

CONROE
INDEPENDENT
SCHOOL DISTRICT



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Year Ended
August 31, 2025



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Conroe Independent School District

ANNUAL COMPREHENSIVE FINANCIAL REPORT

of the Conroe Independent School District
For the year ended August 31, 2025

Prepared By

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Staff Accountant



CONROE
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SCHOOL DISTRICT

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CONROE INDEPENDENT SCHOOL DISTRICT

Annual Comprehensive Financial Report
For the Year Ended August 31, 2025

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CERTIFICATE OF BOARD

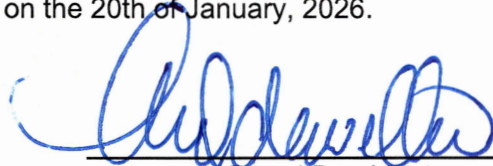
Conroe Independent School District
Name of School

Montgomery
County

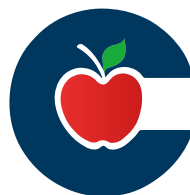
170-902
Co.- Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and approved for the year ended August 31, 2025 at a meeting of the Board of Trustees of such school district on the 20th of January, 2026.


Board Secretary


Board President

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

Conroe Independent School District

INTRODUCTORY SECTION



CONROE
INDEPENDENT
SCHOOL DISTRICT

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January 20, 2026

Mrs. Misty Odenweller, President,
Members of the Board of Trustees, and Citizens
Conroe Independent School District
3205 West Davis
Conroe, TX 77304

Dear Members of the Board of Trustees and Citizens:

The Texas Education Code requires that all school districts file a complete set of financial statements with the Texas Education Agency (TEA) within 150 days of the close of each fiscal year. The financial statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited by a firm of licensed certified public accountants in accordance with generally accepted auditing standards. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACFR) of the Conroe Independent School District (the District) for the fiscal year ended August 31, 2025.

Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of the operation of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

Management of the District is responsible for establishing and maintaining internal control structures designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

The financial statements of the District have been audited by Weaver and Tidwell LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended August 31, 2025, are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended August 31, 2025, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements is part of a broader, federally mandated "Single Audit" designed to meet the special needs of 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 audited government's internal controls and legal requirements involving the administration of federal awards. These reports are available in the Single Audit section of this report. The results of the District's Single Audit for the fiscal year ended August 31, 2025, provided no instances of material weaknesses in the internal control structures or material violations of applicable laws and regulations.

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 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 Conroe Independent School District was established in 1892 and is governed by an elected Board of seven trustees. The Board of Trustees (the Board) are Residents of the District, each of which serves for four years. Monthly meetings of the Board are posted and advertised as prescribed under state laws so that the Board may fulfill its charge to the students, parents, staff, and taxpayers of the District. Special meetings or board workshops are scheduled as needed. The Board has final control over all school matters except as limited by state law.

Serving the communities of Conroe, The Woodlands, Oak Ridge North, Shenandoah, and Cut 'n Shoot, the District's boundaries encompass approximately 348 square miles in Montgomery County. During the 2024-2025 fiscal year, the District operated six senior high schools (including three ninth-grade campuses), three high school academies, seven junior high schools, eleven intermediate schools, five elementary/intermediate (K-6), thirty-three elementary schools, a career and technology education center, and three alternative campuses. The District serves over 72,000 students and provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and enriched academic education, special education for children with special needs, career and technology education, and programs for students with limited English proficiency. These basic programs are supplemented by a wide variety of offerings in fine arts and athletics.

The District's vision of where it is headed is the culmination of months of study, collective thought, and thoughtful activities by all constituent groups in the District.

A Vision for CISD

CISD is a learning community united in its commitment to ensuring all students graduate with confidence and competence. The schools and communities work together to provide performance standards that can be applied to the real world. This is achieved through the implementation of quality in instruction, operations, and leadership.

The goals for improvement target student achievement and post-secondary success, school leadership and fiscal responsibility, recruitment/development and retention of staff, a safe and collaborative school culture and effective instruction.

The District attracts highly qualified personnel because of its commitment to excellence. During the 2024-2025 school year, the District employed over 9,500 employees consisting of professionals, office professionals, paraprofessionals, and auxiliary staff. Professional employees include more than 4,700 classroom teachers.

Economic Condition and Outlook

The information presented in the financial statements is perhaps best understood when it is considered within the broader perspective of the specific environment in which the District operates.

Located just north of Houston, Texas in Montgomery County, the Conroe Independent School District covers 348 square miles and is a dynamic factor in the quality of life and economic development efforts of the area. The school district encompasses a substantial geographic area; however, our departments have the expertise and systems in place to successfully navigate the challenges this presents. For several years, the district has grown by more than 1,000 students annually. Although recent economic conditions have caused this pace to slow, we remain a growing district and continue to open new campuses each year. The age of the District's school buildings ranges from earliest construction in 1926, through recent additions in 2025. The residential and commercial growth and the overall economic health of the area have dramatically

increased in recent years. Increased property values and growth in the District's tax base easily demonstrate this.

With strong collaborative ties with the chambers of commerce and the business community, with the other local governmental entities in the area, and with the Lone Star College District, CISD is making new inroads in building support and targeting resources to achieve the greatest impact for all of our students. The financial, cultural, educational, and recreational climate of the area is a testimony to the collective leadership and to the communities' progressive attitude toward responsible growth and their vision of the future.

Financial Information

Accounting Systems – The Board of Trustees maintains a system of accounting controls designed to assist the administration in meeting its responsibility for accurately reporting the financial condition of the District. The system is designed to provide reasonable assurance that assets are safeguarded against loss, theft, or misuse so activities can be recorded and transacted by the administration for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's framework of internal controls has been designed to provide reasonable, rather than an absolute, assurance that the financial statements will be free from material misstatement.

The cost of operating the District's schools and the revenues to cover these costs are accounted for through the General Fund. Food Service operations and special programs funded by state or federal government grants are accounted for in Special Revenue Funds.

A specific portion of the tax rate is dedicated to the payment of bond principal and interest. These transactions are recorded in the Debt Service Fund.

The District has established Internal Service Funds to account for the transactions of its self funded employee insurance.

Included in the ACFR as Fiduciary Funds are financial schedules for student activity funds.

The District's accounting records are maintained on a modified accrual basis for governmental fund types and a full accrual basis for the proprietary fund types as prescribed by Texas Education Agency Financial Accountability System Resource Guide (FASRG). Additionally, the District has prepared the government-wide financial statements on the full accrual basis as required by the Governmental Accounting Standards Board (GASB) Statement No. 34.

Financial data is submitted by the District to the Texas Education Agency through the Public Education Information Management System (PEIMS). The data is analyzed, reviewed, and presented to the State Board of Education.

Budgetary Process – State law requires that every local education agency in Texas prepare and file an annual budget of anticipated revenues and expenditures with the Texas Education Agency. The budget itself is prepared utilizing a detailed line item approach for governmental fund types and is prepared in accordance with the budgeting requirements as outlined in the FASRG. The annual budget serves as the foundation for the District's financial planning and control. The District maintains budgetary controls throughout all of its financial systems. The objective of these controls is to ensure compliance with legal provisions embodied in the annually appropriated budget approved by the Board of Trustees. Activities of the general fund, child nutrition fund, and debt service fund are included in the annually appropriated budget. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by function within each individual fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Although encumbered amounts lapse at year-end, they are generally re-appropriated as part of the next year's budget through a Board-adopted budget amendment. The budget may be amended during the year to address unanticipated or changing needs of the District. Changes to functional expenditures categories, revenue objects, or other sources and uses require Board approval.

Significant Financial Activities- The District's total tax base grew from approximately \$51.1 billion to approximately \$55.4 billion in 24-25, an increase of 8.36%. The tax rates per \$100 of assessed value for the past five years are shown on the following table.

	20-21	21-22	22-23	23-24	24-25
M & O	\$0.9525	\$ 0.9160	\$ 0.8546	\$ 0.7021	\$ 0.6696
I & S	0.2600	0.2600	0.2600	0.2600	0.2800
	\$1.2125	\$ 1.1760	\$ 1.1146	\$ 0.9621	\$ 0.9496

The District scored the highest possible rating of “Superior” from the School FIRST (Financial Integrity Rating System of Texas), a financial accountability system for Texas School Districts. The primary goal of Schools FIRST is to ensure quality performance in the management of school districts’ financial resources, a goal made more significant due to the complexity of accounting associated with Texas’ school finance system.

Major Indicators

In looking at the most common indicators of quality in a school system, the following are examples of what is going on in the District:

Test Scores – The State of Texas created a new assessment test called State of Texas Assessment of Academic Readiness or (STAAR) beginning with the 2011-2012 school year. Conroe Independent School District received a letter rating of B for the 2024-2025 school year.

Attendance Rate - Despite the rapid growth in the District and the problems facing families today, the attendance rate in the District remains high.

Dropout Rate - The dropout rate has decreased over the last several years and is below the State average, meaning more students are finishing high school and are entering college or the workforce.

Public Support - The 2023 Bond Referendum Prop A, Prop B, and Prop C each passed with a vote of greater than 58%. Patrons continue to be extremely supportive of the District’s efforts.

Other Information

Awards - The District has been awarded the Certificate of Excellence in Financial Reporting awarded to government entities by the Association of School Business Officials International for the 2023-2024 annual comprehensive financial report. The District feels the current annual comprehensive financial report continues to meet the requirements for this award, and we will again submit the report for review. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Conroe Independent School District for its annual comprehensive financial report for the fiscal year ended August 31, 2024. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. These awards are displayed in the Introductory Section.

Acknowledgments - We would like to express appreciation to the Board of Trustees for concern in providing fiscal accountability to the patrons of our District and for its leadership in the development of one of the best educational operations within the State of Texas. Many hours have been devoted to this District by teachers, principals and administrators, and supporting staff and thanks is extended to the entire Conroe Independent School District Team who have worked so hard to provide a high-quality, cost-efficient education to the students we serve. Additionally, the preparation of this report was accomplished through much time and effort on the part of the District finance department, and special appreciation is expressed to them.



Dr. David Vinson
Superintendent



Karen Garza
Chief Financial Officer

Conroe

Independent School District

Consultants and Advisors

Independent Auditors

Weaver and Tidwell, L.L.P.

4400 Post Oak Parkway, Suite 1100 • Houston, Texas 77027

Financial Advisor

BOK Financial Securities Inc.

1401 McKinney Street • Suite 1000 • Houston, Texas 77010

Bond Counsel

Orrick, Herrington & Sutcliffe LLP

600 Main Street • Houston, Texas 77002

Depository Bank

Woodforest National Bank

1330 Lake Robbins Drive, Suite 100 • The Woodlands, Texas 77380

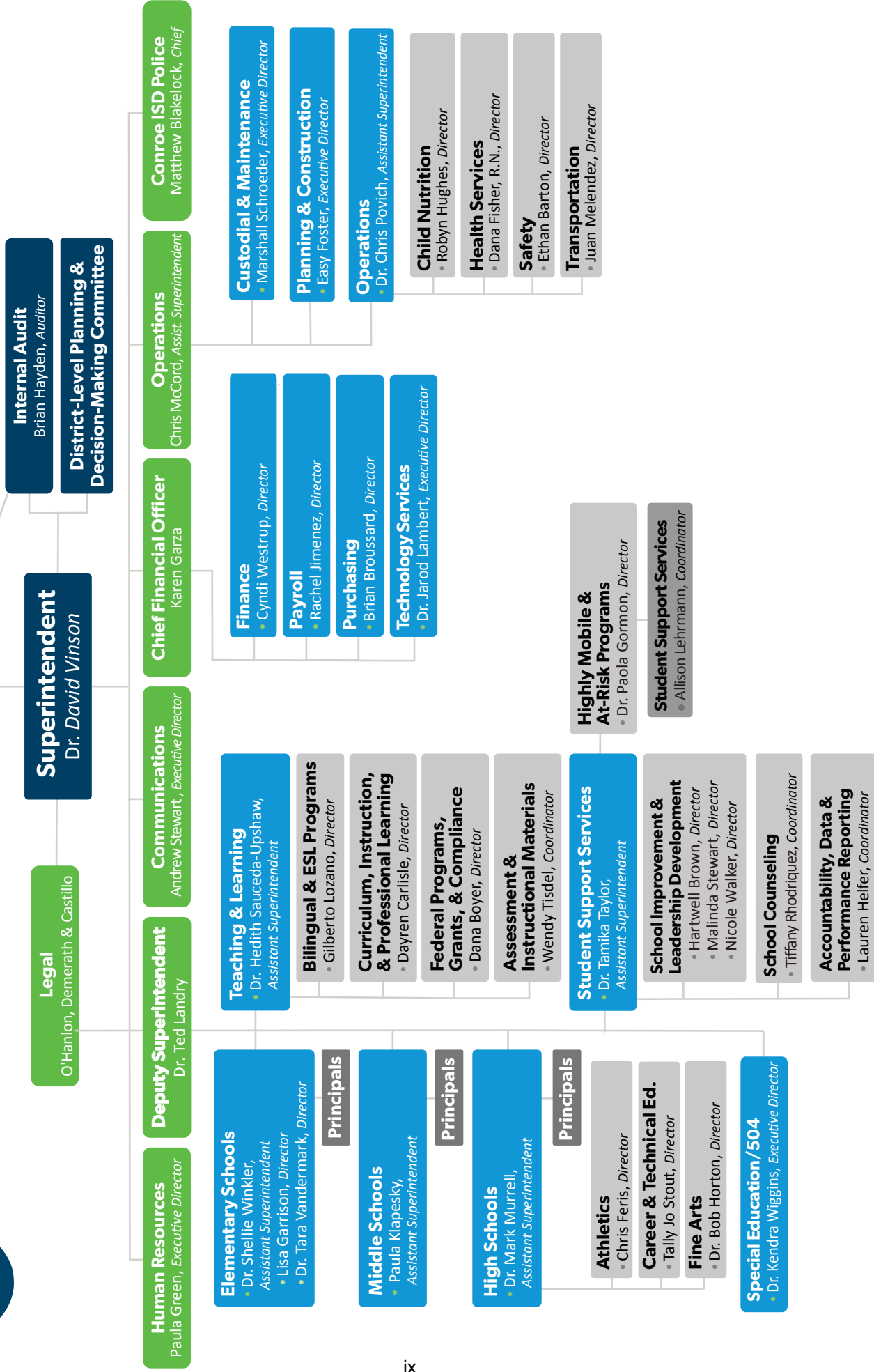
Legal Counsel

O'Hanlon, Demerath & Castillo

808 West Avenue • Austin, Texas 78701



Board of Trustees



Conroe

Independent School District

Elected Officials Board of Trustees

Mrs. Misty Odenweller.....	<i>President</i>
Vacant.....	<i>First Vice President</i>
Mrs. Melissa Dungan.....	<i>Second Vice President</i>
Mrs. Lindsay Dawson	<i>Secretary</i>
Mrs. Marianne Horton.....	<i>Assistant Secretary</i>
Mrs. Nicole May.....	<i>Trustee</i>
Mrs. Melissa Semmler.....	<i>Trustee</i>

Appointed Officials

Dr. David Vinson	<i>Superintendent of Schools</i>
Dr. Ted Landry.....	<i>Deputy Superintendent</i>
Mrs. Karen Garza.....	<i>Chief Financial Officer</i>
Dr. Mark Murrell.....	<i>Assistant Superintendent for High Schools</i>
Dr. Paula Klapesky.....	<i>Assistant Superintendent for Middle Schools</i>
Dr. Shellie Winkler.....	<i>Assistant Superintendent for Elementary Schools</i>
Dr. Hedith Saucedo-Upshaw.....	<i>Assistant Superintendent for Teaching & Learning</i>
Dr. Tamika Taylor.....	<i>Assistant Superintendent of Student Support Services</i>
Mr. Chris McCord.....	<i>Assistant Superintendent of Operations</i>

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Conroe Independent School District
for its Annual Comprehensive Financial Report
for the Fiscal Year Ended August 31, 2024.

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



A handwritten signature in black ink, reading 'Ryan S. Stechschulte'.

Ryan S. Stechschulte
President

A handwritten signature in black ink, reading 'James M. Rowan'.

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



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Conroe Independent School District
Texas**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

August 31, 2024

Christopher P. Morill

Executive Director/CEO

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

Conroe Independent School District

FINANCIAL SECTION



CONROE
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SCHOOL DISTRICT

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Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Conroe Independent School District (the District), as of and for the year ended August 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining nonmajor governmental fund financial statements, Schedule of Long-Term Debt, and Additional Supplementary Schedules, as listed in the table of contents (the Supplementary Information), and Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information and Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 Supplementary Information and Schedule of Expenditures of Federal Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other information comprises the Introductory Section and Statistical Section, as listed in the table of contents, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

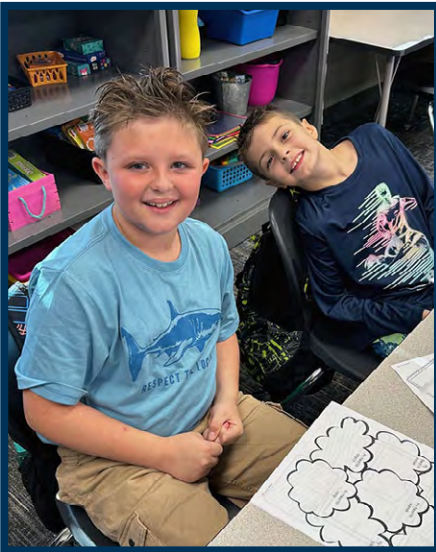
In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2026, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
January 14, 2026

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

**Conroe Independent School District
Management's Discussion and Analysis
For the Year Ended August 31, 2025 (Unaudited)**

As management of the Conroe Independent School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the year ended August 31, 2025. We encourage readers to consider the information presented here in conjunction with the District's financial statements, which follow this section.

Financial Highlights

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows of resources at year-end by \$87,585,266, giving the District an ending net position of \$87,585,266. The District's ending net position includes net pension and OPEB liabilities of \$238.2 million and \$148.5 million, respectively.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$835,028,917. Approximately 18.59 percent of this total amount, \$155,239,649 is available for spending at the government's discretion (unassigned fund balance).
- At the end of the current fiscal year, the unassigned fund balance for the general fund was \$155,239,649 or 21.51 percent of the total general fund expenditures.

Overview of the Financial Statements

The discussion and analysis are 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 other supplementary information in addition to the basic financial statements themselves.

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 between the two 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 for all of the current year's revenues and expenses regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the District's government-wide financial statements distinguish the functions of the District as being principally supported by taxes and intergovernmental revenues (governmental activities) as opposed to business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. The District has no business-type activities and no component units for which it is financially accountable. The government-wide financial statements can be found on pages 12-13 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over the resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related requirements. The fund financial statements provide more detailed information about the District's most significant funds-not the District as a whole.

- Some funds are required by State law and/or bond covenants.
- Other funds may be established by the Board to control and manage money for particular purposes or to show that it is properly using certain taxes or grants.

**Conroe Independent School District
Management's Discussion and Analysis
For the Year Ended August 31, 2025 (Unaudited)**

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 fiscal year. Such information may be useful in evaluating a government'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 government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. 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, debt service fund, and capital projects fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report. The District adopts an annual appropriated budget for its general fund, debt service fund, and child nutrition fund. A budgetary comparison schedule has been provided to demonstrate compliance with these budgets. The budget comparison schedules can be found on pages 60, and 93-95. The basic governmental fund financial statements can be found on pages 14-17 of this report.
- ❖ **Proprietary funds.** Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. There are two proprietary fund types. Enterprise funds are used to report the same functions presented as business-type activities in government-wide financial statements. As mentioned above in the government-wide definition, the District has no business-type activities or enterprise funds. The second type of proprietary fund is the internal service fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the various functions. The District uses the internal service funds to report activities for its self-funded insurance program. The basic proprietary fund financial statements can be found on pages 18-20 of this report.
- ❖ **Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District is the trustee, or fiduciary, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in separate statements of fiduciary net position and changes in fiduciary position that can be found on pages 22-23 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a complete understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25-57 of this report.

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. Required supplementary information can be found on pages 60-69 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining statements can be found on pages 76-83 of this report.

**Conroe Independent School District
Management's Discussion and Analysis
For the Year Ended August 31, 2025 (Unaudited)**

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows of the district by \$87,585,266 as of August 31, 2025. This is an increase in net position from 2023-2024 of \$18,729,054.

The District's Net Position

	2025	2024
Current and other assets	\$1,044,013,682	\$ 902,306,014
Capital assets (net)	2,404,938,103	1,912,531,900
Total assets	<u>3,448,951,785</u>	<u>2,814,837,914</u>
Deferred outflows of resources	167,400,949	210,294,639
Total assets and deferred outflows of resources	<u>3,616,352,734</u>	<u>3,025,132,553</u>
Long-term liabilities outstanding	3,076,847,672	2,537,446,164
Due within one year	86,186,705	105,666,630
Other liabilities	201,492,447	116,914,732
Total liabilities	<u>3,364,526,824</u>	<u>2,760,027,526</u>
Deferred inflows of resources	164,240,644	195,796,945
Total liabilities and deferred inflows of resources	<u>3,528,767,468</u>	<u>2,955,824,471</u>
Net position:		
Net investment in capital assets	151,484,240	165,730,698
Restricted	33,079,883	35,850,676
Unrestricted	(96,978,857)	(132,725,162)
Total net position	<u>\$ 87,585,266</u>	<u>\$ 68,856,212</u>

Net investment in capital assets (e.g., land, building, furniture, and equipment) less any related debt used to acquire those assets that are still outstanding is \$151,484,240. 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 themselves cannot be used to liquidate these liabilities. An additional portion of the District's net position, \$33,079,883 represents resources that are subject to external restrictions on how they may be used.

Governmental activities. The District's total net position increased by \$18.7 million. The total cost of all government activities this year was \$969,821,283. The amount that our taxpayers paid for these activities through property taxes was \$517,645,637. There was a net increase in revenues of \$37,647,695 or 3.96% for the year. The majority of the increase was due to increased taxable property values and state funding for student growth.

**Conroe Independent School District
Management's Discussion and Analysis
For the Year Ended August 31, 2025 (Unaudited)**

Changes in the District's Net Position

	<u>2025</u>	<u>2024</u>
Revenues:		
Program Revenues:		
Charges for Services	\$ 12,843,783	\$ 12,932,110
Operating Grants & Contributions	94,573,555	121,787,330
General Revenues:		
Property Taxes	517,645,637	484,236,127
State Grants	307,216,355	278,347,719
Investment Earnings	51,216,895	43,273,740
Other	5,054,112	10,325,616
Total Revenues	<u>988,550,337</u>	<u>950,902,642</u>
Expenses:		
Instruction	499,456,086	498,369,391
Instructional Resources and Media Services	10,888,838	10,776,480
Curriculum and Staff Development	24,018,243	23,314,928
Instructional Leadership	8,427,410	8,757,834
School Leadership	46,412,487	47,034,208
Guidance and Counseling	38,386,966	38,460,688
Social Work Services	1,937,543	2,117,155
Health Services	9,120,674	9,969,573
Student (Pupil) Transportation	39,904,246	38,267,468
Food Services	35,776,195	34,332,684
Cocurricular/Extracurricular Activities	21,083,656	21,163,904
General Administration	13,080,191	12,723,101
Plant Maintenance and Operations	85,615,106	91,073,673
Security and Monitoring Services	12,225,998	11,380,708
Data Processing Services	22,550,823	21,835,144
Ancillary Services	557,399	564,017
Debt Service - Interest on Long Term Debt	95,697,080	73,445,882
Other Intergovernmental Charges	4,682,342	4,509,519
Total Expenses	<u>969,821,283</u>	<u>948,096,357</u>
Increase in Net Position	18,729,054	2,806,285
Beginning Net Position	68,856,212	66,049,927
Ending Net Position	<u>\$ 87,585,266</u>	<u>\$ 68,856,212</u>

**Conroe Independent School District
Management's Discussion and Analysis
For the Year Ended August 31, 2025 (Unaudited)**

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, bond covenants, and segregation for particular purposes.

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

At the end of the current fiscal year, The District's governmental funds reported combined ending fund balances of \$835,028,917, an increase of \$62,625,445. Approximately 18.59 percent of this total amount \$155,239,649 constitutes the unassigned fund balance. The remainder of the fund balance is non-spendable, restricted, committed, or assigned to indicate that it is not available for new spending because it has already been committed 1) for inventory \$3,954,843; 2) to pay debt service \$21,927,638; 3) for capital projects \$637,667,115; 4) for food service and grants \$11,390,271; and 5) to liquidate purchase orders of the prior period \$4,849,401.

The general fund is the primary operating fund of the District. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$155,239,649 while the total fund balance was \$164,043,893. As a measure of the general fund's liquidity, it may be useful to compare both the unassigned fund balance and the total fund balance to the total fund expenditures. The unassigned fund balance represents 21.51 percent of the total general fund expenditures, while the total fund balance represents 22.73 percent of that same amount. The fund balance of the District's general fund decreased by \$1,344,746 during the current fiscal year. The decrease in fund balance was attributable to a \$7,000,000 transfer from the general fund to the internal service fund to support districts self funded health plan.

The debt service fund has a total fund balance of \$21,927,638, all of which is restricted for the payment of debt service. The decrease in fund balance during this period in the debt service fund was \$2,003,170.

The capital projects fund has a total fund balance of \$637,667,115. Of that amount, \$635,606,315 is restricted for the construction, equipping, and acquisition of major capital facilities. The remaining amounts are committed or assigned for other uses, \$2,060,800. Fund balance in the capital projects fund increased by \$66,738,842 during the current fiscal year.

The decrease in fund balance of the debt service fund and the increase fund balance of the capital projects fund were due to the issuance of capital bonds during the fiscal year.

General Fund Budgetary Highlights

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

- Amendments approved shortly after the beginning of the new fiscal year for amounts committed & assigned in the prior year.
- Amendments are approved during the year for unexpected occurrences.

The District made the following amendments to budgeted revenue:

- \$236,809 increase for campus donations to the budget
- \$3,422,078 increase for Medicaid
- \$35,000,000 increase for state foundation revenues
- \$3,800,000 increase for TRS On Behalf

**Conroe Independent School District
Management's Discussion and Analysis
For the Year Ended August 31, 2025 (Unaudited)**

Following is a summary of amendments made to appropriations:

- \$5,299,939 increase for prior year encumbrances
- \$236,809 increase for campus donations to the budget
- \$3,800,000 increase for TRS On Behalf
- \$3,422,078 increase for Medicaid

After appropriations were amended as described above, actual revenues were \$16.3 million below final budgeted amounts. Actual expenditures were \$8.9 million below final budgeted amounts.

Capital Asset and Debt Administration

Capital assets. The District's investment in capital assets for its governmental activities as of August 31, 2025, amounts to \$2,404,938,103 (net of accumulated depreciation/amortization). This investment in capital assets includes land, construction in progress, buildings and improvements, furniture and equipment and right-to-use assets (equipment) and SBITAs.

District's Capital Assets (net of depreciation)		
	2025	2024
Land	\$ 134,403,393	\$ 125,608,068
Buildings and Improvements	1,976,526,999	1,719,584,093
Construction in Progress	241,553,712	26,774,483
Furniture and Equipment	45,534,895	32,162,797
Right-to-Use Assets-Equipment	1,231,176	552,599
Right-to-Use Assets-SBITA	5,687,928	7,849,860
Totals, Net	<u>\$2,404,938,103</u>	<u>\$1,912,531,900</u>

Additional information on the District's capital assets can be found in note 5 on page 42 of this report.

Long-term debt. At the end of August 31, 2025, the District had total bonded debt outstanding of \$2,512,490,000, an increase of \$497,540,000 from the prior year. The increase is due to the District issuing new debt during the year to continue planned projects from the 2023 bond referendum.

The "Aaa" long-term rating on the District's Texas' bonds reflect the Texas Permanent School Fund guarantee. The "AAA" Standard & Poor underlying rating on the District's unenhanced debt reflects the District's: 1) participation in the strong and growing Houston area economy, 2) strong administrative management, and 3) satisfactory financial performance.

The State issues guidelines recommending that a government entity should limit the amount of general obligation debt to 10 percent of its total assessed valuation. The current debt limitation for the District is \$5,545,257,458 which is significantly in excess of the District's outstanding general obligation debt. Additional information on the District's long-term debt can be found in note 8 on pages 43-45 of this report.

**Conroe Independent School District
Management's Discussion and Analysis
For the Year Ended August 31, 2025 (Unaudited)**

Economic Factors and Next Year's Budgets and Rates

- The unemployment rate for the region is 4.6 percent, the state and national rates are 4.1 and 4.3 percent, respectively.
- The District's student attendance rate stayed the same at 92.3%.
- The District's enrollment has experienced an increase of 1.1 percent.
- The District's taxable valuation has increased by 1.87 percent. The District's M&O tax rate is currently at \$.6696 per \$100 in assessed property value.
- The District has appropriated General Fund revenues and expenditures in the 2025-26 budget of \$761,055,862 and \$761,055,862 respectively. Expenditures include budget increases of \$42.1 million for personnel, \$2.95 million for general expenses, and \$4 million for TRS on Behalf.

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 as well as demonstrate accountability for funds the District receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Office of the Chief Financial Officer, Conroe I.S.D., 3205 West Davis, Conroe, Texas 77304.

CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2025

Data Control Codes		Governmental Activities	
	ASSETS		
	Current assets:		
1110	Cash and cash equivalents	\$	7,378,891
1120	Current Investments		956,423,764
1220	Property taxes receivable		15,976,889
1230	Allowance for uncollectible		(2,444,232)
1240	Due from other governments		7,841,126
1250	Accrued interest		724,509
1290	Other receivables		1,482,457
1293	Lease receivables		794,805
1300	Inventories		5,237,032
	Total current and other assets		993,415,241
	Noncurrent assets:		
	Capital assets:		
1510	Land		134,403,393
1520	Building and improvements - net of depreciation		1,976,526,999
1530	Furniture and equipment - net of depreciation		45,534,895
1559	Right to use assets - equipment - net of amortization		1,231,176
1553	Right to use assets - SBITAs - net of amortization		5,687,928
1580	Construction in Progress		241,553,712
	Total capital assets (net)		2,404,938,103
1910	Long-term investments		50,598,441
	Total noncurrent assets		2,455,536,544
1000	Total assets		3,448,951,785
	DEFERRED OUTFLOWS OF RESOURCES		
1700	Deferred loss on issuance of refunding bonds		8,622,513
1705	Deferred resources outflow related to net pension liability		69,188,394
1706	Deferred resources outflow related to net OPEB liability		89,590,042
	Total deferred outflows of resources		167,400,949
	Total assets and deferred outflows of resources		3,616,352,734
	LIABILITIES		
	Current liabilities:		
2110	Accounts payable		136,200,750
2130	Right to use lease asset payable - equipment - current year		101,497
2131	Right to use SBITA payable - current year		195,159
2140	Interest payable		4,816,165
2150	Payroll deductions and withholdings payable		15,420,356
2160	Accrued wages payable		35,526,825
2180	Due to other governments		8,216,169
2300	Unearned revenue		1,015,526
	Total current liabilities		201,492,447
	Noncurrent liabilities:		
2501	Noncurrent liabilities due within one year		86,186,705
2502	Noncurrent liabilities due in more than one year		2,669,731,380
2531	Right to use lease liability - leases - long term		1,143,808
2533	Right to use SBITA payable - long term		-
2590	Arbitrage liability		19,284,506
2540	Net pension liability		238,191,476
2545	Net OPEB liability		148,496,502
	Total noncurrent liabilities		3,163,034,377
2000	Total liabilities		3,364,526,824
	DEFERRED INFLOWS OF RESOURCES		
2600	Deferred gain on issuance of refunding bonds		22,080,149
2603	Deferred resource inflow related to leases		694,701
2605	Deferred resource inflow related to net pension liability		9,101,951
2606	Deferred resource inflow related to net OPEB liability		132,363,843
	Total deferred inflows of resources		164,240,644
	Total liabilities and deferred inflows of resources		3,528,767,468
	NET POSITION		
3200	Net investment in capital assets		151,484,240
	Restricted for:		
3820	Federal and state programs		170,501
3820	Food services		10,981,744
3850	Debt service		21,927,638
3900	Unrestricted		(96,978,857)
3000	Total net position	\$	87,585,266

See Notes to the Basic Financial Statements.

CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2025

Data Control Codes		Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Expenses	Charges for Services	Operating Grants and Contributions	
	GOVERNMENTAL ACTIVITIES:				
11	Instruction	\$ 499,456,086	\$ 507,841	\$ 29,624,040	\$ (469,324,205)
12	Instructional Resources and Media Services	10,888,838	-	193,539	(10,695,299)
13	Curriculum and Staff Development	24,018,243	-	6,406,929	(17,611,314)
21	Instructional Leadership	8,427,410	-	778,958	(7,648,452)
23	School Leadership	46,412,487	-	1,446,005	(44,966,482)
31	Guidance and Counseling	38,386,966	-	10,333,158	(28,053,808)
32	Social Work Services	1,937,543	-	370,960	(1,566,583)
33	Health Services	9,120,674	-	298,393	(8,822,281)
34	Student (Pupil) Transportation	39,904,246	-	12,270,403	(27,633,843)
35	Food Services	35,776,195	10,381,622	21,820,082	(3,574,491)
36	Cocurricular/Extracurricular Activities	21,083,656	1,196,401	244,228	(19,643,027)
41	General Administration	13,080,191	-	314,623	(12,765,568)
51	Plant Maintenance and Operations	85,615,106	757,919	7,277,722	(77,579,465)
52	Security and Monitoring Services	12,225,998	-	469,092	(11,756,906)
53	Data Processing Services	22,550,823	-	856,410	(21,694,413)
61	Ancillary Services	557,399	-	472,321	(85,078)
72	Debt Service - Interest and Fees	95,697,080	-	1,396,692	(94,300,388)
99	Tax Appraisal and Collection	4,682,342	-	-	(4,682,342)
	TOTAL PRIMARY GOVERNMENT:	\$ 969,821,283	\$ 12,843,783	\$ 94,573,555	(862,403,945)

Data Control Codes		
	General revenues:	
	Taxes:	
MT	Property taxes, levied for general purposes	364,874,017
DT	Property taxes, levied for debt service	152,771,620
SF	State aid-grants and contributions not restricted to specific programs	307,216,355
IE	Investment earnings	51,216,895
S1	SHARS/MAC	1,628,576
MI	Miscellaneous	3,425,536
TR	Total general revenues	881,132,999
CN	Change in net position	18,729,054
NB	Beginning net position	68,856,212
NE	Net position—ending	\$ 87,585,266

See Notes to the Basic Financial Statements.

CONROE INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2025

Data Control Codes	General Fund	Debt Service Fund	Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
ASSETS					
1110 Cash and Cash Equivalents	\$ 4,302,303	\$ 9,072	\$ 1,384,893	\$ 1,648,382	\$ 7,344,650
1120 Current Investments	170,357,479	20,787,946	761,424,657	3,764,212	956,334,294
1220 Property Taxes - Delinquent	11,733,497	4,243,392	-	-	15,976,889
1230 Allowance for Uncollectible Taxes	(2,009,597)	(434,635)	-	-	(2,444,232)
1240 Due From TEA	-	7,310	-	7,833,816	7,841,126
1250 Accrued Interest	724,509	-	-	-	724,509
1260 Due From Other Funds	-	527,689	-	5,976,939	6,504,628
1290 Sundry Receivables	845,239	-	-	377	845,616
1293 Lease Receivable	794,805	-	-	-	794,805
1310 Inventories, at Cost	3,954,843	-	-	1,282,189	5,237,032
1410 Prepaid Items	-	-	-	-	-
1910 Long-Term Investments	50,598,441	-	-	-	50,598,441
1000 Total Assets	<u>\$ 241,301,519</u>	<u>\$ 25,140,774</u>	<u>\$ 762,809,550</u>	<u>\$ 20,505,915</u>	<u>\$ 1,049,757,758</u>
LIABILITIES					
2110 Accounts Payable	\$ 5,961,506	\$ 21,000	\$ 125,142,435	\$ 1,576,819	\$ 132,701,760
2150 Payroll Deductions and Withholdings Payable	15,420,356	-	-	-	15,420,356
2160 Accrued Wages Payable	34,980,465	-	-	546,360	35,526,825
2170 Due to Other Funds	3,927,689	-	-	5,976,939	9,904,628
2180 Due to Other Governments	8,216,169	-	-	-	8,216,169
2300 Unearned Revenue	-	-	-	1,015,526	1,015,526
2000 Total Liabilities	<u>68,506,185</u>	<u>21,000</u>	<u>125,142,435</u>	<u>9,115,644</u>	<u>202,785,264</u>
DEFERRED INFLOWS OF RESOURCES					
2601 Deferred Property Taxes	8,056,740	3,192,136	-	-	11,248,876
2603 Deferred Leases	694,701	-	-	-	694,701
2600 Total deferred inflows of resources	<u>8,751,441</u>	<u>3,192,136</u>	<u>-</u>	<u>-</u>	<u>11,943,577</u>
FUND BALANCES					
Nonspendable:					
3410 Inventory	3,954,843	-	-	-	3,954,843
Restricted for:					
3480 Debt Service	-	21,927,638	-	-	21,927,638
3470 Capital Expenditures	-	-	635,606,315	-	635,606,315
3450 Food Service Operations	-	-	-	10,981,744	10,981,744
3450 Grant Operations	-	-	-	170,501	170,501
Committed to:					
3545 Technology & Food Service	-	-	-	238,026	238,026
3545 Other Purposes	-	-	2,060,800	-	2,060,800
Assigned to:					
3590 Other Purposes	4,849,401	-	-	-	4,849,401
3600 Unassigned:	155,239,649	-	-	-	155,239,649
3000 Total Fund Balances	<u>164,043,893</u>	<u>21,927,638</u>	<u>637,667,115</u>	<u>11,390,271</u>	<u>835,028,917</u>
4000 Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 241,301,519</u>	<u>\$ 25,140,774</u>	<u>\$ 762,809,550</u>	<u>\$ 20,505,915</u>	<u>\$ 1,049,757,758</u>

See Notes to the Basic Financial Statements.

**CONROE INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AUGUST 31, 2025**

Total fund balances--governmental funds \$ 835,028,917

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

Historical cost	3,274,437,668	
Accumulated depreciation / amortization	(869,499,565)	
Change due to Capital Assets	<u>2,404,938,103</u>	2,404,938,103

Property taxes receivable have been levied and are due this year, but are not available soon enough to pay for the current period's expenditures, and therefore are recorded as deferred inflows of resources in the funds. 11,248,876

Internal service funds are used by the District's management to charge the costs of the health insurance program to the individual funds. The assets and liabilities of the internal service funds are included in the government wide statement of net position. 661,562

Deferred outflows of resources for pension related items were not recognized on the balance sheet for governmental funds. 69,188,394

Deferred outflows of resources for OPEB related items were not recognized on the balance sheet for governmental funds. 89,590,042

Deferred inflows of resources for pension related items were not recognized on the balance sheet for governmental funds. (9,101,951)

Deferred inflows of resources for OPEB related items were not recognized on the balance sheet for governmental funds. (132,363,843)

Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore are not reported as liabilities in the funds. Long-term liabilities at year end consist of:

Net pension liability	238,191,476	
Net OPEB Liability	148,496,502	
Bonds payable	2,512,490,000	
Leases payable	1,245,305	
SBITA payable	195,159	
Arbitrage payable	19,284,506	
Deferred loss on refunding	(8,622,513)	
Deferred gain on refunding	22,080,149	
Premiums on Issuance	237,328,986	
Compensated Absences	6,099,099	
Interest Payable	4,816,165	
Change due to Long-term Liabilities	<u>3,181,604,834</u>	(3,181,604,834)

Total net position--governmental activities \$ 87,585,266

See Notes to the Basic Financial Statements.

CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2025

Data Control Codes		General Fund	Debt Service Fund	Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds
REVENUES						
5700	Total Local and Intermediate Sources	\$ 381,208,372	\$ 154,517,501	\$ 36,098,786	\$ 10,383,764	\$ 582,208,423
5800	State Program Revenues	342,965,924	13,504,622	-	17,327,397	373,797,943
5900	Federal Program Revenues	2,080,848	-	-	52,780,004	54,860,852
5020	Total Revenues	<u>726,255,144</u>	<u>168,022,123</u>	<u>36,098,786</u>	<u>80,491,165</u>	<u>1,010,867,218</u>
EXPENDITURES						
Current:						
0011	Instruction	440,973,425	-	-	19,877,965	460,851,390
0012	Instructional Resources & Media Service	7,064,781	-	-	21,983	7,086,764
0013	Curriculum & Instructional Staff Development	16,951,287	-	-	5,959,952	22,911,239
0021	Instructional Administration	7,887,686	-	-	590,378	8,478,064
0023	School Administration	45,998,590	-	-	218,494	46,217,084
0031	Guidance and Counseling	28,164,037	-	-	9,602,309	37,766,346
0032	Social Work Services	1,580,860	-	-	340,232	1,921,092
0033	Health Services	8,898,563	-	-	65,779	8,964,342
0034	Student (Pupil) Transportation	36,900,514	-	4,306,336	4,065,609	45,272,459
0035	Food Services	4,776	-	-	32,782,822	32,787,598
0036	Cocurricular/Extracurricular Activities	15,944,851	-	-	-	15,944,851
0041	General Administration	12,666,746	-	-	75,056	12,741,802
0051	Plant Maintenance and Operations	72,693,082	-	1,818,070	6,290,133	80,801,285
0052	Security and Monitoring Services	11,678,659	-	-	181,920	11,860,579
0053	Data Processing Services	8,910,058	-	95,559	711,664	9,717,281
0061	Ancillary Services	73,510	-	-	470,678	544,188
0070	Debt Service:					
0071	Principal	719,841	86,800,000	-	1,396,567	88,916,408
0072	Interest	-	97,792,205	-	125	97,792,330
0073	Bond Issuance Cost and Fees	-	4,374,777	-	-	4,374,777
0081	Facilities Acquisition and Construction	-	-	563,139,979	-	563,139,979
0099	Other Intergovernmental Charges	4,682,342	-	-	-	4,682,342
6030	Total Expenditures	<u>721,793,608</u>	<u>188,966,982</u>	<u>569,359,944</u>	<u>82,651,666</u>	<u>1,562,772,200</u>
1100	Excess of Revenues Over (Under) Expenditures	<u>4,461,536</u>	<u>(20,944,859)</u>	<u>(533,261,158)</u>	<u>(2,160,501)</u>	<u>(551,904,982)</u>
OTHER FINANCING SOURCES AND (USES)						
7901	Refunding Bonds Issued	-	129,355,000	-	-	129,355,000
7911	Capital-Related Debt Issuance	-	-	594,575,000	-	594,575,000
7912	Sale of Real Property	19,555	-	-	-	19,555
7913	Proceeds from Right to Use Leased Assets and SBITA	1,174,163	-	-	1,395,020	2,569,183
7916	Premium or Discount on Issuance of Bonds	-	31,234,455	5,425,000	-	36,659,455
7915	Transfers in	-	-	-	-	-
8911	Transfers out	(7,000,000)	-	-	-	(7,000,000)
8940	Payment to Bond Refunding Escrow Agent	-	(141,647,766)	-	-	(141,647,766)
7080	Total Other Financing Sources and (Uses)	<u>(5,806,282)</u>	<u>18,941,689</u>	<u>600,000,000</u>	<u>1,395,020</u>	<u>614,530,427</u>
1200	Net Change in Fund Balances	(1,344,746)	(2,003,170)	66,738,842	(765,481)	62,625,445
0100	Fund Balance - September 1	<u>165,388,639</u>	<u>23,930,808</u>	<u>570,928,273</u>	<u>12,155,752</u>	<u>772,403,472</u>
3000	Fund Balance - August 31	<u>\$ 164,043,893</u>	<u>\$ 21,927,638</u>	<u>\$ 637,667,115</u>	<u>\$ 11,390,271</u>	<u>\$ 835,028,917</u>

See Notes to the Basic Financial Statements.

**CONROE 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 AUGUST 31, 2025**

Net change in fund balances—total governmental funds	\$	62,625,445
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation/amortization expense. The capital outlays that were expensed for governmental purposes but capitalized in Statement of Net Position was:		
		563,305,104
Capital asset disposals in the current year, net of accumulated depreciations/amortizations not expensed in governmental funds were:		(313,992)
Total depreciation and amortization recorded in Statement of Activities not recorded in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance.		(69,826,909)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. For the Statement of Activities for the entity wide, a portion of the current year property tax is recognized as income in the current year along with the related penalty and interest. The difference between the fund basis and full accrual basis on property taxes was:		
		1,926,143
Issuance of long term debt and the related premium provides current financial resources to governmental funds. Proceeds from the issuance of debt, net of payments to bond refunding escrow agents were:		(618,941,689)
Amortization of gain/loss on refunding bonds and premium on bonds payable.		15,299,515
Repayment of bond principal is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the Statement of Net Position.		86,800,000
Interest expense accrual amount for the current year over prior year amount.		(1,027,904)
Pension expenses not recognized on the fund financial statements under the modified accrual basis are recognized on the accrual basis in the government-wide financial statements. The effect of the change is to decrease net position.		(16,768,137)
OPEB expenses not recognized on the fund financial statements under the modified accrual basis are recognized on the accrual basis in the government-wide financial statements. The effect of the change is to increase net position.		15,589,769
Lease and SBITA expenditures are offset with other financing sources in the fund financials but are eliminated in the Statement of Net Position.		(2,569,183)
Internal service funds are used by management to charge the costs of workers compensation and health insurance to the funds. This credits back income/loss of those funds to the net position of the government.		(7,090,645)
Repayment of lease asset payables and SBITA payables are an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		2,066,735
Donated fixed assets to district		7,878
Interest expense related to long term arbitrage payable is recognized on the government wide financials but not the fund financials.		(7,751,911)
Change in compensated absences to accrual basis		(4,601,165)
Change in net position of governmental activities	\$	<u>18,729,054</u>

See Notes to the Basic Financial Statements.

CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUND
AUGUST 31, 2025

Data Control Codes		Internal Service Fund AUGUST 31, 2025
	ASSETS	
	Current Assets:	
1110	Cash and Cash Equivalents	\$ 34,241
1120	Current Investments	89,470
1260	Due From Other Funds	3,400,000
1290	Sundry Receivables	636,841
	Total Current Assets	<u>4,160,552</u>
1000	Total Assets	<u>4,160,552</u>
	LIABILITIES	
	Current Liabilities:	
2110	Accounts Payable	<u>3,498,990</u>
	Total Current Liabilities	<u>3,498,990</u>
2000	Total Liabilities	<u>3,498,990</u>
	NET POSITION	
3300	Unrestricted	<u>661,562</u>
3000	Total Net Position	<u>\$ 661,562</u>

See Notes to the Basic Financial Statements.

**CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED AUGUST 31, 2025**

Data Control Codes		Internal Service Fund AUGUST 31, 2025
	OPERATING REVENUES	
	Premium Contributions:	
5700	Employee	\$ 22,472,737
5700	Employer	33,066,885
5020	Total Operating Revenues	<u>55,539,622</u>
	OPERATING EXPENSES	
6400	Claims and Administration	<u>69,866,581</u>
6030	Total Operating Expenses	<u>69,866,581</u>
	Operating Income/(Loss)	<u>(14,326,959)</u>
	NONOPERATING REVENUES	
7020	Earnings on Investments	<u>236,314</u>
	Total Nonoperating Revenues	<u>236,314</u>
	Income (Loss) Before Transfers	<u>(14,090,645)</u>
	TRANSFERS:	
	Transfers In	<u>7,000,000</u>
8030	Total Transfers	<u>7,000,000</u>
1300	Change in Net Position	<u>(7,090,645)</u>
0100	Net Position - September 1 (Beginning)	<u>7,752,207</u>
3300	Net Position - August 31 (Ending)	<u>\$ 661,562</u>

See Notes to the Basic Financial Statements.

**CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED AUGUST 31, 2025**

	Internal Service Fund AUGUST 31, 2025
Cash Flows From Operating Activities:	
Cash Received from User Charges	\$ 55,539,622
Cash Payments for Insurance Claims	(69,834,596)
Net Cash used in Operating Activities	<u>(14,294,974)</u>
Cash Flows From Investing Activities:	
Sale of Investments, net	9,465,577
Proceeds From Earnings on Investments	236,314
Net Cash provided by Investing Activities	<u>9,701,891</u>
Cash Flows From Noncapital Financing Activities:	
Transfers from Other Funds	3,600,000
Net Cash Increase by Noncapital Financing Activities	<u>3,600,000</u>
Net decrease in Cash and Cash Equivalents	(993,083)
Cash and Cash Equivalents at Beginning of the Year:	1,027,324
Cash and Cash Equivalents at the End of the Year	<u>\$ 34,241</u>
Reconciliation of Operating Income/(Loss) to Net Cash Used in Operating Activities:	
Operating Income/(Loss):	\$ (14,326,959)
Effect of Increases and Decrease in Current Assets and Liabilities:	
(Increase)Decrease in Sundry Receivables	(636,341)
Increase (Decrease) in Accounts Payable	668,326
Net Cash used in Operating Activities	<u>\$ (14,294,974)</u>
Supplemental disclosure of noncash financing activity:	
Transfer from General Fund- noncash	<u>\$ 3,400,000</u>

See Notes to the Basic Financial Statements.

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

**CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
AUGUST 31, 2025**

Data Control Code		Custodial Funds
		August 31, 2025
ASSETS		
1110	Cash and Cash Equivalents	\$ 11,232,131
1290	Sundry Receivables	33,332
	Total Assets	11,265,463
LIABILITIES		
2110	Accounts Payable	12,703
	Total Liabilities	12,703
NET POSITION		
3800	Restricted for Student Clubs/Organizations & Teacher Groups	11,252,760
	Total Net Position	\$ 11,252,760

See Notes to the Basic Financial Statements.

CONROE INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED AUGUST 31, 2025

<u>Data Control Code</u>		<u>Custodial Funds</u>
	ADDITIONS	
	Dues and Contributions:	
5700	Student Clubs/Organizations & Teacher Groups	\$ 13,533,585
	Total Additions	<u>13,533,585</u>
	DEDUCTIONS	
6400	Miscellaneous Operating Expenses	<u>12,432,107</u>
	Total Deductions	<u>12,432,107</u>
	Net Increase in Fiduciary Net Position	1,101,478
NB	Net Position - Beginning	10,151,282
NE	Net Position - Ending	<u>\$ 11,252,760</u>

See Notes to the Basic Financial Statements.

Conroe Independent School District



**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Conroe Independent School District (the District) is an independent public educational agency operating under applicable laws and regulations of the State of Texas. A seven member Board of Trustees elected by the District's residents to staggered four-year terms autonomously governs the District.

The financial statements of the Conroe Independent School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Terminology and Classification - The District, throughout its accounting system, utilizes terminology and classification as required by the *Financial Accountability System Resource Guide* published by the TEA, which provides a uniform chart of accounts for all funds and a glossary containing definitions of terms as necessary for common understanding.

Financial Reporting

The financial reporting model for state and local governments includes management's discussion and analysis, government-wide financial statements, required supplementary information, fund financial statements and notes.

A. Reporting Entity

The District is considered an independent entity for financial reporting purposes and is considered a primary government. As required by GAAP, these basic financial statements have been prepared based on considerations regarding the potential for inclusion of other entities, organizations, or functions, as part of the District's financial reporting entity. Based on these considerations, the District's basic financial statements do not include any other entities. Additionally, as the District is considered a primary government for financial reporting purposes, its activities are not considered a part of any other governmental or other type of reporting entity.

Considerations regarding the potential for inclusion of other entities, organizations, or functions in the District's financial reporting entity are based on criteria prescribed by GAAP. These same criteria are evaluated in considering whether the District is a part of any other governmental or other type of reporting entity. The overriding elements associated with prescribed criteria considered in determining that the District's financial reporting entity status is that of a primary government are that it has a separately elected governing body; it is legally separate; and it is fiscally independent of other state and local governments. Additionally, prescribed criteria under GAAP include considerations pertaining to organizations for which the primary government is financially accountable, and considerations pertaining to other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed for these statements. The governmental activities are supported by tax revenues and intergovernmental revenues. The District has no business-type activities that rely, to a significant extent, on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Government Wide and Fund Financial Statements (continued)

restricted to meeting operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Interfund activities between governmental funds and between governmental funds and proprietary funds appear as due to/due from on the Governmental Funds Balance Sheet and Proprietary Fund Statement of Net Position and as other sources and other uses on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balance and on the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Position. All interfund transactions between governmental funds and between governmental funds and internal service funds are eliminated on the Government-wide Statements. Interfund services provided and used are not eliminated in the process of consolidation. Interfund activities between governmental funds and fiduciary funds are reclassified as receivable or payable on the Government-wide Statement of Activities.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government wide financial statements. Major individual funds are reported as separate columns in the fund financial statements.

The accounting policies of the District substantially comply with the rules prescribed by the Texas Education Agency (TEA) in its *Financial Accountability System Resource Guide*. These accounting policies conform to GAAP.

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the proprietary fund. The accounting used for fiduciary funds is the *economic resources measurement focus*. Grant funds are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to pension liability, OPEB liability, compensated absences, leases and SBITA's (Subscription-based information technology arrangements), and claims and judgments, are recorded only when payment is due.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State of Texas are recognized under the susceptible-to-accrual concept. For this purpose, the government considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available.

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

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Fund Accounting

The District reports the following major governmental funds:

The *general fund* is the government's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund. Major revenue sources include local property taxes, state funding under the Foundation School Program, and interest earnings. Expenditures include all costs associated with the daily operations of the District except for specific programs funded by the federal or state government, child nutrition service, debt service, and capital projects.

The *debt service fund* accounts for the payment of principal and interest on bonded long-term debt and contractual obligations of the District. The primary source of revenue for debt service is the apportionment of local property taxes and state allocated revenue.

The *capital projects fund* includes funds, which are used to account for the expenditures of resources, accumulated from sales of bonds and related interest earnings for the acquisition and construction of school facilities and other capital asset acquisitions.

Additionally, the District reports the following funds:

Governmental Funds:

Special Revenue Funds

The Special Revenue funds are used to account for the proceeds of specific revenue sources or to finance specified activities as required by law or administrative regulations. The Special Revenue Funds include various funds, which are used to account for the District's Child Nutrition Program, including local, state, and federal revenue sources. The Child Nutrition Fund is the only legally adopted budgeted fund. For all other special revenue funds in the fund type, project accounting is employed to maintain integrity for the various sources of the funds. Resources accounted for in these funds are awarded to the District for the purpose of accomplishing specific educational tasks as defined by the grantors in contracts or other agreements.

Proprietary Fund:

Internal Service Fund

The District's internal service fund is used to account for the operation of the District's employee health insurance plan. The health insurance plan is funded through premiums paid by the general fund and special revenue funds to fund claims and administrative expenses. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

Fiduciary Fund:

Custodial Fund

The custodial fund accounts for resources held for the benefit of student and staff organizations. The custodial fund is not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Stewardship, Compliance, and Accountability

An annual budget for the General, Debt Service, and Child Nutrition Fund must be prepared and adopted by the Board of Trustees prior to expenditure of funds. The annual budgeting process is summarized as follows:

Beginning in January, budget goals and guidelines are established by the Superintendent and Board of Trustees. Campuses and departments are requested to submit budget requests based on the goals established for the budget year. Public hearings are held for citizen comments. The Board of Trustees approves the final budget on a fund-by-fund basis and establishes a tax rate to support the approved budget. The Board of Trustees adopted the 2024-25 budget on August 20, 2024.

A comprehensive detailed budget document is prepared for review by taxpayers, credit rating agencies and other interested parties. The annual budget is recorded as an integral part of the accounting system, providing appropriate budgetary control over revenues, expenditures, and transfers through comparison of actual data and encumbrances to budgetary data.

The District prepares its individual fund budgets for governmental fund types on a GAAP basis. Fund budgets are incorporated into the accounting system to be used as a management tool, and are reviewed by the Board of Trustees at their regular monthly meeting. The Board has legal authority to amend the adopted budget as necessary during the fiscal year, and budget amendments are submitted to the Board of Trustees on a monthly basis as necessary; the Board must approve any increases or changes in functional expenditure categories or revenue accounts prior to expenditure. Appropriations in the General Fund were increased by \$18,792,690 during the fiscal year. This increase consists primarily of re-appropriation of prior year encumbrances, increase for TRS On-behalf, and increase for Medicaid. The District uses amended budget figures for reporting and budgetary control purposes. Expenditures may not exceed total amended appropriations by fund at the function level. However, should this occur, the final official budget does not need to be adjusted at year-end should they exceed appropriations only at the functional level. Unexpended appropriations lapse at year-end.

F. Revenue Sources

Specific revenue sources that have been treated as susceptible to accrual under the modified accrual basis of accounting criteria (both measurable and available to finance expenditures of the fiscal period) are:

- The District's Property tax revenues, to the extent that historical data indicate they are collectible soon enough in the subsequent period to finance current period expenditures. Such time does not exceed 60 days after the close of the fiscal year.
- State revenue owed to the District for the 2024-25 fiscal year.
- Grants and revenues from other governments.
- Interest earned on investments.

G. Capital Assets

Capital assets, which include land, buildings, furniture, and equipment, right to use leased equipment, and right to use assets – SBITAS, and construction-in-progress are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated use life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

G. Capital Assets (continued)

Land and Construction in Progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use leased equipment, and infrastructure of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	40
Buses	10
Right-to-use leased equipment	1-5
Other Vehicles	7
Other Furniture and Equipment	2-5
Right-to-use assets - SBITAs	1-8

H. Investments

Investments consist primarily of local government investment pools, Money Market accounts, and U.S. Governmental Agency securities. Investments of the District are stated at fair value or amortized cost, as applicable, in accordance with Generally Accepted Accounting Principles, as further described in Note 2. Current Investments consist of investments with a maturity of less than one year from August, 31 2025. Long Term investments consist of investments with a maturity greater than one year from August 31, 2025.

I. Inventories

Inventories, which consist primarily of supplies and equipment, are recorded using the consumption method and are stated at cost using the first-in, first-out method. Food Commodities are used only in the child nutrition program and are recorded as unearned revenue since the title does not pass to the school district until the commodities are used.

J. Encumbrances

Encumbrance accounting is utilized in all governmental funds. Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, General Fund appropriations lapse each August 31, and encumbrances outstanding at that time are to be either canceled or appropriately provided for in the subsequent year's budget. Encumbrances outstanding at August 31, 2025 that were provided for in the subsequent year's General Fund budget were \$4,849,401. These amounts are classified as assigned fund balance on the Governmental Funds Balance Sheet.

K. Liabilities for Compensated Absences

The District recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled (for example paid in cash to the employee or payment to an employee benefit account) during or upon separation from employment. The liability for compensated absences includes salary-related benefits, where applicable. In evaluating the "more likely than not" criterion, the District utilizes a last-in, first-out flows assumption, and has determined that certain compensated absences which are paid to certain employees at the time of their separation and/or retirement meet the criteria for recognition as a liability in the government-wide financial statements. Payment for accrued sick leave at the time of retirement is limited to the current salary rate for accumulated sick leave days, up to a maximum of 60 days, for employees hired before July 1, 1988, and currently eligible for retirement. In addition, upon separation or retirement, payment for each day of accrued local leave is paid at the current standard substitute certified teacher rate for professional staff or the substitute paraprofessional rate for paraprofessional and auxiliary staff, to a maximum of \$5,000. If the employee is reemployed with the District, days for which the employee received payment shall not be available to that employee.

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Liabilities for Compensated Absences (Continued)

The payment for the accrued sick leave and/or accrued local leave is made with the employees' final pay check and includes all salary related payments. Compensated absences are reported in governmental funds only if they have matured. No balances are reported as liabilities for compensated absences in the governmental funds as of August 31, 2025.

L. Cash and Cash Equivalents

The District's cash and cash equivalents are considered to be cash on hand, and demand deposits.

M. Comparative Data

Comparative total data for the prior year has been presented only for certain funds in the supplementary information in order to provide an understanding of the changes in the financial position and operations of these funds.

N. Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until that time. Deferred inflows of resources represent an acquisition of net assets that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Deferred outflows/inflows of resources are amortized as follows:

- Deferred outflows/inflows from pension and OPEB activities are amortized over the weighted average remaining service life of all participants in the respective qualified pension plan and OPEB plan, except for projected and actual earnings differences on investments which are amortized on a closed basis over a 5-year period.
- Deferred charge/gain on refunding is amortized over the shorter of the life of the refunded or refunding debt.
- Property taxes are recognized in the period the amount becomes available.
- District contributions to the pension and OPEB plans after the measurement date are recognized in the subsequent year.
- Deferred inflows from leases are adjusted over the life of the lease by the current portion of the principal received.

O. Other Financing Sources

Amounts recognized as other financing sources represent proceeds from issuance of bonds received by the district and related payments to escrow and operating transfers.

P. Fund Balances and Net Position

The District has adopted the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54). In accordance with GASB 54 the District classifies governmental fund balances as follows:

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

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Fund Balances and Net Position (continued)

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

Committed – Committed fund balances are amounts constrained to specific purposes by the District itself, using a resolution passed by its highest decision making authority (the Board of Trustees). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level of action to remove or change the constraint. The Coke Grant in the Non-Major Governmental Funds has committed \$238,026 for Technology and Food Services. The Capital Projects Fund has \$2,060,800 committed for capital acquisition and construction.

Assigned – includes fund balance amounts that are self-imposed by the District to be used for a particular purpose. Fund balance can be assigned by the District's Board, the Superintendent or the Chief Financial Officer pursuant to the District's fund balance policy. At August 31, 2025, \$4,849,401 of fund balance in the General Fund was assigned for encumbrances.

Unassigned – amounts that are available for any purpose are considered unassigned fund balance. Positive numbers can only be reported in the general fund.

Net Position may serve over time as a useful indication of a government's financial position. Net position on the Statement of Net Position includes the following: *Net Investment in Capital Assets* – this component of net position reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets; *Restricted* –this component of net position reports the difference between assets and liabilities of the District that consist of assets with constraints placed on their use by external parties; *Unrestricted* –the difference between the assets and liabilities that is not reported in Net Investment in Capital Assets, or Restricted Net Position.

Q. Leases

Lessee

The District is a lessee for noncancellable leases of property and equipment. The District recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset, reported with other capital assets, in the government-wide and proprietary fund financial statements.

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

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

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the District is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Leases (continued)

The district has entered into multiple lease agreements as a lessee. The leases allow the lessee the right to use equipment over the terms of the lease. The District is required to make monthly payments at its incremental borrowing rate. The lease rate, term, and ending lease liabilities are as follows:

Leases Payable			
Governmental Activities - Lessee			
	Interest Rate	Lease Term in Months	Ending Balance
Equipment	2.624% - 3.41%	22 - 72	\$ 1,245,305
Total Governmental Activities			\$ 1,245,305

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. As of August 31, 2025, the schedule of lease payments is as follows:

Principal and Interest Requirements to Maturity			
Governmental Activities - Lessee			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	\$ 491,702	\$ 31,824	\$ 523,526
2027	507,908	15,618	523,526
2028	106,950	5,360	112,310
2029	109,785	2,525	112,310
2030	28,960	731	29,691
Total Requirements	\$ 1,245,305	\$ 56,058	\$ 1,301,363

Lessor

The District is a lessor for noncancellable leases of property and equipment. The District recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund and proprietary fund financial statements.

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

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

- The District uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease receivable are composed of fixed payments from the lessee, variable payments from the lessee that are fixed in substance or that depend on an index or a rate, residual value guarantee payments from the lessee that are fixed in substance, and any lease incentives that are payable to the lessee.

The District has entered into multiple lease agreements as a lessor. The lessee allow the leasee the right-to-use cell tower and District sites over the term of the lease. The District receives monthly payments at its incremental borrowing rate. The lease rate, terms, and ending lease receivables are as follows:

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Leases (continued)

**Leases Receivable
Governmental Activities - Lessor**

	<u>Interest Rate</u>	<u>Lease Term in Months</u>	<u>Ending Balance</u>
Cell Tower	3.59%	140 - 222	\$ 794,805
Total Governmental Activities			<u>\$ 794,805</u>

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable. As of August 31, 2025, expectation of lease receipts through the expiration of all leases is as follows:

**Principal and Interest Expected to Maturity
Governmental Activities - Lessor**

<u>Fiscal Year</u>	<u>Principal Payments</u>	<u>Interest Payments</u>	<u>Total Payments</u>
2026	\$ 41,356	\$ 27,512	\$ 68,868
2027	44,670	25,973	70,643
2028	48,159	24,313	72,472
2029	51,830	22,524	74,354
2030	55,694	20,600	76,294
2031-2035	320,190	69,853	390,043
2036-2040	232,906	17,280	250,186
Total Requirements	<u>\$ 794,805</u>	<u>\$ 208,056</u>	<u>\$ 1,002,861</u>

R. Subscription-Based Information Technology Arrangements (SBITA)

The District has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The District recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with capital assets, in the government-wide and proprietary fund financial statements.

At the commencement of a SBITA, the District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments. The subscription asset is initially measured at the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straightline basis over the shorter of the subscription term or the useful life of the underlying IT assets. Key estimates and judgements related to SBITAs include how the District determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The District uses its incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

R. Subscription-Based Information Technology Arrangements (SBITA) (continued)

- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the District is reasonably certain to exercise such option, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The District has entered into multiple subscription arrangements for both governmental activities and business-type activities. The subscriptions allow the right to use information technology over the terms of the subscription. The District is required to make annual payments at its incremental borrowing rate or interest rate stated or implied within the subscriptions. The subscription rate, terms, and ending subscription liabilities are as follows:

SBITA Payable			
Governmental Activities - Lessee			
	Interest Rate	Lease Term in Months	Ending Balance
IT Software	1.58% - 3.41%	24-96	\$ 195,159
Total Governmental Activities			\$ 195,159

The District monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability. As of August 31, 2025, the schedule of subscription payments is as follows:

Principal and Interest Requirements to Maturity			
Governmental Activities - SBITA			
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	\$ 195,159	\$ 3,084	\$ 198,243
Total Requirements	\$ 195,159	\$ 3,084	\$ 198,243

S. Use of Estimates

The presentation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the 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.

T. Data Control Codes

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

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

U. Restricted Resources

When the District has both restricted and unrestricted resources available to fund an expenditure, the District intends to use the restricted resources first. Furthermore, committed fund balances are reduced first, followed by assigned amounts and the unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

V. Pensions

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

W. Other Post-employment Benefits

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other 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.

X. Recently Issued Accounting Pronouncements

The following accounting pronouncements were implemented in the District's fiscal year 2025 financial statements:

GASB Statement No. 101, Compensated Absences, improves the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. GASB 101 was implemented in the District's fiscal year 2025 financial statements with no impact to amounts or disclosures previously reported.

GASB Statement No. 102, Disclosure of Certain Risks: This requires governments to disclose information about certain concentrations or constraints that could cause a substantial impact if a related event occurs. GASB 102 was implemented in the District's fiscal year 2025 financial statements with no impact to amounts or disclosures previously reported.

The following accounting pronouncements will be implemented in the District's fiscal year 2026 financial statements:

GASB Statement No. 103, Financial Reporting Model Improvements: This standard enhances key components of the financial reporting model, including limiting Management's Discussion and Analysis (MD&A) to five specific topics and adding presentation requirements for unusual or infrequent items. It is effective for fiscal years beginning after June 15, 2025 and the impact has not yet been determined.

GASB Statement No. 104, Disclosure of Certain Capital Assets: This requires separate disclosure for specific capital asset types like lease assets (under GASB 87) and subscription assets (under GASB 96) in the capital asset notes. It is effective for fiscal years beginning after June 15, 2025 and the impact has not yet been determined.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS

A. Deposits (Cash)

Deposits and investment transactions of the District are regulated by State statutes through provisions of Chapter 23, Subchapter E, Sections 23.71 through 23.8 (The School Depository Act) of the Texas Education Code and other code sections referenced therein and through provisions of the Texas Revised Civil Statutes, Title 47 Article 2529c, and 2548a regarding security for District funds in Depository institutions.

In accordance with applicable statutes, the District has a depository contract with an area bank (depository) providing for interest rates to be earned on deposited funds and for banking charges the District incurs as a result of banking services received. All depository contracts have a term of two years, commencing with the start of every odd-numbered fiscal year. Depository contracts are awarded on the basis of competitive bids received from area banks and can be awarded to more than one bank if the bids are relatively equal.

The District may place funds with the depository in interest and non-interest bearing accounts. Statutes and the depository contract require that all funds in the depository institution be fully secured by federal depository insurance or a combination of federal depository insurance and acceptable collateral securities and/or an acceptable surety bond. The collateral securities must be delivered to the District or placed with an independent trustee institution with safekeeping receipts delivered to the District. In accordance with State statutes pertaining to lawful collateralization of District deposits, safekeeping receipts are issued in the name of the depository with proper indication that the collateral securities are pledged by the depository to secure funds for the District.

Acceptable collateral securities include direct obligations of the United States of America (U.S.) bonds of any agency of the U.S., (except Farmers Home Administration Insured Notes), bonds of the State of Texas or of any county, school district, city, or town of the State of Texas that have been rated A or better by Moody's Investor Services, Inc., and letters of credit issued by a federal home loan bank, as authorized by Chapter 2257 Collateral for Public Funds of the Government Code.

The District must approve all collateral securities prior to the security being pledged. The depository can change collateral securities pledged to secure District funds only upon obtaining the written approval of the District. All demand and time deposits in the depository bank were entirely covered by federal depository insurance and by letters of credit issued by a federal home loan bank in the District's name by an agent of the District at year-end in accordance with provisions of the depository contract. The District's highest balance of \$42,181,033 occurred on August 21, 2025 and the value of collateral pledged and FDIC insurance on that date totaled \$60,250,000.

A summary of the District's cash and cash equivalents at August 31, 2025 is shown below.

	Cash On hand	Bank Deposits	Total
General	\$ -	\$ 4,302,303	\$ 4,302,303
Debt Service	-	9,072	9,072
Capital Projects	-	1,384,893	1,384,893
Other Governmental	18,350	1,630,032	1,648,382
Total Governmental	18,350	7,326,300	7,344,650
Internal Service	-	34,241	34,241
Total Entity Wide	18,350	7,360,541	7,378,891
Fiduciary	-	11,232,131	11,232,131
Total	\$ 18,350	\$ 18,592,672	\$ 18,611,022

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS (continued)

B. Investments

The Board of Trustees of the District has adopted a written investment policy (the "Investment Policy") regarding the investment of its funds as defined in the Public Funds Investment Act of 1995 (Chapter 2256, Texas Government Code). The Public Funds Investment Act requires an annual audit of investment practices. Additionally, the investments and investment practices of the District are in compliance with the Trustees' investment policies.

The District's investment policy emphasizes safety of principal and liquidity, addresses investment diversification, yield, and maturity and addresses the quality and capability of investment personnel. The Investment Policy includes a list of authorized investment instruments, a maximum allowable stated maturity of any individual investment and the maximum average dollar weighted maturity allowed for fund groups. In addition, it includes an "Investment Strategy Statement" that specifically addresses each fund's investment options and describes the priorities of suitability of investment type, preservation and safety of principal, liquidity, marketability, diversification and yield.

The District is authorized to invest in the following investment instruments provided that they meet the guidelines of the investment policy.

1. Obligations of, or guaranteed by governmental entities as permitted by Government Code 2256.009
2. Certificates of deposit and share certificates as permitted by Government Code 2256.010
3. Fully collateralized repurchase agreements permitted by Government Code 2256.011
4. A securities lending program as permitted by Government Code 2256.0115
5. Bankers acceptances as permitted by Government Code 2256.012
6. Commercial paper as permitted by Government Code 2256.013
7. No-load money market mutual funds and no-load mutual funds as permitted by Government Code 2256.014
8. A guaranteed investment contract as an investment vehicle for bond proceeds, provided it meets the criteria and eligibility requirements established by Government Code 2256.015
9. Public funds investment pools as permitted by Government Code 2256.016.

The District's investments are insured, registered, or the District's agent holds the securities in the District's name; therefore, the District is not exposed to custodial risk. Custodial Credit risk for investments is the risk that, in event of the failure of the counterparty (e.g. broker dealer) to a transaction, a government will not be able to recover the value of its investments or collateral securities that are in the possession of another party. The District's policy requires that a third party bank trust department hold all securities owned by the District. The District generally holds all US government securities to maturity. The District did not purchase any derivative investment products during the current year nor participate in any reverse repurchase agreements or security lending agreement during the fiscal year 2024-25.

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**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS (continued)

B. Investments (continued)

As of August 31, 2025, the District's investment balances, weighted average maturity and credit rating of investments are as follows:

	General Fund	Debt Service Fund	Capital Projects Fund	Non-major Governmental Funds	Total Governmental Funds	Internal Service Fund	Total
Current Investments							
Investment Pool							
Lone Star	\$ 73,941,635	\$ 20,787,946	\$ 722,728,771	\$ 3,764,212	\$ 821,222,564	\$ 89,470	\$ 821,312,034
TexasClass	1,170,503	-	38,695,886	-	39,866,389	-	39,866,389
TexPool	6,136,034	-	-	-	6,136,034	-	6,136,034
Money Market Fund	84,402,197	-	-	-	84,402,197	-	84,402,197
US Government Agency Securities	4,707,110	-	-	-	4,707,110	-	4,707,110
Treasury Notes	-	-	-	-	-	-	-
Total Current Investments	170,357,479	20,787,946	761,424,657	3,764,212	956,334,294	89,470	956,423,764
Long-Term Investments							
US Government Agency Securities	16,076,173	-	-	-	16,076,173	-	16,076,173
Treasury Notes	34,522,268	-	-	-	34,522,268	-	34,522,268
Total Long-Term Investments	50,598,441	-	-	-	50,598,441	-	50,598,441
Total Investments	\$ 220,955,920	\$ 20,787,946	\$ 761,424,657	\$ 3,764,212	\$ 1,006,932,735	\$ 89,470	\$ 1,007,022,205

	Value at August 31, 2025	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs	Percent of Total Investments	Weighted Average Maturity (Days)	Credit Risk (S & P Rating)
Investments Measured at Amortized Cost							
Investment Pools							
Texpool	\$ 6,136,034				0.609%	41	AAAm
Money Market Fund	84,402,197				8.381%	1	AAAm
Investments Measured at Net Asset Value (NAV)							
Investment Pools							
Lone Star	821,312,034				81.558%	92	AAAm
Texas CLASS	39,866,389				3.959%	82	AAAm
Investments Subject to Fair Value							
U.S. Government Agency Bonds:							
Federal Home Loan Bank Notes	14,938,351	-	14,938,351	-	1.483%	387	AA+
Federal Farm Credit Bank Notes	5,844,932	-	5,844,932	-	0.580%	679	AA+
Treasury Notes	34,522,268	34,522,268	-	-	3.428%	735	AA+
Total	\$ 1,007,022,205	\$ 34,522,268	\$ 20,783,283	\$ -	100.000%	113	

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

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

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS (continued)

B. Investments (continued)

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

Certain investment types are not required to be measured at fair value; these include money market funds and certain other short-term, highly liquid debt instruments as well as certain investment pools which are measured at amortized cost, and other investment pools which are measured at the net asset value (NAV) determined by the pool, which approximates fair value. These instruments are exempt from categorization within the fair value hierarchy.

The *U. S. Government Agency Securities* are classified in Level 2 of the fair value hierarchy and are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Local Government Investment Pools

As of August 31, 2025 the District's investments included Lone Star Investment Pool, Texas Class and TexPool. These pools are set up in accordance with the Texas Public Funds Investment Act for participant's investments. The Texas State Comptroller of Public Accounts and the State Auditor's office exercise regulatory oversight responsibility in monitoring external pools operations in compliance with the Public Fund Investment Act. External pools must have an advisory Board composed of both participants in the external pool and other persons who do not have a business relationship with the external pools. The advisory Board has oversight responsibility for operations, designation of management and accountability for fiscal matters. The advisory board members review the investment policy as required by the State. State statute requires that the external pools maintain at least an AAA or AAA-m or equivalent rating by a nationally recognized rating service. The investment pools do not have any limitations or restrictions on withdrawals, such as notice periods or maximum transaction amounts, and do not impose any liquidity fees or redemption gates.

Investment Risk

The risk exposure for governmental, individual major funds, non-major funds in the aggregate and fiduciary funds types of the District are not significantly greater than the deposit and investment risk of the overall primary government.

The District's Investment Policy seeks to control risk. Such risk is controlled by investing in compliance with the District's Investment Policy, qualifying the broker and financial institutions with whom the District will purchase investments, sufficient collateralization, portfolio diversification, and limiting maturity.

Credit Risk

As of August 31, 2025, the District invested in Lone Star Investment Pool, Texpool, Texas Class, Charles Schwab Government Obligations Fund, Woodforest Bank Public Fund Premium Account, US Government Agency Securities, and US Treasury Notes. District policy requires investment pools to have a rating of at least AAAM by Standard and Poor's and obligations of the United States or its agencies to have a rating not less than an A or its equivalent.

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 2 – DEPOSITS (CASH) AND INVESTMENTS (continued)

B. Investments (continued)

Concentration of Credit Risk:

The District's investment policy requires the investment portfolio to be diversified in terms of investment instruments, maturity scheduling, and financial institutions in order to reduce the risk of loss resulting from over-concentration of assets in a specific class of investments, specific maturity, or specific issuer.

Interest Rate Risk

As a means of minimizing risk of loss due to interest rate fluctuations, the Investment Policy requires that District's investment portfolio as a whole will not exceed the weighted average maturity of 18 months (547 days). The Investment Policy also limits that no investment shall have an original stated maturity greater than 3 years.

Adjustments to Investments' Fair Value

The District's portfolio value fluctuates in an inverse relationship to any change in interest rates. Accordingly, if interest rates have risen, the portfolio value will have declined. If interest rates have fallen, the portfolio value will have risen. The District's investments in Municipal Bonds, U.S. Government Agency Securities, and US Treasury Notes are reported by the District at fair value in accordance with GAAP. The District had no gains or losses from the sales of securities because they were held to maturity. The amount of increase or decrease in the fair value of investments is included in investment income. The District recorded a \$448,906 increase in the fair value of investments for the year ended August 31, 2025.

	Governmental Funds	Proprietary Funds	Total
Interest Income	\$ 50,531,675	\$ 236,314	\$ 50,767,989
Net increase in fair value of investments	448,906	-	448,906
Total Investment Income	\$ 50,980,581	\$ 236,314	\$ 51,216,895

NOTE 3 - PROPERTY TAXES

The District's ad valorem property tax is levied each October 1, based on the assessed value determined by the Montgomery Central Appraisal District (MCAD) for all real and business personal property located in the District. The MCAD, a separate governmental entity, is responsible for the recording and appraisal of property for all taxing units in the County, including the District. The MCAD is required by state law to assess property at 100% of its appraised value. Further, real property must be re-appraised at least every three years. Under certain circumstances, taxpayers and taxing units, including the District, may challenge orders of the MCAD Appraisal Review Board through various appeals and, if necessary, legal action. Taxes are levied and due on October 1, of each year, and become delinquent on the following February 1. On January 1, of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. The assessed value for the 2024-25 fiscal year was \$55,452,574,579.

The tax rates assessed for the year ended August 31, 2025, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$0.6696 and \$0.28 per \$100 of valuation, respectively, for a total of \$0.9496 per \$100 of valuation. Total current and delinquent tax collections, including penalty and interest, for the year ended August 31, 2025, were 96.67% of the current tax levy. Delinquent taxes are prorated between general operations and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes are based upon historical experience in collecting property taxes. The District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 3 - PROPERTY TAXES (continued)

Net property taxes receivable at August 31, 2025, consisted of the following:

	General Fund	Debt Service	Total
Delinquent Taxes - Current Year Levy	\$ 4,504,484	\$ 1,884,855	\$ 6,389,339
Delinquent Taxes - Prior Year Levy	7,229,013	2,358,537	9,587,550
Total Property Taxes Delinquent	11,733,497	4,243,392	15,976,889
Less Allowance for uncollectible taxes	(2,009,597)	(434,635)	(2,444,232)
Net Property Taxes Receivable	\$ 9,723,900	\$ 3,808,757	\$ 13,532,657

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at August 31, 2025, consisted of the following individual fund receivables and payables:

	Receivable	Payable
General Fund		
Debt Service	\$ -	\$ 527,689
Special Revenue	-	-
Internal Service	-	3,400,000
Fiduciary Funds	-	-
Total General Fund	-	3,927,689
Debt Service Fund		
General Fund	527,689	-
Total Debt Service Fund	527,689	-
Internal Service Fund		
General Fund	3,400,000	-
Total Internal Service Fund	3,400,000	-
Non Major Governmental Funds		
Homeless Children & Youth	-	6,410
ESEA Title I Part A & D	-	859,915
ESEA Title I Part C-Migrant	-	7
Idea B Formula	-	321,659
Idea B Preschool	-	3,920
Child Nutrition	5,976,939	-
Carl Perkins	-	71,381
ESEA Title II	-	151,894
Title III	-	93,529
Title IV	-	63,343
Other Federal Grants	-	287,397
IDEA B Disc Deaf	-	4,040
Instructional Materials	-	2,298,577
Other State Funds	-	1,814,867
State Deaf	-	-
Total Non Major Governmental	5,976,939	5,976,939

The District has not cleared the interfund payables and receivables at year-end. Most of the amounts represent short-term borrowings between funds for operating expense payments.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 5 – CAPITAL ASSETS

The following is a summary of the changes in capital assets for the year ended August 31, 2025:

	Beginning Balance	Additions & Transfers In	Retirements & Transfers Out	Ending Balance
Capital Assets, not being depreciated or amortized:				
Land	\$ 125,608,068	\$ 8,795,325	\$ -	\$ 134,403,393
Construction in progress	26,774,483	304,617,103	(89,837,874)	241,553,712
Total Capital Assets, not being depreciated or amortized	152,382,551	313,412,428	(89,837,874)	375,957,105
Capital Assets, being depreciated and amortized:				
Buildings and Improvements	2,434,739,475	312,473,992	-	2,747,213,467
Furniture and Equipment	118,735,781	24,695,253	(2,764,673)	140,666,361
Right-to-Use Assets-Equipment	624,963	1,174,163	-	1,799,126
Right-to-Use Assets-SBITA	9,839,059	1,395,020	(2,432,470)	8,801,609
Total Capital Assets, being depreciated and amortized	2,563,939,278	339,738,428	(5,197,143)	2,898,480,563
Less accumulated depreciation and amortization for:				
Buildings and Improvements	(715,155,382)	(55,531,086)	-	(770,686,468)
Furniture and Equipment	(86,572,984)	(11,301,180)	2,742,698	(95,131,466)
Right-to-Use Assets-Equipment	(72,364)	(495,586)	-	(567,950)
Right-to-Use Assets-SBITA	(1,989,199)	(2,499,057)	1,374,575	(3,113,681)
Total accumulated depreciation and amortization	(803,789,929)	(69,826,909)	4,117,273	(869,499,565)
Total Capital Assets, being depreciated and amortized, net	1,760,149,349	269,911,519	(1,079,870)	2,028,980,998
Governmental activities Capital Assets, net	\$ 1,912,531,900	\$ 583,323,947	\$ (90,917,744)	\$ 2,404,938,103

Depreciation and amortization expense of the governmental activities was charged to functions / programs as follows:

Instruction	\$ 39,684,030
Instructional Resources & Media Service	3,417,347
Curriculum & Instructional Staff Development	1,178,872
Instructional Administration	37,981
School Administration	665,028
Guidance and Counseling	702,505
Health Services	170,228
Student (Pupil) Transportation	2,613,746
Food Services	2,650,932
Cocurricular/Extracurricular Activities	5,386,941
General Administration	482,612
Plant Maintenance and Operations	6,558,262
Security and Monitoring Services	664,370
Data Processing Services	5,614,055
	<u>\$ 69,826,909</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 6 - UNEARNED REVENUE

Unearned revenue as of August 31, 2025, consisted of the following:

	General	Non Major Funds	Debt Service	Total
TEA	\$ -	\$ -	\$ -	\$ -
Child Nutrition	-	1,015,526	-	1,015,526
Total	\$ -	\$ 1,015,526	\$ -	\$ 1,015,526

NOTE 7 – DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources as of August 31, 2025, consisted of the following:

	General	Non Major Funds	Debt Service	Total
Property Taxes	\$ 8,056,740	\$ -	\$ 3,192,136	\$ 11,248,876
Leases	694,701	-	-	694,701
Total	\$ 8,751,441	\$ -	\$ 3,192,136	\$ 11,943,577

NOTE 8 - LONG-TERM DEBT AND DEBT SERVICE

General and Historical Information - The District's long-term liabilities consist of bond indebtedness, compensated absences, leases and SBITA's, net pension liability and net OPEB liability. The current requirements for general obligation bonds principal and interest expenditures are accounted for in the debt service fund. Current funding requirements for compensated absences, leases payable, pension, and OPEB plans are accounted for in the governmental funds. Unfunded long-term liabilities are generally liquidated with resources of the general fund.

By local referendum, the District has adopted the provisions of Section 20 of the Texas Education Code requiring the levy each year of a tax rate, unlimited as to amount, sufficient to meet principal and interest requirements during the ensuing fiscal year. Resources from the property taxes for servicing bonded debt principal and interest are accumulated in, and expended from, the Debt Service Fund (Article 278e-1, VCS).

The voters of the District authorized the sale of general obligation bonds in the amount of \$1,972,877,000 in an election held on November 7, 2023. As of August 31, 2025, \$1,195,000,000 of the bonds have been sold.

Long-term liability activity for the year ended August 31, 2025 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
General Obligation Bonds	\$ 2,014,950,000	\$ 723,930,000	\$ (226,390,000)	\$ 2,512,490,000	\$ 70,985,000
Plus Premiums on Bonds	228,799,998	36,659,455	(28,130,467)	237,328,986	13,889,606
Total Bonds Payable	2,243,749,998	760,589,455	(254,520,467)	2,749,818,986	84,874,606
Compensated Absences	1,497,934	4,892,946	(291,781)	6,099,099	1,312,099
Lease Payable	550,733	1,174,163	(479,591)	1,245,305	101,497
SBITA Payable	1,153,161	1,395,020	(2,353,022)	195,159	195,159
Net Pension Liability	274,270,438	24,561,739	(60,640,701)	238,191,476	-
Net OPEB Liability	111,866,670	41,073,972	(4,444,140)	148,496,502	-
Total Long Term Liabilities	\$ 2,633,088,934	\$ 833,687,295	\$ (322,729,702)	\$ 3,144,046,527	\$ 86,483,361

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 8 -LONG-TERM DEBT AND DEBT SERVICE (continued)

Current Year Information - Debt service requirements to maturity for these issues are summarized as follows:

Year Ended August 31	Current Interest Bonds		
	Principal	Interest	Total
2026	\$ 70,985,000	\$ 109,030,485	\$ 180,015,485
2027	71,505,000	105,517,960	177,022,960
2028	75,025,000	101,996,585	177,021,585
2029	78,635,000	98,389,610	177,024,610
2030	82,460,000	94,561,985	177,021,985
2031	88,615,000	90,506,585	179,121,585
2032	92,855,000	86,268,235	179,123,235
2033	97,165,000	81,957,035	179,122,035
2034	101,505,000	77,616,635	179,121,635
2035	105,805,000	73,316,523	179,121,523
2036	105,925,000	68,845,298	174,770,298
2037	110,715,000	64,057,385	174,772,385
2038	113,750,000	59,122,818	172,872,818
2039	118,510,000	53,964,088	172,474,088
2040	122,780,000	48,666,000	171,446,000
2041	128,180,000	43,265,225	171,445,225
2042	129,320,000	37,680,813	167,000,813
2043	123,520,000	32,079,756	155,599,756
2044	113,860,000	26,735,888	140,595,888
2045	119,000,000	21,596,468	140,596,468
2046	115,925,000	16,767,761	132,692,761
2047	108,090,000	12,303,106	120,393,106
2048	91,205,000	8,143,213	99,348,213
2049	95,185,000	4,155,756	99,340,756
2050	51,970,000	1,059,675	53,029,675
	<u>\$ 2,512,490,000</u>	<u>\$ 1,417,604,885</u>	<u>\$ 3,930,094,885</u>

Outstanding Debt

Outstanding debt at August 31, 2025 consisted of the following:

Original Issue Amount	Description	Interest		Amount Outstanding Aug 31, 2025
		Rate	Matures	
\$ 129,205,000	Unlimited Tax Schoolhouse Bonds, Series 2014A	2.00-5.00%	2039	\$ 500,000
21,085,000	Unlimited Tax Schoolhouse Bonds, Series 2014B	2.00-5.00%	2030	13,745,000
117,665,000	Unlimited Tax Schoolhouse Bonds, Series 2015	2.00-5.00%	2035	14,825,000
138,015,000	Unlimited Tax Schoolhouse Bonds, Series 2016	5.00%	2041	94,310,000
206,675,000	Unlimited Tax Schoolhouse Bonds, Series 2016A	3.00-4.00%	2042	163,370,000
97,540,000	Unlimited Tax Schoolhouse Bonds, Series 2017	3.00 - 5.00%	2035	71,080,000
174,435,000	Unlimited Tax Schoolhouse Bonds, Series 2018	3.00 - 5.00%	2043	164,150,000
66,755,000	Unlimited Tax Refunding Bonds, Series 2019	4.00 - 5.00%	2026	6,985,000
116,125,000	Unlimited Tax Schoolhouse Bonds, Series 2020	2.50 - 5.00%	2045	109,655,000
328,325,000	Unlimited Tax School Building and Refunding Bonds, Series 2020A	2.25 - 5.00%	2046	294,915,000
162,010,000	Unlimited Tax Schoolhouse Bonds, Series 2022	1.00 - 5.00%	2047	156,845,000
154,120,000	Unlimited Tax Schoolhouse Bonds, Series 2022A	4.00 - 5.00%	2047	122,725,000
51,025,000	Unlimited Tax Refunding Bonds, Series 2023A	5.00%	2039	45,630,000
550,395,000	Unlimited Tax Schoolhouse Bonds, Series 2024	4.00 - 5.00%	2049	529,825,000
129,355,000	Unlimited Tax Refunding Bonds, Series 2024	5.00%	2036	129,355,000
594,575,000	Unlimited Tax Schoolhouse Bonds, Series 2025	4.00 - 5.00%	2050	594,575,000
<u>\$ 3,037,305,000</u>	Total General Obligation Bonds			<u>\$ 2,512,490,000</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 8 -LONG-TERM DEBT AND DEBT SERVICE (continued)

Current Year Defeasance of Long-term Debt

On December 19, 2024, the District issued \$129,355,000 in Unlimited Tax Refunding Bonds, Series 2024 with interest rate of 5.00% to refund \$139,590,000 of Series 2014 and Series 2014A Unlimited Tax School Building and Refunding Bonds and Series 2015 Unlimited Tax Refunding Bonds with original maturities between 2025 and 2036 and interest rates of between 3.00% and 5.00%. The Unlimited Tax Refunding Bonds, Series 2024 were issued at a premium of \$13,241,342 with issuance costs of \$948,576. The premium is being amortized over the life of the bonds in the government-wide financial statements. The refunding was undertaken to reduce the District's total debt service over the life of the bonds by approximately \$8,584,336 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$8,224,803. The net proceeds of the refunding bonds were placed in an escrow to be utilized for the redemption of the refunded bonds on the redemption date of February 15, 2025. As a result, the refunded bonds were callable on February 15, 2025, and were no longer outstanding as of September 30, 2025.

Defeased but Outstanding Long-term Debt

The District has no defeased bonds outstanding as of August 31, 2025 resulting from prior year advance refundings.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Construction - During the 2024-25 fiscal year, the District continued construction of new facilities as well as renovation of some existing facilities. As of August 31, 2025, the District's construction commitments with the contractors are as follows:

<u>Campus/Location</u>	<u>Authorized Contract</u>	<u>Total In Progress</u>	<u>Remaining Commitment</u>
Eissler Elementary	\$ 45,008,193	\$ 43,546,310	\$ 1,461,883
Campbell Elementary	44,829,681	43,304,494	1,525,187
New JHS 7-9	140,444,905	80,993,256	59,451,649
Timber Mill High School	307,345,134	86,810,894	220,534,240
Caney Creek 9th	112,615,103	23,481,663	89,133,440
Cartwright JHS	108,595,823	21,703,274	86,892,549
Fowler Intermediate	50,824,590	13,454,959	37,369,631
Arnold Elementary	46,186,755	12,056,938	34,129,817
AG Barns	11,054,511	3,052,729	8,001,782
Infrastructure/ Safety & Security/ Gyms	168,348,074	67,483,927	100,864,147
Renovations & Additions	371,481,775	197,179,499	174,302,276
TOTAL	\$ 1,406,734,544	\$ 593,067,942	\$ 813,666,602

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 9 - COMMITMENTS AND CONTINGENCIES (continued)

Federal Financial Assistance - The District received significant financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies and the TEA. Any disallowed claims resulting from such audits could become a liability of the General Fund. However, in the opinion of management, such disallowed claims, if any, will not have a material effect on any of the financial statements of the individual funds included herein or on the overall financial position of the District at August 31, 2025.

Legal Proceedings - The District is a defendant in various legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any present legal proceeding will not have a material adverse effect on the accompanying basic financial statements.

NOTE 10 - GENERAL FUND FEDERAL PROGRAM REVENUE

Programs that are federally funded are accounted for in the Special Revenue Funds of the District. The District received \$1,628,576 in revenue from the SHARS and MAC Medicaid Programs. These programs are accounted for in the General Fund as required by the TEA.

NOTE 11 – REVENUES FROM LOCAL AND INTERMEDIATE SOURCES

During the current year, revenues from local and intermediate sources consisted of the following:

	General	Debt Service	Capital Projects	Other Non Major Funds	Total
Property Taxes	\$ 361,390,591	\$ 151,023,485	\$ -	\$ -	\$ 512,414,076
Penalties, Interest, and Other Tax Related Income	2,430,883	874,536	-	-	3,305,419
Summer School, Tuition and Fees	507,841	-	-	-	507,841
Investment Income	11,978,907	2,619,480	36,098,786	283,408	50,980,581
Food Sales	-	-	-	10,098,214	10,098,214
Co-Curricular Student Activities	1,450,979	-	-	-	1,450,979
Building Rental	757,919	-	-	-	757,919
Other	2,691,252	-	-	2,142	2,693,394
Total	\$ 381,208,372	\$ 154,517,501	\$ 36,098,786	\$ 10,383,764	\$ 582,208,423

Building Rental revenues include revenues from leases recognized under GASB 87 amounting to \$71,011 for the year ending August 31, 2025.

NOTE 12 - OTHER FINANCING SOURCES AND OTHER FINANCING USES

Other financing sources in the general fund consist of \$1,174,163 in proceeds from Right to Use Leased Assets and SBITAs. Other financing uses in the general fund was due to a transfer of \$7,000,000 from the general fund to the internal service fund to support districts self funded health plan. Other financing sources in other non major fund consist of \$1,395,020 in proceeds from Right to Use Leased Assets and SBITAs.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 12 - OTHER FINANCING SOURCES AND OTHER FINANCING USES (continued)

For the year ended August 31, 2025 other resources and uses consist of the following:

	General Fund	Debt Service Fund	Capital Projects Fund	Other Non Major Funds
Other Financing Sources				
Capital-Related Debt Issued	\$ -	\$ -	\$ 594,575,000	\$ -
Sale of Real and Personal Property	19,555	-	-	-
Refunding Bonds Issued	-	129,355,000	-	-
Proceeds from Right to Use Leased Assets and SBITA	1,174,163	-	-	1,395,020
Premium or Discount on Issuance of Bonds	-	31,234,455	5,425,000	-
Transfers in	-	-	-	-
Total Other Financing Sources	<u>\$ 1,193,718</u>	<u>\$ 160,589,455</u>	<u>\$ 600,000,000</u>	<u>\$ 1,395,020</u>
Other Financing Uses				
Payment to Bond Refunding Agent	\$ -	\$ (141,647,766)	\$ -	\$ -
Transfers out	(7,000,000)	-	-	-
Total Other Financing Uses	<u>\$ (7,000,000)</u>	<u>\$ (141,647,766)</u>	<u>\$ -</u>	<u>\$ -</u>

NOTE 13 - DEFINED BENEFIT PENSION PLAN

A. Plan Description

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

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

B. Pension Plan Fiduciary Net Position

Detailed information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at https://www.trs.texas.gov/Pages/about_archive_cafr.aspx; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

C. Benefits Provided

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

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 13 - DEFINED BENEFIT PENSION PLAN (continued)

D. Contributions

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

Employee contribution rates are set in state statute, Texas Government Code 825.402. Contribution rates for the last two fiscal years are as follows:

	Contribution Rates	
	2025	2024
Member	8.25%	8.25%
Non-Employer Contributing Entity(State)	8.25%	8.25%
Employer	8.25%	8.25%
District 2025 Employer contributions	\$22,468,958	
District 2025 Member contributions	\$44,961,719	
District 2025 NECE On-Behalf contributions	\$31,482,834	

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act (GAA). As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during that fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

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

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

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.
- All public schools, charter schools, and regional educational service centers must contribute 1.5 percent of the member's salary beginning in fiscal year 2020, gradually increasing to 2 percent in fiscal year 2025.

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 13 - DEFINED BENEFIT PENSION PLAN (continued)

E. Actuarial Assumptions

The total pension liability in the August 31, 2023 actuarial valuation rolled forward to August 31, 2024 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 2024	3.87%*
Last year ending August 31 in projection period (100 years)	2123
Inflation	2.30%
Salary increases including inflation	2.95% to 8.95% including inflation
Ad hoc post-employment benefit changes	None
Active mortality rates	The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioner Mortality Tables with full generational projection using the ultimate improvement rates from the most recently published projection scale U-MP. The active mortality rates were based on the published PUB(2010) Mortality Tables for Teachers, below median, also with full generational mortality.

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

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

F. 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 nonemployer contributing entity will be made at the rates set by the Legislature during the 2019 legislative session. It is assumed that future employer and state contributions will be 9.54 percent of payroll in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 13 - DEFINED BENEFIT PENSION PLAN (continued)

F. Discount Rate (continued)

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 are summarized below:

Asset Class	Target Allocation*	Long Term Expected Geometric Real Rate of Return**	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
U.S.	18%	4.4%	1.0%
Non-U.S. Developed	13%	4.2%	0.8%
Emerging Markets	9%	5.2%	0.7%
Private Equity	14%	6.7%	1.2%
Stable Value			
Government Bonds	16%	1.9%	0.4%
Absolute Return (including Credit Sensitive Instruments)	-	4.0%	-
Stable Value Hedge Funds	5%	3.0%	0.2%
Real Return			
Real Assets	15%	6.6%	1.2%
Energy, Natural Resources & Infrastructure	6%	5.6%	0.4%
Commodities	-	2.5%	-
Risk Parity			
Risk Parity	8%	4.0%	0.4%
Asset Allocation Leverage			
Cash	2%	1.0%	0.0%
Asset Allocation Leverage	(6)%	1.3%	(0.1)%
Inflation Expectation			2.4%
Volatility Drag ***			(0.7)%
Expected Return	100%		7.9%

* Target allocations are based on the FY2024 policy model.

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

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

G. Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net Pension Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (7.00%) in measuring the 2024 Net Pension Liability.

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
District's proportionate share of the net pension liability:	\$ 380,452,143	\$ 238,191,476	\$ 120,318,401

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 13 - DEFINED BENEFIT PENSION PLAN (continued)

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

At August 31, 2025, the District reported a liability of \$238,191,476 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's Proportionate share of the collective net pension liability	\$	238,191,476
State's proportionate share that is associated with District		315,313,977
Total	\$	<u>553,505,453</u>

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

At August 31, 2024 the employer's proportion of the collective net pension liability was .3899% which was a decrease of .0093% from its proportion measured as of August 31, 2023. For the year ended August 31, 2025, the District recognized pension expense of \$76,922,641 and revenue of \$37,685,290 for support provided by the State.

At August 31, 2025, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual		
economic experience	\$ 13,128,789	\$ 1,859,683
Changes in actuarial assumptions	12,298,336	1,648,787
Difference between projected and actual		
investment earnings	1,447,883	-
Changes in proportion and difference between the District's		
contributions and the proportionate share of	19,844,428	5,593,481
contributions		
Contributions paid to TRS subsequent to the	22,468,958	-
measurement date		
	<u>\$ 69,188,394</u>	<u>\$ 9,101,951</u>

\$22,468,958 reported as a deferred outflows related to contribution subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended 2026.

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 13 - DEFINED BENEFIT PENSION PLAN (continued)

H. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

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

<u>For Year Ended</u>	<u>Pension Expense Amount</u>
2026	\$ 6,042,636
2027	30,962,132
2028	6,123,306
2029	(5,755,767)
2030	245,178
Thereafter	-
Total	<u>\$ 37,617,485</u>

NOTE 14 – DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN

A. Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRSCare). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. The plan is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees. It is established and administered in accordance with the Texas Insurance Code, Chapter 1575.

B. OPEB Plan Fiduciary Net Position

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

C. Benefits Provided

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

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

The premium rates for the optional health insurance are based on years of service of the member. The schedule below shows the monthly rates for the average retiree with and without Medicare coverage.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 14 – DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (continued)

C. Benefits Provided (continued)

TRS-Care Plan Premium Rates
Effective January 1, 2024 -December 31, 2024

	Medicare	Non-Medicare
Retiree or Surviving Spouse	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree or Surviving Spouse and Children	468	408
Retiree and Family	1,020	999

D. Contributions

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

Texas Insurance Code, section 1575.202 establishes the state's contribution rate which is 1.25% of the employee's salary. Section 1575.203 establishes the active employee's rate which is .65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act.

The following table shows contributions to the TRS-Care plan by type of contributor.

	Contribution Rates	
	2025	2024
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (state)	1.25%	1.25%
Employer/District	0.75%	0.75%
Federal/private funding remitted by employers	1.25%	1.25%

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

District 2025 Employer contributions	\$4,375,811
District 2025 Member contributions	\$3,542,391
District 2025 NECE On-Behalf contributions	\$6,524,327

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

The Medicare Prescription Drug, Improvement, and Modernization act of 2003 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. Medicare Part D allows for TRS-Care to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the years ended August 31, 2025, 2024, and 2023, the subsidy payments received by TRS-Care on behalf of the District were \$3,844,383 \$2,948,453, and \$2,765,172, respectively. These payments are recorded as equal revenues and expenditures in the governmental funds financial statements.

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 14 – DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (continued)

E. Actuarial Assumptions

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

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

The following assumptions used for the valuation of the TRS-Care OPEB liability are identical to the assumptions employed in the August 31, 2024 TRS annual pension actuarial valuation:

<u>Demographic Assumptions</u>	<u>Economic Assumptions</u>
Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Salary Increases
Rates of Disability	

The demographic assumptions were developed in the experience study performed by TRS for the period ending August 31, 2021.

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

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

Actuarial Cost Method	Individual Entry Age Normal
Single Discount Rate	3.87%
Inflation	2.30%
Aging Factors	Based on the Society of Actuaries' 2013 Study "Health Care Costs - From Birth to Death".
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Salary Increases	2.95% to 8.95%, including inflation
Ad hoc Post-employment Benefit Changes	None

F. Discount Rate

A single discount rate of 3.87 percent was used to measure the total OPEB liability. This was a decrease of .26 percent in the discount rate since the previous year. Since the plan is a pay-as-you-go plan, the single discount rate is equal to the prevailing municipal bond rate.

G. Rate Sensitivity of the Net OPEB Liability

The following schedule shows the impact of the net OPEB liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (3.87%) in measuring the net OPEB liability.

	1% Decrease	Current	1% Increase
	2.87%	Discount Rate 3.87%	4.87%
TRS-CARE	\$ 176,420,784	\$ 148,496,502	\$ 125,933,263

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 14 – DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (continued)

G. Rate Sensitivity of the Net OPEB Liability (continued)

The following schedule shows the impact of the Net OPEB Liability if the healthcare cost trend rate used was 1% less than and 1% greater than the healthcare cost trend rate that was used in measuring the Net OPEB Liability.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
TRS-CARE	\$ 120,928,355	\$ 148,496,502	\$ 184,420,547

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

At August 31, 2025, the District reported a liability of \$148,496,502 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the net OPEB liability	\$ 148,496,502
State's proportionate share of the net OPEB liability associated with the District	186,064,103
Total	<u>\$ 334,560,605</u>

The net OPEB liability was measured as of August 31, 2024 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of August 31, 2023 rolled forward to August 31, 2024. The District's proportion of the net OPEB liability was based on the District'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.

At the measurement date of August 31, 2024, the District's proportion of the collective net OPEB liability was .4893% which was a decrease of .0161% from its proportion measured as of August 31, 2023.

For the year ended August 31, 2025, the District recognized total OPEB expense of (\$35,304,905) which includes the on-behalf portion of (\$24,184,900) from the State.

The primary reasons for the liability reduction and the presentation of negative OPEB expense for the District and the State were due to savings to the fully-insured Medicare Advantage premiums, which resulted from Congress' repeal of the Health Insurer fee in December 2019 and vendor premium guarantees, and favorable claims and rebate experience for the prescription drug benefits provided to Medicare retirees.

CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025

NOTE 14 – DEFINED OTHER POST-EMPLOYMENT BENEFIT PLAN (continued)

H. OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs (continued)

At August 31, 2025, the District reported deferred outflows of resources for contributions made after the measurement date and its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 28,461,794	\$ 74,107,805
Changes in actuarial assumptions	19,005,798	48,452,691
Net difference between projected and actual earnings on pension plan investments	-	415,838
Changes in proportion and difference between the District's contributions and proportionate share of contributions (cost-sharing plan)	37,653,549	9,387,509
District contributions after measurement date	4,468,901	-
	<u>\$ 89,590,042</u>	<u>\$ 132,363,843</u>

\$4,468,901 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the OPEB liability in the fiscal year ended August 31, 2026. Other amounts reported as deferred outflows of resources (deferred inflows of resources) related to OPEB will be recognized in OPEB expense as follows:

<u>For Year Ended</u>	<u>OPEB Expense Amount</u>
2026	\$ (14,985,187)
2027	(8,259,627)
2028	(12,113,116)
2029	(10,179,736)
2030	(3,822,975)
Thereafter	2,117,939
Total	<u>\$ (47,242,702)</u>

Changes Since the Prior Actuarial Valuation

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

- The discount rate changed from 4.13% as of August 31, 2023 to 3.87% as of August 31, 2024. This change increased the total OPEB liability.

Changes of Benefit Terms Since the Prior Measurement Date

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

NOTE 15 - RISK MANAGEMENT

The District is exposed to various risks related to torts: theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District's risk management program encompasses various means of protecting the District against loss by obtaining property, casualty, and liability coverage through commercial insurance carriers, self-insurance, and from participation in a risk pool. The District's participation in the risk pool is limited to payments of premiums. Settlements over the past three years have not exceeded the coverage of the district's commercial insurance, otherwise the exceeded amount would be funded through the general fund.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 15 - RISK MANAGEMENT (Continued)

Health Benefits

On October 1, 2000, the District began a self-funded environment for provision of employee health insurance. The District made contributions to cover the employees and the employees, at their option, authorized payroll withholdings to pay contributions for dependents. The plan was authorized by state statute and was documented by contractual agreement. The contract between the District and the third party administrator is renewable annually.

In accordance with state statute, the District maintains a catastrophic loss insurance policy, which reimburses the District for annual claims totaling over \$550,000 per covered individual with an aggregate limit of liability for the insurer totaling \$5,000,000. For the fiscal years ended 2023, 2024, and 2025 the District has received insurance settlements in the amounts of \$5,096,543, \$176,924 and \$804,839 respectively. The District made no significant reductions in insurance coverage for the 2024-25 fiscal year. The District's contributions for benefits during the year totaled \$33,066,886. Estimates of claims payable and of claims incurred but not reported at August 31, 2025, are reflected as accrued expenses of the fund. The liabilities include an amount for claims that have been incurred but were not reported until after August 31, 2025. Because actual claims liabilities depend on such complex factors such as inflation, changes in legal requirements, and damage awards, the process used in computing claims liability is an estimate.

Analysis of claims liability for the fiscal year 2025 is as follows:

	Health Benefits	
	2025	2024
Claims payable, September 1	\$ 2,830,664	\$ 3,969,087
Incurred claims and claim adjustment expenses:		
Provision for insured events of the current fiscal year	73,365,571	58,291,841
Total incurred claims and claim adjustment expenses	73,365,571	58,291,841
Payments:		
Claims and claim adjustment expenses attributable		
to insured events for the current fiscal year	69,866,581	55,461,177
Claim and claim adjustment expenses attributable		
to insured events of prior fiscal years	2,830,664	3,969,087
Total payments	72,697,245	59,430,264
Claims payable, August 31	\$ 3,498,990	\$ 2,830,664

NOTE 16 - ARBITRAGE EARNINGS REBATE

As a result of the Tax Reform Act of 1986, the Series 2014, 2015, 2016, 2017, 2018, 2019, 2020, 2022, 2023, 2024 and 2025 General Obligation Bonds are subject to arbitrage earnings rebate. Generally, amounts earned on investments from unspent bond proceeds in excess of the interest paid on the bonds must be rebated to the Internal Revenue Service. For the year ended August 31, 2025 the District had \$19,284,506 in arbitrage liability.

Conroe Independent School District



CONROE
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REQUIRED SUPPLEMENTARY INFORMATION

CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2025 WITH COMPARATIVE ACTUAL AMOUNT FOR 2024

		General Fund				
		2025				
Data Control Codes		Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance Positive (Negative)	2024 Actual Amounts
REVENUES						
5700	Local and Intermediate Sources	\$ 383,010,439	\$ 383,247,248	\$ 381,208,372	\$ (2,038,876)	\$ 372,579,752
5800	State Program Revenues	317,062,422	355,862,422	342,965,924	(12,896,498)	311,981,844
5900	Federal Program Revenues	-	3,422,078	2,080,848	(1,341,230)	4,573,593
	Total Revenues	700,072,861	742,531,748	726,255,144	(16,276,604)	689,135,189
EXPENDITURES						
0011	Instruction	438,693,255	443,646,335	440,973,425	2,672,910	428,699,478
0012	Instruction Resources and Media Services	7,130,983	7,239,268	7,064,781	174,487	6,805,175
0013	Curriculum and Instructional Staff Development	16,357,028	17,101,447	16,951,287	150,160	15,428,287
0021	Instructional Administration	8,602,370	8,132,018	7,887,686	244,332	7,926,501
0023	School Administration	45,038,476	46,095,390	45,998,590	96,800	45,397,919
0031	Guidance and Counseling Services	26,087,487	28,602,316	28,164,037	438,279	26,134,988
0032	Social Work Service	1,236,526	1,719,657	1,580,860	138,797	1,547,897
0033	Health Services	8,259,923	9,148,840	8,898,563	250,277	9,036,801
0034	Student (Pupil) Transportation	32,734,883	37,317,963	36,900,514	417,449	35,529,286
0035	Child Nutrition	-	4,776	4,776	-	-
0036	Co-curricular/Extracurricular Activities	14,077,411	16,219,110	15,944,851	274,259	15,528,110
0041	General Administration	12,555,284	13,509,207	12,666,746	842,461	12,995,519
0051	Plant Maintenance and Operations	74,781,247	74,525,013	72,693,082	1,831,931	74,749,041
0052	Security and Monitoring Services	10,827,815	11,937,840	11,678,659	259,181	11,406,370
0053	Data Processing Services	10,360,257	9,544,726	8,910,058	634,668	9,161,068
0061	Community Services	76,296	130,822	73,510	57,312	61,825
0071	Principal	-	719,846	719,841	5	4,016,434
0072	Interest	-	-	-	-	96,931
0081	Facilities Acquisition and Construction	-	17,357	-	17,357	1,561,680
0099	Other Intergovernmental Charges	5,150,000	5,150,000	4,682,342	467,658	4,509,519
6030	Total Expenditures	711,969,241	730,761,931	721,793,608	8,968,323	710,592,829
1100	Excess of Revenues Over (Under) Expenditures	(11,896,380)	11,769,817	4,461,536	(7,308,281)	(21,457,640)
OTHER FINANCING SOURCES (USES)						
7912	Sale of Real Property	-	19,555	19,555	-	-
7913	Proceeds from Right to Use Leased Assets and SBITA Assets	-	1,174,163	1,174,163	-	4,274,730
7915	Transfers in	-	-	-	-	18,800,000
8911	Transfers out	-	-	(7,000,000)	(7,000,000)	-
	Total Other Financing Sources and (Uses)	-	1,193,718	(5,806,282)	(7,000,000)	23,074,730
Net Change in Fund Balance						
		(11,896,380)	12,963,535	(1,344,746)	(14,308,281)	1,617,090
FUND BALANCE - SEPTEMBER 1						
		165,388,639	165,388,639	165,388,639	-	163,771,549
FUND BALANCE - AUGUST 31						
		\$ 153,492,259	\$ 178,352,174	\$ 164,043,893	\$ (14,308,281)	\$ 165,388,639

See note to required supplementary information

Conroe Independent School District



CONROE
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**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
TEACHERS RETIREMENT SYSTEM
FOR THE LAST TEN FISCAL YEARS**

	2025	2024	2023	2022
District's Proportion of the Net Pension Liability	0.3899%	0.3993%	0.3767%	0.3396%
District's Proportionate Share of Net Pension Liability	\$ 238,191,476	\$ 274,270,438	\$ 223,627,723	\$ 86,473,036
State's Proportionate Share of the Net Pension Liability Associated with the District	315,313,977	343,347,661	301,452,545	139,107,198
Total	<u>\$ 553,505,453</u>	<u>\$ 617,618,099</u>	<u>\$ 525,080,268</u>	<u>\$ 225,580,234</u>
District's Covered Payroll	\$ 536,495,356	\$ 501,535,756	\$ 462,004,321	\$ 432,857,585
District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	44.40%	54.69%	48.40%	19.98%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	77.51%	73.15%	75.62%	88.79%

Note: The amounts presented above were determined as of the measurement date, which is August 31 of the year prior to the District's fiscal year.

See notes to required supplementary information.

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
0.3091%	0.3267%	0.3139%	0.3055%	0.2918%	0.2935%
\$ 165,523,063	\$ 169,824,823	\$ 172,789,144	\$ 97,679,904	\$ 110,262,614	\$ 103,744,950
290,533,934	275,674,543	294,047,217	171,892,834	203,544,224	188,566,858
<u>\$ 456,056,997</u>	<u>\$ 445,499,366</u>	<u>\$ 466,836,361</u>	<u>\$ 269,572,738</u>	<u>\$ 313,806,838</u>	<u>\$ 292,311,808</u>
\$ 405,799,379	\$ 383,159,912	\$ 361,846,953	\$ 345,328,126	\$ 326,577,110	\$ 304,661,262
40.79%	44.32%	47.75%	28.29%	33.76%	34.05%
75.54%	75.24%	73.74%	82.17%	78.00%	78.43%

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TEACHERS RETIREMENT SYSTEM
FOR THE LAST TEN FISCAL YEARS**

	2025	2024	2023	2022
Contractually Required Contribution	\$ 22,468,958	\$ 21,974,228	\$ 20,523,399	\$ 17,576,873
Contribution in Relation to the Contractually Required Contribution	(22,468,958)	(21,974,228)	(20,523,399)	(17,576,873)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 545,015,296	\$ 536,495,356	\$ 501,535,756	\$ 462,004,321
Contributions as a Percentage of Covered Payroll	4.12%	4.10%	4.09%	3.80%

Note: The amounts presented for the fiscal years were determined as of the District's fiscal year end August 31.

See notes to required supplementary information.

2021	2020	2019	2018	2017	2016
\$ 14,490,479	\$ 12,195,125	\$ 11,496,876	\$ 11,063,733	\$ 10,012,247	\$ 9,270,866
(14,490,479)	(12,195,125)	(11,496,876)	(11,063,733)	(10,012,247)	(9,270,866)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 432,857,585	\$ 405,799,378	\$ 383,159,912	\$ 361,846,953	\$ 345,328,126	\$ 326,577,110
3.35%	3.01%	3.00%	3.06%	2.90%	2.84%

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB
LIABILITY OF A COST-SHARING MULTIPLE-EMPLOYER OPEB PLAN
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE LAST EIGHT FISCAL YEARS**

	<u>2025</u>	<u>2024</u>
District's Proportion of the Net OPEB Liability	0.4893%	0.5053%
District's Proportionate Share of Net OPEB Liability	\$ 148,496,502	\$ 111,866,670
State's Proportionate Share of the Net OPEB Liability Associated with the District	<u>186,064,103</u>	<u>134,984,332</u>
Total	<u>\$ 334,560,605</u>	<u>\$ 246,851,002</u>
 District's Covered Payroll	 \$ 536,495,356	 \$ 501,535,756
 District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	 27.68%	 22.30%
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	 13.70%	 14.94%

Note: The amounts presented above were determined as of the measurement date, which is August 31 of the year prior to the District's fiscal year.

Ten years of data is not available.

See notes to required supplementary information.

2023	2022	2021	2020	2019	2018
0.4831%	0.4482%	0.4277%	0.4353%	0.4202%	0.3933%
\$ 115,666,099	\$ 172,908,251	\$ 162,575,489	\$ 205,866,828	\$ 209,808,086	\$ 171,016,770
141,094,468	231,658,523	218,462,487	273,550,966	314,607,399	275,229,670
<u>\$ 256,760,567</u>	<u>\$ 404,566,774</u>	<u>\$ 381,037,976</u>	<u>\$ 479,417,794</u>	<u>\$ 524,415,485</u>	<u>\$ 446,246,440</u>
\$ 462,004,321	\$ 432,857,585	\$ 405,799,379	\$ 383,159,912	\$ 361,846,953	\$ 345,328,126
25.04%	39.95%	40.06%	53.73%	57.98%	49.52%
11.52%	6.18%	4.99%	2.66%	1.57%	0.91%

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
TO THE TEACHER RETIREMENT SYSTEM OF TEXAS OPEB PLAN
FOR THE LAST EIGHT FISCAL YEARS**

	2025	2024	2023
Contractually Required Contribution	\$ 4,468,901	\$ 4,443,276	\$ 4,382,852
Contribution in Relation to the Contractually Required Contribution	<u>(4,468,901)</u>	<u>(4,443,276)</u>	<u>(4,382,852)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 545,015,296	\$ 536,495,356	\$ 501,535,756
Contributions as a Percentage of Covered Payroll	0.82%	0.83%	0.87%

Note: The amounts presented for the fiscal years were determined as of the District's fiscal year end August 31.

Data for ten years is not available.

See notes to the required supplementary information.

2022	2021	2020	2019	2018
\$ 3,967,645	\$ 3,501,807	\$ 3,113,437	\$ 3,099,317	\$ 3,026,353
<u>(3,967,645)</u>	<u>(3,501,807)</u>	<u>(3,113,437)</u>	<u>(3,099,317)</u>	<u>(3,026,353)</u>
<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>
 \$ 462,004,321	 \$ 432,857,585	 \$ 405,799,378	 \$ 383,159,912	 \$ 361,846,953
 0.86%	 0.81%	 0.77%	 0.81%	 0.84%

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 1 – STEWARDSHIP, COMPLIANCE and ACCOUNTABILITY

Budgetary information

The Board adopts an “appropriated budget” on a basis consistent with GAAP for the general fund, debt service fund, capital projects fund, and child nutrition fund (which is included in special revenue funds). At a minimum, the District is required to present the original and the final amended budgets for revenues and expenditures compared to actual revenues and expenditures for the general fund, debt service fund, and child nutrition fund.

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

- Prior to August 20th the District prepares a budget based on sited based and line item budgeting concepts for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- After one or more budget workshops with the Board, a meeting is called to adopt the proposed budget. At least ten days but not more than 30 days public notice of the meeting is required.
- Prior to August 31st the Board of Trustees legally adopts the budget for the general fund, debt service fund, and child nutrition fund.
- After the budget for the above listed funds is approved, any amendment that causes an increase or decrease in a fund, functional spending category, total revenue, or other resources object category, requires Board approval prior to the fact. These amendments are presented to the Board at its regular monthly meeting and are reflected in the official minutes. Because the District has a policy of careful budgetary control, several budgetary amendments were necessary throughout the year.
- Expenditure budgets are controlled at the functional and object level category, by the appropriate budget manager (principal, department director or divisional administrator). Budget managers may authorize transfers within functional and organizational categories that do not affect the total functional and organizational appropriation. All budget appropriations lapse at year-end.

Encumbrance accounting, under which purchase orders, contracts, and other commitments are recorded to reserve that portion of the applicable appropriation is used in all governmental funds. Encumbrances outstanding at year-end are commitments that do not constitute expenditures or liabilities but are reported as reservations of fund balances. Since appropriations lapse at the end of each year, outstanding encumbrances are appropriately provided for in the subsequent fiscal year’s budget to provide for the liquidation of the prior commitments. End-of-year outstanding encumbrances that were provided for in the subsequent year’s budget are presented below:

General Fund	\$4,849,401
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An assignment of fund balance equal to the outstanding encumbrances at year-end is provided for at August 31, 2025.

**CONROE INDEPENDENT SCHOOL DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED AUGUST 31, 2025**

NOTE 2 – NET PENSION LIABILITY AND NET OPEB LIABILITY

The following factors significantly affect trends in the amounts reported for the District's proportionate share of the net pension liability:

Changes in Actuarial Assumptions and Inputs

Measurement Date August 31,	Net Pension Liability		Net OPEB Liability
	Discount Rate	Long-term Expected Rate of Return	Discount Rate
2024	7.000%	7.000%	3.870%
2023	7.000%	7.000%	4.130%
2022	7.000%	7.000%	3.910%
2021	7.250%	7.250%	1.950%
2020	7.250%	7.250%	2.330%
2019	7.250%	7.250%	2.630%
2018	6.907%	7.250%	3.690%
2017	8.000%	8.000%	3.420%
2016	8.000%	8.000%	
2015	8.000%	8.000%	

Changes in Demographic and Economic Assumptions

There were no changes in demographic and economic assumptions since the prior measurement date.

Changes in Benefit Terms

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for particular purposes. Most, but not all, of these funds must be applied for through the Standard Application System (SAS).

Texas Education for Homeless Children & Youth Grant: To facilitate the identification, enrollment, attendance, and academic success of homeless children and unaccompanied youth by removing barriers and promote school stability for students experiencing homelessness.

ESEA, Title I, Part A: To provide educational programs for educationally disadvantaged or handicapped children.

ESEA, Title I, Part D: To provide programs for facilitating the transition and academic needs of students from correctional programs to further education or employment.

ESEA, Title I, Part C Migrant: To provide programs for children of migrant agriculture or agriculture-related workers and children of migrant fishermen.

IDEA, Part B Formula: To provide educational programs for children with disabilities.

IDEA, Part B Preschool: To provide programs for preschool children with disabilities.

IDEA, Part B High Cost Fund: To provide programs and related services for high-need children with disabilities.

Child Nutrition: To provide food service operations for all students of the District. The fund draws revenue from local, state, and federal sources.

Vocational Education: To provide career and technology education to develop new and/or improved marketable skills for paid and unpaid employment.

ESEA, Title II Part A, TPTR: Increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified teachers in classrooms and highly qualified principals and assistant principals in schools, and hold local education agencies and schools accountable for improving student academic achievement.

Title III, Part A, LEP & Immigrant: To improve the education of limited English proficient children, by assisting the children to learn English and meet challenging State academic content and student academic achievement standards.

ARP Homeless II: To increase local education agencies (LEAs) and education service centers (ESCs) capacity to identify, enroll, and provide wraparound services to address the unique needs of homeless children and youth due to the impact of the COVID-19 pandemic.

ESSER III: To help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on students.

Title IV: To provide all students access to a well-rounded education, improve academic outcomes by maintaining a safe and healthy school environment, and improve the use of technology to advance student academic achievement.

Summer School LEP: Provides funding for summer school programs to enhance the skills needed in the areas of reading and language development for Limited English Proficient (LEP) students in Pre-Kindergarten and Kindergarten.

Cybersecurity: The purpose of the State and Local Cybersecurity Grant Program (SLCGP) is to assist state, local and territorial (SLT) governments with managing and reducing cyber risk.

SSA IDEA-B Discretionary Deaf: To support an education service center basic special education component and also targeted support to LEA's, Regional Day School Programs for the Deaf, Private residential placements, priority placements, and other emerging needs.

SSA IDEA-C Deaf: To assist local Regional Day School for the Deaf programs and the Texas School for the Deaf in providing direct services to hearing-impaired infants to toddlers, ages birth to two years of age.

Visual Impairment: Support program for visually impaired students.

AP/IB Incentive Program: Support the professional development of teachers teaching advanced classes.

Instructional Materials Allotment: To purchase instructional materials, technological equipment, and technology-related services.

Read To Succeed License Plates: Money awarded to campus libraries from the state based on license plate purchases.

Achievement Academy Teacher Stipend: Money awarded to teachers for attending achievement academies that provide mathematics and reading instruction to students in kindergarten, grade 1, grade 2, or grade 3.

Clean Bus: This grant program implements the portion of the Texas Emissions Reduction Plan (TERP) related to the Texas Clean School Bus (TCSB) Program, as authorized under Texas Health and Safety Code Chapter 390. Texas Commission on Environmental Quality (TCEQ) adopted rules to implement this program under 30 Texas Administrative Code (TAC), Chapter 114, Subchapter K, Division 4. The program provides funding for activities that will reduce children's exposure to diesel exhaust in and around diesel-fueled school buses.

School Safety Standards Formula Grant: To assist LEAs in meeting the new school safety standards and to include other security related costs like metal detectors, cameras, and monitoring tools such as those allowed under the school safety allotment, the SB500 school safety and security grant, and the silent panic alert technology grant.

SSA Deaf Coop: Funds allocated for staff and activities of the Regional Day School Program for the Deaf (RDSPD).

Coke Grant: Funds received from Coke commissions to be used for district technology.

CONROE INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
TOTAL NON MAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2025 WITH COMPARATIVE TOTALS FOR 2024

Data Control Codes	206 Homeless Children & Youth Grant	211 ESEA Title I Part A & D	212 ESEA Title I Part C Migrant	224 IDEA Part B Formula	225 IDEA Part B Preschool	226 High Cost Fund
ASSETS:						
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1120 Temporary Investments, at Fair Value	-	-	-	-	-	-
1100 Total Cash and Current Investments	-	-	-	-	-	-
Receivables:						
1240 Due from TEA	8,418	868,097	57	364,677	3,920	-
1260 Due from Other Funds	-	-	-	-	-	-
1290 Sundry Receivables	-	-	-	-	-	-
1300 Inventories, at Cost	-	-	-	-	-	-
1400 Prepaid Items	-	-	-	-	-	-
1000 Total Assets	\$ 8,418	\$ 868,097	\$ 57	\$ 364,677	\$ 3,920	\$ -
LIABILITIES:						
Current Liabilities:						
2110 Accounts Payable	\$ 2,008	\$ 8,182	\$ 50	\$ 43,018	\$ -	\$ -
2160 Accrued Wages Payable	-	-	-	-	-	-
2170 Due to Other Funds	6,410	859,915	7	321,659	3,920	-
2300 Unearned Revenues	-	-	-	-	-	-
2000 Total Liabilities	8,418	868,097	57	364,677	3,920	-
FUND BALANCE:						
Restricted For:						
3450 Food Service Operations	-	-	-	-	-	-
3450 Grant Operations	-	-	-	-	-	-
Committed to:						
3545 Technology & Food Service	-	-	-	-	-	-
3000 Total Fund Equity	-	-	-	-	-	-
4000 Total Liabilities and Fund Equity	\$ 8,418	\$ 868,097	\$ 57	\$ 364,677	\$ 3,920	\$ -

240/242 Child Nutrition and Summer Feeding	244 Voc. Ed. Basic Grant	255 ESEA Title II Part A, TPTR	263 Title III, Part A LEP & Immigrant	280 ARP Homeless II	282 ESSER III Grant	288 Title IV Part A-ELA	289 Other Federal Grants
\$ 1,239,855	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3,764,212	-	-	-	-	-	-	-
5,004,067	-	-	-	-	-	-	-
1,511,986	72,190	159,594	93,747	-	-	63,343	287,397
5,976,939	-	-	-	-	-	-	-
377	-	-	-	-	-	-	-
1,282,189	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
\$ 13,775,558	\$ 72,190	\$ 159,594	\$ 93,747	\$ -	\$ -	\$ 63,343	\$ 287,397
\$ 1,238,035	\$ 809	\$ 7,700	\$ 218	\$ -	\$ -	\$ -	\$ -
546,360	-	-	-	-	-	-	-
-	71,381	151,894	93,529	-	-	63,343	287,397
1,009,419	-	-	-	-	-	-	-
2,793,814	72,190	159,594	93,747	-	-	63,343	287,397
10,981,744	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
10,981,744	-	-	-	-	-	-	-
\$ 13,775,558	\$ 72,190	\$ 159,594	\$ 93,747	\$ -	\$ -	\$ 63,343	\$ 287,397

CONROE INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
TOTAL NON MAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2025 WITH COMPARATIVE TOTALS FOR 2024

Data Control Codes	315 SSA IDEA B Discretionary Deaf	340 SSA IDEA-C Deaf	385 Visually Impaired	397 AP/IB Incentive Program	410 Instructional Materials Allotment	429 Other State Funds
ASSETS:						
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 170,501	\$ -	\$ -
1120 Temporary Investments, at Fair Value	-	-	-	-	-	-
1100 Total Cash and Current Investments	-	-	-	170,501	-	-
Receivables:						
1240 Due from TEA	21,799	-	-	-	2,455,789	1,922,802
1260 Due from Other Funds	-	-	-	-	-	-
1290 Sundry Receivables	-	-	-	-	-	-
1300 Inventories, at Cost	-	-	-	-	-	-
1400 Prepaid Items	-	-	-	-	-	-
1000 Total Assets	\$ 21,799	\$ -	\$ -	\$ 170,501	\$ 2,455,789	\$ 1,922,802
LIABILITIES:						
Current Liabilities:						
2110 Accounts Payable	\$ 17,759	\$ -	\$ -	\$ -	\$ 157,212	\$ 101,828
2160 Accrued Wages Payable	-	-	-	-	-	-
2170 Due to Other Funds	4,040	-	-	-	2,298,577	1,814,867
2300 Unearned Revenues	-	-	-	-	-	6,107
2000 Total Liabilities	21,799	-	-	-	2,455,789	1,922,802
FUND BALANCE:						
Restricted For:						
3450 Food Service Operations	-	-	-	-	-	-
3450 Grant Operations	-	-	-	170,501	-	-
Committed to:						
3545 Technology & Food Service	-	-	-	-	-	-
3000 Total Fund Equity	-	-	-	170,501	-	-
4000 Total Liabilities and Fund Equity	\$ 21,799	\$ -	\$ -	\$ 170,501	\$ 2,455,789	\$ 1,922,802

435 SSA Deaf Coop	487 Coke Grant	Totals	
		August 31, 2025	August 31, 2024
\$ -	\$ 238,026	\$ 1,648,382	\$ 1,250,727
-	-	3,764,212	5,980,804
-	238,026	5,412,594	7,231,531
-	-	7,833,816	8,400,316
-	-	5,976,939	5,413,299
-	-	377	369
-	-	1,282,189	1,112,657
-	-	-	465,546
\$ -	\$ 238,026	\$ 20,505,915	\$ 22,623,718
\$ -	\$ -	\$ 1,576,819	\$ 3,536,033
-	-	546,360	516,589
-	-	5,976,939	5,413,299
-	-	1,015,526	1,002,045
-	-	9,115,644	10,467,966
-	-	10,981,744	11,279,454
-	-	170,501	640,414
-	238,026	238,026	235,884
-	238,026	11,390,271	12,155,752
\$ -	\$ 238,026	\$ 20,505,915	\$ 22,623,718

CONROE INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NON MAJOR GOVERNMENTAL FUNDS
YEAR ENDED AUGUST 31, 2025 WITH COMPARATIVE TOTALS FOR 2024

Data Control Codes	206 Homeless Children & Youth Grant	211 ESEA Title I Part A & D	212 ESEA Title I Part C Migrant	224 IDEA Part B Formula	225 IDEA Part B Preschool	226 High Cost Fund
REVENUES:						
5700 Local, Intermediate, and Out-of-State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-	-	-	-
5900 Federal Program Revenues	78,749	11,626,874	16,445	11,697,221	79,267	43,042
5020 Total Revenues	78,749	11,626,874	16,445	11,697,221	79,267	43,042
EXPENDITURES:						
0011 Instruction	-	7,225,507	1,866	2,269,995	79,267	43,042
0012 Instructional Resources and Media Services	-	21,510	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	2,966,748	-	84,911	-	-
0021 Instructional Administration	-	292,630	-	4,500	-	-
0023 School Administration	-	92,292	-	-	-	-
0031 Guidance and Counseling Services	-	200,650	-	9,334,969	-	-
0032 Social Work Services	78,749	164,687	14,579	-	-	-
0033 Health Services	-	40,001	-	2,846	-	-
0034 Student Transportation	-	170,934	-	-	-	-
0035 Food Service	-	-	-	-	-	-
0036 Co-curricular/Extracurricular Activities	-	-	-	-	-	-
0041 General Administration	-	16,852	-	-	-	-
0051 Plant Maintenance and Operations	-	-	-	-	-	-
0052 Security	-	-	-	-	-	-
0053 Data Processing Services	-	-	-	-	-	-
0061 Ancillary Services	-	435,063	-	-	-	-
0070 Debt Services:	-	-	-	-	-	-
0071 Principal	-	-	-	-	-	-
0073 Interest	-	-	-	-	-	-
6030 Total Expenditures	78,749	11,626,874	16,445	11,697,221	79,267	43,042
1100 Excess (Deficiency) Revenues Over Expenditures	-	-	-	-	-	-
OTHER FINANCING SOURCES AND (USES)						
7913 Proceeds from Right to Use Leased Assets and SBITA	-	-	-	-	-	-
7080 Total Other Financing Sources and (Uses)	-	-	-	-	-	-
1200 Net Change in Fund Balance	-	-	-	-	-	-
0100 Fund Balance - Beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

240/242 Child Nutrition and Summer Feeding	244 Voc. Ed. Basic Grant	255 ESEA Title II Part A, TPTR	263 Title III, Part A LEP & Immigrant	280 ARP Homeless II	282 ESSER III Grant	288 Title IV Part A-ELA	289 Other Federal Grants
\$ 10,381,622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
192,268	-	-	-	-	-	-	-
23,562,441	624,665	1,937,134	1,763,657	3,630	7,786	864,393	354,208
34,136,331	624,665	1,937,134	1,763,657	3,630	7,786	864,393	354,208
-	624,665	155,432	1,373,943	-	-	233,788	66,811
-	-	-	-	-	-	-	-
-	-	1,432,871	251,516	-	-	403,917	-
-	-	149,029	19,586	-	-	124,633	-
-	-	126,202	-	-	-	-	-
-	-	250	-	-	-	66,440	-
-	-	-	78,587	3,630	-	-	-
-	-	22,932	-	-	-	-	-
-	-	-	40,025	-	-	-	-
32,782,822	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	50,418	-	-	7,786	-	-
1,649,547	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	287,397
-	-	-	-	-	-	35,615	-
1,547	-	-	-	-	-	-	-
125	-	-	-	-	-	-	-
34,434,041	624,665	1,937,134	1,763,657	3,630	7,786	864,393	354,208
(297,710)	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(297,710)	-	-	-	-	-	-	-
\$ 11,279,454	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 10,981,744	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CONROE INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NON MAJOR GOVERNMENTAL FUNDS
YEAR ENDED AUGUST 31, 2025 WITH COMPARATIVE TOTALS FOR 2024

Data Control Codes	315 SSA IDEA B Discretionary	340 SSA IDEA-C Deaf	385 Visually Impaired	397 AP/IB Incentive Program	410 Instructional Materials Allotment	429 Other State Funds
REVENUES:						
5700 Local, Intermediate, and Out-of-State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	42,253	-	7,452,944	8,988,906
5900 Federal Program Revenues	118,647	1,845	-	-	-	-
5020 Total Revenues	118,647	1,845	42,253	-	7,452,944	8,988,906
EXPENDITURES:						
0011 Instruction	118,647	1,845	42,253	4,367	6,984,397	1,114
0012 Instructional Resources and Media Services	-	-	-	-	-	473
0013 Curriculum and Instructional Staff Development	-	-	-	-	819,989	-
0021 Instructional Administration	-	-	-	-	-	-
0023 School Administration	-	-	-	-	-	-
0031 Guidance and Counseling Services	-	-	-	-	-	-
0032 Social Work Services	-	-	-	-	-	-
0033 Health Services	-	-	-	-	-	-
0034 Student Transportation	-	-	-	-	-	3,854,650
0035 Food Service	-	-	-	-	-	-
0036 Co-curricular/Extracurricular Activities	-	-	-	-	-	-
0041 General Administration	-	-	-	-	-	-
0051 Plant Maintenance and Operations	-	-	-	-	-	4,640,586
0052 Security	-	-	-	-	-	181,920
0053 Data Processing Services	-	-	-	-	114,104	310,163
0061 Ancillary Services	-	-	-	-	-	-
0070 Debt Services:	-	-	-	-	-	-
0071 Principal	-	-	-	-	1,395,020	-
0073 Interest	-	-	-	-	-	-
6030 Total Expenditures	118,647	1,845	42,253	4,367	9,313,510	8,988,906
1100 Excess (Deficiency) Revenues Over Expenditures	-	-	-	(4,367)	(1,860,566)	-
OTHER FINANCING SOURCES AND (USES)						
7913 Proceeds from Right to Use Leased Assets and SBITA	-	-	-	-	1,395,020	-
7080 Total Other Financing Sources and (Uses)	-	-	-	-	1,395,020	-
1200 Net Change in Fund Balance	-	-	-	(4,367)	(465,546)	-
0100 Fund Balance - Beginning	\$ -	\$ -	\$ -	\$ 174,868	\$ 465,546	\$ -
3000 Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ 170,501	\$ -	\$ -

435 SSA Deaf Coop	487 Coke Grant	Totals	
		August 31, 2025	August 31, 2024
\$ -	\$ 2,142	\$ 10,383,764	\$ 10,274,682
651,026	-	17,327,397	21,022,112
-	-	52,780,004	67,945,268
651,026	2,142	80,491,165	99,242,062
651,026	-	19,877,965	33,776,424
-	-	21,983	241,719
-	-	5,959,952	6,267,288
-	-	590,378	762,962
-	-	218,494	1,134,162
-	-	9,602,309	11,497,162
-	-	340,232	564,068
-	-	65,779	362,205
-	-	4,065,609	1,927,886
-	-	32,782,822	32,460,726
-	-	-	65,551
-	-	75,056	182,089
-	-	6,290,133	10,732,266
-	-	181,920	279,039
-	-	711,664	171,009
-	-	470,678	484,487
-	-	1,396,567	5,548,851
-	-	125	12,898
651,026	-	82,651,666	106,470,792
-	2,142	(2,160,501)	(7,228,730)
-	-	1,395,020	6,189,292
-	-	1,395,020	6,189,292
-	2,142	(765,481)	(1,039,438)
\$ -	\$ 235,884	\$ 12,155,752	\$ 13,195,190
\$ -	\$ 238,026	\$ 11,390,271	\$ 12,155,752

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

LONG-TERM DEBT AND DEBT SERVICE

The long-term debt of the District (which consists of general obligation bonds, contractual obligations, leases, SBITAS and accrued compensated absences) is supported, secured and serviced by revenue derived from ad valorem taxes.

CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF LONG TERM DEBT
FOR THE YEAR ENDED AUGUST 31, 2025

Description	Interest Rate	Original Issue Amount	Amount Outstanding Aug 31, 2024	Issued Current Year	Retired/ Refunded Current Year
Unlimited Tax Schoolhouse Bonds, Series 2014	2.00-5.00%	\$ 76,920,000	\$ 2,560,000	-	\$ 2,560,000
Unlimited Tax Schoolhouse Bonds, Series 2014A	2.00-5.00%	129,205,000	52,755,000	-	52,255,000
Unlimited Tax Schoolhouse Bonds, Series 2014B	2.00-5.00%	21,085,000	14,555,000	-	810,000
Unlimited Tax Schoolhouse Bonds, Series 2015	2.00-5.00%	117,665,000	103,030,000	-	88,205,000
Unlimited Tax Schoolhouse Bonds, Series 2016	5.00%	138,015,000	99,195,000	-	4,885,000
Unlimited Tax Schoolhouse Bonds, Series 2016A	3.00-4.00%	206,675,000	171,995,000	-	8,625,000
Unlimited Tax Schoolhouse Bonds, Series 2017	3.00 - 5.00%	97,540,000	83,930,000	-	12,850,000
Unlimited Tax Schoolhouse Bonds, Series 2018	3.00 - 5.00%	174,435,000	166,055,000	-	1,905,000
Unlimited Tax Refunding Bonds, Series 2019	4.00 - 5.00%	66,755,000	13,990,000	-	7,005,000
Unlimited Tax Schoolhouse Bonds, Series 2020	2.50 - 5.00%	116,125,000	111,075,000	-	1,420,000
Unlimited Tax School Building and Refunding Bonds, Series 2020A	2.25 - 5.00%	328,325,000	304,210,000	-	9,295,000
Unlimited Tax Schoolhouse Bonds, Series 2022	1.00 - 5.00%	162,010,000	158,265,000	-	1,420,000
Unlimited Tax Schoolhouse Bonds, Series 2022A	4.00 - 5.00%	154,120,000	132,475,000	-	9,750,000
Unlimited Tax Refunding Bonds, Series 2023 A	5.00%	51,025,000	50,465,000	-	4,835,000
Unlimited Tax Schoolhouse Bonds, Series 2024	4.00 - 5.00%	550,395,000	550,395,000	-	20,570,000
Unlimited Tax Refunding Bonds, Series 2024	5.00%	129,355,000	-	129,355,000	-
Unlimited Tax School Building Bonds, Series 2025	4.00 - 5.00%	594,575,000	-	594,575,000	-
Total General Obligation Bonds		\$ 3,114,225,000	\$ 2,014,950,000	\$ 723,930,000	\$ 226,390,000
Vested Compensated Absences		n/a	1,497,934	4,892,946	291,781
Total General Long Term Debt		\$ 3,114,225,000	\$ 2,016,447,934	\$ 728,822,946	\$ 226,681,781

Amount Outstanding Aug 31, 2025	Interest Current Year	Requirements				Sept 1, 2027 Interest To Maturity
		Year Ending August 31, 2026		Year Ending August 31, 2027		
		Principal	Interest	Principal	Interest	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
500,000	15,000	-	15,000	-	15,000	22,500
13,745,000	597,850	825,000	565,150	3,280,000	483,050	655,625
14,825,000	604,625	-	518,875	-	518,875	3,891,563
94,310,000	4,570,675	5,355,000	4,314,675	4,680,000	4,063,800	26,153,150
163,370,000	6,781,175	8,710,000	6,347,800	9,370,000	5,895,800	43,383,425
71,080,000	3,443,700	13,560,000	2,783,450	4,195,000	2,339,575	8,832,900
164,150,000	7,722,375	2,005,000	7,624,625	2,100,000	7,522,000	70,958,213
6,985,000	524,375	6,985,000	174,625	-	-	-
109,655,000	3,592,473	1,490,000	3,519,723	1,480,000	3,445,473	32,852,810
294,915,000	12,129,575	9,750,000	11,653,450	22,790,000	10,839,950	73,951,350
156,845,000	4,967,038	1,460,000	4,924,237	1,510,000	4,879,188	53,568,966
122,725,000	5,632,950	4,365,000	5,280,075	3,395,000	5,086,075	61,018,400
45,630,000	2,402,375	5,590,000	2,141,750	12,530,000	1,688,750	9,449,000
529,825,000	25,968,700	1,450,000	25,418,200	1,525,000	25,343,825	368,206,350
129,355,000	4,239,969	7,700,000	6,275,250	4,390,000	5,973,000	21,677,125
594,575,000	14,599,350	1,740,000	27,473,600	260,000	27,423,600	428,435,062
\$ 2,512,490,000	\$ 97,792,205	\$ 70,985,000	\$ 109,030,485	\$ 71,505,000	\$ 105,517,961	\$ 1,203,056,439
6,099,099	-	1,312,099	-	-	-	-
\$ 2,518,589,099	\$ 97,792,205	\$ 72,297,099	\$ 109,030,485	\$ 71,505,000	\$ 105,517,961	\$ 1,203,056,439

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

ADDITIONAL SUPPLEMENTARY SCHEDULES

CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE YEAR ENDED AUGUST 31, 2025

Year Ended August 31	Tax Rates		Assessed Value
	Maintenance	Debt Service	
2016 and prior	various	various	various
2017	1.0400	0.240	32,423,298,323
2018	1.0400	0.240	33,799,892,825
2019	1.0600	0.220	35,737,543,316
2020	0.9700	0.260	38,094,894,351
2021	0.9525	0.260	40,120,650,247
2022	0.9160	0.260	43,115,433,624
2023	0.8546	0.260	52,134,762,079
2024	0.7021	0.260	51,172,301,681
2025	0.6696	0.280	55,452,574,579

Beginning Balance 9/1/2024	Current Year Levy	Maintenance Total Collections	Debt Service Total Collections	Adjustments	Ending Balance 8/31/2025	Total Taxes Refunded Under Section 26.115 (c)
\$ 1,627,904	\$ -	\$ 78,217	\$ 25,519	\$ (152,146)	\$ 1,372,022	
582,403	-	19,833	6,471	(3,328)	552,771	
551,260	-	20,198	6,590	(5,033)	519,439	
583,271	-	31,446	10,259	(10,881)	530,685	
657,497	-	72,541	23,667	(6,057)	555,232	
950,015	-	83,494	27,241	(65,720)	773,560	
1,224,251	-	214,913	70,118	(29,844)	909,376	
2,384,658	-	504,724	164,671	124,542	1,839,805	
4,504,221	-	1,022,597	333,633	(613,330)	2,534,661	
-	505,963,242	358,874,230	150,167,231	9,467,557	6,389,338	
<u>\$ 13,065,480</u>	<u>\$ 505,963,242</u>	<u>\$ 360,922,194</u>	<u>\$ 150,835,399</u>	<u>\$ 8,705,760</u>	<u>\$ 15,976,889</u>	
						<u>\$ 213,258</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
USE OF FUNDS REPORT – SELECT STATE ALLOTMENT PROGRAMS
FOR THE YEAR ENDED AUGUST 31, 2025**

Data Control Codes		Responses
Section A: Compensatory Education Programs		
AP1	Did your LEA expend any state compensatory education program state allotment funds during the District's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 47,567,168
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30)	\$ 24,939,900
Section B: Bilingual Education Programs		
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 9,617,096
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PIC 25)	\$ 7,230,661

CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
ORIGINAL BUDGET, AMENDED BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2025

		Debt Service Fund			
		2025			
Data Control Codes		Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance Positive Negative
REVENUES					
5700	Local and Intermediate Sources	\$ 157,267,209	\$ 157,267,209	\$ 154,517,501	\$ (2,749,708)
5800	State Program Revenues	13,188,011	13,188,011	13,504,622	316,611
	Total Revenues	<u>170,455,220</u>	<u>170,455,220</u>	<u>168,022,123</u>	<u>(2,433,097)</u>
EXPENDITURES					
0070	Debt Service				
0071	Principal	91,540,000	86,800,000	86,800,000	-
0071	Interest	84,869,248	97,792,205	97,792,205	-
0071	Bond Issuance Cost and Fees	100,000	4,377,777	4,374,777	3,000
6030	Total Expenditures	<u>176,509,248</u>	<u>188,969,982</u>	<u>188,966,982</u>	<u>3,000</u>
1100	Excess of Revenues Over (Under) Expenditures	<u>(6,054,028)</u>	<u>(18,514,762)</u>	<u>(20,944,859)</u>	<u>(2,436,097)</u>
OTHER FINANCING SOURCES AND (USES)					
7901	Refunding Bonds Issued	-	129,355,000	129,355,000	-
7916	Premium or Discount on Issuance of Bonds	-	31,237,455	31,234,455	(3,000)
8940	Payment to Bond Refunding Escrow Agent	-	(141,647,766)	(141,647,766)	-
7080	Total Other Financing Sources and (Uses)	<u>-</u>	<u>18,944,689</u>	<u>18,941,689</u>	<u>(3,000)</u>
1200	Net Change in Fund Balance	<u>(6,054,028)</u>	<u>429,927</u>	<u>(2,003,170)</u>	<u>(2,433,097)</u>
0100	FUND BALANCE - SEPTEMBER 1	<u>23,930,808</u>	<u>23,930,808</u>	<u>23,930,808</u>	<u>-</u>
3000	FUND BALANCE - AUGUST 31	<u>\$ 17,876,780</u>	<u>\$ 24,360,735</u>	<u>\$ 21,927,638</u>	<u>\$ (2,433,097)</u>

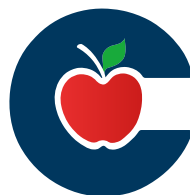
CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
ORIGINAL BUDGET, AMENDED BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
FOR THE YEAR ENDED AUGUST 31, 2025

		Capital Projects Fund			
		2025			
Data Control Codes		Original Budget	Amended Budget	Actual Amounts (Budgetary Basis)	Variance Positive Negative
REVENUES					
5700	Local and Intermediate Sources	\$ -	\$ -	\$ 36,098,786	\$ 36,098,786
	Total Revenues	<u>-</u>	<u>-</u>	<u>36,098,786</u>	<u>36,098,786</u>
EXPENDITURES					
0034	Student (Pupil) Transportation	-	5,298,226	4,306,336	991,890
0051	Plant Maintenance and Operations	444,503	4,522,294	1,818,070	2,704,224
0053	Data Processing Services	163,717	257,851	95,559	162,292
0081	Facilities Acquisition and Construction	<u>541,280,871</u>	<u>1,140,486,886</u>	<u>563,139,979</u>	<u>577,346,907</u>
6030	Total Expenditures	<u>541,889,091</u>	<u>1,150,565,257</u>	<u>569,359,944</u>	<u>581,205,313</u>
1100	Excess of Revenues Over (Under) Expenditures	<u>(541,889,091)</u>	<u>(1,150,565,257)</u>	<u>(533,261,158)</u>	<u>(545,106,527)</u>
OTHER FINANCING SOURCES AND (USES)					
7911	Capital Related Debt Issued	-	594,575,000	594,575,000	-
7916	Premium or Discount on Issuance of Bonds	-	5,425,000	5,425,000	-
7915	Transfers in	-	-	-	-
8911	Transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
7080	Total Other Financing Sources and (Uses)	<u>-</u>	<u>600,000,000</u>	<u>600,000,000</u>	<u>-</u>
	Net Change in Fund Balance	(541,889,091)	(550,565,257)	66,738,842	617,304,099
0100	FUND BALANCE - SEPTEMBER 1	<u>570,928,273</u>	<u>570,928,273</u>	<u>570,928,273</u>	<u>-</u>
3000	FUND BALANCE - AUGUST 31	<u>\$ 29,039,182</u>	<u>\$ 20,363,016</u>	<u>\$ 637,667,115</u>	<u>\$ 617,304,099</u>

CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE-
ORIGINAL BUDGET, AMENDED BUDGET AND ACTUAL - CHILD NUTRITION
FOR THE YEAR ENDED AUGUST 31, 2025

Data Control Codes		Child Nutrition			
		2025			
		Original Budget	Final Amended Budget	Actual Amounts (Budgetary Basis)	Variance Positive (Negative)
REVENUES					
5700	Local and Intermediate Sources	\$ 9,918,617	\$ 9,918,617	\$ 10,381,622	\$ 463,005
5800	State Program Revenues	-	-	192,268	192,268
5900	Federal Program Revenues	22,631,383	22,631,383	23,562,441	931,058
	Total Revenues	<u>32,550,000</u>	<u>32,550,000</u>	<u>34,136,331</u>	<u>1,586,331</u>
EXPENDITURES					
	Support Services - Student (Pupil)				
0035	Food Service	35,801,000	39,711,344	32,782,822	6,928,522
0051	Plant Maintenance and Operations	1,649,000	1,649,000	1,649,547	(547)
0071	Debt Services	-	1,675	1,672	3
	Total Support Services - Student (Pupil)	<u>37,450,000</u>	<u>41,362,019</u>	<u>34,434,041</u>	<u>6,927,978</u>
6030	Total Expenditures	<u>37,450,000</u>	<u>41,362,019</u>	<u>34,434,041</u>	<u>6,927,978</u>
1200	Net Change in Fund Balance	(4,900,000)	(8,812,019)	(297,710)	8,514,309
0100	FUND BALANCE - SEPTEMBER 1	<u>11,279,454</u>	<u>11,279,454</u>	<u>11,279,454</u>	<u>-</u>
3000	FUND BALANCE - AUGUST 31	<u>\$ 6,379,454</u>	<u>\$ 2,467,435</u>	<u>\$ 10,981,744</u>	<u>\$ 8,514,309</u>

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

Conroe Independent School District

STATISTICAL SECTION



CONROE
INDEPENDENT
SCHOOL DISTRICT

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FINANCIAL TRENDS INFORMATION

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

**CONROE INDEPENDENT SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year	2025	2024	2023	2022
Governmental Activities:				
Net Investment in Capital Assets	\$ 151,484,240	\$ 165,730,698	\$ 128,173,853	\$ 86,927,552
Restricted	33,079,883	35,850,676	36,573,356	32,333,148
Unrestricted	(96,978,857)	(132,725,162)	(98,697,282)	(88,505,340)
Total Primary Government Net Position	<u>\$ 87,585,266</u>	<u>\$ 68,856,212</u>	<u>\$ 66,049,927</u>	<u>\$ 30,755,360</u>

Source: Conroe Independent School District's Audit Reports

2021	2020	2019	2018	2017	2016
\$ 182,950,529	\$ 156,946,395	\$ 149,838,599	\$ 102,665,360	\$ 99,328,993	\$ 98,335,464
21,316,549	21,003,274	23,715,446	35,733,054	40,617,176	35,478,341
(217,043,088)	(234,695,117)	(242,024,567)	(217,621,585)	15,218,125	7,556,228
<u>\$ (12,776,010)</u>	<u>\$ (56,745,448)</u>	<u>\$ (68,470,522)</u>	<u>\$ (79,223,171)</u>	<u>\$ 155,164,294</u>	<u>\$ 141,370,033</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

Fiscal Year	2025	2024	2023	2022
Government Activities:				
Instruction	\$ 499,456,086	\$ 498,369,391	\$ 458,616,504	\$ 409,397,268
Instructional Resources & Media Services	10,888,838	10,776,480	10,044,155	9,255,501
Curriculum & Staff Development	24,018,243	23,314,928	21,698,880	19,262,507
Instructional Leadership	8,427,410	8,757,834	7,673,278	6,642,865
School Leadership	46,412,487	47,034,208	41,402,682	36,691,888
Guidance and Counseling	38,386,966	38,460,688	34,230,658	29,106,841
Social Work Services	1,937,543	2,117,155	1,805,057	1,746,679
Health Services	9,120,674	9,969,573	9,361,352	7,688,708
Student (Pupil) Transportation	39,904,246	38,267,468	35,807,653	30,987,693
Food Services	35,776,195	34,332,684	31,661,945	27,910,829
Cocurricular/Extracurricular Activities	21,083,656	21,163,904	20,783,584	17,823,375
General Administration	13,080,191	12,723,101	11,637,109	10,182,283
Plant Maintenance & Operations	85,615,106	91,073,673	77,383,391	69,533,729
Security & Monitoring Services	12,225,998	11,380,708	9,593,120	8,652,246
Data Processing Services	22,550,823	21,835,144	15,278,456	11,645,623
Ancillary Services	557,399	564,017	486,913	508,310
Debt Service - Principal, Interest and Fees	95,697,080	73,445,882	58,786,801	52,158,093
Other Intergovernmental Charges	4,682,342	4,509,519	4,059,701	3,862,903
Total Expenses	969,821,283	948,096,357	850,311,239	753,057,341
Program Revenues:				
Charges for Services				
Instruction	507,841	569,974	554,112	324,894
Food Services	10,381,622	10,272,728	10,061,936	3,716,892
Cocurricular/Extracurricular Activities	1,196,401	1,139,648	1,175,073	1,035,093
Plant Maintenance and Operations	757,919	949,760	944,109	1,084,295
Operating Grants and Contributions	94,573,555	121,787,330	113,734,285	101,341,200
Total Program Revenues	107,417,338	134,719,440	126,469,515	107,502,374
Net(Expense)/Revenue	\$ (862,403,945)	\$ (813,376,917)	\$ (723,841,724)	\$ (645,554,967)
General Revenues:				
Property Taxes - General	\$ 364,874,017	\$ 353,551,115	\$ 433,391,693	\$ 391,241,307
Property Taxes - Debt Services	152,771,620	130,685,012	131,703,436	110,822,736
State Aid - Grants and Contributions not Restricted	307,216,355	278,347,719	150,343,001	168,662,763
Grants, Contributions and other not Restricted	-	-	-	-
Investment Earnings	51,216,895	43,273,740	28,629,918	2,168,324
SHARS/MAC	1,628,576	4,573,593	11,434,312	9,123,826
Gain on Sale of Land	-	-	-	-
Miscellaneous	3,425,536	5,752,023	3,633,931	7,067,381
Total General Revenues	881,132,999	816,183,202	759,136,291	689,086,337
Changes in Net Position				
Governmental Activities	\$ 18,729,054	\$ 2,806,285	\$ 35,294,567	\$ 43,531,370
Implementation of GASB 65/68/71/75*	-	-	-	-
Total Change In Net Position	\$ 18,729,054	\$ 2,806,285	\$ 35,294,567	\$ 43,531,370

* As a result of implementing GASB 65/68/71/75 the District retroactively restated its beginning net position, see Note 1 in Notes to Basic Financial Statements
Source: Conroe Independent School District's Audit Reports

	2021	2020	2019	2018	2017	2016
\$	414,943,046	\$ 416,503,864	\$ 381,248,013	\$ 239,018,347	\$ 333,746,944	\$ 322,169,816
	9,378,978	9,520,526	9,020,489	6,830,250	7,545,478	7,410,104
	15,693,919	14,148,690	12,881,800	7,802,027	10,159,088	9,181,862
	6,183,704	5,495,458	4,873,610	3,171,943	4,438,377	4,366,238
	38,224,620	39,268,663	35,664,668	20,100,042	30,807,471	30,003,389
	28,540,607	28,365,090	24,946,767	13,985,615	20,506,326	19,678,273
	1,081,307	1,132,342	1,088,794	560,165	903,519	773,648
	7,166,545	7,284,880	6,429,794	3,746,090	5,502,476	5,419,823
	29,870,314	29,473,959	30,263,081	21,555,827	25,174,163	23,066,027
	21,774,573	22,624,579	24,467,324	19,756,769	20,654,816	20,497,140
	17,115,115	17,607,828	18,115,181	13,658,407	14,716,924	14,016,098
	9,653,437	9,922,128	10,480,182	6,625,846	8,371,364	8,177,200
	64,256,760	61,322,445	59,353,638	44,317,507	49,266,693	47,130,133
	10,183,036	9,577,607	8,728,623	5,321,170	6,999,672	7,017,907
	12,040,536	9,343,028	9,342,852	8,658,027	9,812,182	6,859,908
	167,554	129,042	153,074	74,738	151,258	96,286
	48,929,881	45,014,180	49,053,865	50,073,297	46,882,662	41,978,773
	3,871,780	3,847,087	4,008,566	3,886,256	3,436,384	3,082,741
	<u>739,075,712</u>	<u>730,581,396</u>	<u>690,120,321</u>	<u>469,142,323</u>	<u>599,075,797</u>	<u>570,925,366</u>
	300,451	334,927	464,095	365,631	337,015	396,625
	2,079,462	6,459,616	9,308,525	8,310,970	7,799,024	7,287,364
	887,784	739,360	1,004,903	855,564	1,007,920	924,414
	854,409	955,628	1,565,006	1,506,128	1,584,496	1,571,149
	<u>105,371,071</u>	<u>104,132,379</u>	<u>92,386,308</u>	<u>(29,270,271)</u>	<u>69,182,114</u>	<u>72,943,371</u>
	<u>109,493,177</u>	<u>112,621,910</u>	<u>104,728,837</u>	<u>(18,231,978)</u>	<u>79,910,569</u>	<u>83,122,923</u>
\$	<u>(629,582,535)</u>	<u>(617,959,486)</u>	<u>(585,391,484)</u>	<u>(487,374,301)</u>	<u>(519,165,228)</u>	<u>(487,802,443)</u>
\$	380,201,355	\$ 366,875,775	\$ 376,015,488	\$ 349,880,678	\$ 336,544,513	\$ 308,302,429
	103,519,287	98,157,187	78,064,864	80,737,562	77,629,343	71,424,519
	150,584,281	147,355,734	119,693,729	105,480,059	106,307,975	129,874,071
	21,729,262	-	-	-	-	-
	932,879	7,066,540	10,913,072	8,087,945	4,785,674	2,070,482
	8,199,309	4,723,637	9,193,630	6,512,218	5,040,830	4,176,125
	4,246,308	-	-	-	-	-
	4,139,292	5,505,687	2,263,350	2,165,248	2,651,154	2,229,862
	<u>673,551,973</u>	<u>629,684,560</u>	<u>596,144,133</u>	<u>552,863,710</u>	<u>532,959,489</u>	<u>518,077,488</u>
\$	43,969,438	\$ 11,725,074	\$ 10,752,649	\$ 65,489,409	\$ 13,794,261	\$ 30,275,045
	-	-	-	(299,876,874)	-	-
\$	<u>43,969,438</u>	<u>11,725,074</u>	<u>10,752,649</u>	<u>(234,387,465)</u>	<u>13,794,261</u>	<u>30,275,045</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
General Fund				
Nonspendable	\$ 3,954,843	\$ 3,634,306	\$ 3,366,492	\$ 3,742,104
Assigned	4,849,401	5,299,939	6,526,341	5,082,898
Unassigned	155,239,649	156,454,394	153,878,716	173,316,624
Total General Fund	<u>\$ 164,043,893</u>	<u>\$ 165,388,639</u>	<u>\$ 163,771,549</u>	<u>\$ 182,141,626</u>
 All Other Governmental Funds				
Nonspendable	\$ -	\$ -	\$ -	\$ -
Restricted	668,686,198	596,889,477	162,600,269	349,745,348
Committed	2,298,826	10,125,356	37,459,613	36,378,037
Assigned	-	-	-	6,740,084
Total All Other Governmental Funds	<u>\$ 670,985,024</u>	<u>\$ 607,014,833</u>	<u>\$ 200,059,882</u>	<u>\$ 392,863,469</u>

Source: Conroe Independent School District's Audit Reports

<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
\$ 5,054,008	\$ 3,864,583	\$ 2,113,911	\$ 1,905,563	\$ 1,709,526	\$ 1,773,595
4,641,881	6,402,847	3,295,337	3,523,258	3,016,113	3,653,363
171,399,200	153,677,343	134,673,794	132,818,949	129,585,582	119,371,657
<u>\$ 181,095,089</u>	<u>\$ 163,944,773</u>	<u>\$ 140,083,042</u>	<u>\$ 138,247,770</u>	<u>\$ 134,311,221</u>	<u>\$ 124,798,615</u>

\$ -	\$ 821,003	\$ 601,416	\$ 511,724	\$ 427,418	\$ 350,741
206,277,002	167,285,036	121,001,296	203,523,332	149,865,516	152,401,823
19,019,363	372,557	370,066	366,086	578,403	568,186
7,980,973	-	-	-	-	-
<u>\$ 233,277,338</u>	<u>\$ 168,478,596</u>	<u>\$ 121,972,778</u>	<u>\$ 204,401,142</u>	<u>\$ 150,871,337</u>	<u>\$ 153,320,750</u>

**CONROE INDEPENDENT SCHOOL DISTRICT
CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)**

	2025	2024	2023	2022
Revenue From Local and Intermediate Sources				
Local and Intermediate Sources	\$ 582,208,423	\$ 545,176,300	\$ 607,583,197	\$ 513,244,746
State Revenue	373,797,943	346,699,182	200,862,967	213,302,515
Federal Revenue	54,860,852	72,518,861	98,994,295	107,882,639
Total Revenue	1,010,867,218	964,394,343	907,440,459	834,429,900
Expenditures				
Instruction	460,851,390	462,475,902	441,216,340	407,781,835
Instructional Resources and Media Services	7,086,764	7,046,894	6,507,257	6,314,765
Curriculum and Instructional Staff Development	22,911,239	21,695,575	21,143,304	18,619,065
Instructional Administration	8,478,064	8,689,463	7,875,376	7,144,209
School Administration	46,217,084	46,532,081	42,666,512	39,506,259
Guidance and Counseling Services	37,766,346	37,632,150	34,759,604	30,788,435
Social Work Services	1,921,092	2,111,965	1,837,320	1,853,100
Health Services	8,964,342	9,399,006	9,271,206	8,274,843
Student (Pupil) Transportation	45,272,459	37,457,172	35,205,334	31,244,586
Food Services	32,787,598	32,460,726	30,458,685	26,545,475
Cocurricular/Extracurricular Activities	15,944,851	15,593,661	15,320,816	13,556,849
General Administration	12,741,802	13,177,608	11,663,546	10,552,191
Plant Maintenance and Operations	80,801,285	85,855,990	73,542,667	67,397,426
Security and Monitoring Services	11,860,579	11,685,409	9,636,835	8,904,726
Data Processing Services	9,717,281	9,807,695	12,200,785	13,128,207
Ancillary Services	544,188	546,312	477,885	566,530
Debt Service				
Principal	88,916,408	93,660,285	68,871,706	51,151,199
Interest	97,792,330	76,533,650	67,322,793	59,910,151
Bond Issuance Cost and Fees	4,374,777	3,587,430	40,980	2,231,372
Facilities Acquisition and Construction	563,139,979	198,073,985	227,821,978	208,751,293
Other Intergovernmental Charges	4,682,342	4,509,519	4,059,701	3,862,903
Total Expenditures	1,562,772,200	1,178,532,478	1,121,900,630	1,018,085,419
Excess(Deficiency) of Revenues Over (Under) Expenditures	(551,904,982)	(214,138,135)	(214,460,171)	(183,655,519)
Refunding Bonds Issued	129,355,000	51,025,000	-	-
Sale of General Obligation Bonds	594,575,000	550,395,000	-	316,130,000
Sale of Real Property	19,555	-	-	-
Payment to Refunded Bond Escrow Agent	(141,647,766)	(53,280,419)	-	-
Proceeds from Right to Use Leased Assets and SBITAs	2,569,183	10,464,022	3,286,507	-
Premium or Discount on Issuance of Bonds	36,659,455	64,106,573	-	28,158,187
Transfers In (Out), Net	(7,000,000)	-	-	-
Total Other Financing Sources and (Uses)	614,530,427	622,710,176	3,286,507	344,288,187
Net Change in Fund Balances	\$ 62,625,445	\$ 408,572,041	\$ (211,173,664)	\$ 160,632,668
Debt Service as a percentage of noncapital expenditures^a	18.68%	17.40%	15.24%	13.76%

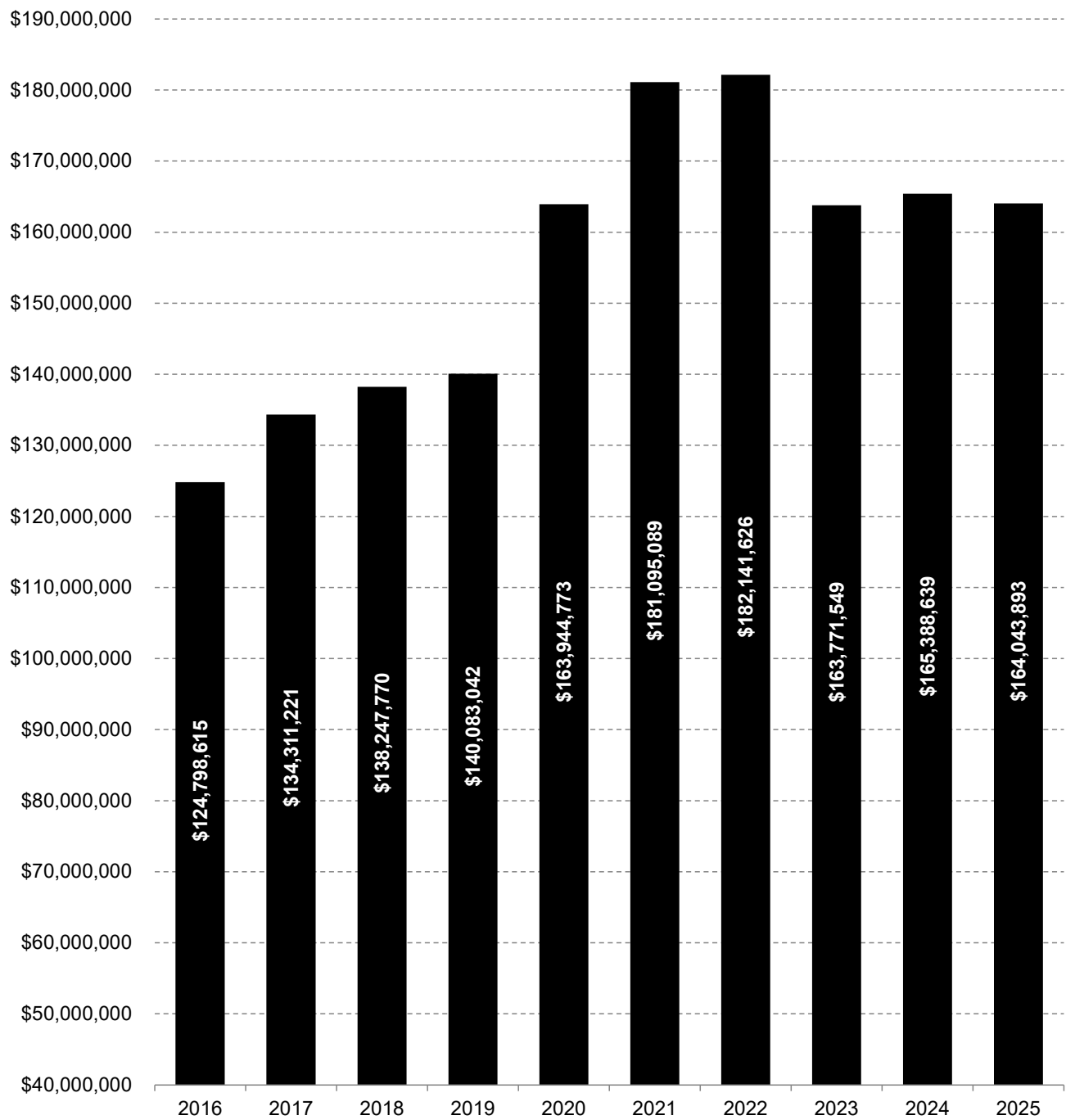
Source: Conroe Independent School District's Audit Reports

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

	2021	2020	2019	2018	2017	2016
\$	492,390,635	\$ 485,160,259	\$ 478,545,624	\$ 452,020,591	\$ 431,987,501	\$ 393,103,877
	191,054,914	189,651,022	159,053,316	143,362,175	140,416,527	161,304,863
	90,310,080	44,839,463	45,792,778	42,210,757	36,919,755	36,112,307
	<u>773,755,629</u>	<u>719,650,744</u>	<u>683,391,718</u>	<u>637,593,523</u>	<u>609,323,783</u>	<u>590,521,047</u>
	372,415,436	350,777,590	325,342,618	315,570,221	301,909,252	282,182,128
	6,037,560	5,861,339	5,549,355	5,464,520	5,210,885	5,018,791
	14,676,405	12,182,652	11,400,390	10,742,738	9,439,068	8,331,982
	6,000,118	5,037,466	4,524,538	4,569,985	4,312,060	4,168,819
	36,692,706	35,320,201	32,663,379	30,918,531	29,762,496	28,177,409
	27,189,872	25,139,235	22,661,521	20,769,418	19,592,289	18,364,323
	1,043,810	1,011,608	1,010,238	874,161	880,566	733,288
	6,849,943	6,541,026	5,856,102	5,492,345	5,263,173	5,055,423
	28,033,559	28,763,003	27,662,964	26,975,760	23,479,515	20,659,922
	19,555,567	19,619,275	21,795,490	20,119,920	18,371,515	17,842,926
	11,766,399	11,530,322	12,549,250	11,203,798	11,056,164	9,992,991
	9,154,036	8,999,115	9,624,135	8,568,318	7,969,258	7,728,036
	57,376,330	54,125,228	48,588,931	51,835,880	46,178,553	43,337,798
	8,781,448	8,474,980	7,876,093	6,898,176	6,664,235	6,647,386
	10,854,438	7,441,977	6,752,315	6,891,657	6,681,671	5,923,727
	167,013	127,233	151,257	80,455	149,462	94,048
	46,810,000	47,245,000	53,815,000	44,390,000	40,185,000	37,800,000
	55,952,584	54,206,951	55,623,232	53,922,285	50,067,946	45,342,150
	1,996,814	1,423,265	19,003	2,097,229	1,417,029	1,091,149
	158,274,725	85,883,372	106,510,433	152,915,095	160,265,189	90,052,427
	3,871,780	3,847,087	4,008,566	3,886,256	3,436,384	3,082,741
	<u>883,500,543</u>	<u>773,557,925</u>	<u>763,984,810</u>	<u>784,186,748</u>	<u>752,291,710</u>	<u>641,627,464</u>
	(109,744,914)	(53,907,181)	(80,593,092)	(146,593,225)	(142,967,927)	(51,106,417)
	163,235,000	66,755,000	-	97,540,000	69,155,000	23,930,000
	165,090,000	116,125,000	-	174,435,000	137,520,000	114,085,000
	4,531,016	-	-	-	-	-
	(204,045,850)	(75,385,151)	-	(113,364,741)	(81,788,984)	(28,766,110)
	-	-	-	-	-	-
	63,308,806	17,204,881	-	45,449,320	25,145,104	26,072,195
	(425,000)	(425,000)	-	-	-	(2,250,000)
	<u>191,693,972</u>	<u>124,274,730</u>	<u>-</u>	<u>204,059,579</u>	<u>150,031,120</u>	<u>133,071,085</u>
\$	<u>81,949,058</u>	<u>70,367,549</u>	<u>(80,593,092)</u>	<u>57,466,354</u>	<u>7,063,193</u>	<u>81,964,668</u>
	14.15%	15.08%	16.51%	15.40%	15.12%	14.96%

General Fund Balances

Last Ten Fiscal Years



Unaudited
Source: District's Audit Reports

REVENUE CAPACITY INFORMATION

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

CONROE INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX RATES-DIRECT AND ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(UNAUDITED)

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
<u>School District</u>										
Maintenance & Operations	\$ 0.6696	\$ 0.7021	\$ 0.8546	\$ 0.9160	\$ 0.9525	\$ 0.9700	\$ 1.0600	\$ 1.0400	\$ 1.0400	\$ 1.0400
Debt Service	0.2800	0.2600	0.2600	0.2600	0.2600	0.2600	0.2200	0.2400	0.2400	0.2400
Conroe ISD Total	0.9496	0.9621	1.1146	1.1760	1.2125	1.2300	1.2800	1.2800	1.2800	1.2800
<u>County</u>										
Montgomery	0.3790	0.3696	0.3742	0.4083	0.4312	0.4475	0.4667	0.4667	0.4667	0.4767
Hospital District	0.0497	0.0498	0.0502	0.0567	0.0588	0.0589	0.0599	0.0664	0.0665	0.0710
Lone Star College System	0.1076	0.1076	0.1078	0.1078	0.1078	0.1078	0.1078	0.1078	0.1078	0.1079
Montgomery County DD 6	0.1130	0.1130	0.1260	0.1400	0.1400	0.1400	0.1400	0.1600	0.1700	0.1700
Montgomery County DD 10	0.2850	0.3350	0.3750	0.4200	0.4400	0.4400	0.4400	0.4400	0.4400	0.4400
<u>Cities</u>										
Conroe	0.4272	0.4272	0.4272	0.4375	0.4375	0.4375	0.4175	0.4175	0.4175	0.4200
Oak Ridge North	0.4408	0.4043	0.4248	0.4723	0.4712	0.4900	0.4807	0.4470	0.4509	0.4598
Panorama	0.5513	0.5612	0.6000	0.6534	0.6732	0.6779	0.6748	0.6852	0.6604	0.6743
Shenandoah	0.1421	0.1449	0.1477	0.1799	0.1799	0.1799	0.1799	0.2099	0.2295	0.2399
Woodlands Township	0.1714	0.1714	0.1850	0.2231	0.2231	0.2240	0.2273	0.2300	0.2300	0.2300
<u>Water Districts</u>										
Chateau Woods	0.2775	0.2775	0.3100	0.3315	0.3350	0.3350	0.2950	0.2741	0.2473	0.2498
Rayford Road MUD	0.4140	0.4140	0.4450	0.4940	0.5000	0.5000	0.5100	0.5100	0.5300	0.5500
Lazy River	0.1468	0.1387	0.1424	0.4556	0.4440	0.4725	0.4896	0.4829	0.4731	0.5213
Montgomery County Mud #7	0.1108	0.1153	0.1044	0.1150	0.1250	0.1250	0.1250	0.1645	0.1645	0.1645
Montgomery County Mud #15	0.6363	0.6363	0.6589	0.7300	0.7800	0.8200	0.8700	0.8900	0.9369	1.0375
Montgomery County Mud #39	0.2500	0.2600	0.2925	0.3000	0.3550	0.3550	0.3550	0.3550	0.3650	0.4000
Montgomery County Mud #40	0.0000	0.0900	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0900
Montgomery County Mud #42	0.9200	0.9300	0.9600	1.0150	1.0700	1.0700	1.0800	1.1100	1.1400	1.1700
Montgomery County Mud #46	0.1813	0.1872	0.1890	0.2097	0.2097	0.2097	0.2125	0.2125	0.2125	0.2250
Montgomery County Mud #47	0.1663	0.1759	0.1951	0.2093	0.2450	0.2450	0.2450	0.2450	0.2450	0.2450
Montgomery County Mud #60	0.1345	0.1460	0.1550	0.1600	0.1650	0.1650	0.1650	0.1650	0.1650	0.1850
Montgomery County Mud #67	0.1400	0.1472	0.1514	0.1550	0.1600	0.1600	0.1600	0.2175	0.2375	0.2575
Montgomery County Mud #89	0.5550	0.5900	0.6400	0.7100	0.7550	0.7950	0.8828	0.8828	0.8864	0.9500
Montgomery County Mud #90	0.5700	0.5700	0.5800	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
Montgomery County Mud #92	0.5800	0.5800	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000	0.6000
Montgomery County Mud #94	0.6750	0.7100	0.7400	0.7650	0.7650	0.7850	0.8000	0.8000	0.7700	0.8400
Montgomery County Mud #99	1.0150	1.0150	1.0150	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400	1.0400
Montgomery County Mud #107	0.4200	0.4600	0.5300	0.5900	0.6200	0.6500	0.6800	0.6900	0.7000	0.7000
Montgomery County Mud #112	0.6850	0.7400	0.8300	0.9000	0.9200	0.9500	0.9800	1.0000	1.0207	1.0257
Montgomery County Mud #113	0.5600	0.6400	0.7650	0.8300	0.8700	0.8800	0.8900	0.9000	0.9200	1.0200
Montgomery County Mud #115	0.9200	0.9800	1.0900	1.2200	1.2800	1.3000	1.3200	1.3500	1.3500	1.3500
Montgomery County Mud #119	0.8800	0.9300	0.9900	1.1100	1.2100	1.2400	1.2900	1.3200	1.3700	1.3700
River Plantation MUD	0.6600	0.6500	0.5200	0.3160	0.3223	0.3200	0.3200	0.3200	0.3200	0.3200
Spring Creek UD	0.8850	0.8850	0.9100	0.9700	0.9900	1.0000	1.0000	1.0000	1.0000	1.0000
S. Montgomery County MUD	0.1537	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1600	0.1660	0.1733
Texas National MUD	0.9676	0.9587	1.0669	1.0988	1.0996	1.1330	1.1330	1.1330	1.1330	1.1330
Woodlands Metro Center MUD	0.0800	0.0750	0.0700	0.0700	0.0900	0.0900	0.0900	0.1050	0.1250	0.1550
Woodlands MUD #2	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.1000
Woodlands Road District #1	0.1000	0.1216	0.1600	0.1800	0.1900	0.2000	0.2000	0.2150	0.2600	0.3200
Woodlands MUD #1	0.0670	0.0695	0.0700	0.0700	0.0750	0.0750	0.0750	0.0800	0.0900	0.0000

Rates are per \$100 of Assessed Valuation
Source: Montgomery Central Appraisal District

**CONROE INDEPENDENT SCHOOL DISTRICT
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 (UNAUDITED)**

Year Ended August 31	Residential Property Assessed Actual Value	Commercial Property Assessed Actual Value	Personal Property Assessed Actual Value	Total Assessed Actual Value	Total Direct Rate^a
2016	\$ 20,405,506,794	\$ 5,591,063,572	\$ 3,843,838,691	\$ 29,840,409,057	1.2800
2017	22,296,827,687	6,197,325,221	3,929,145,415	32,423,298,323	1.2800
2018	23,311,385,541	6,623,261,152	3,865,246,132	33,799,892,825	1.2800
2019	24,206,386,061	7,408,737,111	4,122,420,144	35,737,543,316	1.2800
2020	26,004,013,685	7,581,915,160	4,508,965,506	38,094,894,351	1.2300
2021	26,956,436,926	8,639,912,823	4,524,300,498	40,120,650,247	1.2125
2022	29,590,311,490	8,639,912,823	4,885,209,311	43,115,433,624	1.1760
2023	33,461,022,631	10,820,789,845	7,852,949,603	52,134,762,079	1.1146
2024	32,052,211,116	10,705,876,707	8,414,213,858	51,172,301,681	0.9621
2025	37,114,239,665	11,030,528,878	7,307,806,036	55,452,574,579	0.9496

^a Per \$100 of assessed value

Source: Montgomery County Central Appraisal District

**CONROE INDEPENDENT SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Value
Entergy Texas Inc	\$ 381,731,690	1	0.69%	\$ 136,581,320	3	0.46%
Woodlands Land Dev LP	228,051,012	2	0.41%	126,278,232	4	0.42%
HH Woodlands Tower Holdings LLC	206,071,200	3	0.37%			0.00%
The Woodlands Mall Associates	200,313,659	4	0.36%	111,747,467	6	0.37%
McKesson Corporation	197,239,487	5	0.36%	157,743,255	2	0.53%
IMI MSW LLC	143,897,471	6	0.26%	89,596,510	9	0.30%
Ball Metal Container Corp	134,067,470	7	0.24%			0.00%
HH Hacket Tower Holding LLC	126,126,630	8	0.23%			0.00%
HL Champion Holding Company LLC	115,724,040	9	0.21%			0.00%
BL R Owner LLC	113,000,000	10	0.20%			0.00%
Densbury Onshore LLC.				113,882,490	5	0.38%
Anadarko Realty Co.				377,014,790	1	1.26%
Conroe Hospital Corporation				94,723,650	8	0.32%
Wal-Mart Corporation				99,912,570	7	0.33%
	<u>\$ 1,846,222,659</u>		<u>3.33%</u>	<u>\$ 1,307,480,284</u>		<u>4.37%</u>

Source: Texas Municipal Reports

CONROE INDEPENDENT SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$	378,256,391	\$ 375,151,983	99.18%	\$ 2,403,089	\$ 377,555,072	99.8%
2017		412,503,483	409,238,612	99.21%	1,840,315	411,078,927	99.7%
2018		429,095,967	426,070,764	99.29%	1,303,866	427,374,630	99.6%
2019		452,854,751	449,619,013	99.29%	1,628,987	451,248,000	99.6%
2020		464,302,840	460,594,148	99.20%	2,719,534	463,313,682	99.8%
2021		481,456,997	477,475,575	99.17%	2,190,273	479,665,848	99.6%
2022		500,158,706	496,080,353	99.18%	793,324	496,873,677	99.3%
2023		564,675,369	559,687,888	99.12%	1,059,754	560,747,642	99.3%
2024		483,336,064	478,831,843	99.07%	1,356,230	480,188,073	99.3%
2025		526,577,648	509,041,461	96.67%	-	509,041,461	96.7%

Source: Montgomery County Tax Assessor/Collector

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

DEBT CAPACITY INFORMATION

These schedules present information to help assess the affordability of the District's current debt burden and its ability to issue additional debt in the future.

CONROE INDEPENDENT SCHOOL DISTRICT
RATIOS OF NET GENERAL OBLIGATION BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

Year Ended August 31	Assessed Value	Gross Bonded Debt	Less Debt Service Funds	Net Bonded Debt
2016	\$ 29,840,409,057	\$ 1,166,502,397	\$ 32,924,897	\$ 1,133,577,500
2017	32,423,298,323	1,275,329,495	37,487,956	1,237,841,539
2018	33,799,892,825	1,430,400,271	32,175,686	1,398,224,585
2019	35,737,543,316	1,366,602,397	20,032,539	1,346,569,858
2020	38,094,894,351	1,424,833,695	19,084,934	1,405,748,761
2021	40,120,650,247	1,531,852,497	17,694,374	1,514,158,123
2022	43,115,433,624	1,814,179,220	19,397,957	1,794,781,263
2023	52,134,762,079	1,736,314,180	23,612,095	1,712,702,085
2024	54,875,597,445	2,243,749,998	23,930,808	2,219,819,190
2025	55,452,574,579	2,749,818,986	21,927,638	2,727,891,348

^aPersonal income information is only available through 2024 therefore the same personal income was used in calculating the 2024 and 2025 ratios.

Source: Conroe Independent School District's Audit Reports

Ratio of Net Bonded Debt to Personal Income^a	Ratio of Gross Bonded Debt to Personal Income^a	Ratio of Net Bonded Debt Per ADA	Ratio of Net Bonded Debt To Assessed Value	Ratio of Net Bonded Debt Per Capita	Ratio of Gross Bonded Debt Per Capita
3.49%	3.59%	\$ 20,556	3.80%	\$ 3,305	\$ 3,401
3.81%	3.92%	21,850	3.82%	3,513	3,619
4.30%	4.40%	24,107	4.14%	3,876	3,965
3.58%	3.64%	22,686	3.77%	3,647	3,702
3.65%	3.70%	23,051	3.69%	3,706	3,756
3.69%	3.73%	24,819	3.77%	3,990	4,037
4.37%	4.42%	28,657	4.16%	4,787	4,839
3.83%	3.88%	26,202	3.29%	4,835	4,902
3.97%	4.01%	33,960	4.05%	6,267	6,335
4.88%	4.92%	41,733	4.92%	7,702	7,763

CONROE INDEPENDENT SCHOOL DISTRICT
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(UNAUDITED)

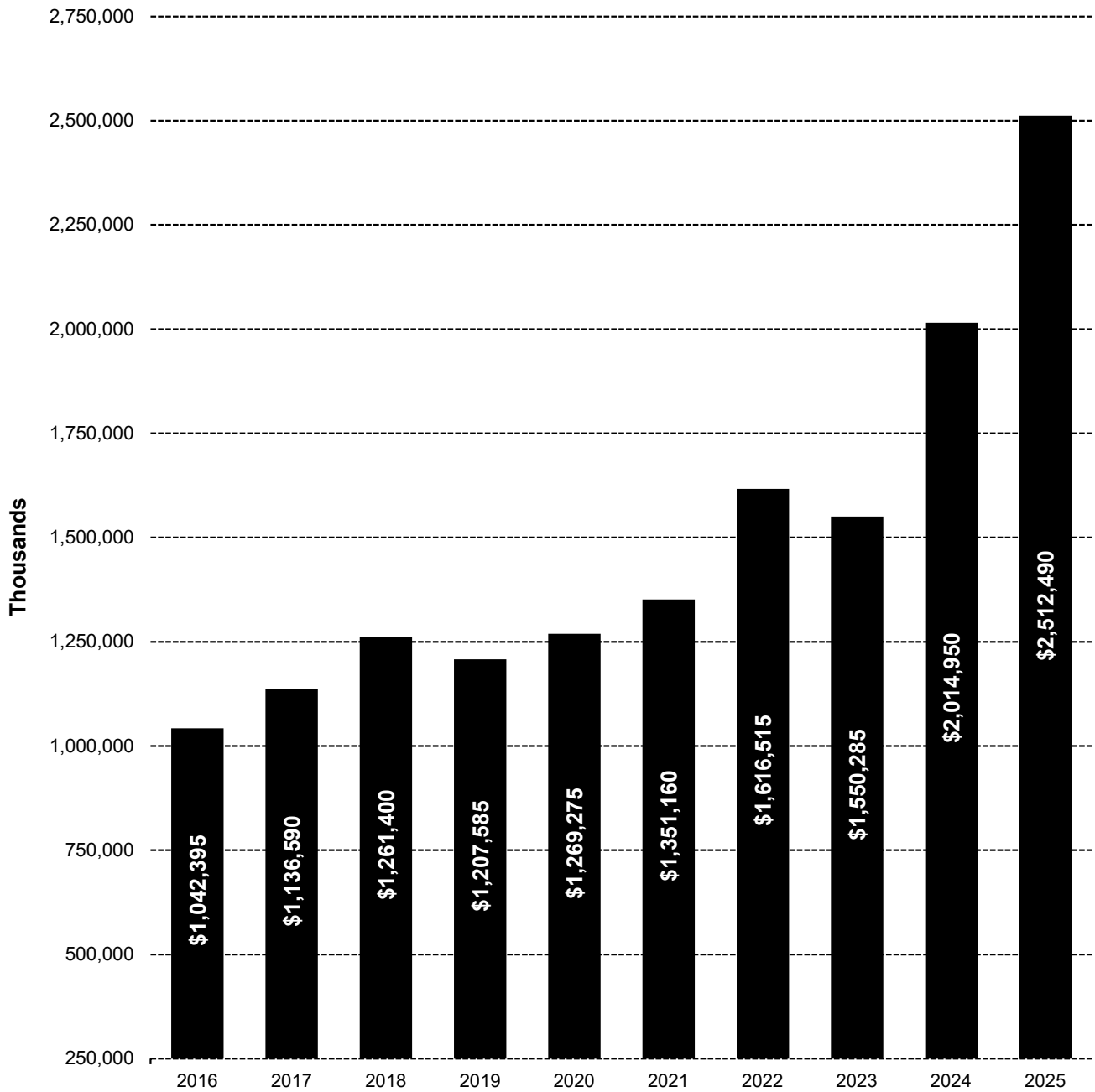
Year Ended August 31	General Obligation Bonds (1)	Leases Payable	Subscriptions Payable	Total Outstanding Debt	Ratio of Total Outstanding Debt Per ADA	Ratio of Total Outstanding Debt To Assessed Value
2016	\$ 1,166,502,397	\$ -	\$ -	\$ 1,166,502,397	\$ 21,153	3.91%
2017	1,275,329,495	-	-	1,275,329,495	22,511	3.93%
2018	1,430,400,271	-	-	1,430,400,271	24,662	4.23%
2019	1,366,602,397	-	-	1,366,602,397	23,024	3.82%
2020	1,424,833,695	-	-	1,424,833,695	23,364	3.74%
2021	1,531,852,497	-	-	1,531,852,497	25,109	3.82%
2022	1,814,179,220	718,041	-	1,814,897,261	28,978	4.21%
2023	1,736,314,180	338,479	2,387,392	1,739,040,051	26,605	3.34%
2024	2,243,749,998	550,733	1,153,161	2,245,453,892	33,735	4.09%
2025	2,749,818,986	1,245,305	195,159	2,751,259,450	41,334	4.96%

(1) Presented net of original issuance discounts and premiums.

Source: Conroe Independent School District's Audit Reports

Outstanding Bonds

Last Ten Fiscal Years



Unaudited
Source: School District Records

**CONROE INDEPENDENT SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Legal Debt Margin Calculation for Fiscal Year 2025

Assessed Value	\$ 55,452,574,579
Debt Limit (Percent of 2024-2025 School Year Assessed Value)*	10.00%
Maximum Legal Debt	5,545,257,458
Amount of Debt Applicable to Debt Limit**	2,490,562,362
Legal Debt Margin	\$ 3,054,695,096

*This debt limit is established by law as stated in Vernon's Civil Statutes, Article 835p.

** Does not include capital lease obligations and is net of reserve for retirement of bonded debt.

	Debt Limit	Amount of Debt Applicable to Debt Limit	Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
2016	\$ 2,984,040,906	\$ 1,009,470,103	\$ 1,974,570,803	33.83%
2017	3,242,329,832	1,099,102,044	2,143,227,788	33.90%
2018	3,379,989,283	1,229,224,314	2,150,764,969	36.37%
2019	3,573,754,332	1,187,552,461	2,386,201,871	33.23%
2020	3,809,489,435	1,250,190,066	2,559,299,369	32.82%
2021	4,012,065,025	1,333,465,626	2,678,599,399	33.24%
2022	4,311,543,362	1,597,117,043	2,714,426,319	37.04%
2023	5,213,476,208	1,526,672,905	3,686,803,303	29.28%
2024	5,487,559,745	1,991,019,192	3,496,540,553	36.28%
2025	5,545,257,458	2,490,562,362	3,054,695,096	44.91%

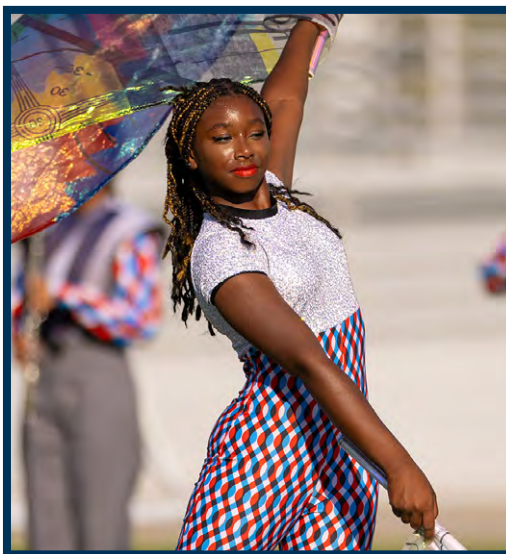
**CONROE INDEPENDENT SCHOOL DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AS OF AUGUST 31, 2025
(UNAUDITED)**

	Net Debt	Percent ^a	Overlapping Amount
<u>County</u>			
Montgomery	\$ 417,980,000	57.27	\$ 239,377,146
Lone Star College System	507,100,000	21.75	110,294,250
<u>Cities</u>			
Conroe	237,376,656	75.56	179,361,801
Oak Ridge North	11,615,000	100.00	11,615,000
Shenandoah	8,625,149	100.00	8,625,149
<u>Townships</u>			
The Woodlands Township	17,775,000	83.12	14,774,580
<u>Water Districts</u>			
East Plantation UD	4,850,000	100.00	4,850,000
River Plantation MUD	8,212,095	100.00	8,212,095
Conroe MUD #1	24,140,027	89.35	21,569,114
Conroe Municipal Mgmt District #1	99,381,562	100.00	99,381,562
Montgomery DD #10	14,544,731	100.00	14,544,731
MUD #15	37,459,267	100.00	37,459,267
MUD #36	1,260,000	100.00	1,260,000
MUD #39	7,540,000	97.94	7,384,676
MUD #42	13,545,974	100.00	13,545,974
MUD #46	42,755,000	98.08	41,934,104
MUD #47	6,018,688	99.20	5,970,538
MUD #60	3,430,000	100.00	3,430,000
MUD #67	13,995,000	100.00	13,995,000
MUD #88	28,720,000	100.00	28,720,000
MUD #89	13,955,000	100.00	13,955,000
MUD #90	10,651,307	100.00	10,651,307
MUD #92	18,745,000	100.00	18,745,000
MUD #94	24,141,320	100.00	24,141,320
MUD #95	68,402,482	100.00	68,402,482
MUD #99	44,694,026	100.00	44,694,026
MUD #105	73,118,578	100.00	73,118,578
MUD #107	18,259,775	100.00	18,259,775
MUD #111	66,721,166	100.00	66,721,166
MUD #112	32,145,000	100.00	32,145,000
MUD #113	118,430,000	62.02	73,450,286
MUD #115	42,295,000	100.00	42,295,000
MUD #119	99,355,000	100.00	99,355,000
MUD #121	42,580,000	88.99	37,891,942
MUD #127	28,420,000	100.00	28,420,000
MUD #132	21,605,000	100.00	21,605,000
MUD #138	57,534,800	60.32	34,704,991
MUD #139	75,767,663	100.00	75,767,663
MUD #142	8,275,000	100.00	8,275,000
MUD #144	17,439,351	100.00	17,439,351
MUD #145	10,926,914	100.00	10,926,914
MUD #147	2,680,000	99.38	2,663,384
MUD #148	5,220,000	100.00	5,220,000
MUD #149	3,600,000	99.99	3,599,640
MUD #152A	24,055,108	100.00	24,055,108
MUD #164	18,389,912	100.00	18,389,912
Montgomery Co MUD # 178	5,480,000	0.54	29,592
Montgomery UD #4	12,326,039	5.61	691,491
Montgomery WC&ID #1	23,139,997	99.84	23,102,973
Montgomery Co WC&ID #	7,100,000	100.00	7,100,000
Rayford Road MUD	15,728,696	100.00	15,728,696
S. Montgomery County MUD	7,085,000	100.00	7,085,000
Spring Creek UD	44,718,512	100.00	44,718,512
Texas National MUD	5,955,000	8.43	502,007
The Woodlands Metro Ctr. MUD	5,126,385	100.00	5,126,385
The Woodlands RUD #1	18,619,556	100.00	18,619,556
Total Estimated Overlapping Debt			1,863,902,045
District Direct Debt			2,751,259,450
Total Overlapping and Direct Debt			\$ 4,615,161,495

^a Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. The percentage of overlapping debt is estimated using actual taxable property values. Percentages were estimated by determining the portion of the overlapping taxing authorities actual taxable value that is within the District's boundaries and dividing it by the overlapping taxing authorities' total actual taxable value.

Source: Texas Municipal Reports

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules provide demographic and economic indicators to help in understanding the environment in which the District operates and to facilitate in comparisons over time.

**CONROE INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Population Information:

<u>Year</u>	<u>Estimated Population</u>	<u>Land Area</u>	<u>Density Per Square Mile</u>	<u>Population Change</u>
2016	343,014	348	994	3.73%
2017	352,382	348	994	2.73%
2018	360,766	348	1,046	2.38%
2019	369,194	348	1,070	2.34%
2020	379,314	348	1,099	2.74%
2021	379,464	348	1,100	0.04%
2022	374,898	348	1,124	-1.20%
2023	386,967	348	1,112	3.22%
2024	405,859	348	1,166	4.88%
2025	415,067	348	1,193	2.27%

Source: Texas Municipal Reports

	<u>Montgomery County</u>	<u>Texas</u>	<u>U.S.</u>
<u>Housing:</u>			
Housing Units, 2024	293,988	12,616,736	146,740,964
Occupied Housing Units 2021	93.0%	90.8%	90.4%
Owner Occupied Median Value, 2019-2023	\$ 305,303	\$ 263,060	\$ 271,330
Persons under 18 years old, 2024	25.4%	24.5%	21.4%
Persons 65 and over, 2024	14.1%	14.0%	18.0%
Persons Per Household, 2019-2023	3.22	3.29	3.11

Income:

Median household income, 2019-2023	\$ 94,203	\$ 79,721	\$ 81,604
Persons below poverty level, 2024	9.3%	13.4%	12.1%

Source: United States Census Bureau

**CONROE INDEPENDENT SCHOOL DISTRICT
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Year Ended August 31	Montgomery County				Percent Unemployed County	Percent Unemployed State	Percent Unemployed U.S.
	Civilian Labor Force	Total Employment	Personal Income^a (In Thousands)	Per Capita Personal^a Income			
2016	259,617	245,412	\$ 30,837,487	\$ 55,493	5.5	5.0	5.0
2017	261,159	249,459	34,776,605	60,783	4.5	4.5	4.5
2018	272,940	262,593	37,585,521	63,605	3.8	3.9	3.9
2019	278,760	268,877	39,403,353	64,853	3.5	3.6	3.8
2020	282,803	263,182	41,035,812	65,516	6.9	6.9	6.9
2021	289,048	273,247	44,756,112	68,974	5.5	5.9	5.2
2022	302,050	289,601	50,196,110	73,866	4.1	4.1	3.7
2023	312,603	298,364	55,943,811	78,644	4.6	4.1	3.8
2024	322,427	307,892	55,943,811	78,644	4.5	4.1	4.2
2025	363,980	347,277	55,943,811	78,644	4.6	4.1	4.3

^aPersonal & per capita income information Last updated: November 14, 2024 no further updates

Source: Texas LMI of Texas Workforce Commission, Bureau of Economic Analysis

**CONROE INDEPENDENT SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)**

Employer	2025		2016	
	Employees	Percentage of Total Employment	Approximate Range of Number of Employees	Percentage of Total Employment
Conroe Independent School District	9,526	2.74%	7,055	2.87%
Memorial Hermann The Woodlands Hospital	3,300	0.95%	1900	0.77%
Houston Methodist The Woodlands Hospital	2,937	0.85%	500-1000	0.41%
CHI St. Luke's Health The Woodlands	2,412	0.69%	1,369	0.56%
Lone Star College - Montgomery	1,589	0.46%	1000-1500	0.61%
Texas Children's	1,526	0.44%	1000-1500	0.61%
Chevron Phillips Chemical Company	1,225	0.35%	5,000	2.04%
Woodforest National Bank	1,163	0.33%	0-500	0.20%
Occidental Petroleum Corporation	1,101	0.32%	500-1000	0.41%
Entergy Texas	1,021	0.29%	0-500	0.20%
	25,800	7.42%	21,324	8.68%

Source:

South Montgomery County Chamber of Commerce
Conroe Area Chamber of Commerce

OPERATING INFORMATION

These schedules provide information about the District's operations and resources to assist in using the financial statement information to better understand and assess the District's economic condition.

**CONROE INDEPENDENT SCHOOL DISTRICT
FULL TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS
(UNAUDITED)**

	2025	2024	2023	2022
Instruction	5,914	5,870	5,607	5,330
Instructional Resources & Media Services	80	79	74	74
Curriculum & Staff Development	242	214	194	182
Instructional Leadership	71	80	64	63
School Leadership	644	633	585	559
Guidance and Counseling	407	401	371	345
Social Work Services	18	19	15	17
Health Services	150	150	150	149
Student (Pupil) Transportation	594	584	569	571
Food Services	342	339	325	299
Cocurricular/Extracurricular Activities	42	42	41	40
General Administration	100	100	98	90
Plant Maintenance & Operations	728	715	636	593
Security & Monitoring Services	124	111	110	103
Data Processing Services	63	67	64	64
Ancillary Services	9	10	9	13
Total Employees	9,526	9,413	8,910	8,492

Source: District Records

2021	2020	2019	2018	2017	2016
5,063	4,836	4,731	4,615	4,464	4,357
75	76	75	76	71	72
159	139	130	126	113	108
55	44	45	47	45	43
558	543	523	493	495	495
330	316	294	264	262	256
13	15	14	11	13	12
146	116	111	102	100	101
567	609	583	566	568	524
355	395	376	357	344	320
40	34	34	34	31	29
89	86	85	87	85	81
630	586	574	544	547	529
104	98	91	77	77	72
60	57	57	54	51	55
2	2	2	1	-	1
8,246	7,952	7,725	7,454	7,266	7,055

**CONROE INDEPENDENT SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Enrollment	Operating Expenditures¹	Cost Per Student	Percentage Change	Government Wide Expenses²
2016	58,239	\$ 467,341,738	8,025	1.30%	\$ 570,925,366
2017	59,764	500,356,546	8,372	4.33%	599,075,797
2018	61,614	530,862,139	8,616	2.91%	469,142,323
2019	62,837	548,017,142	8,721	1.22%	690,120,321
2020	64,799	584,799,337	9,025	3.48%	730,581,396
2021	64,563	620,466,420	9,610	6.48%	739,075,712
2022	67,761	696,041,404	10,272	6.89%	753,057,341
2023	70,783	757,843,173	10,707	4.23%	850,311,239
2024	72,352	806,677,128	11,149	4.14%	948,096,357
2025	72,914	808,548,706	11,089	-0.54%	969,821,283

¹ Operating expenditures are total expenditures less debt service and facilities acquisition & construction from Changes in Fund Balance Schedule

² Government Wide Expenses are total expenses from the Statement of Activities

Source: Nonfinancial information from district records

	<u>Cost Per Student</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Student Teacher Ratio</u>	<u>Percentage of Students in Free/Reduced Lunch Program</u>
\$	9,803	5.02%	3,536	16.47	36%
	10,024	2.25%	3,628	16.47	36%
	7,614	-24.04%	3,754	16.41	37%
	10,983	44.24%	3,820	16.45	40%
	11,275	2.65%	3,930	16.49	39%
	11,447	1.53%	4,110	15.71	40%
	11,113	-2.92%	4,239	15.99	40%
	12,013	8.09%	4,517	15.67	44%
	13,104	9.08%	4,716	15.34	44%
	13,301	1.50%	4,751	15.35	44%

**CONROE INDEPENDENT SCHOOL DISTRICT
TEACHER BASE SALARIES
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year		Minimum Salary*	Maximum Salary*	County Average Salary	Statewide Average Salary
2016	\$	50,000	\$ 61,438	\$ 54,027	\$ 51,892
2017		51,500	62,295	55,670	52,525
2018		52,500	63,020	56,509	53,334
2019		53,700	64,070	57,487	54,122
2020		55,500	66,070	59,758	57,091
2021		57,000	67,370	61,206	57,641
2022		58,500	68,670	62,404	58,887
2023		60,000	69,570	63,228	60,716
2024		61,600	73,270	63,388	62,463
2025		61,600	73,270	65,140	63,749

Sources:
District Records
Texas Education Agency Website

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

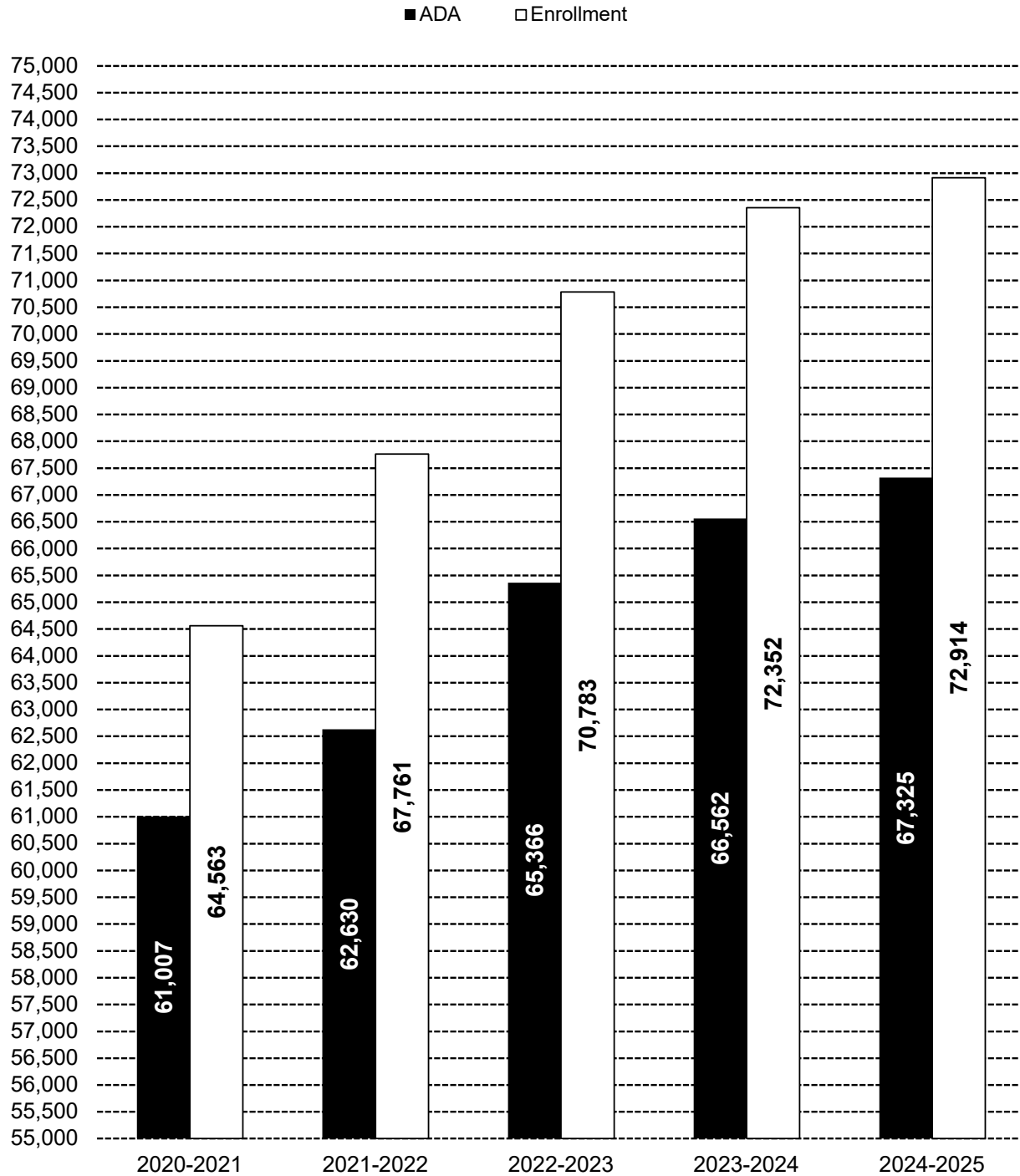
**CONROE INDEPENDENT SCHOOL DISTRICT
ATTENDANCE DATA
LAST TEN FISCAL YEARS
(UNAUDITED)**

Fiscal Year	Total Enrollment	Average Daily Attendance		
		Amount	Percent Increase (Decrease)	Percent of Membership
2016	58,239	55,147	3.7%	94.7%
2017	59,764	56,653	2.7%	94.8%
2018	61,580	58,001	2.4%	94.2%
2019	62,837	59,356	2.3%	94.5%
2020	64,799	60,983	2.7%	94.1%
2021	64,563	61,007	0.0%	94.5%
2022	67,761	62,630	2.7%	92.4%
2023	70,783	65,366	4.4%	92.3%
2024	72,352	66,562	1.8%	92.0%
2025	72,914	67,325	1.1%	92.3%

Source: Conroe Independent School District's PEIMS Data

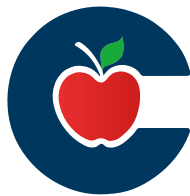
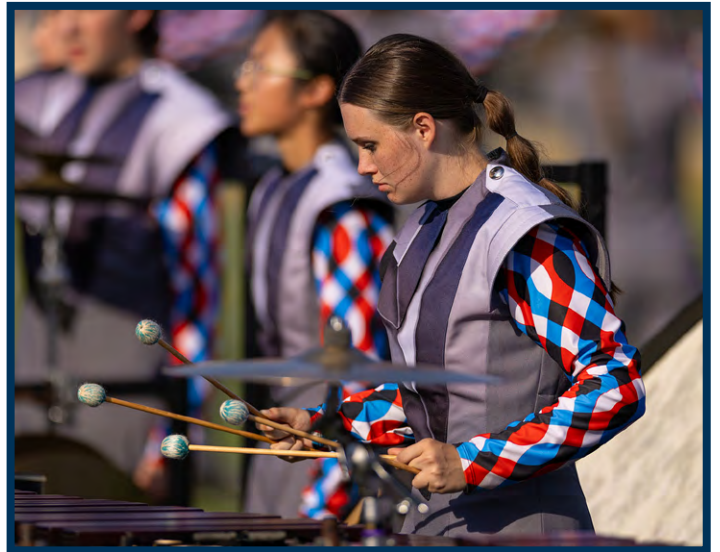
Average Daily Attendance & Enrollment

Last Five Fiscal Years



Unaudited
Source: District PEIMS Data

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Building	2025	2024	2023	2022	2021
Elementary Schools					
Anderson Elementary (1994)					
Square Footage	77,000	77,000	77,000	77,000	77,000
Capacity	700	700	800	800	800
Enrollment	686	723	761	703	563
Armstrong Elementary (1969)					
Square Footage	99,146	99,146	99,146	99,146	99,146
Capacity	650	650	770	770	770
Enrollment	616	633	623	608	603
Austin Elementary (1952)					
Square Footage	101,392	101,392	101,392	101,392	101,392
Capacity	875	875	950	950	950
Enrollment	896	1,031	939	807	1,001
Bartlett Elementary (2024)					
Square Footage	127,826	-	-	-	-
Capacity	950	-	-	-	-
Enrollment	895	-	-	-	-
Birnham Woods Elementary (2009)					
Square Footage	121,472	121,472	121,472	121,472	121,472
Capacity	950	950	1,000	1,000	1,000
Enrollment	845	899	985	976	956
Bradley Elementary (2017)					
Square Footage	125,121	125,121	125,121	125,121	125,121
Capacity	950	950	1,000	1,000	1,000
Enrollment	948	1,022	1,048	1,019	962
Broadway Elementary (2007)					
Square Footage	113,560	113,560	113,560	113,560	113,560
Capacity	950	950	1,000	1,000	1,000
Enrollment	914	998	1,337	1,281	1,162
Buckalew Elementary (1998)					
Square Footage	86,000	86,000	86,000	86,000	86,000
Capacity	750	750	770	770	770
Enrollment	823	743	720	676	623
Bush Elementary (1996)					
Square Footage	77,000	77,000	77,000	77,000	77,000
Capacity	800	800	850	850	850
Enrollment	881	895	890	906	794
Creighton Elementary (1980)					
Square Footage	95,000	95,000	95,000	95,000	95,000
Capacity	650	650	770	770	770
Enrollment	701	1,005	954	839	759
David Elementary (1990)					
Square Footage	68,150	68,150	68,150	68,150	68,150
Capacity	650	650	700	700	700
Enrollment	585	629	642	621	603
Ford Elementary (1978)					
Square Footage	81,000	81,000	81,000	81,000	81,000
Capacity	700	700	900	900	900
Enrollment	857	868	870	922	846
Galatas Elementary (1994)					
Square Footage	72,470	72,470	72,470	72,470	72,470
Capacity	775	775	850	850	850
Enrollment	792	810	808	777	745
Giesinger Elementary (1990)					
Square Footage	68,150	68,150	68,150	68,150	68,150
Capacity	650	650	700	700	700
Enrollment	713	743	769	819	749

2020	2019	2018	2017	2016
77,000	77,000	77,000	77,000	77,000
800	800	800	800	800
671	625	646	655	681
99,146	99,146	99,146	99,146	84,146
770	700	770	770	600
661	650	700	726	684
114,314	114,314	114,314	114,314	114,314
950	950	950	950	950
958	926	1,014	929	913
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
121,472	113,560	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
1,003	1,040	984	1,169	1,045
125,121	125,121	125,121	-	-
1,000	1,000	1,000	-	-
979	884	793	-	-
113,560	113,560	113,560	113,560	113,560
1,000	950	1,000	1,000	1,000
1,101	977	891	1,172	1,060
80,619	80,619	80,619	80,619	80,619
770	770	770	770	770
672	664	632	645	673
87,201	87,201	87,201	87,201	87,201
850	850	850	850	850
783	742	732	717	724
95,000	95,000	95,000	95,000	95,000
770	770	770	770	770
815	829	876	889	887
68,150	68,150	68,150	68,150	68,150
700	700	700	700	700
641	658	707	662	629
81,000	81,000	81,000	81,000	81,000
900	900	900	900	900
875	899	833	866	1,010
72,470	72,470	72,470	72,470	72,470
850	850	850	850	850
609	617	639	672	669
72,150	72,150	72,150	72,150	72,150
700	700	700	700	700
796	764	702	616	541

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Building	2025	2024	2023	2022	2021
Glen Loch Elementary (1980)					
Square Footage	64,000	64,000	64,000	64,000	64,000
Capacity	575	575	600	600	600
Enrollment	555	541	539	518	518
Hailey Elementary (1978)					
Square Footage	64,000	64,000	64,000	64,000	64,000
Capacity	600	600	680	680	680
Enrollment	592	625	657	598	571
Hines Elementary (2023)					
Square Footage	127,826	127,826	-	-	-
Capacity	950	950	-	-	-
Enrollment	902	808	-	-	-
Hope Elementary (2021)					
Square Footage	127,826	127,826	127,826	127,826	-
Capacity	925	925	1,000	1,000	-
Enrollment	764	629	616	485	-
Houser Elementary (1980)					
Square Footage	89,400	89,400	89,400	89,400	89,400
Capacity	700	700	900	900	900
Enrollment	588	619	645	571	567
Houston Elementary (2007)					
Square Footage	119,000	119,000	119,000	119,000	119,000
Capacity	900	900	1,000	1,000	1,000
Enrollment	741	596	587	613	616
Kaufman Elementary (2006)					
Square Footage	113,560	113,560	113,560	113,560	113,560
Capacity	900	900	1,000	1,000	1,000
Enrollment	859	909	939	880	851
Lamar Elementary (1971)					
Square Footage	85,478	85,478	85,478	85,478	85,478
Capacity	700	700	770	770	770
Enrollment	759	731	751	624	608
Milam Elementary (2006)					
Square Footage	113,560	113,560	113,560	113,560	113,560
Capacity	900	900	1,000	1,000	1,000
Enrollment	590	556	563	505	656
Oak Ridge Elementary (1973)					
Square Footage	78,659	78,659	78,659	78,659	78,659
Capacity	575	575	750	750	750
Enrollment	608	608	628	682	599
Patterson Elementary (2014)					
Square Footage	121,472	121,472	121,472	121,472	121,472
Capacity	925	925	1,000	1,000	1,000
Enrollment	1,024	1,094	1,005	898	897
Powell Elementary (1994)					
Square Footage	77,000	77,000	77,000	77,000	77,000
Capacity	775	775	850	850	850
Enrollment	830	876	893	843	782
Reaves Elementary (1974)					
Square Footage	87,358	87,358	87,358	87,358	87,358
Capacity	675	675	730	730	730
Enrollment	672	771	735	695	683
Rice Elementary (1978)					
Square Footage	78,008	78,008	78,008	78,008	78,008
Capacity	625	625	730	730	730
Enrollment	602	598	623	618	591
Ride Elementary (1983)					
Square Footage	60,000	60,000	60,000	60,000	60,000
Capacity	575	575	660	660	660
Enrollment	508	565	580	605	571

2020	2019	2018	2017	2016
64,000	64,000	64,000	64,000	64,000
600	600	600	600	600
598	702	676	651	631
64,000	64,000	64,000	64,000	64,000
680	680	680	680	680
615	762	786	715	722
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
89,400	89,400	89,400	89,400	89,400
900	850	920	920	920
533	815	824	789	867
119,000	119,000	119,000	119,000	119,000
1,000	1,000	1,000	1,000	1,000
642	636	680	798	797
113,560	113,560	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
891	878	866	810	832
85,478	85,478	85,478	85,478	85,478
770	770	770	770	770
801	777	741	729	701
113,560	113,560	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
710	745	784	801	813
78,659	78,659	78,659	78,659	74,088
750	750	750	750	700
651	770	751	724	554
121,472	121,472	121,472	121,472	121,472
1,000	1,000	1,000	1,000	1,000
945	945	802	762	747
77,000	77,000	77,000	77,000	77,000
850	850	850	850	850
861	871	897	818	772
87,358	87,358	87,358	87,358	87,358
730	730	730	730	730
708	683	708	692	716
78,008	78,008	78,008	78,008	78,008
730	730	730	730	730
617	598	595	581	654
60,000	60,000	60,000	60,000	60,000
660	660	660	660	660
754	714	728	699	656

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Building	2025	2024	2023	2022	2021
Runyan Elementary (1967)					
Square Footage	92,550	92,550	92,550	92,550	92,550
Capacity	575	575	610	610	610
Enrollment	593	705	656	603	564
San Jacinto Elementary (1980)					
Square Footage	65,000	65,000	65,000	65,000	65,000
Capacity	700	700	850	850	850
Enrollment	658	612	588	496	567
Snyder Elementary (2013)					
Square Footage	121,742	121,742	121,742	121,742	121,742
Capacity	950	950	1,000	1,000	1,000
Enrollment	859	860	1,319	1,265	1,164
Wilkinson Elementary (2009)					
Square Footage	121,472	121,472	121,472	121,472	121,472
Capacity	900	900	1,000	1,000	1,000
Enrollment	755	989	946	805	693
K-6 Schools					
Deretchin Elementary (2005)					
Square Footage	129,104	129,104	129,104	129,104	129,104
Capacity	1,075	1,075	1,185	1,185	1,185
Enrollment	1,209	1,229	1,174	908	895
Gordon Reed (2022)					
Square Footage	127,826	127,826	127,826	-	-
Capacity	950	950	950	-	-
Enrollment	705	647	596	-	-
Stewart Elementary (2014)					
Square Footage	121,472	121,472	121,472	121,472	121,472
Capacity	950	950	800	800	800
Enrollment	914	868	812	1,125	1,002
Suchma Elementary (2019)					
Square Footage	125,121	125,121	125,121	125,121	125,121
Capacity	950	950	1,000	1,000	1,000
Enrollment	1,428	1,381	1,239	1,022	928
Coulson Tough Elementary (2002)					
Square Footage	129,104	129,104	129,104	129,104	129,104
Capacity	1,100	1,100	1,185	1,185	1,185
Enrollment	988	997	1,049	1,007	975
Intermediate Schools					
Bozman Intermediate(2009)					
Square Footage	121,472	121,472	121,472	121,472	121,472
Capacity	950	950	1,000	1,000	1,000
Enrollment	1113	1001	1008	953	940
Collins Intermediate (1990)					
Square Footage	80,000	80,000	80,000	80,000	80,000
Capacity	775	775	800	800	800
Enrollment	719	779	762	723	729
Clark Intermediate (2018)					
Square Footage	125,121	125,121	125,121	125,121	125,121
Capacity	950	950	1,000	1,000	1,000
Enrollment	913	932	1086	1013	935
Cox Intermediate (2008)					
Square Footage	113,560	113,560	113,560	113,560	113,560
Capacity	950	950	1,000	1,000	1,000
Enrollment	1016	1016	869	862	896
Cryar Intermediate (2004)					
Square Footage	113,560	113,560	113,560	113,560	113,560
Capacity	900	900	1,000	1,000	1,000
Enrollment	779	786	776	772	763
Grangerland Intermediate (2008)					
Square Footage	137,434	137,434	137,434	137,434	137,434
Capacity	1,050	1,050	1,185	1,185	1,185
Enrollment	559	555	1,218	1,209	1,175

2020	2019	2018	2017	2016
75,310	75,310	75,310	75,310	75,310
610	610	610	610	610
596	593	606	665	690
98,505	98,505	98,505	98,505	98,505
850	800	800	800	800
607	650	708	723	702
121,742	121,742	121,742	121,742	124,560
1,000	1,000	1,000	1,000	1,000
1,119	1,039	949	1,065	956
121,472	121,472	121,472	121,472	113,560
1,000	1,000	1,000	1,000	1,000
706	717	714	682	620
129,104	129,104	129,104	129,104	129,104
1,185	1,185	1,185	1,185	1,185
831	912	949	1,015	1,067
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
121,472	121,472	121,472	121,472	121,472
800	800	800	800	800
990	851	729	703	601
125,121	-	-	-	-
1,000	-	-	-	-
905	-	-	-	-
129,104	129,104	129,104	129,104	129,104
1,185	1,185	1,185	1,185	1,185
881	889	947	1,008	1,011
121,472	121,472	121,472	121,472	113,560
1,000	1,000	1,000	1,000	1,000
949	865	797	802	800
80,000	80,000	80,000	80,000	80,000
800	800	800	800	800
754	757	703	697	674
125,121	125,121	-	-	-
1,000	1,000	-	-	-
930	820	-	-	-
113,560	113,560	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
903	849	1478	1312	1229
113,560	113,560	113,560	113,560	113,560
1,000	1,000	1,000	1,000	1,000
805	793	707	655	630
137,434	137,434	137,434	137,434	113,560
1,185	1,185	1,185	1,185	1,000
1,198	1,172	1,092	1,057	1,014

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Building	2025	2024	2023	2022	2021
Mitchell Intermediate (1996)					
Square Footage	129,000	129,000	129,000	129,000	129,000
Capacity	1,150	1,150	1,200	1,200	1,200
Enrollment	1,253	1,243	1,222	1,130	1,128
Travis Intermediate (1926)					
Square Footage	168,166	168,166	168,166	168,166	168,166
Capacity	700	700	700	700	700
Enrollment	488	502	530	596	619
Veterans Intermediate (2023)					
Square Footage	190,560	190,560	-	-	-
Capacity	1,050	1,050	-	-	-
Enrollment	767	719	-	-	-
Vogel Intermediate (2001)					
Square Footage	125,970	125,970	125,970	125,970	125,970
Capacity	1,100	1,100	1,185	1,185	1,185
Enrollment	953	960	901	961	991
Wilkerson Intermediate (1974)					
Square Footage	95,334	95,334	95,334	95,334	95,334
Capacity	750	750	730	730	730
Enrollment	711	743	739	790	769
Junior High Schools					
Irons Junior High (2012)					
Square Footage	221,194	221,194	221,194	221,194	221,194
Capacity	1,350	1,350	1,200	1,200	1,200
Enrollment	1,242	1,268	1,325	1,241	1,122
Knox Junior High (1978)					
Square Footage	203,491	203,491	203,491	203,491	203,491
Capacity	1,350	1,350	1,400	1,400	1,400
Enrollment	1,395	1,399	1,464	1,380	1,424
McCullough Junior High (1976)					
Square Footage	298,516	298,516	298,516	298,516	298,516
Capacity	2,000	2,000	2,300	2,300	2,300
Enrollment	2,195	2,163	2,184	2,084	2,068
Moorhead Junior High (2001)					
Square Footage	269,538	269,538	269,538	190,560	190,560
Capacity	1,600	1,600	1,600	1,100	1,100
Enrollment	1,379	1,368	1,423	1,299	1,241
Peet Junior High (2013)					
Square Footage	207,194	207,194	207,194	207,194	207,194
Capacity	1,350	1,350	1,500	1,500	1,500
Enrollment	1,337	1,324	1,295	1,283	1,278
Stockton Junior High (2021)					
Square Footage	236,231	236,231	236,231	236,231	236,231
Capacity	1,400	1,400	1,500	1,500	1,500
Enrollment	1,367	1,345	1,388	1,416	1,296
York Junior High (2008)					
Square Footage	257,363	257,363	257,363	257,363	257,363
Capacity	1,975	1,975	1,500	1,500	1,500
Enrollment	2,009	1,975	2,010	2,032	1,876
High Schools					
Caney Creek High School (1995)					
Square Footage	464,864	464,864	464,864	454,880	454,880
Capacity	2,600	2,600	2,890	2,890	2,890
Enrollment	2,831	2,656	2,436	2,271	2,159
Conroe High School (1962)					
Square Footage	664,808	664,808	664,808	696,307	696,307
Capacity	3,400	3,400	3,300	3,300	3,300
Enrollment	3,942	3,859	3,349	3,383	3,264

2020	2019	2018	2017	2016
129,000	129,000	129,000	129,000	129,000
1,200	1,200	1,200	1,200	1,200
1,208	1,195	1,242	1,229	1,244
168,166	168,166	168,166	168,166	168,166
700	700	700	700	700
680	672	647	615	596
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
125,970	125,970	125,970	125,970	113,560
1,185	1,185	1,185	1,185	1,000
944	1,088	1,104	1,067	1,078
86,884	86,884	86,884	86,884	86,884
730	730	730	730	730
756	743	785	734	683
207,194	207,194	207,194	207,194	207,194
1,200	1,450	1,200	1,200	1,200
1,144	1,152	1,088	1,120	1,145
203,491	203,491	203,491	190,585	162,584
1,400	1,400	1,400	1,400	1,150
1,479	1,410	1,415	1,370	1,336
298,516	298,516	298,516	298,516	298,516
2,300	2,300	2,300	2,300	2,300
2,132	2,142	2,208	2,232	2,224
190,560	190,560	190,560	190,560	190,560
1,100	1,100	1,100	1,100	1,100
1,173	1,152	1,102	1,037	1,056
240,475	240,475	240,475	240,475	240,475
1,500	1,500	1,500	1,500	1,500
1,447	1,413	1,426	1,344	1,256
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
210,000	210,000	210,000	210,000	210,000
1,500	1,500	1,500	1,500	1,500
1,670	1,450	1,379	1,223	1,118
454,880	454,880	454,880	454,880	454,880
2,890	2,890	2,890	2,890	2,890
2,085	2,094	2,042	1,935	1,925
606,307	606,307	606,307	606,307	606,307
3,300	3,300	3,400	3,400	3,400
3,095	3,009	2,909	2,763	2,631

**CONROE INDEPENDENT SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
(UNAUDITED)**

Building	2025	2024	2023	2022	2021
Conroe High 9th Grade (1995)					
Square Footage	173,647	173,647	173,647	173,647	160,454
Capacity	1,250	1,250	1,200	1,200	1,200
Enrollment	1358	1355	1,386	1,280	1,165
Grand Oaks High School (2018)					
Square Footage	529,243	529,243	529,243	529,243	529,233
Capacity	3,200	3,200	3,200	3,000	3,000
Enrollment	3,884	3,775	3,473	3,310	2,965
Oak Ridge High School (1981)					
Square Footage	452,542	452,542	452,542	363,000	363,000
Capacity	2,200	2,200	2,300	2,300	2,300
Enrollment	2,038	2,007	1,939	1,923	1,889
Oak Ridge 9th Grade Campus(1985)					
Square Footage	203,476	203,476	203,476	203,476	203,476
Capacity	1,250	1,250	1,350	1,350	1,350
Enrollment	768	734	685	662	625
College Park High School (2005)					
Square Footage	519,943	519,943	519,943	519,943	519,943
Capacity	3,100	3,100	2,850	2,850	2,850
Enrollment	3,361	3,365	3,221	3,243	3,133
The Woodlands High School (1996)					
Square Footage	465,269	465,269	465,269	465,269	465,269
Capacity	3,200	3,200	3,100	3,100	3,100
Enrollment	3,412	3,391	3,293	3,302	3,247
TWHS 9th Grade Campus (2000)					
Square Footage	200,000	200,000	200,000	200,000	200,000
Capacity	1,250	1,250	1,300	1,300	1,300
Enrollment	1,081	1,146	1,084	1,077	1,062
Alternative Schools					
Washington High School (1951)					
Square Footage	158,735	158,735	158,735	163,735	163,735
Capacity	350	350	750	750	750
Enrollment	189	173	231	246	140
Total Square Footage	10,680,056	10,552,230	10,233,844	9,836,187	9,701,512
Total Capacity	73,600	72,650	74,350	71,970	71,700
Total Enrollment	72,914	72,352	70,783	67,761	64,563

Source: District Records

2020	2019	2018	2017	2016
221,194	221,194	221,194	221,194	221,194
1,200	1,100	1,100	1,100	1,100
1,148	1,082	1,051	1,042	1,003
522,641	522,641	-	-	-
3,000	3,000	-	-	-
2,108	1,241	-	-	-
363,000	363,000	363,000	363,000	363,000
2,300	2,300	2,300	2,300	2,300
2,353	2,835	3,166	2,964	2,834
195,556	195,556	195,556	195,556	149,000
1,350	1,300	1,350	1,350	1,050
660	592	1,249	1,169	1,036
481,746	481,746	481,746	481,746	469,000
2,850	2,850	2,850	2,850	2,850
3,170	3,127	3,101	2,926	2,840
413,527	413,527	413,527	413,527	403,600
3,100	3,000	3,000	3,000	3,000
3,269	3,256	3,292	3,288	3,166
200,000	200,000	200,000	200,000	200,000
1,300	1,350	1,400	1,400	1,400
1,086	1,089	1,044	1,122	1,102
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
9,576,390	9,331,408	8,683,646	8,657,568	8,491,477
70,450	65,224	64,420	64,420	63,280
64,799	62,837	61,580	59,764	58,239

Conroe ISD • Campus Locations

Caney Creek Feeder Zone

High School

31 Caney Creek High School

Junior High School

25 Moorhead Junior High ▲

Intermediate Schools

16* Grangerland Intermediate ▲

63 Veterans Memorial Intermediate ▲

Elementary Schools

3 Austin Elementary ▲

★ Campbell Elementary (K-6) ▲ (opens 2025)

6 Creighton Elementary ▲○

16* Milam Elementary ▲

62 Hope Elementary ▲

22 San Jacinto Elementary ▲

College Park Feeder Zone

High School

42 The Woodlands College Park HS and Academy of Science & Technology

Junior High School

29* Knox Junior High

Intermediate Schools

23 Collins Intermediate

29* Wilkerson Intermediate ▲

Elementary Schools

4 Buckalew Elementary

7 David Elementary

9 Galatas Elementary

12 Hailey Elementary

13 Houser Elementary

15 Lamar Elementary ▲○

18 Powell Elementary

20 Ride Elementary

Conroe Feeder Zone

34 Washington High School (9-12)

JDC Montgomery Co. Juvenile Detention Center

Junior High School

36 Conroe High School and Academy for Science & Health Professions

33 Conroe High School - 9th grade campus

Junior High School

56 Peet Junior High

49* Stockton Junior High

Intermediate Schools

49* Bozman Intermediate ▲

41 Cryar Intermediate ▲

14 Travis Intermediate ▲

Elementary Schools

1 Anderson Elementary ▲

2 Armstrong Elementary ▲

66 Bartlett Elementary ▲

10 Giesinger Elementary

64 Gordon-Reed Elementary (PK-6)

14 Houston Elementary ▲

49* Patterson Elementary ▲○

27 Reaves Elementary ▲

19 Rice Elementary ▲

21 Runyan Elementary ▲

57 Stewart Elementary (K-6)

50 Wilkinson Elementary

Grand Oaks Feeder Zone

High School

59 Grand Oaks High School

Junior High School

46* York Junior High

Intermediate Schools

46* Cox Intermediate

60 Clark Intermediate

Elementary Schools

51 Birnham Woods Elementary

58 Bradley Elementary

45 Broadway Elementary

8 Ford Elementary

65 Hines Elementary

55 Snyder Elementary

Oak Ridge Feeder Zone

High School

37 Oak Ridge High School

37 Oak Ridge HS - 9th grade campus and Academy for Careers in Engineering & Science

Junior High School

54 Irons Junior High

Intermediate Schools

24 Vogel Intermediate ▲

Elementary Schools

★ Campbell Elementary (K-6) ▲ (opens 2025)

8 Ford Elementary ▲

13 Houser Elementary ▲

44 Kaufman Elementary

17 Oak Ridge Elementary ▲

61 Suchma Elementary (K-6)

The Woodlands Feeder Zone

High School

30 The Woodlands High School

38 The Woodlands HS - 9th grade campus

Junior High School

39 McCullough Junior High

Intermediate Schools

26 Mitchell Intermediate

29* Wilkerson Intermediate ▲

Elementary Schools

4 Buckalew Elementary

5 Bush Elementary

43 Deretchin Elementary (PK-6) ▲○

✚ Eissler Elementary (opens 2025)

9 Galatas Elementary

11 Glen Loch Elementary ▲

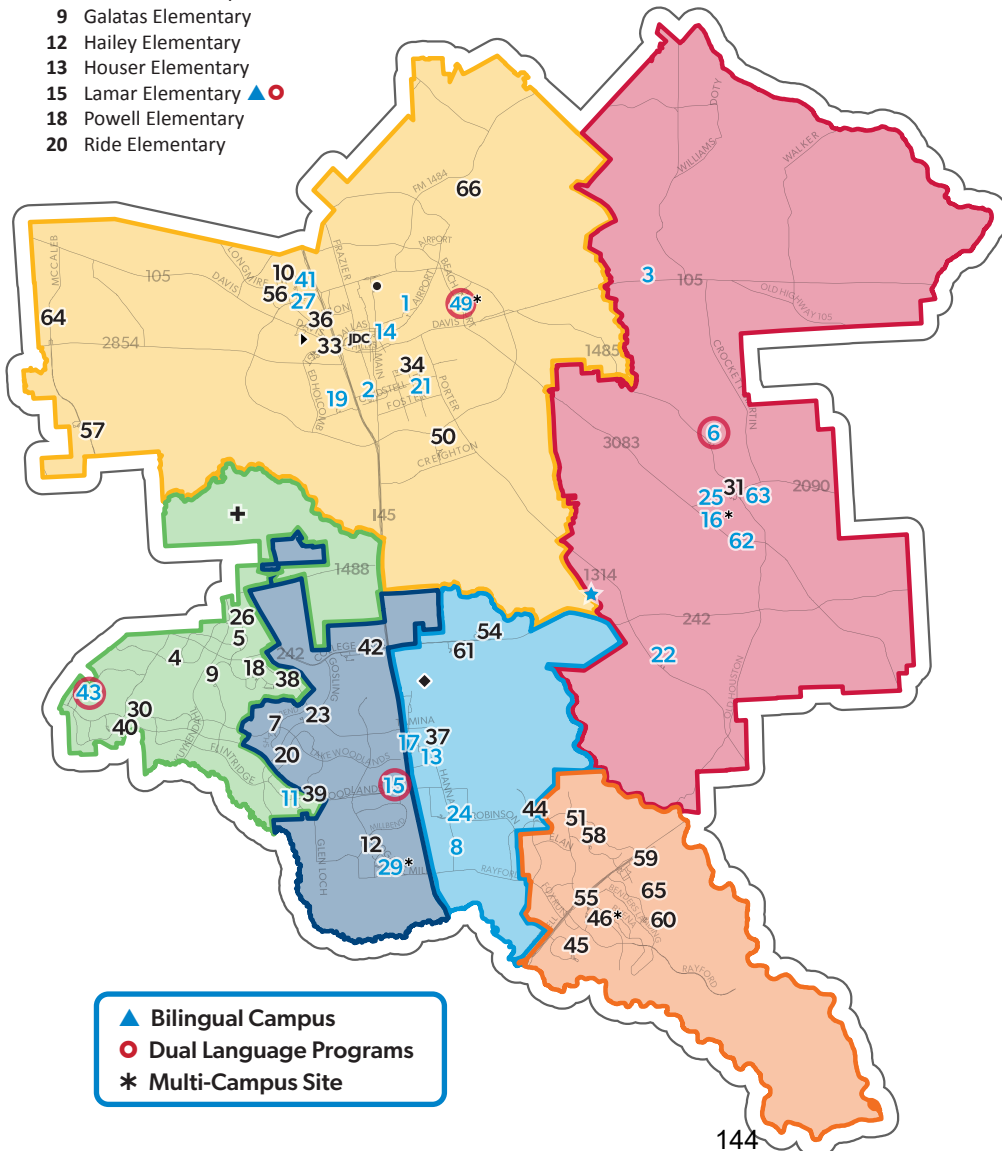
18 Powell Elementary

40 Tough Elementary (K-6)

► Deane L. Sadler Administration / Technology Center
3205 West Davis • Conroe, Texas

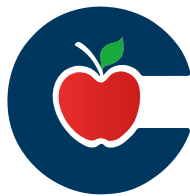
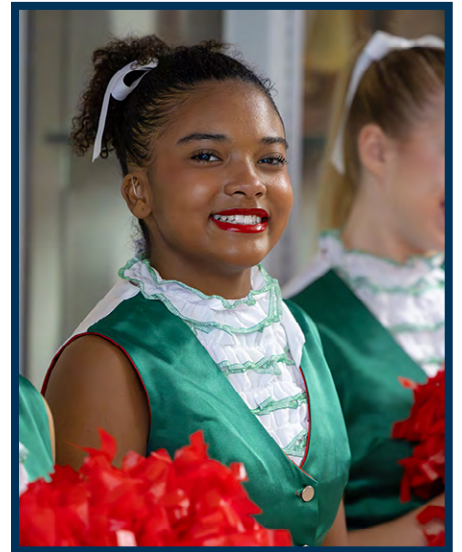
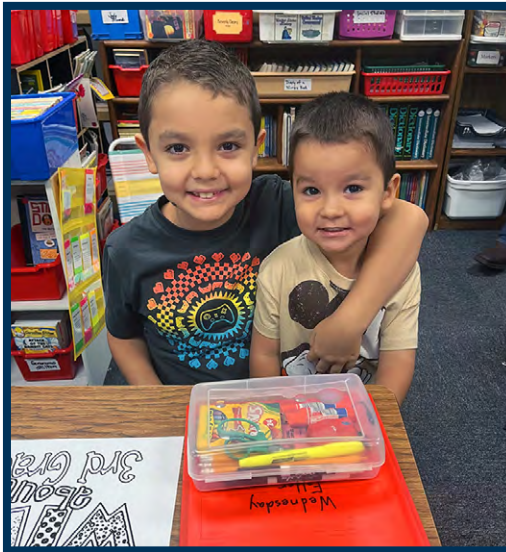
◆ Walter P. Jett Teacher Training Center
19043 David Memorial Dr. • Shenandoah, Texas

● DAEP and JJAEP
2235 N. First Street • Conroe, Texas



- ▲ Bilingual Campus
- Dual Language Programs
- * Multi-Campus Site

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

CONROE ISD INSURANCE SCHEDULE 08/31/2025

Coverage	Limits/Values	Deductible	Agent	Company & Policy Number	Expiration Date	Annual Premium 24/25	Annual Premium 25/26
Automobile	\$100,000/\$300,000/						
Collision Included	\$100,000	\$ 2,500	TASB	TASB Risk Management Fund	8/31/2026	\$ 669,302	\$ 669,302
Comprehensive		\$ 2,500					
Liability		\$ 2,500					
Ancillary Coverage Violent Acts	\$ 250,000	0	TASB	TASB Risk Management Fund	8/31/2026	NO COST	NO COST
Buildings and Contents	\$500,000,000 All Risk Insured Values \$2,986,312,244	\$100,000 per occurrence \$100,000 per location Flood: \$100,000 per location except \$250,000 at Anderson El, TWHS; \$500,000 at Caney Creek HS, GOHS	Dean & Draper Insurance/Risk Management	Affiliated FM GP 732 property policy# 1138624	9/1/2026	\$ 3,241,523	\$ 3,529,994
Terrorism	80% of covered terrorism losses paid by US Government		Dean & Draper Insurance/Risk Management	Liberty Syrplus Ins. Corp.	9/1/2026	\$ 20,454	\$ 20,454
Boiler & Machinery	Included in Property Sublimit	\$ 10,000	Dean & Draper Insurance/Risk Management	Affiliated FM GP 732	9/1/2026		
All Wind DBB	\$10,000,000 limit for all wind incl NWS	2%; \$100,000 per location plus \$5,000,000 per location	Dean & Draper Insurance/Risk Management	Various	9/1/2026	\$ 1,146,797	\$ 953,088
General Liability 2,000,000 Total Limit	\$1,000,000 Per Occurrence \$1,000,000 Personal Injury	100,000	TASB	TASB Risk Management Fund	9/1/2026	INCLUDED IN ELL	INCLUDED IN ELL
Sexual Abuse/Harassment Included	\$1,000,000 Each Person \$2,000,000 Total Limit						
Law Enforcement Liability Included						INCLUDED IN ELL	INCLUDED IN ELL
Crime Liability	\$ 500,000	\$ 2,500	Dean & Draper Insurance/Risk Management	Travelers/National Union policy# 105986560	9/1/2026	\$ 18,558	\$ 18,977
Notary Public Errors & Omission	\$ 20,000		Dean & Draper Insurance/Risk Management	Western Surety 18202168	9/1/2026	\$ 617	\$ 617
Peace Officer Bonds	\$ 5,000		Dean & Draper Insurance/Risk Management	Western Surety	Various 2026	\$50.00 ea	\$50.00 ea

CONROE ISD INSURANCE SCHEDULE 08/31/2025

Safekeeping Bond-ROTC Equipment	\$ 10,000		Dean & Draper Insurance/Risk Management	Western Surety 69191793	7/9/2026	\$ 200	\$ 200
School Professional Legal Liability	\$1,000,000 Per Occurrence \$1,000,000 Annual Aggregate *Sublimits for Limited Sexual Misconduct Claim Coverage	\$ 100,000	TASB	TASB Risk Management Fund	8/31/2026	\$ 142,002	\$ 153,382
Student Medical Malpractice Liability	\$1,000,000 \$5,000,000 Aggregate		Affinity Insurance Services HPSO	CNA 0127305506	8/23/2026	\$ 1,910	\$ 1,645
Student Sports and Activity Accident	\$30,000 for a 52 week period	\$ 250	Greater East Texas Insurance Associates	National Health Insurance Company	7/31/2026	\$ 139,000	\$ 139,000
Student Accident Catastrophic	\$10,000,000 Accident Med Expense \$10,000 Accidental Death \$20,000 Accidental Dismemberment \$100,000 Catastrophic Cash Benefit	\$ 250	Greater East Texas Insurance Associates	Legend Insurance Agency	7/31/2026	\$ 10,175	\$ 10,175
Underground Storage Tanks - 5 Sites	\$1,000,000 ea \$2,000,000 Aggregate Limit All Storage Tank Incidents \$1,000,000 Aggregate	\$ 5,000	Dean & Draper Insurance/Risk Management	ACE American Ins. Co. Policy G24726794 013	9/1/2026	\$ 11,545	\$ 11,545
Unemployment	Reimbursable unemployment benefits		TASB	Texas Workforce Commission	n/a	Per Billing	Per Billing
Workers' Compensation	*Estimate subject to payroll audit		TASB	TASB Risk Management Fund 951	8/31/2026	\$ 2,279,262	\$ 1,979,125
Privacy & Information Systems	\$250,000 Limit	\$ -	TASB	TASB Risk Management Fund 951	8/31/2026	\$ 12,500	\$ 12,500

Conroe Independent School District



CONROE
INDEPENDENT
SCHOOL DISTRICT

Conroe Independent School District

SINGLE AUDIT SECTION



CONROE
INDEPENDENT
SCHOOL DISTRICT

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Conroe Independent School District (the District) as of and for the year ended August 31, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 14, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
January 14, 2026

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

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

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Conroe Independent School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2025.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

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

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

The Board of Trustees
Conroe Independent School District

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

Weaver and Tidwell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Houston, Texas
January 14, 2026

CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
August 31, 2025

Project No.	Federal Grantor/ Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Expenditures, Indirect costs, and Refunds
US DEPARTMENT OF EDUCATION			
Passed Through State Department of Education			
2064	244600057110015	Education for Homeless Children and Youth	84.196A \$ 34,490
2065	254600057110039	Education for Homeless Children and Youth	84.196A 44,260
Total Education for Homeless Children and Youth			78,750
2114	24610101170902	Title 1	84.010A 472,646
2115	25610101170902	Title 1	84.010A 10,686,172
2116	26610101170902	Title 1	84.010A 568,055
Total ESEA, Title 1			11,726,873
2125	25615001236950	Title 1 Part C, Migrant Program	84.011A 16,394
2126	26615001236950	Title 1 Part C, Migrant Program	84.011A 51
Total Title 1, Part C			16,445
2635	25671001170902	Title III, Part A LEP	84.365A 1,415,722
2636	26671001170902	Title III, Part A LEP	84.365A 17,723
2635	25671003170902	Title III Immigrant	84.365A 324,355
2636	26671003170902	Title III Immigrant	84.365A 5,856
Total Title III			1,763,656
Special Education Cluster:			
2255	256610011709026610	IDEA-B Preschool	84.173A 75,931
2256	266610011709026610	IDEA-B Preschool	84.173A 3,337
			79,268
2245	256600011709026600	IDEA-B Formula	84.027A 11,031,460
2246	266600011709026600	IDEA-B Formula	84.027A 665,761
2265	256600061709026680	IDEA-B High Cost Risk Pool	84.027A 43,042
3155	256600111709026673	IDEA-B Discretionary Deaf	84.027A 96,847
3156	266600111709026673	IDEA-B Discretionary Deaf	84.027A 21,799
			11,858,909
Total Special Education Cluster			11,938,177
3405	253911011709023911	ECI - Part C	84.181A 1,845
Total ECI - Part C			1,845
2445	25420006170902	Vocational Ed-Carl Perkins Grant	84.048A 621,794
2446	26420006170902	Vocational Ed-Carl Perkins Grant	84.048A 2,871
Total Vocational Education			624,665
2554	24694501170902	Title II, Part A, Teacher/Principal Training	84.367A 10,529
2555	25694501170902	Title II, Part A, Teacher/Principal Training	84.367A 1,871,006
2556	26694501170902	Title II, Part A, Teacher/Principal Training	84.367A 55,600
Total Title II, Part A Teacher/Principal			1,937,135
2821	21528001170902	COVID 19 - Elementary and Secondary School Emergency Relief Fund III	84.425U 7,786
2792	21528042170902	COVID 19 - TCLAS Elementary and Secondary School Emergency Relief Fund III	84.425U 161,043
Total Assistance Listing 84.425U			168,829
2782	215330017110015	COVID 19 - ARP Homeless I - TEHCY Supplemental Grant	84.425W 13,133
2802	21533002170902	COVID 19 - ARP Homeless II	84.425W 36,676
Total Assistance Listing 84.425W			49,809
Total Education Stabilization Fund			218,638

CONROE INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
August 31, 2025

Project No.	Federal Grantor/ Pass-Through Grantor/Program Title	Federal Assistance Listing Number	Expenditures, Indirect costs, and Refunds
2885	25680101170902 Title IV Part A, Subpart 1	84.424A	841,483
2886	26680101170902 Title IV Part A, Subpart 1	84.424A	22,910
	Total Title IV Part A, Subpart 1		864,393
2895	69551102 Summer School LEP	84.369A	66,811
	Total Summer School LEP		66,811
	Total Passed Through Programs		29,237,388
	TOTAL U.S. DEPARTMENT OF EDUCATION		\$ 29,237,388
	<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>		
	Direct Programs:		
	Medicaid Cluster:		
	Medicaid Administrative Claiming Program (MAC)	93.778	\$ 317,464
	Contract# HHS000537900027		
	TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES		\$ 317,464
	<u>U.S. DEPARTMENT OF AGRICULTURE</u>		
	Passed Through State Department of Education:		
2405	71402201 Child Nutrition Cluster:		
	School Breakfast Program	10.553	\$ 4,944,403
	Total Assistance Listing Number 10.553		4,944,403
2405	71302201 National School Lunch Program	10.555	16,616,604
	Passed Through Texas Department of Agriculture:		
2405	806780706 Child Nutrition Cluster:		
	National School Lunch Program - Noncash Assistance (Commodities)	10.555	1,969,178
	Total Assistance Listing Number 10.555		18,585,782
	Total Child Nutrition Cluster		23,530,185
	TOTAL DEPARTMENT OF AGRICULTURE		\$ 23,530,185
	<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>		
	Passed Through Texas Department of Emergency Management:		
2405	4798DR Disaster Grants - Public Assistance	97.036	\$ 32,256
1995	4798DR Disaster Grants - Public Assistance	97.036	145,050
	Total Disaster Grants - Public Assistance		177,306
	Passed Through State Department of Education		
2895	5022001 State and Local Cybersecurity Grant Program	97.137	\$ 287,397
			287,397
	TOTAL DEPARTMENT OF HOMELAND SECURITY		\$ 464,703
	TOTAL EXPENDITURES OF FEDERAL AWARDS		\$ 53,549,740

Note A: Nutritional program revenues are accounted for in the Special Revenue Fund.
Expenditures are not specifically attributable to this revenue source and are shown on this schedule in an amount equal to revenues for balancing purposes only. As noted, commodities are reported herein at their market value at the time of donation.

Conroe Independent School District

Notes to the Schedule of Expenditures of Federal Awards

Note 1. Basis of Presentation

Conroe Independent School District (the District) utilizes the fund types specified in the Texas Education Agency's Financial Accounting System Resource Guide.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes. Federal and state financial assistance generally is accounted for in a special revenue fund. Generally, unused balances must be 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. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for governmental funds. This basis of accounting recognizes revenue in the accounting period in which it becomes measurable and available. Expenditures are recorded in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due, and certain compensated absences and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Federal grants 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. Non-cash assistance, including in-kind donations and donated food commodities, are reported at their estimated acquisition value at the time of donation. Donated food commodities are considered expended when consumed.

Note 2. Indirect Cost Rate

The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Note 3. Period of Availability

The period of availability for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project extended 30 days beyond the federal project period ending date, in accordance with the provisions of the Uniform Guidance.

Note 4. Basis of Funding

Federal funding for food services under child nutrition programs is primarily based upon the number and type of meals served and on user charges as reported to the U.S. Department of Agriculture. Federal funding received related to various grant programs is based upon periodic reports detailing reimbursable expenditures made in compliance with the program guidelines to the grantor agencies. The programs are governed by various rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies. To the extent, if any, that the District has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of funding monies may be required. In the opinion of the District's management, there are no significant contingent liabilities relating to matters of compliance and, accordingly, no provision has been made in the basic financial statements for such contingencies.

Conroe Independent School District

Notes to the Schedule of Expenditures of Federal Awards

Note 5. Reconciliation to Basic Financial Statements

The following is a reconciliation of the Schedule of Expenditures of Federal Awards and expenditures reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds:

Total expenditures per Schedule of Expenditures of Federal Awards:	\$ 53,549,740
SHARS reimbursements	<u>1,311,112</u>
Reconciled Balance	<u>\$ 54,860,852</u>
Related expenditures on Statement of Revenues, Expenditures, and	
Changes in Fund Balance - Governmental Funds:	
General Fund	\$ 2,080,848
Special Revenue Fund	<u>52,780,004</u>
	<u>\$ 54,860,852</u>

Conroe Independent School District
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended August 31, 2025

Section 1. Summary of Auditor's Results

Financial Statements

An unmodified opinion was issued on the financial statements.

Internal control over financial reporting:

Material weaknesses identified?	_____ Yes	<u> X </u> No
Significant deficiencies identified?	_____ Yes	<u> X </u> None reported
Noncompliance material to financial statements noted?	_____ Yes	<u> X </u> No

Federal Awards

Internal control over major federal programs:

Material weaknesses identified?	_____ Yes	<u> X </u> No
Significant deficiencies identified?	_____ Yes	<u> X </u> None reported

An unmodified opinion was issued on compliance for major federal programs.

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

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173	Special Education Cluster
84.365	Title III, Part A
84.367	Title II, Part A

Dollar threshold used to distinguish between type A and type B programs:	<u>\$1,606,492</u>
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Auditee qualified as a low-risk auditee?	<u> X </u> Yes	_____ No
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Conroe Independent School District
Schedule of Findings and Questioned Costs – Continued
For the Fiscal Year Ended August 31, 2025

Section 2. Financial Statement Findings

None reported

Section 3. Federal Award Findings and Questioned Costs

None reported

Section 4. Schedule of Prior Audit Findings and Questioned Costs

None reported

