

ALLEN INDEPENDENT SCHOOL DISTRICT
Where Eagles Soar!

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2025



*Allen ISD cultivates innovation in education that
empowers every learner to realize his or her full potential.*

**612 East Bethany Drive
Allen, Texas 75002**

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Annual Comprehensive Financial Report



**Allen Independent School District
612 East Bethany Drive
Allen, Texas 75002**

**Fiscal Year Ended
June 30, 2025**

Prepared by
The Finance Department

Dr. Kyle Penn
Assistant Superintendent of
Business & Technology

Theresa Mata
Finance Coordinator

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INTRODUCTORY SECTION

CERTIFICATE OF BOARD

Allen Independent School District
Name of School District

Collin
County

043-901
Co. - Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) approved disapproved for the year ended June 30, 2025, at a meeting of the Board of Trustees of such school district on the 15th day of December, 2025.


Signature of Board Secretary


Signature of Board President

**ALLEN INDEPENDENT SCHOOL DISTRICT
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2025**

PRINCIPAL OFFICIAL AND ADVISORS

Board of Trustees

Board of Trustees	Board Member Since	Term Expires	Occupation
Dr. Polly Montgomery President, Place 6	2020	May, 2026	Adjunct Professor
Dr. Bill Parker Vice President, Place 7	2023	May, 2026	Campus Administrator
Sarah Mitchell President, Place 1	2018	May, 2027	Dietician
Veronica Yost Board Member, Place 2	2024	May, 2027	Stylist
John Holley Board Member, Place 3	2024	May, 2027	Retired Teacher
Becca Kenner Board Member, Place 4	2025	May, 2028	Homemaker/Volunteer
Amanda Campbell Board Member, Place 5	2025	May, 2028	Small Business Owner

Administrative Staff

Dr. Robin Bullock.....Superintendent

Kim McLaughlin.....Deputy Superintendent

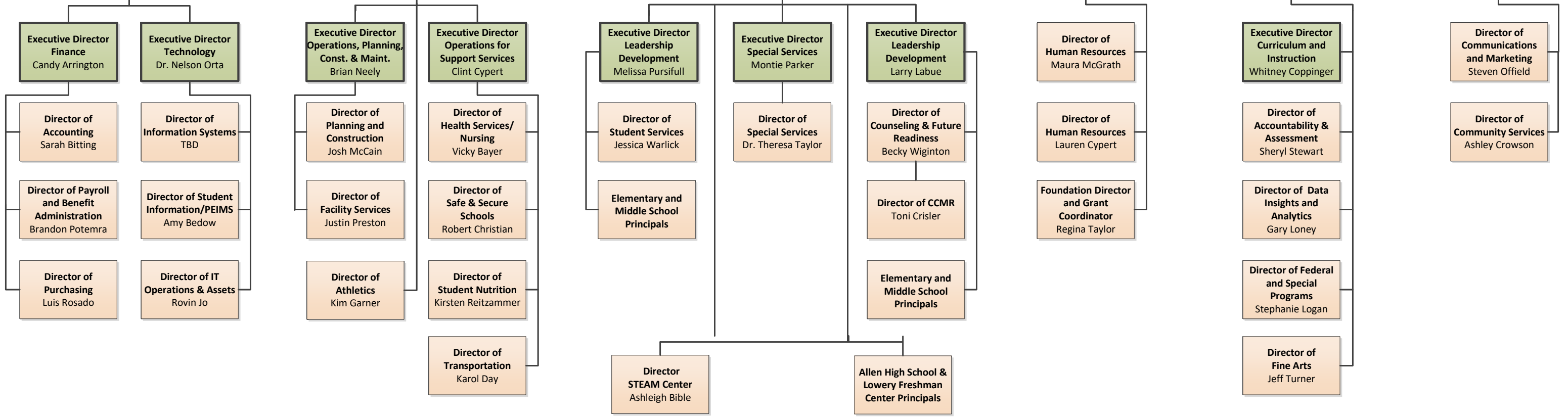
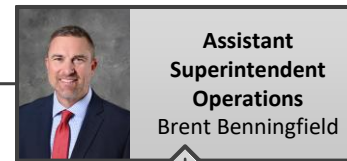
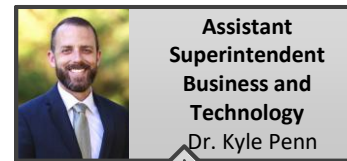
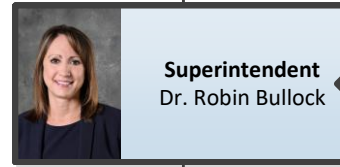
Jennifer Wilhelm.....Assistant Superintendent Learner Services

David Hicks.....Chief Communications & Strategic Initiatives Officer

Dr. Kyle Penn.....Assistant Superintendent Business & Technology

Johnna Walker.....Assistant Superintendent of Human Resources

Brent Benningfield.....Assistant Superintendent Operations



Allen ISD

Allen Independent School District
2025-2026 Organizational Chart

Consultants and Advisors

- Hankins, Eastup, Deaton, Tonn & Seay, CPA’sExternal Auditors
902 North Locust
Denton, Texas 76202-0977
- Norton Rose Fulbright.....Bond Counsel
2200 Ross Avenue, Suite 2800
Dallas, Texas 75201
- Hilltop Securities.....Financial Advisor
325 N. Saint Paul, Suite 800
Dallas, Texas 75201
- Linebarger, Goggan, Blair, & Simpson L.L.P.Tax Collection Counsel
2777 N. Stemmons Freeway, Suite 1000
Dallas, Texas 75207
- Abernathy, Roeder, Boyd & Hullett, P.C.General Counsel
1700 Redbud Blvd #300
McKinney, TX 75069
- Walsh, Anderson, Gallegos, Green, & Trevino PC.Special Services Counsel
1700 Pacific Avenue, Suite 3300
Dallas, Texas 75201
- American National Bank.....Official Depository
720 S. Greenville Ave.
Allen, TX 75002
- Corgan Associates.....Architects
401 North Houston Street
Dallas, TX 75202
- VLK Architects.....Architects
2821 W 7th Street #300
Fort Worth, TX 76107

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December 16, 2025

The Board of Trustees and Citizens
Allen Independent School District
612 East Bethany Drive
Allen, Texas 75002

Dear Allen ISD Board of Trustees and Citizens:

The Annual Comprehensive Financial Report (ACFR) of the Allen Independent School District (the District) for the fiscal year ended June 30, 2025 is presented herein. The Annual Comprehensive Financial Report is management's report of the financial operations of the District for the Board of Trustees (the Board), patrons, taxpayers, employees, grantor agencies, the Texas Education Agency (TEA), and other interested parties. The organization-wide financial statements in this report provide an overview of the District's governmental activities, while detailed fund financial statements describe specific activities of each fund group used in accounting for the District's financial transactions. This report has been prepared by the District's Finance Department in accordance with the accounting principles and reporting standards promulgated by the Governmental Accounting Standards Board (GASB) and the official rules published by the TEA.

The Annual Comprehensive Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes this transmittal letter, a list of principal officials and advisors, and an organizational chart. The Financial Section includes the Independent Auditors' Report, Management's Discussion and Analysis (MD&A), basic financial statements, required supplementary information, and other supplementary information. The Statistical Section is designed to reflect social and economic data, financial and fiscal trends, and demographic information.

District management assumes full responsibility for the completeness, fairness, and accuracy of the information contained in this report. We believe that the data presented is accurate in all material respects and is presented in a manner to fairly display the financial policies and position of the District as measured by the financial activity of its various funds. There were no significant changes to Board policy that would have impacted our current financial statements. We also believe that all necessary disclosures are included to enable the reader to gain full understanding of the District's financial activities.

The Texas Education Code Section 44.008 requires an annual audit of the accounts, financial records, and transactions of the District by independent certified public accountants selected by the Board. This requirement has been complied with, and the Independent Auditors' Report has been included in this report.

ALLEN INDEPENDENT SCHOOL DISTRICT

The independent audit of the financial statements of the District was part of a broader, federally mandated Single Audit designed to meet the special needs of the federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the District's internal controls and compliance with legal requirements, with special emphasis on internal controls and compliance with legal requirements involving the administration of federal awards. These reports are available in the District's separately issued Single Audit Report.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). 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.

PROFILE OF THE DISTRICT

The Allen Independent School District began in the 1880s as a common school district. In 1910, Allen ISD was constituted as an independent school. Allen ISD is governed by a "Team of Eight," consisting of seven board members and the superintendent. The Board's primary role is policy making, while the operational functions of the district have been delegated to the Superintendent and administrative staff. The District is a recognized political subdivision of the State of Texas and has the responsibility over all activities related to public education within its 27.1 square mile boundary. It is located in the southwest quadrant of Collin County and 23 miles north of downtown Dallas.

As of the 2025-2026 school year, the Allen Independent School District operates one early childhood campus, sixteen elementary schools, three middle schools, one ninth-grade center, the STEAM Center, and one high school. Disciplinary and non-disciplinary student referrals attend the alternative education center. The ages and capacities of these facilities can be found in Exhibit I-20 of the Statistical Section. The District has an approximate enrollment of 20,115 students.

Exceptional Academic Achievements

Our mission statement defines who we are: Allen ISD cultivates innovation in education that empowers every learner to realize his or her full potential. Our classrooms provide innovative learning experiences that motivate students to reach higher levels. We are developing critical thinkers who can problem solve and effectively communicate to better prepare them with future-ready skills. Allen ISD illustrates success by students engaging in opportunities to attain the Graduate Profile characteristic of being *Academically Prepared for Future Pursuits*. Students are academically prepared when they possess necessary skills to seek educational and career options as they continually pursue and integrate knowledge.

Student success in Allen ISD is based on student mastery of the learning objectives. Student performance over the past several years has prompted a district-wide focus on students making progress and reaching advanced standards on state assessments. As a high-performing district,

this emphasis enables us to develop instructional and intervention strategies to ensure that all students make at least a year’s progress regardless of their performance level. To support this effort, Allen ISD has prioritized instructional best practices that will support not only a culture of excellence but also empowered learning and future ready skills for our learners. These are: application of content knowledge, creative and critical thinking, culture and learning environment, differentiation and scaffolding, purposeful feedback and reflection and growth. A focus on these ensure classroom instruction utilizes research-based best practices and that teachers have the training and resources to implement best practices in instruction. Academic support and intervention focuses on purposeful small group instruction, learning continuums and differentiation to close gaps in foundational skills, resources tightly aligned to specific skills needing to be addressed, and student engagement. Allen ISD educators design exemplary instruction that supports students in demonstrating and mastering learning outcomes.

In addition to high stakes summative assessments through STAAR (State of Texas Assessments of Academic Readiness) and classroom-based methods for monitoring student academic progress, the district utilizes a variety of interim assessments to assess academic progress. This creates a balanced assessment system that includes formative, interim, and summative assessments. This multi-tiered approach to support learners provides educators with an ongoing systematic process for gathering data to measure continued growth. This allows educators to analyze student data, determine goals that are defined specific to the students’ academic skills, and develop instructional plans. Additionally, this information on student learning strengthens the home-to-school partnership focused on growth for each individual student.

Allen ISD promotes academic success through learning experiences that engage students resulting in academic growth and post-secondary success.

Advanced Academics Programs: The District supports extensive advanced academic offerings through Advanced, Advanced Placement (AP), International Baccalaureate (IB), and Dual Credit (DC) programs. Advanced Placement is a selection of college preparation courses offered in all academic areas, as well as foreign language and art. Allen ISD offers over 25 Advanced Placement (AP) courses. International Baccalaureate is designed to be a college preparation program with IB Diploma students completing coursework in six subject areas. Allen High School has also offered a full diploma International Baccalaureate (IB) program since 1999. Both AP and IB courses are designed to be academically challenging and highly rigorous, exposing high school students to college-level instruction. Dual Credit (DC) is a specific type of concurrent enrollment where a student receives both high school and college credit for the same class. The program provides students with the opportunity to establish an educational foundation that will enable them to continue their academic success at a college or university. Allen High School offers over 90 dual credit or concurrent courses throughout the school year or summer for students to attend. To further promote opportunities for students to start their college education while in high school, Allen ISD has partnered with Collin College to build additional classroom and lab space at the Collin College Technical Campus in Allen. This campus is adjacent to the Allen ISD STEAM Center and includes a 40,000 square foot addition to the Collin College campus that exclusively houses dual credit programs for Allen High School students during the school day. The 2025-2026 school year marks the sixth year Allen ISD students have had the

ability to pursue an Associate Degree pathway that enables them to earn an associate degree by the time they graduate from high school.

Career and Technical Education: The district transitioned into House Bill 5 by preparing students for selecting endorsement tracks, developing processes for creating and reviewing personal graduation plans, and promoting innovative work-based learning opportunities including internships as well as blended learning environments. With the support of a CTE Advisory Committee and TEA guidance, programs of study have been implemented that promote learning of high-wage and high-demand careers. Programs of study have been implemented in all CTE endorsement areas. Industry-based certifications are embedded in each program of study, which enables students to enter the workforce above entry-level positions and promotes post-secondary pursuits. Industry-based certifications earned by CTE students help meet the district goal of obtaining future ready skills. In looking towards further expansion of career and technical opportunities for Allen ISD students, the district has partnered with Collin College which allows for Allen ISD students to take technical courses at the new Collin College Technical Campus in Allen for dual credit. This commitment provides opportunities for students to learn skills supporting high-demand industries.

Allen ISD is excited to continue the Empower 1:1 Student Mobile Device program. This program is a product of the 2020 and 2024 bond projects, designed to enhance student learning and foster future-ready skills by providing digital technology to every student. The purpose of the program is to support the effective integration of digital learning platforms in the classroom while empowering students to collaborate, communicate, create and enhance their technology skills to support their academic and future professional growth. In order to provide teachers with the opportunity to immerse students in engaging, relevant, personalized and interactive learning experiences, Allen ISD has systematically focused on supporting the implementation of digital tools including G Suite (formerly Google Apps for Education) at all levels, Google Classroom (elementary), and the Canvas Learning Management System (secondary) as the digital extensions of the classroom. Blended learning combines online learning with face-to-face teacher-led instruction to effectively differentiate instruction for all students. This practice equips students with future ready skills and dynamically addresses the evolving educational landscape. Blended learning enhances individualization, empowers student voice, and deepens content knowledge by leveraging both digital and non-digital tools as integral parts of classroom instruction.

The State of Texas Assessments of Academic Readiness, or STAAR, is the state testing program designed to measure the extent to which students have learned and are able to apply the knowledge and skills defined in the state curriculum standards, the Texas Essential Knowledge and Skills (TEKS). Results from the Spring 2025 STAAR administration evidence that Allen ISD is a high achievement district and continues to perform above both the Region and State in all content areas and grade levels. As a generalization, Allen ISD performance at the Approaches Grade Level performance category trends approximately 10% to 25% higher, and performance at the Meets Grade Level and Masters Grade Level performance categories outpaces the State and Region by approximately 20% to 25%.

Allen Independent School District has recently been ranked as the sixth best school district in Texas, according to Niche.com, which gave Allen ISD an A+ overall grade. The website, which

calculates the rankings based on data from the U.S. Department of Education and survey responses from families, also listed Allen ISD as the 108th best district in the nation.

Other Niche rankings for Allen ISD include based on the latest data available:

- Best School Districts in Texas - #6 of 876
- Districts with the Best Teachers in Dallas-Fort Worth Area – #3 of 94
- Best School Districts to Teach in Collin County – #1 of 15

Niche also rates individual campuses, and Allen High School was named the 34th best College Preparatory Public High Schools in Texas out of 1,439 schools. Nationally, AHS ranked near the top 45 percent of the best public high schools out of 20,162 campuses.

Economic Condition and Outlook

Local Economy

The City of Allen is conveniently located in the heart of North Texas, where the area’s economy is diverse and expanding. Allen continues to experience demographic and business growth. The majority of Allen’s commercial development occurred after 1992, when the city’s voters approved the creation of an economic development corporation funded by a dedicated half-cent sales tax. The city’s major commercial developments began with construction of business parks that attracted high-tech industries and professional services, with large retail centers being developed as the supporting population grew.

Premier office parks, a flagship convention center and a four-star Delta Marriot Hotel moved Allen into its next phase of growth. Additionally, the City of Allen anticipates continued tax growth over the next several years with large projects still in development. The city has approved multiple mixed-use developments consisting of office, retail, restaurants and living spaces propelling Allen into an office employment center for the region. There are building plans along U.S. Highway 75, the Allen Gateway, The Farm in Allen, The Avenue, Sloan Corners, and at the 75/Loop 21 Corridor. Allen has experienced technology and data center growth with significant projects including TierPoint and Cyrus One. Allen’s employers are concentrated in financial services/insurance, information technology, professional services, telecommunications and electronics. New to Allen in 2024 are corporate headquarters for Fibergrate Composite Structures, Playground Boss national distributor of park/playground equipment, and Centerline medical practice management organization.

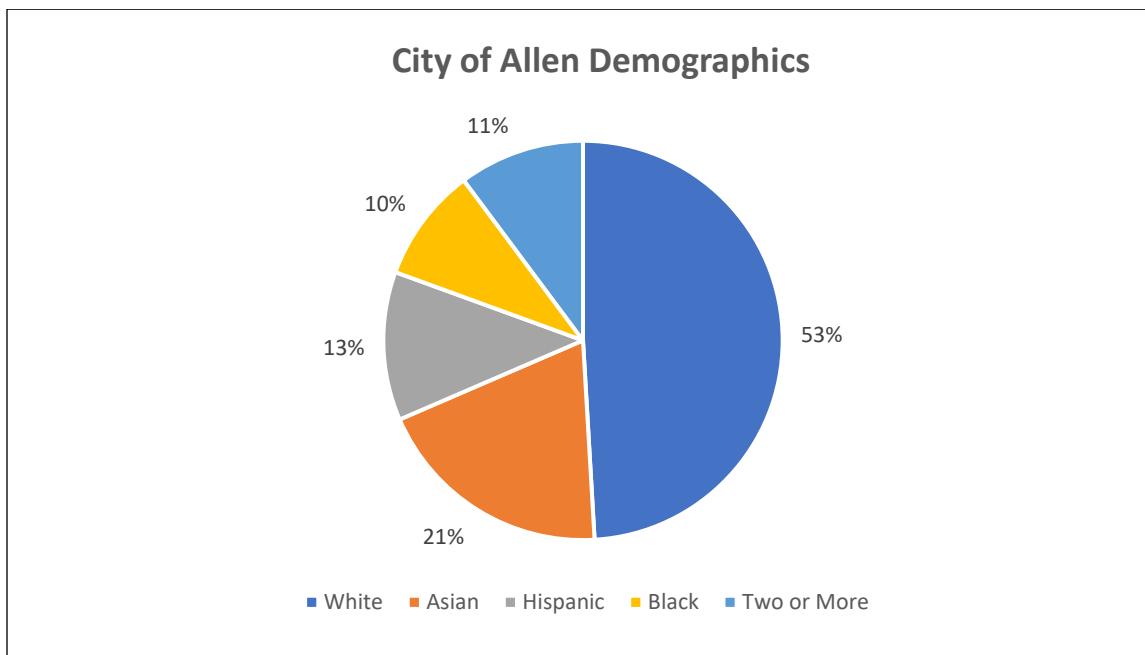
Allen’s economic base continues to grow with the relocation and expansion of many corporate and regional headquarters to the area. The combined appraised value of the ten largest taxpayers total only 6.53 percent of the District’s total 2024-25 assessed value. A schedule listing the ten largest taxpayers can be found in Exhibit I-10 of the Statistical Section. The District’s commercial and industrial taxable base is generally comprised of high technology businesses and retail centers.

Growth

Allen is a sought-after location for professionals and their families continuing to rank as a top place to live. Allen's population reached 113,300 residents in 2025 and is expected to exceed 120,000 by 2030.

Prices in Allen's housing market typically exceed regional averages due to its quality of life and have increased with the regional growth in population, migratory trends, and employment opportunities. Like many other North Texas communities, Allen saw a boom of housing purchases during 2021 and early 2022. According to the Collin County Appraisal District, the median home price in Allen is slightly higher in 2025 at \$534,923 from 2024 at \$518,427. Future residential development will be limited to Allen's existing corporate limits as there is no additional vacant land to be annexed.

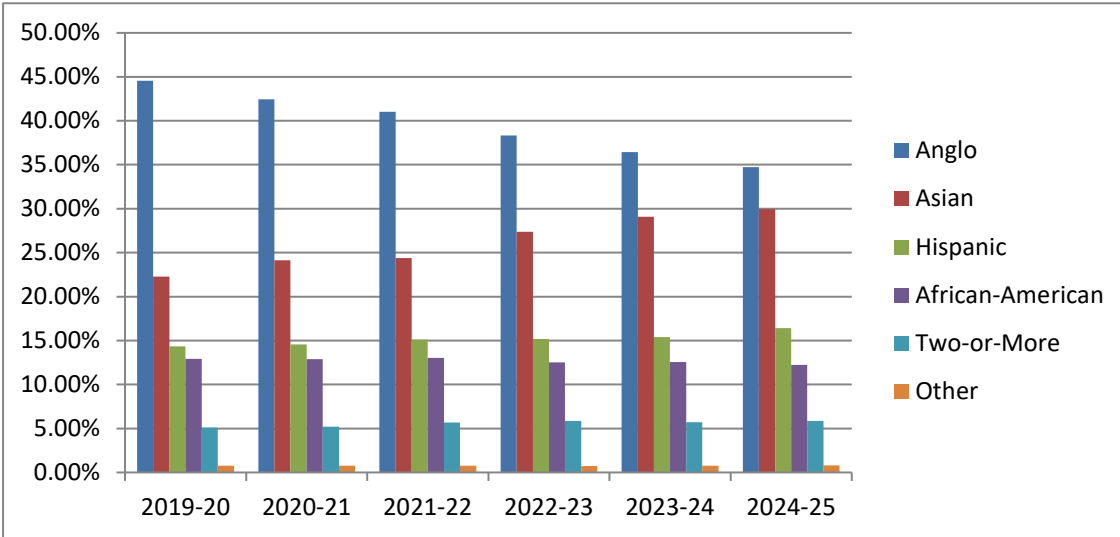
The demographics in the City of Allen continue to evolve. Allen residents have a median household income of \$137,627 and 60% of residents have a bachelor's degree or higher. Allen has seen a 49% increase in jobs within the city over the past 10 years with a 15% forecasted job growth in the next 5 years.



The District's 2025-2026 enrollment of approximately 20,115 continues to decline compared to prior years.

The Allen Independent School District student population has changed in recent years. The following trends have been identified and the budget documents account for such change:

- Increasing growth at in the Northwest Quadrant of the district boundaries
- Increasing minority student population
- Increasing reliance on technology by student population



Community Support

Public support for Allen public schools continues to be strong. Of the 25 bond propositions since 1910, the community has passed 22 for an amount exceeding \$1 billion. Allen ISD has a proven track record of finishing bond projects on time and on budget. This support was evidenced again in November 2024 when the district proposed and passed \$442,140,046 for projects to begin Summer 2025. Bond 2024 will support Allen ISD students through campus renovations, safety and security enhancements, transportation upgrades, construction of a multi-purpose activity center and other necessary capital project needs and will cover updates and refresh of technology devices for students and staff.

Promises Made, Promises Kept to Allen ISD voters who approved two propositions in November 2020 for a total of \$214,313,000 for campus updates and upgrades to existing facilities, technology devices and infrastructure, security upgrades and replacements, and purchase of buses and transportation maintenance equipment.

Projects completed from the 2020 bond election include campus renovations for Boon, Chandler, and Evans Elem, Ereckson Middle School, and Allen High academic wings: G, H (Fine Arts) K (CTE) and Lower A as well as the Agriculture Science Center. The goal for all campus improvement projects was to provide buildings that were longer lasting, easier to care for, energy efficient, and creatively designed. This effort has decreased utility and operations cost and provided flexible collaborative areas for improved learning. Additional district upgrades included LED lighting efficiencies, districtwide concrete upgrades, districtwide roofing and waterproofing upgrades, HVAC replacements and utility efficiencies, first responder communication improvements, and upgrades to safety and security. To date, the district has procured 25 new transit and special education buses to replace an aging fleet. Lastly, this bond expanded districtwide technology improvements including a 1:1 technology initiative for staff and students, infrastructure upgrades such as wireless connectivity improvements, new data center, a fiber loop, classroom multimedia AV systems, IP based Bell/PA/Clock systems and new VOIP system.

The following were upgraded or built from prior bond propositions: Preston Elementary School, the STEAM Center, and the new Lowery Freshman Center. Some renovations include the construction of a new multipurpose music room at Allen High School, renovating Bolin, Kerr, and Marion Elementary Schools, several wings at Allen High School, and installation of lights and seating at the Ereckson Middle School athletic field. Upgrades to security and technology include improving the emergency communications systems across the district while also improving the district network infrastructure.

Financial Information

Budgeting

The annual budget serves as the foundation for the District's financial planning and control. State law requires that every local education agency in Texas prepare and file an annual budget of anticipated revenues and expenditures with the TEA. The budget process begins in January when the projections are presented to the Board of Trustees. It is the intent of the District that the budgetary process results in the most effective mix of educational and financial resources available while attaining the goals and objectives of the District. The enrollment projections contained in this plan coupled with the state's school funding system form the basis for significant budgetary decisions.

Much of the District's planning is focused on the District's Improvement Plan. The plan demonstrates the pledge to work towards goals set at the campus and district levels. Campus Improvement Plans, which couple with the District Improvement Plan, address specific needs for campus and student achievement. These plans are reviewed each quarter and involve engagement of stakeholder groups (community members, campus staff, parents, and central office staff).

The Board of Trustees is required to adopt a final budget no later than the close of the fiscal year on June 30. Annual budgets in the General Fund, Student Nutrition Fund, and Debt Service Fund are included in the official budget. The level of budgetary control is at the fund and the function level, as required by the TEA. Site-based decisions are made throughout the year as campus and departments manage their budgets. The financial system also provides controls limiting accessibility to budgetary account codes. Oversight control of all AISD expenditures is maintained by the Purchasing Department staff.

The Finance Department, along with Board Members and District Leadership, work on long-term financial planning throughout the year. Presentations are consistently made to the Board at board meetings or workshops on long-term planning. For additional information about the financial status of the District, readers should refer to the statements and schedules included in the Financial Section of the report. AISD continues to meet its responsibility of sound financial management.

Other Information

Internal Control

The Board and administration of Allen ISD are responsible for establishing and maintaining an internal control structure designed to ensure the District's assets are protected from loss, theft, and misuse, and to ensure accurate accounting data is compiled in preparation of financial statements in conformity with GAAP. The cost of a control should not exceed the benefits to be derived therefore internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

Independent Audit

State law and District policy require an annual audit of the accounts and financial records by independent certified public accountants selected by the Board of Trustees. Hankins, Eastup, Deaton, Tonn & Seay, P.C., has issued an unmodified opinion on the financial statement of the Allen Independent School District for the year ended June 30, 2025. The independent auditor's report has been included in this report at the front of the financial section.

Awards

In 1999, the 76th Texas Legislature approved legislation requiring the Commissioner of Education, in consultation with the Comptroller of Public Accounts, to develop a rating system for school district financial accountability. The 77th Texas Legislature in 2001 subsequently adopted rules for the implementation and administration of the financial accountability rating system known as School FIRST, (Financial Integrity Rating System of Texas). The financial accountability rating system benefits the public by having a system in place to ensure that school districts will be held accountable for the quality of their financial management practices and achieve improved performance in the management of their financial resources. Allen ISD has received the highest rating of Superior Achievement, or "A," for every year of the program's existence.

The Texas Comptroller of Public Accounts developed the Texas Comptroller Leadership Circle program in December 2009 to recognize local governments across Texas that strive to meet a high standard of financial transparency online. The district currently holds the Finance Transparency Star Awards in Traditional Finances and Debt Obligation for providing relevant budgetary and actual financial data online in an easily accessible format.

Acknowledgements

Without the dedicated services of the entire Finance Department the preparation of this report could not have been accomplished. We also wish to thank the members of the Allen ISD Cabinet and Board of Trustees for planning and conducting the financial operations of the District in a responsible manner.



Dr. Robin Bullock
Superintendent



Dr. Kyle Penn
Assistant Superintendent of Business
& Technology

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FINANCIAL SECTION

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Members:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
TEXAS SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

**HANKINS, EASTUP, DEATON,
TONN, SEAY & SCARBOROUGH**
A Limited Liability Company

902 NORTH LOCUST
P.O. BOX 977
DENTON, TX 76202-0977

TEL. (940) 387-8563
FAX (940) 383-4746

CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditor's Report

Allen Independent School District
Allen, Texas

Opinion

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

In our opinion, the 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 Allen Independent School 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financials section of our report. We are required to be independent of Allen Independent School District and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Matter – Change in Accounting Principle Pertaining to Compensated Absences

As discussed in Note 24 to the financial statements, the District has changed its accounting for compensated absences, which was required by Governmental Accounting Standards Board (GASB) Statement No. 101, which became effective for fiscal years beginning after December 15, 2023. Our opinions are not modified with respect to this matter.

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 Allen Independent School District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with general accepted auditing standards 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 generally accepted auditing standards 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 Allen Independent School 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 Allen Independent School 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 on pages 9 through 16, the budgetary comparison information on pages 64 and 65, and the Teacher Retirement System schedules on page 66 through 74 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Allen Independent School District's basic financial statements. The combining and individual nonmajor fund financial statements, the required TEA schedules listed in the table of contents, 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 and individual nonmajor fund financial statements, the required TEA schedules, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory section and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025, on our consideration of Allen Independent School District's internal control over financial reporting and on our tests of the 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 Allen Independent School 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 Allen Independent School District's internal control over financial reporting and compliance.



Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC
Denton, Texas

December 15, 2025

**ALLEN INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2025
(UNAUDITED)**

As management of Allen Independent School District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2025.

Financial Highlights

- The District's total (governmental activities and business-type activities) assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$208,538,064 (*net position*).
- The District's total net position increased by \$44,137,054 during the current fiscal year from the result of current year operations.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$334,381,471, an increase of \$190,634,010 in comparison with the prior year. The increase in governmental fund balances was due to a decrease in the General Fund balance of \$916,685, an increase in Debt Service Fund balance of \$1,399,648, an increase in Capital Projects Fund balance of \$190,647,483, and a decrease in Special Revenue Fund balances of \$496,436.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$50,220,294, or 23.2% of total general fund expenditures.

Overview of the Financial Statements

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

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the District's assets and deferred outflows of resources, and liabilities and deferred 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.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal 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*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements of the District are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include Instruction, Instructional Resources and Media Services, Curriculum and Instructional Staff Development, Instructional Leadership, School Leadership, Guidance, Counseling, and Evaluation Services, Social Work Services, Health Services, Student Transportation, Food Services, Extracurricular Activities, General Administration, Facilities Maintenance and Operations, Security and Monitoring Services, Data Processing Services, Community Services, Interest on Long-term Debt, Bond Issuance Costs and Fees, Capital Outlay, Contracted Instructional Services Between Schools, and Appraisal District Fees. The government-wide financial statements can be found on pages 19 and 20 of this report.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities and objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on *balances of spendable resources* available at the end of the current fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances prove a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains twenty-two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the debt service fund, and the capital projects fund, all of which are considered to be major funds. Data from the other nineteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the financial statements. The District adopts an annual appropriated budget for its general fund, debt service fund, and Child Nutrition Fund special revenue fund.

The basic governmental fund financial statements can be found on pages 22 through 27 of this report.

Proprietary Funds

Proprietary funds – The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. The internal service fund reports the District's self-insurance workers compensation program that provides services for the District's other programs and activities. The enterprise funds report activities that operate similar to private businesses.

Fiduciary Funds

The District is the trustee or custodian for private purpose trust funds and for money raised by student organizations. The District's fiduciary activity is reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position on pages 33 and 34. We exclude these resources from the District's other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35 through 62 of this report.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information that further explains and supports the information in the financial statements. The required supplementary information relates to comparison of the original adopted budget, the final amended budget, and the actual amounts for the fiscal year. This is required supplementary information for the general fund and any major special revenue funds. The District did not have any major special revenue funds; therefore, only the general fund is presented as required supplementary information. In addition, two schedules of required supplementary information are presented containing information on the District's participation in the Teacher Retirement System of Texas pension plan and two schedules are presented containing information on the District's participation in the Teacher Retirement System of Texas TRS-Care plan, an other post-employment benefit (OPEB) plan. The required supplementary information can be found on pages 64 through 74.

Other Information

The combining and individual fund statements and schedules and other supplementary information are presented immediately following the required supplementary information and can be found on pages 76 through 90 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a District's financial position. In the case of the District, total assets and deferred outflows of resources exceeded total liabilities and deferred inflows of resources by \$208,538,064 at the close of the fiscal year (net position).

The District's net investments in capital assets (e.g. land, buildings and improvements, and furniture and equipment) less any outstanding related debt used to acquire those assets, amounted to \$205,627,492. The District uses these capital assets to provide services to students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets cannot be used to liquidate these liabilities.

Financial Analysis of the District as a Whole

The District's combined net position was \$208,538,064 as of June 30, 2025.

**Table A-1
Allen Independent School District's Net Position**

	Governmental Activities		Business-type Activities		Total Government	
	2025	2024	2025	2024	2025	2024
Assets						
Cash & Investments	\$ 367,051,433	\$ 162,491,009	\$ 6,364,978	\$ 5,165,073	\$ 373,416,411	\$ 167,656,082
Other Assets	12,339,518	33,108,508	-	-	12,339,518	33,108,508
Capital Assets, Net	787,071,731	788,219,151	-	-	787,071,731	788,219,151
Total Assets	1,166,462,682	983,818,668	6,364,978	5,165,073	1,172,827,660	988,983,741
Deferred outflows of resources	45,519,356	54,414,350	-	-	45,519,356	54,414,350
Liabilities						
Current Liabilities	50,070,476	54,398,680	99,470	117,278	50,169,946	54,515,958
Long-Term Liabilities	915,809,597	765,840,013	-	-	915,809,597	765,840,013
Total Liabilities	965,880,073	820,238,693	99,470	117,278	965,979,543	820,355,971
Deferred inflows of resources	43,829,409	56,223,530	-	-	43,829,409	56,223,530
Net Position						
Net Invested in Capital Assets	220,595,612	174,662,425	-	-	220,595,612	174,662,425
Restricted	24,607,709	28,699,501	-	-	24,607,709	28,699,501
Unrestricted	(42,930,765)	(41,591,131)	6,265,508	5,047,795	(36,665,257)	(36,543,336)
Total Net Position	\$ 202,272,556	\$ 161,770,795	\$ 6,265,508	\$ 5,047,795	\$ 208,538,064	\$ 166,818,590

Of the District's restricted net position, \$23,198,787 represents funds held for debt retirement. These funds are accumulated from property tax collections and are restricted for debt retirement. The unrestricted net position represents resources available to fund the programs of the District in future years.

Changes in Net Position

The District's total revenues were \$355,402,271. Of this total, 68.9% comes from local property taxes (see Table A-2) and 23.9% comes from state aid and other grants, while the remaining 6.6% relates to charges for services and other miscellaneous sources including investment earnings.

The total cost of all programs and services was \$311,265,217. The largest expense categories were instruction and instructional related services with totaled \$152,892,967 or 49.1% of total expenses, facilities, maintenance and operations which totaled \$28,446,396 or 9.1% of total expenses, and debt service which totaled \$17,852,049 or 5.7% of total expenses.

The District's base tax collections (current and delinquent) percentage for fiscal year 2025 is 98.4% of the current year levy. The total tax collections (base tax plus penalty) percentage for fiscal year 2025 is 98.7% of the current year levy.

Table A-2

	Governmental Activities		Business-type Activities		Total Government	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Charges for Services	\$ 15,736,543	\$ 11,058,098	\$ 4,778,131	\$ 4,598,621	\$ 20,514,674	\$ 15,656,719
Operating Grants and Contributions	38,890,640	36,249,455	-	-	38,890,640	36,249,455
General Revenues:						
Property Taxes	239,295,306	226,702,023	-	-	239,295,306	226,702,023
State Aid Formula	45,756,122	44,356,545	-	-	45,756,122	44,356,545
Investment Earnings	10,945,529	9,019,020	-	-	10,945,529	9,019,020
Miscellaneous	-	1,591,238	-	-	-	1,591,238
Transfer in/(out)	448,835	1,200,000	(448,835)	(1,200,000)	-	-
Total Revenues	351,072,975	330,176,379	4,329,296	3,398,621	355,402,271	333,575,000
Expenses:						
Instruction	150,427,453	145,076,181	-	-	150,427,453	145,076,181
Instruction Resources & Media	2,465,514	2,353,440	-	-	2,465,514	2,353,440
Curriculum and Staff Development	7,545,398	7,378,083	-	-	7,545,398	7,378,083
Instructional Leadership	2,978,144	2,946,293	-	-	2,978,144	2,946,293
School Leadership	14,028,245	13,437,011	-	-	14,028,245	13,437,011
Guidance, Counseling & Evaluations	15,366,562	14,283,742	-	-	15,366,562	14,283,742
Social Work Services	131,287	129,168	-	-	131,287	129,168
Health Services	2,468,557	2,197,705	-	-	2,468,557	2,197,705
Student Transportation	8,093,217	7,719,756	-	-	8,093,217	7,719,756
Food Services	10,768,763	10,408,835	-	-	10,768,763	10,408,835
Extracurricular Activities	15,113,752	13,336,244	-	-	15,113,752	13,336,244
General Administration	8,384,448	7,611,064	-	-	8,384,448	7,611,064
Facilities Maintenance & Operations	28,446,396	26,932,908	-	-	28,446,396	26,932,908
Security and Monitoring Services	6,224,263	5,428,284	-	-	6,224,263	5,428,284
Data Processing Services	12,763,195	10,935,124	-	-	12,763,195	10,935,124
Community Services	6,921	116,492	-	-	6,921	116,492
Debt Service	17,852,049	18,313,383	-	-	17,852,049	18,313,383
Contracted Services Between Schools	3,423,716	2,795,277	-	-	3,423,716	2,795,277
Payment to Juvenile Justice Prgm.	7,324	9,212	-	-	7,324	9,212
Other Intergovernmental Charges	1,658,430	1,667,761	-	-	1,658,430	1,667,761
Kid's Club	-	-	2,493,309	2,739,383	2,493,309	2,739,383
Other Enterprising Activities	-	-	618,274	536,293	618,274	536,293
Total Expenses	308,153,634	293,075,963	3,111,583	3,275,676	311,265,217	296,351,639
Change in Net Position	42,919,341	37,100,416	1,217,713	122,945	44,137,054	37,223,361
Beginning Net Position	161,770,799	113,865,767	5,047,795	4,924,850	166,818,594	118,790,617
Restatement	(2,417,584)	10,804,612	-	-	(2,417,584)	10,804,612
Ending Net Position	\$ 202,272,556	\$ 161,770,795	\$ 6,265,508	\$ 5,047,795	\$ 208,538,064	\$ 166,818,590

Governmental Activities

Governmental activities increased the District's net position by \$42,919,341. Revenues are generated primarily from three sources; property taxes, state-aid formula grants, and operating grants and contributions represent \$323,942,068 of total revenues. The remaining \$31,460,203 is generated from charges for services, investment earnings, and miscellaneous revenues.

	2025	% of Total
	Revenues	Revenues
Property taxes	\$ 239,295,306	68.9%
State aid - formula grants	45,756,122	12.9%
Operating grants and contributions	38,890,640	11.0%
Charges for services	20,514,674	3.4%
Other revenue	10,945,529	3.2%
Total revenues	\$ 355,402,271	100%

Property taxes increased \$12,593,283 due to a 9.1% increase in taxable property value, somewhat offset by a 1.3% decrease in the total tax rate. State aid increased \$1,399,577 compared to last year due primarily to State funding related to funding the State required decrease in the property tax rate.

The primary functional expenses of the District are instruction; facilities maintenance and operations; and interest on long-term debt, which represent 64.0% of total expenses. The remaining individual functional categories of expenses are each less than 5% of total expenses.

	2025	% of Total
	Expenses	Expenses
Instruction	\$ 150,427,453	48.3%
Facilities maintenance and operations	28,446,396	9.1%
Interest on long-term debt	17,852,049	5.7%
Other expenses	114,539,319	36.8%
Total expenses	\$ 311,265,217	100%

Financial Analysis of the Government's Funds

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

Governmental Funds

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

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$334,381,471, an increase of \$190,634,010 in comparison with the prior fiscal year. The increase in ending governmental fund balances is primarily due to the issuance of new bond issue and a decrease of \$916,685 in the general fund balance.

The *general fund* is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$50,220,294, while total fund balance was \$73,258,476. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 23.2% of total general fund expenditures, while total fund balance represents 33.8% of that same amount. The fund balance of the District's general fund decreased by \$916,685 during the current fiscal year. The decrease in fund balance was primarily due to higher salaries and an increase in recapture payments to the State. In addition, the District has experienced rising prices due to general inflation with no additional funding from the State.

The *debt service fund* has a total fund balance of \$35,995,893, all of which is restricted for the payment of debt service. The net increase in the debt service fund balance during the current year of \$1,399,648 was due an increase in property tax collections.

General Fund Budgetary Highlights

Differences between the original budget and the final amended budget of the general fund can be briefly summarized as follows:

	Budget	
	Original	Final Amended
Total revenues	\$ 218,055,216	\$ 218,121,346
Total expenditures	226,364,496	226,879,462
Other sources (uses)	2,000,000	2,448,835
Net change in fund balance	\$ (6,309,280)	\$ (6,309,281)

Actual revenues, expenditures, and other sources were less than budgeted amounts during the fiscal year; the actual net change in general fund balance for the fiscal year was negative \$916,685. The budget was adopted in June 2024 before final property tax values were known and before the State had notified the District of its maximum compressed tax rate for the 2025 fiscal year.

Capital Assets and Long-term Liabilities

Capital Assets

The District's investment in capital assets for its governmental type activities as of June 30, 2025, includes land, buildings and improvements and furniture and equipment. The investment in capital assets as of June 30, 2025, was \$781,071,731. The following table summarizes the investment in capital assets as of June 30, 2025 and 2024.

	2025	2024
Land	\$ 38,925,209	\$ 38,925,209
Construction in progress	91,616,187	100,957,051
Building and improvements	1,003,533,589	969,019,149
Furniture and equipment	72,563,047	68,434,285
Right-to-use asset	12,000,000	12,000,000
Total	1,218,638,032	1,189,335,694
Accumulated depreciation	(431,566,301)	(401,116,539)
Net capital assets	\$ 787,071,731	\$ 788,219,155

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

Long-term Liabilities

At the end of the current fiscal year, the District had \$915,809,597 in bonds and other long-term debt versus \$765,840,013 in the prior year, an increase of \$149,969,584. This increase is due primarily to the issuance of a new bond issue and an increase in accrued compensated absences due to the implementation of a new accounting standard that was mandated by the Governmental Accounting Standards Board (GASB). The District’s general obligation bond rating is “AAA” according to national rating agencies; this rating is the result of guarantees by the Texas Permanent School Fund.

Changes in long-term debt for the year ended June 30, 2025, are as follows:

	Balance 7/1/2024	Additions	Retired/ Refunded	Balance 6/30/2025	Due Within One Year
Bonds payable					
Carrying value	\$583,281,097	\$214,885,000	\$61,297,098	\$736,868,999	\$ 47,065,000
Unamortized premium (discount)	73,778,353	6,787,785	14,128,944	66,437,194	-
Total bonds payable	657,059,450	221,672,785	75,426,042	803,306,193	47,065,000
Accreted interest payable	349,612	19,683	288,386	80,909	-
Loan payable	1,835,910	-	318,723	1,517,187	341,311
Compensated absences (after accounting change)	2,998,960	98,538	-	3,097,498	145,238
Net pension liability	74,848,455	-	8,894,723	65,953,732	-
Net other post-employment benefits (OPEB)	31,165,210	10,688,868	-	41,854,078	-
	\$768,257,597	\$232,479,874	\$84,927,874	\$915,809,597	\$ 47,551,549

Additional information on the District’s long-term liabilities can be found in the notes to the financial statements.

Economic Factors and Next Year’s Budgets and Rates

- The District’s combined tax rate was \$1.1258 per \$100 of assessed property value in the 2024-25 fiscal year. The combined tax rate will remain the same for the 2025-26 fiscal year.
- The local certified taxable property values in July 2025 are estimated at \$24.1 billion, compared to \$22.5 billion in the prior year.
- The District’s student average daily attendance in 2024-25 was 19,611, compared to 20,060 in the prior year.
- The District’s 2025-2026 adopted budget for the General Fund includes total revenues of \$225.4 million and total expenditures of \$228.7 million.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District’s Finance Department at the following address: 612 E. Bethany Drive, Allen, Texas 75002.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

ALLEN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2025

EXHIBIT A-1

Data Control Codes	1	2 Primary Government	3
	Governmental Activities	Business Type Activities	Total
ASSETS			
1110 Cash and Cash Equivalents	\$ 367,051,433	\$ 6,364,978	\$ 373,416,411
1220 Property Taxes - Delinquent	3,220,051	-	3,220,051
1230 Allowance for Uncollectible Taxes	(161,002)	-	(161,002)
1240 Due from Other Governments	8,033,523	-	8,033,523
1290 Other Receivables, Net	333,310	-	333,310
1300 Inventories	243,290	-	243,290
1410 Prepayments	670,346	-	670,346
Capital Assets:			
1510 Land	38,925,209	-	38,925,209
1520 Buildings, Net	621,656,003	-	621,656,003
1530 Furniture and Equipment, Net	24,948,404	-	24,948,404
1550 Right-to-Use Leased Assets, Net	9,925,928	-	9,925,928
1580 Construction in Progress	91,616,187	-	91,616,187
1000 Total Assets	<u>1,166,462,682</u>	<u>6,364,978</u>	<u>1,172,827,660</u>
DEFERRED OUTFLOWS OF RESOURCES			
1701 Deferred Charge for Refunding	14,899,570	-	14,899,570
1705 Deferred Outflow Related to TRS Pension	13,414,784	-	13,414,784
1706 Deferred Outflow Related to TRS OPEB	17,205,002	-	17,205,002
1700 Total Deferred Outflows of Resources	<u>45,519,356</u>	<u>-</u>	<u>45,519,356</u>
LIABILITIES			
2110 Accounts Payable	3,835,070	53,143	3,888,213
2120 Short Term Debt Payable	341,311	-	341,311
2140 Interest Payable	12,010,044	-	12,010,044
2150 Payroll Deductions and Withholdings	1,471,102	1,059	1,472,161
2160 Accrued Wages Payable	19,968,218	13,256	19,981,474
2180 Due to Other Governments	9,480,928	-	9,480,928
2200 Accrued Expenses	2,041,902	252	2,042,154
2300 Unearned Revenue	1,263,212	31,760	1,294,972
Noncurrent Liabilities:			
2501 Due Within One Year: Loans, Note, Leases, etc.	47,210,238	-	47,210,238
Due in More than One Year:			
2502 Bonds, Notes, Loans, Leases, etc.	760,450,238	-	760,450,238
2540 Net Pension Liability (District's Share)	65,953,732	-	65,953,732
2545 Net OPEB Liability (District's Share)	41,854,078	-	41,854,078
2000 Total Liabilities	<u>965,880,073</u>	<u>99,470</u>	<u>965,979,543</u>
DEFERRED INFLOWS OF RESOURCES			
2605 Deferred Inflow Related to TRS Pension	3,229,451	-	3,229,451
2606 Deferred Inflow Related to TRS OPEB	40,599,958	-	40,599,958
2600 Total Deferred Inflows of Resources	<u>43,829,409</u>	<u>-</u>	<u>43,829,409</u>
NET POSITION			
3200 Net Investment in Capital Assets and Right-to-Use Lease	220,595,612	-	220,595,612
Restricted:			
3820 Restricted for Federal and State Programs	1,408,922	-	1,408,922
3850 Restricted for Debt Service	23,198,787	-	23,198,787
3900 Unrestricted	(42,930,765)	6,265,508	(36,665,257)
3000 Total Net Position	<u>\$ 202,272,556</u>	<u>\$ 6,265,508</u>	<u>\$ 208,538,064</u>

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

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ALLEN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Data Control Codes	1	Program Revenues	
		3	4
	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government:			
GOVERNMENTAL ACTIVITIES:			
11 Instruction	\$ 150,427,453	\$ 4,054,042	\$ 17,351,921
12 Instructional Resources and Media Services	2,465,514	-	261,989
13 Curriculum and Instructional Staff Development	7,545,398	-	1,834,839
21 Instructional Leadership	2,978,144	-	480,671
23 School Leadership	14,028,245	-	1,393,145
31 Guidance, Counseling, and Evaluation Services	15,366,562	-	3,479,794
32 Social Work Services	131,287	-	-
33 Health Services	2,468,557	-	869,814
34 Student (Pupil) Transportation	8,093,217	-	1,386,100
35 Food Services	10,768,763	6,061,074	4,248,760
36 Extracurricular Activities	15,113,752	3,921,551	1,348,671
41 General Administration	8,384,448	-	783,302
51 Facilities Maintenance and Operations	28,446,396	1,699,876	2,905,146
52 Security and Monitoring Services	6,224,263	-	1,502,086
53 Data Processing Services	12,763,195	-	1,044,402
61 Community Services	6,921	-	-
72 Debt Service - Interest on Long-Term Debt	14,133,985	-	-
73 Debt Service - Bond Issuance Cost and Fees	3,718,064	-	-
91 Contracted Instructional Services Between Schools	3,423,716	-	-
95 Payments to Juvenile Justice Alternative Ed. Prg.	7,324	-	-
99 Other Intergovernmental Charges	1,658,430	-	-
[TG] Total Governmental Activities:	308,153,634	15,736,543	38,890,640
BUSINESS-TYPE ACTIVITIES:			
01 Concessions	534,036	509,147	-
02 Kids Club	2,493,310	4,167,011	-
03 Eagle Edge HS Store	84,237	101,973	-
[TB] Total Business-Type Activities:	3,111,583	4,778,131	-
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 311,265,217	\$ 20,514,674	\$ 38,890,640
Data			
Control	General Revenues:		
Codes	Taxes:		
MT	Property Taxes, Levied for General Purposes		
DT	Property Taxes, Levied for Debt Service		
SF	State Aid - Formula Grants		
IE	Investment Earnings		
FR	Transfers In (Out)		
TR	Total General Revenues & Transfers		
CN	Change in Net Position		
NB	Net Position - Beginning		
PA	Restatement		
NE	Net Position - Ending		

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

Net (Expense) Revenue and Changes in Net Position		
6	7	8
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (129,021,490)	\$ -	\$ (129,021,490)
(2,203,525)	-	(2,203,525)
(5,710,559)	-	(5,710,559)
(2,497,473)	-	(2,497,473)
(12,635,100)	-	(12,635,100)
(11,886,768)	-	(11,886,768)
(131,287)	-	(131,287)
(1,598,743)	-	(1,598,743)
(6,707,117)	-	(6,707,117)
(458,929)	-	(458,929)
(9,843,530)	-	(9,843,530)
(7,601,146)	-	(7,601,146)
(23,841,374)	-	(23,841,374)
(4,722,177)	-	(4,722,177)
(11,718,793)	-	(11,718,793)
(6,921)	-	(6,921)
(14,133,985)	-	(14,133,985)
(3,718,064)	-	(3,718,064)
(3,423,716)	-	(3,423,716)
(7,324)	-	(7,324)
(1,658,430)	-	(1,658,430)
<u>(253,526,451)</u>	<u>-</u>	<u>(253,526,451)</u>
-	(24,889)	(24,889)
-	1,673,701	1,673,701
-	17,736	17,736
<u>-</u>	<u>1,666,548</u>	<u>1,666,548</u>
<u>(253,526,451)</u>	<u>1,666,548</u>	<u>(251,859,903)</u>
177,727,045	-	177,727,045
61,568,261	-	61,568,261
45,756,122	-	45,756,122
10,945,529	-	10,945,529
448,835	(448,835)	-
<u>296,445,792</u>	<u>(448,835)</u>	<u>295,996,957</u>
42,919,341	1,217,713	44,137,054
161,770,799	5,047,795	166,818,594
(2,417,584)	-	(2,417,584)
<u>\$ 202,272,556</u>	<u>\$ 6,265,508</u>	<u>\$ 208,538,064</u>

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GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

ALLEN INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
ASSETS			
1110 Cash and Cash Equivalents	\$ 96,051,508	\$ 36,260,290	\$ 223,447,691
1220 Property Taxes - Delinquent	2,195,747	1,024,304	-
1230 Allowance for Uncollectible Taxes	(109,787)	(51,215)	-
1240 Due from Other Governments	6,721,706	-	-
1260 Due from Other Funds	2,264,202	-	-
1290 Other Receivables	332,968	-	-
1300 Inventories	49,151	-	-
1410 Prepayments	670,346	-	-
1000 Total Assets	<u>\$ 108,175,841</u>	<u>\$ 37,233,379</u>	<u>\$ 223,447,691</u>
LIABILITIES			
2110 Accounts Payable	\$ 1,106,229	\$ -	\$ 1,636,121
2150 Payroll Deductions and Withholdings Payable	1,364,995	-	-
2160 Accrued Wages Payable	19,114,385	-	-
2170 Due to Other Funds	1,946,507	-	-
2180 Due to Other Governments	9,216,222	264,397	-
2200 Accrued Expenditures	42,707	-	1,969,226
2300 Unearned Revenue	40,360	-	-
2000 Total Liabilities	<u>32,831,405</u>	<u>264,397</u>	<u>3,605,347</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	2,085,960	973,089	-
2600 Total Deferred Inflows of Resources	<u>2,085,960</u>	<u>973,089</u>	<u>-</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3410 Inventories	49,151	-	-
3430 Prepaid Items	670,346	-	-
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	-	-	-
3470 Capital Acquisition and Contractual Obligation	-	-	219,842,344
3480 Retirement of Long-Term Debt	-	35,995,893	-
Committed Fund Balance:			
3545 Other Committed Fund Balance	3,318,685	-	-
Assigned Fund Balance:			
3590 Other Assigned Fund Balance	19,000,000	-	-
3600 Unassigned Fund Balance	50,220,294	-	-
3000 Total Fund Balances	<u>73,258,476</u>	<u>35,995,893</u>	<u>219,842,344</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 108,175,841</u>	<u>\$ 37,233,379</u>	<u>\$ 223,447,691</u>

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

Other Funds	Total Governmental Funds
\$ 7,388,268	\$ 363,147,757
-	3,220,051
-	(161,002)
1,311,817	8,033,523
-	2,264,202
342	333,310
194,139	243,290
-	670,346
<u>\$ 8,894,566</u>	<u>\$ 377,751,477</u>
\$ 162,505	\$ 2,904,855
106,107	1,471,102
853,833	19,968,218
1,264,202	3,210,709
309	9,480,928
-	2,011,933
1,222,852	1,263,212
<u>3,609,808</u>	<u>40,310,957</u>
-	3,059,049
-	3,059,049
194,139	243,290
-	670,346
1,165,632	1,165,632
-	219,842,344
-	35,995,893
3,924,987	7,243,672
-	19,000,000
-	50,220,294
<u>5,284,758</u>	<u>334,381,471</u>
<u>\$ 8,894,566</u>	<u>\$ 377,751,477</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2025

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$	334,381,471
1 The District uses an internal service fund to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.		3,889,999
2 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements.		1,218,638,032
3 Accumulated depreciation is not reported in the fund financial statements.		(431,566,301)
4 Bonds payable are not reported in the fund financial statements.		(736,868,999)
5 Accreted interest payable on capital appreciation bonds is not reported in the fund financial statements.		(80,909)
6 Bond premiums on outstanding bonds payable are not recognized in the fund financial statements.		(66,437,194)
7 Loans payable are not reported in the fund financial statements.		(1,517,187)
8 Accrued compensated absences are not reported in the fund financial statements.		(3,097,798)
9 The deferred charge on bond refundings is not recognized in the fund financial statements.		14,899,570
10 Property tax revenue reported as unavailable revenue in the fund financial statements is recognized as revenue in the government-wide financial statements.		3,059,349
11 Interest on outstanding debt is accrued in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.		(12,010,044)
12 Included in the items related to government-wide long-term debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68 and 71 in the amount of \$65,953,732, Deferred Inflows of Resources related to TRS in the amount of \$3,229,451 and Deferred Outflows of Resources related to TRS in the amount of 13,414,784. This results in a decrease in Net Position in the amount of \$55,768,399.		(55,768,399)
13 Included in the items related to government-wide long-term debt is the recognition of the District's proportionate share of the net Other Post-Employment Benefit (OPEB) liability required by GASB 75 in the amount of \$41,854,078, a Deferred Resource Inflow related to TRS OPEB in the amount of \$40,599,958, and a Deferred Resource Outflow related to TRS OPEB in the amount of \$17,205,002. This results in a net decrease in Net Position in the amount of \$65,249,034.		(65,249,034)
29 Net Position of Governmental Activities	\$	202,272,556

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

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ALLEN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 164,099,634	\$ 84,425,413	\$ 6,598,066
5800 State Program Revenues	50,156,836	4,419,935	36,902
5900 Federal Program Revenues	640,147	-	-
5020 Total Revenues	<u>214,896,617</u>	<u>88,845,348</u>	<u>6,634,968</u>
EXPENDITURES:			
Current:			
0011 Instruction	124,115,370	-	-
0012 Instructional Resources and Media Services	2,086,386	-	-
0013 Curriculum and Instructional Staff Development	5,879,059	-	-
0021 Instructional Leadership	2,603,116	-	-
0023 School Leadership	11,241,255	-	6,407
0031 Guidance, Counseling, and Evaluation Services	11,255,937	-	-
0032 Social Work Services	131,287	-	-
0033 Health Services	2,281,015	-	-
0034 Student (Pupil) Transportation	5,930,125	-	501,465
0035 Food Services	-	-	859,443
0036 Extracurricular Activities	5,644,382	-	-
0041 General Administration	6,357,555	-	109,958
0051 Facilities Maintenance and Operations	23,563,304	-	3,075,275
0052 Security and Monitoring Services	4,425,412	-	-
0053 Data Processing Services	5,576,859	-	4,606,134
0061 Community Services	6,921	-	-
Debt Service:			
0071 Principal on Long-Term Liabilities	319,436	26,685,000	-
0072 Interest on Long-Term Liabilities	129,400	23,815,650	-
0073 Bond Issuance Cost and Fees	-	36,945,050	1,672,785
Capital Outlay:			
0081 Facilities Acquisition and Construction	154,238	-	26,828,803
Intergovernmental:			
0091 Contracted Instructional Services Between Schools	3,423,716	-	-
0095 Payments to Juvenile Justice Alternative Ed. Prg.	7,324	-	-
0099 Other Intergovernmental Charges	1,658,430	-	-
6030 Total Expenditures	<u>216,790,527</u>	<u>87,445,700</u>	<u>37,660,270</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,893,910)</u>	<u>1,399,648</u>	<u>(31,025,302)</u>
OTHER FINANCING SOURCES (USES):			
7911 Capital Related Debt Issued	-	-	214,885,000
7915 Transfers In	1,126,234	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	6,787,785
8911 Transfers Out (Use)	(149,009)	-	-
7080 Total Other Financing Sources (Uses)	<u>977,225</u>	<u>-</u>	<u>221,672,785</u>
1200 Net Change in Fund Balances	(916,685)	1,399,648	190,647,483
0100 Fund Balance - July 1 (Beginning)	74,175,161	34,596,245	29,194,861
3000 Fund Balance - June 30 (Ending)	<u>\$ 73,258,476</u>	<u>\$ 35,995,893</u>	<u>\$ 219,842,344</u>

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

	Other Funds	Total Governmental Funds
\$	11,366,324	\$ 266,489,437
	3,208,118	57,821,791
	8,932,313	9,572,460
	<u>23,506,755</u>	<u>333,883,688</u>
	3,743,304	127,858,674
	888	2,087,274
	1,051,488	6,930,547
	219,570	2,822,686
	87,642	11,335,304
	2,174,291	13,430,228
	-	131,287
	-	2,281,015
	602,798	7,034,388
	9,514,047	10,373,490
	5,024,681	10,669,063
	43,168	6,510,681
	-	26,638,579
	979,885	5,405,297
	-	10,182,993
	-	6,921
	-	27,004,436
	-	23,945,050
	-	38,617,835
	33,039	27,016,080
	-	3,423,716
	-	7,324
	-	1,658,430
	<u>23,474,801</u>	<u>365,371,298</u>
	31,954	(31,487,610)
	-	214,885,000
	185,819	1,312,053
	-	6,787,785
	(714,209)	(863,218)
	<u>(528,390)</u>	<u>222,121,620</u>
	(496,436)	190,634,010
	5,781,194	143,747,461
\$	<u>5,284,758</u>	<u>\$ 334,381,471</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2025

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$	190,634,010
The District uses an internal service fund to charge the costs of certain activities, such as self-insurance, to appropriate functions in other funds. The net loss of the internal service fund is reported with governmental activities. The net effect of this consolidation is to increase net position.		1,051,680
Current year capital asset additions are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The effect of reclassifying the current year capital asset additions is to increase net position.		34,414,832
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position in the government-wide financial statements.		(35,562,256)
Current year long-term debt principal payments on bonds payable are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.		61,615,821
Current year payment of accreted interest net of current year interest accretion on capital appreciation bonds payable is not recognized in the fund financial statements, but is shown as a decrease in long-term debt in the government-wide financial statements.		288,386
The increase in accrued compensated absences is not recognized in the fund financial statements, but is shown as a reduction in long-term debt in the government-wide financial statements.		(98,538)
Interest expense on outstanding debt is accrued in the government-wide financial statements, whereas in the fund financial statements, interest expenditures are reported when due.		(3,053,993)
Revenues from property taxes are reported as unavailable revenue in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed, net of an allowance for uncollectible amounts, in the government-wide financial statements.		(512,060)
Current year amortization of the premium on bonds payable is not recognized in the fund financial statements, but is shown as a reduction in long-term debt in the government-wide financial statements.		14,128,944
Current year amortization of the deferred charge on bond refundings is not recognized in the fund financial statements, but is shown as a reduction of the deferred charge in the government-wide financial statements.		(1,244,202)
The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows. TRS contributions made after the measurement date of 8/31/2024 caused the change in the ending net position to increase by \$5,957,752. These contributions were replaced with the District's pension expense for the year of \$9,025,129, which caused a decrease in the change in net position. The net effect of these is to decrease the change in net position by \$3,067,377.		(3,067,377)

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

ALLEN INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2025

EXHIBIT C-4

<p>The implementation of GASB 75 required that certain expenditures be de-expended and recorded as deferred resource outflows. TRS OPEB contributions made after the measurement date of 8/31/2024 but during the current fiscal year caused the ending net position to increase in the amount of \$1,239,343. These contributions were replaced with the District's negative OPEB expense for the year of \$4,777,219, which caused an increase in the change in net position. The net effect of these is to increase the change in net position by \$6,016,562.</p>	6,016,562		
<p>Bond proceeds and bond premiums are recorded as long-term debt in the government-wide financial statements and decrease current year net position.</p>	(221,692,468)		
<p>Change in Net Position of Governmental Activities</p>	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; border-bottom: 3px double black;">\$</td> <td style="border-top: 1px solid black; border-bottom: 3px double black; text-align: right;">42,919,341</td> </tr> </table>	\$	42,919,341
\$	42,919,341		

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

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PROPRIETARY FUNDS FINANCIAL STATEMENTS

ALLEN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

EXHIBIT D-1

	Business-Type Activities -	Governmental Activities -
	Total	Internal
	Enterprise	Service Fund
	Funds	
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 6,364,978	\$ 3,903,676
Due from Other Funds	-	946,507
Total Assets	6,364,978	4,850,183
LIABILITIES		
Current Liabilities:		
Accounts Payable	53,143	930,215
Payroll Deductions and Withholdings Payable	1,059	-
Accrued Wages Payable	13,256	-
Accrued Expenses	252	29,969
Unearned Revenues	31,760	-
Total Liabilities	99,470	960,184
NET POSITION		
Restricted Net Position	6,265,509	3,889,999
Total Net Position	\$ 6,265,509	\$ 3,889,999

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

ALLEN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Business-Type Activities -	Governmental Activities -
	Total Enterprise Funds	Internal Service Fund
OPERATING REVENUES:		
Local and Intermediate Sources	\$ 4,624,063	\$ 1,140,569
State Program Revenues	154,068	-
Total Operating Revenues	<u>4,778,131</u>	<u>1,140,569</u>
OPERATING EXPENSES:		
Payroll Costs	2,158,687	-
Professional and Contracted Services	148,281	-
Supplies and Materials	182,622	-
Other Operating Costs	562,134	88,889
Capital Outlay	59,859	-
Total Operating Expenses	<u>3,111,583</u>	<u>88,889</u>
Income Before Transfers	1,666,548	1,051,680
Transfers Out	<u>(448,835)</u>	<u>-</u>
Change in Net Position	1,217,713	1,051,680
Total Net Position - July 1 (Beginning)	5,047,795	2,838,319
Total Net Position - June 30 (Ending)	<u>\$ 6,265,508</u>	<u>\$ 3,889,999</u>

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

ALLEN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

EXHIBIT D-3

	Business-Type Activities	Governmental Activities -
	Total	Internal
	Enterprise	Service Fund
	Funds	Service Fund
<u>Cash Flows from Operating Activities:</u>		
Cash Received from User Charges	\$ 4,780,699	\$ 1,134,247
Cash Payments to Employees for Services	(2,464,307)	-
Cash Payments to Suppliers	(310,611)	-
Cash Payments for Other Operating Expenses	(357,041)	(646,081)
Net Cash Provided by Operating Activities	<u>1,648,740</u>	<u>488,166</u>
<u>Cash Flows from Non-Capital Financing Activities:</u>		
Transfers Out	(448,835)	-
Net Increase in Cash and Cash Equivalents	1,199,905	488,166
Cash and Cash Equivalents at Beginning of Year	5,165,073	3,415,510
Cash and Cash Equivalents at End of Year	<u>\$ 6,364,978</u>	<u>\$ 3,903,676</u>
<u>Reconciliation of Operating Income to Net Cash</u>		
<u>Provided by Operating Activities:</u>		
Operating Income:	\$ 1,666,548	\$ 1,051,680
Effect of Increases and Decreases in Current		
Assets and Liabilities:		
Decrease (increase) in Due from Other Funds	-	6,322
Increase (decrease) in Accounts Payable	20,292	(538,475)
Increase (decrease) in Payroll Deductions	38	-
Increase (decrease) in Accrued Wages Payable	409	-
Increase (decrease) in Accrued Expenses	(41,115)	(31,361)
Increase (decrease) in Unearned Revenue	2,568	-
Net Cash Provided by Operating Activities	<u>\$ 1,648,740</u>	<u>\$ 488,166</u>

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

FIDUCIARY FUNDS FINANCIAL STATEMENTS

ALLEN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

	Private Purpose Trust Fund	Custodial Fund
ASSETS		
Cash and Cash Equivalents	\$ -	\$ 414,289
Other Receivables	<u>13,694</u>	<u>1,103</u>
Total Assets	<u>13,694</u>	<u>\$ 415,392</u>
LIABILITIES		
Accounts Payable	<u>4,086</u>	<u>15,880</u>
Total Liabilities	<u>4,086</u>	<u>15,880</u>
NET POSITION		
Restricted Net Position	<u>9,608</u>	<u>399,512</u>
Total Net Position	<u>\$ 9,608</u>	<u>\$ 399,512</u>

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

ALLEN INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

	Private Purpose Trust Fund	Custodial Fund
ADDITIONS:		
Student Activities	\$ -	\$ 642,121
Earnings from Temporary Deposits	267	-
Miscellaneous Additions	165,661	52,585
Total Additions	<u>165,928</u>	<u>694,706</u>
DEDUCTIONS:		
Payroll Costs	165,662	-
Other Deductions	-	697,272
Total Deductions	<u>165,662</u>	<u>697,272</u>
Change in Fiduciary Net Position	266	(2,566)
Total Net Position - July 1 (Beginning)	9,342	402,078
Total Net Position - June 30 (Ending)	<u>\$ 9,608</u>	<u>\$ 399,512</u>

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

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NOTES TO THE FINANCIAL STATEMENTS

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Allen Independent School District (the "District") is a public educational agency operating under the applicable rules and regulations of the State of Texas. The District's combined financial statements have been prepared in conformity with generally accepted accounting principles (GAAP) applicable to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide (FAR). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

A. REPORTING ENTITY

The Board of Trustees, a seven-member group elected by registered voters of the District, has fiscal accountability over all activities related to public elementary and secondary education within the jurisdiction of the District. The board of trustees is elected by the public. The trustees as a body corporate have the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency (Agency) or to the State Board of Education are reserved for the trustees, and the Agency may not substitute its judgment for the lawful exercise of those powers and duties by the trustees. The District is not included in any other governmental "reporting entity" as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards.

The District's basic financial statements include the accounts of all District operations. The criteria for including organizations as component units within the District's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is fiscal dependency by the organization on the District

Based on the aforementioned criteria, Allen Independent School District has no component units.

B. BASIS OF PRESENTATION

The government-wide financial statements (the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the District. The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees and charges for support. The District had no business-type activities.

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

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Fund Financial Statements:

The District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. The District has presented the following major governmental funds:

1. **General Fund** - This fund is established to account for resources financing the fundamental operations of the District, in partnership with the community, in enabling and motivating students to reach their full potential. All revenues and expenditures not required to be accounted for in other funds are included here. This is a budgeted fund and any fund balances are considered resources available for current operations. Fund balances may be appropriated by the Board of Trustees to implement its responsibilities.
2. **Debt Service Fund** - This fund is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. This is a budgeted fund. Any unused debt service fund balances are transferred to the General Fund after all of the related debt obligations have been met.
3. **Capital Projects Fund** - This fund is established to account for proceeds from the sale of bonds and other resources to be used for Board authorized acquisition, construction, or renovation, as well as, furnishings and equipping of major capital facilities. Upon completion of a project, any unused bond proceeds are transferred to the Debt Service Fund and are used to retire related bond principal.

Additionally, the District reports the following fund types:

1. **Special Revenue Funds** - These funds are established to account for federally financed or expenditures legally restricted for specified purposes. In many special revenue funds, any unused balances are returned to the grantor at the close of specified project periods. For funds in this fund type, project accounting is employed to maintain integrity for the various sources of funds.
2. **Enterprise Funds** - The District utilizes enterprise funds to account for the Districts' activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities. The District uses these funds to account for its after-school program, concessions and a school store, because these activities are self-supporting and do not require subsidies from the general fund.
3. **Internal Service Funds** - The District utilizes Internal Service Funds to account for revenues and expenses related to services provided to parties inside the District on a cost reimbursement basis. This fund facilitates distribution of support costs to the users of support services. The District has an internal service fund for its workers compensation plan.
4. **Fiduciary Funds** - The District reports one Custodial Fund as a Fiduciary Fund. The Custodial Fund is custodial in nature and accounts for activities of student and employee groups. The Custodial Fund uses the accrual basis of accounting to recognize assets, liabilities, revenues and expenses. The Custodial Fund exists with the explicit approval of, and are subject to revocation by, the Board.

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements, proprietary fund financial statements, and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year-end. A 60-day availability period is used for recognition of all other Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

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.

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

The revenues susceptible to accrual are property taxes, charges for services, interest income and intergovernmental revenues. All other Governmental Fund Type revenues are recognized when received.

Revenues from state and federal grants are recognized as earned when the related program expenditures are incurred. Funds received but unearned are reflected as deferred revenues, and funds expended but not yet received are shown as receivables.

ALLEN INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

Revenue from investments, including governmental external investment pool, is based upon fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Most investments are reported at amortized cost when the investments have remaining maturities of one year or less at time of purchase. External investment pools are permitted to report short-term debt investments at amortized cost, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer, or other factors. For that purpose, a pool's short-term investments are those with remaining maturities of up to ninety days.

In accordance with the FAR, the District has adopted and installed an accounting system which exceeds the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure presented in the Accounting Code Section of the FAR.

D. BUDGETARY CONTROL

Formal budgetary accounting is employed for all required Governmental Fund Types, as outlined in TEA's FAR module, and is presented on the modified accrual basis of accounting consistent with generally accepted accounting principles. The budget is prepared and controlled at the function level within each organization to which responsibility for controlling operations is assigned.

The official school budget is prepared for adoption for required Governmental Fund Types prior to June 20 of the preceding fiscal year for the subsequent fiscal period beginning July 1. The budget is formally adopted by the Board of Trustees at a public meeting held at least ten days after public notice has been given. The budget is prepared by fund, function, object, and organization. The budget is controlled at the organizational level by the appropriate department head or campus principal within Board allocations. Therefore, organizations may transfer appropriations as necessary without the approval of the board unless the intent is to cross fund, function or increase the overall budget allocations. Control of appropriations by the Board of Trustees is maintained within Fund Groups at the function code level and revenue object code level.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, the Debt Service Fund and the Food Service Fund. The other special revenue funds adopt project-length budgets which do not correspond to the District's fiscal year. Each annual budget is presented on the modified accrual basis of accounting. The budget is amended throughout the year by the Board of Trustees. Such amendments are reflected in the official minutes of the Board.

A reconciliation of fund balances for both appropriated budget and nonappropriated budget special revenue funds is as follows:

	June 30, 2025 <u>Fund Balance</u>
Appropriated Budget Funds - Food Service Special Revenue Fund	\$1,321,286
Nonappropriated Budget Funds	<u>3,924,987</u>
All Special Revenue Funds	<u>\$5,284,758</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

E. ENCUMBRANCE ACCOUNTING

The District employs encumbrance accounting, whereby encumbrances for goods or purchased services are documented by purchase orders and contracts. An encumbrance represents a commitment of Board appropriation related to unperformed contracts for goods and services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period, only a commitment to expend resources. Appropriations lapse at June 30 and encumbrances outstanding at that time are either canceled or appropriately provided for in the subsequent year's budget. The District had no material encumbrances outstanding at June 30, 2025.

F. INVENTORIES AND PREPAID ITEMS

The consumption method is used to account for inventories of paper and other supplies. Under this method, these items are charged to expenditures when consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

G. INTERFUND RECEIVABLES AND PAYABLES

Short-term amounts owed between funds are classified as "Due to/from other funds". Interfund loans are classified as "Advances to/from other funds" and are offset by a fund balance reserve account.

H. CAPITAL ASSETS

Capital assets, which includes property, plant, equipment, and infrastructure assets, are reported in the applicable Governmental Activities columns in the government-wide financial statements. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are reported at their acquisition value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

Assets capitalized have an original cost of \$5,000 or more and over one-year of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings and Improvements	15-50 Years
Vehicles	7-12 Years
Equipment	5-12 Years

I. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

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

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Deferred outflows of resources for refunding - Reported in the government-wide statement of net position, the deferred charge on bond refundings 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. The amount of deferred outflows reported in the governmental activities for the deferred charge on bond refundings at June 30, 2025, was \$14,899,570.

Deferred outflows of resources for pensions - Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of differences between expected and actual actuarial experiences. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan which is currently approximately 5.6451 years.

The amount of deferred outflows reported in the governmental activities for deferred pension expenses at June 30, 2025, was \$13,414,784.

Deferred outflows of resources for OPEB - Reported in the government-wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of differences between expected and actual investment earnings and changes in proportionate share. The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. The other OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB through the OPEB plan which is currently approximately 9.4212 years. The amount of deferred outflows reported for deferred OPEB expense at June 30, 2025, was \$17,205,002.

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

Deferred inflows of resources for unavailable revenues - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District reported property taxes that are unavailable as deferred inflows of resources in the fund financial statements. The amount of deferred inflows of resources reported in the governmental funds at June 30, 2025, was \$3,059,049.

Deferred inflows of resources for pensions - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between projected and actual earnings on pension plan investments and other actuarial and other assumption differences. These amounts will be amortized over a closed 5-year period. In fiscal year 2025, the District reported deferred inflows of resources for pensions in the governmental activities in the amount of \$3,229,451.

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Deferred inflows of resources for OPEB - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between expected and actual experience and from changes in assumptions. These amounts will be amortized over the average expected remaining service life (AERSL) of all members (9.4212 years for the 2024 measurement year). In fiscal year 2025, the District reported deferred inflows of resources for OPEB in the governmental activities in the amount of \$40,599,958.

J. CASH EQUIVALENTS

Investments are considered to be cash equivalents if they are highly liquid and have a maturity of three months or less when purchased.

K. NET POSITION

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

L. 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 recorded and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

M. RISK MANAGEMENT

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

N. USE OF ESTIMATES

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

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

O. COMPENSATED ABSENCES

A liability for compensated absences that employees have earned and carry-forward to future fiscal years has been accrued in the government-wide financial statements in accordance with GASB Statement No. 101, "Compensated Absences," which was effective for fiscal years beginning after December 15, 2023. The measurement of the liability includes salary-related payments that are directly and incrementally associated with the leave.

NOTE 2. FUND BALANCES

The District has implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent.

Fund Balance Classification: The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified inventories and prepaid items as being nonspendable as these items are not expected to be converted to cash.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the District's bonded debt and are restricted through debt covenants. Capital projects resources are restricted for future capital outlay. The fund balance of certain grant programs is restricted for those grant programs.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board of Trustees. The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This can also be done through adoption and amendment of the budget. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. The Board of Trustees have committed resources as of June 30, 2025, for campus activities, other local grants, and the General Fund approved deficit budget for the 2025-26 fiscal year.
- Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board of Trustees delegating this responsibility to other individuals in the District. Under the District's adopted policy, only the Board of Trustees may assign amounts for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The District has assigned General Fund balance as of June 30, 2025, for capital improvement and future legislative changes.
- Unassigned: This classification includes all amounts not included in other spendable classifications, including the residual fund balance of the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance.

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

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

The details of the fund balances are included in the Governmental Funds Balance Sheet and are described below:

General Fund

The General Fund has unassigned fund balance of \$50,220,294 at June 30, 2025. Inventories of \$49,151 and prepaid items of \$670,346 are considered non-spendable fund balance. The General Fund has \$19,000,000 of fund balance assigned for capital improvements and future legislative changes and \$3,318,685 of fund balance committed to balancing its 2025-26 operating budget.

Debt Service Fund

The Debt Service Fund has restricted funds of \$35,995,893 at June 30, 2025, consisting primarily of property tax collections that are restricted for debt service payments on bonded debt.

Capital Projects Fund

The Capital Projects Fund has restricted funds of \$219,842,344 at June 30, 2025, consisting primarily of remaining bond issuance proceeds that are restricted for construction and other capital outlay expenditures.

Other Funds

The fund balance of \$3,935,439 of the Campus Activity Fund and \$28,033 of other local special revenue funds are committed due to Board policy committing those funds to campus activities and local grants and programs. The Special Revenue Funds include \$1,165,632 of fund balance restricted for Federal or State grant programs and \$194,139 of child nutrition inventory as non-spendable.

NOTE 3. DEPOSITS AND INVESTMENTS

The District's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposits for safekeeping and trust with the District's agent bank approved pledged securities in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation ("FDIC") insurance.

1. Cash Deposits:

At June 30, 2025, the carrying amount of the District's deposit checking accounts and interest-bearing demand accounts was \$13,545,751 and the bank balance was \$16,923,583. The District's cash deposits at June 30, 2025, were entirely covered by FDIC insurance, by pledged collateral or by letters of credit held by the District's agent bank in the District's name. During the year ended June 30, 2025, District deposits were fully collateralized throughout the year.

2. Investments:

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

In compliance with the Public Funds Investment Act, the District has adopted a deposit and investment policy. That policy addresses the following risks:

- a. Custodial Credit Risk - Deposits: In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2025, the District's cash deposits totaled \$16,923,583. This entire amount was either collateralized with securities held by the District's agent, letters of credit or covered by FDIC insurance. Thus, the District's deposits are not exposed to custodial credit risk as of June 30, 2025.
- b. Custodial Credit Risk - Investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2025, the District held investments in two public funds investment pools. Investments in external investment pools are considered unclassified as to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.
- c. Credit Risk: This is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligations. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk. The credit quality rating for all investment pools at year-end was AAAm (Standard & Poor's).
- d. Interest Rate Risk: This is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year from the time of purchase. The weighted average maturity for each investment pool is less than 90 days.
- e. Foreign Currency Risk: This is the risk that exchange rates will adversely affect the fair value of an investment. At June 30, 2025, the District was not exposed to foreign currency risk.
- f. Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of the District's investment in a single issuer (i.e., lack of diversification). Concentration risk is defined as positions of 5% or more in the securities of a single issuer. The District's investments in the public funds investment pool are not subject to the concentration risk.

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

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Funds Investment Act (the “Act”), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAAM or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

The District’s investments in Pools are reported at an amount determined by the fair value per share of the pool’s underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission (“SEC”) as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC’s Rule 2a7 of the Investment Company Act of 1940.

The District’s cash and investments at June 30, 2025, are shown below:

	Fair Market Value	Weighted Average Maturity (Days)
Governmental Activities:		
Cash and deposits	\$ 6,919,669	N/A
<i>Investments</i>		
Local Government Investment Pools		
TexStar	2,788,384	48
Lone Star	357,343,380	26
Total Investments	360,131,764	
Total Governmental Activities	367,051,433	
 Business Type Activities:		
Cash and deposits	\$ 6,364,978	N/A
<i>Investments</i>		
Local Government Investment Pools		
TexStar	-	48
Lone Star	-	26
Total Investments	-	
Total Business Type Activities	6,364,978	
 Custodial Funds		
Cash and deposits	266,792	N/A
<i>Investments</i>		
Local Government Investments Pools		
TexStar	147,497	48
Lone Star	-	26
Total Investments	147,497	
Total Custodial Funds	414,289	
 Total	 \$ 373,830,700	

The amount of interest earned on the District’s cash and investments for the fiscal year ended June 30, 2025, was \$10,945,529.

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NOTE 4. CAPITAL ASSETS

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

	Balance July 1	Additions	Reductions	Balance June 30
<i>Governmental Activities</i>				
Capital assets not being depreciated:				
Land	\$ 38,925,209	\$ -	\$ -	\$ 38,925,209
Construction in progress	100,957,051	26,178,321	(35,519,185)	91,616,187
Total capital assets not being depreciated	139,882,260	26,178,321	(35,519,185)	130,541,396
Capital assets being depreciated:				
Buildings and improvements	969,019,148	35,519,185	(1,004,744)	1,003,533,589
Furniture and equipment	68,434,286	8,236,511	(4,107,750)	72,563,047
Right-to-use assets	12,000,000	-	-	12,000,000
Total capital assets not being depreciated	1,049,453,434	43,755,696	(5,112,494)	1,088,096,636
Less accumulated depreciation for:				
Buildings and improvements	(355,354,096)	(27,528,234)	1,004,744	(381,877,586)
Furniture and equipment	(44,132,815)	(7,589,578)	4,107,750	(47,614,643)
Right-to-use assets	(1,629,628)	(444,444)	-	(2,074,072)
Total accumulated depreciaton	(401,116,539)	(35,562,256)	5,112,494	(431,566,301)
Total capital assets being depreciated, net	648,336,895	8,193,440	-	656,530,335
Total capital assets, net	\$ 788,219,155	\$ 34,371,761	\$(35,519,185)	\$ 787,071,731

Depreciation expense was charged as a direct expense to the following programs:

Governmental activities:	
Instruction	\$ 15,764,540
Instructional Resources & Media Services	266,000
Curriculum & Instructional Staff Development	238,831
School Leadership	2,078,910
Guidance, Counseling & Evaluation Services	1,204,481
Health Services	63,917
Student (Pupil) Transportation	1,012,707
Food Services	966,933
Extracurricular Activities	3,973,461
General Administration	1,418,572
Facilities Maintenance and Operations	1,556,747
Security and Monitoring Services	851,662
Data Processing Services	6,165,494
Total depreciation expense-Governmental activities	<u>\$ 35,562,255</u>

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NOTE 5. LONG-TERM DEBT

Long-term debt includes par bonds and capital appreciation (deep discount) serial bonds. All long-term debt represents transactions in the District's governmental activities. The General Fund typically is used to liquidate the net pension/OPEB liability.

The District has entered into a continuing disclosure undertaking to provide Annual Reports and Material Event Notices to the State Information Depository of Texas (SID), which is the Municipal Advisory Council. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the District.

The following is a summary of the changes in the District's Long-term Debt for the year ended June 30, 2025:

	Original Issue	Interest Rate	7/1/2024 Balance	Additions	Retired/Refunded	6/30/2025 Balance	Due Within One Year
Bonded Indebtedness:							
2014 Refunding Bonds	\$ 21,710,000	2% - 5%	\$ 4,775,000	\$ -	\$ 3,655,000	\$ 1,120,000	\$ 1,120,000
2014A Refunding Bonds	12,930,000	2% - 5%	1,910,000		1,910,000	-	
2015 Refunding Bonds	8,710,000	2% - 4%	4,125,000		1,585,000	2,540,000	1,645,000
2016A Refunding Bonds	26,670,000	2% - 5%	8,545,000		2,540,000	6,005,000	2,665,000
2016 Refunding Bonds	146,530,000	3% - 5%	82,245,000		8,480,000	73,765,000	7,615,000
2016 Building Bonds	146,660,000	3% - 5%	140,590,000		2,115,000	138,475,000	2,475,000
2017A Refunding Bonds	38,774,999	4% - 5%	31,565,000		1,150,000	30,415,000	1,205,000
2017 Building Bonds	89,605,000	3% - 5%	65,575,000			65,575,000	
2018 Refunding Bonds	8,389,490	2.75% - 4%	5,935,000		730,000	5,205,000	160,000
2019 Refunding Bonds	49,499,968	2.554% - 4%	44,024,999		760,000	43,264,999	795,000
2021 Refunding Bonds	65,245,811	1.5% - 4%	56,526,098		35,872,098	20,654,000	
2021 Building Bonds	107,085,000	3% - 5%	91,840,000		1,405,000	90,435,000	1,670,000
2022 Building Bonds	87,520,000	4% - 5%	45,625,000		1,095,000	44,530,000	150,000
2025 Building Bonds	214,885,000	4.375% - 5%		214,885,000		214,885,000	27,565,000
Total Bonded Indebtedness			583,281,097	214,885,000	61,297,098	736,868,999	47,065,000
Bond Premiums			73,778,353	6,787,785	14,128,944	66,437,194	
Accreted Interest Payable			349,612	19,683	288,386	80,909	
Loans Payable			1,835,910		318,723	1,517,187	341,311
Compensated Absences			2,998,960	98,538		3,097,498	145,238
Net Pension Liability			74,848,455		8,894,723	65,953,732	
Net OPEB Liability			31,165,210	10,688,868		41,854,078	
Total Other Long-term Debt			184,976,500	17,594,874	23,630,776	178,940,598	486,549
Total Long-term Debt			\$768,257,597	\$232,479,874	\$ 84,927,874	\$915,809,597	\$ 47,551,549

Note: The addition to compensated absences is presented as a net change.

Presented below is a summary of general obligation bond requirements to maturity:

General Obligation Bonds	Principal	Interest	Total
2026	\$ 47,065,000	\$ 32,398,021	\$ 79,463,021
2027	27,668,999	31,392,468	59,061,467
2028	25,205,000	28,660,557	53,865,557
2029	24,675,000	27,748,482	52,423,482
2030	23,870,000	26,735,436	50,605,436
2031-2035	140,050,000	117,531,395	257,581,395
2036-2040	177,940,000	84,951,708	262,891,708
2041-2045	148,520,000	43,945,919	192,465,919
2046-2050	121,875,000	16,481,531	138,356,531
2051-2052			-
	\$ 736,868,999	\$ 409,845,517	\$1,146,714,516

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The 2021 bond series includes Capital Appreciation Bonds. No interest is paid on these bonds prior to maturity. The bonds mature in 2027. Interest accrues on these bonds semi-annually even though the interest is not paid until maturity.

General Obligation Bonds are direct obligations issued on a pledge of the general taxing power for the payment of the debt obligations of the District. General Obligation Bonds require the District to compute, at the time taxes are levied, the rate of tax required to provide (in each year bonds are outstanding) a fund to pay interest and principal at maturity. The District is in compliance with this requirement.

There are a number of limitations and restrictions contained in the various general obligation bonds indentures. The District is in compliance with all significant limitations and restrictions as of June 30, 2025.

Compensated Absences

Certain employees of the District may request annual reimbursement for unused local leave to a maximum of two days per school year by submitting his or her written request in accordance with administrative procedures. Leave is reimbursed at a rate established by the Board.

An employee who retires from the District shall be eligible for reimbursement for state and local leave under the condition that the employee's retirement is voluntarily and the employee has at least ten TRS creditable years of service with the District. The employee shall be paid for each day of state and local leave to a maximum of 30 days at a rate established by the Board. If the employee is reemployed with the District, days for which the employee received payment shall not be available to that employee. The rate established by the Board shall be in effect until the Board adopts a new rate. Any changes to the rate shall apply beginning with the school year following the adoption of the rate change.

The District has accrued \$3,097,498 for compensated absences as a liability in the District's government-wide financial statements.

NOTE 6. LOANS PAYABLE

In April 2024, the District entered into a loan with American National Bank to finance the purchase of a new scoreboard to be used in Allen ISD's Eagle Stadium. The loan is to be repaid over five years with annual payments of \$448,835. Interest accrues at 6.99% over the life of the loan.

Year Ended	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30,</u>			
2026	\$ 341,311	107,524	448,835
2027	365,500	83,335	448,835
2028	391,246	57,589	448,835
2029	419,130	29,705	448,835
Thereafter	-	-	-
	<u>\$1,517,187</u>	<u>\$278,153</u>	<u>\$1,795,340</u>

NOTE 7. DEFERRED CHARGES ON BOND REFUNDINGS

In September 2023, the District advance refunded \$6,574,713 (par value) of bonds by paying \$12,111,636 of District funds into an irrevocable escrow account. No refunding bonds were issued. All future payments on the refunded bonds will be paid from the escrow account. The refunded bonds will be redeemed beginning February 2026 through February 2030, the maturity dates of the bonds.

Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements. Although defeased, the refunded debt from those issues will not be actually retired until the call dates have come due.

ALLEN INDEPENDENT SCHOOL DISTRICT
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The District's deferred charges on bond refundings are as follows:

Balance – June 30, 2024	\$16,143,772
Current period amortization	<u>(1,244,202)</u>
Balance – June 30, 2025	<u>\$14,899,570</u>

NOTE 8. LEASE AGREEMENT

The District has a long-term lease agreement with Collin County Community College for the right to use certain facilities on the College's campus. The District was required to prepay the entire lease liability prior to the commencement of the lease term and therefore no lease liability exists. The lease asset is being amortized over 27 years, which is the life of the lease agreement. There were no variable payments required by the lease agreement.

NOTE 9. PROPERTY TAXES

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District levies its taxes on October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. The assessed value of the property tax roll upon which the levy for the 2023-24 fiscal period was based was \$22,436,591,533. Taxes are delinquent if not paid by June 30. Delinquent taxes are subject to both penalty and interest charges plus 15 % delinquent collection fees for attorney costs.

The tax rates assessed for the period ended June 30, 2024, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$0.7358 and \$0.39 per \$100 valuation, respectively, for a total of \$1.1258 per \$100 valuation.

Current tax collections for the period ended June 30, 2025, were 99.4% of the June 30, 2025, adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of June 30, 2025, property taxes and penalty and interest receivable, net of estimated uncollectible taxes, totaled \$2,085,960 and \$973,089 for the General and Debt Service Funds, respectively.

Property taxes are recorded as receivables and unavailable revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected.

ALLEN INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

NOTE 10. INTERFUND BALANCES AND ACTIVITIES

Interfund receivables and payables as of June 30, 2025, represented short-term advances between funds. These amounts are expected to be repaid in less than one year from June 30, 2024.

<u>Fund</u>	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
Major Governmental Funds:		
General Fund:		
Non-Major Special Revenue Fund	\$1,264,202	\$ -
Payroll Clearing Account	1,000,000	1,000,000
Proprietary Funds	<u>-</u>	<u>946,507</u>
Total Major Governmental Funds	<u>2,264,202</u>	<u>1,946,507</u>
Nonmajor Governmental Funds:		
Special Revenue Funds:		
General Fund	<u>-</u>	<u>1,264,202</u>
Total Nonmajor Governmental Funds	<u>-</u>	<u>1,264,202</u>
Proprietary Funds		
General Fund	<u>946,507</u>	<u>-</u>
Total	<u>\$3,210,709</u>	<u>\$3,210,709</u>

During the year ended June 30, 2025, the District transferred \$677,399 from the Child Nutrition Fund to the General Fund as a transfer of indirect cost, and transferred \$36,810 from the Non-Program Food Service Special Revenue Fund to the Child Nutrition Fund as a reimbursement of expenditures. In addition, Enterprise Funds transferred \$448,835 to the General Fund during the fiscal year, and the General Fund transferred \$149,009 to the Non-Program Food Service Special Revenue Fund.

NOTE 11. DEFINED BENEFIT PENSION PLAN

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

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

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

Benefits Provided. TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total

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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 post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above. Accordingly, the 2023 Texas Legislature passed Senate Bill (SB) 10 and House Joint Resolution (HJR) 2 to provide eligible retirees with a one-time stipend and an ad hoc cost-of-living-adjustment (COLA).

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

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

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

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

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

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2019 thru 2025. Contribution Rates can be found in the TRS 2024 ACFR, Note 11, on page 87.

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Contribution Rates

Member	8.25%
Non-Employer Contributing Entity (State)	8.25%
Employers	8.25%
Allen ISD FY 2025 Employer Contributions	\$ 5,924,775
Allen ISD FY 2025 Member Contributions	12,882,030
Allen ISD FY 2025 NECE On-Behalf Contributions	9,252,818

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

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

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

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

- All public schools increased their contribution from 1.9 percent to 2 percent of the member's salary beginning in fiscal year 2025.
- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions. The total pension liability in the August 31, 2024, actuarial valuation was determined using the following actuarial assumptions:

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 2023	3.87%
Inflation	2.30%
Salary Increases Including Inflation	2.95% to 8.95%
Ad hoc Post Employment Benefit Changes	None

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

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

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

The long-term rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2024, (see page 56 of the 2024 TRS ACFR) are summarized below:

Asset Class	Target Allocation ¹	Long-Term Expected Arithmetic Real Rate of Return ²	Expected Contribution To Long-Term Portfolio Returns
Global Equity			
U.S.	18%	4.4%	1.00%
Non-U.S. Developed	13%	4.2%	0.80%
Emerging Markets	9%	5.2%	0.70%
Private Equity	14%	6.7%	1.20%
Stable Value			
Government Bonds	16%	1.9%	0.40%
Absolute Return ⁴	0%	4.0%	0.00%
Stable Value Hedge Funds	5%	3.0%	0.20%
Real Return			
Real Estate	15%	6.6%	1.20%
Energy, Natural Resources	6%	5.6%	0.40%
Commodities	0%	4.0%	0.00%
Risk Parity			
Risk Parity	8%	4.0%	0.40%
Leverage			
Cash	2%	1.0%	0.00%
Asset Allocation Leverage	-6%	1.3%	-0.10%
Inflation Expectation	-		2.40%
Volatility Drag ³	-		-0.70%
Total	<u>100%</u>		<u>7.90%</u>

Discount Rate Sensitivity Analysis. The following schedule shows the impact on the net pension liability if the discount rate used was 1 percentage point lower than and 1 percentage point higher than the discount rate that was used (7.00%) in measuring the net pension liability:

¹ Target allocations are based on the FY2024 policy model.

² Capital Market Assumptions come from 2024 SSA Study CMA Survey (as of 12/31/23).

³ The volatility drag results from the conversion between arithmetic and geometric mean returns.

⁴ Absolute Return includes credit sensitive investments.

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	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
Allen ISD's proportionate share of the net pension liability:	\$105,344,822	\$65,953,732	\$33,315,414

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. On June 30, 2025, Allen Independent School District reported a liability of \$65,953,732 for its proportionate share of the TRS's net pension liability (based on a measurement year ended August 31, 2024). This liability reflects a reduction for State pension support provided to the District. The amount recognized by Allen Independent School District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with Allen Independent School District were as follows:

District's Proportionate share of the collective net pension liability	\$ 65,953,732
State's proportionate share that is associated with the District	<u>95,210,323</u>
Total	<u>\$161,164,055</u>

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

On August 31, 2024, the employer's proportion of the collective net pension liability was 0.1079718777%, a decrease of 0.91% from its proportionate share of 0.1089650190% as of August 31, 2023.

Changes in Assumptions and Benefits Since the Prior Actuarial Valuation.

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

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

The amount of pension expense recognized by the District in the reporting period was \$9,025,128.

For the year ended June 30, 2025, Allen Independent School District recognized pension expense of \$11,379,225 and revenue of \$11,379,225 for support by the State (based on a measurement year ended August 31, 2024).

On 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 (the amounts shown below will be the cumulative layers from the current and prior years combined):

ALLEN INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 3,635,280	\$ 514,935
Changes in actuarial assumptions	3,405,332	456,539
Difference between projected and actual investment earnings	400,909	-
Changes in proportion and difference between employer contributions and the proportionate share of contributions	1,013,650	2,257,977
Contributions paid to TRS subsequent to the measurement date of the net pension liability	4,959,613	-
Total	\$13,414,784	\$3,229,451

The District recognized \$4,959,613 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the measurement year ended August 31, 2025. The other amounts of the employer's balances of deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ended June 30:	Pension Expense Amount	Balance of Deferred Outflows (Deferred Inflows)
2026	\$(369,492)	\$5,595,212
2027	6,832,935	(1,237,723)
2028	533,440	(1,771,163)
2029	(1,934,120)	162,957
2030	162,957	-
Thereafter	-	-

NOTE 12. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

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

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

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

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

ALLEN INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

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

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

TRS-Care Monthly for Retirees		
	<u>Medicare</u>	<u>Non-Medicare</u>
Retiree*	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree* and Children	468	408
Retiree and Family	1,020	999

* or surviving spouse

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

Texas Insurance Code, section 1575.202 establishes the state’s contribution rate which is 1.25% of the employee’s salary. Section 1575.203 establishes the active employee’s rate which is .65% of salary. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act, which is 0.75 percent of each active employee’s pay for fiscal year 2024. The following table shows contributions to the TRS-Care plan by type of contributor.

Contribution Rates

Active Employee	0.65%
Non-Employer Contributing Entity (State)	1.25%
Employers	0.75%
Federal/private Funding remitted by Employers	1.25%
Allen ISD FY25 Employer Contributions	\$1,233,559
Allen ISD FY25 Member Contributions	1,014,840
Allen ISD FY25 NECE On-behalf Contributions	1,966,125

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

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. Actuarial Assumptions can be found in the 2024 TRS ACFR, Note 9, page 78.

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic

ALLEN INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

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

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

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2023, rolled forward to August 31, 2024
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	3.87%
Aging Factors	Based the Society of Actuaries' 2013 Study, Health Care Costs – From Birth to Death”
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs
Projected Salary Increases	2.95% to 8.95%, including inflation
Election Rates	Normal Retirement: 62% participation prior to age 65 and 25% participation after age 65
Ad hoc post-employment 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 percent in the discount rate since the previous year. Because the investments are held in cash and there is no intentional objective to advance fund the benefits, the single discount rate is equal to the prevailing municipal bond rate.

The source of the municipal bond rate is the Bond Buyer’s “20-Bond GO Index” as of August 31, 2024, using the Fixed Income Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

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

ALLEN INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

	1% Decrease in Discount Rate (2.87%)	Current Single Discount Rate (3.87%)	1% Increase in Discount Rate (4.87%)
District's proportionate share of the Net OPEB Liability:	\$49,724,601	\$41,854,078	\$35,494,577

Healthcare Cost Trend Rates Sensitivity Analysis - The following schedule shows the impact on the net OPEB liability if a healthcare trend rate that is 1% less than or 1% greater than the health trend rates assumed.

	1% Decrease in Healthcare Trend Rate	Current Single Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
District's proportionate share of the Net OPEB Liability:	\$34,083,933	\$41,854,078	\$51,979,352

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. On June 30, 2025, the District reported a liability of \$41,854,078 for its proportionate share of the TRS's Net OPEB Liability (based on a measurement year ended August 31, 2024). 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	\$41,854,078
State's proportionate share that is associated with the District	<u>52,442,592</u>
Total	<u>\$94,296,670</u>

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

On August 31, 2024, the employer's proportion of the collective Net OPEB Liability was 0.1378977434%, a decrease of 2.04% compared to the August 31, 2023, proportionate share of 0.1407750490%.

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 single discount rate changed from 4.13 percent as of August 31, 2023, to 3.87 percent 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.

Changes of Benefit Terms Since the Prior Measurement Date – There were no changes in benefit terms since the prior measurement date.

The amount of OPEB expense recognized by the District in the reporting period was \$(4,777,219).

**ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025**

For the year ended June 30, 2025, the District recognized OPEB expense of \$494,180 and revenue of \$494,180 for support provided by the State (based on a measurement year ended August 31, 2024).

On June 30, 2025, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits related to OPEB from the following sources (the amounts shown below will be the cumulative layers for the current and prior years combined):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$8,022,022	\$20,887,454
Changes in actuarial assumptions	5,356,828	13,656,501
Difference between projected and actual investment earnings	-	117,205
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	2,795,620	5,938,798
Contributions paid to TRS subsequent to the measurement date	1,030,532	-
Total	\$17,205,002	\$40,599,958

The District recognized \$1,030,532 as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date, which will be recognized as a reduction of the net pension liability in the measurement year ended August 31, 2025. The other amounts of the employer's balances of deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ended June 30:	OPEB Expense Amount	Balance of Deferred Outflows (Deferred Inflows)
2026	\$ (5,866,636)	\$(18,558,852)
2027	(3,971,021)	(14,487,831)
2028	(5,375,035)	(9,212,796)
2029	(4,772,543)	(4,440,253)
2030	(2,835,013)	(1,605,240)
Thereafter	(1,605,240)	-

NOTE 13. SCHOOL DISTRICT RETIREE HEALTH PLAN

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 D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District. For the year ended June 30, 2025, the contribution made on behalf of the District was \$1,014,831.

NOTE 14. HEALTH CARE

During the period ended June 30, 2025, employees of Allen Independent School District were covered by the TRS-Active Care health insurance plan (the Plan). The District contributed \$340 per month per employee to the Plan and employees, at their option, authorized payroll withholdings to pay any additional contribution and contributions for dependents. All contributions were paid to a fully insured plan.

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 15. WORKERS COMPENSATION

Beginning September 1, 1993, the District established its self-funded worker’s compensation program. Through its historical review of the worker’s compensation self-insurance program, the District projected a liability of \$930,215 as of June 30, 2025, for the ultimate loss reserve of the fund.

The District currently purchases an Excess Workers’ Compensation and Employer’s Liability Indemnity Policy from Midwest Employees Casualty Company. The policy has a self-insured retention of \$450,000 per occurrence. The limits of statutory for workers’ compensation and \$1,000,000 for employer’s liability. The District does not purchase aggregate excess insurance. Claims administration is provided by TASB Risk Management Fund.

The accrued liability for worker’s compensation self-insurance of \$930,215 includes incurred but not reported claims. Because actual claim liabilities depend on such complex factors, the process used in computing the liability does not necessarily result in an actual amount.

Changes in the balances of claims liability amount in fiscal years 2025 and 2024 are as follows:

	2025	2024
Unpaid Claims, Beginning of Period	\$ 1,468,690	\$ 1,055,602
Incurred Claims (including IBNR)	(228,796)	1,054,399
Claim Payments	(309,679)	(641,311)
Unpaid Claims, End of Period	<u>\$ 930,215</u>	<u>\$ 1,468,690</u>

NOTE 16. DUE FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation, Per Capita, Existing Debt Allotment, and Instruction Facilities Allotment Programs. Amounts due from federal and state governments in the governmental funds as of June 30, 2025, are summarized below. All federal grants shown below are passed through the TEA and are reported on the combined financial statements as Due from Other Governments.

	State	Federal	Local	Total
Fund	Entitlements	Government	Governments	
General	\$6,721,706	\$ -	\$ -	\$6,721,706
Special Revenue	<u>68,354</u>	<u>1,243,463</u>	<u>-</u>	<u>1,311,817</u>
Total	<u>\$6,790,060</u>	<u>\$1,243,463</u>	<u>\$ -</u>	<u>\$8,033,523</u>

NOTE 17. LITIGATION AND CONTINGENCIES

The District participates in numerous state and Federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at June 30, 2025, may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying combined financial statements for such contingencies.

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

NOTE 18. REVENUES FROM LOCAL AND INTERMEDIATE SOURCES

During the current year, revenues from local and intermediate sources in the fund-basis financial statements consisted of the following:

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total
Property Taxes	\$ 156,275,903	\$ -	\$82,736,094	\$ -	\$ 239,011,997
Food Sales	-	6,061,074	-	-	6,061,074
Investment Income	4,199,502	124,911	1,460,771	4,966,015	10,751,199
Penalties, interest and other tax related income	573,143	-	228,548	-	801,691
Co-curricular student activities	861,268	3,060,283	-	-	3,921,551
Other	2,189,818	2,120,056	-	1,632,051	5,941,925
Total	\$ 164,099,634	\$11,366,324	\$84,425,413	\$ 6,598,066	\$ 266,489,437

NOTE 19. GENERAL FUND FEDERAL SOURCE REVENUES

The following federal revenue sources are reported in the District’s general fund:

Program or Source	FALN	Amount
SHARS	N/A	\$608,713
E-Rate	N/A	26,917
Carl Perkins	84.048A	4,517
		<u>\$640,147</u>

NOTE 20. UNEARNED REVENUE

Unearned revenue as of June 30, 2025, consisted of the following:

	General Fund	Special Revenue Fund	Debt Service Fund	Total
Student Account Balances	\$ -	\$ 369,839	\$ -	\$ 456,569
Athletic Receipts	36,360	-	-	271,152
State & Federal Grant Funds	-	840,237	-	2,140,941
Local Grant Funds	4,000	12,776	-	18,712
	<u>\$ 40,360</u>	<u>\$1,222,852</u>	<u>\$ -</u>	<u>\$1,263,212</u>

NOTE 21. CONSTRUCTION COMMITMENTS

As of June 30, 2025, the District had entered into \$222 million of contracts for construction and renovations throughout the District. As of June 30, 2025, there was \$220 million of remaining costs under these contracts. The projects are to be paid from the Capital Projects Fund balance.

NOTE 22. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

In May 2020, GASB issued Statement No. 96 – Subscription-Based Information Technology Arrangements (“SBITA”). This statement increases the usefulness of governments’ financial statements by requiring recognition of certain right-to-use subscription assets and corresponding subscription liabilities for SBITAs that were previously recognized as outflows of resources based on the payment provisions of the contract. The statement is effective for fiscal years beginning after June 15, 2022.

ALLEN INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

Per review of the information technology arrangements identified by the District as potential SBITAs, the arrangements were determined to either not meet the definition of a SBITA or were immaterial to the financial statements.

NOTE 23. EXCESS OF EXPENDITURES OVER APPROPRIATIONS BY FUNCTION

The Texas Education Agency requires the budgets for the Governmental fund types to be filed with the TEA. The budget should not be exceeded in any functional category under TEA requirements. Expenditures exceeded appropriations in one functional category in the Child Nutrition Fund for the year ended June 30, 2025.

NOTE 24. CHANGE IN ACCOUNTING PRINCIPLE – COMPENSATED ABSENCES

In June 2022, GASB issued new accounting pronouncement, GASB Statement No. 101, “Compensated Absences,” which was effective for fiscal years beginning after December 15, 2023. In compliance with this new accounting pronouncement, a liability has been recognized in the District’s statements of net position for carry-forward compensated absences more likely than not (a likelihood of more than 50%) to be used by or paid to employees in future periods. The measurement of the liability includes salary-related payments that are directly and incrementally associated with the leave. Texas state law provides a state minimum personal leave program consisting of five days per year personal leave with no limit on accumulation and transferability among Texas school districts; school districts can provide additional personal leave beyond this minimum. The liability for compensated absences in governmental fund financial statements is the amount, if material, that is to be liquidated with expendable available financial resources. This new accounting pronouncement does not apply to holiday leave or projected effects on defined benefit postemployment liabilities. Under previous accounting rules, a liability for compensated absences would have been recorded only if accumulated benefits were to be paid upon employee termination or retirement.

The implementation of this new accounting standard resulted in restating beginning net position in the District’s governmental activities as follows:

<i>Governmental Activities</i>	
Net position as of 6/30/24 as previously reported	\$161,770,799
Restatement – change in accounting principle to record a liability for compensated absences	(2,417,584)
Net position as of 6/30/24 as restated	<u>\$159,353,215</u>

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**BUDGETARY COMPARISON REPORTING –
REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

ALLEN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2025

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 173,936,617	\$ 174,002,747	\$ 164,099,634	\$ (9,903,113)
5800 State Program Revenues	43,128,599	43,128,599	50,156,836	7,028,237
5900 Federal Program Revenues	990,000	990,000	640,147	(349,853)
5020 Total Revenues	218,055,216	218,121,346	214,896,617	(3,224,729)
EXPENDITURES:				
Current:				
0011 Instruction	129,056,798	126,851,798	124,115,370	2,736,428
0012 Instructional Resources and Media Services	2,150,401	2,300,401	2,086,386	214,015
0013 Curriculum and Instructional Staff Development	6,593,256	6,593,256	5,879,059	714,197
0021 Instructional Leadership	2,746,149	2,896,149	2,603,116	293,033
0023 School Leadership	11,447,841	11,647,841	11,241,255	406,586
0031 Guidance, Counseling, and Evaluation Services	11,509,208	11,709,208	11,255,937	453,271
0032 Social Work Services	135,452	185,452	131,287	54,165
0033 Health Services	2,319,189	2,369,189	2,281,015	88,174
0034 Student (Pupil) Transportation	5,785,562	6,281,692	5,930,125	351,567
0035 Food Services	5,000	5,000	-	5,000
0036 Extracurricular Activities	5,987,113	6,137,113	5,644,382	492,731
0041 General Administration	6,671,054	6,821,054	6,357,555	463,499
0051 Facilities Maintenance and Operations	25,058,006	25,408,006	23,563,304	1,844,702
0052 Security and Monitoring Services	4,779,084	4,929,084	4,425,412	503,672
0053 Data Processing Services	6,120,783	6,120,783	5,576,859	543,924
0061 Community Services	14,750	64,750	6,921	57,829
Debt Service:				
0071 Principal on Long-Term Liabilities	-	319,436	319,436	-
0072 Interest on Long-Term Liabilities	-	129,400	129,400	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	224,850	324,850	154,238	170,612
Intergovernmental:				
0091 Contracted Instructional Services Between Schools	4,000,000	4,000,000	3,423,716	576,284
0095 Payments to Juvenile Justice Alternative Ed. Prg.	10,000	35,000	7,324	27,676
0099 Other Intergovernmental Charges	1,750,000	1,750,000	1,658,430	91,570
6030 Total Expenditures	226,364,496	226,879,462	216,790,527	10,088,935
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,309,280)	(8,758,116)	(1,893,910)	6,864,206
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	2,000,000	2,448,835	1,126,234	(1,322,601)
8911 Transfers Out (Use)	-	-	(149,009)	(149,009)
7080 Total Other Financing Sources (Uses)	2,000,000	2,448,835	977,225	(1,471,610)
1200 Net Change in Fund Balances	(6,309,280)	(6,309,281)	(916,685)	5,392,596
0100 Fund Balance - July 1 (Beginning)	74,175,161	74,175,161	74,175,161	-
3000 Fund Balance - June 30 (Ending)	\$ 67,865,881	\$ 67,865,880	\$ 73,258,476	\$ 5,392,596

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGET INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

A. Budgets and Budgetary Accounting

The District adopts annual appropriations-type budgets for the General Fund, Child Nutrition Fund, and the Debt Service Fund as required by law using the same method of accounting as for financial reporting. The remaining Special Revenue Funds (primarily federal grant programs) utilize a managerial-type budget approved at the fund level by the Board of Trustees upon acceptance of the grants. These grants are subject to Federal, State and locally imposed project-length budgets and external monitoring through the submission of periodic reimbursement reports.

Legally, expenditures may not exceed budgeted appropriations at the function or activity level. Expenditure requests that would require an increase in total budgeted appropriations must be approved by the Trustees through a formal budget amendment. State law prohibits trustees from making budget appropriations in excess of funds available plus estimated revenues. State law also prohibits amendment of the budget after fiscal year end. Supplemental appropriations were made to the General Fund during the fiscal year ended June 30, 2025. During the year ended June 30, 2025, the Board of Trustees approved budget amendments increasing expenditures as follows:

Amendments Approved	<u>General Fund</u> \$514,966
---------------------	----------------------------------

The administrative level at which responsibility for control of budgeted appropriations is assigned is at the organizational level within each function of operations. The finance department monitors and reviews expenditure requests submitted by the various organizational heads (principals and department heads) throughout the year to ensure proper spending compliance. No public funds of the District can be expended other than as provided in the budget adopted by the Board of Trustees.

The official school budget was prepared for adoption for budgeted governmental fund types by June 30, 2024. The budget was formally adopted by the Board of Trustees at a duly advertised public meeting prior to the expenditure of funds. The final amended budget is filed with the Texas Education Agency (TEA) through inclusion in the annual financial and compliance report.

ALLEN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2025

	FY 2025 Plan Year 2024	FY 2024 Plan Year 2023	FY 2023 Plan Year 2022
District's Proportion of the Net Pension Liability (Asset)	0.10797188%	0.108965019%	0.111746892%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 65,953,732	\$ 74,848,455	\$ 66,341,256
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	95,210,323	113,495,979	101,678,416
Total	<u>\$ 161,164,055</u>	<u>\$ 188,344,434</u>	<u>\$ 168,019,672</u>
District's Covered Payroll	\$ 156,306,200	\$ 153,067,058	\$ 147,904,846
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	45.20%	39.74%	44.85%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.51%	73.15%	75.62%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2024 for year 2025, August 31, 2023 for year 2024, August 31, 2022 for year 2023, August 31, 2021 for year 2022, August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, and August 31, 2015 for year 2016.

FY 2022 Plan Year 2021	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017	FY 2017 Plan Year 2016	FY 2016 Plan Year 2015
0.110220331%	0.106657995%	0.117920568%	0.114026075%	0.106167375%	0.101613369%	0.1057137%
\$ 28,069,218	\$ 57,123,846	\$ 61,298,798	\$ 62,762,719	\$ 33,946,607	\$ 38,398,181	\$ 37,368,386
47,546,539	103,804,327	97,775,841	105,596,613	61,698,653	73,943,016	69,997,022
<u>\$ 75,615,757</u>	<u>\$ 160,928,173</u>	<u>\$ 159,074,639</u>	<u>\$ 168,359,332</u>	<u>\$ 95,645,260</u>	<u>\$ 112,341,197</u>	<u>\$ 107,365,408</u>
\$ 145,436,790	\$ 143,374,698	\$ 137,411,360	\$ 130,974,119	\$ 122,559,402	\$ 116,994,996	\$ 112,157,341
19.30%	39.84%	44.61%	47.92%	27.70%	32.82%	33.32%
88.79%	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%

ALLEN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024	2023
Contractually Required Contribution	\$ 4,959,613	\$ 5,971,204	\$ 5,692,420
Contribution in Relation to the Contractually Required Contribution	(4,959,613)	(5,971,204)	(5,692,420)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 156,145,815	\$ 156,117,617	\$ 153,338,827
Contributions as a Percentage of Covered Payroll	3.18%	3.82%	3.71%

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

	2022	2021	2020	2019	2018	2017	2016
\$	5,109,233	\$ 4,625,328	\$ 4,396,617	\$ 4,092,384	\$ 3,777,900	\$ 2,007,888	\$ 3,209,088
	(5,109,233)	(4,625,328)	(4,396,617)	(4,092,384)	(3,777,900)	(2,007,888)	(3,209,088)
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$	146,648,316	\$ 144,773,421	\$ 142,967,115	\$ 136,252,403	\$ 129,650,770	\$ 121,572,783	\$ 116,267,026
	3.48%	3.19%	3.08%	3.00%	2.91%	1.65%	2.76%

ALLEN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2025

	FY 2025 Plan Year 2024	FY 2024 Plan Year 2023	FY 2023 Plan Year 2022
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.137897743%	0.140775049%	0.147449872%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 41,854,078	\$ 31,165,210	\$ 35,305,405
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	52,442,592	37,605,616	43,067,048
Total	<u>\$ 94,296,670</u>	<u>\$ 68,770,826</u>	<u>\$ 78,372,453</u>
District's Covered Payroll	\$ 156,306,200	\$ 153,067,058	\$ 147,904,846
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	26.78%	20.36%	23.87%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	13.70%	14.94%	11.52%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. For example, the amounts for FY 2025 are for the measurement date of August 31, 2024, etc.

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

FY 2022 Plan Year 2021	FY 2021 Plan Year 2020	FY 2020 Plan Year 2019	FY 2019 Plan Year 2018	FY 2018 Plan Year 2017
0.146458434%	0.147822462%	0.152307268%	0.149103205%	0.136665027%
\$ 56,495,563	\$ 56,193,994	\$ 72,027,973	\$ 74,448,595	\$ 59,430,493
75,691,464	75,511,257	95,709,064	115,388,685	99,252,737
<u>\$ 132,187,027</u>	<u>\$ 131,705,251</u>	<u>\$ 167,737,037</u>	<u>\$ 189,837,280</u>	<u>\$ 158,683,230</u>
\$ 145,436,790	\$ 143,374,698	\$ 137,411,360	\$ 130,974,119	\$ 122,559,402
38.85%	39.19%	52.42%	56.84%	48.49%
6.18%	4.99%	2.66%	1.57%	0.91%

ALLEN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2025

	2025	2024	2023
Contractually Required Contribution	\$ 1,233,559	\$ 1,244,344	\$ 1,227,101
Contribution in Relation to the Contractually Required Contribution	(1,233,559)	(1,244,344)	(1,227,101)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -
District's Covered Payroll	\$ 156,145,815	\$ 156,117,617	\$ 153,338,827
Contributions as a Percentage of Covered Payroll	0.79%	0.80%	0.80%

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

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

	2022	2021	2020	2019	2018
\$	1,192,645	\$ 1,139,225	\$ 1,122,110	\$ 1,072,358	\$ 971,485
	(1,192,645)	(113,922)	(1,122,110)	(1,072,358)	(971,485)
\$	-	\$ 1,025,303	\$ -	\$ -	\$ -
\$	146,648,316	\$ 144,773,421	\$ 142,967,115	\$ 136,252,403	\$ 129,650,770
	0.81%	0.79%	0.78%	0.79%	0.75%

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

PENSION LIABILITY:

Changes of benefit terms:

There were no significant changes to benefit terms that affected measurement of the total pension liability during the measurement period.

Changes of assumptions:

There were no significant changes to the actuarial assumptions or other inputs that affected measurement of the total pension liability since the prior measurement period:

OPEB LIABILITY:

Changes of benefit terms:

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

Changes of assumptions:

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 percent as of August 31, 2023, to 3.87 percent as of August 31, 2024.
- Since the plan is a pay-as-you-go plan, the single discount rate is equal to the prevailing municipal bond rate.

OTHER SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

ALLEN INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2025

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program
ASSETS				
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 2,352,090
1240 Due from Other Governments	202,930	835,229	-	31,875
1290 Other Receivables	-	-	-	342
1300 Inventories	-	-	-	155,654
1000 Total Assets	<u>\$ 202,930</u>	<u>\$ 835,229</u>	<u>\$ -</u>	<u>\$ 2,539,961</u>
LIABILITIES				
2110 Accounts Payable	\$ -	\$ 129,825	\$ -	\$ 6,077
2150 Payroll Deductions and Withholdings Payable	5,848	26,642	-	56,512
2160 Accrued Wages Payable	89,813	370,181	-	236,841
2170 Due to Other Funds	107,269	308,581	-	677,399
2180 Due to Other Governments	-	-	-	-
2300 Unearned Revenue	-	-	-	241,846
2000 Total Liabilities	<u>202,930</u>	<u>835,229</u>	<u>-</u>	<u>1,218,675</u>
FUND BALANCES				
Nonspendable Fund Balance:				
3410 Inventories	-	-	-	155,654
Restricted Fund Balance:				
3450 Federal or State Funds Grant Restriction	-	-	-	1,165,632
Committed Fund Balance:				
3545 Other Committed Fund Balance	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,321,286</u>
4000 Total Liabilities and Fund Balances	<u>\$ 202,930</u>	<u>\$ 835,229</u>	<u>\$ -</u>	<u>\$ 2,539,961</u>

244	255	263	279	282	289	392	397
Career and Technical - Basic Grant	ESEA II,A Training and Recruiting	Title III, A English Lang. Acquisition	ESSER III TCLAS ARP Act	ESSER III ARP Act	Other Federal Special Revenue Funds	Non-Ed. Community Based Support	Advanced Placement Incentives
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
38,274	74,372	39,264	-	-	21,519	4,445	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 38,274</u>	<u>\$ 74,372</u>	<u>\$ 39,264</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,519</u>	<u>\$ 4,445</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	2,574	927	-	-	342	-	-
-	45,296	8,204	-	-	13,487	-	-
38,274	26,502	30,133	-	-	7,690	4,445	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>38,274</u>	<u>74,372</u>	<u>39,264</u>	<u>-</u>	<u>-</u>	<u>21,519</u>	<u>4,445</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 38,274</u>	<u>\$ 74,372</u>	<u>\$ 39,264</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,519</u>	<u>\$ 4,445</u>	<u>\$ -</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2025

Data Control Codes	410 State Instructional Materials	429 Other State Special Revenue Funds	461 Campus Activity Funds	473 Foundation Grants	
ASSETS					
1110	Cash and Cash Equivalents	\$ 840,237	\$ -	\$ 3,955,755	\$ 15,769
1240	Due from Other Governments	-	63,909	-	-
1290	Other Receivables	-	-	-	-
1300	Inventories	-	-	-	-
1000	Total Assets	<u>\$ 840,237</u>	<u>\$ 63,909</u>	<u>\$ 3,955,755</u>	<u>\$ 15,769</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ -	\$ 20,007	\$ 2,993
2150	Payroll Deductions and Withholdings Payable	-	-	-	-
2160	Accrued Wages Payable	-	-	-	-
2170	Due to Other Funds	-	63,909	-	-
2180	Due to Other Governments	-	-	309	-
2300	Unearned Revenue	840,237	-	-	12,776
2000	Total Liabilities	<u>840,237</u>	<u>63,909</u>	<u>20,316</u>	<u>15,769</u>
FUND BALANCES					
Nonspendable Fund Balance:					
3410	Inventories	-	-	-	-
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	-
Committed Fund Balance:					
3545	Other Committed Fund Balance	-	-	3,935,439	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>3,935,439</u>	<u>-</u>
4000	Total Liabilities and Fund Balances	<u>\$ 840,237</u>	<u>\$ 63,909</u>	<u>\$ 3,955,755</u>	<u>\$ 15,769</u>

474 Other Local Grants	475 Light Span	491 Non-Program Food Service	Total Nonmajor Governmental Funds
\$ 28,033	\$ -	\$ 196,384	\$ 7,388,268
-	-	-	1,311,817
-	-	-	342
-	-	38,485	194,139
<u>\$ 28,033</u>	<u>\$ -</u>	<u>\$ 234,869</u>	<u>\$ 8,894,566</u>
\$ -	\$ -	\$ 3,603	\$ 162,505
-	-	13,262	106,107
-	-	90,011	853,833
-	-	-	1,264,202
-	-	-	309
-	-	127,993	1,222,852
-	-	234,869	3,609,808
-	-	38,485	194,139
-	-	-	1,165,632
28,033	-	(38,485)	3,924,987
<u>28,033</u>	<u>-</u>	<u>-</u>	<u>5,284,758</u>
<u>\$ 28,033</u>	<u>\$ -</u>	<u>\$ 234,869</u>	<u>\$ 8,894,566</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2025

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	240 National Breakfast and Lunch Program
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 3,641,188
5800 State Program Revenues	-	-	-	187,591
5900 Federal Program Revenues	790,295	4,159,959	43,639	2,966,113
5020 Total Revenues	790,295	4,159,959	43,639	6,794,892
EXPENDITURES:				
Current:				
0011 Instruction	401,250	1,049,358	-	-
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	118,370	344,269	-	-
0021 Instructional Leadership	-	219,570	-	-
0023 School Leadership	87,642	-	-	-
0031 Guidance, Counseling, and Evaluation Services	132,571	1,994,426	43,639	-
0034 Student (Pupil) Transportation	50,462	552,336	-	-
0035 Food Services	-	-	-	6,803,771
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0052 Security and Monitoring Services	-	-	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	790,295	4,159,959	43,639	6,803,771
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	(8,879)
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	36,810
8911 Transfers Out (Use)	-	-	-	(677,399)
7080 Total Other Financing Sources (Uses)	-	-	-	(640,589)
1200 Net Change in Fund Balance	-	-	-	(649,468)
0100 Fund Balance - July 1 (Beginning)	-	-	-	1,970,754
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ 1,321,286

244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	279 ESSER III TCLAS ARP Act	282 ESSER III ARP Act	289 Other Federal Special Revenue Funds	392 Non-Ed. Community Based Support	397 Advanced Placement Incentives
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	8,140	1,880
139,151	341,997	300,393	99	44,023	146,644	-	-
139,151	341,997	300,393	99	44,023	146,644	8,140	1,880
129,279	23,227	180,240	-	7,755	20,139	8,140	-
-	-	-	-	-	-	-	-
9,872	318,770	120,153	99	-	126,505	-	1,880
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	3,229	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	33,039	-	-	-
139,151	341,997	300,393	99	44,023	146,644	8,140	1,880
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

ALLEN INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2025

Data Control Codes	410 State Instructional Materials	429 Other State Special Revenue Funds	461 Campus Activity Funds	473 Foundation Grants
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ 5,006,511	\$ 208,443
5800 State Program Revenues	1,896,128	1,006,387	15,447	-
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	1,896,128	1,006,387	5,021,958	208,443
EXPENDITURES:				
Current:				
0011 Instruction	1,896,128	17,465	-	3,535
0012 Instructional Resources and Media Services	-	888	-	-
0013 Curriculum and Instructional Staff Development	-	11,570	-	-
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	-	426
0034 Student (Pupil) Transportation	-	-	-	-
0035 Food Services	-	-	-	-
0036 Extracurricular Activities	-	-	4,814,163	204,482
0041 General Administration	-	-	43,168	-
0052 Security and Monitoring Services	-	979,885	-	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	-	-	-
6030 Total Expenditures	1,896,128	1,009,808	4,857,331	208,443
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(3,421)	164,627	-
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
8911 Transfers Out (Use)	-	-	-	-
7080 Total Other Financing Sources (Uses)	-	-	-	-
1200 Net Change in Fund Balance	-	(3,421)	164,627	-
0100 Fund Balance - July 1 (Beginning)	-	3,421	3,770,812	-
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ 3,935,439	\$ -

474 Other Local Grants	475 Light Span	491 Non-Program Food Service	Total Nonmajor Governmental Funds
\$ 4,650	\$ -	\$ 2,505,532	\$ 11,366,324
-	-	92,545	3,208,118
-	-	-	8,932,313
4,650	-	2,598,077	23,506,755
6,086	702	-	3,743,304
-	-	-	888
-	-	-	1,051,488
-	-	-	219,570
-	-	-	87,642
-	-	-	2,174,291
-	-	-	602,798
-	-	2,710,276	9,514,047
6,036	-	-	5,024,681
-	-	-	43,168
-	-	-	979,885
-	-	-	33,039
12,122	702	2,710,276	23,474,801
(7,472)	(702)	(112,199)	31,954
-	-	149,009	185,819
-	-	(36,810)	(714,209)
-	-	112,199	(528,390)
(7,472)	(702)	-	(496,436)
35,505	702	-	5,781,194
\$ 28,033	\$ -	\$ -	\$ 5,284,758

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NONMAJOR ENTERPRISE FUNDS

ALLEN INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 JUNE 30, 2025

	712	720	732	740	Total
	Concessions	Kids Club	Wrapped School Packs	Eagle Edge HS Store	Nonmajor Enterprise Funds
ASSETS					
Current Assets:					
Cash and Cash Equivalents	\$ 53,475	\$ 6,207,095	\$ 23,952	\$ 80,456	\$ 6,364,978
Total Assets	<u>53,475</u>	<u>6,207,095</u>	<u>23,952</u>	<u>80,456</u>	<u>6,364,978</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	18,834	34,309	-	-	53,143
Payroll Deductions and Withholdings Payable	872	187	-	-	1,059
Accrued Wages Payable	6,310	6,946	-	-	13,256
Accrued Expenses	-	252	-	-	252
Unearned Revenues	-	31,760	-	-	31,760
Total Liabilities	<u>26,016</u>	<u>73,454</u>	<u>-</u>	<u>-</u>	<u>99,470</u>
NET POSITION					
Restricted Net Position	\$ 27,459	\$ 6,133,641	\$ 23,953	\$ 80,456	\$ 6,265,509
Total Net Position	<u>\$ 27,459</u>	<u>\$ 6,133,641</u>	<u>\$ 23,953</u>	<u>\$ 80,456</u>	<u>\$ 6,265,509</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2025

	712	720	732	740	Total
	Concessions	Kids Club	Wrapped School Packs	Eagle Edge HS Store	Nonmajor Enterprise Funds
OPERATING REVENUES:					
Local and Intermediate Sources	\$ 496,105	\$ 4,026,165	\$ -	\$ 101,793	\$ 4,624,063
State Program Revenues	13,042	140,846	-	180	154,068
Total Operating Revenues	<u>509,147</u>	<u>4,167,011</u>	<u>-</u>	<u>101,973</u>	<u>4,778,131</u>
OPERATING EXPENSES:					
Payroll Costs	170,249	1,986,284	-	2,154	2,158,687
Professional and Contracted Services	94,134	54,147	-	-	148,281
Supplies and Materials	1,955	179,814	-	853	182,622
Other Operating Costs	207,839	273,065	-	81,230	562,134
Capital Outlay	59,859	-	-	-	59,859
Total Operating Expenses	<u>534,036</u>	<u>2,493,310</u>	<u>-</u>	<u>84,237</u>	<u>3,111,583</u>
Income (Loss) Before Transfers	(24,889)	1,673,701	-	17,736	1,666,548
Transfers Out	-	(448,835)	-	-	(448,835)
Change in Net Position	(24,889)	1,224,866	-	17,736	1,217,713
Total Net Position - July 1 (Beginning)	52,348	4,908,775	23,952	62,720	5,047,795
Total Net Position - June 30 (Ending)	<u>\$ 27,459</u>	<u>\$ 6,133,641</u>	<u>\$ 23,952</u>	<u>\$ 80,456</u>	<u>\$ 6,265,508</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF CASH FLOWS
 NONMAJOR ENTERPRISE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2025

	712	720	732	740	Total
	Concessions	Kids Club	Wrapped School Packs	Eagle Edge HS Store	Nonmajor Enterprise Funds
<u>Cash Flows from Operating Activities:</u>					
Cash Received from User Charges	\$ 496,105	\$ 4,182,801	\$ -	\$ 101,793	\$ 4,780,699
Cash Payments to Employees for Services	(156,976)	(2,305,357)	-	(1,974)	(2,464,307)
Cash Payments to Suppliers	(96,089)	(213,666)	-	(856)	(310,611)
Cash Payments for Other Operating Expenses	(248,864)	(26,947)	-	(81,230)	(357,041)
Net Cash Provided by (Used for) Operating Activities	(5,824)	1,636,831	-	17,733	1,648,740
<u>Cash Flows from Non-Capital Financing Activities:</u>					
Transfers Out	-	(448,835)	-	-	(448,835)
Net Increase (Decrease) in Cash and Cash Equivalents	(5,824)	1,187,996	-	17,733	1,199,905
Cash and Cash Equivalents at Beginning of Year	59,299	5,043,051	-	62,723	5,165,073
Cash and Cash Equivalents at End of Year	\$ 53,475	\$ 6,231,047	\$ -	\$ 80,456	\$ 6,364,978
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>					
<u>Provided by (Used for) Operating Activities:</u>					
Operating Income (Loss):	\$ (24,889)	\$ 1,673,701	\$ -	\$ 17,736	\$ 1,666,548
Effect of Increases and Decreases in Current Assets and Liabilities:					
Increase (decrease) in Accounts Payable	18,834	1,461	-	(3)	20,292
Increase (decrease) in Payroll Deductions	22	16	-	-	38
Increase (decrease) in Accrued Wages Payable	209	200	-	-	409
Increase (decrease) in Accrued Expenses	-	(41,115)	-	-	(41,115)
Increase (decrease) in Unearned Revenue	-	2,568	-	-	2,568
Net Cash Provided by (Used for) Operating Activities	\$ (5,824)	\$ 1,636,831	\$ -	\$ 17,733	\$ 1,648,740

REQUIRED T.E.A. SCHEDULES

ALLEN INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FOR THE YEAR ENDED JUNE 30, 2025

Last 10 Years Ended	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2016 and prior years	Various	Various	\$ Various
2017	1.140000	0.450000	11,137,968,611
2018	1.140000	0.430000	12,506,678,202
2019	1.140000	0.410000	13,892,478,066
2020	1.048900	0.410000	14,976,013,108
2021	1.022500	0.410000	15,781,402,098
2022	0.996800	0.410000	16,864,608,334
2023	0.940400	0.390000	19,236,624,445
2024	0.751200	0.390000	20,568,058,825
2025 (School year under audit)	0.735800	0.390000	22,436,591,533
1000 TOTALS			
8000 Total Taxes Refunded Under Section 26.1115, Tax Code			

(10) Beginning Balance 7/1/2024	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2025	(99) Taxes Refunded Under Section 26.1115c
\$ 250,635	\$	\$ 12,079	\$ 5,018	\$ (50,758)	\$ 182,780	
91,740		3,217	1,270		87,253	
104,700		3,206	1,209		100,285	
112,940		4,326	1,556		107,058	
266,949		24,068	9,408	2,296	235,769	
529,467		300,798	120,613	55,533	163,589	
596,480		375,280	154,359	213,767	280,608	
687,451		131,436	54,509	(167,315)	334,191	
1,118,799		(853,084)	(442,896)	(2,061,760)	353,019	
	243,071,247	156,274,577	82,831,048	(2,590,123)	1,375,499	
<u>\$ 3,759,161</u>	<u>\$ 243,071,247</u>	<u>\$ 156,275,903</u>	<u>\$ 82,736,094</u>	<u>\$ (4,598,360)</u>	<u>\$ 3,220,051</u>	

\$ 67,778

ALLEN INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2025

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 3,180,000	\$ 3,180,000	\$ 3,641,188	\$ 461,188
5800 State Program Revenues	89,000	89,000	187,591	98,591
5900 Federal Program Revenues	3,423,581	3,423,581	2,966,113	(457,468)
5020 Total Revenues	6,692,581	6,692,581	6,794,892	102,311
EXPENDITURES:				
Current:				
0035 Food Services	6,496,137	6,496,137	6,803,771	(307,634)
6030 Total Expenditures	6,496,137	6,496,137	6,803,771	(307,634)
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	196,444	196,444	(8,879)	(205,323)
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	36,810	36,810
7961 Transfers Out (Use)	-	-	(677,399)	(677,399)
7080 Total Other Financing Sources (Uses)	-	-	(640,589)	(640,589)
1200 Net Change in Fund Balances	196,444	196,444	(649,468)	(845,912)
0100 Fund Balance - July 1 (Beginning)	1,970,754	1,970,754	1,970,754	-
3000 Fund Balance - June 30 (Ending)	\$ 2,167,198	\$ 2,167,198	\$ 1,321,286	\$ (845,912)

ALLEN INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2025

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 84,305,715	\$ 87,305,715	\$ 84,425,413	\$ (2,880,302)
5800 State Program Revenues	500,000	500,000	4,419,935	3,919,935
5020 Total Revenues	84,805,715	87,805,715	88,845,348	1,039,633
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Liabilities	60,469,254	26,685,000	26,685,000	-
0072 Interest on Long-Term Liabilities	24,036,461	24,036,461	23,815,650	220,811
0073 Bond Issuance Cost and Fees	300,000	37,084,254	36,945,050	139,204
6030 Total Expenditures	84,805,715	87,805,715	87,445,700	360,015
1200 Net Change in Fund Balances	-	-	1,399,648	1,399,648
0100 Fund Balance - July 1 (Beginning)	34,596,245	34,596,245	34,596,245	-
3000 Fund Balance - June 30 (Ending)	\$ 34,596,245	\$ 34,596,245	\$ 35,995,893	\$ 1,399,648

ALLEN INDEPENDENT SCHOOL DISTRICT
STATE COMPENSATORY EDUCATION AND BILINGUAL EDUCATION PROGRAM EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2025

Section A: Compensatory Education Programs

AP1	Did your district expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the district have written policies and procedures for its state compensatory education program?	Yes
AP3	Total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$6,053,163
AP4	Actual direct program expenditures for state compensatory education programs during the district's fiscal year. (PICs 24,26,28,29,30)	\$6,372,554

Section B: Bilingual Education Programs

AP5	Did your district expend any bilingual education program state allotment funds during the district's fiscal year?	Yes
AP6	Does the district have written policies and procedures for its bilingual education program?	Yes
AP7	Total state allotment funds received for bilingual education programs during the district's fiscal year.	\$1,615,451
AP8	Actual direct program expenditures for bilingual education programs during the district's fiscal year. (PIC 25)	\$665,317

STATISTICAL SECTION

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ALLEN INDEPENDENT SCHOOL DISTRICT

STATISTICAL SECTION CONTENTS

This part of the Allen Independent School District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, not disclosures, and required supplementary information says about the District's overall financial health.

CONTENTS

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's levels of outstanding debt and the District's ability to issue additional debt to the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.

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FINANCIAL TRENDS INFORMATION

ALLEN INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Building	Fiscal Year			
	2016	2017	2018	2019
Governmental Activities				
Net Investment in Capital Assets	\$ 18,357,741	\$ (400,214)	\$ -	\$ 55,686,114
Restricted	27,607,831	69,096,253	80,615,577	77,870,106
Unrestricted	65,193,190	56,944,378	(25,919,490)	(69,086,752)
Total Government Net Position	<u>111,158,762</u>	<u>125,640,417</u>	<u>54,696,087</u>	<u>64,469,468</u>
Business Type Activities				
Net Investment in Capital Assets	-	-	-	-
Restricted	-	-	-	-
Unrestricted	3,016,197	3,607,698	4,362,568	5,029,798
Total Business Type Activities	<u>3,016,197</u>	<u>3,607,698</u>	<u>4,362,568</u>	<u>5,029,798</u>
Total Primary Government				
Net Investment in Capital Assets	18,357,741	(400,214)	-	55,686,114
Restricted	27,607,831	69,096,253	80,615,577	77,870,106
Unrestricted	68,209,387	60,552,076	(21,556,922)	(64,056,954)
Total Primary Government	<u>\$ 114,174,959</u>	<u>\$ 129,248,115</u>	<u>\$ 59,058,655</u>	<u>\$ 69,499,266</u>

Source: Audit - The Statement of Net Position for the Allen Independent School District.

Fiscal Year						
2020	2021	2022	2023	2024	2025	
\$ 92,042,341	\$ 4,944,914	\$ 102,002,375	\$ 122,530,411	\$ 174,662,425	\$ 220,595,612	
31,319,959	139,864,621	28,580,039	29,518,788	28,699,501	24,607,709	
(54,249,504)	(74,296,314)	(37,851,906)	(38,183,432)	(41,591,131)	(42,930,765)	
69,112,796	70,513,221	92,730,508	113,865,767	161,770,795	202,272,556	
-	-	-	-	-	-	
-	-	-	-	-	-	
3,648,263	3,012,259	3,909,570	4,924,850	5,047,795	6,265,508	
3,648,263	3,012,259	3,909,570	4,924,850	5,047,795	6,265,508	
92,042,341	4,944,914	102,002,375	122,530,411	174,662,425	220,595,612	
31,319,959	139,864,621	28,580,039	29,518,788	28,699,501	24,607,709	
(50,601,241)	(71,284,055)	(33,942,336)	(33,258,582)	(36,543,336)	(36,665,257)	
\$ 72,761,059	\$ 73,525,480	\$ 96,640,078	\$ 118,790,617	\$ 166,818,590	\$ 208,538,064	

ALLEN INDEPENDENT SCHOOL DISTRICT
EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE) REVENUE
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Expenses	Fiscal Year			
	2016	2017	2018	2019
Governmental Activities				
Instruction	\$ 116,653,422	\$ 123,040,357	\$ 85,675,090	\$ 140,432,648
Instructional Resources and Media Services	3,391,782	2,406,327	4,151,896	5,802,829
Curriculum & Staff Development	3,431,207	3,810,263	4,317,818	6,883,642
Instructional Leadership	1,657,808	1,661,635	1,208,837	2,170,882
School Leadership	11,268,442	12,071,584	8,735,452	14,085,570
Guidance, Counseling & Evaluation Services	10,154,986	10,744,524	7,437,748	12,561,788
Social Work Services	62,886	64,408	37,985	68,763
Health Service	1,694,456	1,801,518	1,212,805	2,172,011
Student (pupil) Transportation	4,525,376	5,546,035	4,247,585	6,450,778
Food Services	7,096,047	7,775,451	6,706,100	8,389,186
Curricular & Extracurricular Activities	8,015,527	7,923,911	7,839,522	10,098,561
General Administration	5,849,944	6,598,893	5,238,734	8,261,487
Facilities Maintenance and Operations	18,732,861	20,109,455	19,540,520	22,418,214
Security & Monitoring Services	2,801,947	3,003,722	2,728,548	3,930,064
Data Processing Services	5,155,071	5,393,512	4,014,971	4,480,844
Community Services	84,495	92,034	(607,422)	257,237
Debt Service	22,215,203	24,397,424	26,783,492	21,364,776
Capital Outlay	-	-	-	175,337
Contracted Instructional	1,129,136	1,915,862	2,806,939	3,747,921
Payment for Shared Service Arrangement	26,390	6,622	8,858	30,732
Other Intergovernmental Charges	1,047,702	1,135,356	1,234,140	1,370,410
Total Governmental Activities Expenses	<u>224,994,688</u>	<u>239,498,893</u>	<u>193,319,618</u>	<u>275,153,680</u>
Business-type Activities				
Concession Stands	445,817	352,062	427,085	372,074
Kid's Club/Community Ed	2,571,730	2,655,304	2,839,869	2,811,425
Other Enterprising Activities	270,414	250,549	199,482	174,952
Total Business-type Activities Expenses	<u>3,287,961</u>	<u>3,257,915</u>	<u>3,466,436</u>	<u>3,358,451</u>
Total Primary Government Program Expenses	<u>\$ 228,282,649</u>	<u>\$ 242,756,808</u>	<u>\$ 196,786,054</u>	<u>\$ 278,512,131</u>
Program Revenues				
Governmental Activities				
Charges for Services	\$ 7,445,960	\$ 7,250,988	\$ 6,775,868	\$ 7,471,604
Operating Grants & Contributions	14,605,182	16,106,534	(20,840,101)	24,885,472
Total Governmental Activities Revenues	<u>22,051,142</u>	<u>23,357,522</u>	<u>(14,064,233)</u>	<u>32,357,076</u>
Business-type Activities				
Charges for Services	5,269,480	5,049,416	5,421,306	5,225,677
Operating Grants & Contributions	111,694	-	-	-
Total Business-type Activities Revenues	<u>5,381,174</u>	<u>5,049,416</u>	<u>5,421,306</u>	<u>5,225,677</u>
Total Primary Government Program Revenues	<u>\$ 27,432,316</u>	<u>\$ 28,406,938</u>	<u>\$ (8,642,927)</u>	<u>\$ 37,582,753</u>
Net (Expense)/Revenue				
Total Primary Government Expenses	<u>\$ (200,850,333)</u>	<u>\$ (214,349,870)</u>	<u>\$ (205,428,981)</u>	<u>\$ (240,929,378)</u>

Source: Audit - Exhibit B-1, The Statement of Activities for the Allen Independent School District.

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 154,114,631	\$ 152,041,627	\$ 135,846,056	\$ 143,073,633	\$ 145,076,181	\$ 150,427,453
4,325,184	5,112,041	2,371,335	2,470,189	2,353,440	2,465,514
7,325,808	7,338,849	7,027,174	7,614,669	7,378,083	7,545,398
2,788,514	2,675,281	2,729,895	2,965,898	2,946,293	2,978,144
14,945,467	14,370,981	13,204,359	13,900,943	13,437,011	14,028,245
13,953,209	14,002,166	13,004,383	13,596,755	14,283,742	15,366,562
74,725	71,013	68,881	160,107	129,168	131,287
2,277,116	2,416,159	2,125,485	2,215,781	2,197,705	2,468,557
7,238,002	6,742,972	7,027,220	7,606,698	7,719,756	8,093,217
8,665,352	7,382,986	9,225,961	9,531,774	10,408,835	10,768,763
10,398,489	9,122,942	9,806,465	10,305,534	13,336,244	15,113,752
8,412,457	8,106,144	7,151,434	7,492,426	7,611,064	8,384,448
23,138,587	22,875,664	24,414,221	24,890,583	26,932,908	28,446,396
4,144,769	4,420,358	4,110,903	4,631,017	5,428,284	6,224,263
5,150,642	4,837,032	8,622,976	10,279,363	10,935,124	12,763,195
347,529	199,268	268,849	126,487	116,492	6,921
21,037,473	29,043,460	32,087,845	28,272,045	18,313,383	17,852,049
-	-	-	-	-	-
931,142	1,098,100	1,519,916	11,219,015	2,795,277	3,423,716
19,297	-	1,265	-	9,212	7,324
1,504,544	1,514,620	1,621,099	1,698,346	1,667,761	1,658,430
<u>290,792,937</u>	<u>293,371,663</u>	<u>282,235,722</u>	<u>302,051,263</u>	<u>293,075,963</u>	<u>308,153,634</u>
328,242	314,052	387,221	636,296	440,247	534,036
2,786,579	1,565,542	1,795,546	2,018,286	2,739,383	2,493,309
186,751	91,026	147,053	174,733	96,046	84,238
<u>3,301,572</u>	<u>1,970,620</u>	<u>2,329,820</u>	<u>2,829,315</u>	<u>3,275,676</u>	<u>3,111,583</u>
<u>\$ 294,094,509</u>	<u>\$ 295,342,283</u>	<u>\$ 284,565,542</u>	<u>\$ 304,880,578</u>	<u>\$ 296,351,639</u>	<u>\$ 311,265,217</u>
\$ 5,845,813	\$ 2,755,974	\$ 4,785,187	\$ 11,617,469	\$ 11,058,098	\$ 15,736,543
29,815,983	19,278,141	39,344,893	29,335,379	36,249,455	38,890,640
<u>35,661,796</u>	<u>22,034,115</u>	<u>44,130,080</u>	<u>40,952,848</u>	<u>47,307,553</u>	<u>54,627,183</u>
3,509,918	4,590,590	3,227,131	3,715,359	4,598,621	4,778,131
-	-	-	129,236	-	-
<u>3,509,918</u>	<u>4,590,590</u>	<u>3,227,131</u>	<u>3,844,595</u>	<u>4,598,621</u>	<u>4,778,131</u>
<u>\$ 39,171,714</u>	<u>\$ 26,624,705</u>	<u>\$ 47,357,211</u>	<u>\$ 44,797,443</u>	<u>\$ 51,906,174</u>	<u>\$ 59,405,314</u>
<u>\$ (254,922,795)</u>	<u>\$ (268,717,578)</u>	<u>\$ (237,208,331)</u>	<u>\$ (260,083,135)</u>	<u>\$ (244,445,465)</u>	<u>\$ (251,859,903)</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Fiscal Year			
	2016	2017	2018	2019
Net (Expense)/Revenue				
Governmental Activities	\$ (202,943,546)	\$ (216,141,371)	\$ (207,383,851)	\$ (242,796,604)
Business-type Activities	2,093,213	1,791,501	1,954,870	1,867,226
Total Primary Government Net Expense	<u>\$ (200,850,333)</u>	<u>\$ (214,349,870)</u>	<u>\$ (205,428,981)</u>	<u>\$ (240,929,378)</u>
General Revenues and Other Changes in Net Position				
Government Activities:				
Property Taxes	\$ 163,388,375	\$ 178,247,301	\$ 197,245,218	\$ 215,111,019
State Aid-Formula	47,571,376	38,670,369	31,997,908	24,282,652
Grants & Contributions Not Restricted	4,613,595	587,713	439,231	(258,989)
Investment Earnings	851,508	2,332,731	4,266,841	5,058,643
Miscellaneous	7,318,485	9,584,912	5,621,028	7,176,660
Other	-	-	-	-
Transfers	1,200,000	1,200,000	1,200,000	1,200,000
Total Government Activities	<u>224,943,339</u>	<u>230,623,026</u>	<u>240,770,226</u>	<u>252,569,985</u>
Business-type Activities				
State Aid-Formula	-	-	-	-
Investment Earnings	-	-	-	4
Miscellaneous	-	-	-	-
Transfers	(1,200,000)	(1,200,000)	(1,200,000)	(1,200,000)
Total Business-type Activities	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>(1,200,000)</u>	<u>(1,199,996)</u>
Total Primary Government	<u>\$ 223,743,339</u>	<u>\$ 229,423,026</u>	<u>\$ 239,570,226</u>	<u>\$ 251,369,989</u>
Change in Net Position				
Government Activities	\$ 21,999,793	\$ 14,481,655	\$ 33,386,375	\$ 9,773,381
Business-type Activities	893,213	591,501	754,870	667,230
Total Primary Government	<u>\$ 22,893,006</u>	<u>\$ 15,073,156</u>	<u>\$ 34,141,245</u>	<u>\$ 10,440,611</u>

Source: Audit - The Statement of Activities for the Allen Independent School District

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ (255,131,141)	\$ (271,337,548)	\$ (238,105,642)	\$ (261,098,415)	\$ (245,768,410)	\$ (253,526,451)
208,346	(136,004)	897,311	1,015,280	1,322,945	1,666,548
<u>\$ (254,922,795)</u>	<u>\$ (271,473,552)</u>	<u>\$ (237,208,331)</u>	<u>\$ (260,083,135)</u>	<u>\$ (244,445,465)</u>	<u>\$ (251,859,903)</u>
\$ 216,614,616	\$ 226,120,437	\$ 233,204,741	\$ 252,524,020	\$ 226,702,023	\$ 239,295,306
30,760,332	29,157,590	21,089,169	17,820,109	44,356,545	45,756,122
274,613	12,947,996	7,727	163,162	-	-
2,862,762	383,791	715,698	8,727,390	9,019,020	10,945,529
5,514,566	3,628,159	1,584,047	2,998,993	1,591,238	-
-	-	-	-	-	-
1,589,884	500,000	-	-	1,200,000	448,835
<u>257,616,773</u>	<u>272,737,973</u>	<u>256,601,382</u>	<u>282,233,674</u>	<u>282,868,826</u>	<u>296,445,792</u>
-	-	-	-	-	-
3	-	-	-	-	-
-	-	-	-	-	-
(1,589,884)	(500,000)	-	-	(1,200,000)	(448,835)
<u>(1,589,881)</u>	<u>(500,000)</u>	<u>-</u>	<u>-</u>	<u>(1,200,000)</u>	<u>(448,835)</u>
<u>\$ 256,026,892</u>	<u>\$ 272,237,973</u>	<u>\$ 256,601,382</u>	<u>\$ 282,233,674</u>	<u>\$ 281,668,826</u>	<u>\$ 295,996,957</u>
\$ 2,485,632	\$ 1,400,425	\$ 18,495,740	\$ 21,135,259	\$ 37,100,416	\$ 42,919,341
(1,381,535)	(636,004)	897,311	1,015,280	122,945	1,217,713
<u>\$ 1,104,097</u>	<u>\$ 764,421</u>	<u>\$ 19,393,051</u>	<u>\$ 22,150,539</u>	<u>\$ 37,223,361</u>	<u>\$ 44,137,054</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
 FUND BALANCE GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Fiscal Year			
	2016	2017	2018	2019
General Fund				
Nonspendable:				
Inventories	\$ 272,275	\$ 233,489	\$ 284,309	\$ 359,548
Prepaid Items	195,324	285,026	334,508	251,900
Restricted:				
Capital Projects	1,016	1,016	-	-
Committed:	17,800,000	-	12,000,000	12,000,000
Assigned	400,000	4,126,213	1,806,500	1,063,500
Unassigned:	72,831,873	82,439,181	73,222,715	80,221,514
Total General Fund	<u>\$ 91,500,488</u>	<u>\$ 87,084,925</u>	<u>\$ 87,648,032</u>	<u>\$ 93,896,462</u>
All Other Governmental Funds				
Nonspendable:				
Inventories	\$ 26,556	\$ 33,658	\$ 34,346	\$ 105,230
Prepaid Items	-	21,719	-	37
Restricted				
Debt Service	23,145,368	25,172,329	29,930,874	36,190,606
Federal and State Grants	3,710,574	3,278,453	3,754,251	4,069,065
Capital Acquisition and Contractual	189,412,583	208,330,997	110,812,069	36,800,206
Other Miscellaneous	-	-	-	-
Committed	2,742,276	2,775,199	3,023,979	2,965,327
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total All Other Governmental Funds	<u>\$ 219,037,357</u>	<u>\$ 239,612,355</u>	<u>\$ 147,555,519</u>	<u>\$ 80,130,471</u>
Total General and Other Governmental	<u>\$ 310,537,845</u>	<u>\$ 326,697,280</u>	<u>\$ 235,203,551</u>	<u>\$ 174,026,933</u>

Source: Audit - The Balance Sheet of Governmental Funds for the Allen Independent School District

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 330,815	\$ 324,285	\$ 292,797	\$ 260,060	\$ 256,090	\$ 49,151
6,292,651	641,137	427,223	464,344	681,383	670,346
-	-	-	-	-	-
13,707,294	-	-	-	-	3,318,685
2,263,500	19,000,000	19,000,000	19,000,000	19,000,000	19,000,000
72,373,095	58,239,903	61,573,069	56,161,152	54,237,688	50,220,294
<u>\$ 94,967,355</u>	<u>\$ 78,205,325</u>	<u>\$ 81,293,089</u>	<u>\$ 75,885,556</u>	<u>\$ 74,175,161</u>	<u>\$ 73,258,476</u>
\$ 228,191	\$ 221,411	\$ 341,281	\$ 345,466	\$ 248,361	\$ 194,139
-	-	-	-	-	-
17,790,139	30,533,731	34,033,677	34,994,929	34,596,245	35,995,893
3,034,284	1,835,453	3,141,222	2,805,754	1,725,814	1,165,632
9,835,233	106,861,912	117,306,938	59,924,895	29,194,861	219,842,344
-	-	-	-	-	-
3,160,978	3,555,883	3,750,054	3,771,144	3,807,019	3,924,987
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 34,048,825</u>	<u>\$ 143,008,390</u>	<u>\$ 158,573,172</u>	<u>\$ 101,842,188</u>	<u>\$ 69,572,300</u>	<u>\$ 261,122,995</u>
<u>\$ 129,016,180</u>	<u>\$ 221,213,715</u>	<u>\$ 239,866,261</u>	<u>\$ 177,727,744</u>	<u>\$ 143,747,461</u>	<u>\$ 334,381,471</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS REVENUES
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Fiscal Year			
	2016	2017	2018	2019
Federal Sources				
Federal Grants	\$ 11,117	\$ 77,298	\$ 628,749	\$ 2,819,333
Food Service	5,800,427	5,795,290	6,051,267	6,401,398
Capital Projects	-	-	-	-
Total Federal Sources	<u>\$ 5,811,544</u>	<u>\$ 5,872,588</u>	<u>\$ 6,680,016</u>	<u>\$ 9,220,731</u>
State Sources:				
State Grants & Other	\$ 54,880,605	\$ 46,431,246	\$ 40,174,646	\$ 32,173,631
Debt Service	958,743	767,884	710,850	647,308
Capital Projects	7,666	6,415	10,045	8,759
Food Service	1,243,800	885,766	810,785	661,407
Total State Sources	<u>\$ 57,090,814</u>	<u>\$ 48,091,311</u>	<u>\$ 41,706,326</u>	<u>\$ 33,491,105</u>
Local Sources:				
Local & Intermediate Sources	\$ 119,133,583	\$ 132,061,873	\$ 146,705,086	\$ 165,170,303
Debt Service	47,486,485	50,557,845	54,192,253	58,235,780
Capital Projects	1,823,424	3,850,095	2,226,109	2,170,468
Food Service	9,376,930	8,990,718	9,365,786	10,100,868
Total Local Sources	<u>\$ 177,820,422</u>	<u>\$ 195,460,531</u>	<u>\$ 212,489,234</u>	<u>\$ 235,677,419</u>
Total Revenues	<u>\$ 240,722,780</u>	<u>\$ 249,424,430</u>	<u>\$ 260,875,576</u>	<u>\$ 278,389,255</u>

Source: Audit - Exhibit C-3, Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds for the Allen Independent School District

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 509,061	\$ 2,179,188	\$ 5,782,197	\$ 3,495,895	\$ 473,013	\$ 640,147
6,212,637	13,644,794	17,994,455	12,314,585	12,117,330	8,932,313
-	-	-	39,764	-	-
<u>\$ 6,721,698</u>	<u>\$ 15,823,982</u>	<u>\$ 23,776,652</u>	<u>\$ 15,850,244</u>	<u>\$ 12,590,343</u>	<u>\$ 9,572,460</u>
\$ 40,929,439	\$ 39,422,638	\$ 31,589,381	\$ 28,357,602	\$ 56,707,608	\$ 50,156,836
594,498	519,887	524,009	1,552,876	5,911,552	4,419,935
9,734	10,019	8,222	10,819	17,654	36,902
4,562,688	3,454,159	1,060,189	1,871,944	2,306,350	3,208,118
<u>\$ 46,096,359</u>	<u>\$ 43,406,703</u>	<u>\$ 33,181,801</u>	<u>\$ 31,793,241</u>	<u>\$ 64,943,164</u>	<u>\$ 57,821,791</u>
\$ 160,907,807	\$ 160,219,227	\$ 168,536,587	\$ 184,142,807	\$ 157,561,860	\$ 164,099,634
61,959,749	63,298,402	67,999,154	74,822,348	79,069,894	84,425,413
660,099	109,429	666,338	3,937,199	5,902,952	6,598,066
7,898,154	3,621,826	6,784,616	10,654,124	10,281,174	11,366,324
<u>\$ 231,425,809</u>	<u>\$ 227,248,884</u>	<u>\$ 243,986,695</u>	<u>\$ 273,556,478</u>	<u>\$ 252,815,880</u>	<u>\$ 266,489,437</u>
<u>\$ 284,243,866</u>	<u>\$ 286,479,569</u>	<u>\$ 300,945,148</u>	<u>\$ 321,199,963</u>	<u>\$ 330,349,387</u>	<u>\$ 333,883,688</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Fiscal Year			
	2016	2017	2018	2019
Expenditures				
11 Instruction	\$ 102,416,408	\$ 106,552,888	\$ 110,860,621	\$ 116,032,704
12 Instruction Resources and Media Services	2,096,906	2,141,240	2,333,177	2,275,265
13 Curriculum and Instructional Staff Development	3,193,844	3,549,972	5,978,616	6,259,540
Total Function 10	<u>107,707,158</u>	<u>112,244,100</u>	<u>119,172,414</u>	<u>124,567,509</u>
21 Instructional Leadership	1,603,403	1,600,719	1,821,281	2,021,267
23 School Leadership	9,559,694	10,274,226	11,043,631	11,515,473
Total Function 20	<u>11,163,097</u>	<u>11,874,945</u>	<u>12,864,912</u>	<u>13,536,740</u>
31 Guidance, Counseling, and Evaluation Services	9,042,930	9,520,151	10,130,818	10,693,074
32 Social Work Services	60,492	62,559	60,221	63,988
33 Health Services	1,583,167	1,673,780	1,800,991	1,956,486
34 Student (Pupil) Transportation	3,722,380	5,786,058	5,039,202	6,540,053
35 Food Services	7,345,596	7,435,189	6,737,542	7,380,634
36 Extracurricular Activities	5,591,937	5,219,463	5,835,425	6,288,242
Total Function 30	<u>27,346,502</u>	<u>29,697,200</u>	<u>29,604,199</u>	<u>32,922,477</u>
41 General Administration	5,384,330	5,805,468	6,339,217	6,652,621
Total Function 40	<u>5,384,330</u>	<u>5,805,468</u>	<u>6,339,217</u>	<u>6,652,621</u>
51 Facilities Maintenance and Operations	17,705,067	18,614,612	19,590,811	20,368,924
52 Security and Monitoring Services	2,542,218	2,777,315	3,005,006	3,494,277
53 Data Processing Services	4,984,612	7,220,942	4,412,964	4,142,313
Total Function 50	<u>25,231,897</u>	<u>28,612,869</u>	<u>27,008,781</u>	<u>28,005,514</u>
61 Community Services	19,418	30,870	124,341	119,577
Total Function 60	<u>19,418</u>	<u>30,870</u>	<u>124,341</u>	<u>119,577</u>
71 Principal on Long-Term Debt	23,375,000	23,626,188	22,054,516	23,419,140
72 Interest on Long-Term Debt	21,127,048	25,685,970	28,077,812	29,183,559
73 Bond Issuance and Cost Fees	2,485,846	957,781	417,054	175,341
Total Function 70	<u>46,987,894</u>	<u>50,269,939</u>	<u>50,549,382</u>	<u>52,778,040</u>
81 Facilities Acquisition and Construction	29,264,464	93,122,935	104,260,946	77,233,135
Total Function 80	<u>29,264,464</u>	<u>93,122,935</u>	<u>104,260,946</u>	<u>77,233,135</u>
91 Contracted Instructional Services Between Schools	1,129,136	1,915,862	2,806,939	3,747,921
95 Juvenile Justice Alternative Education Programs	26,390	6,622	8,858	30,732
99 Other Intergovernmental Charges	1,047,702	1,135,356	1,234,140	1,370,410
Total Function 90	<u>2,203,228</u>	<u>3,057,840</u>	<u>4,049,937</u>	<u>5,149,063</u>
Total Expenditures	<u>\$ 255,307,988</u>	<u>\$ 334,716,166</u>	<u>\$ 353,974,129</u>	<u>\$ 340,964,676</u>
Capital Expenditures	29,835,711	96,479,236	100,738,714	72,224,454
Debt Service as a Percentage of Noncapital Expenditures	19.7%	20.7%	19.8%	19.6%

Source: Audit - Exhibit C-3 Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds for the Allen Independent School District

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ 125,822,012	\$ 125,601,626	\$ 123,916,109	\$ 131,538,595	\$ 130,795,524	\$ 127,858,674
2,285,137	2,196,598	2,174,991	2,258,962	2,093,200	2,087,274
6,478,265	6,697,216	6,964,180	7,508,836	7,171,962	6,930,547
134,585,414	134,495,440	133,055,280	141,306,393	140,060,686	136,876,495
2,507,122	2,498,961	2,793,510	3,011,616	2,959,403	2,822,686
11,815,132	11,527,708	11,531,584	12,189,887	11,446,322	11,335,304
14,322,254	14,026,669	14,325,094	15,201,503	14,405,725	14,157,990
11,529,813	11,882,837	12,148,105	12,692,050	13,153,234	13,430,228
68,361	67,858	71,214	160,107	129,483	131,287
1,998,421	2,222,146	2,121,877	2,195,103	2,146,353	2,281,015
5,853,056	4,999,251	6,821,126	6,285,185	7,743,553	7,034,388
7,394,412	6,189,700	8,356,388	8,608,511	9,864,870	10,373,490
6,259,202	4,912,906	6,481,041	6,986,878	10,120,830	10,669,063
33,103,265	30,274,698	35,999,751	36,927,834	43,158,323	43,919,471
7,026,881	6,880,218	6,668,822	6,975,358	7,024,407	6,510,681
7,026,881	6,880,218	6,668,822	6,975,358	7,024,407	6,510,681
21,089,532	21,074,533	23,317,054	24,108,911	26,132,125	26,638,579
3,593,008	3,902,088	3,682,608	4,190,595	4,943,530	5,405,297
4,565,364	4,406,192	9,414,687	10,293,774	12,967,110	10,182,993
29,247,904	29,382,813	36,414,349	38,593,280	44,042,765	42,226,869
136,179	126,288	320,757	164,650	133,162	6,921
136,179	126,288	320,757	164,650	133,162	6,921
53,951,949	26,277,590	38,269,410	45,225,510	46,850,000	27,004,436
26,976,249	24,772,497	26,724,022	30,132,857	26,375,751	23,945,050
510,602	1,571,267	698,176	55,605	12,154,379	38,617,835
81,438,800	52,621,354	65,691,608	75,413,972	85,380,130	89,567,321
29,011,909	50,208,490	76,656,052	59,774,757	30,304,289	27,016,080
29,011,909	50,208,490	76,656,052	59,774,757	30,304,289	27,016,080
931,142	1,098,100	1,519,916	11,219,015	2,795,277	3,423,716
19,297	-	1,265	-	9,212	7,324
1,504,544	1,514,620	1,621,099	1,698,346	1,667,761	1,658,430
2,454,983	2,612,720	3,142,280	12,917,361	4,472,250	5,089,470
\$ 331,327,589	\$ 320,628,690	\$ 372,273,993	\$ 387,275,108	\$ 368,981,737	\$ 365,371,298
26,367,310	44,208,705	70,634,731	52,113,732	52,030,683	29,302,338
26.5%	18.5%	21.5%	22.5%	23.1%	15.2%

ALLEN INDEPENDENT SCHOOL DISTRICT
GOVERNMENTAL FUNDS OTHER FINANCING SOURCES AND USES AND
NET CHANGE IN FUND BALANCES
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Fiscal Year			
	2016	2017	2018	2019
Excess of Revenues Over (Under) Expenditures	<u>\$ (14,585,208)</u>	<u>\$ (85,291,736)</u>	<u>\$ (93,098,553)</u>	<u>\$ (62,575,421)</u>
Other Financing Sources (Uses)				
Refunding Bonds Issued	-	-	-	-
Capital Related Debt Issued (Regular Bonds)	301,900,000	112,595,000	38,774,999	8,389,490
Sale of Real and Personal Property	2,053,820	1,700,000	-	-
Non-Current Loans	-	-	-	-
Transfers In	1,572,044	1,556,677	1,547,509	35,522,794
Premium Discount on Issuance of Bonds	53,633,619	16,605,253	4,607,405	1,162,862
Transfers Out (Use)	(372,044)	(356,677)	(347,509)	(34,278,675)
Payment to Bond Refunding Escrow Agent (Use)	-	-	-	-
Other (Uses)	<u>(178,064,592)</u>	<u>(30,649,082)</u>	<u>(42,977,580)</u>	<u>(9,397,668)</u>
Total Other Financing Sources (Uses)	<u>180,722,847</u>	<u>101,451,171</u>	<u>1,604,824</u>	<u>1,398,803</u>
Net Change in Fund Balance	<u>\$166,137,639</u>	<u>\$ 16,159,435</u>	<u>\$ (91,493,729)</u>	<u>\$ (61,176,618)</u>

Source: Audit - Exhibit C-3, Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds for the Allen Independent School District

Fiscal Year					
2020	2021	2022	2023	2024	2025
\$ (47,084,723)	\$ (34,149,121)	\$ (71,328,845)	\$ (66,075,145)	\$ (38,632,350)	\$ (31,487,610)
49,499,968	65,245,811	-	-	-	-
-	107,085,000	87,520,000	-	-	214,885,000
-	-	-	3,936,628	-	-
-	-	-	-	1,835,910	-
1,959,108	135,249,740	716,662	732,406	6,094,474	1,312,053
4,315,876	33,167,261	2,461,391	-	-	6,787,785
(369,224)	(135,449,740)	(716,662)	(732,406)	(3,278,317)	(863,218)
-	(65,245,936)	-	-	-	-
(53,331,758)	(13,705,479)	-	-	-	-
2,073,970	126,346,657	89,981,391	3,936,628	4,652,067	222,121,620
<u>\$ (45,010,753)</u>	<u>\$ 92,197,536</u>	<u>\$ 18,652,546</u>	<u>\$ (62,138,517)</u>	<u>\$ (33,980,283)</u>	<u>\$ 190,634,010</u>

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REVENUE CAPACITY INFORMATION

ALLEN INDEPENDENT SCHOOL DISTRICT
 APPRAISED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

<u>Appraised Value (1)</u>					<u>Less:</u>
<u>Fiscal Year</u>	<u>Personal Property</u>	<u>Agriculture Property</u>	<u>Improvement Property</u>	<u>Land Property</u>	<u>Deferrals & Exemptions (1)</u>
2016	1,008,092,374	364,152,928	7,934,057,880	2,825,063,670	2,174,690,174
2017	1,068,873,752	329,716,450	8,951,469,936	3,127,406,834	2,287,007,793
2018	1,071,736,189	299,364,145	9,787,234,978	3,482,916,024	2,300,936,142
2019	1,157,418,482	253,737,275	10,839,363,022	3,815,030,045	2,319,964,820
2020	1,217,217,614	250,805,799	11,786,893,950	3,937,499,742	2,424,911,593
2021	1,230,855,620	245,849,012	12,631,751,743	4,152,003,066	2,415,297,682
2022	1,224,234,853	225,500,640	13,518,279,263	4,470,685,160	2,515,813,214
2023	1,304,848,406	201,381,332	16,577,474,204	5,159,012,840	4,560,463,406
2024	1,339,397,543	174,094,230	20,033,504,172	5,958,865,461	7,161,491,764
2025	1,502,687,531	122,027,016	20,285,344,261	6,516,352,011	6,411,005,368

Source: Collin County Tax Office & Audit Exhibit J-1

Notes:

- (1) Beginning of Year - Certified Values, Deferrals and Exemptions.
- (2) End of Year - Certified Adjusted Value.
- (3) Per \$100 of Assessed Value.

EXHIBIT I-8

Adjusted Value & Exemptions (2)	Total Assessed Value (2)	Total District Rate (3)
189,865,870	10,146,542,548	1.6100
(52,490,568)	11,137,968,611	1.5900
166,363,008	12,506,678,202	1.5700
146,894,062	13,892,478,066	1.5500
208,507,596	14,976,013,108	1.4589
(63,759,661)	15,781,402,098	1.4325
(58,278,368)	16,864,608,334	1.4068
554,371,069	19,236,624,445	1.3304
223,689,183	20,568,058,825	1.1412
421,186,082	22,436,591,533	1.1258

ALLEN INDEPENDENT SCHOOL DISTRICT
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 LAST TEN FISCAL YEARS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Fiscal Year	Allen ISD Direct Rates			Overlapping Rates (1)					
	Maintenance and Operations	Debt Service	Total Direct Rate	County of Collin	Collin College	City of Allen	City of McKinney	City of Parker	City of Plano
2016	1.14000	0.47000	1.61000	0.22500	0.08196	0.53000	0.58300	0.35098	0.48860
2017	1.14000	0.45000	1.59000	0.20840	0.08122	0.52000	0.57300	0.36598	0.47860
2018	1.14000	0.43000	1.57000	0.19225	0.07981	0.51000	0.54020	0.36598	0.46860
2019	1.14000	0.41000	1.55000	0.18079	0.08122	0.49800	0.52517	0.36598	0.46030
2020	1.04890	0.41000	1.45890	0.17495	0.08122	0.48900	0.51560	0.36598	0.44820
2021	1.02250	0.41000	1.43250	0.17253	0.08122	0.48500	0.50865	0.36598	0.44820
2022	0.99680	0.41000	1.40680	0.16809	0.08122	0.47000	0.49767	0.36598	0.44650
2023	0.94040	0.39000	1.33040	0.15244	0.08122	0.42120	0.45749	0.32929	0.41760
2024	0.75120	0.39000	1.14120	0.14934	0.08122	0.42050	0.41551	0.32268	0.41760
2025	0.73580	0.39000	1.12580	0.14934	0.08122	0.41540	0.41228	0.31044	0.43760

Source: Collin Central Appraisal District

Website: Tax Rate History from <https://www.collincountytx.gov/Tax-Assessor/tax-rates/>

Notes:

(1) Includes levies for operating and debt service costs.

Tax Rate Limitation (imposed by statute and local referendum)

ALLEN INDEPENDENT SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAX PAYERS
 LAST TEN FISCAL YEARS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Taxable Value
Harbert Parkside Investor LP	\$ 265,687,708	1	1.15%			
VAA Improvements LLC	\$ 179,087,723	2	0.77%			
C1 Dallas - Allen (Lot 1) LLC	\$ 177,258,522	3	0.77%			
Allen Premium Outlets LP	\$ 157,197,336	4	0.68%			
Voltage Park	\$ 137,851,895	5	0.60%			
Hewlett Packard Financial Services Company	\$ 125,993,917	6	0.54%			
IBG Real Estate Holdings II Inc	\$ 124,417,186	7	0.54%			
RPM XConstruction LLC	\$ 119,307,955	8	0.52%			
La Villa HousingHousing Corp Twin Creeks	\$ 112,529,315	9	0.49%			
Charter DW Watters Creek Village LLC	\$ 112,529,315	10	0.49%			
Village at Allen LP THE				\$ 147,302,454	1	1.31%
AT&T Mobility LLC				\$ 123,287,548	2	1.09%
Watters Creek Owner LLC				\$ 117,750,824	3	1.04%
Chelsea Allen Development LP				\$ 89,327,906	4	0.79%
AT&T Services Inc				\$ 83,591,374	5	0.74%
Cisco Systems Inc				\$ 81,174,520	6	0.72%
Creekside Acquisition LP				\$ 60,819,953	7	0.54%
Craig Ranch PT MFA I LP				\$ 45,804,526	8	0.41%
BH Benton Pointe Apartments LLC				\$ 44,795,236	9	0.40%
BH Settlers Gate Apartments LP				\$ 44,001,527	10	0.39%
	\$ 1,511,860,872		6.53%	\$ 837,855,868		7.43%

Source: Collin Central Appraisal District

Notes: (1) Per \$100 of assessed value.

2016 Total Taxable Value	\$ 11,283,680,058
2025 Total Taxable Value	\$ 23,158,440,256

ALLEN INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Fiscal Year	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy		Collection in Subsequent Levy Years	Total Collections to Date	
		Amount	Percentage of Levy (1)		Amount	Percentage of Levy (1)
2016	165,807,262	159,986,575	96.49%	2,548,186	162,534,761	98.03%
2017	180,303,706	175,096,527	97.11%	1,792,372	176,888,899	98.11%
2018	200,470,983	193,113,310	96.33%	1,178,250	194,291,560	96.92%
2019	220,160,902	211,580,353	96.10%	990,510	212,570,863	96.55%
2020	222,887,972	215,838,358	96.84%	433,859	216,272,217	97.03%
2021	221,966,107	220,953,452	99.54%	1,574,416	222,527,868	100.25%
2022	228,459,208	231,316,635	101.25%	1,220,766	232,537,401	101.79%
2023	244,022,990	249,950,279	102.43%	545,178	250,495,457	102.65%
2024	234,137,563	223,876,543	95.62%	(1,295,980)	222,580,563	95.06%
2025	243,071,247	239,105,625	98.37%	-	239,105,625	98.37%

Source: District Audit Report - Exhibit J-1

Notes:

(1) Total Collections, net of penalties and interest and other judgements, may result in collections that exceed 100% of original levy.

DEBT CAPACITY INFORMATION

ALLEN INDEPENDENT SCHOOL DISTRICT
RATIO OF BONDED DEBT TO TAXABLE ASSESSED VALUATION
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Fiscal Year	Gross Bonded Debt	Estimated Population (1)	Gross Bonded Debt Per capita	Personal Income (1)	Ratio of Gross Bonded Debt to Personal Income	Taxable Assessed Value (2)
2016	674,751,721	99,512	6,781	4,023,469,184	16.77%	10,146,542,548
2017	748,117,987	100,912	7,414	4,111,255,792	18.20%	11,137,968,611
2018	726,084,648	103,383	7,023	4,630,111,038	15.68%	12,506,678,202
2019	693,579,263	105,000	6,606	4,725,000,000	14.68%	13,892,478,066
2020	636,700,829	108,746	5,855	5,322,355,478	11.96%	14,976,013,108
2021	748,246,143	108,706	6,883	4,836,656,058	15.47%	15,781,402,098
2022	775,681,731	110,821	6,999	5,319,408,000	14.58%	16,864,608,334
2023	724,843,631	111,963	6,474	5,756,353,719	12.59%	19,236,624,445
2024	659,244,972	113,855	5,790	6,764,922,535	9.75%	20,568,058,825
2025	804,904,289	113,300	7,104	6,944,157,000	11.59%	22,436,591,533

Source: District Audit - Notes to Financial Statements - Long Term Debt
Allen Economic Development Corporation
Collin County Tax Office & Audit Exhibit J-1

Notes:

- (1) See ACFR Exhibit I-15 for personal income and population data.
- (2) See ACFR Exhibit I-8 for Taxable Assessed Value.
- (3) Total Bonded Debt Outstanding Less Net Position Restricted for Debt Service.
Fiscal Year 24-25

Ratio of Gross Bonded Debt to Taxable Assessed Value	Taxable Assessed Value per Capita	Net Bonded Debt Outstanding at Year-End (3)	Ratio of Net Bonded Debt to Taxable Assessed Value	Net Bonded Debt per Capita	Ratio of Net Bonded Debt to Personal Income
6.65%	101,963	650,854,464	6.41%	6,540	16.18%
6.72%	110,373	722,256,981	6.48%	7,157	17.57%
5.81%	120,974	695,071,437	5.56%	6,723	15.01%
4.99%	132,309	656,578,428	4.73%	6,253	13.90%
4.25%	137,716	618,250,387	4.13%	5,685	11.62%
4.74%	145,175	717,078,887	4.54%	6,596	14.83%
4.60%	152,179	750,584,195	4.45%	6,773	14.11%
3.77%	171,812	698,476,063	3.63%	6,238	12.13%
3.21%	180,651	632,519,646	3.08%	5,555	9.35%
3.59%	198,028	781,705,502	3.48%	6,899	11.26%

ALLEN INDEPENDENT SCHOOL DISTRICT
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (1)</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
County of Collin	\$ 961,111,047	9.36%	\$ 89,959,994
Collin College	436,235,315	9.36%	40,831,625
City of Allen	184,488,494	94.17%	173,732,815
City of Lucas	15,795,000	6.50%	1,026,675
City of McKinney	483,240,000	6.27%	30,299,148
City of Parker	5,955,000	34.41%	2,049,116
City of Plano	632,410,000	0.20%	1,264,820
Subtotal, overlapping bonded debt			<u>\$ 339,164,193</u>
Total Allen Independent School District debt outstanding			<u>\$ 804,904,289</u>
Total Direct and Overlapping Debt			<u>\$ 1,144,068,482</u>
Total Direct and Overlapping Debt % of AV			4.55%
Total Direct and Overlapping Debt per Capita			\$ 10,094

Source:

Allen ISD Texas Municipal Report as of 11/18/25

Notes:

(1)The percentage of overlapping debt applicable is estimated using taxable property values.

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

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ALLEN INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Assessed Taxable Value	\$ 10,146,542,548	\$ 11,137,968,611	\$ 12,506,678,202	\$ 13,892,478,066
Debt Limit	\$ 1,014,654,255	\$ 1,113,796,861	\$ 1,250,667,820	\$ 1,389,247,807
Total Net Debt Applicable to Limit	<u>590,830,275</u>	<u>651,299,087</u>	<u>629,244,570</u>	<u>605,825,426</u>
Legal Debt Margin	<u>\$ 423,823,980</u>	<u>\$ 462,497,774</u>	<u>\$ 621,423,250</u>	<u>\$ 783,422,381</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	<u>58.23%</u>	<u>58.48%</u>	<u>50.31%</u>	<u>43.61%</u>
Ratio of Debt to Taxable Value	<u>5.82%</u>	<u>5.85%</u>	<u>5.03%</u>	<u>4.36%</u>

Source: (1) ACFR Exhibit I-8
(2) ACFR Exhibit J-1

Note:

Bonded Debt Limitation: Total principal amount of tax fund indebtedness cannot exceed 10% of assessed valuation of taxable property in the District according to the approved ad valorem tax roll at the time of issuance of bonds.

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed Value	<u>\$ 22,436,591,533</u>
Debt Limit (10% of Assessed Value)	<u>\$ 2,243,659,153</u>
Debt Applicable to Limit	<u>(736,868,999)</u>
Legal Debt Margin	<u>\$ 1,506,790,154</u>

<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
\$ 14,976,013,108	\$ 15,781,402,098	\$ 16,864,608,334	\$ 19,236,624,445	\$ 20,568,058,825	\$ 22,436,591,533
\$ 1,497,601,311	\$ 1,578,140,210	\$ 1,686,460,833	\$ 1,923,662,445	\$ 2,056,805,883	\$ 2,243,659,153
551,873,445	632,680,730	681,931,320	636,705,810	583,281,097	736,868,999
<u>\$ 945,727,866</u>	<u>\$ 945,459,480</u>	<u>\$ 1,004,529,513</u>	<u>\$ 1,286,956,635</u>	<u>\$ 1,473,524,786</u>	<u>\$ 1,506,790,154</u>
<u>36.85%</u>	<u>40.09%</u>	<u>40.44%</u>	<u>33.10%</u>	<u>28.36%</u>	<u>32.84%</u>
<u>3.69%</u>	<u>4.01%</u>	<u>4.04%</u>	<u>3.31%</u>	<u>2.84%</u>	<u>3.28%</u>

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DEMOGRAPHIC AND ECONOMIC INFORMATION

ALLEN INDEPENDENT SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Fiscal Year	Population (1)	Personal Income	Capita Personal Income Dollars (1)	Unemployment Rate (2)
2016	99,512	4,023,469,184	40,432	3.40%
2017	100,912	4,111,255,792	40,741	3.40%
2018	103,383	4,630,111,038	44,786	3.30%
2019	105,000	4,725,000,000	45,000	2.90%
2020	108,746	5,322,355,478	48,943	6.10%
2021	108,706	4,836,656,058	44,493	4.95%
2022	110,821	5,319,408,000	48,000	2.80%
2023	111,963	5,756,353,719	51,413	3.30%
2024	113,855	6,764,922,535	59,417	3.60%
2025	113,300	6,944,157,000	61,290	4.30%

Sources:

(1) Population and Per Capita Income provided by Allen Economic Development Corporation

(2) Unemployment rate from Bureau of Labor Statistics Ycharts.com (City of Allen; as of August, 2025)

ALLEN INDEPENDENT SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT YEAR VERSUS TEN YEARS AGO
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Employer	2025			2016		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Allen Independent School District	2,586	1	4.1%	2,391	1	4.5%
City of Allen	995	2	1.6%	793	5	1.5%
Experian Information Solutions	817	3	1.3%	865	3	1.6%
Jack Henry & Associates	694	4	1.1%	640	7	1.2%
Credit Union of Texas	580	5	0.9%	-	-	0.0%
Andrew's Distributing	437	6	0.7%	400	9	0.7%
Texas Health Presbyterian Hospital	435	7	0.7%	700	6	1.3%
Motorola Solutions	375	8	0.6%	-	-	0.0%
Crawford and Company	325	9	0.5%	-	-	0.0%
Netscout	323	10	0.5%	-	-	0.0%
Frontier Communications	-	-	-	850	4	1.6%
CVE Technology Group, Inc	-	-	-	1,200	2	2.2%
PFSweb	-	-	-	450	8	0.8%
KONE Inc	-	-	-	320	10	0.6%
Total	7,567		12.0%	8,609		16.1%

Source: Employer data - City of Allen ACFR & Allen Economic Corporation

Source: Labor force - <https://data.usatoday.com/unemployment/allen-city-tx/CT4801924000000/>

2025 Labor Force: 63,096

2016 Labor Force: 53,360

Source: U.S. Bureau of Labor Statistics, U.S. Census Bureau

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OPERATING INFORMATION

ALLEN INDEPENDENT SCHOOL DISTRICT
 FULLTIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE
 LAST TEN FISCAL YEARS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	2016	2017	2018
Teachers			
Substitute	0.8	2.0	3.0
Teacher	1,307.1	1,313.9	1,329.7
Total Teachers	<u>1,307.9</u>	<u>1,315.9</u>	<u>1,332.7</u>
Professional Support			
Audiologist			
Counselor	42.6	42.7	45.7
Educational Diagnostician	26.0	26.0	27.0
Librarian	21.9	21.0	23.0
Occupational Therapist	4.1	4.0	4.3
Physical Therapist	1.4	1.6	1.6
Certified Orientation & Mobility Specialist	0.0	0.0	0.0
School Nurse	23.9	24.0	24.7
School Psychologist	0.0	0.0	0.0
LSSP Psychologist	6.0	6.0	6.0
Speech Therapist/Speech Language Pathologist	23.5	24.4	26.9
Teacher Facilitator	30.3	36.4	36.8
Athletic Trainer	2.9	2.9	5.5
Campus Professional Personnel	33.3	39.2	69.1
Non-Campus Professional Personnel	58.5	62.6	71.2
Total Professional Support	<u>274.4</u>	<u>290.8</u>	<u>341.8</u>
Campus Administration			
Principal	21.7	22.3	24.0
Assistant Principal	33.4	38.0	39.0
Instructional Officer	4.6	4.0	3.2
Athletic Director	1.0	1.0	1.0
Total Campus Administration	<u>60.7</u>	<u>65.3</u>	<u>67.2</u>
Central Administration			
Assistant/Associate/Deputy Superintendent	3.0	3.0	4.0
Superintendent	1.0	1.0	1.0
Director of Personnel	2.0	2.0	2.0
Total Central Administration	<u>6.0</u>	<u>6.0</u>	<u>7.0</u>
Educational Aides			
Educational Aides	249.3	266.2	251.6
Total Educational Aides	<u>249.3</u>	<u>266.2</u>	<u>251.6</u>
Total All Full-Time Equivalent Employees	<u>1,898.3</u>	<u>1,944.2</u>	<u>2,000.3</u>

Source: District records from the FALL PEIMS submission data.

Notes: Full-time instructional employees of the District are employed for all 180 scheduled school days. FTE employment for all other positions is determined based on the percentage of the days employed.

OnData - Staff - FTE by Role ID

2019	2020	2021	2022	2023	2024	2025
1.0	1.0	1.0	1.5	5.0	2.18	2.03
1,349.9	1,354.5	1,367.9	1,346.0	1,338.4	1,328.97	1,284.87
<u>1,350.9</u>	<u>1,355.5</u>	<u>1,368.9</u>	<u>1,347.5</u>	<u>1,343.4</u>	<u>1,331.2</u>	<u>1,286.9</u>
57.2	61.6	62.0	62.0	60.5	59.0	56.2
26.0	25.9	28.0	28.0	29.4	28.5	31.6
23.0	22.4	21.2	22.4	22.3	21.0	21.0
4.2	4.1	4.2	4.1	4.6	5.0	4.0
1.6	1.6	1.6	1.6	1.6	1.6	1.9
0.0	0.0	0.0	0.0	0.0	0.0	0.0
26.5	25.4	25.2	26.5	25.8	24.4	26.0
0.0	0.0	0.0	0.0	0.0	0.0	0.0
4.9	6.0	6.0	6.0	7.0	8.0	8.0
28.3	31.7	32.7	31.7	32.8	30.7	34.1
77.0	85.4	94.5	99.5	103.5	96.6	80.1
6.9	6.8	6.9	7.3	7.4	6.4	6.0
30.5	54.9	54.4	51.8	51.0	51.0	48.5
69.0	43.3	42.8	46.9	41.4	50.1	48.5
<u>355.1</u>	<u>369.1</u>	<u>379.5</u>	<u>387.8</u>	<u>387.3</u>	<u>382.3</u>	<u>365.9</u>
23.0	23.2	21.1	22.6	23.2	22.1	22.6
44.6	42.6	41.7	38.2	38.6	35.3	37.6
5.3	8.2	8.0	9.0	10.0	9.1	9.1
1.0	1.0	1.0	1.0	1.0	1.0	1.0
<u>73.9</u>	<u>75.0</u>	<u>71.8</u>	<u>70.8</u>	<u>72.8</u>	<u>67.6</u>	<u>70.3</u>
4.0	4.0	5.0	4.5	5.0	5.0	5.0
1.0	1.0	1.0	1.0	1.0	1.0	1.0
2.7	2.0	2.0	1.0	1.0	2.0	1.6
<u>7.7</u>	<u>7.0</u>	<u>8.0</u>	<u>6.5</u>	<u>7.0</u>	<u>8.0</u>	<u>7.6</u>
231.7	245.2	250.0	260.7	274.4	287.2	268.3
<u>231.7</u>	<u>245.2</u>	<u>250.0</u>	<u>260.7</u>	<u>274.4</u>	<u>287.2</u>	<u>268.3</u>
<u>2,019.3</u>	<u>2,051.8</u>	<u>2,078.2</u>	<u>2,073.3</u>	<u>2,084.9</u>	<u>2,076.2</u>	<u>1,999.0</u>

ALLEN INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil-Teacher Ratio</u>	<u>Percentage of Students Receiving Free or Reduced-Price Meals</u>
2016	20,822	162,255,564	7,793	5.50%	1,306.9	15.9	14.9%
2017	20,939	184,525,699	8,813	13.09%	1,315.9	15.9	15.0%
2018	21,159	188,482,667	8,908	1.08%	1,332.7	15.9	15.6%
2019	21,557	195,683,515	9,077	1.90%	1,348.7	16.0	19.3%
2020	21,880	202,793,218	9,268	2.10%	1,358.0	16.1	19.1%
2021	21,617	210,257,781	9,727	4.94%	1,368.9	15.8	22.7%
2022	21,463	203,520,135	9,482	-2.51%	1,347.5	15.9	16.8%
2023	21,769	222,111,512	10,203	7.60%	1,343.4	16.2	17.7%
2024	21,370	219,246,022	10,260	0.55%	1,331.2	16.1	18.7%
2025	20,838	216,790,527	10,404	1.40%	1,286.0	16.2	20.0%

Source: TEA TPRS Reports and Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds, OnDataSuites

Note: Operating Expenditures include total recapture payments made to the State of Texas

ALLEN INDEPENDENT SCHOOL DISTRICT
TEACHER BASE SALARIES
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Fiscal Year	Minimum Salary (1)	Maximum Salary (1)	District Average Salary (2)	Statewide Average Salary (2)
2016	\$ 47,500	\$ 64,006	\$ 54,365	\$ 51,891
2017	\$ 49,000	\$ 65,221	\$ 55,832	\$ 52,525
2018	\$ 50,000	\$ 66,316	\$ 57,334	\$ 53,334
2019	\$ 52,000	\$ 68,766	\$ 58,845	\$ 54,122
2020	\$ 54,500	\$ 70,345	\$ 60,692	\$ 57,091
2021	\$ 55,250	\$ 70,656	\$ 61,285	\$ 57,641
2022	\$ 56,000	\$ 70,979	\$ 61,884	\$ 58,887
2023	\$ 58,000	\$ 70,446	\$ 63,339	\$ 60,717
2024	\$ 59,500	\$ 72,207	\$ 65,533	\$ 62,474
2025	\$ 61,600	\$ 78,290	\$ 67,089	\$ 63,751

Source: (1) District Salary Schedule
(2) TEA TAPR Reports

ALLEN INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Building	2016	2017	2018	2019
HIGH SCHOOLS				
Allen (1999)				
Square Footage	873,967	873,967	926,401	926,568
Max Capacity	5,325	5,325	5,325	5,325
Functional Capacity	4,792	4,792	4,792	4,792
Enrollment	4,537	4,745	4,851	5,100
Percentage of Functional Capacity Currently in Use	94.68%	99.02%	101.23%	106.43%
OLD Lowery Freshmen Center (1960)				
Square Footage	282,917	282,917	282,917	282,917
Max Capacity	1,775	1,775	1,775	1,775
Functional Capacity	1,598	1,598	1,598	1,598
Enrollment	1,572	1,635	1,599	0
Percentage of Functional Capacity Currently in Use	88.56%	92.11%	90.08%	0.00%
NEW Lowery Freshmen Center (2018)				
Square Footage				314,378
Max Capacity				2,000
Functional Capacity				1,800
Enrollment				1,785
Percentage of Functional Capacity Currently in Use				99.17%
MIDDLE SCHOOLS				
Ford (1982)				
Square Footage	149,671	149,671	149,671	149,671
Max Capacity	1,100	1,100	1,100	1,100
Functional Capacity	1,000	1,000	1,000	1,000
Enrollment	877	894	869	925
Percentage of Functional Capacity Currently in Use	87.70%	89.40%	86.90%	92.50%
Curtis (1994)				
Square Footage	211,511	211,511	211,511	211,511
Max Capacity	1,550	1,550	1,550	1,550
Functional Capacity	1,400	1,400	1,400	1,400
Enrollment	1,191	1,236	1,258	1,345
Percentage of Functional Capacity Currently in Use	85.07%	88.29%	89.86%	96.07%
Ereckson (2004)				
Square Footage	272,386	272,386	272,386	272,386
Max Capacity	1,550	1,550	1,550	1,550
Functional Capacity	1,400	1,400	1,400	1,400
Enrollment	1,156	1,195	1,216	1,241
Percentage of Functional Capacity Currently in Use	82.57%	85.36%	86.86%	88.64%
ELEMENTARY SCHOOLS				
Rountree (1974) - Closed Campus 2024				
Square Footage	89,800	89,800	89,800	89,800
Max Capacity	725	725	725	725
Functional Capacity	653	653	653	653
Enrollment	558	531	560	640
Percentage of Functional Capacity Currently in Use	85.45%	81.32%	85.76%	98.01%
Boyd (1978)				
Square Footage	114,812	114,812	114,812	114,812
Max Capacity	950	950	950	950
Functional Capacity	855	855	855	855
Enrollment	715	685	665	633
Percentage of Functional Capacity Currently in Use	83.63%	80.12%	77.78%	74.04%
Reed (1981)				
Square Footage	86,323	86,323	86,323	86,323
Max Capacity	815	815	815	815
Functional Capacity	734	734	734	734
Enrollment	608	592	571	583
Percentage of Functional Capacity Currently in Use	82.83%	80.65%	77.79%	79.43%

2020	2021	2022	2023	2024	2025
926,568	1,002,642	1,002,642	1,002,642	1,002,642	1,002,642
5,325	5,825	5,825	5,825	5,825	5,825
4,792	5,200	5,200	5,200	5,200	5,200
5,141	5,141	5,141	5,284	5,273	5,206
107.28%	98.87%	98.87%	101.62%	101.40%	100.12%
282,917	0	0	0	0	0
1,775	0	0	0	0	0
1,598	0	0	0	0	0
0	0	0	0	0	0
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
314,378	314,378	314,378	314,378	314,378	314,378
2,000	2,000	2,000	2,000	2,000	2,000
1,800	1,800	1,800	1,800	1,800	1,800
1,818	1,818	1,818	1,819	1,693	1,674
101.00%	101.00%	101.00%	101.06%	94.06%	93.00%
149,671	149,671	149,671	149,671	149,671	149,671
1,100	1,100	1,100	1,100	1,100	1,100
1,000	1,000	1,000	1,000	1,000	1,000
848	848	848	848	716	702
84.80%	84.80%	84.80%	84.80%	71.60%	70.20%
211,511	211,511	211,511	211,511	211,511	211,511
1,550	1,550	1,550	1,550	1,550	1,550
1,400	1,400	1,400	1,400	1,400	1,400
1,412	1,412	1,412	1,344	1,304	1,323
100.86%	100.86%	100.86%	96.00%	93.14%	94.50%
272,386	272,386	272,386	272,386	272,386	272,386
1,550	1,550	1,550	1,550	1,550	1,550
1,400	1,400	1,400	1,400	1,400	1,400
1,248	1,248	1,248	1,256	1,263	1,263
89.14%	89.14%	89.14%	89.71%	90.21%	90.21%
89,800	89,800	89,800	89,800	89,800	89,800
725	725	725	725	725	725
653	653	653	653	653	653
192	492	492	442	0	0
29.40%	75.34%	75.34%	67.69%	0.00%	0.00%
114,812	114,812	114,812	114,812	114,812	114,812
950	950	950	950	950	950
855	855	855	855	855	855
653	653	653	556	430	393
76.37%	76.37%	76.37%	65.03%	50.29%	45.96%
86,323	86,323	86,323	86,323	86,323	86,323
815	815	815	815	815	815
734	734	734	734	734	734
566	566	566	472	546	486
77.11%	77.11%	77.11%	64.31%	74.39%	66.21%

ALLEN INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Building	2016	2017	2018	2019
ELEMENTARY SCHOOLS (continued)				
Story (1987)				
Square Footage	92,595	92,595	92,595	92,595
Max Capacity	850	850	850	850
Functional Capacity	765	765	765	765
Enrollment	526	521	500	496
Percentage of Functional Capacity Currently in Use	68.76%	68.10%	65.36%	64.84%
Vaughan (1989)				
Square Footage	90,881	90,881	90,881	90,881
Max Capacity	850	850	850	850
Functional Capacity	765	765	765	765
Enrollment	506	498	687	718
Percentage of Functional Capacity Currently in Use	66.14%	65.10%	89.80%	93.86%
Green (1995)				
Square Footage	82,447	82,447	82,447	82,447
Max Capacity	850	850	850	850
Functional Capacity	765	765	765	765
Enrollment	681	638	607	622
Percentage of Functional Capacity Currently in Use	89.02%	83.40%	79.35%	81.31%
Norton (1997)				
Square Footage	102,007	102,007	102,007	102,007
Max Capacity	850	850	850	850
Functional Capacity	765	765	765	765
Enrollment	568	533	517	496
Percentage of Functional Capacity Currently in Use	74.25%	69.67%	67.58%	64.84%
Marion (2003)				
Square Footage	101,510	101,510	101,510	101,560
Max Capacity	950	950	950	950
Functional Capacity	855	855	855	855
Enrollment	778	750	682	629
Percentage of Functional Capacity Currently in Use	90.99%	87.72%	79.77%	73.57%
Bolin (1999)				
Square Footage	93,875	93,875	93,875	93,875
Max Capacity	850	850	850	850
Functional Capacity	765	765	765	765
Enrollment	583	579	552	554
Percentage of Functional Capacity Currently in Use	76.21%	75.69%	72.16%	72.42%
Kerr (1999)				
Square Footage	93,875	93,875	93,875	93,875
Max Capacity	850	850	850	850
Functional Capacity	765	765	765	765
Enrollment	699	662	662	723
Percentage of Functional Capacity Currently in Use	91.37%	86.54%	86.54%	94.51%
Boon (2005)				
Square Footage	119,074	119,074	119,074	119,074
Max Capacity	950	950	950	950
Functional Capacity	855	855	855	855
Enrollment	716	712	709	762
Percentage of Capacity Currently in Use	83.74%	83.27%	82.92%	89.12%
Chandler (2006)				
Square Footage	119,074	119,074	119,074	119,074
Max Capacity	950	950	950	950
Functional Capacity	855	855	855	855
Enrollment	659	673	653	662
Percentage of Capacity Currently in Use	69.37%	70.84%	68.74%	69.68%

2020	2021	2022	2023	2024	2025
92,595	92,595	92,595	92,595	92,595	92,595
850	850	850	850	850	850
765	765	765	765	765	765
494	494	494	457	618	530
64.58%	64.58%	64.58%	59.74%	80.78%	69.28%
90,881	90,881	90,881	90,881	90,881	90,881
850	850	850	850	850	850
765	765	765	765	765	765
720	720	720	697	687	691
94.12%	94.12%	94.12%	91.11%	89.80%	90.33%
82,447	82,447	82,447	82,447	82,447	82,447
850	850	850	850	850	850
765	765	765	765	765	765
579	579	579	575	568	553
75.69%	75.69%	75.69%	75.16%	74.25%	72.29%
102,007	102,007	102,007	102,007	102,007	102,007
850	850	850	850	850	850
765	765	765	765	765	765
608	608	608	673	651	622
79.48%	79.48%	79.48%	87.97%	85.10%	81.31%
101,560	101,560	101,560	101,560	101,560	101,560
950	950	950	950	950	950
855	855	855	855	855	855
629	629	553	738	693	688
73.57%	73.57%	64.68%	86.32%	81.05%	80.47%
93,875	93,875	93,875	93,875	93,875	93,875
850	850	850	850	850	850
765	765	765	765	765	765
554	554	534	534	622	605
72.42%	72.42%	69.80%	69.80%	81.31%	79.08%
93,875	93,875	93,875	93,875	93,875	93,875
850	850	850	850	850	850
765	765	765	765	765	765
723	723	711	711	655	654
94.51%	94.51%	92.94%	92.94%	85.62%	85.49%
119,074	119,074	119,074	119,074	119,074	119,074
950	950	950	950	950	950
855	855	855	855	855	855
762	762	774	855	792	789
89.12%	89.12%	90.53%	100.00%	92.63%	92.28%
119,074	119,074	119,074	119,074	119,074	119,074
950	950	950	950	950	950
855	855	855	855	855	855
662	662	585	556	780	731
69.68%	69.68%	61.58%	58.53%	82.11%	76.95%

ALLEN INDEPENDENT SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Building	2016	2017	2018	2019	
ELEMENTARY SCHOOLS (continued)					
Evans (2008)					
Square Footage	119,074	119,074	119,074	119,074	
Max Capacity	950	950	950	950	
Functional Capacity	855	855	855	855	
Enrollment	662	681	696	734	
Percentage of Functional Capacity Currently in Use	77.43%	79.65%	81.40%	85.85%	
Olson (2009)					
Square Footage	119,074	119,074	119,074	119,074	
Max Capacity	950	950	950	950	
Functional Capacity	855	855	855	855	
Enrollment	780	761	716	608	
Percentage of Functional Capacity Currently in Use	91.23%	89.01%	83.74%	71.11%	
Cheatham (2010)					
Square Footage	119,074	119,074	119,074	119,074	
Max Capacity	950	950	950	950	
Functional Capacity	855	855	855	855	
Enrollment	676	734	746	611	
Percentage of Functional Capacity Currently in Use	79.06%	85.85%	87.25%	71.46%	
Lindsey (2013)					
Square Footage	119,074	119,074	119,074	119,074	
Max Capacity	950	950	950	950	
Functional Capacity	855	855	855	855	
Enrollment	832	875	907	749	
Percentage of Functional Capacity Currently in Use	97.31%	102.34%	106.08%	87.60%	
Preston (2017)					
Square Footage			119,074	119,074	
Max Capacity			950	950	
Functional Capacity			855	855	
Enrollment			529	531	
Percentage of Functional Capacity Currently in Use			61.87%	62.11%	
Anderson (1997) - Renamed Anderson Early Childhood (2024)					
Square Footage	102,007	102,007	102,007	102,007	
Max Capacity	850	850	850	850	
Functional Capacity	765	765	765	765	
Enrollment	597	576	559	471	
Percentage of Functional Capacity Currently in Use	78.04%	75.29%	73.07%	61.57%	
OTHER EDUCATIONAL FACILITIES					
Ag Barn (1983)	Square Footage	18,500	18,500	18,500	18,500
Administration (2008)	Square Footage	61,172	61,172	61,172	61,172
Athletics (1999)	Square Footage	80,000	80,000	80,000	80,000
Athletics Fields	Fields (Qty)	7	7	7	7
	Football Stadiums (Qty)	6	6	6	6
	Running Tracks (Qty)	4	4	4	4
	Baseball Fields (Qty)	2	2	2	2
	Softball Fields (Qty)	1	1	1	1
	Tennis Court Sites (Qty)	18	18	18	18
	Playgrounds (Qty)	17	17	18	18
Dillard (2005)	Square Footage	35,000	35,000	35,000	35,000
New Dillard (2019)	Square Footage				
Prof Learn & Aux Svs (2021)	Square Footage				
STEAM Center (2019)	Square Footage				
Service Center	Square Footage			176,460	176,460

2020	2021	2022	2023	2024	2025
119,074	119,074	119,074	119,074	119,074	119,074
950	950	950	950	950	950
855	855	855	855	855	855
734	734	738	756	701	621
85.85%	85.85%	86.32%	88.42%	81.99%	72.63%
119,074	119,074	119,074	119,074	119,074	119,074
950	950	950	950	950	950
855	855	855	855	855	855
586	586	586	537	724	678
68.54%	68.54%	68.54%	62.81%	84.68%	79.30%
119,074	119,074	119,074	119,074	119,074	119,074
950	950	950	950	950	950
855	855	855	855	855	855
796	796	796	752	671	669
93.10%	93.10%	93.10%	87.95%	78.48%	78.25%
119,074	119,074	119,074	119,074	119,074	119,074
950	950	950	950	950	950
855	855	855	855	855	855
807	807	807	844	820	792
94.39%	94.39%	94.39%	98.71%	95.91%	92.63%
119,074	119,074	119,074	119,074	119,074	119,074
950	950	950	950	950	950
855	855	855	855	855	855
540	540	540	618	723	726
63.16%	63.16%	63.16%	72.28%	84.56%	84.91%
102,007	102,007	102,007	102,007	102,007	102,007
850	850	850	850	850	850
765	765	765	765	765	765
444	444	444	401	439	439
58.04%	58.04%	58.04%	52.42%	57.39%	57.39%
18,500	18,500	18,500	18,500	19,108	19,108
61,172	61,172	61,172	61,172	61,172	61,172
80,000	80,000	80,000	80,000	80,000	80,000
8	6	6	6	6	6
6	6	6	6	6	6
4	4	4	4	4	4
2	2	2	2	2	2
2	2	2	2	2	2
18	18	18	18	18	18
18	18	18	18	18	18
35,000	0	0	0	0	0
	64,019	64,019	64,019	64,019	64,019
		50,156	50,156	50,156	50,156
111,057	111,057	111,057	111,057	111,057	111,057
176,460	176,460	176,460	176,460	176,460	176,460

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COMPLIANCE AND FEDERAL AWARDS SECTION

Members:
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**HANKINS, EASTUP, DEATON,
TONN, SEAY & SCARBOROUGH**
A Limited Liability Company

902 NORTH LOCUST
P.O. BOX 977
DENTON, TX 76202-0977

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CERTIFIED PUBLIC ACCOUNTANTS

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
Allen Independent School District
Allen, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Allen Independent School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Allen Independent School District's basic financial statements, and have issued our report dated September 30, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results

of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

A handwritten signature in black ink that reads "Hankins Eastup Deaton Tonn Seay & Scarborough". The signature is written in a cursive style and is contained within a light gray rectangular box.

Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC
Denton, Texas

December 15, 2025

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON
INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Allen Independent School District's 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 Allen Independent School District's major federal programs for the year ended June 30, 2025. Allen Independent School 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, Allen Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 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; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

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

Report on Internal Control over Compliance

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

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

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

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



Hankins, Eastup, Deaton, Tonn, Seay & Scarborough, LLC
Denton, Texas

December 15, 2025

ALLEN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

I. Summary of Auditor's Results

1. Type of auditor's report issued on the financial statements: Unmodified.
2. Internal control over financial reporting:
Material weakness(es) identified: No
Significant deficiency(ies) identified that are not considered to be material weaknesses: None reported
3. Noncompliance which is material to the financial statements: None
4. Internal controls over major federal programs:
Material weakness(es) identified: None
Significant deficiency(ies) identified that are not considered to be material weaknesses: None reported
5. Type of auditor's report on compliance for major federal programs: Unmodified.
6. Did the audit disclose findings which are required to be reported in accordance with 2 CFR 200.516(a)?: No
7. Major programs include:

84.027	IDEA – Part B, Formula
84.365A	Title III, Part A English Language Acquisition
84.365A	Title III, Immigrant
8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
9. Low risk auditee: Yes

II. Findings Related to the Financial Statements

None.

III. Findings and Questioned Costs Related to Federal Awards

None.

IV. Other Findings

None.

ALLEN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF STATUS OF PRIOR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025

Not applicable.

ALLEN INDEPENDENT SCHOOL DISTRICT
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2025

None required.

ALLEN INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Passed Through Texas Education Agency</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	S010A230043	\$ 49,449
ESEA, Title I, Part A - Improving Basic Programs	84.010A	S010A240043	<u>740,846</u>
Total Assistance Listing Number 84.010			<u>790,295</u>
*IDEA - Part B, Formula	84.027	H027A230008	122,867
*IDEA - Part B, Formula	84.027	H027A240008	<u>4,037,092</u>
Total Assistance Listing Number 84.027			<u>4,159,959</u>
Total Special Education Cluster (IDEA)			<u>4,208,115</u>
Career and Technical - Basic Grant	84.048	V048A240043	139,151
*IDEA - Part B, Preschool	84.173	H173A240004	<u>48,156</u>
Total Special Education Cluster (IDEA)			<u>4,208,115</u>
Title III, Part A - English Language Acquisition	84.365A	S365A230043	429
Title III, Part A - English Language Acquisition	84.365A	T365A240043	252,573
Title III, Part A - Immigrant	84.365A	T365A240043	<u>47,391</u>
Total Assistance Listing Number 84.365			<u>300,393</u>
ESEA, Title II, Part A, Teacher Principal Training	84.367A	S367A230041	7,083
ESEA, Title II, Part A, Teacher Principal Training	84.367A	S367A240041	<u>334,914</u>
Total Assistance Listing Number 84.367			<u>341,997</u>
LEP Summer School	84.369A	69552202	17,726
Title IV, Part A	84.424A	S424A230045	35,780
Title IV, Part A	84.424A	S424A240045	<u>93,138</u>
Total Assistance Listing Number 84.424			<u>128,918</u>
COVID 19 - ESSER III - School Emergency Relief	84.425D	S425U210042	<u>44,122</u>
Total Passed Through Texas Education Agency			<u>5,970,717</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>5,970,717</u>
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the Texas Department of Agriculture</u>			
*School Breakfast Program	10.553	202525N109946	378,281
*National School Lunch Program - Cash Assistance	10.555	202525N109946	2,079,647
*National School Lunch Prog. - Non-Cash Assistance	10.555		<u>508,185</u>
Total Assistance Listing Number 10.555			<u>2,587,832</u>
Total Child Nutrition Cluster			<u>2,966,113</u>
Total Passed Through the Texas Department of Agriculture			<u>2,966,113</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>2,966,113</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 8,936,830</u>
*Clustered Programs			

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

ALLEN INDEPENDENT SCHOOL DISTRICT
NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS
YEAR ENDED JUNE 30, 2025

- For all Federal programs, the District uses the fund types specified in Texas Education Agency's *Financial Accountability System Resource Guide*.
 - **General Fund** - is used to account for among other things, resources related to the United States Department of Health and Human Services Medicaid Administrative Claiming Program.
 - **Special Revenue Funds** - are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund. Generally, unused balances are returned to the grantor at the close of specified project periods.
- The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in a Special Revenue Fund or, in some instances, in the General Fund which are Governmental Fund type funds.

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

- The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 90 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Performance of Federal Funds, 3 CFR Section 200.343 (b).
- FALN numbers for commodity assistance are the FALN numbers of the programs under which USDA donated the commodities.
- Indirect cost reimbursement for federal programs for this fiscal year was received in the amount of \$4,517.
- Reconciliation Information:

Amount reported on the Schedule of Expenditures of Federal awards	\$8,936,830
SHARS Revenue reported in the General Fund	608,713
E-Rate Revenue	<u>26,917</u>
Total Federal Program Revenue	<u>\$9,572,460</u>

END OF REPORT