

SEGUIN INDEPENDENT SCHOOL DISTRICT
SEGUIN, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the year ended June 30, 2025

Official issuing report:
Elizabeth Banks
Chief Financial Officer

SEGUIN INDEPENDENT SCHOOL DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the year ended June 30, 2025

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INTRODUCTORY SECTION



January 5, 2026

Ms. Denise Crettenden, President
Board of Trustees Members
Seguin Independent School District
1221 E. Kingsbury St.
Seguin, Texas 78155

Dear Mrs. Crettenden and Members of the Board:

The Annual Comprehensive Financial Report (ACFR) of the Seguin Independent School District (The District) for the year ended June 30, 2025, is hereby submitted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. In our opinion, the data, as presented, is accurate in all material aspects; is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included in this ACFR.

The ACFR is presented in four sections: (1) introductory, (2) financial, (3) statistical, and (4) federal awards. The introductory section includes the transmittal letter, a listing of the District's principal officials and advisors, and an organization chart of the District. The financial section includes Management's Discussion and Analysis (MD&A), basic financial statements, combining and individual fund statements and schedules, and required Texas Education Agency 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. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors. The statistical section consists of unaudited tables which reflect both financial and demographic information. This data is for the purpose of presenting social and economic information, financial trends, and fiscal capacity of the District, and is generally presented on a multi-year basis. The federal awards section includes the single audit reports prepared in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

THE REPORTING ENTITY AND ITS SERVICES

This report includes all funds of the District and includes all activities considered by the State of Texas to be part of the K-12 public school system. Seguin ISD is an independent school district incorporated as a political subdivision of the State of Texas.

A seven-member Board governs the District in accordance with state statutes and regulations. Members of the Board serve staggered four-year terms without compensation and are elected from single-member districts. The Board of Trustees operates as a policy-making body, delegates management to the Superintendent, determines District goals, and evaluates policies in terms of effectiveness in attaining those goals. The Superintendent and the administrative staff execute the policies of the Board, assume responsibility for the operation of the District, make recommendations to the Board in matters of policy and professional personnel, prepare the budget, and report to the Board on matters related to the progress of the District in attaining the goals set by the Board.

The District provides a comprehensive range of school programs and services, as contemplated by state statute, and for 2024-2025 had an enrollment of 7,290 students (average daily attendance was 6358 based on full-time enrollments) in grades pre-kindergarten through 12. The District had 13 campuses, including one pre-kindergarten campus, seven elementary schools (grades K-5); two middle schools (grades 6-8); one traditional 5-A high school (grades 9-12); one non-traditional high school learning center (grades 9-12); and one disciplinary alternative campus (grades 2-12).

The ethnicity of the District's student population is 71.5% Hispanic, 21.9% White, 3.9% African American, .4% Asian, .12% Native American/Pacific Islander, and 1.96% two or more. Additionally, 72% of students are Economically Disadvantaged.

In addition to regular classroom instruction, the District offers a wide array of programs to meet the needs of its students, including both Bilingual/English as a Second Language (ESL) as well as Dual Language education, special education, and career and technical education (CTE). Other special programs for accelerated and enriched education include Title I services and gifted and talented instruction. A wide variety of electives in fine arts, athletics, foreign language, physical and outdoor education, and technology supplement the basic programs.

Accrual of college credit is available to students at Seguin High School through several avenues. Classes, which prepare students for the College Board Advanced Placement Exams, are taught for many subjects. Dual credit courses are taught on the high school campus during the school day. Concurrent enrollment is provided to qualifying students through a partnership with Alamo Community Colleges.

The District does have an Early College High School designation from the Texas Education Agency. The comprehensive program allows all qualifying freshmen to enroll in the Seguin Early College High School in partnership with Alamo Colleges - St. Philip's College. The students continue in the program through graduation and have the opportunity to earn up to an associate degree in conjunction with a high school diploma at no cost to the students or their families.

Seguin ISD's vision is that technology must be authentically integrated to create a relevant, rigorous, and engaging learning culture for students and teachers. Technology is integrated into the curriculum at every grade level (pre-K-12). At each campus, students enjoy access to computers in the classroom and various laboratory settings, including multimedia carts and mobile labs. Laptops and other mobile devices are a part of the core K-8 classrooms along with library media centers. Seguin High School offers advanced technology courses such as computer science, multimedia, web mastery, and information technology. Instruction is also offered in robotics, digital media, programming, computer science, business information systems, web technologies, and construction. All schools have filtered internet access and automated library systems. Technology helps students individualize learning, address deficiencies, and earn credit via special

software and lab settings. The integration of technology into the curriculum is a critical component of a 21st-century education.

Community/school partnerships help to emphasize the importance of high school academic expectations. A variety of civic organizations, including RSVP Volunteers, student groups from TLU, Communities in Schools, and parent volunteers, provide mentoring, reading, and tutoring services in the schools. The District partners with the community through the Seguin Education Foundation, a 501(c)(3) not-for-profit foundation, founded for the sole purpose of benefiting students and staff. The foundation is governed by a board of directors composed of volunteers from a cross-section of the community. Since 2004, the Seguin Education Foundation has provided 385 grants totaling \$1,006,000. Approximately \$105,000 was awarded in the 2024-2025 academic year. The Foundation funds creative, teacher-initiated projects that enhance instruction and enrich learning.

Seguin ISD is one of the largest employers in the community. The District reported a total staff of 1,119 with 460 teachers, 190 administrative support, 143 educational aides, and 326 auxiliary staff.

In an effort to accommodate projected increases in student enrollment and to address aging facilities, the district hosted bond elections in 2019, 2022, and 2024. Voters approved the bond packages totalling \$64.7 million, \$131 million, and \$7.5 million, respectively.

ECONOMIC CONDITION AND OUTLOOK

Seguin Independent School District is located in Guadalupe County and includes the City of Seguin, which is the county seat and principal commercial center. With a population of nearly 40,000 and strategically located 35 miles east of San Antonio, 50 miles south of Austin, and 160 miles west of Houston, Seguin provides a business climate close to several metropolitan areas without the challenges of a big city. Boasting an abundant and reliable supply of water and electricity, Seguin stands out as an excellent commercial site with a friendly and welcoming residential community, with growth in all business sectors, as well as one of the highest per-capita concentrations of manufacturing jobs. Toll-road SH130, which opened in fall 2012, provides an alternate route to the I-35 gridlock and diverts commuter traffic from I-35 just north of Austin to I-10 at Seguin.

Seguin is also home to Texas Lutheran University, a nationally recognized school, and the nearby Central Texas Technology Center.

FINANCIAL INFORMATION

District Management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

(1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

Single Audit- As a recipient of state and federal financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management of the District. As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2025 provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

ACCOUNTING SYSTEM AND BUDGETARY CONTROL

The School District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board on governmental accounting in its current Codification of Government Accounting and Financial Reporting Standards, and subsequent statements and interpretations. The District's accounting records for general governmental operations are maintained on a modified accrual basis as prescribed by the TEA Financial Accountability System Resource Guide.

In developing and evaluating the District's accounting system, consideration is given to the adequacy of internal accounting structure. The internal accounting structure is designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. All internal control evaluations occur within the above framework. We believe that the District's internal accounting structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

Budgetary control is initiated at the onset when the Board of Trustees adopts the annual appropriated budget. To ensure budgetary compliance, the TEA and the District have established spending regulations and policies. For all administrators with line item or program responsibility, TEA regulations set the level of budgetary control at the major functional expenditure level. Budgetary control is more restrictive at the District level, where administrators are held responsible for maintaining and managing their budgets at the detail line item level. All revisions at the function level are approved by the Board of Trustees.

CASH MANAGEMENT

The District has a cash management program to maximize the use of the District's cash resources. The cash management policy of the District is to ensure the availability of cash to meet operational needs and to invest surplus cash in a manner to preserve and protect capital, but also provide adequate liquidity and earn a market rate of return. Surplus cash on hand was either deposited in the District's depository bank or invested in one of four local government investment pools pursuant to the Interlocal Cooperation Act of 1989. Deposits with the depository bank were in accounts secured at the balance sheet date by FDIC coverage. The deposits were deemed collateralized under Texas Law and the TEA.

The District complies with the School Depository Act by executing a depository agreement with a banking institution for a period of two fiscal years plus two optional two-year extensions. Local banks in the immediate surrounding area are given preference. Competitive proposals are taken with state law setting the general terms of the request for proposal.

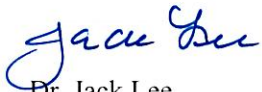
ACKNOWLEDGEMENTS

We respectfully acknowledge the responsible and sincere involvement of the school board, administrators, principals, program directors, and coordinators in the financial affairs of the District.

Special appreciation is also expressed to members of the business office staff for their assistance and effort in maintaining the financial records of the District. Individual recognition is directed to Elizabeth Banks, Chief Financial Officer, Yesenia Sandoval, Sally Eckhart, Jennifer Raske-Martinez, Abby Catoe, Sandie Rhodes, Stephanie Valdes-Flores, Teri Salinas, Brooke Pesek, Susana Menchaca-Rodriguez, and Perla Nevarez for their combined efforts in maintaining the accounting records and assisting in preparing the various financial reports at year-end. Additional recognition is directed to Dr. Jack Lee, Superintendent; Dr. Kenneth Vogel, Chief Student Services Officer; Jeremy Nueman, Chief Human Resources Officer; Dr. Ruben Carrillo, Chief Technology & Security Officer; Monica Lyons, Chief Academic Officer; and Emily Allen, Executive Director of Communications, for assistance in completing the year-end reports.

Seguin Independent School District publicly solicits the active involvement of all citizens and school district personnel in its financial affairs. Our financial records are available for public inspection and discussion at any reasonable time.

Respectfully submitted,



Dr. Jack Lee
Superintendent of Schools



Elizabeth Banks
Chief Financial Officer

SEGUIN INDEPENDENT SCHOOL DISTRICT
CERTIFICATE OF BOARD
June 30, 2025

CERTIFICATE OF BOARD

Seguin Independent School District
Name of School District

Guadalupe
County

094-901
Co. Dist. Number

We, the undersigned, clarify that the attached annual financial reports of the above named school district were reviewed and (check one) ☒ approved ☐ disapproved for the year ended June 30, 2025, at a meeting of the Board of Trustees of such school district on the 20 day of January, 2026


Signature of Board Secretary


Signature of Board President

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

SEGUIN INDEPENDENT SCHOOL DISTRICT
PRINCIPAL OFFICIALS AND ADVISORS
June 30, 2025

Board of Trustees

<u>Trustee</u>	<u>Office</u>	<u>Completed Years of Service</u>	<u>Term Expires November</u>	<u>Occupation</u>
Denise Crettenden	President	7	2026	Media Producer
Linda Duncan	Vice President	7	2026	Sales/Marketing & On Air Talent
Grace Mueller	Trustee	2	2028	Retired Educator
Joshua Bright	Trustee	3	2026	Retired US Navy Chief Petty Officer
William Dwyer	Trustee	1	2028	Lyophilization Engineer
Alejandro Guerra	Trustee	7	2026	Senior Chemist
Lisa Burns	Trustee	1	2028	Business Owner

Administrative Officials

<u>Official</u>	<u>Position</u>	<u>Years of Service</u>	
		<u>Total</u>	<u>District</u>
Dr. Jack Lee	Superintendent	19	0
Elizabeth Banks	Chief Financial Officer	15	2
Dr. Kenneth Vogel	Chief Student Services Officer	24	1
Jeremy Nueman	Chief Human Resources Officer	15	0
Dr. Ruben Carillo	Chief Technology and Security Officer	18	1
Monica Lyons	Chief Academic Officer	29	2

Consultants and Advisors

Crowe LLP
Independent Auditors
9 Greenway Plaza, Suite 2100 Houston, Texas 77046

McCall, Parkhurst & Horton LLP
Bond Counsel
600 Travis, Suite 4200 San Antonio, Texas 78205

Specialized Public Finance Inc.
Financial Advisor
10010 San Pedro Ave., Suite 301 San Antonio, Texas 78216

SEGUIN INDEPENDENT SCHOOL DISTRICT
ORGANIZATIONAL CHART
June 30, 2025





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Seguin Independent School District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Seguin Independent School District

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, schedules of the District's proportionate share of the net pension and other postemployment liability, and schedules of contributions on pages 15-21 and 63-67 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, such as the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and 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

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections and the schedule of required responses to selected school first indicators but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2026 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.


Crowe LLP

Houston, Texas
January 5, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

SEGUIN INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2025

As the management of Seguin Independent School District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented here in conjunction with the notes to the basic financial statements and the financial statements themselves to enhance their understanding of the District's financial condition.

FINANCIAL HIGHLIGHTS

- The District's total combined net position at June 30, 2025 was \$28,668,993.
- For the fiscal year ended June 30, 2025, the District's general fund reported a total fund balance of \$35,427,780, of which \$199,268 is nonspendable for inventories and prepaid items, and \$35,427,780 is unassigned.
- At the end of the fiscal year, the District's governmental funds (the general fund plus all state and federal grant funds, the debt service fund, and the capital projects fund) reported a combined ending fund balance of \$117,218,276.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual report consists of three parts – *Management's Discussion and Analysis* (this section), the *Basic Financial Statements*, and *Required Supplementary Information*. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the government, reporting the District's operations in more detail than the government-wide statements.
- The *governmental funds* statements tell how *general government* services were financed in the *short-term*, as well as what remains for future spending.
- The *proprietary fund* statements provide information related to the District's business-type activities and an internal service fund.
- *Fiduciary fund* statements provide information about the financial relationships in which the District acts solely as a trustee or custodian for the benefit of others, to whom the fiduciary resources belong. This fund is related to student activity.

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

SEGUIN INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2025

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide statements report information about the District as a whole. These statements include transactions and balances relating to all assets, including infrastructure capital assets. These statements are designed to provide information about cost of services, operating results, and financial position of the District as an economic entity. The Statement of Net Position and the Statement of Activities, which appear first in the District's financial statements, report information on the District's activities that enable the reader to understand the financial condition of the District. These statements are prepared using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account even if cash has not yet changed hands.

The Statement of Net Position presents information on all of the District's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Other nonfinancial factors, such as changes in the District's tax base, staffing patterns, enrollment, and attendance, need to be considered in order to assess the overall health of the District.

The Statement of Activities presents information showing how the District's net position changed during the most recent year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows – the accrual method rather than modified accrual that is used in the fund level statements.

The government-wide financial statements include governmental activities and business-type activities. Governmental activities distinguish functions of the District that are principally supported by taxes, intergovernmental revenues, and user fees and charges. The governmental activities of the District include the education of District students and the programs necessary to support such education. Business-type activities include the rental of a portion of the central administration building and the related costs of maintaining the building.

The government-wide financial statements can be found after the MD&A.

FUND FINANCIAL STATEMENTS

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

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

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2025

The District has the following kinds of funds:

- *Governmental funds* – Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- *Proprietary funds* – The District maintains two proprietary fund types: enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for workers' compensation self-insurance claims and fees and the District's parenting center. The internal service funds are included within governmental activities in the government-wide financial statements.
- *Fiduciary funds* – The District serves as the trustee, or fiduciary, for certain funds such as student activity funds. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and statement of changes in fiduciary net position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its governmental operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The District's combined net position was \$28,668,993 at June 30, 2025. Table 1 focuses on net position while Table 2 shows the revenues and expenses that changed the net position balance during the fiscal year ended June 30, 2025. Total assets and liabilities both experienced increases in the current year. The increase in capital assets was largely due to current year's capital additions related to construction in progress. The increase in current liabilities was primarily related to increases in payables for ongoing construction in the District. The increase in long-term liabilities was primarily related to the issuance of new debt as well as increases in the net OPEB liability which was partially offset by a decrease in the net pension liability. The District reported an increase of \$13,366,742 in net position from the prior year. The increase is mainly attributed to higher grants and contributions not restricted for specific programs and property tax revenues and a decrease in expenses. Grants and contributions not restricted for a specific program increased due to an increase in foundation school program and available school fund revenue received in the current year. Property tax revenue increased primarily due to an increase in property assessed values. This increase in revenue was partially offset by decreases in operating grants and contributions due to a decrease in federal program revenue in the current year. Expenses decreased across most functions mainly due to a decrease in payroll-related costs. Additionally, business-type expenses decreased due to less building repairs and maintenance in the current year.

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2025

Table 1
Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Activities</u>		<u>Total Change</u>
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025-2024</u>
ASSETS							
Current assets	\$ 146,819,530	\$ 149,276,516	\$ 1,105,688	\$ 1,194,191	\$ 147,925,218	\$ 150,470,707	\$ (2,545,489)
Capital assets	230,835,454	180,349,911	-	-	230,835,454	180,349,911	50,485,543
Total assets	<u>377,654,984</u>	<u>329,626,427</u>	<u>1,105,688</u>	<u>1,194,191</u>	<u>378,760,672</u>	<u>330,820,618</u>	<u>47,940,054</u>
DEFERRED OUTFLOWS							
ON RESOURCES							
Deferred charge on refunding	4,892,786	5,244,012	-	-	4,892,786	5,244,012	(351,226)
Deferred outflow s - pensions	7,883,405	14,210,921	-	-	7,883,405	14,210,921	(6,327,516)
Deferred outflow s - OPEB	11,186,843	8,452,660	-	-	11,186,843	8,452,660	2,734,183
Total deferred outflow s on resources	<u>23,963,034</u>	<u>27,907,593</u>	<u>-</u>	<u>-</u>	<u>23,963,034</u>	<u>27,907,593</u>	<u>(3,944,559)</u>
LIABILITIES							
Current liabilities	24,049,250	18,356,468	200	200	24,049,450	18,356,668	5,692,782
Long-term liabilities	<u>329,436,427</u>	<u>298,844,005</u>	<u>-</u>	<u>-</u>	<u>329,436,427</u>	<u>298,844,005</u>	<u>30,592,422</u>
Total liabilities	<u>353,485,677</u>	<u>317,200,473</u>	<u>200</u>	<u>200</u>	<u>353,485,877</u>	<u>317,200,673</u>	<u>36,285,204</u>
DEFERRED INFLOWS							
ON RESOURCES							
Deferred inflow s - pensions	1,173,676	2,493,350	-	-	1,173,676	2,493,350	(1,319,674)
Deferred inflow s - OPEB	18,347,966	22,597,363	-	-	18,347,966	22,597,363	(4,249,397)
Deferred inflow s - leases	-	-	1,047,194	1,134,574	1,047,194	1,134,574	(87,380)
Total deferred inflow s on resources	<u>19,521,642</u>	<u>25,090,713</u>	<u>1,047,194</u>	<u>1,134,574</u>	<u>20,568,836</u>	<u>26,225,287</u>	<u>(5,656,451)</u>
NET POSITION							
Net investment in capital assets	16,422,877	5,215,952	-	-	16,422,877	5,215,952	11,206,925
Restricted	17,462,516	17,420,243	-	-	17,462,516	17,420,243	42,273
Unrestricted	<u>(5,274,694)</u>	<u>(7,393,361)</u>	<u>58,294</u>	<u>59,417</u>	<u>(5,216,400)</u>	<u>(7,333,944)</u>	<u>2,117,544</u>
Total net position	<u>\$ 28,610,699</u>	<u>\$ 15,242,834</u>	<u>\$ 58,294</u>	<u>\$ 59,417</u>	<u>\$ 28,668,993</u>	<u>\$ 15,302,251</u>	<u>\$ 13,366,742</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2025

Table 2
Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total Activities</u>		<u>Total Change</u>
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>	<u>2025-2024</u>
Revenues							
Program revenues:							
Charges for services	\$ 1,230,137	\$ 1,033,159	\$ 90,173	\$ 90,367	\$ 1,320,310	\$ 1,123,526	\$ 196,784
Operating grants and contributions	28,746,765	34,842,436	-	-	\$ 28,746,765	34,842,436	(6,095,671)
Capital grants and contributions	27,300	92,375	-	-	27,300	92,375	(65,075)
General revenues:							-
Property taxes	57,758,324	54,299,388	-	-	57,758,324	54,299,388	3,458,936
Grants and contributions not restricted for specific programs	39,117,686	36,782,530	-	-	39,117,686	36,782,530	2,335,156
Investment earnings	5,445,348	5,819,181	2,458	6,304	5,447,806	5,825,485	(373,833)
Other revenue	<u>742,475</u>	<u>239,553</u>	<u>-</u>	<u>-</u>	<u>742,475</u>	<u>239,553</u>	<u>502,922</u>
Total revenues	133,068,035	133,108,622	92,631	96,671	133,160,666	133,205,293	(40,781)
Expenses							
Instruction	54,800,237	57,568,830	-	-	54,800,237	57,568,830	(2,768,593)
Instructional resources and media services	1,223,956	1,233,605	-	-	1,223,956	1,233,605	(9,649)
Curriculum/instructional staff development	2,201,493	1,667,366	-	-	2,201,493	1,667,366	534,127
Instructional leadership	3,147,480	3,496,822	-	-	3,147,480	3,496,822	(349,342)
School leadership	6,688,722	7,384,407	-	-	6,688,722	7,384,407	(695,685)
Guidance, counseling, and evaluation services	4,329,788	4,827,537	-	-	4,329,788	4,827,537	(497,749)
Social work services	1,426,097	1,947,503	-	-	1,426,097	1,947,503	(521,406)
Health services	941,518	974,586	-	-	941,518	974,586	(33,068)
Student (pupil) transportation	3,968,428	3,634,095	-	-	3,968,428	3,634,095	334,333
Food services	8,811,193	8,925,911	-	-	8,811,193	8,925,911	(114,718)
Extracurricular activities	3,000,431	3,222,681	-	-	3,000,431	3,222,681	(222,250)
General administration	3,683,779	3,723,035	-	-	3,683,779	3,723,035	(39,256)
Plant maintenance and operations	8,557,612	9,834,826	-	-	8,557,612	9,834,826	(1,277,214)
Security and monitoring services	1,494,579	1,605,960	-	-	1,494,579	1,605,960	(111,381)
Data processing services	2,261,774	3,004,192	-	-	2,261,774	3,004,192	(742,418)
Community services	1,508,973	203,393	-	-	1,508,973	203,393	1,305,580
Debt service - interest	8,218,419	5,118,577	-	-	8,218,419	5,118,577	3,099,842
Bond issuance costs and fees	197,709	928,266	-	-	197,709	928,266	(730,557)
Payments to fiscal agent/ member districts of SSA	2,508,092	2,498,721	-	-	2,508,092	2,498,721	9,371
Other intergovernmental charges	<u>729,890</u>	<u>842,461</u>	<u>93,754</u>	<u>307,609</u>	<u>823,644</u>	<u>1,150,070</u>	<u>(326,426)</u>
Total expenses	119,700,170	122,642,774	93,754	307,609	119,793,924	122,950,383	(3,156,459)
Change in net position	13,367,865	10,465,848	(1,123)	(210,938)	13,366,742	10,254,910	3,115,678
Net position - beginning of year	<u>15,242,834</u>	<u>4,776,986</u>	<u>59,417</u>	<u>270,355</u>	<u>15,302,251</u>	<u>5,047,341</u>	<u>10,254,910</u>
Net position - end of year	<u>\$ 28,610,699</u>	<u>\$ 15,242,834</u>	<u>\$ 58,294</u>	<u>\$ 59,417</u>	<u>\$ 28,668,993</u>	<u>\$ 15,302,251</u>	<u>\$ 13,370,588</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2025

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

At the close of the fiscal year ending June 30, 2025, the District's governmental funds reported a combined fund balance of \$117,218,276. This compares to a combined fund balance of \$126,001,897 at June 30, 2024.

The general fund fund balance at the end of the fiscal year was \$35,627,048, which represented an increase of \$608,661 from the prior year. This increase was primarily due to increases in foundation school program and available school fund revenue.

The debt service fund fund balance at the end of the fiscal year was \$17,467,215, which represented an increase of \$822,729 from the prior year. This increase was primarily due to an increase in property tax revenue due to an increase in property assessed values and an increase in the interest and sinking tax rate.

The capital projects fund fund balance at the end of the fiscal year was \$61,968,593, which represented a decrease of \$9,421,696 from the prior year. This decrease was primarily due to the use of bond proceeds for capital project related items. During the current year the District issued Unlimited Tax School Building Bonds, Series 2025A in the amount of \$44,270,000.

GENERAL FUND BUDGETARY HIGHLIGHTS

In accordance with State law and generally accepted accounting principles, the District prepares an annual budget for the general fund, the food service special revenue fund, and the debt service fund. Special revenue funds have budgets approved by the funding agency and are amended throughout the year as required.

During the period ended June 30, 2025, the District amended its budget as required by State law and to reflect current levels of revenue and anticipated expenses. The general fund's actual revenues exceeded budgeted revenues by \$637,382 primarily due to more federal and property tax revenues received than anticipated. Budgeted expenditures exceeded actual expenditures by \$5,642,861 primarily due to positive variances in instruction, instructional leadership, plant maintenance and operations, general administration, and payments related to shared service arrangements.

CAPITAL ASSETS

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

At June 30, 2025, the District had a total of \$230,835,454 invested in capital assets (net of accumulated depreciation) such as land, land improvements, buildings and building improvements, furniture and equipment, and construction in progress. This total includes \$60,153,955 invested during the fiscal year ended June 30, 2025. The majority of additions in the current year were related to continuing construction in progress on several school campuses.

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

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the year ended June 30, 2025

LONG-TERM DEBT

At year end, the District had \$281,273,956 in general obligation bonds outstanding versus \$251,768,260 last year. The increase is largely due to the issuance of Unlimited Tax School Building Bonds, Series 2025A. This increase to long term liabilities was partially offset by a cash defeasance and current year principal payments.

More detailed information about the District's long-term liabilities is presented in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The District budgeted expenditures of \$116,167,100 and revenues of \$110,347,335 for the 2025-2026 school year and adopted an M & O tax rate of \$0.6778 and an I & S rate of \$0.4050 for a combined rate of \$1.0828 for the 2025 tax year.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, 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 1221 E. Kingsbury Street, Seguin, Texas 78155.

BASIC FINANCIAL STATEMENTS

SEGUIN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION - EXHIBIT A-1
June 30, 2025

Data Control Codes		1 Governmental Activities	2 Business-Type Activities	3 Total
ASSETS				
1110	Cash and cash equivalents	\$ 126,030,607	\$ 60,247	\$ 126,090,854
1220	Property taxes receivable	3,940,156	-	3,940,156
1230	Allow ance for uncollectible taxes	(339,094)	-	(339,094)
1240	Due from other governments	16,795,966	-	16,795,966
1260	Internal balances	115	(115)	-
1290	Other receivables	142,231	1,045,556	1,187,787
1300	Inventories	242,918	-	242,918
1410	Prepays	6,631	-	6,631
		<u>146,819,530</u>	<u>1,105,688</u>	<u>147,925,218</u>
	Capital assets			
1510	Land	8,786,100	-	8,786,100
1520	Buildings and improvements, net	(131,989,996)	-	(131,989,996)
1530	Equipment and vehicles, net	110,070,530	-	110,070,530
1580	Construction in progress	106,547,792	-	106,547,792
		<u>93,414,426</u>	<u>-</u>	<u>93,414,426</u>
1000	Total assets	<u>240,233,956</u>	<u>1,105,688</u>	<u>241,339,644</u>
DEFERRED OUTFLOW OF RESOURCES				
1701	Deferred charge on refunding	4,892,786	-	4,892,786
1705	Deferred outflow s - pensions	7,883,405	-	7,883,405
1710	Deferred outflow s - OPEB	11,186,843	-	11,186,843
1700	Total deferred outflow s of resources	<u>23,963,034</u>	<u>-</u>	<u>23,963,034</u>
LIABILITIES				
2110	Accounts payable	10,377,525	200	10,377,725
2140	Interest payable	3,285,510	-	3,285,510
2150	Payroll deductions payable	1,280,526	-	1,280,526
2160	Accrued wages payable	7,912,349	-	7,912,349
2200	Accrued expenses	170,633	-	170,633
2177	Due to fiduciary funds	14,520	-	14,520
2180	Due to other governments	526,984	-	526,984
2190	Due to student groups	393,438	-	393,438
2300	Unearned revenue	87,765	-	87,765
		<u>24,049,250</u>	<u>200</u>	<u>24,049,450</u>
	Long-term liabilities			
2501	Due w ithin one year: bonds	13,640,000	-	13,640,000
2502	Due in more than one year: bonds	267,633,956	-	267,633,956
2540	Net pension liability	28,663,830	-	28,663,830
2545	Net OPEB liability	19,498,641	-	19,498,641
2000	Total liabilities	<u>353,485,677</u>	<u>200</u>	<u>353,485,877</u>
DEFERRED INFLOWS OF RESOURCES				
2605	Deferred inflow s - pensions	1,173,676	-	1,173,676
2610	Deferred inflow s - OPEB	18,347,966	-	18,347,966
2615	Deferred inflow s - leases	-	1,047,194	1,047,194
2600	Total deferred inflow s of resources	<u>19,521,642</u>	<u>1,047,194</u>	<u>20,568,836</u>
NET POSITION				
3200	Net investment in capital assets	-	-	-
	Restricted for:			
3850	Debt service	15,357,377	-	15,357,377
3820	Grant funds	2,105,139	-	2,105,139
3900	Unrestricted	11,148,888	58,294	11,207,182
3000	Total net position	<u>\$ 28,611,404</u>	<u>\$ 58,294</u>	<u>\$ 28,669,698</u>

See Notes to Financial Statements.

SEGUIN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES - EXHIBIT B-1
For the year ended June 30, 2025

Data Codes	Functions/Programs	1 Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
			3	4	5	6	7	8
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business- Type Activities	Total
	Governmental activities							
11	Instruction	\$ 54,800,237	\$ 73,210	\$ 12,516,208	\$ -	\$ (42,210,819)	\$ -	\$ (42,210,819)
12	Instructional resources						-	
12	and media services	1,223,956	-	208,873	-	(1,015,083)	-	(1,015,083)
13	Curriculum/instructional						-	
13	staff development	2,201,493	900	1,630,583	-	(570,010)	-	(570,010)
21	Instructional leadership	3,147,480	-	1,040,246	-	(2,107,234)	-	(2,107,234)
23	School leadership	6,688,722	-	1,513,474	-	(5,175,248)	-	(5,175,248)
31	Guidance, counseling,							
31	and evaluation services	4,329,788	-	1,591,176	-	(2,738,612)	-	(2,738,612)
32	Social work services	1,426,097	-	866,769	-	(559,328)	-	(559,328)
33	Health services	941,518	3,323	285,211	-	(652,984)	-	(652,984)
34	Student (pupil)							
34	transportation	3,968,428	-	165,545	-	(3,802,883)	-	(3,802,883)
35	Food services	8,811,193	251,692	7,280,441	-	(1,279,060)	-	(1,279,060)
36	Extracurricular activities	3,000,431	879,022	191,807	-	(1,929,602)	-	(1,929,602)
41	General administration	3,683,779	-	185,785	-	(3,497,994)	-	(3,497,994)
51	Plant maintenance and							
51	operations	8,557,612	21,990	322,616	27,300	(8,185,706)	-	(8,185,706)
52	Security and monitoring							
52	services	1,494,579	-	489,338	-	(1,005,241)	-	(1,005,241)
53	Data processing services	2,261,774	-	104,803	-	(2,156,971)	-	(2,156,971)
61	Community services	1,508,973	-	126,426	-	(1,382,547)	-	(1,382,547)
72	Debt service - interest	8,218,419	-	-	-	(8,218,419)	-	(8,218,419)
73	Debt service - bond							
73	issuance costs and fees	197,709	-	-	-	(197,709)	-	(197,709)
93	Payments to fiscal agent/							
93	member districts of SSA	2,508,092	-	227,464	-	(2,280,628)	-	(2,280,628)
99	Other intergovernmental							
99	charges	<u>729,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(729,890)</u>	<u>-</u>	<u>(729,890)</u>
TG	Total governmental							
TG	activities	119,700,170	1,230,137	28,746,765	27,300	(89,695,968)	-	(89,695,968)
	Business-type activities							
01	Oak Park Mall	<u>93,754</u>	<u>90,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,581)</u>	<u>(3,581)</u>
TB	Total business-type							
TB	activities	<u>93,754</u>	<u>90,173</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,581)</u>	<u>(3,581)</u>
TP	Total primary							
TP	government	<u>\$ 119,793,924</u>	<u>\$ 1,320,310</u>	<u>\$ 28,746,765</u>	<u>\$ 27,300</u>	<u>(89,695,968)</u>	<u>(3,581)</u>	<u>(89,699,549)</u>
	General revenues							
MT	Property taxes, levied for general purposes					36,306,889	-	36,306,889
DT	Property taxes, levied for debt service					21,451,435	-	21,451,435
GC	Grants and contributions not restricted for							
GC	specific programs					39,117,686	-	39,117,686
IE	Investment earnings					5,445,348	2,458	5,447,806
MI	Miscellaneous local and intermediate revenue					743,180	-	743,180
TR	Total general revenues					103,064,538	2,458	103,066,996
CN	Change in net position					13,368,570	(1,123)	13,367,447
NB	Beginning net position					15,242,834	59,417	15,302,251
NE	Ending net position					<u>\$ 28,611,404</u>	<u>\$ 58,294</u>	<u>\$ 28,669,698</u>

See Notes to Financial Statements.

SEGUIN INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS - EXHIBIT C-1
June 30, 2025

Data Control Codes	10 <u>General</u>	50 <u>Debt Service</u>	60 <u>Capital Projects</u>	ONMF Nonmajor Governmental <u>Funds</u>	98 Total Governmental <u>Funds</u>
ASSETS					
1110 Cash and cash equivalents	\$ 31,943,283	\$ 15,016,890	\$ 71,247,170	\$ 2,416,144	\$ 120,623,487
1220 Property taxes receivable	2,694,559	1,245,597	-	-	3,940,156
1230 Allowance for uncollectibles	(269,169)	(69,925)	-	-	(339,094)
1240 Due from other governments	13,518,147	28,201	-	3,249,618	16,795,966
1260 Due from other funds	2,581,160	2,426,767	4,643	1,191,457	6,204,027
1290 Other receivables	141,221	-	-	1,010	142,231
1300 Inventories	192,637	-	-	50,281	242,918
1410 Prepaid items	6,631	-	-	-	6,631
1000 Total assets	<u>\$ 50,808,469</u>	<u>\$ 18,647,530</u>	<u>\$ 71,251,813</u>	<u>\$ 6,908,510</u>	<u>\$ 147,616,322</u>
LIABILITIES					
2110 Accounts payable	\$ 1,083,309	\$ -	\$ 9,283,220	\$ 10,996	\$ 10,377,525
2150 Payroll deductions	1,280,526	-	-	-	1,280,526
2160 Accrued wages payable	6,298,328	-	-	1,614,021	7,912,349
2170 Due to other funds	3,618,224	4,643	-	2,581,010	6,203,877
2177 Due to custodial funds	14,520	-	-	-	14,520
2180 Due to other governments	458,207	-	-	68,777	526,984
2190 Due to student groups	-	-	-	393,438	393,438
2300 Unearned revenue	2,917	-	-	84,848	87,765
2000 Total liabilities	12,756,031	4,643	9,283,220	4,753,090	26,796,984
DEFERRED INFLOWS OF RESOURCES					
2600 Unavailable revenue -					
2600 property taxes	<u>2,425,390</u>	<u>1,175,672</u>	<u>-</u>	<u>-</u>	<u>3,601,062</u>
2600 Total deferred inflows					
2600 of resources	2,425,390	1,175,672	-	-	3,601,062
FUND BALANCES					
Nonspendable					
3410 Nonspendable - inventories	192,637	-	-	50,281	242,918
3430 Nonspendable - prepaid					
3430 items	6,631	-	-	-	6,631
Restricted					
3450 Restricted - grants	-	-	-	2,105,139	2,105,139
3470 Restricted - capital					
3470 acquisitions	-	-	61,968,593	-	61,968,593
3480 Restricted - debt services	-	17,467,215	-	-	17,467,215
3600 Unassigned	<u>35,427,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,427,780</u>
3000 Total fund balances	<u>35,627,048</u>	<u>17,467,215</u>	<u>61,968,593</u>	<u>2,155,420</u>	<u>117,218,276</u>
4000 Total liabilities, deferred					
4000 inflows of resources,					
4000 and fund balances	<u>\$ 50,808,469</u>	<u>\$ 18,647,530</u>	<u>\$ 71,251,813</u>	<u>\$ 6,908,510</u>	<u>\$ 147,616,322</u>

See Notes to Financial Statements.

SEGUIN INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION - EXHIBIT C-1R
June 30, 2025

Total fund balances for governmental funds \$ 117,218,276

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

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

Capital assets - nondepreciable	-	
Capital assets - depreciable, net	<u>5,431,032</u>	5,431,032

Other long-term assets are not available to pay for current period
expenditures and, therefore, are deferred in the governmental
funds. 3,601,062

The assets and liabilities of the internal service funds are included
in the governmental activities in the Statement of Net Position: 5,236,452

Some liabilities, including bonds payable and the net pension and
net other postemployment liability (OPEB), are not reported as
liabilities in the governmental funds.

Accrued interest	(3,285,510)	
Deferred outflows - pensions	7,883,405	
Deferred inflows - pensions	(1,173,676)	
Deferred outflows - OPEB	11,186,843	
Deferred inflows - OPEB	(18,347,966)	
Deferred charges on refunding	4,892,786	
Noncurrent liabilities due in one year	(13,640,000)	
Noncurrent liabilities due in more than one year	<u>(315,796,427)</u>	<u>(328,280,545)</u>

Net position of governmental activities \$ (196,793,723)

See Notes to Financial Statements.

SEGUIN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS - EXHIBIT C-2
For the year ended June 30, 2025

Data Control Codes	10 <u>General</u>	50 <u>Debt Service</u>	60 <u>Capital Projects</u>	ONMF Nonmajor Governmental Funds	98 Total Governmental Funds
Revenues					
5700 Local and intermediate sources	\$ 38,591,362	\$ 22,170,600	\$ 2,866,729	\$ 1,144,071	\$ 64,772,762
5800 State program revenues	40,317,023	2,426,767	-	4,686,755	47,430,545
5900 Federal program revenues	757,347	-	-	15,574,245	16,331,592
5020 Total revenues	<u>79,665,732</u>	<u>24,597,367</u>	<u>2,866,729</u>	<u>21,405,071</u>	<u>128,534,899</u>
Expenditures					
0011 Instruction	40,920,936	-	1,893,585	7,716,312	50,530,833
0012 Instructional resources and media services	974,275	-	-	133,126	1,107,401
0013 Curriculum and instructional staff development	449,689	-	-	1,502,875	1,952,564
0021 Instructional leadership	2,036,919	-	-	736,535	2,773,454
0023 School leadership	5,043,632	-	-	840,434	5,884,066
0031 Guidance, counseling, and and evaluation services	2,619,745	-	-	1,175,778	3,795,523
0032 Social work services	563,749	-	-	668,288	1,232,037
0033 Health services	828,718	-	-	16,580	845,298
0034 Student transportation	3,479,543	-	1,960,875	-	5,440,418
0035 Food service	-	-	-	7,881,708	7,881,708
0036 Extracurricular activities	2,044,435	-	-	706,092	2,750,527
0041 General administration	3,262,861	-	75,815	6,001	3,344,677
0051 Plant maintenance and operations	8,137,592	-	644,473	26,574	8,808,639
0052 Security and monitoring services	1,046,209	-	1,775,501	453,995	3,275,705
0053 Data processing services	2,233,933	-	25,427	-	2,259,360
0061 Community services	11,233	-	-	106,624	117,857
Debt service					
0071 Principal on long-term debt	665,000	14,400,000	-	-	15,065,000
0072 Interest on long-term debt	-	9,360,808	-	-	9,360,808
0073 Issuance costs and fees	-	18,561	179,148	-	197,709
Capital outlay					
0081 Facilities acquisition and construction	1,728,084	-	51,912,749	-	53,640,833
Intergovernmental					
0093 Payments related to shared service arrangements	2,280,628	-	-	227,464	2,508,092
0099 Other intergovernmental changes	729,890	-	-	-	729,890
6030 Total expenditures	<u>79,057,071</u>	<u>23,779,369</u>	<u>58,467,573</u>	<u>22,198,386</u>	<u>183,502,399</u>
1100 Excess (deficiency) of revenues over (under) expenditures	<u>608,661</u>	<u>817,998</u>	<u>(55,600,844)</u>	<u>(793,315)</u>	<u>(54,967,500)</u>
Other financing sources (uses)					
7911 Issuance of bonds	-	-	44,270,000	-	44,270,000
7916 Premium/discount on bonds	-	4,731	1,909,148	-	1,913,879
8940 Payment to escrow agent	-	-	-	-	-
7080 Total other financing sources (uses)	<u>-</u>	<u>4,731</u>	<u>46,179,148</u>	<u>-</u>	<u>46,183,879</u>
1200 Net change in fund balances	608,661	822,729	(9,421,696)	(793,315)	(8,783,621)
0100 Beginning fund balances	<u>35,018,387</u>	<u>16,644,486</u>	<u>71,390,289</u>	<u>2,948,735</u>	<u>126,001,897</u>
3000 Ending fund balances	<u>\$ 35,627,048</u>	<u>\$ 17,467,215</u>	<u>\$ 61,968,593</u>	<u>\$ 2,155,420</u>	<u>\$ 117,218,276</u>

See Notes to Financial Statements.

SEGUIN INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES - EXHIBIT C-3
For the year ended June 30, 2025

Net change in fund balances - total governmental funds	\$ (8,783,621)
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 and reported as depreciation expense.	
Depreciation	(9,667,707)
Capital outlay, net of disposal of assets	60,126,655
Capital contribution	27,300
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	165,205
The issuance of long-term debt (e.g., bonds, leases, certificates of obligation) 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, discounts, and similar items when it is first issued; whereas, these amounts are deferred and amortized in the Statement of Activities.	
Principal repayments	15,065,000
Issuance of bonds	(44,270,000)
Premium on new debt	(1,913,879)
Accrued interest	(119,568)
Amortization of loss on refunding	(351,226)
Amortization of premiums	1,613,183
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.	
Change in net pension liability	3,465,585
Deferred outflows - pensions	(6,327,516)
Deferred inflows - pensions	1,319,674
Change in net OPEB liability	(4,552,311)
Deferred outflows - OPEB	2,734,183
Deferred inflows - OPEB	4,249,397
Net on-behalf contributions adjustment - revenues	7,327,869
Net on-behalf contributions adjustment - expenses	(7,327,869)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	588,216
Some revenues/expenditures reported in the governmental funds are not recognized as revenues/expenditures in the Statement of Activities.	
Fund level on-behalf adjustment - revenues	(3,225,555)
Fund level on-behalf adjustment - expenditures	3,225,555
Change in Net Position of Governmental Activities	<u>\$ 13,368,570</u>

See Notes to Financial Statements.

SEGUIN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS - EXHIBIT D-1
June 30, 2025

Data Control Codes		Business-Type <u>Activities</u> <u>Enterprise</u>	Governmental <u>Activities</u> Internal <u>Service Funds</u>
	ASSETS		
	Current Assets		
1110	Cash and cash equivalents	\$ 60,247	\$ 5,407,120
1290	Lease receivable	<u>1,045,556</u>	<u>-</u>
1000	Total assets	<u>1,105,803</u>	<u>5,407,120</u>
	LIABILITIES		
	Current Liabilities		
2110	Accounts payable	200	-
2170	Due to other funds	115	35
2200	Accrued expenses	<u>-</u>	<u>170,633</u>
2000	Total liabilities	<u>315</u>	<u>170,668</u>
	DEFERRED INFLOWS OF RESOURCES		
2615	Deferred inflows - leases	<u>1,047,194</u>	<u>-</u>
2600	Total deferred inflows of resources	<u>1,047,194</u>	<u>-</u>
	NET POSITION		
3900	Unrestricted	<u>58,294</u>	<u>5,236,452</u>
3000	Total net position	<u>\$ 58,294</u>	<u>\$ 5,236,452</u>

See Notes to Financial Statements.

SEGUIN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS - EXHIBIT D-2
For the year ended June 30, 2025

Data Control Codes		Business-Type <u>Activities</u>	Governmental <u>Activities</u>
		<u>Enterprise</u>	<u>Internal Service Funds</u>
	Operating revenues		
5700	Charges for services	\$ 90,173	\$ 671,240
5020	Total operating revenues	<u>90,173</u>	<u>671,240</u>
	Operating expenses		
6100	Payroll costs	83,472	127,409
6200	Professional and contracted services	1,620	-
6300	Supplies and materials	3,844	-
6400	Other operating costs	<u>4,818</u>	<u>194,637</u>
6030	Total operating expenses	<u>93,754</u>	<u>322,046</u>
	Operating income (loss)	<u>(3,581)</u>	<u>349,194</u>
	Nonoperating revenues (expenses)		
7020	Earnings on investments	<u>2,458</u>	<u>239,022</u>
1300	Change in net position	(1,123)	588,216
0100	Beginning net position	<u>59,417</u>	<u>4,648,236</u>
3300	Ending net position	<u>\$ 58,294</u>	<u>\$ 5,236,452</u>

See Notes to Financial Statements.

SEGUIN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - EXHIBIT D-3
For the year ended June 30, 2025

	Business-Type <u>Activities</u> <u>Enterprise</u>	Governmental <u>Activities</u> Internal <u>Service Funds</u>
Cash flows from operating activities		
Cash received from user charges	\$ 91,243	\$ 671,240
Cash payments for insurance claims	-	(218,592)
Cash payments for other operating expenses	<u>(93,737)</u>	<u>-</u>
Net cash (used in) provided by operating activities	<u>(2,494)</u>	<u>452,648</u>
Cash flows from investing activities		
Proceeds from earnings on investments	<u>2,458</u>	<u>239,022</u>
Net cash provided by investing activities	<u>2,458</u>	<u>239,022</u>
(Decrease) Increase in cash and cash equivalents	(36)	691,670
Beginning cash and cash equivalents	<u>60,283</u>	<u>4,715,450</u>
Ending cash and cash equivalents	<u><u>\$ 60,247</u></u>	<u><u>\$ 5,407,120</u></u>
Reconciliation of operating income (loss) to net cash (used in) provided by operating activities		
Operating (loss) income	\$ (3,581)	\$ 349,194
Effect of increases and decreases in current assets and liabilities		
Decrease in lease receivables	88,450	-
Increase in due to other funds	17	1
(Decrease) in deferred inflows of resources	(87,380)	-
(Decrease) in accrued liabilities	<u>-</u>	<u>103,453</u>
Net cash (used in) provided by operating activities	<u><u>\$ (2,494)</u></u>	<u><u>\$ 452,648</u></u>

See Notes to Financial Statements.

SEGUIN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND - EXHIBIT E-1
June 30, 2025

	Custodial <u>Funds</u>
ASSETS	
Cash and cash equivalents	\$ 241,455
Due from others	<u>14,520</u>
Total assets	<u>255,975</u>
LIABILITIES	
Accounts payable	14,406
Accrued wages payable	<u>98</u>
Total liabilities	<u>14,504</u>
NET POSITION	
Restricted for individuals and organizations	<u>241,471</u>
Total net position	<u><u>\$ 241,471</u></u>

See Notes to Financial Statements.

SEGUIN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND - EXHIBIT E-2
For the year ended June 30, 2025

	Custodial Funds
Additions	
Contributions	\$ 415,336
Total additions	<u>415,336</u>
Deductions	
Professional and contracted services	27,697
Supplies and materials	164,959
Travel	148,404
Other expenses	<u>85,535</u>
Total deductions	<u>426,595</u>
Change in net position	(11,259)
Beginning net position	<u>252,730</u>
Ending net position	<u><u>\$ 241,471</u></u>

See Notes to Financial Statements.

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

Government-Wide Financial Statements: The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from Business-Type activities, which rely to a significant extent on fees and charges to external customers for support.

Basis of Presentation – Government-Wide Financial Statements: While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonable equivalent in value to the interfund services provided.

Basis of Presentation – Fund Financial Statements: The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental and proprietary funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following governmental funds:

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

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

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

Proprietary Funds: Proprietary funds are used to account for activities that are similar to those often found in the private sector. The measurement focus is on determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues include charges for services. Operating expenses include administrative, facilities maintenance and operations, and community service expenses. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Internal Service Funds: The Internal Service fund is used to account for, and report revenue and expenses related to services provided to parties inside the District on a cost-reimbursement basis. This fund accounts for the District's workers' compensation risk management. Because the principal users of the internal service fund are the District's governmental activities, this fund type is included in the governmental activities column of the governmental-wide financial statements.

Enterprise Funds: This fund type is used to account for the operations of the District's Oak Park Mall property. The principal operating revenues of the District's enterprise fund are charges for use of the Oak Park Mall.

Fiduciary Funds: The fiduciary funds account for assets held by the District in a trustee capacity or resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

The District has the following type of fiduciary funds:

Custodial Fund: The custodial fund reports resources, not in a trust, that are held by the District for other parties outside of the District. Custodial funds are accounted for using the accrual basis of accounting. This fund is used to account for activities of student groups.

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

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

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

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

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

State and federal program revenues and interest income are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. No accrual for property taxes collected within 60 days of year end has been made as such amounts are deemed immaterial. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for the revenue source (within 60 days of year-end). All other revenue items are considered measurable and available only when cash is received by the District.

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

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

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Inventories and Prepaid Items: The costs of governmental fund type inventories are recorded as expenditures when the related liability is incurred (i.e., the purchase method). Certain payments to vendors reflect costs applicable to the future accounting period (prepaid expenditures) are recognized as expenditures when utilized. Federal food commodities inventory is stated at fair value and at year end is recorded as unearned revenue. Revenue is recognized at fair value when commodities are distributed to the schools.

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

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

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

<u>Asset Description</u>	<u>Estimated Useful Life</u>
Buildings and improvements	30 years
Furniture and equipment	3-10 years

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Deferred outflows/inflows of resources are amortized as follows:

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

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

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

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

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The District has noncancellable subscription-based information technology arrangements (SBITAs) to finance the use of information technology software. The District would recognize a liability (the "subscription liability") and an intangible, right-to-use subscription asset (the "subscription asset") in the government-wide financial statements. The District's SBITAs to report are immaterial to the financial statements as a whole and are not recognized as a subscription liability or a subscription asset.

Compensated Absences: Twelve-month employees with less than ten years of service accrue 0.834 days of vacation each month between July 1 and June 30. Twelve-month employees with greater than 10 years of service accrue 1.25 vacation days each month between July 1 and June 30. Employees may accrue up to a maximum of 35 vacation days.

A permanent employee who was employed by the District prior to September 1, 1994, who contributes to the Teacher Retirement System (TRS) through payroll deductions, who was employed by the District for the past ten consecutive years, and who retires from the District under the provisions of TRS shall be paid for all unused state and local sick leave accrued while employed by the District. The total paid days cannot exceed 90 and will be based on the employee's current rate of pay at the time of separation.

The District implemented GASB Statement No. 101, *Compensated Absences*, during the current fiscal year. Under this standard, liabilities for compensated absences are recognized when earned and remeasured at each reporting date using the most recent pay rates and applicable benefit factors. The District remeasured its compensated absences liability as of year-end in accordance with GASB 101, and the resulting liability was determined to be immaterial to the government-wide financial statements. The District will continue to remeasure this liability annually in accordance with the standard.

Leases: The District is a lessor for several noncancellable leases of building and land space. The District recognizes a lease receivable and a deferred inflow of resources in the proprietary fund financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

The District uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

The District is a lessee for a noncancellable lease of equipment. The District would recognize a lease liability and an intangible, right-to-use lease asset (the "lease asset") in the government-wide financial statements. The District's leases to report are immaterial to the financial statements as a whole and are not recognized as a lease liability or a lease asset.

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

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

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

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The District's Board is the highest level of decision-making authority for the District that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

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

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

Other Postemployment Benefits: The fiduciary net position of the TRS Texas Public School Retired Employees Group Insurance Program ("TRS-Care") has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, and information about assets, liabilities, and additions to/deductions from TRS-Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

Revenues and Expenditures/Expenses:

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

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

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

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Proprietary Funds Operating and Nonoperating Revenues and Expenses: Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing deliverable goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the internal service fund is charges to the District to fund workers' compensation costs. The principal revenues of the enterprise fund are charges to customers for the sales of services. Operating expenses for the internal service fund include the workers compensation and administrative expenses. Operating expenses for the enterprise fund include cost of sales of services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The District adopts annual appropriations type budgets for the general fund, national school breakfast and lunch program special revenue fund, and the debt service fund using the same method of accounting as for financial reporting, as required by law. The special revenue funds (primarily federal grant programs) utilize a managerial type budget. These grants are subject to Federal, State, and locally imposed project length budgets and monitoring through submission of reimbursement reports. Expenditures may not legally exceed budgeted appropriations at the function or activity level. Expenditure requests which require an increase in total budgeted appropriations must be approved by the Board through a formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available and estimated revenues. State law also prohibits amendment of the budget after fiscal year end.

The administrative level at which responsibility for control of budgeted appropriations begins at the organization level within each function of operations. The finance department reviews closely the expenditures requests submitted by the various organizational heads (principal and department heads) throughout the year to ensure proper spending compliance. No public funds of the District shall be expended in any manner other than as provided for in the budget adopted by the Board.

The official school budget was prepared for adoption for budgeted governmental fund types by July 1, 2024. The budget was formally adopted by the Board at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the TEA through inclusion in the annual financial and compliance report.

NOTE 3 - DETAILED NOTES ON ALL FUNDS

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

<u>Investments</u>	<u>Amount</u>	Maturity (Years)	
		Weighted	<u>Rating</u>
		<u>Average</u>	
TexPool Investment Pool	\$ 3,618,340	0.09	AAAm
Lone Star Investment Pool	114,098,738	0.12	AAAm
Texas CLASS Investment Pool	10,288,092	0.05	AAAm
LOGIC Investment Pool	<u>489,409</u>	0.15	AAAm
Total investments	<u>\$ 128,494,579</u>		
Portfolio weighted average maturity		0.10	

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Interest rate risk - In accordance with its investment policy, the District manages its exposure to declines in fair values by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations and invest operating funds primarily in short-term securities.

Credit risk - The District's policy requires that investment pools must be rated no lower than 'AAA' or 'AAA-m'. Bankers' acceptances must be issued in the United States and carry a rating of 'A1'/'P1' as provided by two of the top nationally recognized rating agencies. As of June 30, 2025, the District's investments in investment pools were rated 'AAAm' by Standard & Poor's.

Custodial credit risk - deposits. In the case of deposits, this is the risk that the District's deposits may not be returned in the event of a bank failure. The District's investment policy requires funds on deposit at the depository bank to be collateralized by securities. As of June 30, 2025, fair market values of pledged securities and FDIC coverage exceeded bank balances of \$3,270,222.

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

TexPool - TexPool was established as a trust company with the Treasurer of the State as trustee, segregated from all other trustees, investments, and activities of the trust company. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller has established an advisory board composed of both participants in TexPool and other persons who do not have a business relationship with TexPool. The advisory board members review the investment policy and management fee structure. Finally, Standard & Poor's rates TexPool 'AAAm'. As a requirement to maintain the rating, weekly portfolio information must be submitted to Standard & Poor's, as well as to the office of the Comptroller of Public Accounts for review.

TexPool is an external investment pool measured at amortized cost. In order to meet the criteria to be recorded at amortized cost, TexPool must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity, and diversification requirements within TexPool. TexPool transacts at a net asset value of \$1.00 per share, has weighted average maturities of 60 days or less, and weighted average lives of 120 days or less. Investments held are highly rated by nationally recognized statistical rating organizations, have no more than five percent of portfolio with one issuer (excluding U.S. government securities), and can meet reasonably foreseeable redemptions. TexPool has a redemption notice period of one day and may redeem daily. TexPool's authority may only impose restrictions on redemptions in the event of a general suspension of trading on major securities markets, general banking moratorium, or national state of emergency that affects TexPool's liquidity.

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Texas CLASS - The Texas Cooperative Liquid Assets Securities System Trust – Texas (“CLASS”) is a public funds investment pool under Section 2256.016 of the Public Funds Investment Act, Texas Government Code, as amended. CLASS is created under an amended and restated trust agreement, dated as of December 14, 2011 (the “Agreement”), among certain Texas governmental entities investing in CLASS (the “Participants”), with Cutwater Investor Services Corporation as program administrator and Wells Fargo Bank Texas, NA as custodian. CLASS is not SEC registered and is not subject to regulation by the State. Under the Agreement, however, CLASS is administered and supervised by a seven-member board of trustees (the “Board”), whose members are investment officers of the Participants, elected by the Participants for overlapping two-year terms. In the Agreement and by resolution of the Board, CLASS has contracted with Cutwater Investors Service Corporation to provide for the investment and management of the public funds of CLASS. Separate financial statements for CLASS may be obtained from CLASS’ website at www.texasclass.com.

Lone Star - The Lone Star Investment Pool (“Lone Star”) is a public funds investment pool created pursuant to the Interlocal Cooperation Act, Texas Government Code Chapter 791, and the Public Funds Investment Act, Texas Government Code, Chapter 2256. Lone Star is administered by First Public, a subsidiary of the Texas Association of School Boards, with Standish and American Beacon Advisors managing the investment and reinvestment of Lone Star’s assets. State Street Bank provides custody and valuation services to Lone Star. All of the Board’s eleven members are Lone Star participants by either being employees or elected officials of a participant. Lone Star has established an advisory board composed of both pool members and nonmembers. Lone Star is rated ‘AAA’ by Standard and Poor’s and operated in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940. The District is invested in the Government Overnight Fund of Lone Star which seeks to maintain a net asset value of one dollar. Lone Star has 3 different funds: Government Overnight, Corporate Overnight, and Corporate Overnight Plus. Government Overnight, Corporate Overnight, and Corporate Overnight Plus maintain a net asset value of one dollar.

LOGIC - The Local Government Investments Cooperative (“LOGIC”) is an investment program for local governments within the State. LOGIC is governed by a board of trustees consisting of individuals from participating government entities. JP Morgan Investment Management, Inc. and First Southwest provide investment management services. Investments are subject to the strict requirements of the Public Funds Investment Act and LOGIC may invest in any of the securities authorized by statute. LOGIC must demonstrate compliance with Chapter 2256, Sections .016, .017, .018, and .019.

In accordance with Governmental Accounting Standards Board Statement No. 79, the external local government investment pools do not have any limitations and restrictions on withdrawals such as notice periods or maximum transaction amounts. These pools do not impose any liquidity fees or redemption rates.

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

	Beginning <u>Balances</u>	<u>Increase</u>	<u>(Decreases)</u>	Ending <u>Balances</u>
<u>Governmental activities</u>				
Capital assets not being depreciated/amortized				
Land and land improvements	\$ 8,786,100	\$ -	\$ -	\$ 8,786,100
Construction in progress	<u>57,055,366</u>	<u>56,915,367</u>	<u>(7,422,941)</u>	<u>106,547,792</u>
Total capital assets not being depreciated/amortized	<u>65,841,466</u>	<u>56,915,367</u>	<u>(7,422,941)</u>	<u>115,333,892</u>
Capital assets, being depreciated/amortized				
Buildings and improvements	220,121,724	7,800,836	-	227,922,560
Furniture and equipment	<u>18,226,257</u>	<u>2,860,693</u>	<u>(1,517,952)</u>	<u>19,568,998</u>
Total other capital assets	<u>238,347,981</u>	<u>10,661,529</u>	<u>(1,517,952)</u>	<u>247,491,558</u>
Less accumulated depreciation /amortization for				
Buildings and improvements	(109,176,810)	(8,675,220)	-	(117,852,030)
Furniture and equipment	<u>(14,662,726)</u>	<u>(992,487)</u>	<u>1,517,247</u>	<u>(14,137,966)</u>
Total accumulated depreciation/amortization	<u>(123,839,536)</u>	<u>(9,667,707)</u>	<u>1,517,247</u>	<u>(131,989,996)</u>
Other capital assets, net	<u>114,508,445</u>	<u>993,822</u>	<u>(705)</u>	<u>115,501,562</u>
Governmental activities capital assets, net	<u>\$ 180,349,911</u>	<u>\$ 57,909,189</u>	<u>\$ (7,423,646)</u>	<u>230,835,454</u>
				(281,273,956)
				4,892,786
				(9,283,220)
				<u>71,251,813</u>
				<u>\$ 16,422,877</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Depreciation was charged to governmental functions as follows:

	<u>Governmental Activities</u>
11 Instruction	\$ 4,608,783
12 Instructional resources/media services	101,003
13 Curriculum and staff development	178,088
21 Instructional leadership	252,959
23 School leadership	536,670
31 Guidance, counseling, and evaluation services	346,179
32 Social work services	112,371
33 Health services	77,097
34 Student (pupil) transportation	496,206
35 Food services	718,869
36 Extracurricular activities	250,868
41 General administration	305,059
51 Facilities maintenance and operations	298,768
52 Security and monitoring services	10,749
61 Community services	<u>1,374,038</u>
Total depreciation expense	<u>\$ 9,667,707</u>

As of June 30, 2025, the District had the following construction commitments for Governmental Activities:

	<u>Project Amount</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
Softball/baseball fields	\$ 9,323,133	\$ 9,299,133	\$ 24,000
AJ Briesemeister Middle School			
Renovations and Additions	33,378,295	33,259,920	118,375
Barnes Middle School Addition	24,533,000	20,878,595	3,654,405
New Ag Science Facility	6,183,069	1,301,638	4,881,431
McQueeney Elementary School	44,906,500	25,243,425	19,663,075
Transportation Addition	<u>3,481,817</u>	<u>2,517,976</u>	<u>963,841</u>
	<u>\$ 121,805,814</u>	<u>\$ 92,500,687</u>	<u>\$ 29,305,127</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Lease Receivable: During the current fiscal year, the District accounted for and captured the lease receivable and deferred inflow related to the lease of certain areas of the Oak Park Mall property for private use. The leases span from 3 to 30 years, and the District will receive monthly payments of \$5,328 for the leases. The District recognized \$88,768 in lease revenue during the current fiscal year related to these leases. As of June 30, 2025, the District's receivable for lease payments was \$1,045,556. Also, the District has a deferred inflow of resources associated with these leases that will be recognized as revenue over the lease term. As of June 30, 2025, the balance of the deferred inflow of resources was \$1,047,194.

Fiscal Year Ended June 30	Lease Receipts			Amortization of Deferred Inflows
	Principal	Interest	Total	
2026	\$ 86,542	\$ 7,379	\$ 93,921	\$ 85,584
2027	66,739	4,964	71,703	65,836
2028	66,653	6,660	73,313	65,836
2029	66,568	8,404	74,972	65,836
2030	66,484	10,198	76,682	65,836
2031 - 2035	331,161	79,734	410,895	329,183
2036 - 2040	182,198	50,042	232,240	182,547
2041 - 2045	82,476	7,524	90,000	84,789
2046 - 2050	80,779	9,221	90,000	84,789
2051 - 2055	15,956	2,044	18,000	16,958
	<u>\$ 1,045,556</u>	<u>\$ 186,170</u>	<u>\$ 1,231,726</u>	<u>\$ 1,047,194</u>

Long-Term Debt: The following is a summary of changes in the District's total governmental long-term liabilities for the year. In general, the District uses the debt service fund to liquidate governmental long-term liabilities. The liability for the net pension and the net OPEB liability are liquidated by the general fund.

	Beginning Balances	Additions	(Reductions)	Ending Balances	Amounts Due Within One Year
Governmental activities					
Bonds payable					
General obligation bonds	\$ 235,830,000	\$ 44,270,000	\$ (15,065,000)	\$ 265,035,000	\$ 13,640,000
Bond premiums	15,938,260	1,913,879	(1,613,183)	16,238,956	-
	<u>251,768,260</u>	<u>46,183,879</u>	<u>(16,678,183)</u>	<u>281,273,956</u>	<u>* 13,640,000</u>
Other liabilities:					
Net pension liability	32,129,415	-	(3,465,585)	28,663,830	-
Net OPEB liability	14,946,330	4,552,311	-	19,498,641	-
Total governmental activities	<u>\$ 298,844,005</u>	<u>\$ 50,736,190</u>	<u>\$ (20,143,768)</u>	<u>\$ 329,436,427</u>	<u>\$ 13,640,000</u>
Long-term liabilities due in more than one year				<u>\$ 315,796,427</u>	
*Debt associated with capital assets				<u>\$ 281,273,956</u>	

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

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

Bonded debt payable as of June 30, 2025 is as follows:

<u>Date of Issue</u>	<u>Description</u>	<u>Interest Rate Payable</u>	<u>Original Amounts Issued</u>	<u>Amounts Outstanding 06/30/24</u>	<u>Retired Current Year</u>	<u>Amounts Outstanding 06/30/25</u>
5/20/2025	Unlimited Tax School Building Bonds Series 2025A	5.00%	\$ 44,270,000	\$ -	\$ -	\$ 44,270,000
4/3/2024	Unlimited Tax Refunding Bonds Series 2024B	4.00 - 5.00%	\$ 22,330,000	22,330,000	-	22,330,000
4/3/2024	Unlimited Tax School Building Bonds Series 2024A	4.00 - 5.00%	\$ 43,050,000	43,050,000	350,000	42,700,000
8/3/2023	Unlimited Tax School Building Bonds Series 2023A	3.00 - 5.00%	\$ 7,430,000	7,165,000	120,000	7,045,000
3/2/2023	Unlimited Tax School Building Bonds Series 2023	4.00 - 5.00%	\$ 39,860,000	38,995,000	655,000	38,340,000
2/10/2021	Unlimited Tax School Building Bonds Series 2021	2.00 - 5.00%	\$ 27,665,000	26,575,000	585,000	25,990,000
10/28/2020	Unlimited Tax Refunding Bonds Taxable Series 2020	1.40 - 4.00%	\$ 44,769,951	19,060,000	1,990,000	17,070,000
8/14/2019	Unlimited Tax School Building Bonds Series 2019	2.00 - 5.00%	\$ 31,656,000	28,145,000	7,250,000	20,895,000
6/8/2016	Unlimited Tax Refunding Bonds Series 2016A	2.00 - 5.00%	\$ 7,045,000	6,330,000	1,465,000	4,865,000
3/30/2016	Unlimited Tax Refunding Bonds Series 2016	2.00 - 5.00%	\$ 33,375,000	16,590,000	1,105,000	15,485,000
9/29/2015	Unlimited Tax School Building Bonds Series 2015	2.00 - 5.00%	\$ 37,065,000	22,245,000	880,000	21,365,000
<u>Maintenance Tax Notes</u>						
10/18/2016	Maintenance Tax Notes Taxable Series 2016Z (QZAB)	0.00	\$ 10,000,000	5,345,000	665,000	4,680,000
	Totals			<u>\$ 235,830,000</u>	<u>\$ 15,065,000</u>	<u>\$ 265,035,000</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 3 - DETAILED NOTES ON ALL FUNDS (Continued)

Partial Cash Defeasance: During the current fiscal year, the District defeased \$6,605,000 of its Unlimited Tax School Building Bonds, Series 2019, by placing \$6,981,840 of existing Debt Service Fund resources in an irrevocable escrow account with an escrow agent to provide for all future debt service payments on the defeased portion. Accordingly, the portion of the bonds considered defeased is not included in the District's long-term debt. As of June 30, 2025, \$6,605,000 of the defeased bonds remained outstanding.

Unlimited Tax School Building Bonds: During the fiscal year, the District issued Unlimited Tax School Building Bonds, Series 2025A (the "Bonds") for a total amount of \$44,270,000 for designing, constructing, renovating, improving, upgrading, acquiring, and equipping school facilities; the purchase of the necessary sites for school facilities; and the purchase of new school buses. The bonds carry an interest rate of 5.00% and are set to mature in 2050.

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

<u>Year Ended</u> <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Requirements</u>
2026	\$ 13,640,000	\$ 10,341,621	\$ 23,981,621
2027	14,320,000	10,296,122	24,616,122
2028	9,905,000	9,640,247	19,545,247
2029	10,040,000	9,211,372	19,251,372
2030	8,875,000	8,803,402	17,678,402
2031 - 2035	47,615,000	37,995,880	85,610,880
2036 - 2040	50,065,000	27,647,162	77,712,162
2041 - 2045	53,655,000	17,425,128	71,080,128
2046 - 2050	38,155,000	8,682,494	46,837,494
2051 - 2055	<u>18,765,000</u>	<u>1,713,163</u>	<u>20,478,163</u>
Total	<u>\$ 265,035,000</u>	<u>\$ 141,756,591</u>	<u>\$ 406,791,591</u>

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

<u>Due To</u>	<u>Due From</u>	<u>Amounts</u>
General	Nonmajor governmental	\$ 2,581,010
General	Internal service	35
General	Enterprise	115
Capital projects	Debt service	4,643
Nonmajor governmental	General	1,191,457
Debt service	General	<u>2,426,767</u>
		<u>\$ 6,204,027</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION

Risk Management: The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the District purchases commercial insurance. The District has not significantly reduced insurance coverage or had settlements which exceeded coverage amounts for the past three years.

The District participates in the Texas Association of School Boards Risk Management Fund's Workers' Compensation Aggregate Deductible program (the "Program"). The schedule below represents the liability for the Program.

The District's claims liability amount for the fiscal year ended June 30, 2025 and June 30, 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Liability, beginning of year	\$ 67,180	\$ 209,676
Current year claims charges and estimates	170,342	(93,202)
Claim payments	<u>(66,889)</u>	<u>(49,294)</u>
Liability, end of year	<u>\$ 170,633</u>	<u>\$ 67,180</u>

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

Liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported. Claim liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of payouts, and other economic and social factors. No claim liabilities are reported at year end.

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

Litigation: The District is a party to various legal actions, none of which is believed by the administration or its legal counsel to have a material effect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying basic financial statements for such contingencies.

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Defined Benefit Pension Plan:

Teacher Retirement System

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

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

Pension Plan Fiduciary Net Position: Detailed information about the TRS's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <https://www.trs.texas.gov/Pages/aboutpublications.aspx>, or by writing to TRS at attention Finance Division, PO Box 149676, Austin, TX, 78714-0185; or by calling 1-800-223-8778.

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

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

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

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

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill ("Senate Bill 12") of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2019 through 2025.

Contribution Rates			
<u>Fiscal Year</u>	<u>State</u>	Public Education <u>Employer</u>	Active <u>Employee</u>
2024	8.25%	1.90%	8.25%
2025	8.25%	2.00%	8.25%

		Contribution Rates	
		<u>2024</u>	<u>2025</u>
Member		8.25%	8.25%
NECE (State)		8.25%	8.25%
Employers		8.25%	8.25%

		Measurement <u>Year 2024</u>	Fiscal Year <u>Year 2025</u>
Employer contributions	\$	2,644,397	\$ 2,668,831
Member contributions	\$	4,904,292	\$ 4,886,594
NECE on-behalf contributions	\$	3,205,120	\$ 3,335,759

Contributors to TRS include active members, employers, and the State of Texas as the only nonemployer contributing entity ("NECE"). The State is also the employer for senior colleges, medical schools, and other entities, including TRS. In each respective role, the State contributes to TRS in accordance with state statutes and the General Appropriations Act (GAA).

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

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

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

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

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

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

Valuation date	August 31, 2023 rolled forward to August 31, 2024
Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.00%
Long-term expected investment rate of return	7.00%
Municipal bond rate as of August 2024*	3.87%
Inflation	2.30%
Salary increases	2.95% to 8.95%, including inflation
Benefit changes during the year	None

**The source for the rate is the Bond Buyers 20 Index which represents the estimated yield of a portfolio of 20 general obligation bonds maturing in 20 years based on a survey of municipal bond traders.*

The actuarial methods and assumptions used in the determination of the TPL are the same assumptions used in the actuarial valuation as of ending August 31, 2023. For a full description of these assumptions, please see the TRS actuarial valuation report dated November 21, 2023.

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

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

The long-term expected rate of return on pension plan investments is 7.00%. The long-term expected rate of return on TRS 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.

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Best estimates of geometric real rates of return for each major asset class included in TRS's target asset allocation as of August 31, 2024 are summarized below:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Geometric Real Rate of Return (2)</u>	<u>Long-Term Portfolio Returns</u>
Global equity			
U.S.	18.00%	4.40%	1.00%
Non-U.S. developed	13.00%	4.20%	0.80%
Emerging markets	9.00%	5.20%	0.70%
Private equity	14.00%	6.70%	1.20%
Stable value			
Government bonds	16.00%	1.90%	0.40%
Stable value hedge funds	5.00%	3.00%	0.20%
Absolute return*	0.00%	4.00%	0.00%
Real return			
Real estate	15.00%	6.60%	1.20%
Energy, natural resources, and infrastructure	6.00%	5.60%	0.40%
Commodities	0.00%	2.50%	0.00%
Risk parity			
Risk parity	8.00%	4.00%	0.40%
Leverage			
Cash	2.00%	1.00%	0.00%
Asset allocation leverage	<u>-6.00%</u>	<u>1.30%</u>	-0.10%
Inflation expectation			2.40%
Volatility drag (3)			<u>-0.70%</u>
Expected Return	<u>100.00%</u>		<u>7.90%</u>

* Absolute Return includes Credit Sensitive Investments

(1) Target allocations are based on the FY2024 policy model.

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

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

Discount Rate Sensitivity Analysis: The following table presents the net pension liability (NPL) of TRS using the discount rate of 7%, and what the NPL would be if it was calculated using a discount rate that is 1% point lower (6%) or 1% point higher (8%) than the current rate:

	<u>1% Decrease in Discount Rate (6%)</u>	<u>Current Discount Rate (7%)</u>	<u>1% Increase in Discount Rate (8%)</u>
District's proportionate share of the net pension liability	<u>\$ 45,783,399</u>	<u>\$ 28,663,830</u>	<u>\$ 14,479,049</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

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

At the fiscal year ended June 30, 2025, the District reported a liability of \$28,663,830 for its proportionate share of the TRS NPL. This liability reflects a reduction for state pension support provided to the District. The amounts recognized by the District as its proportionate share of the NPL, the related state support, and the total portion of the NPL that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 28,663,830
State's proportionate share that is associated with the District	<u>34,741,762</u>
Total	<u>\$ 63,405,592</u>

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

On August 31, 2024, the District's proportion of the collective NPL was 0.04693% which was an increase of 0.00016% from its proportion measured as of August 31, 2023.

Changes Since the Prior Actuarial Valuation: The actuarial assumptions and methods are the same as used in the determination of the prior year's NPL.

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

The amount of pension expense recognized by the District as of June 30, 2025 was \$4,226,592.

For the year ended June 30, 2025, the District recognized pension expense of \$4,152,221 and revenue of \$4,152,221 for support provided by the State.

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

At June 30, 2025, 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual economic experience	\$ 1,579,911	\$ (223,793)
Changes in actuarial assumptions	1,479,975	(198,414)
Difference between projected and actual investment earnings	174,237	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	2,400,336	(751,469)
Contributions paid to TRS subsequent to the measurement date	<u>2,248,946</u>	<u>-</u>
	<u>\$ 7,883,405</u>	<u>\$ (1,173,676)</u>

The amount of \$2,248,946 for contributions made after the measurement date of the NPL but before the end of the District's reporting period will be recognized as a reduction of the NPL in the subsequent fiscal year.

The net amounts of the District's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ended June 30</u>	<u>Pension Expense</u>
2026	\$ 352,049
2027	3,686,334
2028	917,725
2029	(600,873)
2030	105,548
Total	<u>\$ 4,460,783</u>

Defined Other Postemployment Benefits Plan:

Plan Description: The District participates in TRS-Care. It is a multiple-employer, cost-sharing defined benefit OPEB plan with a special funding situation. TRS-Care was established in 1986 by the Texas Legislature.

The TRS Board of Trustees (the "Board") administers the TRS-Care program and the related fund in accordance with Texas Insurance Code Chapter 1575. The Board is granted the authority to establish basic and optional group insurance 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.

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

OPEB Plan Fiduciary Net Position: Detailed information about TRS-Care's fiduciary net position is available in a separately issued TRS Annual Comprehensive Financial Report that includes financial statements and Required Supplementary Information. That report may be obtained on the Internet at <https://www.trs.texas.gov/Pages/aboutpublications.aspx>, or by writing to TRS at attention Finance Division, PO Box 149676, Austin, TX, 78714-0185; or by calling 1-800-223-8778.

Components of the net OPEB liability of TRS-Care as of August 31, 2024 are as follows:

Total OPEB liability	\$ 35,168,178,563
Less: plan fiduciary net position	<u>(4,816,646,311)</u>
Net OPEB Liability	<u>\$ 30,351,532,252</u>
Net position as a percentage of total OPEB liability	13.70%

Benefits Provided: TRS-Care provides health insurance coverage to retirees from public and charter schools, regional education service centers, and other educational districts who are members of 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 TRS. There are no automatic postemployment benefit changes, including automatic COLAs.

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

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

TRS-Care Monthly Premium Rates			
		<u>Medicare</u>	<u>Non-Medicare</u>
Retiree or surviving spouse	\$	135	\$ 200
Retiree and spouse	\$	529	\$ 689
Retiree or surviving spouse and children	\$	468	\$ 408
Retiree and family	\$	1,020	\$ 999

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

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

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

	Contribution Rates	
	<u>2024</u>	<u>2025</u>
Active employee	0.65%	0.65%
NECE (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private funding remitted by employers	1.25%	1.25%

	Measurement	Fiscal Year
	<u>Year 2024</u>	<u>Year 2025</u>
Employer contributions	\$ 583,547	\$ 582,866
Member contributions	\$ 186,435	\$ 192,502
NECE on-behalf contributions	\$ 731,176	\$ 740,393

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

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

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

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 two-year set forward for males). The post-retirement mortality rates for healthy lives were based on 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.

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Additional actuarial methods and assumptions are as follows:

Valuation date	August 31, 2023 rolled forward to August 31, 2024
Actuarial cost method	Individual entry age normal
Inflation	2.30%
Discount rate	3.87% as of August 31, 2024
Aging factors	Based on the Society of Actuaries' 2013 Study "Health Care Costs - From Birth to Death".
Expenses	Third-party administrative expenses related to the delivery of healthcare benefits are included in the age-adjusted claims costs.
Projected salary increases	2.95% to 8.95%, including inflation
Healthcare trend rates	Medical trend rates: 7.75% (Medicare retirees) and 6.75% (non-Medicare retirees) Prescription drug trend rate: 7.25%. The initial trend rate decreased to an ultimate trend rate of 4.25% over a period of 11 years.
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 at age 65.
Ad hoc postemployment benefit changes	None

Discount Rate: A single discount rate of 3.87% was used to measure the total OPEB liability. There was a decrease of 0.26% in the discount rate since the previous year. Since the plan is a pay-as-you-go plan, the single discount rate is equal to the prevailing municipal bond rate.

Sensitivity of the Net OPEB Liability: Discount Rate Sensitivity Analysis – The following schedule shows the impact of the net OPEB liability if the discount rate used was 1 percentage point lower than and 1 percentage point higher than the discount rate that was used (3.87%) in measuring the net OPEB liability:

	1% Decrease in Discount Rate (2.87%)	Current Discount Rate (3.87%)	1% Increase in Discount Rate (4.87%)
District's proportionate share of the net OPEB liability	<u>\$ 23,165,296</u>	<u>\$ 19,498,641</u>	<u>\$ 16,535,928</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Healthcare Cost Trend Rates Sensitivity Analysis – The following presents the net OPEB liability of TRS-Care using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is 1% less than or 1% higher than the assumed healthcare cost trend rate:

	1% Decrease in Healthcare Cost Trend <u>Rate</u>	Current Healthcare Cost Trend <u>Rate</u>	1% Increase in Healthcare Cost Trend <u>Rate</u>
District's proportionate share of the net OPEB liability	\$ 15,878,748	\$ 19,498,641	\$ 24,215,722

OPEB Liability, OPEB Expense, and Deferred Outflows/Inflows of Resources Related to OPEB: At June 30, 2025, the District reported a liability of \$19,498,641 for its proportionate share of TRS-Care's net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 19,498,641
State's proportionate share that is associated with the District	<u>24,431,532</u>
Total	<u>\$ 43,930,173</u>

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

At August 31, 2024, the District's proportion of the collective net OPEB liability was 0.06424%, which was a decrease of 0.00327% from its proportion measured as of August 31, 2023.

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

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

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

For the year ended June 30, 2025, the District recognized OPEB expense of \$3,175,648 and revenue of \$3,175,648 for support provided by the State.

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

At June 30, 2025, the District reported its proportionate share of TRS-Care's deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual economic experience	\$ 3,737,235	\$ (9,730,879)
Changes in actuarial assumptions	2,495,596	(6,362,181)
Difference between projected and actual investment earnings	-	(54,602)
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	4,463,823	(2,200,304)
Contributions paid to TRS subsequent to the measurement date	<u>490,189</u>	<u>-</u>
	<u>\$ 11,186,843</u>	<u>\$ (18,347,966)</u>

The amount of \$490,189 for contributions made after the measurement date of the net OPEB liability but before the end of the District's reporting period will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year.

The net amounts of the District's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ended June 30</u>	<u>OPEB Expense</u>
2026	\$ (2,352,332)
2027	(1,469,214)
2028	(1,820,727)
2029	(1,434,197)
2030	(711,141)
Thereafter	<u>136,299</u>
Total	<u>\$ (7,651,312)</u>

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for TRS-Care to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal years ended June 30, 2023, 2024 and 2025, the subsidy payments received by TRS-Care on behalf of the District were \$311,401, \$315,080 and \$421,763, respectively.

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
For the year ended June 30, 2025

NOTE 4 - OTHER INFORMATION (Continued)

Employee Health Care Coverage: During the year ended June 30, 2025, employees of the District were covered by TRS Active Care (the "Plan"), a statewide coverage program for public education employees. The Plan is administered by Blue Cross Blue Shield of Texas. The District paid premiums of \$368 per month per employee to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a third party administrator acting on behalf of the licensed insurer. The Plan was authorized by Section 21.922, Texas Education Code and was documented by contractual agreements. Latest financial statements for the Plan for the year ended August 31, 2023 are public record and have been filed with the Texas State Board of Insurance, Austin Texas.

Shared Services Arrangements: The District is the fiscal agent for a shared services arrangement (SSA) which provides services to the District and Luling Independent School District. All services are provided by the fiscal agent. The member districts provide the funds to the fiscal agent. According to guidance provided in TEA's Resource Guide, the District has accounted for the fiscal agent's activities of the SSA in a special revenue fund and will be accounted for using Model 3 in the SSA section of the Resource Guide. Expenditures of the SSA are summarized below:

<u>Member Districts</u>	<u>Amounts</u>
Seguin Independent School District	\$ 2,280,628
Luling Independent School District	<u>371,265</u>
	<u>\$ 2,651,893</u>

Subsequent Event: On July 15, 2025, the District issued Unlimited Tax Refunding Bonds, Series 2025B (the "Bonds") for a total amount of \$22,670,000 for a partial defeasance of Unlimited Tax School Building Bonds, Series 2015 and Unlimited Tax Refunding Bonds, Series 2016. The bonds carry an interest rate of 5.00% and are set to mature in fiscal year 2037.

REQUIRED SUPPLEMENTARY INFORMATION

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND - EXHIBIT G-1
For the year ended June 30, 2025

Data Control Codes		Budgeted Amounts		Actual	Variance with
		Original	Final		Final Budget
Revenues					
5700	Local and intermediate sources	\$ 39,680,360	\$ 38,259,796	\$ 38,591,362	\$ 331,566
5800	State program revenues	34,745,186	40,281,554	40,317,023	35,469
5900	Federal program revenues	767,000	487,000	757,347	270,347
5020	Total revenues	75,192,546	79,028,350	79,665,732	637,382
Expenditures					
Current					
0011	Instruction	43,061,198	43,934,095	40,920,936	3,013,159
0012	Instructional resources	1,100,983	1,071,809	974,275	97,534
0013	Curriculum and staff				
0013	development	735,275	579,373	449,689	129,684
0021	Instructional leadership	2,076,321	2,350,713	2,036,919	313,794
0023	School leadership	5,097,863	5,107,443	5,043,632	63,811
0031	Guidance, counseling, and	-			
0031	evaluation service	2,677,549	2,808,040	2,619,745	188,295
0032	Social work services	672,569	682,222	563,749	118,473
0033	Health services	858,109	865,619	828,718	36,901
0034	Student (pupil) transportation	3,481,004	3,593,504	3,479,543	113,961
0036	Extracurricular activities	2,079,122	2,213,555	2,044,435	169,120
0041	General administration	3,099,979	3,543,148	3,262,861	280,287
0051	Plant maintenance and				
0051	operations	8,338,937	8,461,947	8,137,592	324,355
0052	Security and monitoring				
0052	services	952,567	1,198,967	1,046,209	152,758
0053	Data processing services	2,105,852	2,318,411	2,233,933	84,478
0061	Community services	30,167	27,329	11,233	16,096
Debt service					
0071	Principal	-	665,000	665,000	-
Capital outlay					
0081	Facilities acquisition and				
0081	construction	-	1,780,800	1,728,084	52,716
Intergovernmental					
0093	Payments related to shared				
0093	service arrangements	1,946,727	2,695,312	2,280,628	414,684
0099	Other governmental charges	842,464	802,645	729,890	72,755
6030	Total expenditures	79,156,686	84,699,932	79,057,071	5,642,861
1200	Net Change in Fund Balance	(3,964,140)	(5,671,582)	608,661	6,280,243
0100	Beginning fund balance	35,018,387	35,018,387	35,018,387	-
3000	Ending Fund Balance	\$ 31,054,247	\$ 29,346,805	\$ 35,627,048	\$ 6,280,243

Notes to Required Supplementary Information:

1. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS (TRS) - EXHIBIT G-2
For the year ended June 30, 2025

	Measurement Year									
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability (asset)	0.04693%	0.04677%	0.04454%	0.03681%	0.03636%	0.04473%	0.04466%	0.04551%	0.04424%	0.04580%
District's proportionate share of the net pension liability (asset)	\$ 28,663,830	\$ 32,129,415	\$ 26,441,265	\$ 9,372,996	\$ 19,473,044	\$ 23,251,237	\$ 24,584,065	\$ 14,552,395	\$ 16,716,082	\$ 16,189,125
State's proportionate share of the net pension liability (asset) associated with the District	<u>34,741,762</u>	<u>42,505,515</u>	<u>38,185,746</u>	<u>17,353,449</u>	<u>38,195,500</u>	<u>30,433,060</u>	<u>34,038,349</u>	<u>20,781,906</u>	<u>25,109,112</u>	<u>25,624,014</u>
Total	<u>\$ 63,405,592</u>	<u>\$ 74,634,930</u>	<u>\$ 64,627,011</u>	<u>\$ 26,726,445</u>	<u>\$ 57,668,544</u>	<u>\$ 53,684,297</u>	<u>\$ 58,622,414</u>	<u>\$ 35,334,301</u>	<u>\$ 41,825,194</u>	<u>\$ 41,813,139</u>
District's covered payroll*	\$ 59,445,969	\$ 58,183,745	\$ 54,700,793	\$ 49,606,765	\$ 49,841,004	\$ 45,398,872	\$ 44,698,829	\$ 44,729,959	\$ 43,057,064	\$ 42,909,430
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	48.22%	55.22%	48.34%	18.89%	39.07%	51.22%	55.00%	32.53%	38.82%	37.73%
Plan fiduciary net position as a percentage of the total pension liability	77.51%	73.15%	75.62%	88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%

* as of measurement date

Notes to Required Supplementary Information:

1. *Changes in Assumptions:* There were no changes in the discount rate from the prior year.
2. *Changes in Benefits:* There were no changes of benefit terms that affected measurement of the TPL during the measurement period.

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS (TRS) - EXHIBIT G-3
For the year ended June 30, 2025

	Fiscal Year									
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 2,668,831	\$ 2,603,359	\$ 2,337,621	\$ 1,992,160	\$ 1,493,952	\$ 1,511,310	\$ 1,553,829	\$ 1,490,683	\$ 1,483,786	\$ 1,399,559
Contributions in relation to the contractually required contributions	<u>2,668,831</u>	<u>2,603,359</u>	<u>2,337,621</u>	<u>1,992,160</u>	<u>1,493,952</u>	<u>1,511,310</u>	<u>1,553,829</u>	<u>1,490,683</u>	<u>1,483,786</u>	<u>1,399,559</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 59,231,447	\$ 59,565,327	\$ 57,448,485	\$ 53,815,445	\$ 49,454,677	\$ 49,139,953	\$ 45,302,507	\$ 44,609,702	\$ 44,532,095	\$ 43,058,073
Contributions as a percentage of covered payroll	4.51%	4.37%	4.07%	3.70%	3.02%	3.08%	3.43%	3.34%	3.33%	3.25%

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEXAS PUBLIC SCHOOL RETIRED EMPLOYEES GROUP INSURANCE PROGRAM (TRS-CARE) EXHIBIT G-4
For the year ended June 30, 2025

	Measurement Year*							
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the collective net OPEB liability	0.06424%	0.06751%	0.06579%	0.05760%	0.05970%	0.05882%	0.05874%	0.05755%
District's proportionate share of the collective net OPEB liability	\$ 19,498,641	\$ 14,946,330	\$ 15,752,320	\$ 22,217,570	\$ 22,695,080	\$ 27,816,154	\$ 29,326,739	\$ 25,027,918
State's proportionate share of the collective net OPEB liability associated with the District	<u>24,431,532</u>	<u>18,035,045</u>	<u>19,215,356</u>	<u>29,766,592</u>	<u>30,496,748</u>	<u>39,961,446</u>	<u>37,251,827</u>	<u>34,956,848</u>
Total	<u>\$ 43,930,173</u>	<u>\$ 32,981,375</u>	<u>\$ 34,967,676</u>	<u>\$ 51,984,162</u>	<u>\$ 53,191,828</u>	<u>\$ 67,777,600</u>	<u>\$ 66,578,566</u>	<u>\$ 59,984,766</u>
District's covered payroll**	\$ 59,445,969	\$ 58,183,745	\$ 54,700,793	\$ 49,606,765	\$ 49,841,004	\$ 45,388,772	\$ 44,698,829	\$ 44,729,959
District's proportionate share of the net OPEB liability as a percentage of its covered payroll	32.80%	25.69%	28.80%	44.79%	45.53%	61.28%	65.61%	55.95%
Plan fiduciary net position as a percentage of the total OPEB liability	13.70%	14.94%	11.52%	6.18%	4.99%	2.66%	1.57%	0.91%

* Only eight years' worth of information is currently available.

** as of measurement date

Notes to Required Supplementary Information:

1. *Changes in Assumptions:* The discount rate was changed from 4.13% as of August 31, 2023 to 3.87% as of August 31, 2024.
2. *Changes in Benefits:* There were no changes of benefit terms since the prior measurement date.

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF CONTRIBUTIONS
TEXAS PUBLIC SCHOOL RETIRED EMPLOYEES GROUP INSURANCE PROGRAM (TRS-CARE) EXHIBIT G-5
For the year ended June 30, 2025

	Fiscal Year									
	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Statutorily required contributions	\$ 582,866	\$ 583,830	\$ 578,357	\$ 523,513	\$ 426,484	\$ 448,105	\$ 415,626	\$ 387,318	\$ 296,836	\$ 294,790
Contributions in relation to the statutorily required contributions	<u>582,866</u>	<u>583,830</u>	<u>578,357</u>	<u>523,513</u>	<u>426,484</u>	<u>448,105</u>	<u>415,626</u>	<u>387,318</u>	<u>296,836</u>	<u>294,790</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 59,231,447	\$ 59,565,327	\$ 57,448,485	\$ 53,815,455	\$ 49,454,677	\$ 49,139,953	\$ 45,302,507	\$ 44,609,702	\$ 44,532,095	\$ 43,058,073
Contributions as a percentage of covered payroll	0.98%	0.98%	1.01%	0.97%	0.86%	0.91%	0.92%	0.87%	0.67%	0.68%

SUPPLEMENTARY INFORMATION

NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
For the year ended June 30, 2025

Special revenue funds are used to account for specific revenue sources that are restricted, committed, or assigned to expenditures for particular purposes.

Fund 206 Education for Homeless Children: Provide supplemental funds to support education for homeless youth in the District.

Fund 211 ESEA Title I Part A: Provide supplemental funds to support children most at-risk of meeting challenging state academic standards.

Fund 240 National School Breakfast and Lunch Program: Funds used for food service when the service is subsidized with federal reimbursement revenues.

Fund 242 Summer School Feeding Program: Funds used for food service when the service is subsidized with federal reimbursement revenues.

Fund 244 Career and Technical Basic Grant: Funds to provide career and technical education (CTE) and to develop new and/or improve existing CTE programs.

Fund 255 ESEA Title II Part A: Funds used to improve student academic achievement by improving teacher and principal quality.

Fund 263 Title III Part A: Funds granted to improve the education of children with limited English proficiency.

Fund 265 Title IV, Part B 21st Century Learning: Funds used to provide after school services for at-risk children.

Fund 278 American Rescue Plan ESSER - Homeless: Funds used to provide homeless children and youth with wrap-around services to address the challenges of COVID-19, and to enable homeless children and youth to attend school and fully participate in school activities.

Fund 279 Texas COVID Learning Accelerated Support: Funds granted from the state relating to ESSER.

Fund 280 School Climate Transformation: Funds granted to develop, enhance, or expand systems of support for improving school climate.

Fund 282 Education Stabilization Fund ESSER III: Funds granted through the Elementary and Secondary School Emergency Relief program under the ARP act.

Fund 288 ESEA Title I, Part D Subpart 2: Provide supplemental funds to support children who are neglected, delinquent, or at risk.

Fund 289 Federally Funded Special Revenue: Funds for school safety national activities.

Fund 313 IDEA B Formula: Funds to operate education programs for children with disabilities.

Fund 314 IDEA B Preschool: Funds to operate education programs for preschool children with disabilities.

Fund 315 IDEA B Discretionary: Supplemental funds to operate education programs for children with disabilities.

NONMAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
For the year ended June 30, 2025

Fund 385 Visually Impaired: Funds awarded to campuses for support related to students with visual disabilities.

Fund 397 Advanced Placement Incentives: Funds to award campuses for advanced placement examinations.

Fund 410 Instructional Materials: Funds for instructional materials and other means of conveying information electronically.

Fund 428 Governor's Truancy Prevention: Funds to award campuses to support reductions in student truancy.

Fund 429 State Funded Special Revenue: Funds provided by the State through the sale of specialty license plates for public school libraries.

Fund 437 SSA Special Education: The District is the fiscal agent for a special education shared service arrangement.

Fund 461 Campus Activity: Funds for transactions related to the principals' activity funds.

Fund 499 Locally Funded Special Revenue Funds: Funds collected by the District related to various scholarship incentive programs.

SEGUIN INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-1
June 30, 2025

Data Control Codes		206 ESEA Title X, Part C Education for Homeless Children (TEXSHEP)	211 ESEA Title I, Part A Improving Basic Programs	240 National School Breakfast/ Lunch Program	242 Summer School Feeding Program	244 Career and Technology- Basic Grant	255 ESEA Title II, Part A Teacher and Principal Training and Recruiting	263 Title III, Part A English Language Acquisition
ASSETS								
1110	Cash and cash equivalents	\$ -	\$ -	\$ 2,416,144	\$ -	\$ -	\$ -	\$ -
1240	Due from other governments	1,120	835,797	50,129	124,147	42	71,700	18,269
1260	Due from other funds	-	-	-	335,086	-	-	-
1300	Inventories, at cost	-	-	50,281	-	-	-	-
1290	Other receivables	-	-	-	-	-	-	-
1000	Total assets	<u>\$ 1,120</u>	<u>\$ 835,797</u>	<u>\$ 2,516,554</u>	<u>\$ 459,233</u>	<u>\$ 42</u>	<u>\$ 71,700</u>	<u>\$ 18,269</u>
LIABILITIES								
2110	Accounts payable	\$ -	\$ -	\$ 3,031	\$ -	\$ -	\$ -	\$ 907
2160	Accrued wages payable	-	345,260	409,461	-	-	44,301	10,518
2170	Due to other funds	1,120	490,537	392,441	-	42	27,399	6,844
2180	Due to other governments	-	-	-	-	-	-	-
2190	Due to student groups	-	-	-	-	-	-	-
2300	Unearned revenue	-	-	15,434	-	-	-	-
2000	Total liabilities	<u>1,120</u>	<u>835,797</u>	<u>820,367</u>	<u>-</u>	<u>42</u>	<u>71,700</u>	<u>18,269</u>
FUND BALANCES								
Nonspendable								
3410	Inventories	-	-	50,281	-	-	-	-
3450	Restricted - grants	-	-	1,645,906	459,233	-	-	-
3000	Total fund balances	<u>-</u>	<u>-</u>	<u>1,696,187</u>	<u>459,233</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total liabilities and fund							
4000	balances	<u>\$ 1,120</u>	<u>\$ 835,797</u>	<u>\$ 2,516,554</u>	<u>\$ 459,233</u>	<u>\$ 42</u>	<u>\$ 71,700</u>	<u>\$ 18,269</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-1
June 30, 2025

	265	278	279	280	282	288	289
Data Control Codes	Title IV, Part B 21st Century <u>Learning</u>	American Rescue Plan, <u>ESSER</u>	Texas COVID Learning Accelerated <u>Support</u>	School Climate <u>Transformation</u>	<u>ESSER III</u>	ESEA Title I Part D <u>Subpart 2</u>	Federally Funded Special <u>Revenue</u>
ASSETS							
1110 Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1240 Due from other governments	260,316	-	-	44,601	-	28,232	74,027
1260 Due from other funds	-	-	-	-	-	-	-
1300 Inventories, at cost	-	-	-	-	-	-	-
1290 Other receivables	-	-	-	-	-	-	-
1000 Total assets	<u>\$ 260,316</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,601</u>	<u>\$ -</u>	<u>\$ 28,232</u>	<u>\$ 74,027</u>
LIABILITIES							
2110 Accounts payable	\$ 65	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Accrued wages payable	132,263	-	-	16,547	-	3,813	46,213
2170 Due to other funds	127,988	-	-	28,054	-	24,419	27,814
2180 Due to other governments	-	-	-	-	-	-	-
2190 Due to student groups	-	-	-	-	-	-	-
2300 Unearned revenue	-	-	-	-	-	-	-
2000 Total liabilities	<u>260,316</u>	<u>-</u>	<u>-</u>	<u>44,601</u>	<u>-</u>	<u>28,232</u>	<u>74,027</u>
FUND BALANCES							
Nonspendable							
3410 Inventories	-	-	-	-	-	-	-
3450 Restricted - grants	-	-	-	-	-	-	-
3000 Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total liabilities and fund							
4000 balances	<u>\$ 260,316</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 44,601</u>	<u>\$ -</u>	<u>\$ 28,232</u>	<u>\$ 74,027</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-1
June 30, 2025

	313	314	315	385	397	410	428
Data Control Codes	SSA IDEA B Formula	SSA IDEA B Preschool	SSA IDEA B Discretionary	Visually Impaired	Advanced Placement Incentives	State Instructional Materials	Governor's Truancy Prevention
ASSETS							
1110 Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1240 Due from other governments	598,819	8,620	436,877	-	-	-	15,133
1260 Due from other funds	-	-	-	-	15,657	59	-
1300 Inventories, at cost	-	-	-	-	-	-	-
1290 Other receivables	-	-	-	-	-	-	-
1000 Total assets	<u>\$ 598,819</u>	<u>\$ 8,620</u>	<u>\$ 436,877</u>	<u>\$ -</u>	<u>\$ 15,657</u>	<u>\$ 59</u>	<u>\$ 15,133</u>
LIABILITIES							
2110 Accounts payable	\$ 2,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Accrued wages payable	267,238	5,483	-	-	-	-	9,620
2170 Due to other funds	329,341	3,137	436,877	-	-	-	5,513
2180 Due to other governments	-	-	-	-	-	-	-
2190 Due to student groups	-	-	-	-	-	-	-
2300 Unearned revenue	-	-	-	-	15,657	59	-
2000 Total liabilities	<u>598,819</u>	<u>8,620</u>	<u>436,877</u>	<u>-</u>	<u>15,657</u>	<u>59</u>	<u>15,133</u>
FUND BALANCES							
Nonspendable							
3410 Inventories	-	-	-	-	-	-	-
3450 Restricted - grants	-	-	-	-	-	-	-
3000 Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total liabilities and fund							
4000 balances	<u>\$ 598,819</u>	<u>\$ 8,620</u>	<u>\$ 436,877</u>	<u>\$ -</u>	<u>\$ 15,657</u>	<u>\$ 59</u>	<u>\$ 15,133</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-1
June 30, 2025

Data Control Codes		429	437	461	499	Total Nonmajor Special Revenue Funds (See Exhibit C-1)
		State Funded Special Revenue	SSA Special Education	Campus Activity	Locally Funded Special Revenue	
	ASSETS					
1110	Cash and cash equivalents	\$ -	\$ -	\$ -	\$ -	\$ 2,416,144
1240	Due from other governments	681,789	-	-	-	3,249,618
1260	Due from other funds	-	388,660	401,612	50,383	1,191,457
1300	Inventories, at cost	-	-	-	-	50,281
1290	Other receivables	-	-	-	1,010	1,010
1000	Total assets	<u>\$ 681,789</u>	<u>\$ 388,660</u>	<u>\$ 401,612</u>	<u>\$ 51,393</u>	<u>\$ 6,908,510</u>
	LIABILITIES					
2110	Accounts payable	\$ -	\$ 159	\$ 4,594	\$ -	\$ 10,996
2160	Accrued wages payable	-	319,724	3,580	-	1,614,021
2170	Due to other funds	679,484	-	-	-	2,581,010
2180	Due to other governments	-	68,777	-	-	68,777
2190	Due to student groups	-	-	393,438	-	393,438
2300	Unearned revenue	2,305	-	-	51,393	84,848
2000	Total liabilities	<u>681,789</u>	<u>388,660</u>	<u>401,612</u>	<u>51,393</u>	<u>4,753,090</u>
	FUND BALANCES					
	Nonspendable					
3410	Inventories	-	-	-	-	50,281
3450	Restricted - grants	-	-	-	-	2,105,139
3000	Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,155,420</u>
4000	Total liabilities and fund					
4000	balances	<u>\$ 681,789</u>	<u>\$ 388,660</u>	<u>\$ 401,612</u>	<u>\$ 51,393</u>	<u>\$ 6,908,510</u>

SEGUIN INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-2
For the year ended June 30, 2025

Data Control Codes		206 ESEA Title X, Part C Education for Homeless Children (TEXSHEP)	211 ESEA Title I, Part A Improving Basic Programs	240 National School Breakfast/ Lunch Program	242 Summer School Feeding Program	244 Career and Technology- Basic Grant	255 ESEA Title II, Part A Teacher and Principal Training and Recruiting	263 Title III, Part A English Language Acquisition
Revenues								
5700	Local and intermediate sources	\$ -	\$ -	\$ 366,504	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	33,747	-	-	-	-
5900	Federal program revenues	<u>5,277</u>	<u>2,490,342</u>	<u>6,536,450</u>	<u>164,647</u>	<u>102,523</u>	<u>322,458</u>	<u>85,097</u>
5020	Total revenues	<u>5,277</u>	<u>2,490,342</u>	<u>6,936,701</u>	<u>164,647</u>	<u>102,523</u>	<u>322,458</u>	<u>85,097</u>
Expenditures								
0011	Instruction	-	1,556,103	-	-	93,488	-	81,498
0012	Instructional resources and media services	-	133,126	-	-	-	-	-
0013	Curriculum and instructional staff development	-	431,535	-	-	1,797	311,558	-
0021	Instructional leadership	-	31,718	-	-	-	10,900	1,966
0023	School leadership	-	123,148	-	-	-	-	-
0031	Guidance, counseling, and evaluation services	-	425	-	-	-	-	-
0032	Social work services	5,277	138,593	-	-	-	-	-
0033	Health services	-	3,120	-	-	-	-	-
0034	Student transportation	-	-	-	-	-	-	-
0035	Food service	-	-	7,754,286	127,422	-	-	-
0036	Extracurricular activities	-	-	-	-	7,238	-	-
0041	General administration	-	-	-	-	-	-	-
0051	Plant maintenance and operations	-	-	12,425	-	-	-	-
0052	Security and monitoring services	-	-	530	-	-	-	-
0053	Data processing services	-	-	-	-	-	-	-
0061	Community services	-	52,704	-	-	-	-	1,633
	Intergovernmental	-	-	-	-	-	-	-
0093	Shared service arrangements	-	19,870	-	-	-	-	-
6030	Total expenditures	<u>5,277</u>	<u>2,490,342</u>	<u>7,767,241</u>	<u>127,422</u>	<u>102,523</u>	<u>322,458</u>	<u>85,097</u>
1200	Net change in fund balances	-	-	(830,540)	37,225	-	-	-
0100	Beginning fund balances	-	-	2,526,727	422,008	-	-	-
3000	Ending fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,696,187</u>	<u>\$ 459,233</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-2
For the year ended June 30, 2025

Data Control Codes		265	278	279	280	282	288	289
		Title IV, 21st Century Learning	American Rescue Plan, ESSER	Texas COVID Learning Accelerated Support	School Climate Transformation	ESSER III	ESSA Title I Part D Subpart 2	Federally Funded Special Revenue
	Revenues							
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	-	-	-	-
5900	Federal program revenues	1,696,167	53,478	25,701	523,116	63,440	84,642	310,848
5020	Total revenues	<u>1,696,167</u>	<u>53,478</u>	<u>25,701</u>	<u>523,116</u>	<u>63,440</u>	<u>84,642</u>	<u>310,848</u>
	Expenditures							
0011	Instruction	728,599	-	-	5,090	55,850	39,133	-
0012	Instructional resources and media services	-	-	-	-	-	-	-
0013	Curriculum and instructional staff development	-	-	-	6,368	-	-	149,895
0021	Instructional leadership	179,838	-	25,701	-	1,589	1,879	2,955
0023	School leadership	717,286	-	-	-	-	-	-
0031	Guidance, counseling, and evaluation services	-	-	-	163,369	-	43,630	94,539
0032	Social work services	-	51,479	-	348,289	-	-	60,609
0033	Health services	10,137	-	-	-	-	-	-
0034	Student transportation	-	-	-	-	-	-	-
0035	Food service	-	-	-	-	-	-	-
0036	Extracurricular activities	-	-	-	-	-	-	2,850
0041	General administration	-	-	-	-	6,001	-	-
0051	Plant maintenance and operations	10,019	-	-	-	-	-	-
0052	Security and monitoring services	-	-	-	-	-	-	-
0053	Data processing services	-	-	-	-	-	-	-
0061	Community services	50,288	1,999	-	-	-	-	-
	Intergovernmental							
0093	Shared service arrangements	-	-	-	-	-	-	-
6030	Total expenditures	<u>1,696,167</u>	<u>53,478</u>	<u>25,701</u>	<u>523,116</u>	<u>63,440</u>	<u>84,642</u>	<u>310,848</u>
1200	Net change in fund balances	-	-	-	-	-	-	-
0100	Beginning fund balances	-	-	-	-	-	-	-
3000	Ending fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-2
For the year ended June 30, 2025

		313	314	315	385	397	410	428
Data Control Codes		SSA IDEA B Formula	SSA IDEA B Preschool	SSA IDEA B Discretionary	Visually Impaired	Advanced Placement Incentives	State Instructional Materials	Governor's Truancy Prevention
Revenues								
5700	Local and intermediate sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5800	State program revenues	-	-	-	9,968	-	706,406	64,041
5900	Federal program revenues	<u>2,479,527</u>	<u>40,655</u>	<u>589,877</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
5020	Total revenues	<u>2,479,527</u>	<u>40,655</u>	<u>589,877</u>	<u>9,968</u>	<u>-</u>	<u>706,406</u>	<u>64,041</u>
Expenditures								
0011	Instruction	1,904,263	40,655	421,136	9,968	-	706,406	-
0012	Instructional resources and media services	-	-	-	-	-	-	-
0013	Curriculum and instructional staff development	4,940	-	-	-	-	-	-
0021	Instructional leadership	5,000	-	-	-	-	-	-
0023	School leadership	-	-	-	-	-	-	-
0031	Guidance, counseling, and evaluation services	526,471	-	-	-	-	-	-
0032	Social work services	-	-	-	-	-	-	64,041
0033	Health services	-	-	-	-	-	-	-
0034	Student transportation	-	-	-	-	-	-	-
0035	Food service	-	-	-	-	-	-	-
0036	Extracurricular activities	-	-	-	-	-	-	-
0041	General administration	-	-	-	-	-	-	-
0051	Plant maintenance and operations	-	-	-	-	-	-	-
0052	Security and monitoring services	-	-	-	-	-	-	-
0053	Data processing services	-	-	-	-	-	-	-
0061	Community services	-	-	-	-	-	-	-
	Intergovernmental							
0093	Shared service arrangements	38,853	-	168,741	-	-	-	-
6030	Total expenditures	<u>2,479,527</u>	<u>40,655</u>	<u>589,877</u>	<u>9,968</u>	<u>-</u>	<u>706,406</u>	<u>64,041</u>
1200	Net change in fund balances	-	-	-	-	-	-	-
0100	Beginning fund balances	-	-	-	-	-	-	-
3000	Ending fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - EXHIBIT H-2
For the year ended June 30, 2025

Data Control Codes		429	437	461	499	Total Nonmajor Special Revenue Funds (See Exhibit C-2)
		State Funded Special Revenue	SSA Special Education	Campus Activity	Locally Funded Special Revenue	
Revenues						
5700	Local and intermediate sources	\$ -	\$ -	\$ 696,004	\$ 81,563	\$ 1,144,071
5800	State program revenues	1,220,700	2,651,893	-	-	4,686,755
5900	Federal program revenues	-	-	-	-	15,574,245
5020	Total revenues	<u>1,220,700</u>	<u>2,651,893</u>	<u>696,004</u>	<u>81,563</u>	<u>21,405,071</u>
Expenditures						
0011	Instruction	174,264	1,826,649	-	73,210	7,716,312
0012	Instructional resources and media services	-	-	-	-	133,126
0013	Curriculum and instructional staff development	592,971	2,911	-	900	1,502,875
0021	Instructional leadership	-	474,989	-	-	736,535
0023	School leadership	-	-	-	-	840,434
0031	Guidance, counseling, and evaluation services	-	347,344	-	-	1,175,778
0032	Social work services	-	-	-	-	668,288
0033	Health services	-	-	-	3,323	16,580
0034	Student transportation	-	-	-	-	-
0035	Food service	-	-	-	-	7,881,708
0036	Extracurricular activities	-	-	696,004	-	706,092
0041	General administration	-	-	-	-	6,001
0051	Plant maintenance and operations	-	-	-	4,130	26,574
0052	Security and monitoring services	453,465	-	-	-	453,995
0053	Data processing services	-	-	-	-	-
0061	Community services	-	-	-	-	106,624
	Intergovernmental					
0093	Shared service arrangements	-	-	-	-	227,464
6030	Total expenditures	<u>1,220,700</u>	<u>2,651,893</u>	<u>696,004</u>	<u>81,563</u>	<u>22,198,386</u>
1200	Net change in fund balances	-	-	-	-	(793,315)
0100	Beginning fund balances	-	-	-	-	2,948,735
3000	Ending fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,155,420</u>

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
EXHIBIT J-1
For the year ended June 30, 2025

	1	2	3	10	20	31	32	40	50	99
	Tax Rates		Net Assessed/ Appraised Value For School	Beginning Balance	Current Year's	Maintenance Total	Debt Service Total	Entire Year's	Ending Balance	Total Taxes Refunded Under Section
<u>Last Ten Years</u>	<u>Maintenance</u>	<u>Debt Services</u>	<u>Tax Purposes</u>	<u>07/01/24</u>	<u>Total Levy</u>	<u>Collected</u>	<u>Collected</u>	<u>Adjustments</u>	<u>06/30/25</u>	<u>26.1115(c)</u>
2016 and prior	Various	Various	Various	\$ 366,395	\$ -	\$ 8,714	\$ 1,810	\$ (26,694)	\$ 329,177	
2017	\$ 1.0600	\$ 0.3600	\$ 3,147,947,544	75,236	-	2,280	449	-	72,507	
2018	1.0600	0.3600	3,378,075,881	84,300	-	7,481	1,471	-	75,348	
2019	1.0600	0.3600	3,593,469,204	96,685	-	5,861	1,011	(2,257)	87,556	
2020	0.9900	0.3850	3,653,133,873	146,609	-	9,956	2,796	(4,505)	129,352	
2021	0.9764	0.3850	3,730,264,623	180,131	-	16,375	4,870	(5,249)	153,637	
2022	0.8996	0.3850	4,146,194,255	247,551	-	40,169	17,191	(3,830)	186,361	
2023	0.8646	0.3850	4,887,787,340	674,475	-	154,901	68,976	(53,813)	396,785	
2024	0.7316	0.3850	4,829,035,683	1,876,129	-	571,082	300,529	(465,789)	538,729	
2025	0.6778	0.4050	5,304,893,157	-	57,441,383	34,861,949	20,830,760	222,030	1,970,704	
1000 Totals				<u>\$ 3,747,511</u>	<u>\$ 57,441,383</u>	<u>\$ 35,678,768</u>	<u>\$ 21,229,863</u>	<u>\$ (340,107)</u>	<u>\$ 3,940,156</u>	
8000 Taxes refunded										\$ 93,451
9000 Tax increment						\$ -				

SEGUIN INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM FUND - EXHIBIT J-2
For the year ended June 30, 2025

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		<u>Budgeted Amounts</u>			
		<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues					
5700	Local, intermediate,				
5700	and out-of-state	\$ 359,500	\$ 359,500	\$ 366,504	\$ 7,004
5800	State program revenues	55,500	55,500	33,747	(21,753)
5900	Federal program revenues	<u>6,675,000</u>	<u>6,675,000</u>	<u>6,536,450</u>	<u>(138,550)</u>
5020	Total revenues	<u>7,090,000</u>	<u>7,090,000</u>	<u>6,936,701</u>	<u>(153,299)</u>
Expenditures					
0035	Food services	7,063,500	7,913,500	7,754,286	159,214
0051	Plant maintenance and				
0051	operations	19,500	19,500	12,425	7,075
0052	Security and monitoring				
0052	services	<u>7,000</u>	<u>7,000</u>	<u>530</u>	<u>6,470</u>
6030	Total expenditures	<u>7,090,000</u>	<u>7,940,000</u>	<u>7,767,241</u>	<u>172,759</u>
1200	Net change in fund balance	-	(850,000)	(830,540)	19,460
0100	Beginning fund balance	<u>2,526,727</u>	<u>2,526,727</u>	<u>2,526,727</u>	-
3000	Ending fund balance	<u>\$ 2,526,727</u>	<u>\$ 1,676,727</u>	<u>\$ 1,696,187</u>	<u>\$ 19,460</u>

SEGUIN INDEPENDENT SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND - EXHIBIT J-3
For the year ended June 30, 2025

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		<u>Budgeted Amounts</u>		<u>Actual</u>	
		<u>Original</u>	<u>Final</u>		
Revenues					
5700	Local, intermediate,				
5700	and out-of-state	\$ 16,869,000	\$ 21,675,262	\$ 22,170,600	\$ 495,338
5800	State program revenues	-	2,150,000	2,426,767	276,767
5020	Total revenues	<u>16,869,000</u>	<u>23,825,262</u>	<u>24,597,367</u>	<u>772,105</u>
Expenditures					
0071	Principal	8,419,000	14,400,000	14,400,000	-
0072	Interest	8,450,000	9,406,701	9,360,808	45,893
0073	Bond issuance costs				
0073	and fees	-	18,561	18,561	-
6030	Total expenditures	<u>16,869,000</u>	<u>23,825,262</u>	<u>23,779,369</u>	<u>45,893</u>
1100	Excess (deficiency) of				
1100	revenues over (under)				
1100	expenditures	-	-	817,998	817,998
Other financing sources (uses)					
7916	Premium/discount on				
7916	bonds	-	-	4,731	4,731
7080	Total other financing				
7080	sources (uses)	-	-	4,731	4,731
1200	Net change in fund balance	-	-	822,729	822,729
0100	Beginning fund balance	<u>16,644,486</u>	<u>16,644,486</u>	<u>16,644,486</u>	-
3000	Ending fund balance	\$ 16,644,486	\$ 16,644,486	\$ 17,467,215	\$ 822,729

SEGUIN INDEPENDENT SCHOOL DISTRICT
USE OF FUNDS REPORT
FOR SELECT STATE ALLOTMENT PROGRAMS - EXHIBIT J-4
For the year ended June 30, 2025

<u>Data Control Codes</u>		<u>Responses</u>
<u>Section A: Compensatory Education Programs</u>		
AP1	Did the 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	List the total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 7,992,623
AP4	List the actual direct program expenditures for state compensatory education programs during the District's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 3,890,451
<u>Section B: Bilingual Education Programs</u>		
AP5	Did the 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	List the total state allotment funds received for bilingual education programs during the District's fiscal year.	\$ 696,677
AP8	List the actual direct program expenditures for bilingual education programs during the District's fiscal year. (PIC 25).	\$ 392,072

STATISTICAL SECTION

SEGUIN INDEPENDENT SCHOOL DISTRICT
STATISTICAL SECTION
June 30, 2025

This part of the District's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and Required Supplementary Information says about the District's overall financial health.

Contents	Page
<u>Financial Trends</u> : These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	77
<u>Revenue Capacity</u> : These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.	84
<u>Debt Capacity</u> : These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	88
<u>Demographic and Economic Information</u> : These schedules offer demographic and economic indicators to help the reader understand how the District's financial activities take place and to help make comparisons over time and with other governments.	92
<u>Operating Information</u> : These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	95

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

SEGUIN INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT - EXHIBIT L-1
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022*	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$ 18,493,793	\$ 12,358,457	\$ (29,886)	\$ (4,076,580)	\$ (5,988,688)	\$ (14,219)	\$ (43,926)	\$ 2,823,568	\$ 5,215,952	\$ 16,422,877
Restricted	8,646,490	8,005,747	9,001,289	10,113,710	11,007,277	12,251,287	13,744,332	17,616,588	17,420,243	17,462,516
Unrestricted	<u>4,456,702</u>	<u>11,351,592</u>	<u>(16,935,348)</u>	<u>(14,868,675)</u>	<u>(18,796,941)</u>	<u>(24,727,507)</u>	<u>(16,515,353)</u>	<u>(15,663,170)</u>	<u>(7,393,361)</u>	<u>(5,274,694)</u>
Total governmental activities net position	<u>\$ 31,596,985</u>	<u>\$ 31,715,796</u>	<u>\$ (7,963,945)</u>	<u>\$ (8,831,545)</u>	<u>\$ (13,778,352)</u>	<u>\$ (12,490,439)</u>	<u>\$ (2,814,947)</u>	<u>\$ 4,776,986</u>	<u>\$ 15,242,834</u>	<u>\$ 28,610,699</u>
Business-type activities										
Unrestricted	\$ 398,139	\$ 352,190	\$ 360,842	\$ 369,847	\$ 392,962	\$ 307,031	\$ 279,019	\$ 270,355	\$ 59,417	\$ 58,294
Total business-type activities net position	<u>\$ 398,139</u>	<u>\$ 352,190</u>	<u>\$ 360,842</u>	<u>\$ 369,847</u>	<u>\$ 392,962</u>	<u>\$ 307,031</u>	<u>\$ 279,019</u>	<u>\$ 270,355</u>	<u>\$ 59,417</u>	<u>\$ 58,294</u>
Primary government										
Net investment in capital assets	\$ 18,493,793	\$ 12,358,457	\$ (29,886)	\$ (4,076,580)	\$ (5,988,688)	\$ (14,219)	\$ (43,926)	\$ 2,823,568	\$ 5,215,952	\$ 16,422,877
Restricted	8,646,490	8,005,747	9,001,289	10,113,710	11,007,277	12,251,287	13,744,332	17,616,588	17,420,243	17,462,516
Unrestricted	<u>4,854,841</u>	<u>11,703,782</u>	<u>(16,574,506)</u>	<u>(14,498,828)</u>	<u>(18,403,979)</u>	<u>(24,420,476)</u>	<u>(16,236,334)</u>	<u>(15,392,815)</u>	<u>(7,333,944)</u>	<u>(5,216,400)</u>
Total primary government net position	<u>\$ 31,995,124</u>	<u>\$ 32,067,986</u>	<u>\$ (7,603,103)</u>	<u>\$ (8,461,698)</u>	<u>\$ (13,385,390)</u>	<u>\$ (12,183,408)</u>	<u>\$ (2,535,928)</u>	<u>\$ 5,047,341</u>	<u>\$ 15,302,251</u>	<u>\$ 28,668,993</u>

Source: Seguin Independent School District's Audit Reports

*Balances re-classed from net investment in capital assets

SEGUIN INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION - EXHIBIT L-2
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Expenses										
Governmental activities										
Instruction	\$ 40,997,236	\$ 39,992,178	\$ 46,629,226	\$ 44,580,308	\$ 50,000,504	\$ 48,542,174	\$ 44,425,652	\$ 45,188,433	\$ 57,568,830	\$ 54,800,237
Instructional resources and media services	1,019,748	1,020,056	1,086,640	1,119,656	1,307,501	1,293,176	1,089,460	1,172,725	1,233,605	1,223,956
Curriculum and staff development	1,816,030	1,716,517	1,948,302	1,671,537	1,543,731	1,459,999	1,375,359	1,615,696	1,667,366	2,201,493
Instructional leadership	1,658,490	1,630,634	2,008,260	2,009,974	2,582,291	2,125,871	3,012,039	3,023,141	3,496,822	3,147,480
School leadership	4,557,158	4,595,642	5,045,247	5,327,750	6,250,457	5,619,070	5,753,037	5,897,832	7,384,407	6,688,722
Guidance, counseling, and evaluation services	2,030,903	2,224,928	2,512,058	2,929,480	3,520,791	3,622,541	3,361,732	3,358,956	4,827,537	4,329,788
Social work services	603,628	684,475	756,971	908,714	1,087,799	1,411,331	1,561,147	1,593,819	1,947,503	1,426,097
Health services	608,755	593,390	639,942	685,760	791,891	849,189	764,480	1,018,699	974,586	941,518
Student transportation	2,820,671	2,312,739	2,853,847	3,093,768	3,160,071	3,206,406	3,869,195	3,465,248	3,634,095	3,968,428
Food service	4,254,269	4,371,659	4,971,341	5,157,713	4,579,563	4,340,584	5,083,061	5,892,803	8,925,911	8,811,193
Curriculum/extracurricular activities	2,309,112	2,758,643	3,159,930	2,681,897	2,516,419	2,291,447	2,620,049	2,882,651	3,222,681	3,000,431
General administration	2,020,570	1,971,576	2,239,817	2,882,943	2,331,266	2,198,534	2,706,062	3,205,448	3,723,035	3,683,779
Plant maintenance and operations	6,801,352	6,944,793	7,539,377	8,270,456	9,023,265	8,400,480	8,167,918	8,592,918	9,834,826	8,557,612
Security and monitoring services	400,779	561,584	521,298	553,383	757,999	1,327,427	664,403	1,404,976	1,605,960	1,494,579
Data processing services	1,584,831	1,814,521	2,000,501	2,052,591	2,026,023	1,843,929	2,564,948	3,463,537	3,004,192	2,261,774
Community services	185,487	172,019	91,145	105,125	77,452	100,672	142,938	221,404	203,393	1,508,973
Interest on long-term debt	5,444,638	5,772,094	5,661,106	5,474,936	6,238,959	3,429,283	5,769,692	5,230,899	5,118,577	8,218,419
Other debt service	1,028,862	121,351	7,650	9,500	362,012	827,528	11,500	445,173	928,266	197,709
Facilities acquisition and construction	-	15,750	1,351	1,871	1,183,027	-	-	-	-	-
Payments related to SSAs	109,809	66,270	102,277	113,358	102,028	248,054	231,277	21,549	2,498,721	2,508,092
Other intergovernmental charges	444,400	490,257	535,178	571,553	611,853	610,684	634,239	719,992	842,461	729,890
Total governmental activities expenses	<u>80,696,728</u>	<u>79,831,076</u>	<u>90,311,464</u>	<u>90,202,273</u>	<u>100,054,902</u>	<u>93,748,379</u>	<u>93,808,188</u>	<u>98,415,899</u>	<u>122,642,774</u>	<u>119,700,170</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION - EXHIBIT L-2
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Business-type activities										
Mall fund	\$ 35,032	\$ 100,232	\$ 57,026	\$ 59,907	\$ 61,616	\$ 168,164	\$ 139,899	\$ 112,316	\$ 307,609	\$ 93,754
Total business-type activities expenses	<u>35,032</u>	<u>100,232</u>	<u>57,026</u>	<u>59,907</u>	<u>61,616</u>	<u>168,164</u>	<u>139,899</u>	<u>112,316</u>	<u>307,609</u>	<u>93,754</u>
Total primary government expenses	<u>\$ 80,731,760</u>	<u>\$ 79,931,308</u>	<u>\$ 90,368,490</u>	<u>\$ 90,262,180</u>	<u>\$ 100,116,518</u>	<u>\$ 93,916,543</u>	<u>\$ 93,948,087</u>	<u>\$ 98,528,215</u>	<u>\$ 122,950,383</u>	<u>\$ 119,793,924</u>
Program revenues										
Governmental activities										
Charges for services										
Instruction	\$ 1,096	\$ 951	\$ 14,461	\$ 2,672	\$ 83,588	\$ 70,483	\$ 285	\$ 16,393	\$ 74,208	\$ 73,210
Instructional resources and media services	68,153	54,607	54,318	53,533	34,464	46,071	62,707	70,625	-	-
Curriculum and staff development	-	-	625	-	1,694	-	-	-	-	900
School leadership	-	13,175	9,146	-	4,774	-	-	-	-	-
Guidance, counseling, and evaluation services	-	-	2,256	-	65	-	-	-	-	-
Social work services	-	-	403	97	-	5,074	3,071	9,365	-	-
Health services	615	93	-	-	-	-	350	-	-	3,323
Food services	794,700	807,097	836,496	829,385	604,103	122,265	309,299	358,445	258,601	251,692
Extracurricular	504,089	554,896	495,722	536,768	370,188	341,641	389,914	549,562	684,730	879,022
Other	-	-	-	-	-	-	-	-	-	-
General administration	16,590	8,115	13,866	19,748	7,341	6,754	-	-	-	-
Plant maintenance and operations	-	1,308	5,453	-	145	-	-	-	15,620	21,990
Security and monitoring services	2,265	1,650	-	2,870	1,575	928	-	-	-	-
Community services	30	46	-	-	-	-	-	-	-	-
Operating grants and contributions	14,256,949	13,642,591	24,510,681	17,742,608	18,365,058	19,754,988	19,151,180	11,680,710	34,842,436	28,746,765
Capital grants and contributions	-	-	-	-	-	-	-	-	92,375	27,300
Total governmental activities program revenues	<u>15,644,487</u>	<u>15,084,529</u>	<u>25,943,427</u>	<u>19,187,681</u>	<u>19,472,995</u>	<u>20,348,204</u>	<u>19,916,806</u>	<u>12,685,100</u>	<u>35,967,970</u>	<u>30,004,202</u>

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
CHANGES IN NET POSITION - EXHIBIT L-2
Last Ten Years
(accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Business-type activities										
Charges for services										
Maintenance and upkeep	\$ 45,900	\$ 52,150	\$ 60,900	\$ 60,900	\$ 79,400	\$ 81,900	\$ 111,261	\$ 106,725	\$ 90,367	\$ 90,173
Total business-type activities	45,900	52,150	60,900	60,900	79,400	81,900	111,261	106,725	90,367	90,173
revenues										
Total primary government	\$ 15,690,387	\$ 15,136,679	\$ 26,004,327	\$ 19,248,581	\$ 19,552,395	\$ 20,430,104	\$ 20,028,067	\$ 12,791,825	\$ 36,058,337	\$ 30,094,375
program revenues										
Net (expense)/revenue										
Governmental activities	\$ (65,052,241)	\$ (64,746,547)	\$ (64,368,037)	\$ (71,014,592)	\$ (80,581,907)	\$ (73,400,175)	\$ (73,891,382)	\$ (85,730,799)	\$ (86,674,804)	\$ (89,695,968)
Business-type activities	10,868	(48,082)	3,874	993	17,784	(86,264)	(28,638)	(5,591)	(217,242)	(3,581)
Total primary government net	\$ (65,041,373)	\$ (64,794,629)	\$ (64,364,163)	\$ (71,013,599)	\$ (80,564,123)	\$ (73,486,439)	\$ (73,920,020)	\$ (85,736,390)	\$ (86,892,046)	\$ (89,699,549)
(expense) revenue										
General revenues										
Governmental activities										
Property taxes										
Levied for general purposes	\$ 29,551,690	\$ 31,123,500	\$ 33,417,192	\$ 35,513,821	\$ 35,249,098	\$ 35,654,313	\$ 37,052,374	\$ 42,043,000	\$ 35,687,065	\$ 36,306,889
Levied for debt service	10,537,945	10,952,934	11,709,599	12,384,811	14,003,280	14,260,742	15,798,361	18,676,061	18,612,323	21,451,435
Unrestricted grants and contribution	22,752,097	21,614,071	22,287,771	20,705,009	24,664,507	24,312,952	28,992,532	26,727,873	36,782,530	39,117,686
Investment earnings	345,897	598,156	709,653	1,074,239	1,219,250	113,934	207,840	2,632,641	5,819,181	5,445,348
Miscellaneous	717,534	576,697	497,703	469,112	498,965	346,147	1,120,045	3,230,219	239,553	742,475
Transfers	-	-	-	-	-	-	-	12,938	-	-
Special items	-	-	-	-	-	-	395,722	-	-	-
Total governmental activities	63,905,163	64,865,358	68,621,918	70,146,992	75,635,100	74,688,088	83,566,874	93,322,732	97,140,652	103,063,833
Business-type activities										
Investment earnings	828	2,133	4,778	8,012	5,331	333	626	9,865	6,304	2,458
Transfers	-	-	-	-	-	-	-	(12,938)	-	-
Total business-type activities	828	2,133	4,778	8,012	5,331	333	626	(3,073)	6,304	2,458
Total primary government	\$ 63,905,991	\$ 64,867,491	\$ 68,626,696	\$ 70,155,004	\$ 75,640,431	\$ 74,688,421	\$ 83,567,500	\$ 93,319,659	\$ 97,146,956	\$ 103,066,291
Changes in net position										
Governmental activities	\$ (1,147,078)	\$ 118,811	\$ 4,253,881	\$ (867,600)	\$ (4,946,807)	\$ 1,287,913	\$ 9,675,492	\$ 7,591,933	\$ 10,465,848	\$ 13,367,865
Business-type activities	11,696	(45,949)	8,652	9,005	23,115	(85,931)	(28,012)	(8,664)	(210,938)	(1,123)
Total primary government	\$ (1,135,382)	\$ 72,862	\$ 4,262,533	\$ (858,595)	\$ (4,923,692)	\$ 1,201,982	\$ 9,647,480	\$ 7,583,269	\$ 10,254,910	\$ 13,366,742

Source: Seguin Independent School District's Audit Reports

SEGUIN INDEPENDENT SCHOOL DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS - EXHIBIT L-3
Last Ten Years
(modified accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General fund										
Nonspendable	\$ 182,121	\$ 196,150	\$ 188,900	\$ 172,718	\$ 218,557	\$ 291,899	\$ 262,840	\$ 255,117	\$ 224,014	\$ 199,268
Restricted	-	7,281,222	1,858,398	331,070	1,096,450	525,823	468,865	468,865	-	-
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	494,135	665,000	1,114,850	-	620,000	-	-	-	-	-
Unassigned	<u>11,860,481</u>	<u>19,391,476</u>	<u>25,905,913</u>	<u>30,877,094</u>	<u>29,802,591</u>	<u>30,872,224</u>	<u>35,839,125</u>	<u>34,495,713</u>	<u>34,794,373</u>	<u>35,427,780</u>
Total general fund	<u>\$ 12,536,737</u>	<u>\$ 27,533,848</u>	<u>\$ 29,068,061</u>	<u>\$ 31,380,882</u>	<u>\$ 31,737,598</u>	<u>\$ 31,689,946</u>	<u>\$ 36,570,830</u>	<u>\$ 35,219,695</u>	<u>\$ 35,018,387</u>	<u>\$ 35,627,048</u>
All other governmental funds										
Nonspendable	\$ -	\$ 12,701	\$ 23,866	\$ 26,624	\$ 21,256	\$ 31,256	\$ -	\$ -	\$ 50,266	\$ 50,281
Restricted	<u>64,478,982</u>	<u>22,332,807</u>	<u>11,887,315</u>	<u>11,626,448</u>	<u>31,536,749</u>	<u>51,878,119</u>	<u>33,678,188</u>	<u>63,861,580</u>	<u>90,933,244</u>	<u>81,540,947</u>
Total all other governmental funds	<u>\$ 64,478,982</u>	<u>\$ 22,345,508</u>	<u>\$ 11,911,181</u>	<u>\$ 11,653,072</u>	<u>\$ 31,558,005</u>	<u>\$ 51,909,375</u>	<u>\$ 33,678,188</u>	<u>\$ 63,861,580</u>	<u>\$ 90,983,510</u>	<u>\$ 81,591,228</u>

Source: Seguin Independent School District's Audit Reports

SEGUIN INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS - EXHIBIT L-4
Last Ten Years
(modified accrual basis of accounting)

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Revenues										
Local and intermediate sources	\$ 42,557,005	\$ 44,463,585	\$ 47,844,766	\$ 50,907,466	\$ 52,047,017	\$ 51,116,748	\$ 54,185,795	\$ 65,322,342	\$ 61,131,616	\$ 64,772,762
State program revenues	27,060,928	25,625,555	25,900,825	24,556,643	30,077,996	28,884,661	27,776,117	25,906,787	44,976,846	47,430,545
Federal program revenues	9,097,674	9,785,803	9,739,154	10,797,168	10,099,179	13,613,389	25,850,978	22,405,963	19,612,157	16,331,592
Total revenues	<u>78,715,607</u>	<u>79,874,943</u>	<u>83,484,745</u>	<u>86,261,277</u>	<u>92,224,192</u>	<u>93,614,798</u>	<u>107,812,890</u>	<u>113,635,092</u>	<u>125,720,619</u>	<u>128,534,899</u>
Expenditures										
Instruction	37,041,830	36,702,212	39,645,181	36,983,744	40,690,074	42,262,210	44,750,713	47,987,522	49,382,985	50,530,833
Instructional resources and media services	919,469	930,425	908,777	932,398	1,070,973	1,116,480	1,001,116	1,084,899	1,089,142	1,107,401
Curriculum and staff development	1,696,274	1,626,310	1,737,144	1,506,991	1,383,321	1,329,407	1,317,595	1,570,996	1,319,904	1,952,564
Instructional leadership	1,484,633	1,484,540	1,684,851	1,659,700	2,081,479	1,820,217	2,853,290	2,928,096	2,883,624	2,773,454
School leadership	4,087,715	4,159,065	4,166,415	4,311,731	4,913,668	4,777,161	5,621,467	5,957,753	6,213,426	5,884,066
Guidance, counseling, and evaluation services	2,239,862	2,031,772	2,113,764	2,436,997	2,887,756	3,159,158	3,545,715	3,787,902	4,094,706	3,795,523
Social work services	556,109	644,955	649,160	783,014	976,419	1,286,262	1,413,518	1,445,381	1,598,776	1,232,037
Health services	542,586	536,973	523,396	551,138	627,308	723,498	781,947	1,055,267	850,133	845,298
Student transportation	2,559,205	2,557,219	2,778,722	2,829,565	2,937,754	2,757,952	3,217,457	3,149,839	3,235,094	5,440,418
Food service	4,266,025	4,639,767	4,407,152	4,801,851	4,792,523	4,340,584	4,880,528	5,751,470	7,475,754	7,881,708
Curriculum/extracurricular activities	2,164,695	3,532,369	2,797,949	2,328,461	2,094,870	1,998,831	2,494,529	2,712,748	2,796,631	2,750,527
General administration	1,945,469	2,020,476	1,969,606	2,237,282	2,151,276	2,071,836	2,592,648	2,959,938	3,261,779	3,344,677
Plant maintenance and operations	6,191,032	6,365,275	6,363,124	7,155,660	7,766,254	7,354,513	7,501,142	7,798,184	8,818,143	8,808,639
Security and monitoring services	367,906	529,532	453,902	480,344	633,954	1,210,801	648,504	1,339,929	3,135,675	3,275,705
Data processing services	1,971,985	1,745,675	1,706,174	1,690,327	1,655,876	1,582,186	2,392,418	3,254,024	2,674,257	2,259,360
Community services	96,425	52,006	79,862	101,331	37,070	70,704	128,969	200,109	163,483	117,857
Principal on long-term debt	1,585,996	5,149,928	5,550,837	5,727,660	8,335,000	8,440,000	10,070,000	13,160,000	11,679,858	15,065,000
Interest on long-term debt	7,886,855	6,105,430	6,513,516	6,645,780	6,112,939	5,729,612	5,897,051	5,641,750	8,325,453	9,360,808
Bond issuance costs and fees	1,028,862	121,351	7,650	9,500	362,012	827,528	11,500	445,173	928,266	197,709
Capital outlay	40,864,360	35,702,738	7,687,372	849,452	14,922,956	10,709,590	20,077,809	12,260,705	28,886,950	53,640,833
Payments related to SSA's	109,809	66,270	102,277	113,358	102,028	248,054	231,277	21,549	2,498,721	2,508,092
Other intergovernmental charges	444,400	490,257	535,178	571,553	611,853	610,684	634,239	719,992	842,461	729,890
Total expenditures	<u>120,051,502</u>	<u>117,194,545</u>	<u>92,382,009</u>	<u>84,707,837</u>	<u>107,147,363</u>	<u>104,427,268</u>	<u>122,063,432</u>	<u>125,233,226</u>	<u>152,155,221</u>	<u>183,502,399</u>
Excess (deficiency) of revenues over (under) expenditures	(41,335,895)	(37,319,602)	(8,897,264)	1,553,440	(14,923,171)	(10,812,470)	(14,250,542)	(11,598,134)	(26,434,602)	(54,967,500)

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS - EXHIBIT L-4
Last Ten Years
(modified accrual basis of accounting)

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Other financing sources (uses)										
Refunding bonds issued	\$ 40,420,000	\$ -	\$ -	\$ -	\$ -	\$ 44,769,951	\$ -	\$ -	\$ 22,330,000	\$ -
Capital-related debt issued										
(regular bonds)	37,065,000	10,000,000	-	-	31,565,000	27,665,000	-	39,860,000	50,480,000	44,270,000
Sale of real or personal property	-	-	-	-	126,000	281,968	900,239	-	-	-
Transfers in	21,840,912	8,333,980	4,443,686	1,187,275	-	-	-	-	-	-
Premium or discount on										
issuance of bonds	8,375,294	-	-	-	3,493,820	9,095,693	-	570,391	5,934,218	1,913,879
Transfer out	(21,920,986)	(8,150,741)	(4,446,536)	(1,187,275)	-	-	-	-	-	-
Other sources	-	-	-	501,272	-	-	-	-	-	-
Other uses	(46,524,491)	-	-	-	-	(50,696,424)	-	-	(25,388,994)	-
Total other financing										
sources (uses)	<u>39,255,729</u>	<u>10,183,239</u>	<u>(2,850)</u>	<u>501,272</u>	<u>35,184,820</u>	<u>31,116,188</u>	<u>900,239</u>	<u>40,430,391</u>	<u>53,355,224</u>	<u>46,183,879</u>
Net change in fund										
balances	<u>\$ (2,080,166)</u>	<u>\$ (27,136,363)</u>	<u>\$ (8,900,114)</u>	<u>\$ 2,054,712</u>	<u>\$ 20,261,649</u>	<u>\$ 20,303,718</u>	<u>\$ (13,350,303)</u>	<u>\$ 28,832,257</u>	<u>\$ 26,920,622</u>	<u>\$ (8,783,621)</u>
Debt service as a percentage of										
noncapital expenditures*	13.26%	13.96%	14.25%	14.77%	16.06%	16.00%	15.67%	16.66%	16.47%	19.80%

*The ratio of debt service expenditures to noncapital expenditures is calculated using total expenditures from the schedule above less capital outlay from the reconciliation between the government-wide statement of activities and the statement of revenues, expenditures, and changes in fund balance.

Source: Seguin Independent School District's Audit Reports

SEGUIN INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES-DIRECT AND ALL OVERLAPPING GOVERNMENTS - EXHIBIT L-5
Last Ten Years

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
School District										
Maintenance and operations	\$ 1.0400	\$ 1.0600	\$ 1.0600	\$ 1.0600	\$ 0.9900	\$ 0.9764	\$ 0.8996	\$ 0.8646	\$ 0.7316	\$ 0.6778
Debt service	<u>0.3700</u>	<u>0.3600</u>	<u>0.3600</u>	<u>0.3600</u>	<u>0.3850</u>	<u>0.3850</u>	<u>0.3850</u>	<u>0.3850</u>	<u>0.3850</u>	<u>0.4050</u>
District total	<u>\$ 1.4100</u>	<u>\$ 1.4200</u>	<u>\$ 1.4200</u>	<u>\$ 1.4200</u>	<u>\$ 1.3750</u>	<u>\$ 1.3614</u>	<u>\$ 1.2846</u>	<u>\$ 1.2496</u>	<u>\$ 1.1166</u>	<u>\$ 1.0828</u>
Guadalupe County	\$ 0.3851	\$ 0.3851	\$ 0.3780	\$ 0.3819	\$ 0.3819	\$ 0.3854	\$ 0.3799	\$ 0.3799	\$ 0.3231	\$ 0.3167
City of Seguin	<u>0.5256</u>	<u>0.5412</u>	<u>0.5112</u>	<u>0.5412</u>	<u>0.5412</u>	<u>0.5412</u>	<u>0.5412</u>	<u>0.5412</u>	<u>0.5125</u>	<u>0.5125</u>
Total direct and overlapping rates	<u>\$ 2.3207</u>	<u>\$ 2.3463</u>	<u>\$ 2.3092</u>	<u>\$ 2.3431</u>	<u>\$ 2.2981</u>	<u>\$ 2.2880</u>	<u>\$ 2.2057</u>	<u>\$ 2.1707</u>	<u>\$ 1.9522</u>	<u>\$ 1.9120</u>

Rates are per \$100 of assessed valuation

Source: Guadalupe County Appraisal District

SEGUIN INDEPENDENT SCHOOL DISTRICT
 ASSESSED AND ESTIMATED ACTUAL VALUE OF
 TAXABLE PROPERTY - EXHIBIT L-6
 Last Ten Years

Fiscal Year Ended	Assessed Actual Value			Total Assessed Actual Value**	Total Direct Rate*
	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>		
	<u>June 30</u>			<u>Value**</u>	<u>Direct Rate*</u>
2016	\$ 1,783,204,461	\$ 812,206,027	\$ 791,660,293	\$ 2,746,943,624	\$ 1.4100
2017	1,891,326,431	1,152,014,754	593,251,863	2,996,465,891	1.4200
2018	2,159,539,846	1,282,708,832	515,551,848	3,132,626,314	1.4200
2019	2,028,861,891	1,146,582,837	418,024,475	2,771,233,353	1.4200
2020	2,449,832,961	1,513,218,517	529,599,252	3,714,934,804	1.3750
2021	2,468,924,455	1,159,684,159	955,620,595	3,615,363,731	1.3614
2022	2,751,046,507	1,277,008,815	1,003,012,558	4,574,533,678	1.2846
2023	4,146,803,810	4,318,547,915	1,327,799,562	9,225,764,154	1.2496
2024	4,439,381,138	4,686,461,242	1,453,204,398	9,708,479,507	1.1166
2025	4,558,985,833	4,261,369,641	1,524,994,268	10,345,349,742	1.0828

*Per \$100 of assessed value

**Total Estimated Taxable Value is net of exemptions
 Source: Guadalupe Appraisal District

SEGUIN INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
EXHIBIT L-7
Current Year and Nine Years Ago

<u>Property Tax Payer</u>	2025			2016		
	<u>Taxable Value</u>	<u>Rank</u>	<u>% of Total Taxable Value</u>	<u>Taxable Assessed Value</u>	<u>Rank</u>	<u>% of Total Taxable Value</u>
Structural Metals Inc	\$ 206,266,046	1	1.99%	\$ 130,473,928	1	4.75%
Caterpillar Inc	122,824,833	2	1.19%	80,348,583	2	2.93%
QTS Procurement	101,184,000	3	0.98%	-	-	0.00%
Libra Storage LLC	92,835,000	4	0.90%	-	-	0.00%
Tyson Food Inc	59,470,536	5	0.57%	-	-	0.00%
Teijin Automotive Tech Texas LLC	50,251,980	6	0.49%	-	-	0.00%
Niagra Bottling LLC	50,075,497	7	0.48%	-	-	0.00%
Maruichi Stainless Tube Texas Corp	44,679,869	8	0.43%	-	-	0.00%
Texas Petroleum Investment Co	32,323,057	9	0.31%	40,921,203	3	1.49%
8th Street Properties LLC	31,671,124	10	0.31%	-	-	0.00%
Subtotal	791,581,942		7.65%	251,743,714		9.16%
Other taxpayers	9,553,767,800		92.35%	2,495,199,910		90.84%
Total taxable assessed value*	<u>\$ 10,345,349,742</u>		<u>100.00%</u>	<u>\$ 2,746,943,624</u>		<u>100.00%</u>

*Taxable assessed value is net exemptions

Source: Guadalupe Appraisal District

SEGUIN INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
EXHIBIT L-8
Last Ten Years

Fiscal Year	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 37,396,003	\$ 36,240,124	96.91%	\$ 1,073,988	\$ 37,314,112	99.78%
2017	38,719,851	37,223,503	96.14%	1,390,027	38,613,530	99.73%
2018	42,756,739	41,352,137	96.71%	1,263,350	42,615,487	99.67%
2019	46,321,735	44,859,885	96.84%	1,228,014	46,087,899	99.50%
2020	47,367,081	45,862,977	96.82%	1,141,412	47,004,389	99.23%
2021	47,040,373	45,685,321	97.12%	946,030	46,631,351	99.13%
2022*	52,263,221	51,034,577	97.65%	1,330,240	52,364,817	100.19%
2023*	57,355,875	59,020,573	102.90%	1,324,866	60,345,439	105.21%
2024	53,921,013	52,211,044	96.83%	871,611	53,082,655	98.45%
2025	57,441,383	55,692,709	96.96%	-	55,692,709	96.96%

Source: Guadalupe County Property Appraiser and District records

*Note: Overcollection in FY 2022 and FY2023 is related to post levy adjustments done by the Appraiser.

SEGUIN INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
EXHIBIT L-9
Last Ten Years

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Assessed value										
All property	<u>\$2,991,776,217</u>	<u>\$3,147,947,544</u>	<u>\$3,378,075,881</u>	<u>\$3,593,469,204</u>	<u>\$3,811,942,010</u>	<u>\$3,973,417,843</u>	<u>\$4,463,680,747</u>	<u>\$5,621,482,745</u>	<u>\$5,590,629,442</u>	<u>\$5,710,694,876</u>
Net bonded debt										
Gross bonded debt	\$ 158,837,450	\$ 162,804,097	\$ 156,098,003	\$ 148,898,392	\$ 161,809,858	\$ 181,034,809	\$ 182,756,950	\$ 209,166,977	\$ 251,768,260	\$ 281,273,956
Less debt service										
funds	<u>8,808,617</u>	<u>7,172,910</u>	<u>7,855,444</u>	<u>8,968,967</u>	<u>11,017,436</u>	<u>10,332,942</u>	<u>12,761,789</u>	<u>13,798,497</u>	<u>14,521,774</u>	<u>17,467,215</u>
Total net										
bonded debt	<u>\$ 150,028,833</u>	<u>\$ 155,631,187</u>	<u>\$ 148,242,559</u>	<u>\$ 139,929,425</u>	<u>\$ 150,792,422</u>	<u>\$ 170,701,867</u>	<u>\$ 169,995,161</u>	<u>\$ 195,368,480</u>	<u>\$ 237,246,486</u>	<u>\$ 263,806,741</u>
Ratio of net bonded debt										
to assessed value	5.01%	4.94%	4.39%	3.89%	3.96%	4.30%	3.81%	3.48%	4.24%	4.62%
Average daily										
attendance (ADA)	7,492	7,425	7,467	7,366	7,226	6,899	7,064	7,239	7,237	7,290
Ratio of net bonded										
debt per ADA	\$ 20,025	\$ 20,960	\$ 19,853	\$ 18,997	\$ 20,868	\$ 24,743	\$ 24,065	\$ 20,655	\$ 32,782	\$ 36,187
Percentage of										
personal income	0.08%	0.07%	0.07%	0.06%	0.06%	0.07%	0.06%	0.06%	0.07%	0.07%
Population	147,250	155,265	159,659	163,694	166,847	172,706	177,036	182,760	188,454	195,166
Net bonded debt										
per capita	\$ 1,019	\$ 1,002	\$ 928	\$ 855	\$ 904	\$ 988	\$ 960	\$ 1,069	\$ 1,259	\$ 1,352

Source: Guadalupe Appraisal District and The County Information Program, Texas Association of Counties

SEGUIN INDEPENDENT SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
EXHIBIT L-10
Last Ten Years

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Primary government										
Governmental activities										
General obligation										
bonds	\$ 158,837,450	\$ 162,804,097	\$ 156,098,003	\$ 148,898,392	\$ 161,809,858	\$ 193,497,237	\$ 182,756,950	\$ 209,166,977	\$ 251,768,260	\$ 281,273,956
Total primary										
government	<u>\$ 158,837,450</u>	<u>\$ 162,804,097</u>	<u>\$ 156,098,003</u>	<u>\$ 148,898,392</u>	<u>\$ 161,809,858</u>	<u>\$ 193,497,237</u>	<u>\$ 182,756,950</u>	<u>\$ 209,166,977</u>	<u>\$ 251,768,260</u>	<u>\$ 281,273,956</u>
Personal income	\$1,866,185,000	\$2,104,146,000	\$2,319,260,000	\$2,321,785,605	\$2,366,487,180	\$2,449,601,820	\$2,883,709,042	\$3,144,760,640	\$3,342,025,403	\$3,773,520,324
Debt as a percentage										
of personal income	8.51%	7.74%	6.73%	6.41%	6.84%	7.90%	6.34%	6.65%	7.53%	7.45%
Population	48,548	51,191	52,639	53,970	55,009	56,941	58,369	60,256	62,133	64,346
Debt per capita	\$ 3,272	\$ 3,180	\$ 2,965	\$ 2,759	\$ 2,942	\$ 3,398	\$ 3,131	\$ 3,471	\$ 4,052	\$ 4,371

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

Source: U.S. Census Bureau and the County Information Program, Texas Association of Counties

SEGUIN INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
EXHIBIT L-11
Last Ten Years

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed value	<u>\$ 5,710,694,876</u>
Debt limit (percentage of 2024-2025 school year assessed value)	<u>10.00%</u>
Maximum legal debt	571,069,488
Amount of debt applicable to debt limit	<u>281,273,956</u>
Legal Debt Margin	<u>\$ 289,795,532</u>

Fiscal Year	<u>Debt Limit</u>	Amount of Debt Applicable to <u>Debt Limit</u>	Legal Debt <u>Margin</u>	Total Net Debt Applicable to the Limit as a Percentage of <u>Debt Limit</u>
2016	\$ 299,177,622	\$ 158,837,450	\$ 140,340,172	53.09%
2017	314,794,754	162,804,097	150,190,657	51.72%
2018	337,807,588	156,098,003	181,709,585	46.21%
2019	359,346,920	148,898,392	210,448,528	41.44%
2020	381,194,201	161,809,858	219,384,343	42.45%
2021	397,341,784	181,034,809	216,306,975	45.56%
2022	446,368,075	182,756,950	263,611,125	40.94%
2023	562,148,275	164,289,809	397,858,466	29.23%
2024	559,062,944	251,768,260	307,294,684	45.03%
2025	571,069,488	281,273,956	289,795,532	49.25%

SEGUIN INDEPENDENT SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
EXHIBIT L-12
As of June 30, 2025

	Debt <u>Outstanding</u>	Percentage <u>Applicable*</u>	Share of Overlapping <u>Debt</u>
Governmental unit			
Guadalupe County	\$ 14,375,187	32.97%	\$ 4,739,499
City of Seguin	140,708,552	100.00%	<u>140,708,552</u>
Subtotal, overlapping debt			145,448,051
District direct debt	\$ 281,273,956	100.00%	<u>281,273,956</u>
Total direct and overlapping debt			<u><u>\$ 426,722,007</u></u>
Population (District)			64,346
Per capita debt-direct and overlapping			<u><u>\$ 6,632</u></u>

Source: Guadalupe County and the City of Seguin

*The "Percentage Applicable" is determined by dividing the City's certified taxable value within the taxing jurisdiction by the certified taxable value of the taxing jurisdiction.

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 the District. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire burden borne by the property taxpayers should be taken into account.

SEGUIN INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
EXHIBIT L-13
Last Ten Years

<u>Fiscal Year</u>	<u>Estimated Population</u>	<u>Land Area*</u>	<u>Density Per Square Mile</u>	<u>Population Change</u>	<u>Personal Income (in thousands)</u>	<u>Population (People)</u>	<u>Per Capita Personal Income</u>	<u>Total Unemployment</u>	<u>Percentage Unemployed County</u>	<u>Percentage Unemployed State</u>
2016	48,548	N/A	N/A	5.0%	1,866,185,000	48,548	38,440	3.8%	3.9%	4.7%
2017	51,191	N/A	N/A	5.2%	2,104,146,000	51,191	41,104	3.7%	3.5%	4.3%
2018	52,639	N/A	N/A	2.8%	2,219,260,000	52,639	42,160	3.5%	3.5%	3.9%
2019	53,970	N/A	N/A	2.5%	2,321,785,605	53,970	43,020	3.0%	3.2%	3.4%
2020	55,009	N/A	N/A	1.9%	2,366,487,180	55,009	43,020	6.9%	8.3%	10.1%
2021	56,941	N/A	N/A	3.4%	2,449,601,820	56,941	44,809	5.2%	5.1%	5.9%
2022	58,369	711	242	2.4%	2,883,709,042	58,369	45,797	3.6%	3.7%	4.1%
2023	60,256	711	242	3.1%	3,144,760,640	60,256	49,405	3.5%	3.5%	4.1%
2024	62,133	711	243	3.0%	3,342,025,403	62,133	49,405	3.4%	4.0%	4.0%
2025	64,346	711	243	3.4%	3,773,520,324	64,346	52,190	3.7%	4.1%	4.0%

Source: Texas Association of Counties, Texas Workforce Commission (Texas LMI) & Bureau of Economic Analysis, U.S. Bureau of Labor Statistics

* Data only available for FY 2022, 2023, 2024, and 2025

SEGUIN INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
EXHIBIT L-14
Current Year and Nine Years Ago

2025			2016		
<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>	<u>Employer</u>	<u>Employees</u>	<u>Percentage of Total Employment</u>
Schaeffler	1,600	2.58%	Continental Automotive Sy	1,171	2.51%
Caterpillar, Inc.	1,500	2.42%	Seguin ISD	1,078	2.31%
Seguin ISD	1,100	1.78%	Caterpillar, Inc.	1,036	2.22%
CMC Steel	900	1.45%	CMC Steel	880	1.88%
Guadalupe Regional Medial Center	900	1.45%	Tyson Foods	762	1.63%
Tyson Foods	830	1.34%	Guadalupe Regional Medial Center	667	1.43%
Guadalupe County	650	1.05%	Guadalupe County	579	1.24%
Texas Lutheran University	440	0.71%	Wal-Mart Super Center	400	0.86%
City of Seguin	429	0.69%	Texas Lutheran University	326	0.70%
HEB	<u>400</u>	0.65%	City of Seguin	<u>300</u>	0.64%
Total	<u>8,749</u>			<u>7,199</u>	
Total City of Seguin employment	<u>61,965</u>			<u>46,703</u>	

Source: Seguin Economic Development

SEGUIN INDEPENDENT SCHOOL DISTRICT
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
EXHIBIT L-15
Last Ten Years

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Governmental activities										
Instruction	618	600	597	592	602	592	626	649	638	676
Instructional resources and media services	12	12	12	12	12	12	12	11	11	12
Curriculum and staff development	19	17	19	14	10	9	10	10	7	10
Instructional leadership	19	18	20	20	23	22	33	28	29	27
School leadership	69	69	68	70	74	71	76	79	80	72
Guidance, counseling, and evaluation services	29	26	29	30	32	37	40	39	42	40
Social work services	11	11	7	11	11	15	17	15	16	11
Health services	12	12	12	12	12	13	13	13	12	12
Student transportation	75	71	76	76	88	61	60	64	62	58
Food services	72	71	68	67	70	61	64	66	69	70
Extracurricular activities	6	6	7	6	4	4	6	7	7	6
General administration	18	19	18	19	20	20	22	22	23	21
Facilities maintenance and operations	85	80	82	88	86	80	75	77	81	84
Security and monitoring services	5	5	5	5	4	9	7	10	10	8
Data processing services	12	11	12	12	11	12	16	17	16	16
Community services	<u>9</u>	<u>7</u>	<u>2</u>	<u>2</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>-</u>	<u>-</u>
Total district positions	<u>1,071</u>	<u>1,035</u>	<u>1,034</u>	<u>1,036</u>	<u>1,060</u>	<u>1,020</u>	<u>1,079</u>	<u>1,109</u>	<u>1,103</u>	<u>1,123</u>

SEGUIN INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
EXHIBIT L-16
Last Ten Years

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Average daily attendance	7,492	7,425	7,467	7,366	7,226	6,899	7,064	7,239	7,237	7,290
Operating expenditures	\$ 57,560,636	\$ 58,528,169	\$ 60,456,630	\$ 59,345,095	\$ 62,858,114	\$ 63,402,641	\$ 62,438,594	\$ 72,058,983	\$ 77,953,456	\$ 79,057,071
Cost per pupil	\$ 7,683	\$ 7,883	\$ 8,097	\$ 8,057	\$ 8,699	\$ 9,190	\$ 8,839	\$ 9,954	\$ 10,772	\$ 10,845
Percentage change	4.72%	2.60%	2.71%	-0.49%	7.97%	5.65%	-3.82%	12.62%	8.21%	0.68%
Government-wide expenses	\$ 444,400	\$ 3,200,117	\$ 3,660,111	\$ 2,063,740	\$ 2,356,250	\$ 2,897,435	\$ 2,814,947	\$ 4,776,986	\$ 10,465,848	\$ 13,367,865
Cost per pupil	\$ 59	\$ 431	\$ 490	\$ 280	\$ 326	\$ 420	\$ 398	\$ 660	\$ 1,446	\$ 1,834
Percentage change	5.69%	626.60%	13.73%	-42.84%	16.39%	28.80%	-5.12%	65.60%	119.11%	26.80%
Teaching staff	486	478	465	464	471	466	485	480	440	452
Pupils to teacher	15	16	16	16	15	15	15	15	15	15
Percentage of students										
Economically disadvantaged	65.89%	66.26%	67.12%	71.00%	70.64%	67.36%	68.29%	73.35%	75.66%	71.67%

Source: Texas Education Agency

SEGUIN INDEPENDENT SCHOOL DISTRICT
TEACHER BASE SALARIES
EXHIBIT L-17
Last Ten Years

<u>Fiscal Year</u>	<u>Minimum Salary*</u>	<u>Maximum Salary*</u>	<u>Region Average Salary</u>	<u>Statewide Average Salary</u>
2016	\$ 45,000	\$ 63,100	\$ 49,143	\$ 51,892
2017	45,500	65,150	51,538	52,525
2018	46,500	65,974	51,848	55,334
2019	49,000	66,809	52,986	54,122
2020	51,000	70,018	55,637	57,091
2021	51,000	70,018	55,885	57,641
2022	51,500	70,995	56,607	58,887
2023	54,000	72,992	58,649	60,716
2024	57,000	74,839	63,062	62,463
2025	57,000	74,839	62,891	63,749

*Amounts do not include additional salary steps based on experience or academic credentials, nor fringe benefits such as pension, health insurance, disability, etc.

Sources: District Records and Texas Education Agency

SEGUIN INDEPENDENT SCHOOL DISTRICT
ATTENDANCE DATA
EXHIBIT L-18
Last Ten Years

<u>Fiscal Year</u>	<u>Total Enrollment</u>	<u>Average Daily Attendance</u>		
		<u>Amount</u>	<u>Percentage Increase (Decrease)</u>	<u>Percentage of Attendance</u>
2016	7,177	7,492	0.98%	104.39%
2017	7,409	7,425	-0.89%	100.22%
2018	7,479	7,467	0.57%	99.84%
2019	7,298	7,366	-1.35%	100.93%
2020	7,138	7,226	-1.90%	101.23%
2021	6,884	6,899	-4.53%	100.22%
2022	7,037	7,064	2.39%	100.38%
2023	7,180	7,239	2.48%	100.82%
2024	7,237	7,237	-0.03%	100.00%
2025	7,290	7,071	-2.29%	97.00%

Source: Texas Education Agency

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
EXHIBIT L-19
Last Ten Years

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Elementary School										
Koennecke (1986)										
Square feet	53,206	53,206	53,206	53,206	53,206	53,206	53,206	53,206	53,206	53,206
Capacity	562	562	562	562	562	562	562	562	562	562
Enrollment	533	535	515	539	569	586	511	550	541	560
Ball (1976)										
Square feet	51,805	51,805	51,805	51,805	51,805	51,805	51,805	51,805	51,805	61,872
Capacity	449	449	449	449	449	449	449	449	449	520
Enrollment	263	490	536	492	436	234	345	439	384	427
Jefferson (1974)										
Square feet	53,087	53,087	53,087	53,087	53,087	53,087	53,087	53,087	53,087	53,087
Capacity	584	584	584	584	584	584	584	584	584	584
Enrollment	393	421	403	363	351	347	380	386	406	396
Juan Seguin (1940)										
Square feet	25,306	25,306	25,306	25,306	-	-	-	-	-	-
Capacity	300	300	300	300	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-
McQueeney (1976)										
Square feet	54,957	54,957	54,957	54,957	54,957	54,957	54,957	54,957	54,957	54,597
Capacity	490	490	490	490	490	490	490	490	490	490
Enrollment	350	347	347	337	320	316	307	314	314	318
Patlan (1987)										
Square feet	53,206	53,206	53,206	53,206	53,206	53,206	53,206	53,206	53,206	53,206
Capacity	562	562	562	562	562	562	562	562	562	562
Enrollment	467	462	462	419	454	439	446	443	434	427
Rodriguez (2010)										
Square feet	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000	67,000
Capacity	650	650	650	650	650	650	650	650	650	650
Enrollment	548	526	544	551	540	525	492	475	513	493
Seagert (1930)										
Square feet	67,547	67,547	67,547	67,547	67,547	67,547	64,547	64,547	64,547	64,547
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	489	-	-	-	64	70	88	70	114	80

(Continued)

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
EXHIBIT L-19
Last Ten Years

	Fiscal Year									
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Elementary School (continued)										
Vogel (1991)										
Square feet	53,206	53,206	53,206	53,206	53,206	53,206	53,206	53,206	53,206	53,206
Capacity	562	562	562	562	562	562	562	562	562	562
Enrollment	464	425	409	405	382	275	374	401	415	468
Weinert (1974)										
Square feet	46,375	46,375	46,375	46,375	46,375	46,375	46,375	46,375	46,375	46,375
Capacity	540	540	540	540	540	540	540	540	540	540
Enrollment	558	520	513	475	477	443	456	479	478	441
Middle School										
Barnes (2004)										
Square feet	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	530	813	863	876	852	873	853	797	791	755
Briesemeister (1975)										
Square feet	103,606	103,606	103,606	103,606	103,606	103,606	103,606	103,606	103,606	103,606
Capacity	700	700	700	700	700	700	700	700	700	700
Enrollment	527	787	807	778	767	727	720	725	725	774
Burges (1950)										
Square feet	17,114	17,114	17,114	17,114	17,114	-	-	-	-	-
Capacity	120	120	120	120	120	-	-	-	-	-
Enrollment	29	31	26	-	-	-	-	-	-	-
High School										
Learning Center (1964)										
Square feet	21,968	21,968	21,968	21,968	21,968	-	-	-	-	-
Capacity	125	125	125	125	125	-	-	-	-	-
Enrollment	134	103	92	78	-	-	-	-	-	-
Seguin High School										
Square feet	289,914	420,774	420,774	420,774	420,774	420,774	420,774	420,774	420,774	420,774
Capacity	2,500	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450	2,450
Enrollment	1,892	1,949	1,962	1,985	1,926	2,049	2,065	2,101	2,122	1,879
Total square footage	1,108,297	1,239,157	1,239,157	1,239,157	1,213,851	1,174,769	1,171,769	1,171,769	1,171,769	1,181,476
Total capacity	9,444	9,394	9,394	9,394	9,094	8,849	8,849	8,849	8,849	8,920
Total enrollment	7,177	7,409	7,479	7,298	7,138	6,884	7,037	7,180	7,237	7,018

Source: District records and Texas Education Agency

COMPLIANCE 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 *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees of
Seguin Independent School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Seguin Independent School District (the "District") as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 5, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in black ink that reads "Crowe LLP". The signature is stylized, with the "C" being large and looping, and the "LLP" written in a more straightforward, slightly slanted font.

Crowe LLP

Houston, Texas
January 5, 2026

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE

To the Board of Trustees of
Seguin Independent School District

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Seguin 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 Jun 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

(Continued)

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

(Continued)

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.

A handwritten signature in black ink that reads "Crowe LLP". The signature is stylized, with the "C" being large and looping, and the "LLP" being written in a more compact, cursive style.

Crowe LLP

Houston, Texas
January 5, 2026

SEGUIN INDEPENDENT SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
For the year ended June 30, 2025

SUMMARY OF PRIOR YEAR AUDIT FINDINGS

No prior year findings.

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS - EXHIBIT F-1
For the year ended June 30, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

FEDERAL AWARDS

Internal control over major federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulation (CFR) Part 200.516(a)?	No

Identification of major programs:

<u>Assistance Listing (AL) Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027A, 84.173A	Special Education Cluster
84.287C	Title IV, Part B 21 st Century Learning

Dollar threshold used to distinguish between Type A and Type B programs:	\$750,000
Auditee qualify as low-risk auditee?	Yes

SECTION II - FINANCIAL STATEMENT FINDINGS

None identified.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

None identified.

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2025

(1)	(2)	(2A)	(3)
Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal AL Number	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
Passed Through Texas Department of Education			
Title I, Part A	84.010A	24610101094901	\$ 83,219
Title I, Part A	84.010A	25610101094901	2,026,867
Title I, Part D, Subpart 2	84.010A	24610103094901	11,156
Title I, Part D, Subpart 2	84.010A	25610103094901	74,615
School Action Fund - Continuation	84.010A	246101647110010	151,764
Strong Foundations Implementation - School Improvement	84.010A	25610106094901	299,800
			<u>2,647,421</u>
<u>Special Education Cluster:</u>			
IDEA B, Formula Grant	84.027A	246600010949016000	104,040
IDEA B, Formula Grant	84.027A	256600010949016000	2,438,265
IDEA B, Discretionary - Residential	84.027A	66002512	419,185
IDEA B, (High Cost Pool)	84.027A	66002506	170,692
			<u>3,132,182</u>
IDEA B, Preschool	84.173A	246610010949016000	3,808
IDEA B, Preschool	84.173A	256610010949016000	36,847
			<u>40,655</u>
Total Special Education Cluster			<u>3,172,837</u>
Education for Homeless Children and Youth	84.196A	244600057110080	<u>5,462</u>
Title III, Part A ELA	84.365A	24671001094901	3,318
Title III, Part A ELA	84.365A	25671001094901	70,853
Title III, Part A Immigrant	84.365A	24671003094901	350
Title III, Part A Immigrant	84.365A	25671003094901	11,724
			<u>86,245</u>
Perkins V: Strengthening CTE for 21st Century	84.048A	25420006094901	<u>106,146</u>
Title IV, Part B 21st Century Learning	84.287C	246950307110037	89,262
Title IV, Part B 21st Century Learning	84.287C	256950307110037	1,641,905
			<u>1,731,167</u>
Title II, Part A, Supporting Effective Instruction	84.367A	24694501094901	7,597
Title II, Part A, Supporting Effective Instruction	84.367A	25694501094901	324,780
			<u>332,377</u>
LEP Summer School	84.369A	69552402	<u>4,090</u>
Title IV, Part A, Subpart 1	84.424A	24680101094901	3,579
Title IV, Part A, Subpart 1	84.424A	25680101094901	155,652
Stronger Connections	84.424F	236811017110092	160,738
			<u>319,969</u>
COVID-19 - Texas COVID Learning Acceleration Support (TCLAS) - ESSER III	84.425U	21528042094901	71,841
COVID-19 - American Rescue Plan (ARP) ESSER III	84.425U	21528001094901	6,981
COVID-19 - TCLAS High-Quality After School	84.425U	215280587110136	166,920
COVID-19 - ARP Homeless I	84.425W	215330017110073	54,560
COVID-19 - ARP Homeless II	84.425W	21533002094901	45,659
			<u>345,961</u>
Direct Award			
School Climate Transformation	84.184G	S184G190293	<u>490,951</u>
Total U.S. Department of Education			<u>9,242,626</u>

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2025

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Federal AL Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
U.S. DEPARTMENT OF AGRICULTURE			
Passed Through Texas Department of Education			
<u>Child Nutrition Cluster</u>			
School Breakfast Programs	10.553	806780706	\$ 1,562,106
National School Lunch	10.555	806780706	3,929,870
Passed Through Texas Department of Agriculture			
<u>Child Nutrition Cluster</u>			
Summer Food Service Program	10.559	806780706	164,647
Fresh Fruit and Vegetable	10.582	00448	21,678
Total Child Nutrition Cluster			5,678,301
Equipment Assistance	10.579	806780706	72,804
Child and Adult Food Care Program	10.558	806780706	456,140
Commodities Delivery Fee Reimbursement	10.560	806780706	9,087
Commodities Storage Fee Reimbursement	10.560	806780706	112
			9,199
Local Food for Schools Cooperative Agreement	10.185	806780706	69,474
Direct Award			
USDA Commodities	10.565	806780706	415,179
Total U.S. Department of Agriculture			6,701,097
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
Passed through Texas Health and Human Services			
Commission Medicaid Administrative Claims	93.778	HHS000537900040	41,074
Total expenditures of federal awards			\$ 15,984,797
		Federal expenditures per SEFA	\$ 15,984,797
		ERATE	116,496
		Junior ROTC	71,760
		SHARS	158,539
		C-2 Federal revenue	\$ 16,331,592

SEGUIN INDEPENDENT SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the year ended June 30, 2025

NOTE 1 - BASIS OF ACCOUNTING

The accompanying schedule of expenditures of federal awards ("SEFA") includes the federal grant activity of the District, and is presented on the accrual basis of accounting. The information in 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 amounts presented in the SEFA may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the SEFA are reported on the modified accrual basis of accounting. These expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the SEFA, if any, represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 - INDIRECT COST RATE

The District has elected not to use the 10% de minimus indirect cost rate allowed under the Uniform Guidance.

SEGUIN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REQUIRED RESPONSES TO SELECTED
SCHOOL FIRST INDICATORS - EXHIBIT L-1
For the year ended June 30, 2025

<u>Data Control Codes</u>		<u>Responses</u>
SF1	Was there an unmodified opinion in the annual financial report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the annual financial report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year end?	No
SF3	Did the District make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the District was issued a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the District is considered to not have made timely payments.)	Yes
	Payments to the TRS and TWC are considered timely if a warrant hold that was issued in connection to the untimely payment was cleared within 30 days from the date the warrant hold was issued.	
	Payments to the IRS are considered timely if a penalty or delinquent payment notice was cleared within 30 days from the date the notice was issued.	
SF4	Was the District issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the District is considered to have been issued a warrant hold.	No
SF5	Did the annual financial report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the annual financial report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the District post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code, and other statutes, laws, and rules that were in effect at the District's fiscal year end?	Yes
SF8	Did the Board members discuss the District's property values at a board meeting within 120 days before the District adopted its budget?	Yes
SF9	Total accumulated accretion on capital appreciation bonds included in government-wide financial statements at fiscal year end.	\$ -