

# **Belton Independent School District**

## Annual Comprehensive Financial Report



For the fiscal year ended  
August 31, 2024

Belton, Texas



# **Belton Independent School District**

## Annual Comprehensive Financial Report

FOR THE FISCAL YEAR ENDED  
AUGUST 31, 2024



Belton, Texas

**Prepared by the Business Services Department**

Melissa Lafferty – Chief Financial Officer

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**BELTON INDEPENDENT SCHOOL DISTRICT**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FOR THE YEAR ENDED AUGUST 31, 2024**

**TABLE OF CONTENTS**

<b><u>Exhibit</u></b>	<b><u>Page</u></b>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal .....	i
Administrative Organizational Chart .....	vi
List of Elected and Appointed Officials .....	xiv
Certificate of Board .....	xv
Certificate of Achievement for Excellence in Financial Reporting .....	xvi
ASBO Certificate of Excellence in Financial Reporting .....	xvii
<b>FINANCIAL SECTION</b>	
Independent Auditor’s Report .....	1
Management’s Discussion and Analysis .....	4
<b>Basic Financial Statements</b>	
Government-wide Statements:	
A-1 Statement of Net Position .....	12
B-1 Statement of Activities .....	13
Governmental Fund Financial Statements:	
C-1 Balance Sheet .....	15
C-2 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	17
C-3 Statement of Revenues, Expenditures, and Changes in Fund Balance .....	18
C-4 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities .....	20
Fiduciary Fund Financial Statements:	
E-1 Statement of Fiduciary Net Position .....	21
E-2 Statement of Changes in Fiduciary Net Position .....	22
Notes to the Financial Statements .....	23
<b>Required Supplementary Information</b>	
G-1 Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – General Fund .....	45

	Notes to Required Budgetary Schedule .....	46
G-2	Schedule of District's Proportionate Share of the Net Pension Liability Teacher Retirement System.....	47
G-3	Schedule of District Pension Contributions – Teacher Retirement System .....	49
G-4	Schedule of District's Proportionate Share of the Net OPEB Liability Teacher Retirement System.....	51
G-5	Schedule of District OPEB Contributions – Teacher Retirement System .....	53

**Combining Statements**

Nonmajor Governmental Funds:

H-1	Combining Balance Sheet .....	55
H-2	Combining Statement of Revenues, Expenditures, and Changes in Fund Balances.....	59

**Required TEA Schedules**

J-1	Schedule of Delinquent Taxes Receivable.....	63
J-2	Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual – National School Breakfast and Lunch Program .....	65
J-3	Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual – Major Debt Service Fund.....	66
J-4	Use of Funds Report - Select State Allotment Programs .....	67

**STATISTICAL SECTION (UNAUDITED)**

**Table**

1	Net Position by Component .....	68
2	Change in Net Position.....	69
3	Fund Balances of Governmental Funds .....	73
4	Changes in Fund Balances of Governmental Funds .....	75
5	Governmental Funds Revenues by Source.....	79
6	Total Assessed and Net Taxable Value of Taxable Property.....	81
7	Property Tax Rates – Direct and Overlapping Governments .....	82
8	Principal Property Taxpayers .....	83
9	Property Tax Levies and Collections.....	84
10	Outstanding Debt by Type.....	85
11	Ratios of Net General Bonded Debt Outstanding .....	86
12	Estimated General Obligation Overlapping Debt Statement .....	87
13	Demographic and Economic Statistics.....	88
14	Principal Employers .....	89

15	Full-time Equivalent District Employees by Type .....	90
16	Teacher Data.....	91
17	Expenditures, Enrollment and Per Pupil Cost .....	92
18	Total Expenses of Governmental Activities, Enrollment and Per Pupil Cost.....	95
19	School Building Information .....	96

**FEDERAL AWARDS SECTION**

	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 <i>Government Auditing Standards</i> .....	97
	Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with Uniform Guidance....	99
K-1	Schedule of Expenditures of Federal Awards.....	102
	Notes to Schedule of Expenditures of Federal Awards .....	104
	Schedule of Findings and Questioned Costs .....	105
	Summary Schedule of Prior Audit Findings .....	106

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## **INTRODUCTORY SECTION**

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# BELTON INDEPENDENT SCHOOL DISTRICT

P.O. Box 269 · Belton, TX 76513-0269 · (254) 215-2065 · Fax: (254) 215-2008

December 16, 2024

To the Board of Trustees and the Citizens of Belton Independent School District:

We submit the Annual Comprehensive Financial Report ("ACFR") of the Belton Independent School District (the "District") for the fiscal year ended August 31, 2024. This report has been prepared to provide the Board of Trustees (the "Board"), citizens of the District, representatives of financial institutions and rating agencies, and other interested parties information concerning the financial condition of the District.

The District's management assumes full responsibility for the completeness and reliability of all information presented within the Annual Comprehensive Financial Report as a representation of the finances of the District. In order to provide a reasonable basis for making these representations, the management of the District has established a comprehensive internal control framework that is designed to protect the District's assets from loss, theft or misuse. Additionally, the internal control framework is designed to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. The costs of internal controls should not outweigh their benefits, and as such the District's comprehensive framework of internal controls has been designed to provide reasonable assurance rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Annual Comprehensive Financial Report is presented in four sections: (1) introductory, (2) financial, (3) statistical and (4) federal awards. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes Management's Discussion and Analysis ("MD&A"), basic financial statements, budgetary comparison schedules, and combining and individual fund statements and other supplemental schedules, as well as the independent auditors' report on the financial statements. The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. The District's MD&A can be found immediately following the report of the independent auditors. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The statistical section consists of unaudited tables which reflect both financial and demographic information, generally presented on a multi-year basis. The Federal Awards section includes the schedule of federal awards, auditor's reports and the schedule of findings for both current and prior years.

The financial statements of the District have been audited by Pattillo, Brown and Hill, L.L.P., a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion and that the financial statements are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements is part of a broader, federally mandated "Single Audit" designed to meet the special need of federal grantor agencies. Governing standards require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Federal Awards section of this Annual Comprehensive Financial Report.

## GOVERNING BODY

The District is governed by a seven-member Board, each elected to serve staggered three-year terms of office. Board officers are elected by the members of the Board.



# BELTON INDEPENDENT SCHOOL DISTRICT

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Regular meetings are scheduled for the third Monday of the month and are held in the Pittenger Fine Arts Center. Special called meetings, committee meetings, and workshop sessions are scheduled as needed and announced to the public in compliance with public notice requirements.

The Board is charged with the responsibility of providing the finest educational program possible for the students in the District. The Board makes all final decisions regarding school District priorities, policies, personnel, expenditures, and growth management. The Board adopts a budget which is necessary to maintain and operate the schools, levy taxes to support the budget, and submit bond issues to the citizens of the District to finance construction projects.

## THE DISTRICT AND ITS SERVICES

Belton Independent School District is one of the fastest-growing public school Districts in Texas serving 198.6 square miles including the cities of Belton, Morgan's Point Resort, part of Temple, and unincorporated areas of Bell County. As a destination District for many families, Belton ISD has maintained an exceptional reputation for academic excellence, innovative programs, and an abundance of extracurricular opportunities.

Over 13,800 students are enrolled at 20 campuses, including two traditional high schools (grades 9–12), one non-traditional high school (grades 9–12), four middle schools (grades 6–8), eleven elementary schools (grades PK–5), one prekindergarten campus, and one alternative education program (DAEP).

The Belton ISD vision and values and beliefs are adopted by the Board of Trustees.

### Vision

Empower each and every learner to pursue their dreams and enrich their communities.

### Values and Beliefs

Each and Every – We believe each and every student deserves exceptional experiences according to their unique needs and passions.

Innovation – We believe in igniting and supporting innovative thinking and problem solving in our students and staff.

Continuous Improvement – We believe a mindset of continuous improvement should be modeled by our staff and cultivated in classrooms.

Community Engagement – We believe that the learning experiences of our students are enhanced through the engagement of our community.

Learning Space – We believe well designed and maintained facilities positively impact student learning and staff efficacy.

Engaged Workforce – We believe a thriving staff will be able to create exceptional learning experiences for each and every student.

Inspiring Instruction – We believe instructional design can empower students and ignite a passion for learning.

Belton ISD community members, students, and staff developed and designed a Journey of a Graduate that articulates the community's collective aspirations for each and every student in Belton ISD. This work will inform the Board of Trustees in setting direction for the future.

Journey of a Graduate is comprised of the following six competencies:

Adaptability: A BISD learner adjusts to challenging conditions, with agility and flexibility.



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**Collaboration:** A BISD learner respects and uses strengths to build a collective commitment toward common goals.

**Communication:** A BISD learner articulates thoughts and ideas effectively using multiple modes of communication.

**Critical Thinking:** A BISD learner gathers, analyzes, and reflects on information in order to solve problems and make informed decisions.

**Empathy:** A BISD learner demonstrates sensitivity, concern and respect towards others' feelings and experiences.

**Perseverance:** A BISD learner embraces that failure is a part of the learning process and continues to work towards goals despite difficulty and/or opposition.

## ECONOMIC INFORMATION

The city of Belton is a quaint and charming community founded in 1850 along the famous Chisholm Trail. Downtown Belton features the magnificent Bell County Courthouse; the historic Bell County Museum; a parade of beautiful historic homes; the oldest family-owned department store in Texas founded in 1869, Cochran, Blair, and Potts; and the oldest continuously operating college in the state, the University of Mary Hardin-Baylor, chartered in 1845 by the Republic of Texas.

Belton is growing, a trend that is projected to continue over the next decade and beyond. With its central location in the rapidly growing Texas triangle between San Antonio and Dallas, the metro area is primed to grow faster than any other second-tier Texas region outside the Texas/Mexico border (Belton Economic Development Corporation).

According to the 2020 population count from the U.S. Census Bureau, Bell County saw a 19.5% increase in population over the last decade.

The area boasts several institutions of higher learning offering a variety of educational opportunities, from technical training to advanced degrees. These universities support the educational needs demanded by the different growing industries in Central Texas. More than 1,000 students graduate each year from these institutions joining the labor pool available in the region.

Belton's location in the center of the Temple-Killeen-Ft Cavazos MSA provides easy access to the region's over 501,333 population. The military, government, medical/healthcare services, manufacturing/distribution, agricultural/agribusiness, retail trade and business IT consulting services are thriving industry sectors in this MSA that continue to be a major economic influence.

Belton holds the Bell County seat and is also home to the Cadence Bank Center and Bell County Museum. Employment growth in Belton has outpaced the Killeen-Temple-Fort Cavazos MSA, the nearby Waco MSA and the state of Texas in recent years. The Belton metro area offers a young, skilled, and reliable labor pool with a tremendous supply of available talent for part-time and shift occupations. Nearby is Fort Cavazos, one of the largest military installations in the world. Separating and retiring soldiers provide area employers with a supply of highly trained workers with excellent work ethics.

The median price for homes in the local market increased more than 15 percent during the year, and the total taxable value of property within the District increased approximately 5.4 percent.

## LONG TERM FACILITY PLANNING

Belton ISD was growing at a fast rate in previous years, but that growth is slowing. The District has been focused on accommodating that growth along with maintaining current schools and District facilities. A comprehensive facilities assessment was conducted in 2021 to analyze the condition and needs of all District-owned facilities



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and assist with long-term facilities planning. As a result of the accelerated growth and aging and evolving needs of current facilities, the District commissioned a Bond Exploration Committee in September 2021 to study current and future needs for facility planning in BISD.

The Bond Exploration Committee (comprised of nearly 70 community members) prioritized a list of projects that were recommended to the superintendent, which was presented to the Board of Directors on January 24, 2022. At a special meeting on February 15, 2022, the board voted unanimously to call for a bond election to be held on May 7, 2022. The proposal was presented to voters in two separate propositions on the ballot. Proposition A totaled \$168, 825,000 and included two new elementary schools, a Delta Program facility, Southwest Elementary additions, expansion of fine arts facilities at Lake Belton Middle School, new buses, an additional agriculture facility, improvement to Belton High School, and New Tech at Waskow, and various infrastructure upgrades. Proposition B totaled \$5,000,000 for technology devices and equipment. Both propositions were approved by voters.

The construction of James Burrell Elementary was completed and opened in January 2024. The construction of Hubbard Branch Elementary was completed and opened in August 2024. In addition, construction of major renovation and addition projects at Southwest Elementary, Lake Belton Middle School and Belton High School were substantially completed by August 2024. Southwest Elementary now has additional classroom space, a new gymnasium, and new music and art rooms, while Lake Belton Middle School now has a new band hall and new athletic gym vestibule, athletic training room and locker room. The 2022 Bond also included funding for CTE and Fine Arts Additions at Belton High School, as well as upgrades for existing CTE spaces.

Elementary school playground upgrades and exterior lighting improvements are just a couple of the safety projects completed this past year.

## REPORT INFORMATION

The Annual Comprehensive Financial Report is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA). All funds of the District are covered by this report. The District's financial policies address accounting and fiscal operations of the District, with an emphasis on asset, procurement, and budget management.

Belton ISD was awarded a Certificate of Excellence in Financial Reporting by the Association of School Business Officials International (ASBO) for its annual comprehensive financial report for the fiscal year ended August 31, 2023. This award certified that the Annual Comprehensive Financial Report substantially conformed to the principles and standards of financial reporting as recommended and adopted by that organization. This was the fifth year the District received the Certificate of Excellence. We believe our current report continues to conform to the Certificate of Excellence program requirements, and we are submitting it to ASBO to determine its eligibility for another certificate.

The Government Finance Officers Association (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting (COA). This national award recognizes individual governments that evidence the spirit of transparency and full disclosure in the annual comprehensive financial report. The District was awarded a Certificate of Achievement for the fifth year. We believe our current report meets the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility.

The District maintains budgetary controls, and the objective is to ensure compliance with legal provisions embodied in the annual budget approved by the District's Board of Trustees. The annual expenditure budget serves as the foundation for the District's financial planning and control. Every school District in Texas is required, by law, to prepare and file a budget with the Texas Education Agency (TEA). The board legally adopts a budget for the General Fund, Debt Service Fund, and Child Nutrition Fund. Budgets for Special Revenue Funds (other than Child Nutrition) and Capital Projects Funds are prepared on a project basis, based on grant regulations or applicable bond ordinances.



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Budgetary control (the level at which expenditures cannot legally exceed appropriations) is mandated at the functional category level within each fund. These functional categories are defined by TEA and identify the purpose of transactions. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end unless specifically identified for rollover into the next fiscal year.

## ACKNOWLEDGEMENTS

The preparation of this report could not have been accomplished without the efficient and dedicated efforts of the entire staff of the Business Services Department. We would like to express our sincere appreciation to all members of the departments and surrounding entities who assisted and contributed to the preparation of this report. We would also like to express appreciation to the Board of Trustees for their interest and support in the financial operations of the District. Finally, we would like to thank the residents of the District for their support of, and belief in, our public schools, and principals and teachers who provide the quality education for which the District has become known.

Respectfully submitted,

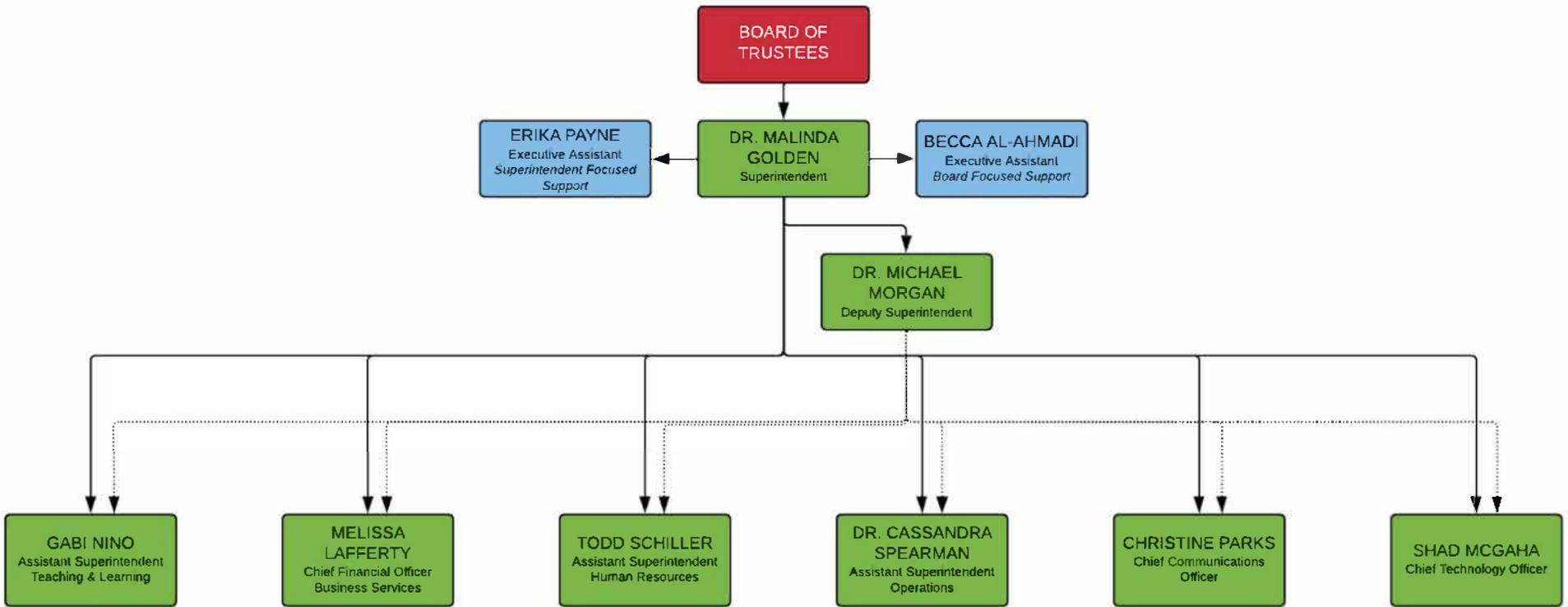
Dr. Malinda Golden  
Superintendent

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Melissa Lafferty  
Chief Financial Officer

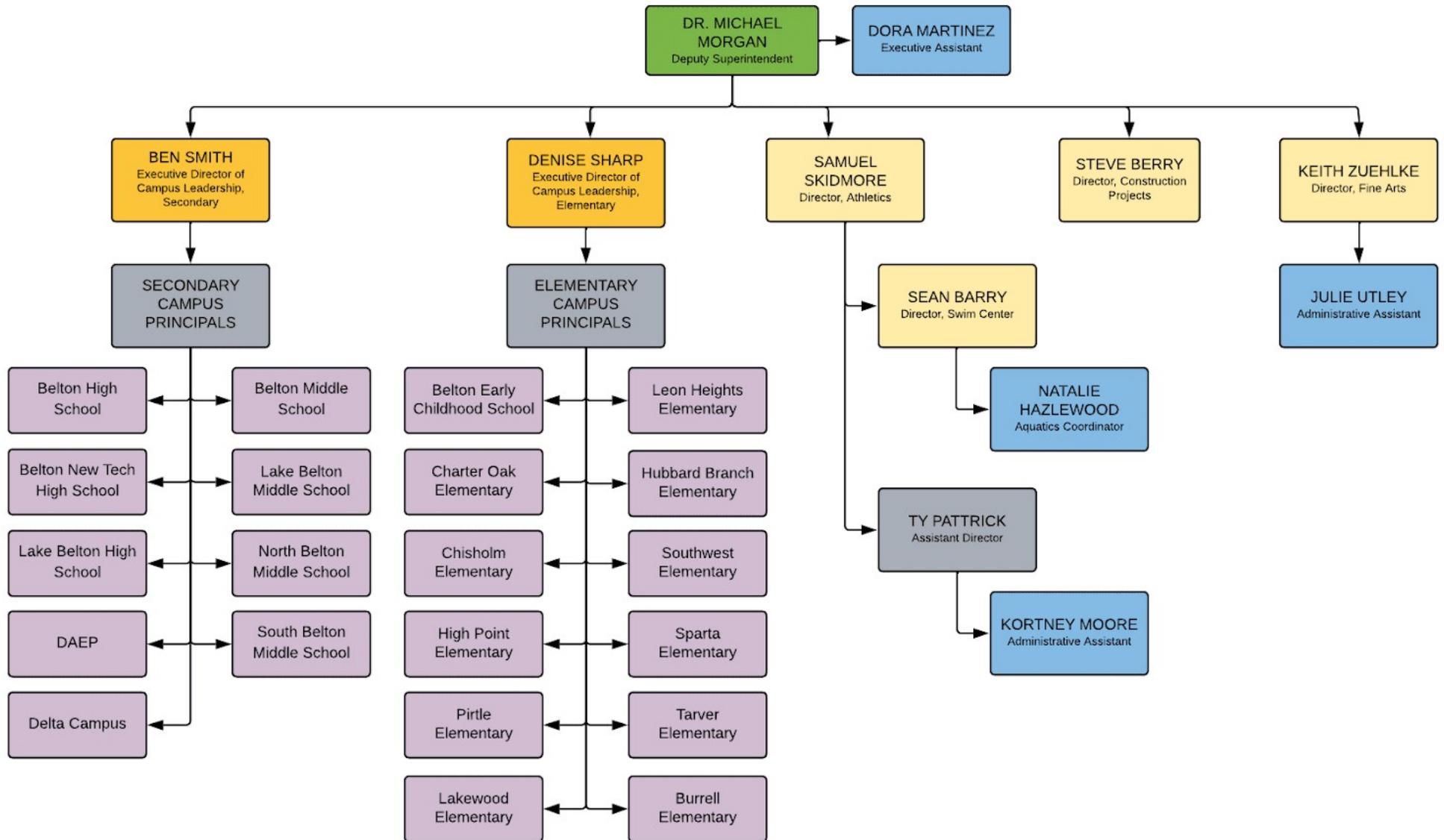
# Belton ISD Org Chart

October 15, 2024



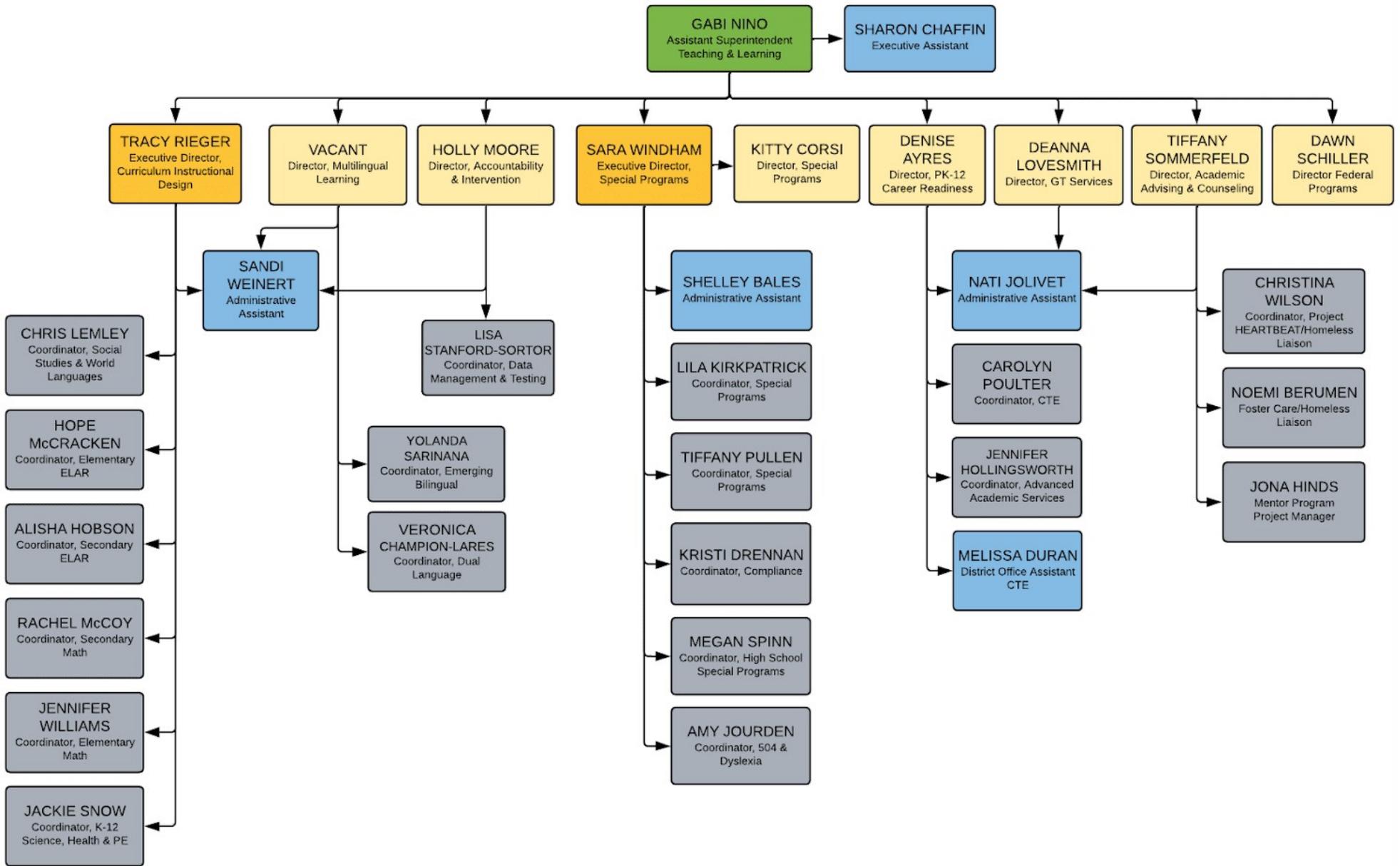
# Belton ISD Org Chart

October 15, 2024



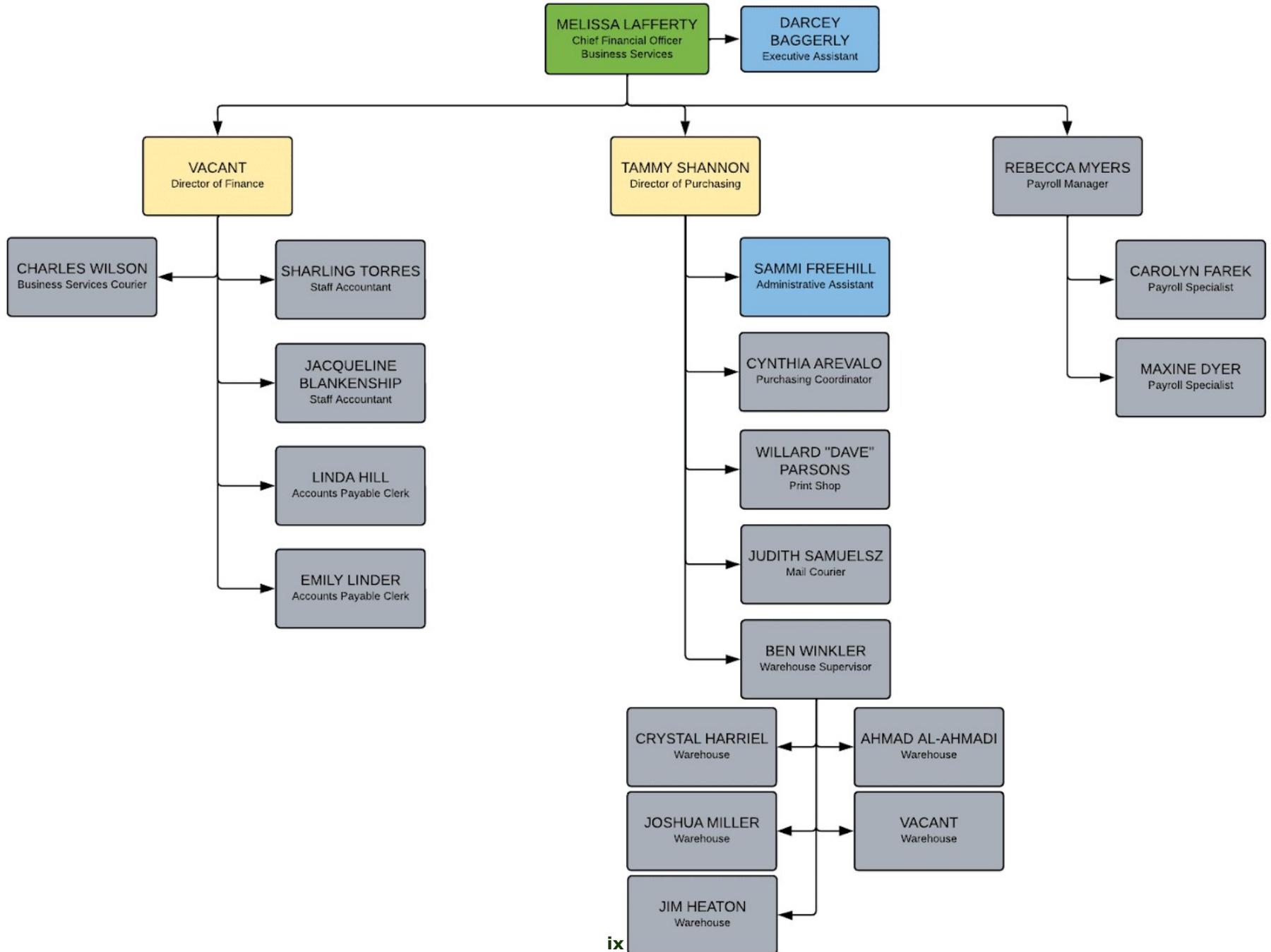
# Belton ISD Org Chart

November 21, 2024



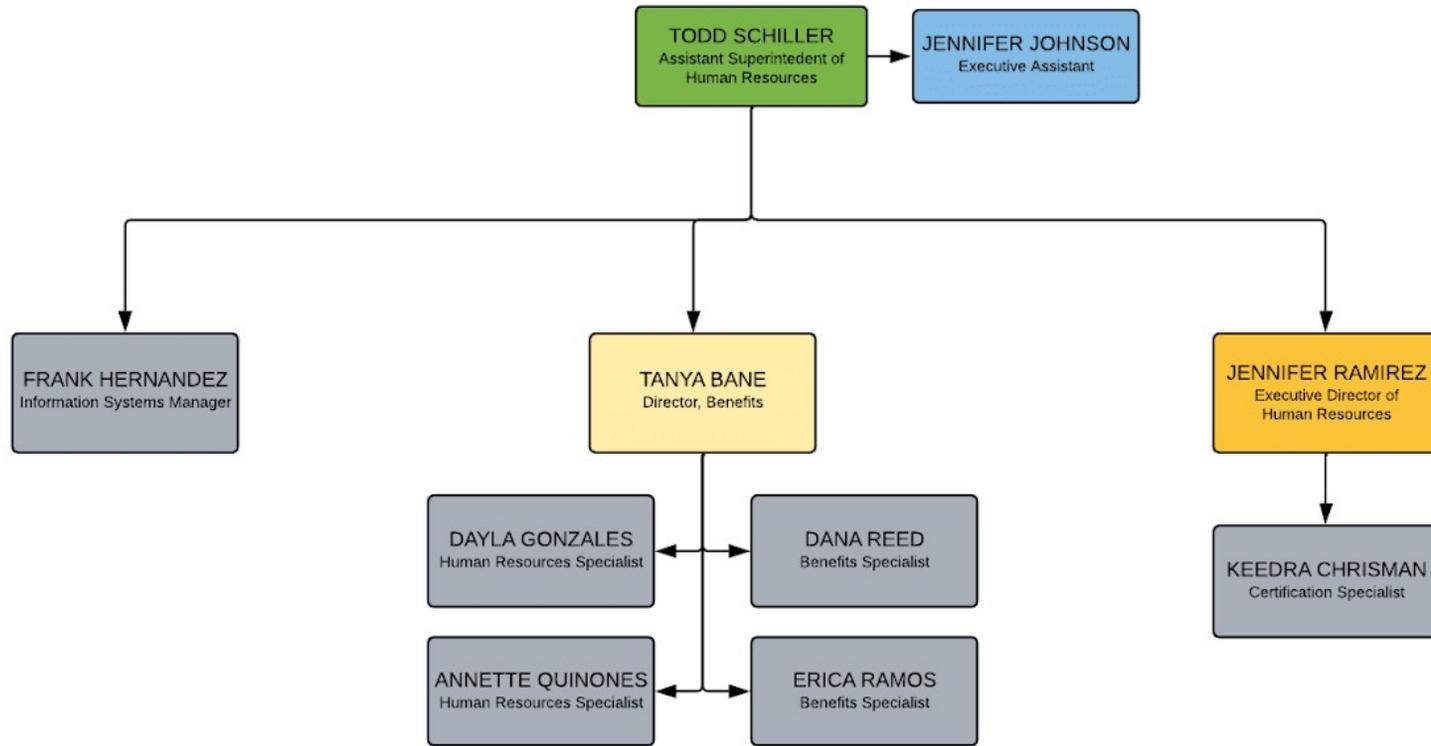
# Belton ISD Org Chart

October 14, 2024



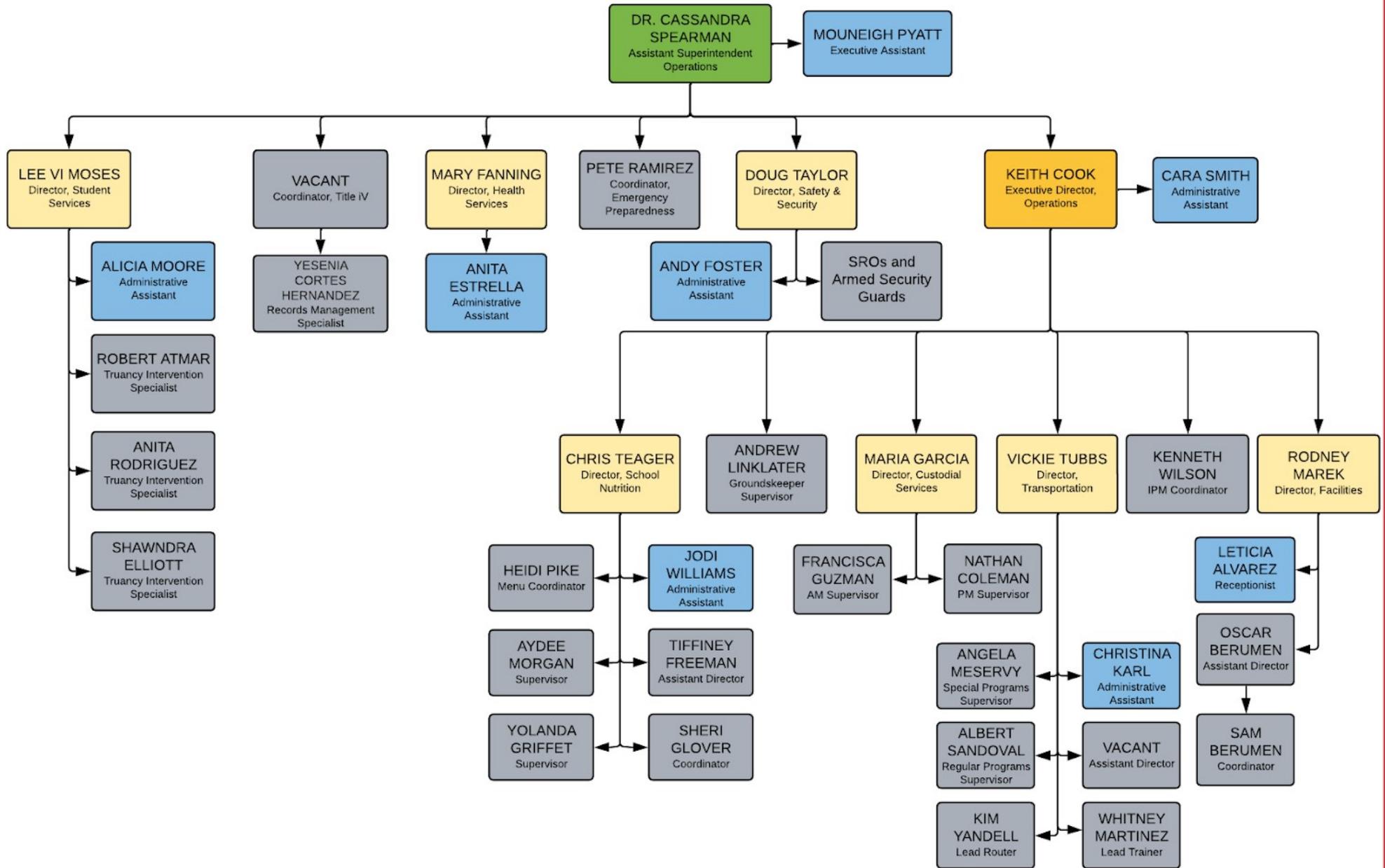
# Belton ISD Org Chart

October 14, 2024



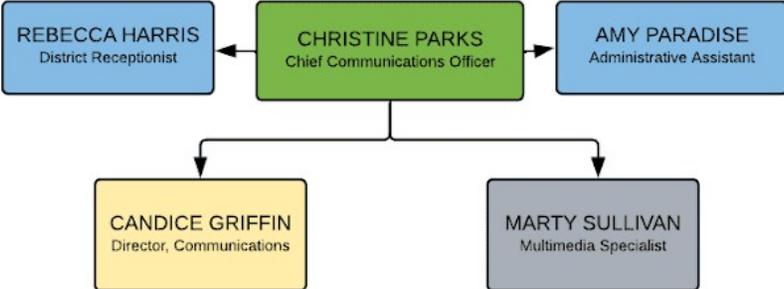
# Belton ISD Org Chart

October 14, 2024



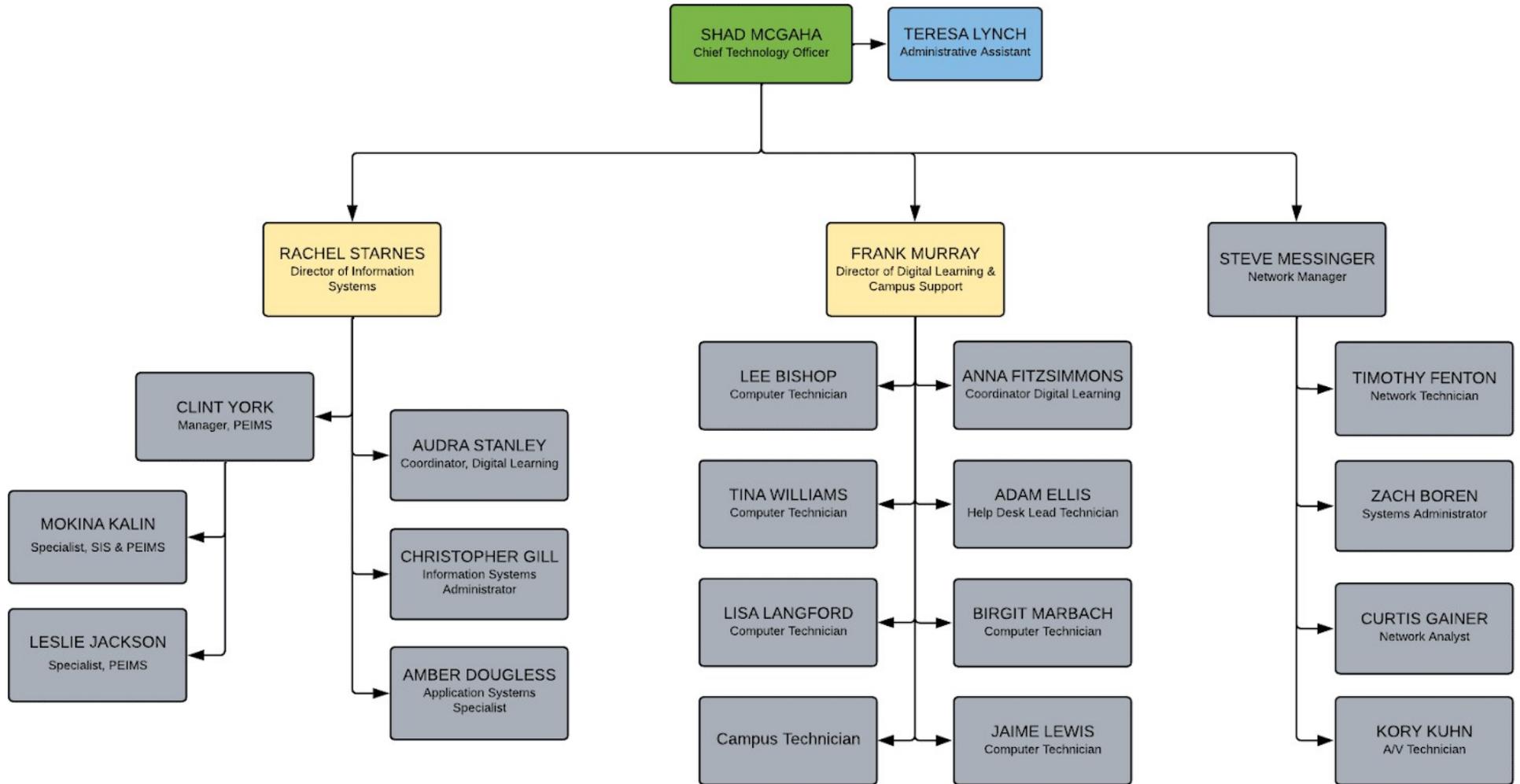
**Belton ISD Org Chart**

October 14, 2024



# Belton ISD Org Chart

October 14, 2024





## **Board of Trustees**

Manual Alcozer, President

Chris Flor, Vice President

Erin Bass, Secretary

Suzanne M. McDonald

Janet Leigh

Jeff Norwood

Rucker Preston

## **District Leadership**

Dr. Malinda Golden, Superintendent

Michael Morgan, Deputy Superintendent

Gabrielle Nino, Assistant Superintendent for Teaching and Learning

Todd Schiller, Assistant Superintendent for Human Resources

Cassandra Spearman, Assistant Superintendent for Operations

Melissa Lafferty, Chief Financial Officer

Shad McGaha, Chief Technology Officer

Christine Parks, Executive Director of Communications and Community Engagement

CERTIFICATE OF BOARD

Belton Independent School District  
Name of School District

Bell  
County

014-903  
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 year ended August 31, 2024, at a meeting of the Board of Trustees of such school district on the 16<sup>th</sup> day of December, 2024.

Erin Bass

Manuel Alcozer

\_\_\_\_\_  
Signature of Board Secretary

\_\_\_\_\_  
Signature of Board President

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



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Belton Independent School District  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

August 31, 2023

*Christopher P. Morrill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

## Belton Independent School District

for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended August 31, 2023.

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'. The signature is written in a cursive style and is positioned above a horizontal line.

**Ryan S. Stechschulte**  
President

A handwritten signature in black ink, reading 'James M. Rowan'. The signature is written in a cursive style and is positioned above a horizontal line.

**James M. Rowan, CAE, SFO**  
CEO/Executive Director

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Belton Independent School District  
Belton, 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 Belton Independent School District, as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise Belton Independent School 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 Belton Independent School District, as of August 31, 2024, and the respective changes in financial position 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of Belton Independent School 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 opinion.

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

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

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

#### OFFICE LOCATIONS

TEXAS | Waco | Temple | Hillsboro | Houston  
NEW MEXICO | Albuquerque

## ***Auditor's Responsibility 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 other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the GASB, 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 Belton Independent School District's basic financial statements. The combining statements, required TEA schedules, and the Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) 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.

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

***Other Information Included in the Annual Comprehensive Financial Report***

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

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

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

In accordance with Government Auditing Standards, we have also issued our report dated December 16, 2024 on our consideration of Belton Independent School 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 Belton Independent School District's internal control over financial reporting and compliance.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
December 16, 2024

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Belton Independent School District's annual financial report presents management's narrative overview and analysis of the District's financial performance during the fiscal year ended August 31, 2024. Please read it in conjunction with the District's financial statements, which begin on page 12.

### FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$55,628,887 (*net position*).
- The District's net position decreased by \$4,965,257 as a result of this year's operations which was a decrease of approximately 8%.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$91,386,516, a decrease of \$95,694,729 in comparison with the prior year. This decrease is primarily a result of the District spending down bond funds in its capital projects fund, as well as a decline in the General Fund.
- The General Fund ended the year with a fund balance of \$36,152,885, a decrease of \$3,971,959 from prior year.
- The resources available for appropriation were \$1,286,118 more than budgeted for the General Fund, due to a settle up of previous years state funding and additional e-rate funding.
- The total cost of the District's programs was \$198,384,292 in this fiscal year, compared to the previous year's cost of \$177,632,742, an increase of \$20,751,550.

### OVERVIEW OF THE FINANCIAL STATEMENTS

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

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These provide information about the activities of the District as a whole and present a long-term view of the District's property and obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short-term, as well as what resources remain for future spending. They reflect the flow of current financial resources and supply the basis for tax levies and the appropriations budget. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee.

The notes to the financial statements provide narrative explanations or additional data needed for full disclosure in the government-wide statements of the fund financial statements.

The combining statements for nonmajor funds are presented immediately following the required supplementary information and contain even more information about the District's individual funds. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that provides a budgetary schedule for the General Fund. The sections labeled TEA Required Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies.

<b>Type of Statements</b>	<b>Government-Wide</b>	<b>Governmental Funds</b>	<b>Fiduciary Funds</b>
<b>Scope</b>	Entire district's government (except fiduciary funds) and the district's component units	The activities of the district that are not proprietary or fiduciary	Instances in which the district is the trustee or agent for someone else's resources
<b>Required Financial Statements</b>	Statement of net position, Statement of activities	Balance sheet, Statement of revenues, expenditures & changes in fund balance	Statement of fiduciary net position, Statement of changes in fiduciary net position
<b>Accounting basis and measurement focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
<b>Type of asset/liability information</b>	All assets and liabilities, both financial and capital, short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both short-term and long-term; the district's funds do not currently contain capital assets, although they can
<b>Type of deferred outflows/inflows</b>	A consumption or acquisition of net assets applicable to a future period	A consumption or acquisition of fund balance applicable to a future period	A consumption or acquisition of net assets applicable to a future period
<b>Type of inflows/outflow information</b>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid

## **Reporting the District as a Whole**

### ***The Statement of Net Position and the Statement of Activities***

The analysis of the District's overall financial condition and operations begins with the statement of net position and statement of activities. Their primary objective is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the District's assets, deferred outflows (inflows) of resources and liabilities while the Statement of Activities includes all the revenue and expenses generated by the District's operations during the year. These apply the accrual basis of accounting, which is the same method used by most private sector companies.

All of the current year's revenue and expenses are taken into account regardless of when cash is received or paid. The District's revenue is divided into those provided by outside parties who share the costs of some programs, such as tuition received from students from outside the District and grants provided by the U. S. Department of Education to assist children with disabilities or from disadvantaged backgrounds (program revenue), and general revenue provided by the taxpayers or by TEA in equalization funding processes (general revenue). All of the District's assets and deferred outflows (inflows) of resources are reported whether they serve the current year or future years. Liabilities and deferred inflows of resources are considered regardless of whether they must be paid in the current or future years.

These two statements report the District's net position and changes in them. The District's net position (the difference between assets, deferred outflows (inflows) of resources and liabilities) provide one measure of the District's financial health or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

In the Statement of Net Position and the Statement of Activities, the District has one kind of activity:

**Governmental Activities** – All of the District’s basic services are reported here, including instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.

## **Reporting the District’s Most Significant Funds**

### ***Fund Financial Statements***

The Fund financial statements begin on page 15 and provide detailed information about the most significant funds – not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under ESEA Title I from the U. S. Department of Education. The District’s administration establishes many other funds to help it control and manage money for particular purposes (like campus activities). The District has two fund types - governmental and fiduciary.

**Governmental Funds** – The District reports most of its basic services in governmental funds. These funds use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and they report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District’s general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the governmental fund financial statements.

**Fiduciary Funds** – The District is the trustee, or fiduciary, for money raised by student activities. All of the District’s fiduciary activities are reported in separate Statements of Fiduciary Net Position. We exclude these resources from the District’s other financial statements because the District cannot use them to support its operations. The District is only responsible for holding the assets reported in these funds.

## **Notes to the Financial Statements**

The notes provide additional information that is essential to a complete understanding of the data provided in the government-wide and fund financial statements.

## **Required Supplementary Information**

The required supplementary information includes budgetary comparison information and pension and other postemployment benefits (OPEB) information.

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE**

The following analysis focuses on the net position (Table 1) and changes in net position (Table 2) of the District’s governmental activities.

Net position of the District’s governmental activities decreased from \$60,594,144 to \$55,628,887, indicating a reduction in the District’s financial position. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – was (\$27,957,292) at August 31, 2024. This deficit is not an indication that the District has insufficient resources available to meet financial obligations next year, but rather the result of having long-term commitments that are more than currently available resources. The decrease in net position was primarily attributable to a decrease in local tax revenue due to decreased in the tax rate, an increase in the net pension liability, as well as the recognition of an arbitrage liability.

**TABLE 1  
BELTON INDEPENDENT SCHOOL DISTRICT  
NET POSITION**

	Governmental Activities		% Change
	2024	2023	
Current and other assets	\$ 112,434,980	\$ 210,450,817	(47)%
Capital assets	<u>432,244,291</u>	<u>344,818,475</u>	25 %
Total assets	<u>544,679,271</u>	<u>555,269,292</u>	(2)%
Deferred outflows of resources	<u>40,873,961</u>	<u>34,156,051</u>	20 %
Long-term liabilities	476,239,396	470,829,784	1 %
Other liabilities	<u>19,011,830</u>	<u>20,788,760</u>	(9)%
Total liabilities	<u>495,251,226</u>	<u>491,618,544</u>	1 %
Deferred inflows of resources	<u>34,673,119</u>	<u>37,212,655</u>	(7)%
Net position:			
Net investment in capital assets	66,736,585	57,362,953	16 %
Restricted	16,849,594	13,600,899	24 %
Unrestricted	<u>(27,957,292)</u>	<u>(10,369,708)</u>	(170)%
Total net position	<u>\$ 55,628,887</u>	<u>\$ 60,594,144</u>	(8)%

**TABLE 2**  
**BELTON INDEPENDENT SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**

	Governmental Activities		% Change
	2024	2023	
<b>REVENUES</b>			
Program revenues:			
Charges for services	\$ 6,077,253	\$ 5,816,841	4 %
Operating grants and contributions	26,493,786	24,923,301	6 %
General revenues:			
Maintenance and operations taxes	42,935,445	51,429,827	(17)%
Debt service taxes	22,266,996	21,458,485	4 %
Grants and contributions not restricted	89,680,268	73,933,172	21 %
Investment earnings	5,567,162	10,442,846	(47)%
Miscellaneous	<u>398,125</u>	<u>326,195</u>	22 %
Total revenues	<u>193,419,035</u>	<u>188,330,667</u>	3 %
<b>EXPENSES</b>			
Instruction	97,626,153	87,612,682	11 %
Instructional resources and media services	2,277,088	2,033,900	12 %
Curriculum and instructional staff development	5,021,707	4,511,468	11 %
Instructional leadership	2,745,405	2,518,447	9 %
School leadership	9,270,808	7,972,892	16 %
Guidance, counseling and evaluation services	8,278,551	7,021,717	18 %
Social work services	632,677	652,213	(3)%
Health services	2,374,731	2,091,864	14 %
Student (pupil) transportation	7,132,659	6,781,934	5 %
Food services	8,935,223	7,408,932	21 %
Co-curricular/extra curricular activities	8,333,433	7,897,109	6 %
General administration	4,529,868	4,273,816	6 %
Plant maintenance and operations	15,404,126	13,858,366	11 %
Security and monitoring services	3,507,477	2,379,856	47 %
Data processing services	6,316,910	4,314,469	46 %
Community services	33,187	33,161	0 %
Debt service - interest on long-term debt	14,429,604	14,893,976	(3)%
Payments related to shared services arrangements	346,218	296,963	17 %
Payments to Tax Increment Fund	478,695	400,299	20 %
Other intergovernmental charges	<u>709,772</u>	<u>678,678</u>	5 %
Total expenses	<u>198,384,292</u>	<u>177,632,742</u>	12 %
<b>CHANGE IN NET POSITION</b>	(4,965,257)	10,697,925	(146)%
<b>NET POSITION, BEGINNING</b>	<u>60,594,144</u>	<u>49,896,219</u>	21 %
<b>NET POSITION, ENDING</b>	<u>\$ 55,628,887</u>	<u>\$ 60,594,144</u>	(8)%

The District's total revenues increased by \$5 million mostly as a result of an increase of \$1.6 million in operating grants and revenues and an increase of \$15.7 million in state foundation and available school funding and offset by a decrease of \$7.6 million in property tax revenues. Investment earnings decreased significantly in the current year due to insignificant unspent bond proceeds earning interest. Tax revenues for the year decreased primarily due to a legislative increase in the homestead exemption on property values.

The cost of all governmental activities this year was approximately \$198.38 million compared to \$177.63 million last year. Instructional expenses increased due to the rising cost of teacher salaries.

**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

General Fund revenue increased \$8,161,996 from the prior year due to increased state funding offset by a significant decrease in property tax revenues due to the increase homestead exemption. General Fund expenditures increased by \$13,998,270 with the biggest increases seen in instructional salaries. Other significant increases are found in school leadership and data processing services. The net decrease to fund balance was \$3,971,959.

The Debt Service Fund had an increase in revenue of \$3,943,204 from the previous year. State entitlements increased more than the decrease in property tax revenues. There was an increase of \$925,611 in expenditures from the previous year due to debt obligations. The net increase to fund balance was \$2,582,146.

The Capital Projects Fund had an decrease in revenue of \$2,122,577, primarily driven by interest income generated on lower unspent bond proceeds. Expenditures in the Capital Projects Fund increased by \$46,965,360, primarily due to the continuation of the construction projects. The net decrease to fund balance was \$93,537,042.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

Over the course of the past year, the Board of Trustees amended the District's budget and approved several changes in appropriations. Significant budget amendments are described in the notes to the required budgetary schedules.

In the current year, the District adopted a deficit budget of \$5,015,391. Local tax collections decreased \$4,523,000 due to an increase in the homestead exemption. Fortunately, the state funding compensated for most of the lost collections through a hold harmless provision. Actual enrollment fell below budgeted projections by 181 students leading to a \$1,177,432 decrease in state funding. Unexpectedly, the Texas Health and Human Services Commission notified the District that the 2022 School Health and Related Services (SHARS) cost report reimbursement was decreased by \$1,240,000. Increases in investment earnings of \$1,633,280 and \$600,000 in other local revenues held budgeted revenues constant.

The payroll budget makes up the largest percentage of operating expenditures. In anticipation of increased vacancies, payroll expenditures decreased by \$2,143,826 and were allocated to other functions. State mandated armed security officers for every campus increased contracted services by \$949,428. Capital outlay increased by \$1,269,546 for planned facility improvements and the capitalization of right to use assets. In total the expenditure budget increased by only \$1,379,014. The budget amendments mentioned above, and other adjustments resulted in a final overall deficit budget of \$5,684,461.

Actual expenditures and revenues exceeded the final budget by \$1,155,221 and \$1,286,118, respectively. Positive variances were widespread, except in the areas of instruction, technology and facilities acquisition.

## **FUND BALANCES**

Fund balance is the accumulated excess of revenues over expenditures during the life of a school District. At any given point, the amount in fund balance represents the difference between governmental fund assets and liabilities. Although fund balance may change drastically during the business cycle of a school District, the standard measuring point is at the fiscal year end.

The amount maintained in fund balance is critical. First, such balances indicate financial stability. This is especially important when the District issues bonds. Second, by maintaining this balance at August 31, operations can continue without requiring debt until state funds and taxes are received. State funds are generally received in the first three and last five months of the fiscal year. Local property taxes are received primarily from early October through the end of January. The Appraisal District mails tax statements in early October.

The District records five types of fund balance categories. The non-spendable portion of General Fund balance may be comprised of inventories and prepaid items that cannot be converted to cash and spent. Restricted fund balance is the amount that is restricted to a specific purpose. The constraint on the use of these funds is externally imposed by creditors, grantors, contributors, laws and regulations. Committed fund balance is the amount that can only be used for specific purposes that the Board of Trustees determines through formal action. Assigned fund balance is the amount that the District intends to use on a specific purpose. The Superintendent or designee has the authority to assign fund balance and does not need formal board approval. The remaining fund balance is unassigned and may be used for any purpose without constraints.

The General Fund unassigned fund balance of \$27,863,529 is equivalent to approximately 2.2 months of expenditures. The unassigned fund balance minimizes the likelihood that the District would be required to enter the short-term debt market to pay for current operating expenditures. \$8,156,903 of fund balance is set aside to pay for capital improvement funds and to support the subsequent year’s budget.

**CAPITAL ASSETS AND LONG-TERM LIABILITIES**

**Capital Assets**

At the end of 2024, the District had approximately \$432 million invested in a broad range of capital assets, including instructional facilities and equipment, transportation facilities and equipment, athletic facilities, and administrative and maintenance buildings and equipment.

Accumulated activity for the fiscal year-ended August 31, 2024 is as follows:

Additions to capital assets	\$ 100,579,451
Decreases/reclassifications to capital assets	(929,339)
Depreciation expense	(13,085,076)
Accumulated Depreciation Disposed	<u>860,780</u>
Net increase to capital assets	<u>\$ 87,425,816</u>

This amount represents a net increase of approximately \$87.43 million which is due to the additions to capital assets exceeding the depreciation expense for the year-ended August 31, 2024. Depreciation is comparable to prior year. The district expects total assets to increase in the coming years as construction continues with new bond funding.

More detailed information about the District’s capital assets is presented in Note II-E in the notes to the financial statements.

**Long-term Liabilities**

At year-end, the District had \$476,239,396 in bonds, leases outstanding, software agreements, net pension liability (NPL) and net OPEB liability versus \$470,829,784 in the prior year. This increase is primarily due to the recognition of software agreements.

More detailed information about the District’s long-term liabilities is presented in Note II-H in the notes to the financial statements.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES**

The Belton Independent School District is a fast growth school district. The District is located along the I-35 corridor and part of the Killeen-Temple-Fort Hood metropolitan area. Low cost of living, excellent schools, regional medical facilities, regional airport, mild climate, area lakes, and recreational facilities, each have played a positive role in the rapid growth of the Belton area. Belton ISD is seeing significant residential growth in the northwest and southwest sections of the District. The District expects student enrollment to increase by approximately 1,200 students over the next 5 years.

Belton ISD and numerous school districts across the state are experiencing significant budgetary pressure. There is lots of uncertainty in the area of school finance at both the state and federal levels. Belton ISD currently maintains a healthy fund balance both for the general fund and the debt service fund. The District has previously taken steps to decrease the amount of debt service owed for future years by early retirement of higher interest bonds. This allows the District’s interest and sinking rate to remain stable regardless of future changes in assessed values.

Additionally, the District issued \$166,240,000 in Unlimited Tax School Building Bonds, Series 2022 on August 11, 2023 for the construction of two additional elementary schools, additions and renovations to Belton High School, Southwest Elementary School, acquisitions of land and agricultural and Delta program facilities. In addition, fund safety and security upgrades, bus purchases and technology devices. As of August 31, 2024, the district is still committed to \$22,792,281 in expenditures on the voter approved bond projects.

The 86th Texas Legislature passed a school finance bill, House Bill 3, in 2019 that mandated a decrease in the tier 1 portion of the maintenance and operations tax rate. The tax rate is further compressed for the 2024-2025 fiscal year. The Board approved the maintenance and operations tax rate of \$0.7552 and a debt service rate of \$0.3942 for a total of \$1.1494.

The District's net taxable value for the 2024-2025 school year budget increased approximately 12.09% from the previous year. The 2024-25 General Fund budget was adopted at a \$8,156,903 deficit.

#### **CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to show 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 business office at Belton Independent School District, P.O. Box 269, Belton, Texas 76513.

## **BASIC FINANCIAL STATEMENTS**

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**BELTON INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT A-1**

STATEMENT OF NET POSITION

AUGUST 31, 2024

Data Control Codes		Governmental Activities
<b>ASSETS</b>		
1110	Cash and cash equivalents	\$ 102,002,641
1220	Delinquent property taxes receivables	2,412,597
1230	Allowance for uncollectible taxes	(1,109,794)
1240	Due from other governments	8,600,665
1290	Other receivables (net)	107,755
1300	Inventories	420,300
1410	Prepaid items	816
	Capital assets:	
1510	Land	11,705,997
1520	Buildings and improvements, net	260,934,792
1530	Furniture and equipment, net	15,851,528
1553	Right to use assets - SBITA, net	1,172,499
1559	Right to use assets - equipment, net	714,141
1580	Construction in progress	141,865,334
1000	Total assets	<u>544,679,271</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
1701	Deferred loss on bond refunding	2,267,146
1705	Deferred outflow related to NPL	24,608,433
1706	Deferred outflow related to OPEB	13,998,382
1700	Total deferred outflows of resources	<u>40,873,961</u>
<b>LIABILITIES</b>		
2110	Accounts payable	9,204,565
2140	Interest payable	684,830
2150	Payroll deductions and withholdings	1,294,181
2160	Accrued wages payable	7,265,443
2180	Due to other governments	16,382
2300	Unearned revenue	546,429
	Noncurrent liabilities:	
	Due within one year	
2501	Long-term debt	10,427,438
	Due in more than one year	
2502	Long-term debt	389,307,241
2502	Arbitrage liability	3,155,464
2540	Net pension liability	51,106,435
2545	Net OPEB liability	22,242,818
2000	Total liabilities	<u>495,251,226</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
2601	Deferred gain on bond refunding	538,382
2605	Deferred inflow related to NPL	1,801,752
2606	Deferred inflow related to OPEB	32,332,985
2600	Total deferred inflows of resources	<u>34,673,119</u>
<b>NET POSITION</b>		
3200	Net investment in capital assets	66,736,585
	Restricted for:	
3820	Federal and state programs	4,590,802
3850	Debt service	12,258,792
3900	Unrestricted	(27,957,292)
3000	Total net position	<u>\$ 55,628,887</u>

The accompanying notes are an integral part of this financial statement.

**BELTON INDEPENDENT SCHOOL DISTRICT**

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes	Functions/Programs	1	Program Revenues <u>3</u>
		Expenses	Charges for Services
	<b>Primary government:</b>		
	<u>Governmental activities:</u>		
11	Instruction	\$ 97,626,153	\$ 339,000
12	Instructional resources and media services	2,277,088	4,460
13	Curriculum and staff development	5,021,707	4,461
21	Instructional leadership	2,745,405	-
23	School leadership	9,270,808	-
31	Guidance, counseling, and evaluation services	8,278,551	-
32	Social work services	632,677	-
33	Health services	2,374,731	-
34	Student transportation	7,132,659	89,211
35	Food service	8,935,223	2,579,720
36	Extracurricular activities	8,333,433	3,009,166
41	General administration	4,529,868	-
51	Facilities maintenance and operations	15,404,126	16,698
52	Security and monitoring services	3,507,477	-
53	Data processing services	6,316,910	25,616
61	Community services	33,187	8,921
72	Interest on long-term debt	14,429,604	-
93	Payments related to shared services arrangements	346,218	-
97	Payments to tax increment fund	478,695	-
99	Other intergovernmental charges	<u>709,772</u>	<u>-</u>
	[TG] Total governmental activities	<u>\$ 198,384,292</u>	<u>\$ 6,077,253</u>
	<u>General revenues:</u>		
	Taxes:		
MT	Property taxes, levied for general purposes		
DT	Property taxes, levied for debt service		
GC	Grants and contributions not restricted to specific programs		
IE	Investment earnings		
MI	Miscellaneous		
TR	Total general revenues		
CN	Change in net position		
NB	Net position, beginning		
NE	Net position, ending		

The accompanying notes are an integral part of this financial statement.

Program Revenues	Net (Expenses) Revenue and Changes in in Net Position
4	6
Operating Grants and Contributions	Primary Gov. Governmental Activities
\$ 9,452,755	\$ (87,834,398)
112,653	(2,159,975)
941,167	(4,076,079)
292,069	(2,453,336)
420,721	(8,850,087)
1,970,267	(6,308,284)
200,026	(432,651)
258,347	(2,116,384)
292,732	(6,750,716)
6,138,929	(216,574)
72,921	(5,251,346)
177,903	(4,351,965)
387,820	(14,999,608)
597,449	(2,910,028)
952,556	(5,338,738)
32,919	8,653
3,846,334	(10,583,270)
346,218	-
-	(478,695)
-	(709,772)
<u>\$ 26,493,786</u>	<u>(165,813,253)</u>

42,935,445
22,266,996
89,680,268
5,567,162
<u>398,125</u>
<u>160,847,996</u>
<u>(4,965,257)</u>
<u>60,594,144</u>
<u>\$ 55,628,887</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

BALANCE SHEET  
GOVERNMENTAL FUNDS

AUGUST 31, 2024

Data Control Codes		10	51
		<u>General</u>	<u>Debt Service</u>
<b>ASSETS</b>			
1110	Cash and cash equivalents	\$ 38,513,582	\$ 12,554,942
1220	Property taxes - delinquent	1,697,461	715,136
1230	Allowance for uncollectible taxes	(780,832)	(328,962)
1240	Due from other governments	7,540,249	-
1260	Due from other funds	789,545	-
1290	Other receivables	105,249	2,506
1300	Inventories	131,637	-
1410	Prepaid items	816	-
1000	Total assets	<u>47,997,707</u>	<u>12,943,622</u>
<b>LIABILITIES</b>			
2110	Accounts payable	1,005,812	-
2150	Payroll deductions and withholdings	1,294,181	-
2160	Accrued wages payable	7,083,078	-
2170	Due to other funds	19,330	-
2180	Due to other governments	16,382	-
2300	Unearned revenue	90,748	-
2000	Total liabilities	<u>9,509,531</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
	Unavailable revenue	<u>2,335,291</u>	<u>386,173</u>
2600	Total deferred inflows of resources	<u>2,335,291</u>	<u>386,173</u>
<b>FUND BALANCES</b>			
Nonspendable:			
3410	Inventories	131,637	-
3430	Prepaid items	816	-
Restricted for:			
3450	Federal or state grant restrictions	-	-
3470	Capital acquisitions and contractual obligations	-	-
3480	Retirement of long-term debt	-	12,557,449
Committed for:			
3545	Campus activities	-	-
Assigned for:			
3590	Other	8,156,903	-
3600	Unassigned	<u>27,863,529</u>	<u>-</u>
3000	Total fund balances	<u>36,152,885</u>	<u>12,557,449</u>
4000	Total liabilities, deferred inflows of resources and fund balances	<u>\$ 47,997,707</u>	<u>\$ 12,943,622</u>

The accompanying notes are an integral part of this financial statement.

60	98	98
Capital Projects	Other Governmental	Total Governmental Funds
\$ 43,298,800	\$ 7,635,317	\$ 102,002,641
-	-	2,412,597
-	-	(1,109,794)
-	1,060,416	8,600,665
-	149,143	938,688
-	-	107,755
-	288,663	420,300
-	-	816
<u>43,298,800</u>	<u>9,133,539</u>	<u>113,373,668</u>
7,766,232	432,521	9,204,565
-	-	1,294,181
-	182,365	7,265,443
6,578	912,780	938,688
-	-	16,382
-	455,681	546,429
<u>7,772,810</u>	<u>1,983,347</u>	<u>19,265,688</u>
-	-	2,721,464
-	-	<u>2,721,464</u>
-	288,663	420,300
-	-	816
-	4,590,802	4,590,802
35,525,990	-	35,525,990
-	-	12,557,449
-	2,270,727	2,270,727
-	-	8,156,903
-	-	27,863,529
<u>35,525,990</u>	<u>7,150,192</u>	<u>91,386,516</u>
<u>\$ 43,298,800</u>	<u>\$ 9,133,539</u>	<u>\$ 113,373,668</u>

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**BELTON INDEPENDENT SCHOOL DISTRICT****EXHIBIT C-2**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE  
STATEMENT OF NET POSITION

AUGUST 31, 2024

Total Fund Balances - Governmental Funds	\$ 91,386,516
1 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	432,244,291
2 Uncollected property taxes are reported as deferred inflows of resources in the governmental funds balance sheet, but are recognized as a revenue in the statement of activities.	1,302,790
3 Other receivables are reported as deferred inflows of resources in the governmental funds balance sheet, but are recognized as a revenue in the statement of activities.	1,418,674
4 Long-term liabilities, including bonds, accreted interest and leases, are not due and payable in the current period and therefore are not reported in the funds. Also, the losses on refunding of bonds and the premium on issuance of bonds payable are not reported on the balance sheet in the funds.	(398,005,915)
5 Interest payable and arbitrage are not due and payable in the current period and, therefore, are not reported as a liability in the governmental funds.	(3,840,294)
6 Included in the items related to debt is the recognition of the District's proportionate share of net pension liability required by GASB 68. The net position related to TRS included a deferred resource outflow in the amount of \$24,608,433, a deferred resource inflow in the amount of \$1,801,752, and a net pension liability in the amount of \$51,106,435. This resulted in a decrease to net position.	(28,299,754)
7 Included in the items related to debt is the recognition of the District's proportionate share of net OPEB liability required by GASB 75. The net position related to TRS included a deferred resource outflow in the amount of \$13,998,382, a deferred resource inflow in the amount of \$32,332,985, and a net OPEB liability in the amount of \$22,242,818. This resulted in a decrease to net position.	<u>(40,577,421)</u>
19 Net position of governmental activities	<u>\$ 55,628,887</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes		10	51
		<u>General</u>	<u>Debt Service</u>
	<b>REVENUES</b>		
5700	Local and intermediate sources	\$ 46,292,160	\$ 23,080,255
5800	State program	97,489,613	3,846,334
5900	Federal program	<u>1,743,138</u>	<u>-</u>
5020	Total revenues	<u>145,524,911</u>	<u>26,926,589</u>
	<b>EXPENDITURES</b>		
	Current:		
0011	Instruction	82,362,007	-
0012	Instructional resources and media services	1,702,011	-
0013	Curriculum and staff development	4,068,094	-
0021	Instructional leadership	2,590,043	-
0023	School leadership	9,190,411	-
0031	Guidance, counseling, and evaluation services	6,595,893	-
0032	Social work services	351,629	-
0033	Health services	2,355,926	-
0034	Student transportation	6,382,507	-
0035	Food service	93,029	-
0036	Extracurricular activities	5,744,883	-
0041	General administration	4,374,328	-
0051	Facilities maintenance and operations	14,627,904	-
0052	Security and monitoring services	3,180,545	-
0053	Data processing services	5,219,983	-
0061	Community services	-	-
	Debt service:		
0071	Principal on long-term debt	942,064	8,370,000
0072	Interest on long-term debt	29,058	15,950,088
0073	Bond issuance costs and fees	-	24,355
0081	Capital outlay	878,642	-
	Intergovernmental:		
0093	Payments related to shared service arrangements	-	-
0097	Payments to tax increment fund	478,695	-
0099	Other intergovernmental charges	<u>709,772</u>	<u>-</u>
6030	Total expenditures	<u>151,877,424</u>	<u>24,344,443</u>
1100	<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(6,352,513)</u>	<u>2,582,146</u>
	<b>OTHER FINANCING SOURCES (USES)</b>		
7912	Sale of property	65,173	-
7913	Issuance of leases	1,555,560	-
7915	Transfers in	779,385	-
8911	Transfers out	<u>(19,564)</u>	<u>-</u>
7080	Total other financing sources (uses)	<u>2,380,554</u>	<u>-</u>
1200	<b>NET CHANGE IN FUND BALANCES</b>	(3,971,959)	2,582,146
0100	<b>FUND BALANCES, BEGINNING</b>	<u>40,124,844</u>	<u>9,975,303</u>
3000	<b>FUND BALANCES, ENDING</b>	<u>\$ 36,152,885</u>	<u>\$ 12,557,449</u>

The accompanying notes are an integral part of this financial statement.

60	98	98
Capital Projects	Other Governmental	Total Governmental Funds
\$ 5,103,373	\$ 5,616,402	\$ 80,092,190
-	2,210,386	103,546,333
-	13,904,239	15,647,377
<u>5,103,373</u>	<u>21,731,027</u>	<u>199,285,900</u>
4,103,878	6,829,892	93,295,777
452,987	96,973	2,251,971
-	895,627	4,963,721
-	92,313	2,682,356
-	57,990	9,248,401
-	1,609,658	8,205,551
-	328,808	680,437
10,834	-	2,366,760
-	1,606	6,384,113
6,173	8,696,286	8,795,488
-	1,796,414	7,541,297
-	15,424	4,389,752
86,375	110,917	14,825,196
9,805	416,625	3,606,975
134,955	45,233	5,400,171
-	32,919	32,919
-	365,000	9,677,064
-	1,177	15,980,323
-	-	24,355
93,835,408	-	94,714,050
-	346,218	346,218
-	-	478,695
-	-	709,772
<u>98,640,415</u>	<u>21,739,080</u>	<u>296,601,362</u>
<u>(93,537,042)</u>	<u>(8,053)</u>	<u>(97,315,462)</u>
-	-	65,173
-	-	1,555,560
-	84,418	863,803
-	(844,239)	(863,803)
-	(759,821)	1,620,733
(93,537,042)	(767,874)	(95,694,729)
<u>129,063,032</u>	<u>7,918,066</u>	<u>187,081,245</u>
<u>\$ 35,525,990</u>	<u>\$ 7,150,192</u>	<u>\$ 91,386,516</u>

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**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED AUGUST 31, 2024**

Net change in fund balances - total governmental funds \$ (95,694,729)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay	100,579,451
Depreciation expense	(13,085,076)

In the statement of activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the book value of the capital asset sold. (68,559)

Some receivables are not considered available revenues and are reported as deferred inflows in the governmental funds. (553,444)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities.

Issuance of leases	(534,865)
Issuance of SBITAs	(1,020,695)
Principal repayments:	
General obligation bonds	8,735,000
Leases	268,346
SBITAs	674,385
Amortization of:	
Premium on bond issuance	1,697,263
Deferred gain/loss on bond refunding	(151,082)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Accrued interest payable on long-term debt	9,266
Accreted interest on capital appreciation bonds	(4,728)
Arbitrage liability	(3,155,464)

GASB 68 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$3,824,398. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. This caused a decrease in net position totaling \$3,070,726. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense increased the change in net position by \$2,791,688. The net result is a decrease in the change in net position. (6,485,703)

GASB 75 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$863,179. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net OPEB liability. This caused a decrease in net position totaling \$761,955. Finally, the proportionate share of the TRS OPEB expense in the plan as a whole had to be recorded. The net OPEB expense increased the change in net position by \$2,706,116. The net result is an increase in the change in net position.

3,825,377

Change in net position of governmental activities \$ (4,965,257)

**BELTON INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT E-1**

STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUND

AUGUST 31, 2024

	<u>Custodial Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 168,055
Total assets	<u>168,055</u>
<b>LIABILITIES</b>	
Accounts payable	<u>10,905</u>
Total liabilities	<u>10,905</u>
<b>NET POSITION</b>	
Restricted for student groups	<u>157,150</u>
Total net position	<u>\$ 157,150</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT E-2**

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUND

FOR THE YEAR ENDED AUGUST 31, 2024

	<u>Custodial Fund</u>
<b>ADDITIONS</b>	
Collections from student groups	\$ 107,111
Total additions	<u>107,111</u>
<b>DEDUCTIONS</b>	
Payments on-behalf of student groups	<u>90,955</u>
Total deductions	<u>90,955</u>
<b>NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION</b>	16,156
<b>NET POSITION, BEGINNING</b>	<u>140,994</u>
<b>NET POSITION, ENDING</b>	<u>\$ 157,150</u>

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# BELTON INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

AUGUST 31, 2024

### I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### A. Reporting Entity

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

The Board of Trustees (the "Board") is elected by the public and it has the authority to make decisions, appoint administrators and managers, and significantly influence operations. It also has the primary accountability for fiscal matters. Therefore, the District is a financial reporting entity as defined by the Governmental Accounting Standards Board ("GASB"). There are no component units included within the reporting entity.

#### B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities* are supported by taxes, state foundation funds and intergovernmental revenue.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as general revenue.

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

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

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

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

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

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

The District reports the following major governmental funds:

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

The **Debt Service Fund** is used to account for resources accumulated and payments made for principal and interest in long-term general obligation debt of governmental funds.

The **Capital Projects Fund** is used to account for the activity related to the use of the bond proceeds which includes the construction of capital facilities and purchase of capital equipment.

Additionally, the District reports the following fund types:

The **Nonmajor Special Revenue Funds** are used to account for the proceeds of specific revenue sources (other than those identified as a major fund) that are restricted or committed to expenditures for specific purposes.

The **Custodial Fund** accounts for resources held for others in a custodial capacity. The District's Custodial Fund is Student Activities.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in the governmental activities are eliminated.

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

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, Net Position/Fund Balance, Revenues and Expenditure/Expenses**

**1. Cash and Investments**

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

Investments for the District are reported at fair value, except for the position in investment pools. The District's investments in Pools are reported at the net asset value per share (which approximates fair value) even though it is calculated using the amortized cost method.

**2. Receivables**

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.

**3. Inventories**

Inventories of supplies on the balance sheet are stated at weighted average cost, while inventories of food commodities are recorded at acquisition values supplied by the Texas Department of Human Services. Inventory items are recorded as expenditures when they are consumed. Supplies are used for almost all functions of activity, while food commodities are used only in the food service program. Although commodities are received at no cost, their acquisition value is supplied by the Texas Department of Human Services and recorded as inventory and unearned revenue when received. When requisitioned, inventory and unearned revenue are relieved, expenditures are charged, and revenue is recognized for an equal amount. Inventories also include plant maintenance and operation supplies as well as instructional supplies.

**4. Capital Assets**

Capital assets are tangible and intangible assets, which include land, buildings, furniture and equipment, are reported in the governmental activity column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. As the District constructs or acquires capital assets each period they are capitalized and reported at historical cost. The reported value excludes normal maintenance and repairs which are essentially amounts spent in relation to capital assets that do not increase the capacity or efficiency of the item or increase its estimated useful life. Donated capital assets are recorded at acquisition value, which is the price that would be paid to acquire an asset with equivalent service potential at the acquisition date.

Land and construction in progress are not depreciated. Buildings, furniture and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and improvements	5-50
Furniture and equipment	3-50
Right to use equipment	3-50
Righ to use software	1-3

**5. Leases and Subscription-Based Information Technology Arrangements**

The District is a lessee for a noncancellable lease of equipment and subscription-based IT arrangements (SBITAs). The District recognizes a liability and an intangible right-to-use asset in the government-wide financial statements.

At the commencement of a lease or SBITA, the District initially measures the liability at the present value of payments expected to be made during the agreement term. Subsequently, the liability is reduced by the principal portion of payments made. The asset is initially measured as the initial amount of the liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases and SBITAs include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) agreement term, and (3) agreed upon payments.

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate.
- The agreement term includes the noncancellable period of the lease or SBITA.
- The agreed upon payments included in the measurement of the liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease or SBITA and will remeasure the asset and liability if certain changes occur that are expected to significantly affect the amount of the liability.

The right to use assets are reported with other capital assets and liabilities are reported with long-term debt on the statement of net position.

## **6. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities Statement of Net Position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. 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 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.

The District provides employees with compensation benefits for vacation, sick leave, and personal matters days off. The costs of these benefits are recognized by the District when paid. There are limitations on carryover and accumulation of benefits, and, as a result, the liability for the accrued but unused benefits is not significant.

## **7. Deferred Outflows/Inflows of Resources**

Deferred outflows and inflows of resources are reported in the financial statements as described below:

A deferred outflow of resources is a consumption of a government's net assets (a decrease in assets in excess of any related decrease in liabilities or an increase in liabilities in excess of any related increase in assets) by the government that is applicable to a future reporting period. The District had the following deferred outflows of resources:

- Deferred outflows of resources for refunding – Reported in the government-wide statement of net position, this deferred charge on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred outflows of resources for pension – Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability, the results of differences between expected and actual experience, changes in actuarial assumptions, and the changes in proportion and difference between the employer's contributions and the proportionate share of contributions. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year.

- Deferred outflows of resources for OPEB – Reported in the government-wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability, changes in actuarial assumptions, the differences between projected and actual investment earnings, and changes in proportion and difference between the employer’s contributions and the proportionate share of contributions. The deferred outflows related to OPEB resulting to District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year.

A deferred inflow of resources is an acquisition of a government’s net assets (an increase in assets in excess of any related increase in liabilities or a decrease in liabilities in excess of any related decrease in assets) by the government that is applicable to a future reporting period. The District had two items that qualify for reporting in this category:

- Deferred inflow of resources for unavailable revenues – Reported only in the governmental funds balance sheet, for unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of revenues in the period that the amounts become available. During the current year, the District recorded deferred inflow of resources as unavailable revenues – property taxes and unavailable revenues – School Health and Related Services (SHARS).
- Deferred inflow of resources for pensions – Reported in the government-wide financial statement of net position, these deferred inflows result from differences between expected and actual economic experience, changes in actuarial assumptions, differences between projected and actual investment earnings, as well as changes in proportion and difference between the employer’s contributions and the proportionate share of contributions.
- Deferred inflow of resources for OPEB – Reported in the government-wide financial statement of net position, these deferred inflows result from differences between expected and actual economic experience and changes in actuarial assumptions.

## **8. Defined Benefit Pension Plan**

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

## **9. Other Post-Employment Benefit Plans**

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

## **10. Net Position**

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

## **11. Net Position Flow Assumption**

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

## **12. Fund Balance Flow Assumption**

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

## **13. Fund Balance Policies**

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District’s highest level of decision-making authority. The Board of Trustees is the highest level of decision-making authority for the District that can, be adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. Committed fund balance also should include contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

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

The unassigned fund balance classification includes the residual classification of the General Fund and includes all amounts not contained in other classifications. This portion of the total fund balance in the general fund is available to finance operating expenditures. Only the General Fund will have unassigned amounts. By accounting for amounts in other funds, the District has implicitly assigned the funds for purposes of those particular funds.

## **14. Program Revenue**

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

## **15. Property Taxes**

Property taxes are levied as of October 1 on property values assessed 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 following year. On January 31 of each year, a tax lien attaches to property to secure payment of all taxes, penalties, and interest ultimately imposed.

## **16. Data Control Codes**

The Data Control Codes refer to the account code structure prescribed by the Texas Education Agency ("TEA") in the *Financial Accountability System Resource Guide*. TEA requires school districts to display these codes in the financial statements filed with the Agency in order to ensure accuracy in building a statewide data base policy development and funding plans.

## **17. Estimates**

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

## **II. DETAILED NOTES ON ACTIVITIES AND FUNDS**

### **A. Deposits and Investments**

The funds of the District must be deposited and invested under the terms of a contract, contents of which are set out in the Depository Contract Law. The depository bank places approved pledged securities for safekeeping and trust with the District's agent bank 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.

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) Mutual Funds (8) Investment pools, (9) guaranteed investment contracts (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the "Act"), Chapter 2256 of the Texas Government Code.

In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the fair value of its underlying investment portfolio within one-half of one percent of the value of its shares. The Act authorizes the District to invest in obligations of the U.S. Treasury, U.S. agencies, fully collateralized repurchase agreements, public fund investment pools, SEC-registered no-load money market mutual funds, municipal securities of any state rated A or better, certificates of deposit (fully collateralized, insured, and standby letters of credit backed), and commercial paper rated not less than A-1 or P-1 with a stated maturity of no more than 270 days. The District's investment policy may further restrict those investment options.

The District utilizes a pooled investment concept for some of its funds to maximize its investment program. Investment income from this internal pooling is allocated to the respective funds based upon the sources of funds invested.

*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 August 31, 2024, the District’s deposit balance was collateralized with securities held by the pledging financial institution in the District’s name or covered by FDIC insurance.

*Interest Rate Risk* – The risk that changes in interest rates could adversely affect the value of investments. To reduce this risk, the District utilizes final and weighted-average-maturity limits and diversification. Any internally created pool fund group of the District shall have a maximum dollar weighted average maturity of 365 days. The maximum allowable stated maturity of any other individual investment owned by the District shall not exceed three years from the time of purchase.

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

*Custodial Credit Risk (Investments)* – It is the District’s policy to limit its investments to investment types with an investment quality rating not less than A or its equivalent by a nationally recognized statistical rating organization. The District’s investment pools and commercial paper are rated as follows by Standard and Poor’s Investors Service.

As of August 31, 2024, the District had the following investment pools:

Investment	Reported Value	Weighted Average Maturity (Days)	Percent of Total Investments	Rating
TexPool	\$ 1,114,213	36	1.21%	AAAm
TexPool Prime	11,353,575	40	12.31%	AAAm
Tex Star	31,404,392	31	34.06%	AAAm
Texas Class	12,044,577	35	13.06%	AAAm
Lonestar	36,293,302	46	39.36%	AAAf/S1+
Total	\$ 92,210,059			
Portfolio weighted average maturity		39		

The investment pools each have a redemption notice period of one day and may redeem daily. The investment pools’ authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium or national state of emergency that affects the pool’s liquidity.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

**B. Due to/from Other Governments**

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the state through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of August 31, 2024, are summarized below. Amounts due to other governments include \$16,382 in the general fund. This represents overpayments of state entitlement programs.

Fund	State Entitlements	Grants	Total
General	\$ 7,540,249	\$ -	\$ 7,540,249
Other nonmajor governmental	-	1,060,416	1,060,416
Total	\$ 7,540,249	\$ 1,060,416	\$ 8,600,665

**C. Interfund Balances and Activity**

The composition of interfund balances as of August 31, 2024, consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Nonmajor governmental	General	\$ 19,330
Nonmajor governmental	Nonmajor governmental	129,814
General	Capital Projects	6,578
General	Nonmajor governmental	782,966
Total		<u>\$ 938,688</u>

Balances resulted from the lag between the dates that 1) interfund goods and services are provided on reimbursable expenditures occur, and 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

Interfund transfers for the year ended August 31, 2024 consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General fund	Nonmajor governmental fund	\$ 779,385
Nonmajor governmental fund	Nonmajor governmental fund	64,854
Nonmajor governmental fund	General fund	19,564
Total		<u>\$ 863,803</u>

The transfer of \$779,385 was from the Stadium Bond Reserve to the General Fund to close out the capital project fund and fund capital spending in the General Fund. The transfer of \$64,854 was from the National Breakfast and Lunch Program to the Summer Feeding Program to cover the negative equity in the fund. The transfer of \$19,564 was from the General Fund to the School Breakfast and Lunch Program for the sale of a truck within the District.

**D. Other Receivables**

Other receivables consisted of the following balances as of August 31, 2024:

<u>Receivable</u>	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
Property taxes	\$ 92,427	\$ 2,506	\$ 94,933
Miscellaneous	<u>12,822</u>	-	<u>12,822</u>
Total	<u>\$ 105,249</u>	<u>\$ 2,506</u>	<u>\$ 107,755</u>

**E. Capital Assets**

Capital asset activity for the year ended August 31, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
Capital assets, not being depreciated:				
Land	\$ 8,984,960	\$ 2,721,037	\$ -	\$ 11,705,997
Construction in progress	50,926,866	90,938,468	-	141,865,334
Total capital assets, not being depreciated	<u>59,911,826</u>	<u>93,659,505</u>	<u>-</u>	<u>153,571,331</u>
Capital assets, being depreciated:				
Building and improvements	387,176,827	-	(10,400)	387,166,427
Furniture and equipment	37,403,544	5,364,387	(918,939)	41,848,992
Right to use assets - equipment	616,589	534,863	-	1,151,452
Right to use assets - IT asset	1,313,367	1,020,696	-	2,334,063
Total capital assets, being depreciated	<u>426,510,327</u>	<u>6,919,946</u>	<u>(929,339)</u>	<u>432,500,934</u>
Less accumulated depreciation for:				
Buildings and improvements	(117,442,344)	(8,799,691)	10,400	(126,231,635)
Furniture and equipment	(23,354,109)	(3,493,735)	850,380	(25,997,464)
Right to use assets - equipment	(248,862)	(188,449)	-	(437,311)
Right to use assets - IT asset	(558,363)	(603,201)	-	(1,161,564)
Total accumulated depreciation	<u>(141,603,678)</u>	<u>(13,085,076)</u>	<u>860,780</u>	<u>(153,827,974)</u>
Total capital assets, being depreciated, net	<u>284,906,649</u>	<u>(6,165,130)</u>	<u>(68,559)</u>	<u>278,672,960</u>
Governmental activities capital assets, net	<u>\$ 344,818,475</u>	<u>\$ 87,494,375</u>	<u>\$ (68,559)</u>	<u>\$ 432,244,291</u>

Depreciation expense was charged to functions/programs of the District as follows:

<b>Governmental activities:</b>	
Instruction	\$ 8,818,357
Instructional resources and media services	46,056
Curriculum & Instructional Staff Development	13,605
Instructional leadership	67,326
School leadership	21,173
Guidance, counseling and evaluation services	9,836
Health services	12,830
Student transportation	790,379
Food service	283,946
Extracurricular activities	808,387
General administration	164,256
Facilities maintenance and operations	842,602
Security and monitoring services	113,250
Data processing services	<u>1,093,073</u>
Total depreciation expense - governmental activities	<u>\$ 13,085,076</u>

**F. Deferred Inflows of Resources**

At August 31, 2024, the District reported the following deferred inflows of resources in the governmental funds:

Unavailable Revenue	General	Debt Service	Total
Property taxes	\$ 916,617	\$ 386,173	\$ 1,302,790
SHARS cost settlement	1,418,674	-	1,418,674
Total	<u>\$ 2,335,291</u>	<u>\$ 386,173</u>	<u>\$ 2,721,464</u>

**G. Unearned Revenue**

Unearned revenue at year-end consisted of the following:

Unearned Revenue	General	Other Governmental	Totals
Fees collected for school year 2024-2025	\$ 90,748	\$ -	\$ 90,748
Commodities inventory	-	45,893	45,893
Grant receipts in excess of expenditures	-	257,233	257,233
Prepayment for food service meals	-	152,555	152,555
Totals	<u>\$ 90,748</u>	<u>\$ 455,681</u>	<u>\$ 546,429</u>

**H. Long-term Liabilities**

The District issues Bonds to provide funds for the acquisition and construction of major capital facilities or to refund prior debt issuances. The Bonds are direct obligations and pledge the full faith and credit of the District. Bonds outstanding as of August 31, 2024 are as follows:

Description	Interest Rate	Amounts Original Issue	Interest Current Year	Amounts Outstanding
Stadium and Recreational System Revenue Bonds, Series 2011	3.8%	\$ 2,020,000	\$ 1,177	\$ -
Unlimited Tax Refunding Bonds, Series 2014	2.0-3.5%	8,560,000	57,575	1,125,000
Unlimited Tax Refunding Bonds, Series 2015	2.0-3.5%	7,840,000	298,500	7,525,000
Unlimited Tax Refunding Bonds, Series 2016	2.0-3.5%	6,430,000	257,200	6,430,000
Unlimited Tax School Building Bonds, Series 2017	2.0-5.0%	117,400,000	4,978,500	110,835,000
Unlimited Tax Refunding Bonds, Series 2017	2.0-5.0%	49,145,000	1,859,375	42,515,000
Unlimited Tax Refunding Bonds, Series 2019	3.0-5.0%	18,870,000	425,325	12,035,000
Unlimited Tax Refunding Bonds, Series 2020	4.0-5.0%	13,610,000	483,225	9,200,000
Unlimited Tax Refunding Bonds, Series 2021	1.0-5.0%	17,395,000	556,738	16,500,000
Unlimited Tax School Building Bonds, Series 2022	4.0-5.0%	166,240,000	7,033,650	163,490,000
Total		<u>\$ 407,510,000</u>	<u>\$ 15,951,265</u>	<u>\$ 369,655,000</u>

The future debt service requirements for the District's bonds are as follows:

Year Ending August 31,	Principal	Interest	Total Requirements
2025	\$ 9,665,000	\$ 15,528,238	\$ 25,193,238
2026	10,130,000	15,063,325	25,193,325
2027	10,645,000	14,562,238	25,207,238
2028	11,150,000	14,053,213	25,203,213
2029	11,655,000	13,547,438	25,202,438
2030-2034	66,880,000	59,130,388	126,010,388
2035-2039	82,705,000	43,309,306	126,014,306
2040-2044	71,135,000	26,762,800	97,897,800
2045-2049	66,985,000	11,586,100	78,571,100
2050-2052	28,840,000	1,761,200	30,601,200
	369,790,000	<u>\$ 215,304,244</u>	<u>\$ 585,094,244</u>
Less: accreted interest	(135,000)		
Principal outstanding	<u>\$ 369,655,000</u>		

There are a number of limitations and restrictions contained in the general obligation bond indenture. Management has indicated that the District is in compliance with all significant limitations and restrictions at August 31, 2024.

The District's outstanding bonds payable contain a provision that in an event of default, outstanding amounts will be paid from the corpus of the Texas Permanent School Fund. In the event of default, the outstanding leases payable are secured by the leased assets.

Changes in the District's long-term liabilities for the year ended August 31, 2024, are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Long-term debt</u>					
General obligation bonds	\$ 378,390,000	\$ -	\$ (8,735,000)	\$ 369,655,000	\$ 9,665,000
Premiums	29,996,211	-	(1,697,263)	28,298,948	-
Accreted interest	122,955	4,728	-	127,683	-
Leases	377,520	534,865	(268,346)	644,039	233,406
SBITAs	662,699	1,020,695	(674,385)	1,009,009	529,032
Total	<u>409,549,385</u>	<u>1,560,288</u>	<u>(11,374,994)</u>	<u>399,734,679</u>	<u>10,427,438</u>
<u>Other long-term liabilities</u>					
Arbitrage liability	-	3,155,464	-	3,155,464	-
Net pension liability	39,067,629	15,863,204	(3,824,398)	51,106,435	-
Net OPEB liability	22,212,770	901,618	(871,570)	22,242,818	-
Total	<u>61,280,399</u>	<u>19,920,286</u>	<u>(4,695,968)</u>	<u>76,504,717</u>	<u>-</u>
Total long-term liabilities	<u>\$ 470,829,784</u>	<u>\$ 21,480,574</u>	<u>\$ (16,070,962)</u>	<u>\$ 476,239,396</u>	<u>\$ 10,427,438</u>

The net pension and OPEB liabilities are typically liquidated by the General Fund.

#### ***Future Revenues Pledged for Debt Payment***

The District has pledged certain future non-tax revenues to repay \$2,020,000 in non-tax revenue bonds issued May 12, 2011. Proceeds from the bonds provided financing for improvements to the District's stadium, gymnasias and recreational facilities. The bonds are payable from non-tax revenues, including the gross revenues of the District's stadium, gymnasias and recreational facilities. Annual principal and interest payments on the bonds are expected to require approximately 75% of net revenues. The final maturity date is August 15, 2025. The total principal and interest remaining to be paid on the bonds as of August 31, 2024, is \$0, as the bond was paid off during the fiscal year. Principal and interest paid for the year were \$365,000 and \$1,177, respectively. Total customer net revenues were \$90,442.

#### ***Leases Payable***

The District has entered into 107 lease agreements for copier equipment through a single vendor. The lease terms are each 60 months, carry interest rates of 4%, and have fixed monthly payments ranging from \$205 to \$1,338. The leases mature in fiscal years 2025 through 2028. Current year interest payments were \$14,186.

Principal and interest requirements to maturity are as follows:

Year Ending August 31,	Principal	Interest	Total Requirements
2025	\$ 233,406	\$ 35,809	\$ 269,215
2026	207,582	23,187	230,769
2027	178,226	11,354	189,580
2028	24,825	227	25,052
Total	<u>\$ 644,039</u>	<u>\$ 70,577</u>	<u>\$ 714,616</u>

#### ***Subscriptions Payable***

The District entered into various subscriptions (12-months to 36-months) for right to use software. The District is required to make annual fixed payments between \$4,320 and \$191,387 and have interest rates between 1.710% to 3.238%. Current year interest payments were \$14,872.

Principal and interest requirements to maturity are as follows:

Year Ending August 31,	Principal	Interest	Total Requirements
2025	\$ 529,032	\$ 28,184	\$ 557,216
2026	247,270	15,206	262,476
2027	114,094	6,979	121,073
2028	118,613	3,557	122,170
Total	<u>\$ 1,009,009</u>	<u>\$ 53,926</u>	<u>\$ 1,062,935</u>

**Arbitrage**

The Tax Reform Act of 1986 instituted certain arbitrage restrictions consisting of complex regulations with respect to issuance of tax-exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years for applicable bond issues. Accordingly, there is the risk that if such calculations are not performed, or not performed correctly, it could result in a substantial liability to the District. The District has engaged an arbitrage consultant to perform the calculations in accordance with IRS rules and regulations and the District has reported an arbitrage liability at year end in the amount of \$3,155,464.

**I. Defined Benefit Pension Plan**

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

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

**Pension Plan Fiduciary Net Position.** Detailed information about the Teacher Retirement System’s fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the TRS website at [www.trs.state.tx.us](http://www.trs.state.tx.us); by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

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

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

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

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

	Contribution Rates	
	2023	2024
Member	8.00%	8.25%
Non-Employer Contributing Entity (State)	8.00%	8.25%
Employers	8.00%	8.25%
Current fiscal year employer contributions		\$ 4,116,289
Current fiscal year member contributions		8,872,511
2023 measurement year NECE on-behalf contributions		5,570,585

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

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

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

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

- All public schools, charter schools, and regional educational service centers must contribute 1.8 percent of the member’s salary beginning in fiscal year 2023, gradually increasing to 2 percent in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employer after retirement surcharge.

**Actuarial Assumptions.** The total pension liability in the August 31, 2022 actuarial valuation was rolled forward to August 31, 2023 and was determined using the following actuarial assumptions:

Valuation Date	August 31, 2022 rolled forward to August 31, 2023
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term expected Investment Rate of Return	7.00%
Inflation	2.30%
Salary Increases including inflation	2.95% to 8.95%
Ad hoc post-employment benefit changes	None

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

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

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

The long-term rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2023 are summarized below:

Asset Class	Target Allocation <sup>2</sup>	Long-Term Expected Geometric Real Rate of Return <sup>3</sup>	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
U.S.	18.0%	4.0%	1.0%
Non-U.S. Developed	13.0%	4.5%	0.9%
Emerging Markets	9.0%	4.8%	0.7%
Private Equity <sup>1</sup>	14.0%	7.0%	1.5%
Stable Value			
Government Bonds	16.0%	2.5%	0.5%
Absolute Return	0.0%	3.6%	0.0%
Stable Value Hedge Funds	5.0%	4.1%	0.2%
Real Return			
Real Assets	15.0%	4.9%	1.1%
Energy and Natural Resources	6.0%	4.8%	0.4%
Commodities	0.0%	4.4%	0.0%
Risk Parity			
Risk Parity	8.0%	4.5%	0.4%
Asset Allocation Leverage			
Cash	2.0%	3.7%	0.0%
Asset Allocation Leverage	-6.0%	4.4%	-0.1%
Inflation Expectation			2.3%
Volatility Drag <sup>4</sup>			-0.9%
Total	100.0%		8.0%

<sup>1</sup> Absolute Return includes Credit Sensitive Investments

<sup>2</sup> Target allocations are based on the FY2023 policy model.

<sup>3</sup> Capital Market Assumptions come from Aon Hewitt (as of 6/30/2023)

<sup>4</sup> The volatility drag results from the conversion between arithmetic and geometric mean returns

**Discount Rate Sensitivity Analysis.** The following table present the Net Pension Liability of the plan using the discount rate of 7.00 percent, and what the net pension liability would be if it were calculates using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate.

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
Proportionate share of the net pension liability: \$	76,406,951	\$ 51,106,435	\$ 30,069,043

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At August 31, 2024, the District reported a liability of \$51,106,435 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	\$ 51,106,435
State's proportionate share that is associated with the District	<u>74,441,182</u>
Total	<u>\$ 125,547,617</u>

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

On August 31, 2023, the employer’s proportion of the collective net pension liability was 0.0744011853%, which was an increase of 0.0085946816% from its proportion measured as of August 31, 2022.

For the year ended August 31, 2024, the District recognized pension expense of \$21,841,966 and revenue of \$11,239,974 for support provided by the State.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experiences	\$ 1,820,940	\$ 618,843
Changes in actuarial assumptions	4,833,668	1,182,909
Differences between projected and actual investment earnings	7,437,227	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	6,400,309	-
Contributions paid to TRS subsequent to the measurement date	<u>4,116,289</u>	-
Totals	<u>\$ 24,608,433</u>	<u>\$ 1,801,752</u>

The amounts reported as deferred outflows of resources which pertain to the contributions made subsequent to the measurement date will be recognized as a reduction of pension expense in the next fiscal year. The net amounts of the employer’s balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal year Ended August 31,	Pension Expense Amount
2025	\$ 4,367,623
2026	3,213,638
2027	7,651,244
2028	2,805,064
2029	652,823

**J. Defined Other Post-Employment Benefit Plans**

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

The TRS Board of Trustees 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.** Detailed information about the TRS-Care’s fiduciary net position is available in the separately-issued TRS Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.state.tx.us>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

**Benefits Provided.** TRS-Care provides health insurance coverage (TRS-Care 1), at no cost to all retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

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

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

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

**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 .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

	Contributions Rates	
	2023	2024
Member	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/Private Funding Remitted by Employers	1.25%	1.25%
Current fiscal year employer contributions		\$ 898,367
Current fiscal year member contributions		698,615
2023 measurement year NECE on-behalf contributions		1,051,683

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

**Actuarial Assumptions.** The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2021. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2022 TRS pension actuarial valuation that was rolled forward to August 31, 2023:

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

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

**Additional Actuarial Methods and Assumptions**

Valuation Date	August 31, 2022 rolled forward to August 31, 2023
Individual Entry Age Normal Inflation	2.30%
Discount Rate	4.13% as of August 31, 2023
Aging Factors Expenses	Based on plan specific experience Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs
Projected Salary Increases	2.95% to 8.95%
Healthcare Trend Rates	4.25 to 7.75%
Election Rates	Normal Retirement: 62% participation prior to age 65 and 25% participation after age 65. 30% of pre-65 retirees are assumed to discontinue coverage
Ad hoc post-employment benefit changes	None

**Discount Rate.** A single discount rate of 4.13% was used to measure the total OPEB liability. There was a increase of 0.2 percent in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2023 using the fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

**Discount Rate Sensitivity Analysis.** The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than the discount rate that was used (4.13%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate <u>(3.13%)</u>	Discount Rate <u>(4.13%)</u>	1% Increase in Discount Rate <u>(5.13%)</u>
Proportionate share of the net OPEB liability	\$ 26,197,408	\$ 22,242,818	\$ 19,015,779

**Healthcare Cost Trend Sensitivity Analysis.** The following schedule shows the impact of the Net OPEB Liability if a healthcare trend rate that is 1% less than and 1% greater than the assumed healthcare cost trend rate.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Proportionate share of net OPEB liability	\$ 18,315,847	\$ 22,242,818	\$ 27,294,879

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs.** At August 31, 2024, the District reported a liability of \$22,242,818 for its proportionate share of the TRS's Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 22,242,818
State's proportionate share that is associated with the District	<u>26,839,378</u>
Total	<u>\$ 49,082,196</u>

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

At August 31, 2023 the employer's proportion of the collective Net OPEB Liability was 0.1004720892% which is an increase of 0.0077024404% from its proportion measured as of August 31, 2022.

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

- The discount rate changed from 3.91 percent as of August 31, 2022 to 4.13 percent as of August 31, 2023. This change increased the Total OPEB Liability.

For the year ended August 31, 2024, the District recognized OPEB expense of (\$8,664,703) and revenue of (\$5,737,693) for support provided by the State.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual actuarial experiences	\$ 1,006,319	\$ 18,713,118
Changes in actuarial assumptions	3,035,982	13,619,867
Differences between projected and actual investment earnings	9,610	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	9,048,104	-
Contributions paid to TRS subsequent to the measurement date	<u>898,367</u>	<u>-</u>
Totals	<u>\$ 13,998,382</u>	<u>\$ 32,332,985</u>

The amounts reported as deferred outflows of resources which pertain to the contributions made subsequent to the measurement date will be recognized as a reduction of OPEB expense in the next fiscal year. The net amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

For the Year Ended August 31,	OPEB Expense
2025	\$ (4,769,978)
2026	(3,749,798)
2027	(2,368,656)
2028	(2,849,410)
2029	(2,378,122)
Thereafter	(3,117,006)

**K. Deferred Compensation Plan**

The District offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The trust agreement establishes that all assets and income of the trust are for the exclusive benefit of eligible employees and their beneficiaries. The District does not have any fiduciary responsibility or administrative duties relating to the deferred compensation plan other than remitting employee's contribution to the trustee. Accordingly, the District has not presented the assets and income from the plan in these financial statements. The deferred compensation investments are held by an outside trustee. Plan investments are chosen by the individual (employee) participant and include mutual funds whose focus is on stocks, bonds, treasury securities, money market-type investments or a combination of these.

The plan, available to all permanent District employees, permits them to defer until future years up to 100% of annual gross earnings not to exceed \$23,000. Employees over age 50 can contribute an additional \$7,500. The District does not allow for any other catch-up provisions. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

Additionally, the District offers its employees a deferred compensation plan created in accordance with IRC 457. The plan, available to all permanent District employees, permits them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are solely the property and rights of the participants. Participants' rights under the plan are in an amount equal to the fair value of the deferred account for each participant. Investments that are held by an outside trustee in the deferred compensation plan are not reported in the District's financial statements as the District maintains no fiduciary responsibility for such assets.

**L. Active Employee Health Care Coverage**

During the period ended August 31, 2024, employees of the District were covered by a state-wide health care plan, TRS Active Care with AETNA, Scott & White, and First Care. The District's participation in this plan is renewable annually. The District paid into the Plan \$410 per month per employee. Employees, at their option, pay premiums for any coverage above these amounts as well as for dependent coverage.

The Teachers Retirement System (TRS) manages TRS Active Care. The medical plan is administered by AETNA, FIRSTCARE and Scott and White HMO. Medco Health administers the prescription drug plan. The latest financial information on the state-wide plan may be obtained by writing to the TRS Communications Department, 1000 Red River Street, Austin, Texas 78701, by calling the TRS Communications Department at 1-800-223-8778, or by downloading the report from the TRS Internet website, [www.trs.state.tx.us](http://www.trs.state.tx.us), under the TRS Publications heading.

**M. Medicare Part D Coverage**

**Medicare Part D – On-behalf Payments.** The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments of \$608,616, \$543,577, and \$393,234 were recognized for the years ended August 31, 2024, 2023, and 2022, respectively, as equal revenues and expenditures.

**N. Risk Management**

State law allows school districts to retain risk through its own risk management program (i.e., a “self-insurance” program), insure through a commercial carrier, or insure through a public entity risk pool. The District has insurable risks in various areas, including property, casualty, automobile, comprehensive liability, unemployment, and workmen’s compensation. During the 2023-2024 fiscal year, the District obtained insurance against such risk through a public entity risk pool (TASB). Administration believes the amount and types of coverage are adequate to protect the District from losses which could reasonably be expected to occur.

The District pays annual premiums to the pool for workers’ compensation and property/casualty coverage. The pool handles all claims and provides defense as is necessary. The risk of loss is effectively transferred to the insurer and the District is not responsible for claims in excess of premium paid.

**O. Commitments and Contingencies**

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District’s legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

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

The District has active construction projects as of August 31, 2024. The projects are as follows:

Project	Spent-to-Date	Remaining Commitment
Elementary School #12 construction	\$ 37,030,814	\$ 1,009,075
Elementary School #13 construction	37,396,123	2,593,328
Delta Program Facility	1,306,683	3,205,691
Southwest Elementary Addition	13,832,501	2,704,024
Belton High School Addition	27,167,181	5,544,625
Lake Belton Middle School Addition	10,769,154	915,419
Agriculture Facility	3,487,259	258,427
Total	<u>\$ 130,989,715</u>	<u>\$ 9,512,118</u>

**P. Fund Balance**

As of August 31, 2024, the District reported assigned fund balance in the General Fund of \$8,156,903, which represents the subsequent year’s budget deficit. The following costs are included in the 2024 budget:

Capital improvement	500,000
Total	<u>\$ 500,000</u>

**Q. New Accounting Standards**

Significant new accounting standards issued by the Governmental Accounting Standards Board (GASB) not yet implemented by the District includes the following:

GASB Statement No. 101, *Compensated Absences* – The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement will become effective for reporting periods beginning after December 15, 2023, and the impact has not yet been determined.

GASB Statement No. 102, *Certain Risk Disclosures* – The objective of this Statement is to provide users of government financial statements with information about risks related to a government’s vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. This Statement will become effective for reporting periods beginning after June 15, 2024, and the impact has not yet been determined.

GASB Statement No. 103, *Financial Reporting Model Improvements* – The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement also addresses certain application issues. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* – The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets. This Statement requires certain types of capital assets to be presented separately in the note disclosures, including right-to-use assets related to leases, Subscription-Based Information Technology Arrangements, and public-private or public-public partnerships. Other intangible assets are also required to be presented separately by major class. Additional disclosures have also been required for capital assets held for sale. This Statement will become effective for reporting periods beginning after June 15, 2025, and the impact has not yet been determined.

**R. Budget Information**

For the year ended August 31, 2024, expenditures exceeded appropriations in the General Fund's Instruction, Data processing services, and interest on long-term debt functions in the amounts of \$825,020, \$522,303, and \$215,207, respectively.

**REQUIRED SUPPLEMENTARY INFORMATION**

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**BELTON INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT G-1**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes		Budgeted Amounts		Actual Amounts	Variance with Final Budget
		Original	Final	(GAAP Basis)	Positive (Negative)
<b>REVENUES</b>					
5700	Local and intermediate sources	\$ 48,347,413	\$ 46,045,519	\$ 46,292,160	\$ 246,641
5800	State program	93,505,385	96,850,885	97,489,613	638,728
5900	Federal program	2,475,000	1,342,389	1,743,138	400,749
5020	Total revenues	<u>144,327,798</u>	<u>144,238,793</u>	<u>145,524,911</u>	<u>1,286,118</u>
<b>EXPENDITURES</b>					
Current:					
0011	Instruction	81,038,178	81,536,987	82,362,007	(825,020)
0012	Instructional resources and media services	1,824,126	1,723,729	1,702,011	21,718
0013	Curriculum and staff development	3,629,503	4,073,315	4,068,094	5,221
0021	Instructional leadership	2,606,057	2,636,965	2,590,043	46,922
0023	School leadership	8,909,952	9,194,747	9,190,411	4,336
0031	Guidance, counseling, and evaluation services	6,684,883	6,633,482	6,595,893	37,589
0032	Social work services	407,637	362,987	351,629	11,358
0033	Health services	2,413,880	2,368,739	2,355,926	12,813
0034	Student transportation	7,015,234	6,444,782	6,382,507	62,275
0035	Food service	-	108,274	93,029	15,245
0036	Extracurricular activities	6,032,627	5,756,849	5,744,883	11,966
0041	General administration	4,357,461	4,412,369	4,374,328	38,041
0051	Facilities maintenance and operations	14,878,484	14,661,988	14,627,904	34,084
0052	Security and monitoring services	3,199,814	3,297,797	3,180,545	117,252
0053	Data processing services	4,791,275	4,697,680	5,219,983	(522,303)
Debt service:					
0071	Principal on long-term debt	-	955,000	942,064	12,936
0072	Interest on long-term debt	-	-	29,058	(29,058)
0081	Capital outlay	-	663,435	878,642	(215,207)
Intergovernmental:					
0095	Payments to juvenile justice alternative education programs	15,000	3,000	-	3,000
0097	Payments to tax increment fund	800,000	480,000	478,695	1,305
0099	Other intergovernmental charges	739,078	710,078	709,772	306
6030	Total expenditures	<u>149,343,189</u>	<u>150,722,203</u>	<u>151,877,424</u>	<u>(1,155,221)</u>
1100	<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(5,015,391)</u>	<u>(6,483,410)</u>	<u>(6,352,513)</u>	<u>130,897</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
7912	Sale of Property	-	38,564	65,173	26,609
7913	Issuance of leases	-	-	1,555,560	1,555,560
7915	Transfers in	-	779,385	779,385	-
8911	Transfers out	-	(19,564)	(19,564)	-
7080	Total other financing sources (uses)	<u>-</u>	<u>759,821</u>	<u>2,380,554</u>	<u>1,582,169</u>
1200	<b>NET CHANGE IN FUND BALANCES</b>	<u>(5,015,391)</u>	<u>(5,723,589)</u>	<u>(3,971,959)</u>	<u>1,713,066</u>
0100	<b>FUND BALANCES, BEGINNING</b>	<u>40,124,844</u>	<u>40,124,844</u>	<u>40,124,844</u>	<u>-</u>
3000	<b>FUND BALANCES, ENDING</b>	<u>\$ 35,109,453</u>	<u>\$ 34,401,255</u>	<u>\$ 36,152,885</u>	<u>\$ 1,751,630</u>

The accompanying notes are an integral part of this schedule.

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# **BELTON INDEPENDENT SCHOOL DISTRICT**

## **NOTES TO REQUIRED BUDGETARY SCHEDULE**

**AUGUST 31, 2024**

### **Budgetary Information**

The Board of Trustees adopts an "appropriated budget" for the General Fund, the National School Breakfast and Lunch Program Fund, and the Debt Service Fund. The District is required to present the adopted and final amended budgeted revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures. The District presented the General Fund comparison schedule as required supplementary information. The Debt Service Fund and National School Breakfast and Lunch Program Fund budgetary comparison schedules are presented as required TEA schedules.

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

1. Prior to August 20 the District prepares a budget for the next succeeding fiscal year beginning September 1. The opening budget includes proposed expenditures and the means of financing them.
2. A meeting of the Board is then called for the purpose of adopting the proposed budget. At least ten days' public notice of the meeting must be given.

Prior to September 1, the budget is legally enacted by a motion to adopt by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end. Because the District has a policy of careful budgetary control, several amendments were necessary during the year. Amendments were made throughout the year for transfers to and from other funds and for transfers to and from other functions. The following amendments were significant.

- Budgeted local revenue in the General Fund was decreased by \$2,301,894 to account for decreased property tax collections resulting from the homestead exemption increase.
  - Budgeted state revenue in the General Fund increased by \$3,345,500 to compensate for the lost tax collections through a hold-harmless provision provided by the State. In addition to increased TRS On-Behalf revenues.
  - Budgeted federal revenue in the General Fund decreased \$1,132,611 to account for an unforeseen decrease in SHARS reimbursements from the State.
  - General Fund budgeted expenditures increased \$1,379,014 for capital improvement needs funded by proceeds from the 2011 Stadium Revenue Bond fund. In addition to increased TRS On-Behalf expenditures.
  - Other financing sources in the General Fund increased \$798,385 to account for the \$779,385 transfer from the 2011 Stadium Revenue Bond fund that closed in October in addition to auction proceeds.
3. Each budget is controlled by the budget coordinator at the revenue and expenditure function level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.

**BELTON INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY  
TEACHER RETIREMENT SYSTEM

FOR THE YEAR ENDED AUGUST 31, 2024

Measurement year ended August 31,	<u>2023</u>	<u>2022</u>	<u>2021</u>
District's proportion of the net pension liability (asset)	0.0744012%	0.0658065%	0.0637225%
District's proportionate share of the net pension liability (asset)	\$ 51,106,435	\$ 39,067,629	\$ 16,227,867
State's proportionate share of the net pension liability (asset) associated with the District	<u>74,441,182</u>	<u>69,794,520</u>	<u>30,895,110</u>
Total	<u>\$ 125,547,617</u>	<u>\$ 108,862,149</u>	<u>\$ 47,122,977</u>
District's covered payroll	\$ 101,010,246	\$ 94,665,326	\$ 89,363,827
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	50.60%	41.27%	18.16%
Plan fiduciary net position as a percentage of the total pension liability	73.15%	75.62%	88.79%

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.0561062%	0.0532919%	0.0500841%	0.0500031%	0.0472361%	0.0453525%	0.0329798%
\$ 30,049,360	\$ 27,702,785	\$ 27,567,478	\$ 15,988,290	\$ 17,849,838	\$ 16,031,505	\$ 8,809,361
<u>58,301,421</u>	<u>49,189,169</u>	<u>53,853,569</u>	<u>32,111,147</u>	<u>38,914,098</u>	<u>44,415,509</u>	<u>31,376,129</u>
<u>\$ 88,350,781</u>	<u>\$ 76,891,954</u>	<u>\$ 81,421,047</u>	<u>\$ 48,099,437</u>	<u>\$ 56,763,936</u>	<u>\$ 60,447,014</u>	<u>\$ 40,185,490</u>
\$ 77,446,712	\$ 68,749,686	\$ 65,657,907	\$ 63,726,646	\$ 61,341,434	\$ 58,463,299	\$ 55,434,676
38.80%	40.30%	41.99%	25.09%	29.10%	27.42%	15.89%
75.54%	75.24%	73.74%	82.17%	78.43%	78.43%	83.25%

**BELTON INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF DISTRICT PENSION CONTRIBUTIONS  
TEACHER RETIREMENT SYSTEM

FOR THE YEAR ENDED AUGUST 31, 2024

Fiscal year ended August 31,	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contribution	\$ 4,116,289	\$ 3,824,398	\$ 3,070,726
Contributions in relation to the contractually required contribution	<u>(4,116,289)</u>	<u>(3,824,398)</u>	<u>(3,070,726)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 107,479,305	\$ 101,010,246	\$ 94,665,326
Contribution as a percentage of covered payroll	3.83%	3.79%	3.24%

2021	2020	2019	2018	2017	2016	2015
\$ 2,719,447	\$ 2,295,618	\$ 1,867,871	\$ 1,688,704	\$ 1,515,430	\$ 1,638,666	\$ 1,342,678
<u>(2,719,447)</u>	<u>(2,295,618)</u>	<u>(1,867,871)</u>	<u>(1,688,704)</u>	<u>(1,515,430)</u>	<u>(1,638,666)</u>	<u>(1,342,678)</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 89,363,827	\$ 77,446,712	\$ 68,749,686	\$ 65,657,907	\$ 63,726,646	\$ 61,341,434	\$ 58,463,299
3.04%	2.96%	2.72%	2.57%	2.38%	2.67%	2.30%

**BELTON INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE  
OF THE NET OPEB LIABILITY  
TEACHER RETIREMENT SYSTEM

FOR THE YEAR ENDED AUGUST 31, 2024

Measurement year ended August 31,	2023	2022	2021
District's proportion of the net OPEB liability (asset)	0.1004721%	0.0927696%	0.0921432%
District's proportionate share of the net OPEB liability (asset)	\$ 22,242,818	\$ 22,212,770	\$ 35,543,766
State's proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 26,839,378</u>	<u>\$ 27,096,089</u>	<u>\$ 47,620,726</u>
Total	<u>\$ 49,082,196</u>	<u>\$ 49,308,859</u>	<u>\$ 83,164,492</u>
District's covered payroll	\$ 101,010,246	\$ 94,665,326	\$ 89,363,827
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	22.02%	23.46%	39.77%
Plan fiduciary net position as a percentage of the total OPEB liability	11.94%	11.52%	6.18%

Note: This schedule is required to have 10 years of information but the information prior to 2017 is not available.

2020	2019	2018	2017
0.0848058%	0.0815581%	0.0793815%	0.0785869%
\$ 32,238,498	\$ 38,569,841	\$ 39,635,918	\$ 34,174,480
<u>\$ 43,320,813</u>	<u>\$ 51,250,692</u>	<u>\$ 56,028,057</u>	<u>\$ 49,471,494</u>
<u>\$ 75,559,311</u>	<u>\$ 89,820,533</u>	<u>\$ 95,663,975</u>	<u>\$ 83,645,974</u>
\$ 77,446,712	\$ 68,749,686	\$ 65,657,907	\$ 63,726,646
41.63%	56.10%	60.37%	53.63%
4.99%	2.66%	1.57%	0.91%

**BELTON INDEPENDENT SCHOOL DISTRICT**

**SCHEDULE OF DISTRICT OPEB CONTRIBUTIONS  
TEACHER RETIREMENT SYSTEM**

FOR THE YEAR ENDED AUGUST 31, 2024

Fiscal year ended August 31,	<u>2024</u>	<u>2023</u>	<u>2022</u>
Contractually required contribution	\$ 898,367	\$ 863,179	\$ 761,955
Contributions in relation to the contractually required contribution	<u>(898,367)</u>	<u>(863,179)</u>	<u>(761,955)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 107,479,305	\$ 101,010,246	\$ 94,665,326
Contribution as a percentage of covered payroll	0.84%	0.85%	0.80%

Note: This schedule is required to have 10 years of information but the information prior to 2018 is not available.

2021	2020	2019	2018
\$ 719,898	\$ 645,728	\$ 580,418	\$ 549,224
<u>(719,898)</u>	<u>(645,728)</u>	<u>(580,418)</u>	<u>(549,224)</u>
\$ -	\$ -	\$ -	\$ -
\$ 89,363,827	\$ 77,446,712	\$ 68,749,686	\$ 65,657,907
0.81%	0.83%	0.84%	0.84%

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## **COMBINING STATEMENTS**

**BELTON INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes	206 ESEA Title X, C Homeless	211 ESEA I, A Improving Basic Program	224 IDEA Part B Formula	225 IDEA Part B Preschool	
<b>ASSETS</b>					
1110	Cash and cash equivalents	\$ 714	\$ 12,793	\$ -	\$ -
1240	Due from other governments	745	116,859	276,464	2,472
1260	Due from other funds	-	-	-	-
1300	Inventories	-	-	-	-
1000	Total assets	<u>1,459</u>	<u>129,652</u>	<u>276,464</u>	<u>2,472</u>
<b>LIABILITIES</b>					
2110	Accounts payable	-	575	-	-
2160	Accrued wages payable	-	117,767	-	-
2170	Due to other funds	1,459	11,310	276,464	2,472
2300	Unearned revenues	-	-	-	-
	Total liabilities	<u>1,459</u>	<u>129,652</u>	<u>276,464</u>	<u>2,472</u>
<b>FUND BALANCES</b>					
Nonspendable:					
3410	Inventories	-	-	-	-
Restricted:					
3450	Federal or state grant restrictions	-	-	-	-
3545	Committed for campus activities	-	-	-	-
3000	Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total liabilities and fund balances	<u>\$ 1,459</u>	<u>\$ 129,652</u>	<u>\$ 276,464</u>	<u>\$ 2,472</u>

**EXHIBIT H-1**

240 National Breakfast and Lunch Program	242 Summer Feeding Program	244 Vocational Ed Basic Grant	255 ESEA II, A Training and Recruiting	263 Title III, A English Lang. Acquisition	280 ESSER ARP Homeless II
\$ 4,856,526	\$ 131,280	\$ -	\$ -	\$ -	\$ -
333,656	-	8,803	36,460	31,479	59,009
149,143	-	-	-	-	-
288,663	-	-	-	-	-
<u>5,627,988</u>	<u>131,280</u>	<u>8,803</u>	<u>36,460</u>	<u>31,479</u>	<u>59,009</u>
239,941	-	-	21,057	9,482	-
64,598	-	-	-	-	-
16,056	131,280	8,803	15,403	21,997	59,009
440,393	-	-	-	-	-
<u>760,988</u>	<u>131,280</u>	<u>8,803</u>	<u>36,460</u>	<u>31,479</u>	<u>59,009</u>
288,663	-	-	-	-	-
4,578,337	-	-	-	-	-
-	-	-	-	-	-
<u>4,867,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>5,627,988</u>	\$ <u>131,280</u>	\$ <u>8,803</u>	\$ <u>36,460</u>	\$ <u>31,479</u>	\$ <u>59,009</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes	282 ESSER III	289 Other Federal Special Revenue	397 Advanced Placement Incentives	410 State Instructional Materials
<b>ASSETS</b>				
1110 Cash and cash equivalents	\$ -	\$ 10,575	\$ 15,008	\$ 137,172
1240 Due from other governments	-	17,154	-	-
1260 Due from other funds	-	-	-	-
1300 Inventories	-	-	-	-
1000 Total assets	<u>-</u>	<u>27,729</u>	<u>15,008</u>	<u>137,172</u>
<b>LIABILITIES</b>				
2110 Accounts payable	-	10,836	-	136,892
2160 Accrued wages payable	-	-	-	-
2170 Due to other funds	-	7,643	-	-
2300 Unearned revenues	-	-	15,008	280
Total liabilities	<u>-</u>	<u>18,479</u>	<u>15,008</u>	<u>137,172</u>
<b>FUND BALANCES</b>				
Nonspendable:				
3410 Inventories	-	-	-	-
Restricted:				
3450 Federal or state grant restrictions	-	9,250	-	-
3545 Committed for campus activities	-	-	-	-
3000 Total fund balances	<u>-</u>	<u>9,250</u>	<u>-</u>	<u>-</u>
4000 Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 27,729</u>	<u>\$ 15,008</u>	<u>\$ 137,172</u>

**EXHIBIT H-1**

429 Other State Special Revenue Funds	461 Campus Activity Funds	499 Locally Funded Special Revenue Funds	Total Nonmajor Special Revenue	515 Stadium Bond Reserve	699 Local Capital Projects	Total Nonmajor Governmental
\$ -	\$ 2,154,759	\$ 316,490	\$ 7,635,317	\$ -	\$ -	\$ 7,635,317
177,315	-	-	1,060,416	-	-	1,060,416
-	-	-	149,143	-	-	149,143
-	-	-	288,663	-	-	288,663
<u>177,315</u>	<u>2,154,759</u>	<u>316,490</u>	<u>9,133,539</u>	<u>-</u>	<u>-</u>	<u>9,133,539</u>
-	13,730	8	432,521	-	-	432,521
-	-	-	182,365	-	-	182,365
174,100	186,449	335	912,780	-	-	912,780
-	-	-	455,681	-	-	455,681
<u>174,100</u>	<u>200,179</u>	<u>343</u>	<u>1,983,347</u>	<u>-</u>	<u>-</u>	<u>1,983,347</u>
-	-	-	288,663	-	-	288,663
3,215	-	-	4,590,802	-	-	4,590,802
-	1,954,580	316,147	2,270,727	-	-	2,270,727
<u>3,215</u>	<u>1,954,580</u>	<u>316,147</u>	<u>7,150,192</u>	<u>-</u>	<u>-</u>	<u>7,150,192</u>
\$ 177,315	\$ 2,154,759	\$ 316,490	\$ 9,133,539	\$ -	\$ -	\$ 9,133,539

**BELTON INDEPENDENT SCHOOL DISTRICT**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS**

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes	206 ESEA Title X, C Homeless	211 ESEA I, A Improving Basic Program	224 IDEA Part B Formula	225 IDEA Part B Preschool
<b>REVENUES</b>				
5700	Local and intermediate sources	\$ -	\$ -	\$ -
5800	State program	-	-	-
5900	Federal program	<u>50,283</u>	<u>1,580,240</u>	<u>25,297</u>
5020	Total revenues	<u>50,283</u>	<u>1,580,240</u>	<u>25,297</u>
<b>EXPENDITURES</b>				
Current:				
0011	Instruction	-	1,374,928	25,297
0012	Instruction resources and media services	-	-	-
0013	Curriculum and instructional staff development	-	63,747	324,106
0021	Instructional leadership	-	-	-
0023	School leadership	-	1,657	-
0031	Guidance, counseling, evaluation services	-	-	1,454,024
0032	Social work services	50,283	106,989	-
0034	Student (pupil) transportation	-	-	1,606
0035	Food services	-	-	-
0036	Extracurricular activities	-	-	-
0041	General administration	-	-	-
0051	Facilities maintenance and operations	-	-	-
0052	Security and monitoring services	-	-	-
0053	Data processing services	-	-	43,596
0061	Community services	-	32,919	-
Debt service:				
0071	Principal on long-term debt	-	-	-
0072	Interest on long-term debt	-	-	-
Intergovernmental:				
0093	Payments related to shared service arrangements	-	-	346,218
6030	Total expenditures	<u>50,283</u>	<u>1,580,240</u>	<u>25,297</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
7915	Transfers in	-	-	-
8911	Transfers out	-	-	-
7080	Total other financing sources (uses)	-	-	-
1200	<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
0100	<b>FUND BALANCES, BEGINNING</b>	-	-	-
3000	<b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**EXHIBIT H-2**

240 National Breakfast and Lunch Program	242 Summer Feeding Program	244 Vocational Ed Basic Grant	255 ESEA II, A Training and Recruiting	263 Title III, A English Lang. Acquisition	280 ESSER ARP Homeless II
\$ 2,796,443	\$ 14	\$ -	\$ -	\$ -	\$ -
145,929	-	-	-	-	-
<u>5,930,415</u>	<u>62,616</u>	<u>142,052</u>	<u>378,462</u>	<u>90,970</u>	<u>140,805</u>
<u>8,872,787</u>	<u>62,630</u>	<u>142,052</u>	<u>378,462</u>	<u>90,970</u>	<u>140,805</u>
-	-	40,275	2,030	45,955	832
-	-	-	-	-	-
-	-	9,464	376,432	45,015	-
-	-	92,313	-	-	-
-	-	-	-	-	-
-	-	-	-	-	139,973
-	-	-	-	-	-
8,564,992	131,294	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>8,564,992</u>	<u>131,294</u>	<u>142,052</u>	<u>378,462</u>	<u>90,970</u>	<u>140,805</u>
19,564	64,854	-	-	-	-
(64,854)	-	-	-	-	-
<u>(45,290)</u>	<u>64,854</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
262,505	(3,810)	-	-	-	-
<u>4,604,495</u>	<u>3,810</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
\$ <u>4,867,000</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

COMBINING STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes	282 ESSER III	289 Other Federal Special Revenue	397 Advanced Placement Incentives	410 State Instructional Materials
<b>REVENUES</b>				
5700 Local and intermediate sources	\$ -	\$ -	\$ -	\$ -
5800 State program	-	-	-	1,202,399
5900 Federal program	<u>3,269,480</u>	<u>64,069</u>	-	-
5020 Total revenues	<u>3,269,480</u>	<u>64,069</u>	-	<u>1,202,399</u>
<b>EXPENDITURES</b>				
Current:				
0011 Instruction	3,094,752	21,182	-	1,202,399
0012 Instruction resources and media services	-	-	-	-
0013 Curriculum and instructional staff development	6,794	9,719	-	-
0021 Instructional leadership	-	-	-	-
0023 School leadership	-	-	-	-
0031 Guidance, counseling, evaluation services	142,688	10,485	-	-
0032 Social work services	25,246	6,317	-	-
0034 Student (pupil) transportation	-	-	-	-
0035 Food services	-	-	-	-
0036 Extracurricular activities	-	-	-	-
0041 General administration	-	-	-	-
0051 Facilities maintenance and operations	-	-	-	-
0052 Security and monitoring services	-	13,426	-	-
0053 Data processing services	-	-	-	-
0061 Community services	-	-	-	-
Debt service:				
0071 Principal on long-term debt	-	-	-	-
0072 Interest on long-term debt	-	-	-	-
Intergovernmental:				
0093 Payments related to shared service arrangements	-	-	-	-
6030 Total expenditures	<u>3,269,480</u>	<u>61,129</u>	-	<u>1,202,399</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
7915 Transfers in	-	-	-	-
8911 Transfers out	-	-	-	-
7080 Total other financing sources (uses)	-	-	-	-
1200 <b>NET CHANGE IN FUND BALANCES</b>	-	2,940	-	-
0100 <b>FUND BALANCES, BEGINNING</b>	-	<u>6,310</u>	-	-
3000 <b>FUND BALANCES, ENDING</b>	<u>\$ -</u>	<u>\$ 9,250</u>	<u>\$ -</u>	<u>\$ -</u>

**EXHIBIT H-2**

429 Other State Special Revenue Funds	461 Campus Activity Funds	499 Locally Funded Special Revenue Funds	Total Nonmajor Special Revenue	515 Stadium Bond Reserve	699 Local Capital Projects	Total Nonmajor Governmental
\$ -	\$ 2,558,120	\$ 165,306	\$ 5,519,883	\$ 96,519	\$ -	\$ 5,616,402
862,058	-	-	2,210,386	-	-	2,210,386
-	-	-	13,904,239	-	-	13,904,239
<u>862,058</u>	<u>2,558,120</u>	<u>165,306</u>	<u>21,634,508</u>	<u>96,519</u>	<u>-</u>	<u>21,731,027</u>
396,020	511,785	114,437	6,829,892	-	-	6,829,892
-	93,755	3,218	96,973	-	-	96,973
60,350	-	-	895,627	-	-	895,627
-	-	-	92,313	-	-	92,313
-	56,333	-	57,990	-	-	57,990
2,461	-	-	1,609,658	-	-	1,609,658
-	-	-	328,808	-	-	328,808
-	-	-	1,606	-	-	1,606
-	-	-	8,696,286	-	-	8,696,286
-	1,792,533	3,881	1,796,414	-	-	1,796,414
-	424	15,000	15,424	-	-	15,424
-	-	-	-	-	110,917	110,917
403,166	33	-	416,625	-	-	416,625
-	-	1,637	45,233	-	-	45,233
-	-	-	32,919	-	-	32,919
-	-	-	-	365,000	-	365,000
-	-	-	-	1,177	-	1,177
-	-	-	346,218	-	-	346,218
<u>861,997</u>	<u>2,454,863</u>	<u>138,173</u>	<u>21,261,986</u>	<u>366,177</u>	<u>110,917</u>	<u>21,739,080</u>
-	-	-	84,418	-	-	84,418
-	-	-	(64,854)	(779,385)	-	(844,239)
-	-	-	19,564	(779,385)	-	(759,821)
61	103,257	27,133	392,086	(1,049,043)	(110,917)	(767,874)
<u>3,154</u>	<u>1,851,323</u>	<u>289,014</u>	<u>6,758,106</u>	<u>1,049,043</u>	<u>110,917</u>	<u>7,918,066</u>
\$ <u>3,215</u>	\$ <u>1,954,580</u>	\$ <u>316,147</u>	\$ <u>7,150,192</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>7,150,192</u>

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## **REQUIRED TEA SCHEDULES**

**BELTON INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF DELINQUENT TAXES RECEIVABLE

FOR THE YEAR ENDED AUGUST 31, 2024

Last Ten Years Ended August 31,	1		2	3	10
	Tax Rates			Net Assessed/ Appraised Value for School Tax Purpose	Beginning Balance 9/1/2023
	Maintenance	Debt Service			
2015 and prior years	various	various		various	\$ 223,399
2016	1.170000	0.280000		2,123,555,687	50,118
2017	1.170000	0.270000		2,260,436,690	60,939
2018	1.170000	0.433000		2,673,408,819	82,613
2019	1.170000	0.433000		3,090,789,145	104,032
2020	1.068300	0.396800		3,559,221,555	180,580
2021	0.968300	0.396800		4,049,813,494	260,502
2022	0.960300	0.396800		4,582,108,246	349,267
2023	0.942900	0.394200		5,573,848,702	900,469
2024	0.757500	0.394200		5,791,972,302	-
1000 Totals					<u>\$ 2,211,919</u>
8000 - Taxes refunded					
9000 - Tax increment					

**EXHIBIT J-1**

20	31	32	40	50	99
<u>Current Year's Total Levy</u>	<u>Maintenance Total Collections</u>	<u>Debt Service Total Collections</u>	<u>Entire Year's Adjustments</u>	<u>Ending Balance 8/31/2024</u>	<u>Total Taxes Refunded under Section 26.115 (c)</u>
\$ -	\$ 19,265	\$ 4,373	\$ (35,018)	\$ 164,743	
-	6,187	1,422	20	42,529	
-	6,735	1,551	(1,353)	51,300	
-	7,856	2,877	(1,270)	70,610	
-	12,787	4,645	324	86,924	
-	18,843	6,882	5,966	160,821	
-	30,590	12,373	4,513	222,052	
-	43,939	18,250	(25,714)	261,364	
-	130,178	53,862	(251,386)	465,043	
<u>66,706,145</u>	<u>42,116,530</u>	<u>21,905,824</u>	<u>(1,796,580)</u>	<u>887,211</u>	
<u>\$ 66,706,145</u>	<u>\$ 42,392,910</u>	<u>\$ 22,012,059</u>	<u>\$ (2,100,498)</u>	<u>\$ 2,412,597</u>	
					<u>\$ 295,886</u>
	<u>\$ 478,695</u>				

**BELTON INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-2**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - NATIONAL BREAKFAST AND LUNCH PROGRAM FUND

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes		Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
		Original	Final		
	<b>REVENUES</b>				
5700	Local and intermediate sources	\$ 2,220,000	\$ 2,652,292	\$ 2,796,443	\$ 144,151
5800	State program	195,000	130,310	145,929	15,619
5900	Federal program	<u>5,700,000</u>	<u>5,887,314</u>	<u>5,930,415</u>	<u>43,101</u>
5020	Total revenues	<u>8,115,000</u>	<u>8,669,916</u>	<u>8,872,787</u>	<u>202,871</u>
	<b>EXPENDITURES</b>				
	Current:				
0035	Food service	<u>9,111,101</u>	<u>9,198,605</u>	<u>8,564,992</u>	<u>633,613</u>
6030	Total expenditures	<u>9,111,101</u>	<u>9,198,605</u>	<u>8,564,992</u>	<u>633,613</u>
1100	<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<u>(996,101)</u>	<u>(528,689)</u>	<u>307,795</u>	<u>(430,742)</u>
	<b>OTHER FINANCING SOURCES (USES)</b>				
7915	Transfers in	-	19,564	19,564	-
8911	Transfers out	-	-	(64,854)	(64,854)
7080	Total other financing sources (uses)	<u>-</u>	<u>19,564</u>	<u>(45,290)</u>	<u>(64,854)</u>
1200	<b>NET CHANGE IN FUND BALANCES</b>	<u>(996,101)</u>	<u>(509,125)</u>	<u>262,505</u>	<u>771,630</u>
0100	<b>FUND BALANCES, BEGINNING</b>	<u>4,604,495</u>	<u>4,604,495</u>	<u>4,604,495</u>	<u>-</u>
3000	<b>FUND BALANCES, ENDING</b>	<u>\$ 3,608,394</u>	<u>\$ 4,095,370</u>	<u>\$ 4,867,000</u>	<u>\$ 771,630</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-3**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL - MAJOR DEBT SERVICE FUND

FOR THE YEAR ENDED AUGUST 31, 2024

Data Control Codes		Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
		Original	Final		
<b>REVENUES</b>					
5700	Local and intermediate sources	\$24,577,318	\$22,997,364	\$23,080,255	\$ 82,891
5800	State program	<u>457,907</u>	<u>4,034,362</u>	<u>3,846,334</u>	<u>(188,028)</u>
5020	Total revenues	<u>25,035,225</u>	<u>27,031,726</u>	<u>26,926,589</u>	<u>(105,137)</u>
<b>EXPENDITURES</b>					
Debt service:					
0071	Principal on long-term debt	8,370,000	8,370,000	8,370,000	-
0072	Interest on long-term debt	15,950,088	15,950,088	15,950,088	-
0073	Bond issuance costs and fees	<u>40,000</u>	<u>40,000</u>	<u>24,355</u>	<u>15,645</u>
6030	Total expenditures	<u>24,360,088</u>	<u>24,360,088</u>	<u>24,344,443</u>	<u>15,645</u>
1200	<b>NET CHANGE IN FUND BALANCES</b>	675,137	2,671,638	2,582,146	(89,492)
0100	<b>FUND BALANCES, BEGINNING</b>	<u>9,975,303</u>	<u>9,975,303</u>	<u>9,975,303</u>	<u>-</u>
3000	<b>FUND BALANCES, ENDING</b>	<u>\$10,650,440</u>	<u>\$12,646,941</u>	<u>\$12,557,449</u>	<u>\$ (89,492)</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-4**

USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAMS  
FOR THE YEAR ENDED AUGUST 31, 2024

Section A: Compensatory Education Programs

AP1	Did your district expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the district have written policies and procedures for its state compensatory education program?	Yes
AP3	Total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$ 8,571,215
AP4	Actual direct program expenditures for state compensatory education programs during the district's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 8,447,924

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.	\$ 665,631
AP8	Actual direct program expenditures for bilingual education programs during the district's fiscal year. (PICs 25)	\$ 601,684

## **STATISTICAL SECTION**

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## **STATISTICAL SECTION**

This part of the District statistical annual comprehensive financial report presents detailed information as a context for understanding the information in the financial statements, note disclosures, and required supplementary information. The statistical section includes a number of schedules that fall within the following categories:

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trend Data</b> These schedules contain trend information on how the District's financial performance and well-being have changed over time.	68 – 80
<b>Revenue Capacity Data</b> These schedules contain information on the District's most significant local revenue source, the property tax.	81 – 84
<b>Debt Capacity Data</b> These schedules present information to help assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	85 – 87
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help understand the environment within which the District's financial activities take place.	88 – 91
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the service the District provides and the activities it performs.	92 – 97

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**BELTON INDEPENDENT SCHOOL DISTRICT**

**TABLE 1**

NET POSITION BY COMPONENT

LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Primary Government					
Governmental Activities					
Net investment in capital assets	\$ 66,736,585	\$ 57,362,953	\$ 60,852,231	\$ 60,207,232	\$ 60,723,581
Restricted	16,849,594	13,600,899	13,139,219	8,800,420	7,102,909
Unrestricted	<u>(27,957,292)</u>	<u>(10,369,708)</u>	<u>(24,095,231)</u>	<u>(24,313,542)</u>	<u>(23,421,233)</u>
Total Primary Government					
Net Position	<u>\$ 55,628,887</u>	<u>\$ 60,594,144</u>	<u>\$ 49,896,219</u>	<u>\$ 44,694,110</u>	<u>\$ 44,405,257</u>
	<u>2019</u>	<u>2018<sup>1</sup></u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Primary Government					
Governmental Activities					
Net investment in capital assets	\$ 57,163,338	\$ 55,952,818	\$ 52,701,794	\$ 48,771,113	\$ 47,609,216
Restricted	7,372,936	7,128,296	5,628,129	4,111,421	2,900,540
Unrestricted	<u>(19,744,493)</u>	<u>(24,043,627)</u>	<u>18,674,471</u>	<u>17,188,935</u>	<u>13,616,801</u>
Total Primary Government					
Net Position	<u>\$ 44,791,781</u>	<u>\$ 39,037,487</u>	<u>\$ 77,004,394</u>	<u>\$ 70,071,469</u>	<u>\$ 64,126,557</u>

1 - In 2018, the District implemented Governmental Accounting Standards Board Statement No. 75, causing unrestricted net position to become a deficit.

**BELTON INDEPENDENT SCHOOL DISTRICT**

CHANGE IN NET POSITION

LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2024</u>	<u>2023</u>
Expenses - Governmental Activities:		
Instruction	\$ 97,626,153	\$ 87,612,682
Instructional Resources and Media Services	2,277,088	2,033,900
Curriculum and Staff Development	5,021,707	4,511,468
Instructional Leadership	2,745,405	2,518,447
School Leadership	9,270,808	7,972,892
Guidance, Counseling, and Evaluation Services	8,278,551	7,021,717
Social Work Services	632,677	652,213
Health Services	2,374,731	2,091,864
Student Transportation	7,132,659	6,781,934
Food Service	8,935,223	7,408,932
Extracurricular Activities	8,333,433	7,897,109
General Administration	4,529,868	4,273,816
Facilities Maintenance and Operations	15,404,126	13,858,366
Security and Monitoring Services	3,507,477	2,379,856
Data Processing Services	6,316,910	4,314,469
Community Services	33,187	33,161
Interest on Long-term Debt	14,429,604	14,893,976
Bond Issuance Costs and Fees	-	-
Payments Related to Shared Services Arrangements	346,218	296,963
Payments to Juvenile Justice Alternative Education Programs	-	-
Payments to Tax Increment Fund	478,695	400,299
Other Intergovernmental Charges	<u>709,772</u>	<u>678,678</u>
Total Governmental Activities	<u>198,384,292</u>	<u>177,632,742</u>
Program Revenues - Governmental Activities:		
Charges for Services:		
Instruction	339,000	343,371
Instructional Resources and Media Services	4,460	4,518
Curriculum and Staff Development	4,461	4,518
Student Transportation	89,211	90,361
Extracurricular Activities	3,009,166	2,939,964
Food Service	2,579,720	2,369,735
Facilities Maintenance and Operations	16,698	25,973
Data Processing Services	25,616	29,365
Community Services	8,921	9,036
Other Activities	-	-
Operating Grants and Contributions	<u>26,493,786</u>	<u>24,923,301</u>
Total Governmental Activities Program Revenues	<u>32,571,039</u>	<u>30,740,142</u>
Net (Expense)Revenue		
Governmental Activities	<u>(165,813,253)</u>	<u>(146,892,600)</u>
General Revenue - Governmental Activities:		
Property Taxes, Levied for General Purposes	42,935,445	51,429,827
Property Taxes, Levied for Debt Service	22,266,996	21,458,485
Grants and Contributions Not Restricted to Specific Programs	89,680,268	73,933,172
Investment Earnings	5,567,162	10,442,846
Miscellaneous	398,125	326,195
Extraordinary Items	<u>-</u>	<u>-</u>
Total Governmental Activities General Revenues and Extraordinary Items	<u>\$ 160,847,996</u>	<u>\$ 157,590,525</u>
Change in Net Position	<u>\$ (4,965,257)</u>	<u>\$ 10,697,925</u>

Source: District Financial Statements

1 - In 2018, changes in benefits for the TRS-care plan caused negative on-behalf revenues and expenses.

TABLE 2

	2022	2021	2020
\$	82,005,783	\$ 85,826,989	\$ 78,877,846
	1,350,884	1,866,592	1,526,649
	4,622,013	4,909,692	3,782,794
	2,209,411	2,203,636	1,851,283
	7,363,273	8,258,300	7,356,279
	5,962,719	6,542,151	5,553,624
	514,566	530,682	495,161
	2,162,608	3,343,389	1,867,751
	5,865,237	6,244,752	5,337,563
	6,979,639	6,373,441	5,947,306
	7,382,311	7,797,638	6,200,055
	5,300,828	4,140,991	3,589,597
	13,384,983	14,840,322	12,455,714
	1,571,044	1,753,832	1,794,505
	3,738,079	3,634,859	2,921,025
	26,213	25,925	18,060
	8,225,183	8,699,192	9,051,611
	-	-	-
	304,000	255,000	210,000
	5,665	9,724	27,045
	189,964	119,039	3,861
	618,980	569,075	593,444
	<u>159,783,383</u>	<u>167,945,221</u>	<u>149,461,173</u>
	247,148	217,827	167,303
	3,252	2,866	2,201
	3,252	2,866	2,201
	65,039	57,323	44,027
	2,412,795	1,818,710	1,508,266
	695,938	594,143	1,385,558
	91,765	81,733	47,148
	5,695	45,863	126,433
	6,504	5,732	4,403
	-	-	-
	<u>20,530,332</u>	<u>27,726,810</u>	<u>25,222,861</u>
	<u>24,061,720</u>	<u>30,553,873</u>	<u>28,510,401</u>
	<u>(135,721,663)</u>	<u>(137,391,348)</u>	<u>(120,950,772)</u>
	43,542,828	39,183,145	37,872,415
	17,949,704	16,000,636	14,030,246
	78,332,742	81,479,957	66,700,253
	556,156	61,687	1,753,344
	542,342	331,847	207,990
	-	622,729	-
	<u>140,923,772</u>	<u>137,680,001</u>	<u>120,564,248</u>
\$	<u>5,202,109</u>	<u>288,653</u>	<u>(386,524)</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

CHANGE IN NET POSITION

LAST TEN FISCAL YEARS  
(ACCRUAL BASIS OF ACCOUNTING)

	<u>2019</u>	<u>2018<sup>1</sup></u>
Expenses - Governmental Activities:		
Instruction	\$ 68,093,880	\$ 40,964,054
Instructional Resources and Media Services	1,527,395	952,714
Curriculum and Staff Development	2,879,738	1,843,122
Instructional Leadership	1,406,661	1,043,423
School Leadership	6,550,809	3,867,836
Guidance, Counseling, and Evaluation Services	4,394,269	2,161,955
Social Work Services	444,447	361,576
Health Services	1,680,688	801,666
Student Transportation	5,075,058	4,210,589
Food Service	6,309,410	5,364,347
Extracurricular Activities	6,107,671	5,565,444
General Administration	3,502,072	2,332,846
Facilities Maintenance and Operations	11,611,639	8,235,212
Security and Monitoring Services	1,080,055	731,642
Data Processing Services	2,765,147	1,858,986
Community Services	21,769	23,539
Interest on Long-term Debt	9,244,447	8,294,721
Bond Issuance Costs and Fees	299,804	538,235
Payments Related to Shared Services Arrangements	147,533	149,000
Payments to Tax Increment Fund	-	-
Payments to Juvenile Justice Alternative Education Program	11,667	1,488
Other Intergovernmental Charges	<u>542,839</u>	<u>492,662</u>
Total Governmental Activities Expenses	<u>133,696,998</u>	<u>89,795,057</u>
Program Revenues - Governmental Activities:		
Charges for Services:		
Instruction	193,159	303,961
Instructional Resources and Media Services	2,542	3,999
Curriculum and Staff Development	2,542	3,999
Student Transportation	50,831	79,990
Extracurricular Activities	2,128,171	1,997,234
Food Service	1,902,627	1,940,011
Facilities Maintenance and Operations	63,258	52,522
Data Processing Services	169,748	-
Community Services	5,083	7,999
Other Activities	-	-
Operating Grants and Contributions	<u>21,276,341</u>	<u>1,288,814</u>
Total Governmental Activities Program Revenues	<u>25,794,302</u>	<u>5,678,529</u>
Net (Expense)Revenue		
Governmental Activities	<u>(107,902,696)</u>	<u>(84,116,528)</u>
General Revenue - Governmental Activities:		
Property Taxes, Levied for General Purposes	36,091,960	33,450,535
Property Taxes, Levied for Debt Service	13,371,250	12,330,247
Grants and Contributions Not Restricted to Specific Programs	60,900,881	57,569,397
Investment Earnings	2,962,396	2,376,372
Miscellaneous	330,503	350,399
Extraordinary Items	-	-
Total Governmental Activities General Revenues and Extraordinary Items	<u>\$ 113,656,990</u>	<u>106,076,950</u>
Change in Net Position	<u>\$ 5,754,294</u>	<u>\$ 21,960,422</u>

Source: District Financial Statements

TABLE 2

	2017	2016	2015
\$	59,322,811	\$ 57,852,027	\$ 51,961,439
	1,165,886	1,076,018	960,402
	2,324,698	2,170,875	1,696,715
	1,870,945	1,659,893	1,755,901
	6,090,700	5,978,525	4,983,980
	3,536,567	3,442,225	3,041,723
	377,906	341,778	325,859
	1,199,120	1,187,868	995,706
	4,655,796	4,743,599	4,417,713
	5,713,748	5,404,954	4,938,514
	4,996,203	3,658,633	3,439,317
	2,779,038	2,793,275	3,003,497
	9,651,120	9,518,998	9,242,779
	772,778	724,147	612,119
	1,989,378	3,599,160	2,202,288
	56,461	42,663	159,013
	5,174,964	4,690,118	5,190,443
	1,099,244	301,985	19,635
	141,550	127,950	615
	-	-	275,635
	1,379	664	-
	<u>426,611</u>	<u>392,448</u>	<u>246,973</u>
	<u>113,346,903</u>	<u>109,707,803</u>	<u>99,470,266</u>
	322,020	286,975	223,204
	4,237	3,776	-
	4,237	3,776	-
	84,742	75,520	-
	2,109,635	386,386	395,207
	2,694,117	1,797,188	1,730,523
	110,902	39,878	60,579
	-	-	-
	8,474	7,552	-
	-	-	62,955
	<u>20,712,489</u>	<u>20,902,672</u>	<u>16,783,780</u>
	<u>26,050,853</u>	<u>23,503,723</u>	<u>19,256,248</u>
	<u>(87,296,050)</u>	<u>(86,204,080)</u>	<u>(80,214,018)</u>
	31,153,139	29,037,285	28,294,181
	7,184,622	6,703,698	6,531,227
	55,251,492	55,212,925	51,131,384
	271,725	90,498	17,995
	367,997	381,896	1,005,993
	-	722,690	687,806
	<u>94,228,975</u>	<u>92,148,992</u>	<u>87,668,586</u>
\$	<u>6,932,925</u>	<u>5,944,912</u>	<u>7,454,568</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS  
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
General Fund				
Nonspendable	\$ 132,453	\$ 166,350	\$ 171,842	\$ 223,466
Committed	-	-	-	-
Assigned	8,156,903	5,415,391	4,413,666	5,452,410
Unassigned	<u>27,863,529</u>	<u>34,543,103</u>	<u>34,598,558</u>	<u>33,783,544</u>
Total General Fund	<u>\$ 36,152,885</u>	<u>\$ 40,124,844</u>	<u>\$ 39,184,066</u>	<u>\$ 39,459,420</u>
All Other Governmental Funds				
Nonspendable	\$ 288,663	\$ 389,084	\$ -	\$ -
Restricted for:				
Federal and state programs	4,590,802	4,228,685	3,276,546	861,115
Debt service	12,557,449	9,975,303	10,410,750	8,042,621
Construction	35,525,990	130,112,075	174,328,878	5,763,373
Committed	2,270,727	2,140,337	1,904,574	1,775,505
Assigned for construction	-	110,917	126,877	476,640
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>\$ 55,233,631</u>	<u>\$ 146,956,401</u>	<u>\$ 190,047,625</u>	<u>\$ 16,919,254</u>

Source: District Financial Statements

**TABLE 3**

2020	2019	2018	2017	2016	2015
\$ 263,225	\$ 104,642	\$ 84,891	\$ 95,887	\$ 48,219	\$ 56,633
-	-	-	-	727,506	4,043,554
5,732,238	2,041,000	3,060,583	3,852,284	4,743,855	687,806
<u>31,718,229</u>	<u>37,608,118</u>	<u>29,252,090</u>	<u>22,535,391</u>	<u>19,607,281</u>	<u>16,712,826</u>
<u>\$ 37,713,692</u>	<u>\$ 39,753,760</u>	<u>\$ 32,397,564</u>	<u>\$ 26,483,562</u>	<u>\$ 25,126,861</u>	<u>\$ 21,500,819</u>
\$ -	\$ -	\$ 132,665	\$ -	\$ 95,981	\$ 148,432
747,619	1,796,136	1,607,727	1,290,080	823,427	464,520
6,468,587	5,956,228	5,684,897	4,616,639	3,343,415	2,500,749
11,732,361	54,582,709	105,057,375	129,875,610	2,906,087	2,897,923
1,573,738	1,100,088	975,011	992,018	59,867	-
1,907,865	1,077,453	-	-	-	-
-	-	1,185	(360)	-	-
<u>\$ 22,430,170</u>	<u>\$ 64,512,614</u>	<u>\$ 113,458,860</u>	<u>\$ 136,773,987</u>	<u>\$ 7,228,777</u>	<u>\$ 6,011,624</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2024	2023
Revenues		
Local and Intermediate	\$ 80,092,190	\$ 89,410,624
State Programs	103,546,333	82,999,081
Federal Programs	<u>15,647,377</u>	<u>18,760,525</u>
Total Revenues	<u>199,285,900</u>	<u>191,170,230</u>
Expenditures		
Current:		
Instruction	93,295,777	82,542,028
Instructional Resources and Media Services	2,251,971	2,134,863
Curriculum and Staff Development	4,963,721	4,656,281
Instructional Leadership	2,682,356	2,676,336
School Leadership	9,248,401	8,294,296
Guidance, Counseling, and Evaluation Services	8,205,551	7,290,417
Social Work Services	680,437	663,202
Health Services	2,366,760	2,177,549
Student Transportation	6,384,113	6,348,005
Food Services	8,795,488	7,547,739
Extracurricular Activities	7,541,297	7,395,199
General Administration	4,389,752	4,463,603
Facilities Maintenance and Operations	14,825,196	13,797,562
Security and Monitoring Services	3,606,975	2,461,042
Data Processing Services	5,400,171	5,052,803
Community Services	32,919	33,258
Debt Service:		
Principal on Long-term Debt	9,677,064	7,970,394
Interest on Long-term Debt	15,980,323	16,423,482
Bond Issuance Costs and Fees	24,355	20,570
Capital Outlay:		
Facilities Acquisition and Construction	94,714,050	51,453,124
Intergovernmental:		
Payments to Shared Services Arrangements	346,218	296,963
Payments to Tax Increment Fund	478,695	400,299
Payments to Juvenile Justice Alternative Education Programs	-	-
Other Intergovernmental Charges	<u>709,772</u>	<u>678,678</u>
Total Expenditures	<u>296,601,362</u>	<u>234,777,693</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(97,315,462)</u>	<u>(43,607,463)</u>
Other Financing Sources (Uses)		
Transfers In	863,803	-
Transfers Out	(863,803)	-
Issuance of bonds	-	-
Issuance of leases	1,555,560	1,313,443
Issuance of SBITAs	-	105,615
Issuance of Refunding Bonds	-	-
Premium or Discount on Issuance of Bonds	-	-
Payments to Refunded Bonds Escrow Agent	-	-
Insurance recovery	-	-
Sale of Real and Personal Property	65,173	37,959
Leases	-	-
Total Other Financing Sources (Uses)	<u>1,620,733</u>	<u>1,457,017</u>
Extraordinary Item	-	-
Net Change in Fund Balances	<u>\$ (95,694,729)</u>	<u>\$ (42,150,446)</u>
Debt Service as a Percentage of Noncapital Expenditures	13.10%	13.54%

Note: Debt service as a percentage of noncapital expenditures is determined by dividing debt service expenditures by total expenditures less facilities acquisition/construction expenditures and other capital assets (unit price over \$5,000).

**TABLE 4**

2022	2021	2020
\$ 66,335,761	\$ 58,421,998	\$ 57,110,530
87,455,849	90,632,011	77,324,551
<u>20,622,050</u>	<u>17,342,003</u>	<u>9,899,926</u>
<u>174,413,660</u>	<u>166,396,012</u>	<u>144,335,007</u>
80,654,547	78,046,681	71,383,687
1,802,066	1,837,719	1,435,171
5,218,632	4,814,209	3,545,462
2,373,728	2,150,801	1,733,744
8,024,306	8,115,259	6,851,444
6,518,780	6,426,589	5,153,197
534,412	523,413	477,245
2,339,184	2,325,095	1,741,588
6,037,629	5,595,664	4,905,437
7,022,650	6,122,693	5,598,929
7,065,938	6,977,212	6,730,467
3,932,468	3,851,036	3,425,351
14,309,083	14,200,165	12,078,602
1,604,544	1,730,761	1,735,000
3,696,076	2,943,211	3,114,419
26,718	25,281	17,540
6,757,689	8,629,973	6,929,536
9,318,192	9,757,537	10,051,616
1,616,848	217,230	24,436
5,907,235	5,738,651	42,707,213
304,000	255,000	210,000
189,964	119,039	3,861
5,665	9,724	27,045
<u>618,980</u>	<u>569,075</u>	<u>593,444</u>
<u>175,879,334</u>	<u>170,982,018</u>	<u>190,474,434</u>
<u>(1,465,674)</u>	<u>(4,586,006)</u>	<u>(46,139,427)</u>
3,606	-	3,585,712
(3,606)	-	(3,585,712)
-	-	-
197,107	-	-
-	-	-
183,635,000	13,610,000	-
10,915,961	2,752,936	-
(20,539,500)	(16,164,847)	-
110,123	-	-
-	-	-
-	-	2,016,915
<u>174,318,691</u>	<u>198,089</u>	<u>2,016,915</u>
-	622,729	-
<u>\$ 172,853,017</u>	<u>\$ (3,765,188)</u>	<u>\$ (44,122,512)</u>
9.60%	11.23%	11.98%

**BELTON INDEPENDENT SCHOOL DISTRICT**

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	<u>2019</u>	<u>2018</u>
Revenues		
Local and Intermediate	\$ 57,240,075	\$ 52,906,482
State Programs	68,559,550	66,041,308
Federal Programs	<u>12,079,395</u>	<u>11,425,814</u>
Total Revenues	<u>137,879,020</u>	<u>130,373,604</u>
Expenditures		
Current:		
Instruction	57,738,413	55,242,535
Instructional Resources and Media Services	1,454,288	1,306,115
Curriculum and Staff Development	2,724,042	2,641,628
Instructional Leadership	1,331,552	1,512,583
School Leadership	6,160,684	5,922,322
Guidance, Counseling, and Evaluation Services	4,105,138	3,597,526
Social Work Services	432,248	418,521
Health Services	1,598,859	1,255,933
Student Transportation	4,509,379	4,905,571
Food Services	6,542,844	5,788,142
Extracurricular Activities	5,088,939	4,929,220
General Administration	3,327,935	3,191,243
Facilities Maintenance and Operations	10,918,991	9,528,714
Security and Monitoring Services	1,058,242	850,159
Data Processing Services	2,337,310	2,506,557
Community Services	21,302	25,736
Debt Service:		
Principal on Long-term Debt	7,324,312	7,099,813
Interest on Long-term Debt	9,736,282	8,801,544
Bond Issuance Costs and Fees	299,804	538,235
Payment to Bond Refunding Escrow Agent	-	-
Capital Outlay:		
Facilities Acquisition and Construction	72,369,187	27,580,167
Intergovernmental:		
Payments to Shared Services Arrangements	147,533	149,000
Payments to Tax Increment Fund	11,667	1,488
Payments to Juvenile Justice Alternative Education Programs	-	-
Other Intergovernmental Charges	<u>542,839</u>	<u>492,662</u>
Total Expenditures	<u>199,781,790</u>	<u>148,285,414</u>
Excess (Deficiency) of Revenues Over (Under)		
Expenditures	<u>(17,911,810)</u>	<u>(17,911,810)</u>
Other Financing Sources (Uses)		
Transfers In	1,025,600	683,225
Transfers Out	(1,025,600)	(683,225)
Bonds Issued	18,870,000	49,145,000
Issuance of Refunding Bonds	-	-
Premium or Discount on Issuance of Bonds	1,119,580	6,403,817
Payments to Refunded Bonds Escrow Agent	-	(55,038,132)
Sale of Real and Personal Property	323,140	-
Leases	-	-
Total Other Financing Sources (Uses)	<u>20,312,720</u>	<u>510,685</u>
Extraordinary Item	-	-
Net Change in Fund Balances	<u>\$ (41,590,050)</u>	<u>\$ (17,401,125)</u>
Debt Service as a Percentage of Noncapital Expenditures	13.70%	17.64%

Note: Debt service as a percentage of noncapital expenditures is determined

**TABLE 4**

2017	2016	2015
\$ 44,298,755	\$ 38,986,970	\$ 38,079,615
63,956,171	63,375,103	59,210,849
10,759,114	8,149,340	8,411,914
<u>119,014,040</u>	<u>110,511,413</u>	<u>105,702,378</u>
53,734,813	50,578,893	48,527,027
1,150,621	1,014,332	964,866
2,276,877	2,084,351	1,711,042
1,831,982	1,584,059	1,775,822
5,970,964	5,608,197	5,013,870
3,442,812	3,264,618	3,098,871
374,862	333,771	326,819
1,175,264	1,108,870	1,002,196
3,969,007	4,702,843	4,663,532
5,509,661	5,322,760	5,196,697
4,348,793	3,058,320	2,818,527
2,739,003	2,629,073	3,091,316
9,433,408	9,153,560	9,228,088
763,778	726,105	611,653
2,751,975	3,185,372	1,795,659
53,767	42,663	159,735
5,433,489	5,037,381	4,475,936
5,253,928	5,028,091	5,766,982
1,099,244	301,985	19,635
-	115,000	-
7,626,124	3,748,269	7,181,921
141,550	127,950	-
1,379	664	615
-	-	-
<u>426,611</u>	<u>392,448</u>	<u>275,635</u>
<u>119,509,912</u>	<u>109,149,575</u>	<u>107,706,444</u>
<u>(495,872)</u>	<u>1,361,838</u>	<u>(2,004,066)</u>
2,201,225	1,423,494	5,017
(2,201,225)	(1,423,494)	(5,017)
117,440,000	-	-
-	14,270,000	-
13,640,195	2,292,720	-
-	(16,275,816)	-
-	-	5,011
<u>317,588</u>	<u>2,471,763</u>	<u>847,550</u>
131,397,783	2,758,667	852,561
-	722,690	687,806
<u>\$ 130,901,911</u>	<u>\$ 4,843,195</u>	<u>\$ (463,699)</u>
11.46%	10.43%	11.20%

**BELTON INDEPENDENT SCHOOL DISTRICT**

GOVERNMENTAL FUNDS REVENUES BY SOURCE

LAST TEN FISCAL YEARS

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>
Local Sources:				
Property tax	\$ 64,404,968	\$ 72,299,763	\$ 61,320,546	\$ 54,715,188
Other	15,687,222	17,110,861	5,015,215	3,706,810
State sources	103,546,333	82,999,081	87,455,849	90,632,011
Federal sources	<u>15,647,377</u>	<u>18,760,525</u>	<u>20,622,050</u>	<u>17,342,003</u>
Total	<u>\$ 199,285,900</u>	<u>\$ 191,170,230</u>	<u>\$ 174,413,660</u>	<u>\$ 166,396,012</u>

Source: District Financial Statements and Notes to the Basic Financial Statements

**TABLE 5**

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 51,861,656 5,248,874	\$ 49,429,215 7,810,860	\$ 45,780,782 7,125,700	\$ 38,337,761 5,960,994	\$ 35,730,973 3,255,997	\$ 34,825,408 3,254,207
77,324,551	68,559,550	66,041,308	63,956,171	63,375,103	59,210,849
<u>9,899,926</u>	<u>12,079,395</u>	<u>11,425,814</u>	<u>10,759,114</u>	<u>8,149,340</u>	<u>8,411,914</u>
<u>\$ 144,335,007</u>	<u>\$ 137,879,020</u>	<u>\$ 130,373,604</u>	<u>\$ 119,014,040</u>	<u>\$ 110,511,413</u>	<u>\$ 105,702,378</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

**TABLE 6**

TOTAL ASSESSED AND NET TAXABLE  
VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

Fiscal Year	Total Assessed Value	Total Exemptions	Net Taxable Value	Maintenance and Operations Rate	Interest and Sinking Rate	Total Direct Rate
2024	\$ 9,205,440,525	\$ 3,413,468,223	\$ 5,791,972,302	\$ 0.7575	\$ 0.3942	\$ 1.1517
2023	7,679,227,381	2,105,378,691	5,573,848,690	0.9429	0.3942	1.3371
2022	6,284,714,089	1,702,605,843	4,582,108,246	0.9603	0.3968	1.3571
2021	5,620,697,588	1,570,884,094	4,049,813,494	0.9683	0.3968	1.3651
2020	5,019,217,110	1,459,995,555	3,559,221,555	1.0683	0.3968	1.4651
2019	4,328,308,542	1,237,519,397	3,090,789,145	1.1700	0.4330	1.6030
2018	4,024,512,196	1,351,103,377	2,673,408,819	1.1700	0.4330	1.6030
2017	3,664,050,039	1,403,613,349	2,260,436,690	1.1700	0.2700	1.4400
2016	3,416,991,824	1,293,436,127	2,123,555,697	1.1700	0.2700	1.4400
2015	3,185,092,971	1,123,250,130	2,061,842,841	1.1700	0.2700	1.4400

Note: Assessed value, exemptions, and net taxable value are July certified values.

Source: Bell County Appraisal District

**BELTON INDEPENDENT SCHOOL DISTRICT**

**TABLE 7**

PROPERTY TAX RATES - DIRECT AND  
OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

<u>Government</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Belton ISD	1.15170	1.33710	1.35710	1.36510	1.46510
Bell County	0.29140	0.31600	0.36800	0.39680	0.42080
Bell County MUD #1	0.78300	0.81900	0.83150	0.85000	0.85000
Belton, City of	0.53260	0.58500	0.63000	0.63000	0.65980
Morgan's Point Resort, City of	0.58000	0.58000	0.61920	0.59580	0.59580
Temple JCD	0.20170	0.20440	0.22370	0.18370	0.18860
Temple, City of	0.61300	0.61300	0.64000	0.65250	0.67270
Total	<u>4.15340</u>	<u>4.45450</u>	<u>4.66950</u>	<u>4.67390</u>	<u>4.85280</u>
<u>Government</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Belton ISD	1.60300	1.60300	1.44000	1.44000	1.44000
Bell County	0.42120	0.42120	0.42120	0.42120	0.42120
Bell County MUD #1	0.85000	0.85000	0.85000	0.85000	0.85000
Belton, City of	0.65980	0.65980	0.65980	0.65980	0.65980
Morgan's Point Resort, City of	0.64210	0.64210	0.64210	0.64210	0.64210
Temple JCD	0.19795	0.20470	0.20570	0.21000	0.20650
Temple, City of	0.66120	0.67720	0.65720	0.62980	0.58640
Total	<u>5.03525</u>	<u>5.05800</u>	<u>4.87600</u>	<u>4.85290</u>	<u>4.80600</u>

Source: Bell County Appraisal District

**BELTON INDEPENDENT SCHOOL DISTRICT**

**TABLE 8**

**PRINCIPAL PROPERTY TAXPAYERS**

**FISCAL YEAR 2024 AND  
NINE YEARS AGO**

# Principal Taxpayers	Type of Property	2023 Tax Year		
		Taxable Assessed Valuation	Percentage of Total Assessed Valuation	
1	Oncor Electric Delivery Co. LLC	Electric Utility/Power Plant	\$ 73,826,167	1.26%
2	River Springs at Barge Ranch	Apartments	40,903,659	0.70%
3	Turtle Creek Investments Ltd.	Apartments	34,809,844	0.59%
4	Village at Pepper Creek LP	Apartments	24,967,196	0.43%
5	Legacy Landing Group Ltd.	Apartments	21,250,000	0.36%
6	MFT-Pecan LLC	Apartments	21,000,000	0.36%
7	Colonial Corssing Co. Ltd.	Apartments	20,164,738	0.34%
8	Chappell Hill Equity III Ltd.	Apartments	17,407,472	0.30%
9	Kdaveo LLC	Apartments	15,015,742	0.26%
10	Wal-Mart Stores Texas LLC	Grocery Store	13,973,391	0.24%
	Total		<u>\$ 283,318,209</u>	<u>4.84%</u>
	Total Taxable Assessed Valuation		<u>\$ 5,791,972,302</u>	<u>100.00%</u>

# Principal Taxpayers	Type of Property	2014 Tax Year		
		Taxable Assessed Valuation	Percentage of Total Assessed Valuation	
1	Oncor Electric Delivery Co. LLC	Electric Utility/Power Plant	\$ 35,517,275	1.72%
2	Turtle Creek Investments Ltd.	Apartments	14,607,408	0.71%
3	HEB Grocery Co. LP	Grocery Store	14,275,402	0.69%
4	Wal-Mart Real Estate Business Trust	Commercial Building	14,057,569	0.68%
5	MFT-Pecan LLC	Food Packaging/Processing	12,951,225	0.63%
6	Legacy Landing Group Ltd.	Commerical Land	11,789,562	0.57%
7	Miller Springs Materials LLC	Wholesale Supplier/Distribution Center	9,258,132	0.45%
8	Harvest Technologies Ltd.	Industrial Manufacturing	7,902,578	0.38%
9	Chappell Hill Equity III Ltd.	Apartments	7,390,400	0.36%
10	CMH Manufacturing	Industrial Manufacturing	7,133,687	0.35%
	Total		<u>\$ 134,883,238</u>	<u>6.54%</u>
	Total Taxable Assessed Valuation		<u>\$ 2,061,842,841</u>	<u>100.00%</u>

Source: Municipal Advisory Council of Texas

**BELTON INDEPENDENT SCHOOL DISTRICT**

**TABLE 9**

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year	Adjusted Tax Levy*	Collected Within the Fiscal Year of the Levy			Total Collections to Date		
		Taxes Collected	Percent of Adjusted Tax Levy	Collections in Subsequent Years	Taxes Collected	Collected as Percent of Current Tax Levy	
2024	\$ 64,909,652	\$ 64,022,354	99%	-	\$ 64,022,354	99%	
2023	72,990,915	72,090,447	99%	131,026	72,221,473	99%	
2022	61,475,875	61,026,941	99%	153,546	61,180,487	100%	
2021	54,695,675	54,307,000	99%	164,901	54,471,901	100%	
2020	51,671,304	51,152,731	99%	360,306	51,513,037	100%	
2019	49,147,377	48,791,846	99%	266,603	49,058,449	100%	
2018	45,537,887	45,164,789	99%	300,739	45,465,528	100%	
2017	38,056,744	37,753,514	99%	250,345	38,003,859	100%	
2016	35,366,229	35,102,971	99%	220,656	35,323,627	100%	
2015	34,343,235	33,905,297	99%	393,698	34,298,995	100%	

\*As of the current fiscal year

Source: Bell County Appraisal District and Annual Financial Statements

**BELTON INDEPENDENT SCHOOL DISTRICT****TABLE 10**

## OUTSTANDING DEBT BY TYPE

## LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Personal Income	Estimated Population	Per Capita
	Bonds Payable	Leases	SBITAs				
2024	\$ 398,081,631	\$ 644,039	\$ 1,009,009	\$ 399,734,679	7.96%	61,442	\$ 6,506
2023	408,509,166	377,520	662,699	409,549,385	11.42%	60,633	6,755
2022	417,386,817	406,631	-	417,793,448	12.79%	59,880	6,977
2021	252,737,552	66,041	-	252,803,593	7.93%	57,390	4,405
2020	261,052,195	2,296,015	-	263,348,210	8.88%	54,041	4,873
2019	268,386,034	1,118,636	-	269,504,670	9.35%	63,508	4,244
2018	255,939,386	2,082,948	-	258,022,334	9.04%	61,782	4,176
2017	259,889,270	3,222,761	-	263,112,031	9.96%	59,482	4,423
2016	133,695,540	4,083,662	-	137,779,202	5.29%	58,314	2,363
2015	137,213,015	2,219,281	-	139,432,296	5.74%	56,592	2,464

Source: Belton Independent School District, Bell County Appraisal District and Municipal Advisory Council of Texas

**BELTON INDEPENDENT SCHOOL DISTRICT****TABLE 11**

## RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

## LAST TEN FISCAL YEARS

Fiscal Year	General Bonded Debt	Less Amounts Available in Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Total Actual Property Value	Net Bonded Debt per Student
2024	\$ 398,081,631	\$ 12,557,449	\$ 385,524,182	4.19%	\$ 27,920
2023	408,509,166	11,024,346	397,484,820	5.18%	29,133
2022	417,386,817	10,410,750	406,976,067	6.48%	30,540
2021	252,737,552	8,042,621	244,694,931	4.35%	19,406
2020	261,052,195	6,468,587	254,583,608	6.10%	20,891
2019	268,386,034	5,956,228	262,429,806	6.06%	22,081
2018	255,939,386	5,684,897	250,254,489	6.22%	21,707
2017	259,889,270	4,616,639	255,272,631	6.97%	22,960
2016	133,695,540	3,343,415	130,352,125	3.81%	12,001
2015	137,213,015	2,500,749	134,712,266	4.23%	12,777

Source: District annual financial reports and records and Municipal Advisory Council Report

**BELTON INDEPENDENT SCHOOL DISTRICT****TABLE 12**

## ESTIMATED GENERAL OBLIGATION OVERLAPPING DEBT STATEMENT

FISCAL YEAR 2024

Taxing Body	Debt Outstanding	Percent Overlapping	Dollar Overlap
Bell County	\$ 122,380,000	20.70%	\$ 25,332,660
Bell County MUD #1	18,135,000	100.00%	18,135,000
Belton, City of	26,750,000	97.53%	26,089,275
Morgan's Point Resort, City of	2,188,604	100.00%	2,188,604
Temple JCD	116,990,000	24.68%	28,873,132
Temple, City of	453,595,000	24.99%	<u>113,353,391</u>
		Subtotal, overlapping debt	\$ <u>213,972,062</u>
		Belton Independent School District direct debt	\$ <u>398,081,631</u>
		Total direct and overlapping debt	\$ <u>612,053,693</u>

Note: Overlapping governments are those that coincide at least in part, with geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Belton Independent School District. This process recognizes that, when considering the District's ability to to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into the account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: Municipal Advisory Council of Texas

**BELTON INDEPENDENT SCHOOL DISTRICT****TABLE 13**

## DEMOGRAPHIC AND ECONOMIC STATISTICS

## LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Unemployment Rate</u>	<u>Estimated Population</u>	<u>Median Household Income</u>	<u>Personal Income</u>
2024	5.1%	61,442	\$ 81,753	\$ 5,023,067,826
2023	5.0%	60,633	59,122	3,584,744,226
2022	4.6%	59,880	54,556	3,266,813,280
2021	5.4%	57,390	55,539	3,187,383,210
2020	3.8%	54,041	54,884	2,965,986,244
2019	3.6%	63,508	45,365	2,881,040,420
2018	4.1%	61,782	46,195	2,854,019,490
2017	4.3%	59,482	44,398	2,640,881,836
2016	4.5%	58,314	44,691	2,606,110,974
2015	4.6%	56,592	42,935	2,429,777,520

Source: Municipal Advisory Council of Texas and US Census and US Labor and Statistics

Note: Median Household Income is for Bell County

**BELTON INDEPENDENT SCHOOL DISTRICT**

**TABLE 14**

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	Industry	2024			2015		
		Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Belton Independent School District	Education	2,192	1	15.87%	1,690	1	13.07%
Bell County	Government	1,234	2	8.93%	1,110	2	8.58%
University of Mary Hardin Baylor	Education	699	3	5.06%	468	3	3.62%
HEB	Retail/Service	600	4	4.34%	296	6	2.29%
TRU Homes	Manufacturing/Distribution	574	5	4.15%	210	8	1.62%
CGI	IT/Business Process Services	350	6	2.53%	200	7	1.55%
UPS-Customer Center	Distribution Center	315	7	2.28%	-		0.00%
Cedar Crest Hospital & Clinic	Healthcare	309	8	2.24%	175	9	1.35%
Walmart	Retail/Service	287	9	2.08%	323	5	2.50%
Hill Country Transit District	Transportation	200	10	1.45%	-		0.00%
Custom Printing	Service	-		0.00%	170	10	1.31%
James Construction Group	Construction	-		0.00%	450	4	3.48%
Totals		<u>6,760</u>		<u>48.93%</u>	<u>5,092</u>		<u>39.37%</u>

Source: Belton Economic Development Corporation

**BELTON INDEPENDENT SCHOOL DISTRICT****TABLE 15****FULL - TIME - EQUIVALENT DISTRICT EMPLOYEES BY TYPE****LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Teachers</u>	<u>Professional Support</u>	<u>Campus Administration</u>	<u>Central Administration</u>	<u>Educational Aides</u>	<u>Auxiliary Staff</u>	<u>Total FTEs</u>
2024	981.5	236.6	57.5	21.9	207.4	599.6	2,104.5
2023	976.3	212.3	53.4	21.0	195.3	577.0	2,035.3
2022	933.7	207.9	56.4	21.9	195.5	564.7	1,980.1
2021	868.1	196.1	54.5	25.0	178.5	550.7	1,872.9
2020	781.2	168.1	49.4	17.2	169.0	522.1	1,707.0
2019	750.1	141.6	44.9	18.4	155.6	478.7	1,589.3
2018	723.5	138.6	40.5	19.5	155.7	460.8	1,538.6
2017	702.1	135.4	39.6	20.0	165.0	485.5	1,547.6
2016	707.0	121.4	35.8	18.9	172.6	467.7	1,523.4
2015	689.6	121.8	34.9	11.8	169.5	469.1	1,496.7

Source: Belton ISD Records

**BELTON INDEPENDENT SCHOOL DISTRICT**

TEACHER DATA

LAST TEN FISCAL YEARS

	2024	2023	2022	2021
Total Number of Teachers	981.5	989.0	933.7	878.0
Teachers by Highest Degree Held				
No Degree	12.0	11.0	10.0	9.0
Bachelors	743.4	726.0	698.7	661.0
Masters	211.9	233.0	221.0	203.0
Doctorate	5.0	5.0	4.0	5.0
Teachers by Years of Experience				
Beginning Teachers	52.0	103.2	68.6	27.5
1-5 Years Experience	302.0	286.3	272.9	266.0
6-10 Years Experiences	192.0	198.9	203.7	187.9
11-20 Years Experience	286.0	269.4	267.7	263.9
Over 20 Years Experience	104.3	118.4	120.8	122.2
Average Salary by Years Experience				
Beginning Teachers	55,107	53,498	51,703	53,024
1-5 Years Experience	55,638	54,911	52,788	52,007
6-10 Years Experiences	54,723	55,963	54,564	53,893
11-20 Years Experience	60,533	59,984	58,501	57,819
Over 20 Years Experience	65,727	68,515	65,809	66,688
Overall Average Years with District	5.9	5.2	5.7	5.7
Overall Average Years Experience	10.3	9.7	10.8	8.6
Overall Average Teacher Salary	\$58,878	\$57,552	55,971	55,761
Turnover Rate for Teachers	18.40%	21.14%	15.8%	13.9%

Source: Belton ISD records

**TABLE 16**

2020	2019	2018	2017	2016	2015
796.0	750.1	723.5	702.1	707.0	689.6
8.0	8.0	6.3	4.0	5.4	7.0
604.0	573.9	549.4	541.9	573.0	570.0
182.0	166.2	166.9	154.2	125.3	110.7
2.0	2.0	1.0	2.0	3.3	2.0
19.0	30.8	21.9	23.8	37.4	25.7
202.0	190.7	186.2	193.3	182.0	192.1
199.0	175.5	186.0	166.5	185.5	176.5
260.0	249.6	232.3	223.3	202.8	204.2
116.0	103.5	97.0	95.2	99.0	91.1
50,467	46,734	45,604	47,389	40,613	35,616
51,300	48,247	47,383	47,899	47,189	46,355
52,571	49,591	49,014	48,941	48,259	47,009
55,808	52,432	51,181	51,670	51,829	50,589
66,585	59,683	59,132	61,532	60,861	59,538
6.2	6.3	6.4	6.4	6.4	6.4
9.1	11.2	11.2	11.0	11.0	11.0
54,728	51,469	50,463	51,486	49,750	47,821
17.4%	16.2%	15.0%	15.5%	16.1%	17.7%

**BELTON INDEPENDENT SCHOOL DISTRICT**

EXPENDITURES, ENROLLMENT AND PER PUPIL COST

LAST TEN FISCAL YEARS

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost per Pupil</u>	<u>Governmental Funds Expenditures</u>
2024	13,808	\$ 151,877,424	\$ 10,999	\$ 296,601,362
2023	13,644	137,879,154	10,105	234,777,693
2022	13,326	133,673,556	10,031	175,879,334
2021	12,609	129,392,885	10,262	170,982,018
2020	12,186	113,842,939	9,342	190,477,682
2019	11,681	98,527,259	8,435	199,781,790
2018	11,488	94,176,654	8,198	148,285,414
2017	11,077	91,264,806	8,239	119,509,912
2016	10,828	88,131,590	8,139	109,149,575
2015	10,488	86,003,726	8,200	107,706,444

Source: Belton ISD Records

**TABLE 17**

<u>Cost per Pupil</u>	<u>Teaching Staff</u>	<u>Pupil- Teacher Ratio</u>	<u>Students Receiving Free/ Reduced Lunch</u>
\$ 21,480	982	14.1	41.7%
17,207	989	13.8	43.9%
13,198	933	14.3	40.2%
13,560	880	14.3	36.6%
15,631	796	15.3	44.5%
17,103	750	15.6	45.5%
12,908	724	15.9	45.4%
10,789	702	15.8	45.1%
10,080	707	15.3	46.1%
10,269	690	15.2	45.8%

**BELTON INDEPENDENT SCHOOL DISTRICT****TABLE 18**TOTAL EXPENSES OF GOVERNMENTAL ACTIVITIES,  
ENROLLMENT AND PER PUPIL COST

## LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Government- Wide Expenses <sup>1</sup>	Cost Per Pupil
2024	13,808	\$ 198,384,292	\$ 14,367
2023	13,644	177,632,742	13,019
2022	13,326	159,783,383	11,990
2021	12,609	167,945,221	13,319
2020	12,186	149,464,421	12,265
2019	11,885	133,696,998	11,249
2018	11,529	89,795,057	7,789
2017	11,118	113,346,903	10,195
2016	10,862	109,707,803	10,100
2015	10,543	99,223,293	9,411

Source: Belton Independent School District annual financial report

1 - In 2018, changes in benefits for the TRS-care plan caused negative on-behalf revenues and expenses.

**BELTON INDEPENDENT SCHOOL DISTRICT**

**TABLE 19**

SCHOOL BUILDING INFORMATION

Campus	Year Constructed	Building Age	Building Capacity	2023-24 Enrollment	% of Capacity Used
<b>High Schools</b>					
Belton High School	1979	45	2,607	1,836	70.4%
Belton New Tech High School	1970	54	500	242	48.4%
Lake Belton High School	2020	4	2,500	2,269	90.8%
<b>Middle Schools</b>					
Lake Belton Middle School	2000	24	916	812	88.6%
South Belton Middle School	2011	13	1,000	660	66.0%
North Belton Middle School	2014	10	1,000	919	91.9%
Belton Middle School	1993	31	971	715	73.6%
<b>Elementary Schools</b>					
Leon Heights Elementary School	1956	68	265	219	82.6%
Miller Heights Elementary School	1963	61	450	283	62.9%
Southwest Elementary School	1951	73	440	398	90.5%
Lakewood Elementary School	1986	38	792	676	85.4%
Sparta Elementary School	1988	36	685	574	83.8%
Joe M. Pirtle Elementary School	1999	25	792	630	79.5%
Tarver Elementary School	2007	17	792	486	61.4%
High Point Elementary School	2014	10	792	645	81.4%
Chisholm Trail Elementary	2014	10	792	913	115.3%
Belton Early Childhood School	1951	73	628	519	82.6%
Charter Oak Elementary School	2019	5	800	624	78.0%
James L Burrell Elementary School	2023	1	800	387	48.4%

Source: District records

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**FEDERAL AWARDS 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**

Board of Trustees  
Belton Independent School District  
Belton, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Belton Independent School District (the District), as of and for the year ended August 31, 2024, and the related notes to the financial statements, which collectively comprise Belton Independent School District’s basic financial statements, and have issued our report thereon dated December 16, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Belton Independent School District’s internal control over financial reporting (internal control) as a basis for designing 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 Belton Independent School District’s internal control. Accordingly, we do not express an opinion on the effectiveness of Belton Independent School District’s internal control.

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

Our consideration of internal control 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, significant deficiencies and material weaknesses may exist that have not been identified.

**OFFICE LOCATIONS**

TEXAS | Waco | Temple | Hillsboro | Houston  
NEW MEXICO | Albuquerque

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Belton Independent School 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 Belton Independent School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
December 16, 2024

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER  
COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

Board of Trustees  
Belton Independent School District  
Belton, Texas

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

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

We have audited Belton 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 August 31, 2024. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, 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 August 31, 2024.

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

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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 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.

*Pattillo, Brown & Hill, L.L.P.*

Waco, Texas  
December 16, 2024

**BELTON INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT K-1**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED AUGUST 31, 2024

Federal Grantor/ Pass-through Grantor/ Grantor/Program Title	(1) Assistance Listing Number	(2a) Pass-through Entity Identifying Number	(3) Federal Expenditures
<b><u>U. S. DEPARTMENT OF AGRICULTURE</u></b>			
Passed through the Texas Education Agency:			
School Breakfast Program (SBP)	10.553	71402401	\$ 1,077,425
National School Lunch Program (NSLP)	10.555	71302401	<u>3,720,443</u>
Total Passed through the Texas Education Agency			<u>4,797,868</u>
Passed through the Texas Department of Agriculture:			
NSLP - Commodities - Non-cash Assistance	10.555	71402401	554,262
Supply Chain Assistance Grant	10.555	236TX400N8903	558,478
Summer Feeding Program	10.559	NT4XL1YGLGC5	62,616
Fresh Fruits and Vegetables Program	10.582	246TX375L1603	<u>19,807</u>
Total Passed through the Texas Department of Agriculture			<u>1,195,163</u>
Subtotal Assistance Listing Number 10.555			<u>4,833,183</u>
Total Child Nutrition Cluster (ALN 10.553, 10.555, 10.559, 10.582)			<u>5,993,031</u>
<b>TOTAL U. S. DEPARTMENT OF AGRICULTURE</b>			<u>5,993,031</u>
<b><u>U. S. DEPARTMENT OF DEFENSE</u></b>			
Direct program:			
Marine Corps JROTC Program	12.000	TX227812	<u>65,831</u>
<b>TOTAL U. S. DEPARTMENT OF DEFENSE</b>			<u>65,831</u>
<b><u>FEDERAL COMMUNICATIONS COMMISSION</u></b>			
Direct Programs:			
Emergency Connectivity Fund	32.009		<u>473,113</u>
<b>TOTAL FEDERAL COMMUNICATIONS COMMISSION</b>			<u>473,113</u>
<b><u>U. S. DEPARTMENT OF THE INTERIOR</u></b>			
Passed through the Texas Comptroller of Public Accounts:			
Flood Control Act Lands	15.433	9K240812	<u>93,504</u>
Total Passed through the Texas Comptroller of Public Accounts			<u>93,504</u>
<b>TOTAL U. S. DEPARTMENT OF THE INTERIOR</b>			<u>93,504</u>
<b><u>U. S. DEPARTMENT OF EDUCATION</u></b>			
Direct programs:			
Impact Aid	84.041	53-TX-2015-0021	<u>261,993</u>
Passed through the Texas Education Agency:			
Title I, Part A - Improving Basic Programs	84.010A	24610101014903	<u>1,580,240</u>
Total Assistance Listing Number 84.010A			<u>1,580,240</u>
IDEA B Formula - Special Education Grants to States	84.027A	246600010149036000	2,169,550
IDEA B Preschool - Special Education Preschool Grants	84.173A	236610010149036000	1,343
IDEA B Preschool - Special Education Preschool Grants	84.173A	246610010149036000	<u>23,954</u>
Total Special Education Cluster (IDEA)			<u>2,194,847</u>

The accompanying notes are an integral part of this schedule.

**BELTON INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT K-1**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

FOR THE YEAR ENDED AUGUST 31, 2024

Federal Grantor/ Pass-through Grantor/ Grantor/Program Title	(1) Assistance Listing Number	(2a) Pass-through Entity Identifying Number	(3) Federal Expenditures
<b>U. S. DEPARTMENT OF EDUCATION</b> (Continued)			
Passed through the Texas Education Agency (Continued):			
Career and Technical Education - Basic Grant	84.048A	24420006014903	\$ 142,052
Title III, Part A - English Language Acquisition	84.365A	23671001014903	90,970
Title II, Part A - Supporting Effective Instruction	84.367A	24694501014903	378,462
LEP Summer School	84.369A	69552302	2,939
Title IV, Part, A Subpart 1	84.424A	24680101014903	<u>61,130</u>
COVID-19 ARP Homeless II	84.425W	21533002014903	140,805
COVID-19 Elementary and Secondary School Emergency Relief III (ESSER)	84.425U	21528001014903	<u>3,269,480</u>
Total Assistance Listing Number 84.425			<u>3,410,285</u>
Total Passed through the Texas Education Agency			<u>7,860,925</u>
Passed through Region 10 Education Service Center:			
Texas Homeless Education Assistance Program	84.196A	234600057110009	<u>50,283</u>
Total Passed through Region 10 Education Service Center			<u>50,283</u>
<b>TOTAL U. S. DEPARTMENT OF EDUCATION</b>			<u>8,173,201</u>
<b>U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
Passed through Texas Health and Human Services Commission:			
Medicaid Administrative Claiming Program (Medicaid Cluster)	93.778	529-07-0157-00114	<u>99,007</u>
Total Passed through Texas Health and Human Services Commission			<u>99,007</u>
<b>TOTAL U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<u>99,007</u>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<u>\$ 14,897,687</u>

The accompanying notes are an integral part of this schedule.

**BELTON INDEPENDENT SCHOOL DISTRICT**

NOTES TO SCHEDULE OF EXPENDITURES OF  
FEDERAL AWARDS

AUGUST 31, 2024

**1. GENERAL**

The Schedule of Expenditures of Federal Awards (SEFA) presents the activity of all applicable federal award programs of Belton Independent School District. The District’s reporting entity is defined in Note I of the financial statements. Federal awards received directly from federal agencies, as well as federal awards passed through other government agencies, are included on the SEFA.

**2. BASIS OF ACCOUNTING**

The SEFA is presented using the modified accrual basis of accounting. The District’s significant accounting policies, including the modified accrual basis of accounting, are presented in Note 1 of the basic financial statements. The SEFA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some of the amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

**3. PASS-THROUGH EXPENDITURES**

None of the federal programs expended by the District were provided to subrecipients.

**4. INDIRECT COSTS**

The District did not elect to use a de minimis cost rate as described at 2 CFR §200.414(f)—Indirect (F&A) costs.

**5. RECONCILIATION OF FEDERAL REVENUES AND THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

The following is a reconciliation of federal revenues and the total expenditures of federal awards for the year ended August 31, 2024:

Federal revenues on the Statement of Revenues, Expenditures and Changes in Fund Balance-Governmental Funds (Exhibit C-3)	\$ 15,647,377
E-Rate	(286,322)
School health and related services (SHARS)	<u>(463,368)</u>
Federal expenditures on the SEFA (Exhibit K-1)	<u>\$ 14,897,687</u>

**BELTON INDEPENDENT SCHOOL DISTRICT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**FOR THE YEAR ENDED AUGUST 31, 2024**

**Summary of Auditor's Results**

Financial Statements:

Type of auditor's report issued	Unmodified
Internal control over financial reporting: Material weakness(es) identified?	No
Significant deficiency(ies) identified, that were not considered a material weakness	None reported
Material noncompliance to the financial statements noted?	None

Federal Awards:

Internal control over major programs: Material weakness(es) identified?	No
Significant deficiency(ies) identified, that were not considered a material weakness	None reported

Type of auditor's report on compliance for major programs	Unmodified
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Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	None
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Identification of major programs:

Assistance Listing Number(s) 10.553, 10.555, 10.559, 10.582	Name of Federal Program or Cluster: Child Nutrition Cluster
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Dollar threshold used to distinguish between type A and type B programs	\$750,000
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Auditee qualified as low-risk auditee?	Yes
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**Findings Relating to the Financial Statements Which are  
Required to be Reported in Accordance With Generally  
Accepted Government Auditing Standards**

None

**Findings and Questioned Costs for Federal Awards**

None



# BELTON INDEPENDENT SCHOOL DISTRICT

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## **SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS**

FOR THE YEAR ENDED AUGUST 31, 2024

NONE