)	(471,950)	954,506
\$ 3,109	\$ 87,063	\$ 50	\$ 63,362	\$ 223,971	\$ 518,118	\$ 955,148

Wichita Falls Independent School District
Combining Balance Sheet
Nonmajor Governmental Funds – Continued
June 30, 2025

Exhibit H-1
Page 4 of 4

		480	489	499	
Data Control Codes		No Kid Hungry Grant	West Foundation	Local Special Revenue	Total Nonmajor Governmental Funds
	ASSETS				
1110	Cash and cash equivalents	\$ 11,514	\$ 406,391	\$ 14,772	\$ 3,702,315
1240	Due from other governments	-	-	-	3,469,454
1260	Due from other funds	-	-	-	534
1290	Other receivables	-	-	-	1,830
1300	Inventories	-	8,873	-	8,873
1000	TOTAL ASSETS	11,514	415,264	14,772	7,183,006
	LIABILITIES				
	Current liabilities				
2110	Accounts payable	-	1,867	-	11,603
2150	Payroll deductions & withholdings	-	-	-	84,680
2160	Accrued wages payable	-	-	-	1,079,722
2170	Due to other funds	-	-	-	4,921,853
2180	Due to other governments	-	-	-	2,613
2300	Unearned revenue	11,136	413,562	16,806	554,431
2000	Total liabilities	11,136	415,429	16,806	6,654,902
	FUND BALANCES				
	Restricted:				
3450	Federal/state funds grant restrictions	378	-	-	65,867
	Committed:				
3545	Other committed fund balance	-	-	-	954,506
3600	Unassigned	-	(165)	(2,034)	(492,269)
3000	Total fund balances	378	(165)	(2,034)	528,104
4000	TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 11,514</u>	<u>\$ 415,264</u>	<u>\$ 14,772</u>	<u>\$ 7,183,006</u>

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Wichita Falls Independent School District

Combining Statement of Revenues, Expenditures and Changes
In Fund Balance – Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2025

		205	206	211
Data Control Codes		Head Start	ESEA Title X Part C Homeless	ESEA Title I Improving Basic Programs
REVENUES				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	2,643,130	9,516	5,950,458
5020	Total revenues	2,643,130	9,516	5,950,458
EXPENDITURES				
Current:				
0011	Instruction	2,286,291	5,750	5,092,985
0012	Instructional resources and media services	-	-	-
0013	Curriculum and staff development	8,723	-	354,116
0021	Instructional leadership	-	-	274,499
0023	School leadership	175,461	-	-
0031	Guidance, counseling, and evaluation services	-	-	-
0032	Social work services	320,152	3,766	77,517
0033	Health services	6,093	-	-
0034	Student transportation	50,000	-	16,729
0035	Food services	-	-	-
0036	Cocurricular/extracurricular activities	-	-	-
0041	General administration	-	-	80,416
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	1,325	-	54,196
Intergovernmental:				
0093	Payments to shared service arrangements	-	-	-
6030	Total expenditures	2,848,045	9,516	5,950,458
1100	Excess (deficiency) of revenues over (under) expenditures	(204,915)	-	-
OTHER FINANCING SOURCES (USES)				
7915	Transfers in	204,915	-	-
8911	Transfers out	-	-	-
7080	Total other financing sources (uses)	204,915	-	-
1200	Net change in fund balances	-	-	-
0100	Fund balances, beginning	56	-	-
3000	FUND BALANCES, ending	\$ 56	\$ -	\$ -

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Wichita Falls Independent School District

Combining Statement of Revenues, Expenditures and Changes
In Fund Balance – Nonmajor Governmental Funds – Continued
For the Fiscal Year Ended June 30, 2025

		263	272	279
Data Control Codes		Title III Part A Language	MAC Program	ESSER III - TCLAS
REVENUES				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	127,438	40,494	34,800
5020	Total revenues	127,438	40,494	34,800
EXPENDITURES				
Current:				
0011	Instruction	114,115	5,471	4,547
0012	Instructional resources and media services	-	-	-
0013	Curriculum and staff development	1,950	-	-
0021	Instructional leadership	2,873	856	30,253
0023	School leadership	-	-	-
0031	Guidance, counseling, and evaluation services	-	31,405	-
0032	Social work services	-	-	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food services	-	-	-
0036	Cocurricular/extracurricular activities	-	-	-
0041	General administration	1	2,762	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	8,499	-	-
Intergovernmental:				
0093	Payments to shared service arrangements	-	-	-
6030	Total expenditures	127,438	40,494	34,800
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-
OTHER FINANCING SOURCES (USES)				
7915	Transfers in	-	-	-
8911	Transfers out	-	-	-
7080	Total other financing sources (uses)	-	-	-
1200	Net change in fund balances	-	-	-
0100	Fund balances, beginning	-	-	-
3000	FUND BALANCES, ending	\$ -	\$ -	\$ -

281	282	284	285	287/291	288	289
ESSER II	ESSER III	IDEA - Part B, Formula - ARP	IDEA - Part B, Preschool - ARP	Department of Defense Grant	HIPPY Grant	Summer School
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	3,634,792	-	-	162,006	505,259	501,800
-	3,634,792	-	-	162,006	505,259	501,800
-	3,419,777	-	-	73,589	-	315,950
-	5,148	-	-	-	-	-
-	3,411	-	-	4,215	-	1,538
-	6,162	-	-	84,119	3,497	6,725
-	38,088	-	-	-	-	-
-	18,530	-	-	-	-	132,325
-	3,088	-	-	-	-	-
-	15,442	-	-	-	-	-
-	-	-	-	-	-	-
-	7,206	-	-	-	-	-
-	2,058	-	-	-	-	-
-	5,148	-	-	-	13,491	-
-	20,588	-	-	-	-	-
-	5,148	-	-	-	-	41,171
-	84,090	-	-	-	-	-
-	1,030	-	-	-	488,271	-
-	-	-	-	-	-	-
-	3,634,914	-	-	161,923	505,259	497,709
-	(122)	-	-	83	-	4,091
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	(122)	-	-	83	-	4,091
-	-	-	-	-	-	2,941
\$ -	\$ (122)	\$ -	\$ -	\$ 83	\$ -	\$ 7,032

Wichita Falls Independent School District

Combining Statement of Revenues, Expenditures and Changes
In Fund Balance – Nonmajor Governmental Funds – Continued
For the Fiscal Year Ended June 30, 2025

		315	316	340
Data Control Codes		IDEA-B Discretionary	IDEA-B Deaf	IDEA-C Early Intervention Deaf
REVENUES				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-
5900	Federal program revenues	35,260	-	640
5020	Total revenues	35,260	-	640
EXPENDITURES				
Current:				
0011	Instruction	27,147	-	640
0012	Instructional resources and media services	-	-	-
0013	Curriculum and staff development	7,988	-	-
0021	Instructional leadership	-	-	-
0023	School leadership	-	-	-
0031	Guidance, counseling, and evaluation services	-	-	-
0032	Social work services	-	-	-
0033	Health services	-	-	-
0034	Student transportation	-	-	-
0035	Food services	-	-	-
0036	Cocurricular/extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	-
0061	Community services	125	-	-
Intergovernmental:				
0093	Payments to shared service arrangements	-	-	-
6030	Total expenditures	35,260	-	640
1100	Excess (deficiency) of revenues over (under) expenditures	-	-	-
OTHER FINANCING SOURCES (USES)				
7915	Transfers in	-	-	-
8911	Transfers out	-	-	-
7080	Total other financing sources (uses)	-	-	-
1200	Net change in fund balances	-	-	-
0100	Fund balances, beginning	-	190	-
3000	FUND BALANCES, ending	\$ -	\$ 190	\$ -

397	410	415	427	429	435	461
Advanced Placement Incentives	State Textbook Fund	Kindergarten and Pre-K Grant	HOPES Grant	State Funded Special Revenue Fund	Regional Day School for the Deaf	Campus Activity Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 232,019	\$ 610,533
2,296	720,294	-	115,614	1,436,827	195,641	-
-	-	-	-	-	-	-
2,296	720,294	-	115,614	1,436,827	427,660	610,533
-	719,899	-	-	22,769	706,908	186,599
-	-	-	-	-	-	71,329
-	-	-	-	176,844	-	-
-	-	-	-	74,744	-	-
-	-	-	-	-	-	32,793
-	-	-	-	14,062	-	2,849
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	178,456
-	395	-	-	-	-	-
-	-	-	-	-	-	181
-	-	-	-	1,148,332	-	-
-	-	-	-	-	-	22,149
-	-	-	115,615	-	-	-
-	-	-	-	-	-	-
-	720,294	-	115,615	1,436,751	706,908	494,356
2,296	-	-	(1)	76	(279,248)	116,177
-	-	-	-	-	239,767	-
-	-	-	-	-	-	-
-	-	-	-	-	239,767	-
2,296	-	-	(1)	76	(39,481)	116,177
813	32,423	(2,603)	22,597	(15,471)	(432,469)	838,329
\$ 3,109	\$ 32,423	\$ (2,603)	\$ 22,596	\$ (15,395)	\$ (471,950)	\$ 954,506

Wichita Falls Independent School District

Combining Statement of Revenues, Expenditures and Changes
In Fund Balance – Nonmajor Governmental Funds – Continued
For the Fiscal Year Ended June 30, 2025

Exhibit H-2

Page 4 of 4

		480	489	499	
		No	West	Local	Total
		Kid Hungry	Foundation	Special	Nonmajor
		Grant		Revenue	Governmental
Data	Control				Funds
Codes					
REVENUES					
5700	Local and intermediate sources	\$ 5,500	\$ 475,370	\$ 182,377	\$ 1,505,799
5800	State program revenues	-	-	-	2,470,672
5900	Federal program revenues	-	-	-	17,788,858
5020	Total revenues	5,500	475,370	182,377	21,765,329
EXPENDITURES					
Current:					
0011	Instruction	-	164,813	148,375	14,011,818
0012	Instructional resources and media services	-	-	-	76,477
0013	Curriculum and staff development	-	94,182	-	1,495,828
0021	Instructional leadership	-	-	-	773,851
0023	School leadership	-	-	-	246,342
0031	Guidance, counseling, and evaluation services	-	-	-	2,487,258
0032	Social work services	-	-	-	404,523
0033	Health services	-	-	-	21,535
0034	Student transportation	-	-	-	66,729
0035	Food services	5,122	-	-	12,328
0036	Cocurricular/extracurricular activities	-	109,235	34,000	323,749
0041	General administration	-	-	-	108,214
0051	Facilities maintenance and operations	-	49,950	-	70,719
0052	Security and monitoring services	-	-	-	1,194,651
0053	Data processing services	-	55,000	-	161,239
0061	Community services	-	-	-	669,061
Intergovernmental:					
0093	Payments to shared service arrangements	-	-	-	-
6030	Total expenditures	5,122	473,180	182,375	22,124,322
1100	Excess (deficiency) of revenues over (under) expenditures	378	2,190	2	(358,993)
OTHER FINANCING SOURCES (USES)					
7915	Transfers in	-	-	-	444,682
8911	Transfers out	-	-	-	-
7080	Total other financing sources (uses)	-	-	-	444,682
1200	Net change in fund balances	378	2,190	2	85,689
0100	Fund balances, beginning	-	(2,355)	(2,036)	442,415
3000	FUND BALANCES, ending	<u>\$ 378</u>	<u>\$ (165)</u>	<u>\$ (2,034)</u>	<u>\$ 528,104</u>

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Wichita Falls Independent School District
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025

Exhibit H-3

Data Control Codes		828 Ryan Scholarship Fund	829 Renton Aviation Fund	865 Student Activity Fund	Total Custodial Funds
	ASSETS				
1110	Cash and cash equivalents	\$ 448,609	\$ 3,000	\$ 296,995	\$ 748,604
1290	Other receivables	-	-	89,411	89,411
1000	TOTAL ASSETS	<u>\$ 448,609</u>	<u>\$ 3,000</u>	<u>\$ 386,406</u>	<u>\$ 838,015</u>
	LIABILITIES:				
2190	Accounts payable	\$ -	\$ -	799	\$ 799
2000	Total liabilities	-	-	799	799
	NET POSITION				
3800	Restricted for other purposes	448,609	3,000	385,607	837,216
3000	TOTAL NET POSITION	<u>\$ 448,609</u>	<u>\$ 3,000</u>	<u>\$ 385,607</u>	<u>\$ 837,216</u>

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

Combining Statement of Changes in Fiduciary Net Position

Custodial Funds

For the Fiscal Year Ended June 30, 2025

	828 Ryan Scholarship Fund	829 Renton Aviation Fund	865 Student Activity Fund	Total Custodial Funds
ADDITIONS				
Miscellaneous revenue from student groups	\$ -	\$ -	\$ 329,621	\$ 329,621
Total additions	-	-	329,621	329,621
DEDUCTIONS				
Scholarship awards	192,500	-	-	192,500
Dues and fees	-	-	257,605	257,605
Total deductions	192,500	-	257,605	450,105
Changes in net position	(192,500)	-	72,016	(120,484)
NET POSITION:				
Net position, beginning	641,109	3,000	313,591	957,700
NET POSITION, end of year	<u>\$ 448,609</u>	<u>\$ 3,000</u>	<u>\$ 385,607</u>	<u>\$ 837,216</u>

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Required TEA Schedules

Wichita Falls Independent School District

Schedule of Delinquent Taxes Receivable

For the Fiscal Year Ended June 30, 2025

	1		2		3	
Last Ten Years Ended June 30,	Tax Rates				Net Assessed/Appraised Value For School Tax Purposes	
	Maintenance		Debt Service			
2015 and prior years	\$	Various	\$	Various	\$	Various
2016		1.04		0.190		4,257,991,182
2017		1.04		0.190		4,335,535,584
2018		1.04		0.190		4,429,361,935
2019		1.04		0.180		4,556,179,129
2020		0.97		0.180		4,766,677,223
2021		0.97		0.180		4,952,215,675
2022		0.9401		0.425		5,285,038,473
2023		0.8715		0.425		5,814,464,019
2024		0.7174		0.425		5,601,720,906
2025		0.7011		0.412		5,980,432,294

1000 TOTALS

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

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

Exhibit J-1

10	20	31	32	40	50	99
Beginning Balance 7/1/2024	Current Year's Total Levy	Maintenance Collections	Debt Service Collections	Entire Year's Adjustments	Ending Balance 6/30/2025	Total Taxes Refunded Under Section 26.1115(c)
\$ -	\$ -	\$ 25,508	\$ 4,047	\$ (13,313)	\$ (42,868)	
508,600	-	3,127	571	(116)	504,786	
196,735	-	4,113	751	(118)	191,753	
178,128	-	4,941	903	(188)	172,096	
22,798	-	4,433	767	(221)	17,377	
(567,222)	-	7,744	1,437	(1,268)	(577,671)	
146,374	-	17,330	3,227	1,609	127,426	
160,824	-	27,179	12,287	(45,942)	75,416	
173,410	-	70,580	34,420	(80,624)	(12,214)	
1,321,374	-	414,640	245,639	243,689	904,784	
-	60,777,162	37,036,065	21,784,929	(619,784)	1,336,384	
<u>\$ 2,141,021</u>	<u>\$ 60,777,162</u>	<u>\$ 37,615,660</u>	<u>\$ 22,088,978</u>	<u>\$ (516,276)</u>	<u>\$ 2,697,269</u>	
						\$ 880,385
		\$ -				

Wichita Falls Independent School District
 Budgetary Comparison Schedule – Debt Service Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit J-2

Data Control Codes		Budgeted Amounts		Actual	Variance
		Original	Final		Final Budget Positive or (Negative)
REVENUES					
5700	Local and intermediate sources	\$ 23,188,723	\$ 23,188,723	\$ 22,843,651	\$ (345,072)
5800	State program revenues	-	-	3,617,153	3,617,153
5020	Total revenues	23,188,723	23,188,723	26,460,804	3,272,081
EXPENDITURES					
Debt service:					
0071	Principal on long-term debt	12,465,000	12,465,000	12,465,000	-
0072	Interest on long-term debt	9,556,183	9,556,183	9,556,183	-
0073	Bond issuance costs and fees	8,000	323,742	622,066	(298,324)
	Total debt service	22,029,183	22,344,925	22,643,249	(298,324)
6030	Total expenditures	22,029,183	22,344,925	22,643,249	(298,324)
1100	Excess (deficiency) of revenues over (under) expenditures	1,159,540	843,798	3,817,555	2,973,757
Other financing sources (uses):					
7901	Refunding bonds issued	-	-	37,680,000	37,680,000
7916	Premium or discount on issuance of bonds	-	-	3,386,245	3,386,245
8940	Payment to refunded bond escrow agent	-	-	(40,764,987)	(40,764,987)
	Total other financing sources and (uses)	-	-	301,258	301,258
	Net change in fund balance	1,159,540	843,798	4,118,813	3,275,015
0100	Fund balances, beginning	10,346,293	10,346,293	10,346,293	-
3000	FUND BALANCES, ending	\$ 11,505,833	\$ 11,190,091	\$ 14,465,106	\$ 3,275,015

Wichita Falls Independent School District

Use of Funds Report – Select State Allotment

June 30, 2025

Exhibit J-4

Data Codes		Responses
Section A: Compensatory Education Programs		
AP1	Did your District expend any state compensatory education program state allotment funds during the District's fiscal year?	Yes
AP2	Does the District have written policies and procedures for its state compensatory education program?	Yes
AP3	Total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 13,415,017
AP4	Actual direct program expenditures for state compensatory education programs during the District's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 7,534,615
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.	\$ 844,337
AP8	Actual direct program expenditures for bilingual education programs during the District's fiscal year. (PICs 25)	\$ 591,220

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Overall Compliance and Internal Controls Section

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

To the Board of Trustees
Wichita Falls Independent School District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Wichita Falls Independent School District (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 5, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
November 5, 2025

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

To the Board of Trustees
Wichita Falls Independent School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

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

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas
January 6, 2026

Wichita Falls Independent School District

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2025

Section 1. Summary of the Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weakness(es) identified?	_____ Yes	___X___ No
Significant deficiency(ies) identified that are not considered a material weakness?	_____ Yes	___X___ None reported
Noncompliance material to financial statements noted	_____ Yes	___X___ No

Major Programs

Internal control over major programs:

Material weakness(es) identified?	_____ Yes	___X___ No
Significant deficiency(ies) identified that are not considered a material weakness?	_____ Yes	___X___ None reported

An unmodified opinion was issued on compliance for major programs.

Any audit findings disclosed that were required to be reported in accordance with section 2 CFR 200.516(a)?	_____ Yes	___X___ No
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Identification of major federal programs:

84.027A, 84.173A – Special Education Cluster
84.425D, 84.425U – ARP ESSER III & TCLAS ESSER III
84.367A – ESEA Title II, Part A – Teacher & Principal Training & Recruiting

The dollar threshold used to distinguish between Type A and Type B programs:	<u>\$750,000</u>	
Auditee qualified as a low-risk auditee?	___X___ Yes	_____ No

Wichita Falls Independent School District

Schedule of Findings and Questioned Costs

For the Fiscal Year Ended June 30, 2025

Section 2. Findings Relating To the Financial Statements

None

Section 3. Findings and Questioned Costs

None

Section 4. Prior Year Findings and Questioned Costs

None

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Wichita Falls Independent School District

Schedule of Expenditures of Federal Awards

For the Fiscal Year Ended June 30, 2025

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed Through Region IX Education Service Center:			
Head Start	93.600	06CH011086-06-00	\$ 2,073,911
Head Start	93.600	06CH011086	569,219
Total Assistance Listing # 93.600			2,643,130
Passed Through North Texas Area United Way:			
Maternal, Infant, and Early Childhood Home Visiting Program	93.505	529-14-0109-00001	549,879
Passed Through Texas Health and Human Services Commission:			
Medicaid Administrative Claiming Program - MAC	93.778	HHS000537900146	40,494
Total U.S. Department of Health and Human Services			3,233,503
U.S. DEPARTMENT OF EDUCATION			
Direct Programs:			
Impact Aid - P.L.	84.041	N/A	190,860
Passed Through Region 10:			
Texas McKinney-Vento Program 2	84.196A	244600057110090	9,970
Total Assistance Listing # 84.196A			9,970
Passed Through State Department of Education:			
ESEA Title I Part A - Improving Basic Programs	84.010A	246101010243905	636,237
ESEA Title I Part A - Improving Basic Programs	84.010A	256101010243905	5,560,232
ESEA Title I Part D, Subpart 2 - Delinquent Programs	84.010A	24610103243905	1,708
ESEA Title I Part D, Subpart 2 - Delinquent Programs	84.010A	25610103243905	104,257
Total Assistance Listing # 84.010A			6,302,434
Special Education Cluster:			
IDEA-B Formula	84.027A	246600012439056000	34,586
IDEA-B Formula	84.027A	256600012439056000	2,857,725
SSA IDEA-B Discretionary Deaf	84.027A	2466000112439056673	14,483
SSA IDEA-B Discretionary Deaf	84.027A	2566000112439056673	20,777
IDEA-B Discretionary (High Cost Fund)	84.027A	66002406	10,971
IDEA-B Preschool	84.173A	246610012439056610	6,774
IDEA-B Preschool	84.173A	256610012439056610	66,660
Total Special Education Cluster			3,011,976
IDEA-C ECI	84.181	243911012439053911	640
Vocational Education - Basic Grant	84.048A	24420006243905	27,737
Vocational Education - Basic Grant	84.048A	25420006243905	199,787
Total Assistance Listing # 84.048A			227,524
ESEA Title III-LEP	84.365A	24671001243905	15,706
ESEA Title III-LEP	84.365A	25671001243905	117,183
Total Assistance Listing # 84.365A			132,889
ESEA Title II, Part A - Teacher & Principal Training & Recruiting	84.367A	24694501243905	92,683
ESEA Title II, Part A - Teacher & Principal Training & Recruiting	84.367A	25694501243905	792,503
Total Assistance Listing # 84.367A			885,186
ESEA Title IV Part A - Subpart 1	84.424A	24680101243905	6,578
ESEA Title IV Part A - Subpart 1	84.424A	25680101243905	512,516
Total Assistance Listing # 84.424A			519,094
COVID-19 ARP ESSER III	84.425D	21528001243905	3,634,792
COVID-19 TCLAS ESSER III	84.425U	21528042243905	34,800
Total Assistance Listing # 84.425U			3,669,592
Total Passed Through State Department of Education			14,749,335
Total U.S. Department of Education			14,950,165

Exhibit K-1

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal Assistance Listing	Pass-Through Entity Identifying Number	Federal Expenditures
U. S. DEPARTMENT OF AGRICULTURE			
Child Nutrition Cluster:			
Passed Through State Department of Education:			
School Breakfast Program	10.553	7140901	1,959,163
National School Lunch Program	10.555	7130901	4,577,713
Total Passed Through State Department of Education			6,536,876
Passed Through State Department of Human Services:			
Summer Feeding Program	10.559	TX-2431005SU	67,026
Total Passed Through State Department of Human Services			67,026
Total Child Nutrition Cluster			6,603,902
Passed Through State Department of Agriculture:			
Delivery and Storage Fees Reimbursement	10.558	01138	42,432
Child and Adult Care Food Program (SCA)	10.558	01138	389,908
Total Passed Through State Department of Agriculture			432,340
Total U.S. Department of Agriculture			7,036,242
U. S. DEPARTMENT OF JUSTICE			
Direct programs:			
COPS Office School Violence Prevention Program	16.710	2020SVW X0027	4,090
Total U.S. Department of Justice			4,090
U.S. DEPARTMENT OF DEFENSE			
Direct programs:			
ROTC (Instructional Reimbursement)	12.000	243-905	163,983
Military-Connected Academic and Support Programs	12.556	HE12541510030	70,730
Military-Connected Academic and Support Programs	12.556	HE12542210016	91,276
Total U.S. Department of Defense			325,989
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 25,549,989

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

Wichita Falls Independent School District

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

Basis of Presentation

The modified accrual basis of accounting is used for the governmental funds. Accordingly, the schedule of expenditures of federal awards was prepared under this basis of accounting, which requires that revenues are recognized in the accounting period in which they become susceptible to accrual, i.e., both measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for interest on long-term debt, which is recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and accordingly, when such funds are received, they are recorded as deferred revenues until earned.

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

Total expenditures of federal awards per Exhibit K-1	\$	25,549,989
E-Rate program		28,861
SHARS revenue		151,730
Total federal program revenues per Exhibit C-2	\$	25,730,580

Indirect Cost Rate

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