

**ELYSIAN FIELDS
INDEPENDENT SCHOOL DISTRICT**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2021

Elysian Fields Independent School District
Annual Financial Report
For The Year Ended August 31, 2021

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Introductory Section

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CERTIFICATE OF BOARD

Elysian Fields Independent School District
Name of School District

Harrison
County

102-906
Co.-Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and (check one) X approved disapproved for the year ended August 31, 2021, at a meeting of the board of trustees of such school district on the 10th day of January, 2022.

Julie J. Simmons
Signature of Board Secretary

Debbie Gaym
Signature of Board President

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

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Financial Section

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Morgan LaGrone, CPA, PLLC

Certified Public Accountant

Telephone: 903.657.0240
Fax: 903.655.1324

116 S Marshall
Henderson TX 75654

Independent Auditor's Report

To the Board of Trustees
Elysian Fields Independent School District
P.O. Box 120
Elysian Fields, Texas 75642

Report on the Audit of the Financial Statements

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Elysian Fields Independent School District ("the District") as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the District's preparation and fair presentation of the financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Elysian Fields Independent School District as of August 31, 2021, 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.

Emphasis of Matter

Change in Accounting Principle

As described in Note A to the financial statements, in 2021, Elysian Fields Independent School District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, Fiduciary Activities. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, and budgetary comparison information and schedule of the District's proportionate share of the net pension liability and schedule of District pension contributions, and schedule of the District's proportionate share of the net OPEB liability and schedule of District OPEB contributions identified as Required Supplementary Information 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Elysian Fields Independent School District's basic financial statements. The introductory section and combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not required parts of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements. The accompanying other supplementary information is presented for purposes of additional analysis and is also not a required part of the basic financial statements.

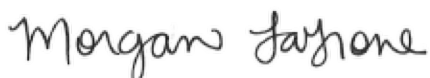
The combining and individual nonmajor fund financial statements and other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic 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 combining and individual nonmajor fund financial statements and other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 6, 2022 on our consideration of Elysian Fields Independent School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Elysian Fields Independent School District's internal control over financial reporting and compliance.

Respectfully submitted,



Morgan LaGrone, CPA, PLLC

Henderson, TX
January 6, 2022

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2021

This section of Elysian Fields Independent School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year ended August 31, 2021. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

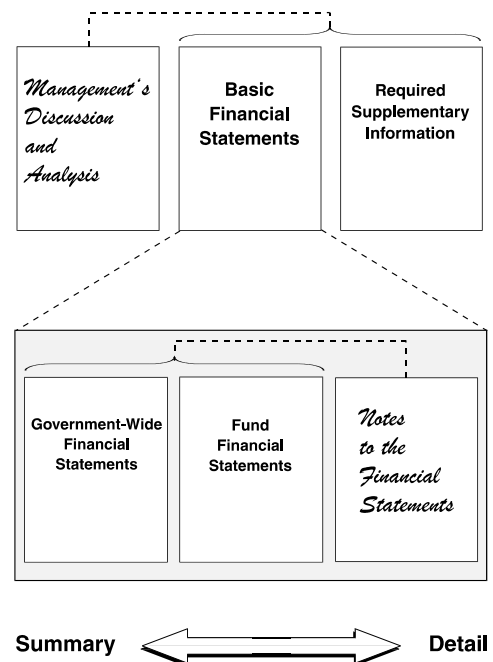
- The District's total combined Net Position was \$10,289,528 at August 31, 2021.
- During the year, the District's expenses were \$11,557,976, and the District generated \$14,609,288 in taxes and other revenues for governmental activities.
- The total cost of the District's programs increased 3.19%.
- The General Fund reported a fund balance this year of \$10,093,159, of which \$3,250,000 was committed for future construction and \$6,843,159 was unassigned.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts—management's discussion and analysis (this section), the basic financial statements, required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the District:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the government, reporting the District's operations in more detail than the government-wide statements.
- The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.
- Proprietary fund statements offer short and long-term financial information about the activities the government operates like businesses.
- Fiduciary fund statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the resources in question belong.

Figure A-1, Required Components of the District's Annual Financial Report



The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and related to one another.

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of Net Position includes all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2021

The two government-wide statements report the District's Net Position and how they have changed. Net Position—the difference between the District's assets and liabilities—is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's Net Position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in the District's tax base.

The government-wide financial statements of the District include the Governmental activities. Most of the District's basic services are included here, such as instruction, extracurricular activities, curriculum and staff development, health services, and general administration. Property taxes and grants finance most of these activities.

Fund Financial Statements

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

- Some funds are required by State law and by bond covenants.
- The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that it is properly using certain taxes and grants.

The District has the following kinds of funds:

- Governmental funds - Most of the District's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explain the relationship (or differences) between them.
- Proprietary funds - Services for which the District charges customers a fee is generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.
 - We use an internal service fund to report activities that provide services for the District's Workers' Compensation Insurance Fund.
- Fiduciary funds - The District is the trustee, or fiduciary, for certain funds. It is also responsible for other assets that—because of a trust arrangement—can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary Net Position and a statement of changes in fiduciary Net Position. We exclude these activities from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Net Position: The District's combined Net Position was \$10,289,528.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2021

Table A-1
Elysian Fields Independent School District
Net Position

	2021	2020	Increase/ (Decrease) 2020-2021	Percentage Change 2020-2021
Current and Other Assets	\$ 12,386,676	\$ 9,999,486	\$ 2,387,190	23.87%
Capital Assets	9,820,586	9,436,091	384,495	4.07%
Total Assets	<u>\$ 22,207,262</u>	<u>\$ 19,435,577</u>	<u>\$ 2,771,685</u>	<u>14.26%</u>
Deferred Outflow of Resources	\$ 177,595	\$ 209,885	\$ (32,290)	(15.38%)
Deferred Outflow - Pensions	715,846	957,334	\$ (241,488)	(25.23%)
Deferred Outflow - OPEB	439,973	367,950	72,023	19.57%
Total Deferred Outflows of Resources	<u>\$ 1,333,414</u>	<u>\$ 1,535,169</u>	<u>\$ (201,755)</u>	<u>(13.14%)</u>
Long-Term Liabilities Outstanding	\$ 9,821,708	\$ 11,285,061	\$ (1,463,353)	(12.97%)
Other Liabilities	1,008,609	617,319	391,290	63.39%
Total Liabilities	<u>\$ 10,830,317</u>	<u>\$ 11,902,380</u>	<u>\$ (1,072,063)</u>	<u>(9.01%)</u>
Deferred Inflow - Pensions	\$ 501,741	\$ 520,761	\$ (19,020)	(3.65%)
Deferred Inflow - OPEB	1,919,089	1,406,531	512,558	36.44%
Total Deferred Inflows of Resources	<u>\$ 2,420,831</u>	<u>\$ 1,927,292</u>	<u>\$ 493,538</u>	<u>25.61%</u>
Net Position:				
Net Investment in Capital Assets	\$ 4,549,964	\$ 3,372,173	\$ 1,177,791	34.93%
Restricted	644,593	686,616	(42,023)	(6.12%)
Unrestricted	5,094,971	3,082,286	2,012,685	65.30%
Total Net Position	<u>\$ 10,289,528</u>	<u>\$ 7,141,075</u>	<u>\$ 3,148,453</u>	<u>44.09%</u>

Table A-2
Elysian Fields Independent School District
Change in Net Position

	2021	2020	Increase/ (Decrease) 2020-2021	Percentage Change 2020-2021
Program Revenues:				
Charges for Services	\$ 412,236	\$ 219,864	\$ 192,372	87.50%
Operating Grants & Contributions	1,492,790	1,696,921	(204,131)	(12.03%)
General Revenues:				
Property Taxes	7,772,150	6,612,491	1,159,659	17.54%
State Aid-Formula	4,586,622	5,822,756	(1,236,134)	(21.23%)
Other	345,490	197,058	148,432	75.32%
Total Revenues	<u>\$ 14,609,288</u>	<u>\$ 14,549,090</u>	<u>\$ 60,198</u>	<u>0.41%</u>
Functions/Programs:				
Instructional and Instructional-Related Services	\$ 6,248,291	\$ 6,141,583	\$ 106,708	1.74%
Instruction and School Leadership	794,845	792,903	1,942	0.24%
Support Services - Student	2,075,124	2,020,110	55,014	2.72%
Administrative Support Services	564,170	562,763	1,407	0.25%
Support Services - Non-Student Based	1,512,729	1,297,585	215,144	16.58%
Debt Service	144,308	159,025	(14,717)	(9.25%)
Intergovernmental Charges	218,509	226,403	(7,894)	(3.49%)
Total Expenses	<u>\$ 11,557,976</u>	<u>\$ 11,200,372</u>	<u>\$ 357,604</u>	<u>3.19%</u>
Increase/(Decrease) in Net Position	<u>\$ 3,051,312</u>	<u>\$ 3,348,718</u>	<u>\$ (297,406)</u>	<u>(8.88%)</u>

Governmental Activities

Property tax rates for the current year were an M&O rate of \$0.87 per \$100 valuation and an I&S rate of \$0.10 per \$100 valuation for a total rate of \$0.97 per \$100 valuation.

\$416,453 of the District's restricted net position are restricted for debt service, \$133,448 are restricted for campus and student activities, and \$94,692 are restricted for state and federal programs. The \$5,094,971 of unrestricted net position represents resources available to fund the programs of the District next year.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2021

Chart A-1
Elysian Fields Independent School District
Revenues for the Year Ended August 31, 2021

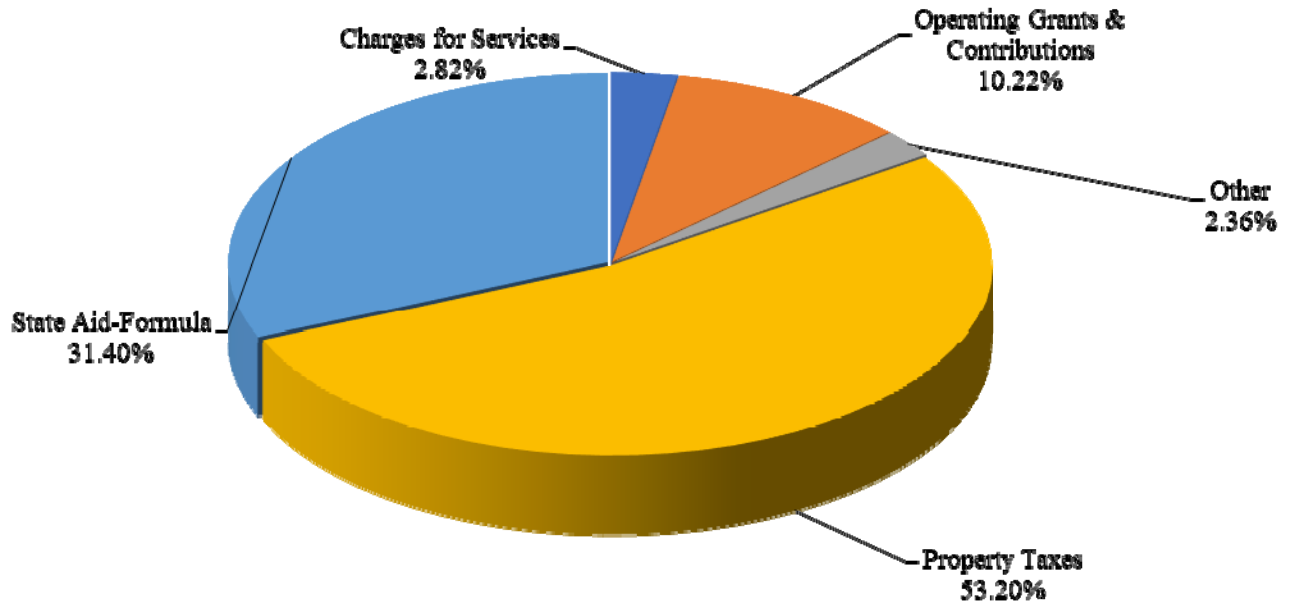
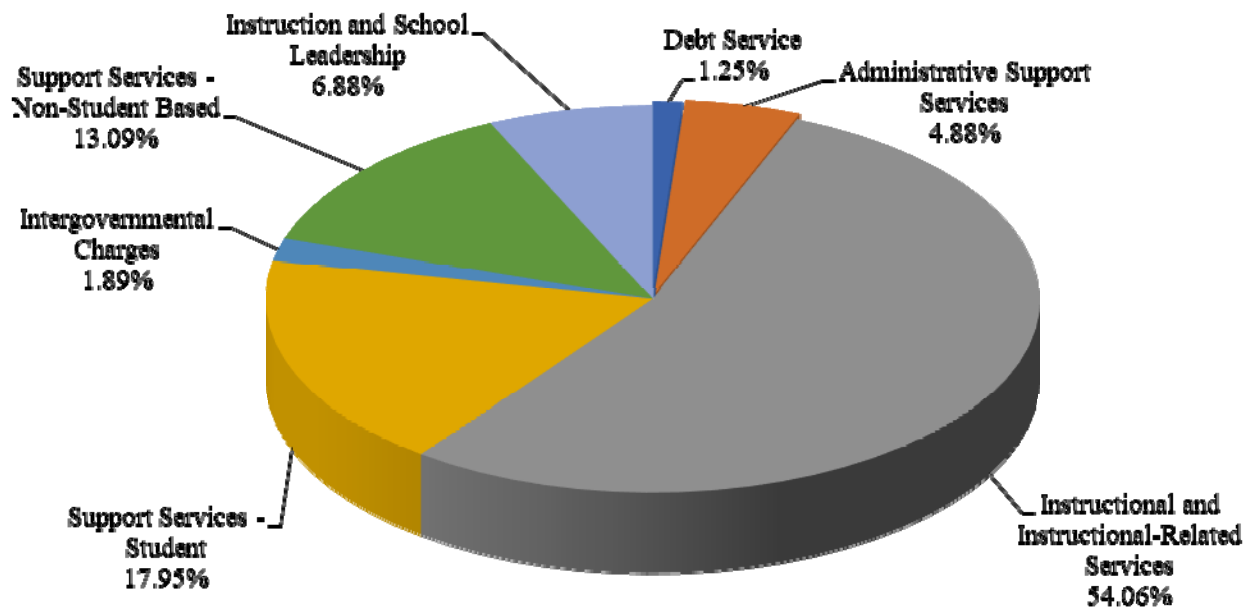


Chart A-2
Elysian Fields Independent School District
Expenses for the Year Ended August 31, 2021



ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2021

Change in Net Position. The District's total revenues were \$14,609,288. A significant portion, 53.20%, of the District's revenue comes from property taxes, 31.40% comes from state aid – formula grants, 10.22% is from operating grants and contributions, 2.82% relates to charges for services, and 2.36% is from investment earnings and miscellaneous.

The total cost of all programs and services was \$11,557,976; 72.01% of these costs are for instructional and student services.

Table A-3 presents the cost of each of the District's largest functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what state revenues as well as local tax dollars funded.

- The cost of all governmental activities this year was \$11,557,976.
- The amount that our taxpayers paid for these activities through property taxes was \$7,772,150.
- Some of the cost was paid by those who directly benefited from the programs, \$412,236, or by grants and contributions, \$1,492,790.

Table A-3
Elysian Fields Independent School District
Net Cost of Selected District Functions

	Total Cost of Services			Net Cost of Services		
	2021	2020	% Change	2021	2020	% Change
Instruction	\$ 6,107,706	\$ 6,008,029	1.66%	\$ 5,192,255	\$ 5,039,897	3.02%
School Leadership	640,284	646,568	(0.97%)	589,775	577,960	2.04%
General Administration	564,170	562,763	0.25%	539,993	529,624	1.96%
Food Service	565,531	649,844	(12.97%)	117,375	103,155	13.79%
Facilities Maintenance & Operations	1,298,813	1,103,581	17.69%	1,249,746	1,040,270	20.14%

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues from governmental fund types totaled \$14,460,241, an increase of \$210,588 from the preceding year. Local revenue increased \$1,428,436. There was a decrease in state revenue, which totaled \$1,330,846. The District's revenue from federal grants increased \$112,998. Expenditures increased \$1,128,793.

General Fund Budgetary Highlights

During the year, the District revised its budget as needed. Considering the adjustments, actual expenditures were \$1,297,182 below final budget amounts. This positive variance resulted from a general cost savings in all functional categories.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2021, the District had invested \$31,511,618 in a broad range of capital assets, including land, equipment, buildings, and vehicles. (See Table A-4.)

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2021

Table A-4
Elysian Fields Independent School District
Capital Assets

	<u>Governmental Activities</u>		Increase/	Percentage
	<u>2021</u>	<u>2020</u>	(Decrease)	Change
			<u>2020-2021</u>	<u>2020-2021</u>
Land	\$ 393,490	\$ 393,490	\$ -	0.00%
Construction in Progress	564,460	-	564,460	N/A
Buildings and Improvements	26,921,634	26,388,613	533,021	2.02%
Vehicles and Equipment	3,632,035	3,376,826	255,209	7.56%
Total Capital Assets	\$ 31,511,618	\$ 30,158,929	\$ 1,352,690	4.49%
Less: Accumulated Depreciation	(21,691,032)	(20,722,838)	(968,194)	4.67%
Net Capital Assets	\$ 9,820,586	\$ 9,436,091	\$ 384,496	4.07%

More detailed information about the District's capital assets is presented in Note E to the financial statements.

Long Term Debt

At year-end the District had \$9,821,708 in long-term debt outstanding as shown in Table A-5. More detailed information about the District's debt is presented in Note G to the financial statements.

Table A-5
Elysian Fields Independent School District
Long-Term Debt

	<u>Governmental Activities</u>		Increase/	Percentage
	<u>2021</u>	<u>2020</u>	(Decrease)	Change
			<u>2020-2021</u>	<u>2020-2021</u>
General Obligation Bonds	\$ 5,005,000	\$ 5,750,000	\$ (745,000)	(12.96%)
Bond Premium	443,218	523,803	(80,585)	(15.38%)
Net OPEB Liability	2,509,578	3,034,748	(525,170)	(17.31%)
Net Pension Liability	1,863,911	1,976,509	(112,598)	(5.70%)
Total Long-Term Debt	\$ 9,821,708	\$ 11,285,060	\$ (1,463,353)	(12.97%)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Appraised value used for the 2022 budget preparation is \$1,024,424,545 up 54.88% from 2021, with an M&O rate of \$0.8720 per \$100 valuation and an I&S rate of \$0.0650 per \$100 valuation for a total tax rate of \$.9370 per \$100 valuation. This is a \$0.0377 decrease in the tax rate from 2021.
- The District's 2022 refined average daily attendance rate is expected to be slightly down some from the 2021 rate due to the pandemic.

These indicators were taken into account when adopting the general fund budget for 2022. Amounts available for appropriation in the general fund budget are \$10,611,450 an increase of \$133,470 from the adopted 2021 budget of \$10,477,980. Property tax collections will be approximately \$8,933,000. State revenue will be approximately \$1,295,000.

The District has added no major new programs or initiatives to the 2022 budget. The 2022 budget does include the purchase of two school buses and one additional school vehicle for student transportation.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2021

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT STAFF

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District's Business Services Department.

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Basic Financial Statements

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ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**STATEMENT OF NET POSITION**

AUGUST 31, 2021

1

Data Control Codes		Governmental Activities
ASSETS:		
1110	Cash and Cash Equivalents	\$ 11,306,316
1225	Property Taxes Receivable (Net)	646,109
1240	Due from Other Governments	374,533
1290	Other Receivables (Net)	790
1410	Unrealized Expenses	58,928
Capital Assets:		
1510	Land	393,490
1520	Buildings and Improvements, Net	8,103,269
1530	Furniture and Equipment, Net	759,367
1580	Construction in Progress	564,460
1000	Total Assets	<u>22,207,262</u>
DEFERRED OUTFLOWS OF RESOURCES:		
	Deferred Outflow of Resources - Related to Bonds	177,595
	Deferred Outflow Related to Pensions	715,846
	Deferred Outflow Related to OPEB	439,973
1700	Total Deferred Outflows of Resources	<u>1,333,414</u>
LIABILITIES:		
2110	Accounts Payable	54,104
2140	Interest Payable	8,109
2165	Accrued Liabilities	457,371
2180	Due to Other Governments	485,648
2300	Unearned Revenue	3,377
Noncurrent Liabilities:		
2501	Due Within One Year	760,000
2502	Due in More Than One Year	4,688,219
2540	Net Pension Liability	1,863,911
2545	Net OPEB Liability	2,509,578
2000	Total Liabilities	<u>10,830,317</u>
DEFERRED INFLOWS OF RESOURCES:		
	Deferred Inflow Related to Pensions	501,741
	Deferred Inflow Related to OPEB	1,919,089
2600	Total Deferred Inflows of Resources	<u>2,420,831</u>
NET POSITION:		
3200	Net Investment in Capital Assets	4,549,964
Restricted For:		
3820	Federal and State Programs	94,692
3850	Debt Service	416,453
3870	Campus/Student Activities	133,448
3900	Unrestricted	5,094,971
3000	Total Net Position	<u>\$ 10,289,528</u>

The accompanying notes are an integral part of this statement.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	Functions/Programs	1	3	4	Net (Expense) Revenue and Changes in Net Position
		Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Governmental Activities
	Governmental Activities:				
11	Instruction	\$ 6,107,706	\$ --	\$ 915,451	\$ (5,192,255)
12	Instructional Resources and Media Services	110,918	--	6,291	(104,627)
13	Curriculum and Staff Development	29,667	--	15,344	(14,323)
21	Instructional Leadership	154,561	--	10,484	(144,077)
23	School Leadership	640,284	--	50,509	(589,775)
31	Guidance, Counseling, and Evaluation Services	225,773	--	18,984	(206,789)
33	Health Services	148,865	--	11,032	(137,833)
34	Student Transportation	488,127	--	19,559	(468,568)
35	Food Service	565,531	121,371	326,785	(117,375)
36	Cocurricular/Extracurricular Activities	646,828	290,865	14,535	(341,428)
41	General Administration	564,170	--	24,177	(539,993)
51	Facilities Maintenance and Operations	1,298,813	--	49,067	(1,249,746)
52	Security and Monitoring Services	86,647	--	14,997	(71,650)
53	Data Processing Services	127,269	--	7,878	(119,391)
72	Interest on Long-term Debt	111,212	--	7,697	(103,515)
73	Bond Issuance Costs and Fees	33,096	--	--	(33,096)
93	Payments Related to Shared Services Arrangements	218,509	--	--	(218,509)
TG	Total Governmental Activities	<u>11,557,976</u>	<u>412,236</u>	<u>1,492,790</u>	<u>(9,652,950)</u>
TP	Total Primary Government	<u>\$ 11,557,976</u>	<u>\$ 412,236</u>	<u>\$ 1,492,790</u>	<u>(9,652,950)</u>
	General Revenues:				
MT	Property Taxes, Levied for General Purposes				6,960,372
DT	Property Taxes, Levied for Debt Service				811,778
IE	Investment Earnings				63,273
GC	Grants and Contributions Not Restricted to Specific Programs				4,586,622
MI	Miscellaneous				282,217
TR	Total General Revenues				<u>12,704,262</u>
CN	Change in Net Position				3,051,312
NB	Net Position - Beginning				7,141,074
PA	Prior Period Adjustment				97,142
	Net Position - Beginning, as Restated				7,238,216
NE	Net Position - Ending				<u>\$ 10,289,528</u>

The accompanying notes are an integral part of this statement.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**BALANCE SHEET - GOVERNMENTAL FUNDS**

AUGUST 31, 2021

Data Control Codes	10 General Fund	Other Governmental Funds	98 Total Governmental Funds
ASSETS:			
1110 <i>Cash and Cash Equivalents</i>	\$ 10,665,907	\$ 634,737	\$ 11,300,644
1225 <i>Taxes Receivable, Net</i>	536,150	109,959	646,109
1240 <i>Due from Other Governments</i>	337,238	37,295	374,533
1290 <i>Other Receivables</i>	790	--	790
1410 <i>Unrealized Expenditures</i>	58,928	--	58,928
1000 Total Assets	<u>11,599,013</u>	<u>781,991</u>	<u>12,381,004</u>
LIABILITIES:			
Current Liabilities:			
2110 <i>Accounts Payable</i>	\$ 12,394	\$ --	\$ 12,394
2150 <i>Payroll Deductions & Withholdings</i>	57,581	--	57,581
2160 <i>Accrued Wages Payable</i>	353,844	21,846	375,690
2170 <i>Due to Other Funds</i>	38,353	--	38,353
2180 <i>Due to Other Governments</i>	485,648	--	485,648
2200 <i>Accrued Expenditures</i>	21,884	2,216	24,100
2300 <i>Unearned Revenue</i>	--	3,377	3,377
2000 Total Liabilities	<u>969,704</u>	<u>27,439</u>	<u>997,143</u>
DEFERRED INFLOWS OF RESOURCES:			
<i>Deferred Revenue</i>	536,150	109,959	646,109
2600 Total Deferred Inflows of Resources	<u>536,150</u>	<u>109,959</u>	<u>646,109</u>
FUND BALANCES:			
Restricted Fund Balances:			
3450 <i>Federal/State Funds Grant Restrictions</i>	--	94,692	94,692
3480 <i>Retirement of Long-Term Debt</i>	--	416,453	416,453
3490 <i>Other Restrictions of Fund Balance</i>	--	79,192	79,192
Committed Fund Balances:			
3510 <i>Construction</i>	3,250,000	--	3,250,000
3545 <i>Other Committed Fund Balance</i>	--	54,256	54,256
3600 <i>Unassigned</i>	6,843,159	--	6,843,159
3000 Total Fund Balances	<u>10,093,159</u>	<u>644,593</u>	<u>10,737,752</u>
Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 11,599,013</u>	<u>\$ 781,991</u>	<u>\$ 12,381,004</u>

The accompanying notes are an integral part of this statement.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
AUGUST 31, 2021

Total fund balances - governmental funds balance sheet	\$ 10,737,752
Amounts reported for governmental activities in the Statement of Net Position ("SNP") are different because:	
Capital assets used in governmental activities are not reported in the funds.	9,820,586
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	646,108
The assets and liabilities of internal service funds are included in governmental activities in the SNP.	2,315
Payables for bond principal which are not due in the current period are not reported in the funds.	(5,005,000)
Payables for bond interest which are not due in the current period are not reported in the funds.	(8,110)
The deferred amount on the bond refunding is not reported in the funds.	177,595
Recognition of the District's proportionate share of the net pension liability is not reported in the funds.	(1,863,911)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(501,741)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	715,846
Bond premiums are amortized in the SNA but not in the funds.	(443,218)
Recognition of the District's proportionate share of the net OPEB liability is not reported in the funds.	(2,509,578)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.	(1,919,089)
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.	439,973
Net position of governmental activities - Statement of Net Position	\$ <u>10,289,528</u>

The accompanying notes are an integral part of this statement.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES****IN FUND BALANCES - GOVERNMENTAL FUNDS****FOR THE YEAR ENDED AUGUST 31, 2021**

Data Control Codes	10 General Fund	Other Governmental Funds	98 Total Governmental Funds
REVENUES:			
5700 <i>Local and Intermediate Sources</i>	\$ 7,309,750	\$ 1,192,978	\$ 8,502,728
5800 <i>State Program Revenues</i>	5,081,039	60,812	5,141,851
5900 <i>Federal Program Revenues</i>	--	815,662	815,662
5020 Total Revenues	<u>12,390,789</u>	<u>2,069,452</u>	<u>14,460,241</u>
EXPENDITURES:			
Current:			
0011 <i>Instruction</i>	4,879,718	566,031	5,445,749
0012 <i>Instructional Resources and Media Services</i>	100,905	--	100,905
0013 <i>Curriculum and Staff Development</i>	29,667	--	29,667
0021 <i>Instructional Leadership</i>	136,506	--	136,506
0023 <i>School Leadership</i>	562,000	--	562,000
0031 <i>Guidance, Counseling, and Evaluation Services</i>	197,830	--	197,830
0033 <i>Health Services</i>	131,545	--	131,545
0034 <i>Student Transportation</i>	570,052	--	570,052
0035 <i>Food Service</i>	--	517,414	517,414
0036 <i>Cocurricular/Extracurricular Activities</i>	356,891	266,574	623,465
0041 <i>General Administration</i>	520,729	--	520,729
0051 <i>Facilities Maintenance and Operations</i>	1,400,386	--	1,400,386
0052 <i>Security and Monitoring Services</i>	56,306	30,341	86,647
0053 <i>Data Processing Services</i>	115,514	--	115,514
0071 <i>Principal on Long-term Debt</i>	--	745,000	745,000
0072 <i>Interest on Long-term Debt</i>	--	192,450	192,450
0073 <i>Bond Issuance Costs and Fees</i>	--	806	806
0081 <i>Capital Outlay</i>	1,016,321	--	1,016,321
0093 <i>Payments to Shared Service Arrangements</i>	218,509	--	218,509
6030 Total Expenditures	<u>10,292,879</u>	<u>2,318,616</u>	<u>12,611,495</u>
1100 Excess (Deficiency) of Revenues Over (Under)			
1100 Expenditures	<u>2,097,910</u>	<u>(249,164)</u>	<u>1,848,746</u>
Other Financing Sources and (Uses):			
7915 <i>Transfers In</i>	670,000	110,000	780,000
7949 <i>Other Resources</i>	61,101	--	61,101
8911 <i>Transfers Out</i>	(780,000)	--	(780,000)
7080 Total Other Financing Sources and (Uses)	<u>(48,899)</u>	<u>110,000</u>	<u>61,101</u>
1200 Net Change in Fund Balances	<u>2,049,011</u>	<u>(139,164)</u>	<u>1,909,847</u>
0100 Fund Balances - Beginning	8,044,148	686,615	8,730,763
1300 Prior Period Adjustment	--	97,142	97,142
Fund Balances - Beginning, as Restated	8,044,148	783,757	8,827,905
3000 Fund Balances - Ending	<u>\$ 10,093,159</u>	<u>\$ 644,593</u>	<u>\$ 10,737,752</u>

The accompanying notes are an integral part of this statement.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2021

Net change in fund balances - total governmental funds	\$ 1,909,847
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	1,377,812
The depreciation of capital assets used in governmental activities is not reported in the funds.	(971,214)
The gain or loss on the sale of capital assets is not reported in the funds.	38,999
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	148,383
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	745,000
(Increase) decrease in accrued interest from beginning of period to end of period.	653
The net revenue (expense) of internal service funds is reported with governmental activities.	107
Prior years' tax collections are revenue in the funds but were reported in a prior period in the SOA.	(160,234)
Insurance proceeds do not provide revenue in the SOA, but are reported as OFS in the funds.	(61,101)
Amortization of bond premiums are not reported in the funds.	80,585
Amortization of deferred loss on refunding is not reported in the funds.	(32,290)
Changes in NPL, DRO, and DRI are recognized in the government-wide statements but not in the funds.	(109,870)
Changes in OPEB, DRO, and DRI are recognized in the government-wide statements but not in the funds.	84,635
Change in net position of governmental activities - Statement of Activities	\$ <u>3,051,312</u>

The accompanying notes are an integral part of this statement.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT*STATEMENT OF NET POSITION**INTERNAL SERVICE FUND**AUGUST 31, 2021*

Data Control Codes		Nonmajor Internal Service Fund
		Insurance Fund
ASSETS:		
	Current Assets:	
1110	<i>Cash and Cash Equivalents</i>	\$ 5,672
	<i>Receivables:</i>	
1260	<i>Due from Other Funds</i>	38,353
	Total Current Assets	44,025
1000	Total Assets	44,025
LIABILITIES:		
	Current Liabilities:	
2110	<i>Accounts Payable</i>	\$ 41,710
	Total Current Liabilities	41,710
2000	Total Liabilities	41,710
NET POSITION:		
3000	Total Net Position	\$ 2,315

The accompanying notes are an integral part of this statement.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES
 IN FUND NET POSITION - INTERNAL SERVICE FUND
 FOR THE YEAR ENDED AUGUST 31, 2021

		Nonmajor Internal Service Fund
Data Control Codes		Insurance Fund
OPERATING REVENUES:		
5700	<i>Local and Intermediate Sources</i>	\$ 25,284
5020	Total Revenues	25,284
OPERATING EXPENSES:		
6100	<i>Payroll Costs</i>	25,177
6030	Total Expenses	25,177
1300	Change in Net Position	107
0100	Total Net Position - Beginning	2,208
3300	Total Net Position - Ending	\$ 2,315

The accompanying notes are an integral part of this statement.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**STATEMENT OF CASH FLOWS****PROPRIETARY FUNDS****FOR THE YEAR ENDED AUGUST 31, 2021**

	Internal Service Funds
Cash Flows from Operating Activities:	
<i>Cash Received from Customers</i>	\$ 25,284
<i>Cash Payments for Grants to Other Organizations</i>	(25,177)
Net Cash Provided (Used) by Operating Activities	<u>107</u>
Cash Flows from Non-capital Financing Activities:	
Net Cash Provided (Used) by Non-capital Financing Activities	<u>--</u>
Cash Flows from Capital and Related Financing Activities:	
Net Cash Provided (Used) for Capital & Related Financing Activities	<u>--</u>
Cash Flows from Investing Activities:	
Net Cash Provided (Used) for Investing Activities	<u>--</u>
Net Increase (Decrease) in Cash and Cash Equivalents	107
Cash and Cash Equivalents at Beginning of Year	5,565
Cash and Cash Equivalents at End of Year	<u><u>\$ 5,672</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income (Loss)	\$ 2,315
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Change in Assets and Liabilities:	
<i>Decrease (Increase) in Receivables</i>	272
<i>Increase (Decrease) in Accounts Payable</i>	(272)
Total Adjustments	<u>--</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 2,315</u></u>

The accompanying notes are an integral part of this statement.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT*STATEMENT OF FIDUCIARY NET POSITION**FIDUCIARY FUNDS**AUGUST 31, 2021*

Data Control Codes		Private-purpose Trust Funds
	ASSETS:	
1110	<i>Cash and Cash Equivalents</i>	\$ 34,870
1000	Total Assets	<u>34,870</u>
	LIABILITIES:	
2000	Total Liabilities	<u>--</u>
	NET POSITION:	
3800	<i>Held in Trust</i>	\$ 34,870
3000	Total Net Position	<u><u>\$ 34,870</u></u>

The accompanying notes are an integral part of this statement.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT*STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**FIDUCIARY FUNDS**FOR THE YEAR ENDED AUGUST 31, 2021*

	Private Purpose Trusts
	<hr/>
Additions:	
Investment Income	\$ --
Net (Decrease) in Fair Value of Investments	--
Gifts and Bequests	3,826
Total Additions	<hr/> 3,826 <hr/>
Deductions:	
Scholarship Awards	3,750
Total Deductions	<hr/> 3,750 <hr/>
Change in Net Position	76
Net Position-Beginning of the Year	34,794
Net Position-End of the Year	<hr/> \$ 34,870 <hr/>

The accompanying notes are an integral part of this statement.

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ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2021

A. Summary of Significant Accounting Policies

The basic financial statements of Elysian Fields Independent School District (the "District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") applicable to governmental units in conjunction with the Texas Education Agency's Financial Accountability System Resource Guide ("Resource Guide"). The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

1. Reporting Entity

The Board of School Trustees ("Board"), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. The Board is elected by the public and has the exclusive power and duty to govern and oversee the management of the public schools of the District. All powers and duties not specifically delegated by statute to the Texas Education Agency ("TEA") or to the State Board of Education are reserved for the Board, and the TEA may not substitute its judgment for the lawful exercise of those powers and duties by the Board. The District receives funding from local, state and federal government sources and must comply with the requirements of those funding entities. However, the District is not included in any other governmental reporting entity and there are no component units included within the District's reporting entity.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Financial Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Nonoperating revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The District reports the following major governmental funds:

General Fund: This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2021

In addition, the District reports the following fund types:

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

Private-Purpose Trust Funds: These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments not reported in other fiduciary fund types.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. The government-wide and proprietary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

3. Financial Statement Amounts

a. Cash and Cash Equivalents

For purposes of the statement of cash flows, highly liquid investments are considered to be cash equivalents if they have a maturity of three months or less when purchased.

b. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2021

year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Allowances for uncollectible tax receivables within the General and Debt Service Funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

c. Inventories and Prepaid Items

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

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

d. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Infrastructure	30
Buildings	50
Building Improvements	20
Vehicles	2-15
Office Equipment	3-15
Computer Equipment	3-15

e. Deferred Outflows and Inflows of Resources

In addition to assets, the statements of financial position (the government-wide Statement of Net Position and governmental funds balance sheet) will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position and/or fund balance that applies to one or more future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statements of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to one or more future periods and so will not be recognized as an inflow of resources (revenue) until that time.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2021

f. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

g. Interfund Activity

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

h. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the use of management's estimates.

i. Data Control Codes

Data Control Codes appear in the rows and above the columns of certain financial statements. The TEA requires the display of these codes in the financial statements filed with TEA in order to ensure accuracy in building a statewide database for policy development and funding plans.

j. Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a formal action by the District's Board of Trustees. Committed amounts cannot be used for any other purpose unless the Board of Trustees removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the Board of Trustees. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance - represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the Board of Trustees or by an official or body to which the Board of Trustees delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund convey that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

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Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

k. Net Position Flow Assumption

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

l. Fund Balance Flow Assumptions

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

4. 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.

5. 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.

6. Implementation of New Standards

GASB Statement No. 84, *Fiduciary Activities*

This statement establishes standards of accounting and financial reporting by establishing specific criteria for identifying activities that should be reported as fiduciary activities and clarifying whether and how business-type activities should report their fiduciary activities. The focus of the criteria generally is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities.

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FOR THE YEAR ENDED AUGUST 31, 2021

7. Future Implementation of New Standards

In order to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic, GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* is currently in effect to postpone the effective dates of certain provisions in Statements that first became effective or are scheduled to become effective for periods beginning after June 15, 2018 and later.

The effective dates for the following pronouncements are postponed by one year:

Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*

Statement No. 91, *Conduit Debt Obligations*

Statement No. 92, *Omnibus 2020*

Statement No. 93, *Replacement of Interbank Offered Rates*

The effective dates for the following pronouncements are postponed by 18 months:

Statement No. 87, *Leases*

B. Compliance and Accountability

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None reported	Not applicable

2. Deficit Fund Balance or Fund Net Position of Individual Funds

Following are funds having deficit fund balances or fund net position at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
None reported	Not applicable	Not applicable

C. Deposits and Investments

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

1. Cash Deposits:

At August 31, 2021, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$11,341,190 and the bank balance was \$11,553,232. The District's cash deposits at August 31, 2021 and during the year ended August 31, 2021, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

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2. Investments:

The District is required by Government Code Chapter 2256, The Public Funds Investment Act, to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit.

The Public Funds Investment Act ("Act") requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the basic financial statements disclosed that in the areas of investment practices, management reports and establishment of appropriate policies, the District adhered to the requirements of the Act. Additionally, investment practices of the District were in accordance with local policies.

The Act determines the types of investments which are allowable for the District. These include, with certain restrictions, 1) obligations of the U.S. Treasury, U.S. agencies, and the State of Texas, 2) certificates of deposit, 3) certain municipal securities, 4) securities lending program, 5) repurchase agreements, 6) bankers acceptances, 7) mutual funds, 8) investment pools, 9) guaranteed investment contracts, and 10) commercial paper.

3. Analysis of Specific Deposit and Investment Risks

GASB Statement No. 40 requires a determination as to whether the District was exposed to the following specific investment risks at year end and if so, the reporting of certain related disclosures:

a. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized rating agencies are designed to give an indication of credit risk. At year end, the District was not significantly exposed to credit risk.

b. Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the District's name.

Investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the government, and are held by either the counterparty or the counterparty's trust department or agent but not in the District's name.

At year end, the District was not exposed to custodial credit risk.

c. Concentration of Credit Risk

This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the District was not exposed to concentration of credit risk.

d. Interest Rate Risk

This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year end, the District was not exposed to interest rate risk.

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e. Foreign Currency Risk

This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the District was not exposed to foreign currency risk.

Investment Accounting Policy

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

D. Property Taxes Receivable

	General	Debt Service	Total
Property Tax Year 2020 (FY2021)	\$ 163,319	\$ 18,671	\$ 181,990
Prior Tax Years	661,527	150,496	812,023
Total	824,846	169,167	994,013
Less: Allowance for Uncollectible Taxes	(288,696)	(59,208)	(347,904)
Net Taxes Receivable	<u>\$ 536,150</u>	<u>\$ 109,959</u>	<u>\$ 646,108</u>

E. Capital Assets

Capital asset activity for the year ended August 31, 2021, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<u>Governmental activities:</u>				
<i>Capital assets not being depreciated:</i>				
Land	\$ 393,490	\$ --	\$ --	\$ 393,490
Construction in progress	--	564,460	--	564,460
Total capital assets not being depreciated	<u>393,490</u>	<u>564,460</u>	<u>--</u>	<u>957,950</u>
<i>Capital assets being depreciated:</i>				
Buildings and improvements	26,388,613	558,143	25,122	26,921,634
Equipment	1,065,447	35,310	--	1,100,757
Vehicles	2,311,378	219,900	--	2,531,278
Total capital assets being depreciated	<u>29,765,438</u>	<u>813,353</u>	<u>25,122</u>	<u>30,553,669</u>
Less accumulated depreciation for:				
Buildings and improvements	(17,987,581)	(833,803)	(3,020)	(18,818,364)
Equipment	(851,926)	(33,466)	--	(885,392)
Vehicles	(1,883,331)	(103,946)	--	(1,987,277)
Total accumulated depreciation	<u>(20,722,838)</u>	<u>(971,214)</u>	<u>(3,020)</u>	<u>(21,691,033)</u>
Total capital assets being depreciated, net	<u>9,042,600</u>	<u>(157,861)</u>	<u>22,102</u>	<u>8,862,636</u>
Governmental activities capital assets, net	<u>\$ 9,436,090</u>	<u>\$ 406,599</u>	<u>\$ 22,102</u>	<u>\$ 9,820,586</u>

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Depreciation was charged to functions as follows:

Instruction	\$	569,459
Instructional Resources and Media Services		8,433
Instructional Leadership		15,985
School Leadership		65,062
Guidance, Counseling, & Evaluation Services		23,095
Health Services		14,550
Student Transportation		105,182
Food Services		40,900
Extracurricular Activities		20,083
General Administration		38,330
Plant Maintenance and Operations		60,359
Data Processing Services		9,776
	\$	<u>971,214</u>

F. Interfund Balances and Activities

1. Due To and From Other Funds

Balances due to and due from other funds at August 31, 2021, consisted of the following:

<u>Due To Fund</u>	<u>Due From Fund</u>	<u>Amount</u>	<u>Purpose</u>
Internal Service Fund	General Fund	\$ 38,353	Short-term loan
	Total	<u>\$ 38,353</u>	

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

2. Transfers To and From Other Funds

Transfers to and from other funds at August 31, 2021, consisted of the following:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General fund	Child Nutrition Fund	\$ 110,000	Supplement food service activities
General fund	Transportation Fund*	425,000	
General fund	Athletic Fund*	245,000	
	Total	<u>\$ 780,000</u>	

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G. Long-Term Obligations

1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended August 31, 2021, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
<u>Governmental activities:</u>					
Series 2016 Refunding Bonds \$	5,750,000	\$ --	\$ 745,000	\$ 5,005,000	\$ 760,000
Add: Premium on Issuance	523,803	--	80,585	443,218	--
Net Pension Liability*	1,976,509	30,995	143,593	1,863,911	--
Net OPEB Liability*	3,034,748	(474,993)	50,177	2,509,578	--
Total governmental activities	<u>\$ 11,285,060</u>	<u>\$ (443,998)</u>	<u>\$ 1,019,355</u>	<u>\$ 9,821,707</u>	<u>\$ 760,000</u>

* Other long-term liabilities

The funds typically used to liquidate other long-term liabilities in the past are as follows:

Liability	Activity Type	Fund
Net Pension Liability*	Governmental	General
Net OPEB Liability*	Governmental	General

2. Debt Service Requirements

Debt service requirements on long-term debt at 2021, Elysian Fields Independent School District, are as follows:

Year Ending 2021,	Governmental Activities		
	Bonds		
	Principal	Interest	Total
2022	\$ 760,000	177,400	\$ 937,400
2023	780,000	154,200	934,200
2024	815,000	122,300	937,300
2025	850,000	89,000	939,000
2026	880,000	54,400	934,400
2027	920,000	18,400	938,400
Totals	<u>\$ 5,005,000</u>	<u>\$ 615,700</u>	<u>\$ 5,620,700</u>

The interest rate on general obligation bonds ranges from 2.0% to 4.0%.

3. Advance Refunding of Debt

GASB Statement No. 7, "Advance Refundings Resulting in Defeasance of Debt," provides that refunded debt and assets placed in escrow for the payment of related debt service be excluded from the financial statements. As of August 31, 2021 outstanding balances of bond issues that have been refunded and defeased in-substance by placing existing assets and the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments are as follows.

Bond Issue	Amount
EFISD Unlimited Tax Refunding Bonds, Series 2016	\$ 5,005,000
Total	<u>5,005,000</u>

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H. Commitments Under Noncapitalized Leases

Commitments under operating (noncapitalized) lease agreements for facilities and equipment provide for minimum future rental payments as of August 31, 2021, as follows:

<u>Year Ending August 31,</u>	
2022	\$ 28,740
2023	19,845
2024	2,055
2025	2,055
Total Minimum Rentals	<u>\$ 52,695</u>
Rental Expenditures in 2021	<u>\$ 28,740</u>

I. Risk Management

The District is exposed to various risks of loss related to torts, theft, damage or destruction of assets, errors and omissions, injuries to employees, and natural disasters. During fiscal year 2021, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal year and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

J. Pension Plan

1. 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). It is a defined benefit pension plan established and administered in accordance with the Texas Constitution, Article XVI, Section 67, and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

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

2. Pension Plan Fiduciary Net Position

Detail information about the Teacher Retirement System's fiduciary net position is available in a separately issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at https://www.trs.texas.gov/TRS%20Documents/cafr_2020.pdf, selecting About TRS or by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698, or by calling (512) 542-6592.

3. 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

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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 in (1) above.

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

In May 2019, the 86th Texas Legislature approved the TRS Pension Reform Bill (Senate Bill 12) that provides for the gradual contribution increases from the state, participating employers and active employees to make the pension fund actuarially sound. This action causing the pension fund to be actuarially sound, allowed the legislature to approve funding for a 13th check in September 2019. All eligible members retired as of December 31, 2018 received an extra annuity check in either the matching amount of their monthly annuity or \$2,000, whichever was less.

4. Contributions

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

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

	Contribution Rates	
	2020	2021
Member	7.7%	7.7%
Non-Employer Contributing Entity (State)	7.5%	7.5%
Employers	7.5%	7.5%
District's 2021 Employer Contributions	\$ 160,541	
District's 2021 Member Contributions	\$ 482,386	
2020 NECE On-Behalf Contributions (state)	\$ 403,383	

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 percent of the state contribution rate for certain instructional or

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administrative employees; and 100 percent of the state contribution rate for all other employees.

In addition to the employer contributions listed above, there is an additional surcharge an employer is subject to.

- 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.
- 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.

5. Actuarial Assumptions

The total pension liability in the August 31, 2019 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.25%
Long-term expected Investment Rate of Return	7.25%
Municipal Bond Rate as of August 2020	2.33%
Last year ending August 31 in Projection Period	2119
Inflation	2.30%
Salary Increases including inflation	3.05% to 9.05%
Ad hoc post-employment benefit changes	None

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2019. For a full description of these assumptions, please see the actuarial valuation report dated November 14, 2019.

6. Discount Rate

A single discount rate of 7.25 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 7.25 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

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

The long-term rate of return on pension plan investments is 7.25 percent. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the System's target asset allocation as of August 31, 2020 are summarized below:

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Asset Class	Target Allocation *	Long-Term Expected Arithmetic Real Rate of Return **	Expected Contribution to Long-Term Portfolio Returns
Global Equity			
USA	18.00%	3.90%	0.99%
Non-U.S. Developed	13.00%	5.10%	0.92%
Emerging Markets	9.00%	5.60%	0.83%
Private Equity	14.00%	6.70%	1.41%
Stable Value			
Government Bonds	16.00%	(0.70)%	(0.05)%
Stable Value Hedge Funds	5.00%	1.90%	0.11%
Real Return			
Real Estate	15.00%	4.60%	1.01%
Energy, Natural Resources and Infrastructure	6.00%	6.00%	0.42%
Risk Parity			
Risk Parity	8.00%	3.00%	0.30%
Leverage			
Cash	2.00%	1.50%	(0.03)%
Asset Allocation Leverage	(6.00%)	1.30%	0.08%
Inflation Expectation			2.00%
Volatility Drag ***	-		(0.67)%
Total	100.0%		7.33%
<p>* Target allocations are based on the FY2020 policy model.</p> <p>** Capital Market Assumptions come from Aon Hewitt (as of 08/31/2020)</p> <p>*** The volatility drag results from the conversion between arithmetic and geometric mean returns.</p>			

7. Discount Rate Sensitivity Analysis

The following table presents the Net Pension Liability of the plan using a discount rate of 7.25 percent, and what the net position liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate.

	1% Decrease in Discount Rate 6.25%	Discount Rate 7.25%	1% Increase in Discount Rate 8.25%
District's proportionate share of the net pension liability:	\$ 2,874,118	\$ 1,863,911	\$ 1,043,140

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

At August 31, 2021, the District reported a liability of \$1,863,911 for its proportionate share of the TRS 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	\$ 1,863,911
State's proportionate share that is associated with District	5,236,128
Total	\$ 7,100,039

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The net pension liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2019 through August 31, 2020.

At August 31, 2020 the employer's proportion of the collective net pension liability was 0.0034801757 percent which was an increase (decrease) of 0.00348018 percent from its proportion measured as of August 31, 2019.

9. Changes Since the Prior Actuarial Valuation

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

For the year ended August 31, 2021, the District recognized pension expense of \$900,201 and revenue of \$629,790 for support provided by the State.

At August 31, 2021, the District reported its proportionate share of the TRS deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 3,403	\$ 52,017
Changes in actuarial assumptions	432,494	183,893
Difference between projected and actual investment earnings	37,733	--
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	81,675	265,831
Contributions paid to TRS subsequent to the measurement date	160,541	--
Total	\$ 715,846	\$ 501,741

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

Year ended August 31,	Pension Expense Amount
2022	\$ 45,953
2023	\$ 26,009
2024	\$ 36,731
2025	\$ (6,339)
2026	\$ (41,739)
Thereafter	\$ (7,052)

K. Defined Other Post-Employment Benefit Plans

1. Plan Description

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

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2021

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

2. 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 https://www.trs.texas.gov/TRS%20Documents/cafr_2020.pdf, selecting About TRS then Publications then Financial Reports or by writing to TRS at 1000 Red River Street, Austin, TX 78701-2698.

3. Benefits Provided

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

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

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

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

4. 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 percent of the employee's salary. Section 1575.203 establishes the active employee's rate which is 0.65 percent of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public 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.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2021

Contribution Rates	
	Rate
Active Employee	0.65%
Non-Employer Contributing Entity (State)	1.25%
Employers	0.75%
Federal/Private Funding *	1.25%
Total	
* Contributions paid from federal funds and private grants are remitted by the employer and paid at the State rate.	

District's 2021 Employer Contributions	\$ 49,871
District's 2021 Member Contributions	\$ 40,721
2020 NECE On-Behalf Contributions (state)	\$ 67,425

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (*regardless of whether they participate in the TRS Care OPEB Program*). When hiring a TRS retiree, employers are required to pay TRS Care a monthly surcharge of \$535 per retiree.

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$230.8 million in fiscal year 2020 to maintain premiums and benefit levels in the 2020-2021 biennium.

5. Actuarial Assumptions

The actuarial valuation was performed as of August 31, 2019. Update procedures were used to roll forward the Total OPE Liability to August 31, 2020. The actuarial valuation was determined using the following actuarial assumptions:

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. All of the demographic assumptions, including rates of retirement, termination, and disability, and most of the economic assumptions, including general inflation and salary increases, used in the OPEB valuation were identical to those used in the respective TRS pension valuation. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017.

The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2019 TRS pension actuarial valuation that was rolled forward to August 31, 2020:

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

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2021

The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females, with full generational mortality using Scale BB. The post-retirement mortality rates for healthy lives were based on the 2018 Texas Healthy Pensioner Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published scale (U-MP).

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2019 rolled forward to August 31, 2020
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Discount Rate	2.33% as of August 31, 2020
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Projected Salary Increases	3.05% to 9.05%, including inflation
Healthcare Trend Rates	4.50% to 4.25%
Election Rates	Normal Retirement: 65% participation prior to age 65 and 45% participation after age 65.
Ad Hoc Post-Employment Benefit Changes	None

6. Discount Rate

A single discount rate of 2.33 percent was used to measure the total OPEB liability. This was a decrease of .30 percent in the discount rate since the previous year. Because the plan is essentially a pay-as-you-go plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to **not be able** to make all future benefit payments of current plan members. Therefore, the municipal bond rate was used for the long-term rate of return and was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity "20-year Municipal GO AA Index" as of August 31, 2020 using the fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

7. Discount Rate Sensitivity Analysis

The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1 percentage point lower than and 1 percentage point higher than the discount rate that was used (2.33%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (1.33%)	Current Single Discount Rate (2.33%)	1% Increase in Discount Rate (3.33%)
District's proportionate share of net OPEB liability	\$ 3,011,487	\$ 2,509,578	\$ 2,113,141

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

At August 31, 2021, the District reported a liability of \$2,509,578 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:

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2021

District's proportionate share of the collective net OPEB liability	\$ 2,509,578
State's proportionate share that is associated with the District	\$ 3,372,271
Total	\$ 5,881,849

The Net OPEB liability was measured as of August 31, 2019 and rolled forward to August 31, 2020 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The District's proportion of the Net OPEB Liability was based on the District's contributions to OPEB relative to the contributions of all employers to the plan for the period September 1, 2019 thru August 31, 2020. At August 31, 2021 the District's proportion of the collective net OPEB liability was 0.0066016299, which was an increase of 0.0001844801% from its proportion measured as of August 31, 2019.

The following schedule shows the impact of the Net OPEB Liability if a healthcare trend rate that is 1 percent less than and 1 percent greater than the health trend rates assumed.

	1% Decrease in Healthcare Trend Rate	Current Single Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
District's proportionate share of net OPEB liability	\$ 2,050,003	\$ 2,509,578	\$ 3,121,666

9. 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 (TOL) since the prior measurement period:

- The discount rate was changed from 2.63 percent as of August 31, 2019 to 2.33 percent as of August 31, 2020. This change increased the Total OPEB Liability.
- The participation rate for post-65 retirees was lowered from 50 percent to 40 percent. This change lowered the Total OPEB Liability.
- The ultimate health care trend assumption was lowered from 4.50 percent to 4.25 percent as a result of Congress' repeal of the excise (Cadillac) tax on high-cost employer health plans in December 2019. This change lowered 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.

At August 31, 2021, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2021

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 131,400	\$ 1,148,511
Changes in actuarial assumptions	154,789	689,143
Differences between projected and actual investment earnings	816	--
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	103,097	81,435
Contributions paid to TRS subsequent to the measurement date	49,871	
Total	\$ 439,973	\$ 1,919,089

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

Year ended August 31,	OPEB Expense Amount
2022	(\$257,921)
2023	(\$258,030)
2024	(\$258,093)
2025	(\$258,077)
2026	(\$191,045)
Thereafter	(\$305,821)

For the year ended August 31, 2021, the District recognized OPEB expense of \$(58,180) and revenue of \$(23,416) for support provided by the State.

10. Medicare Part D Subsidies

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. For the fiscal year ended August 31, 2021, the subsidy payment received by TRS-Care on behalf of the District was \$29,567.

L. Employee Health Care Coverage

During the year ended August 31, 2021, employees of the District were covered by a health insurance plan (the Plan). The District paid premiums of \$198 per month per employee to the Plan. Employees, at their option, authorized payroll withholdings to pay premiums for dependents. All premiums were paid to a third party administrator, acting on behalf of the self-funded pool. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2021

M. Commitments and Contingencies

1. Contingencies

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

2. Litigation

No reportable litigation was pending against the District at August 31, 2021.

N. Shared Services Arrangements

Shared Services Arrangement - Membership

The District participates in a shared services arrangement ("SSA") for a federally funded special education program with the following school districts:

Member Districts

Waskom ISD - Fiscal Agent

Elysian Fields ISD

Harleton ISD

Karnack ISD

The District does not account for revenues or expenditures in this program and does not disclose them in these financial statements. The District neither has a joint ownership interest in capital assets purchased by the fiscal agent, Hallsville ISD, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant financial resources nor fiscal exigencies that would give rise to a future additional benefit or burden to the District. The fiscal agent manager is responsible for all financial activities of the SSA.

O. Subsequent Events

During the year ended August 31, 2021, the District adopted GASB Statement No. 84 for Fiduciary Activities. With GASB 84, the District must report certain funds as special revenue funds rather than agency funds. The implementation must occur retroactively. Both fund balance and net position are required to be restated as of August 31, 2020. The total amount of the prior period adjustment is an increase in fund balance and net position in the amount of \$97,141.

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Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

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ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

EXHIBIT G-1

GENERAL FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts		Actual	
		Original	Final		
	REVENUES:				
5700	<i>Local and Intermediate Sources</i>	\$ 5,764,350	\$ 7,341,516	\$ 7,309,750	\$ (31,766)
5800	<i>State Program Revenues</i>	5,296,295	4,358,545	5,081,039	722,494
5020	Total Revenues	11,060,645	11,700,061	12,390,789	690,728
	EXPENDITURES:				
	Current:				
	Instruction and Instructional Related Services:				
0011	<i>Instruction</i>	5,071,661	5,287,136	4,879,718	407,418
0012	<i>Instructional Resources and Media Services</i>	108,492	111,492	100,905	10,587
0013	<i>Curriculum and Staff Development</i>	13,000	33,750	29,667	4,083
	Total Instruction and Instr. Related Services	5,193,153	5,432,378	5,010,290	422,088
	Instructional and School Leadership:				
0021	<i>Instructional Leadership</i>	137,790	141,040	136,506	4,534
0023	<i>School Leadership</i>	548,414	571,364	562,000	9,364
	Total Instructional and School Leadership	686,204	712,404	698,506	13,898
	Support Services - Student (Pupil):				
0031	<i>Guidance, Counseling and Evaluation Services</i>	210,021	211,221	197,830	13,391
0033	<i>Health Services</i>	127,994	139,494	131,545	7,949
0034	<i>Student (Pupil) Transportation</i>	700,485	700,485	570,052	130,433
0036	<i>Cocurricular/Extracurricular Activities</i>	361,901	408,352	356,891	51,461
	Total Support Services - Student (Pupil)	1,400,401	1,459,552	1,256,318	203,234
	Administrative Support Services:				
0041	<i>General Administration</i>	533,646	562,296	520,729	41,567
	Total Administrative Support Services	533,646	562,296	520,729	41,567
	Support Services - Nonstudent Based:				
0051	<i>Plant Maintenance and Operations</i>	1,327,915	1,684,265	1,400,386	283,879
0052	<i>Security and Monitoring Services</i>	118,350	118,350	56,306	62,044
0053	<i>Data Processing Services</i>	119,731	120,731	115,514	5,217
	Total Support Services - Nonstudent Based	1,565,996	1,923,346	1,572,206	351,140
	Capital Outlay:				
0081	<i>Capital Outlay</i>	230,000	1,280,085	1,016,321	263,764
	Total Capital Outlay	230,000	1,280,085	1,016,321	263,764
	Intergovernmental Charges:				
0093	<i>Payments to Fiscal Agent/Member Dist.-SSA</i>	220,000	220,000	218,509	1,491
	Total Intergovernmental Charges	220,000	220,000	218,509	1,491
6030	Total Expenditures	9,829,400	11,590,061	10,292,879	1,297,182
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	1,231,245	110,000	2,097,910	1,987,910
	Other Financing Sources (Uses):				
7915	<i>Transfers In</i>	835,585	835,585	670,000	(165,585)
7949	<i>Other Resources</i>	--	--	61,101	61,101
8911	<i>Transfers Out</i>	(945,585)	(945,585)	(780,000)	165,585
7080	Total Other Financing Sources and (Uses)	(110,000)	(110,000)	(48,899)	61,101
1200	Net Change in Fund Balance	1,121,245	--	2,049,011	2,049,011
0100	Fund Balance - Beginning	8,044,148	8,044,148	8,044,148	--
3000	Fund Balance - Ending	\$ 9,165,393	\$ 8,044,148	\$ 10,093,159	\$ 2,049,011

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

*SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
LAST TEN FISCAL YEARS **

	Measurement Year Ended August 31,						
	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.003480%	0.003802%	0.003866%	0.004166%	0.004519%	0.005083%	0.002744%
District's proportionate share of the net pension liability (asset)	\$ 1,863,911	\$ 1,976,509	\$ 2,127,699	\$ 1,331,953	\$ 1,707,591	\$ 1,796,667	\$ 733,068
State's proportionate share of the net pension liability (asset) associated with the District	5,236,128	4,651,817	5,159,690	3,287,375	4,224,472	4,278,086	3,659,126
Total	<u>\$ 7,100,039</u>	<u>\$ 6,628,326</u>	<u>\$ 7,287,389</u>	<u>\$ 4,619,328</u>	<u>\$ 5,932,063</u>	<u>\$ 6,074,753</u>	<u>\$ 4,392,194</u>
District's covered-employee payroll	\$ 6,158,414	\$ 5,573,301	\$ 5,531,228	\$ 5,794,443	\$ 6,050,394	\$ 6,208,316	\$ 6,067,160
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	30.27%	35.46%	38.47%	22.99%	28.22%	28.94%	12.08%
Plan fiduciary net position as a percentage of the total pension liability	75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

SCHEDULE OF DISTRICT CONTRIBUTIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
*LAST TEN FISCAL YEARS **

	Fiscal Year						
	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 160,541	\$ 143,839	\$ 133,082	\$ 130,221	\$ 136,526	\$ 143,574	\$ 150,505
Contributions in relation to the contractually required contribution	(160,541)	(143,839)	(133,082)	(130,221)	(136,526)	(143,574)	(150,505)
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
District's covered-employee payroll	\$ 6,355,456	\$ 6,158,414	\$ 5,573,294	\$ 5,531,228	\$ 5,794,443	\$ 6,050,394	\$ 6,208,316
Contributions as a percentage of covered-employee payroll	2.53%	2.34%	2.39%	2.35%	2.36%	2.37%	2.42%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

*SCHEDULE OF THE DISTRICT'S PROPORTIONATE
SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
LAST TEN FISCAL YEARS **

	Measurement Year Ended			
	2020	2019	2018	2017
District's proportion of the collective net OPEB liability	0.00660163%	0.00641715%	0.00652874%	0.00659491%
District's proportionate share of the collective net OPEB liability	\$ 2,509,578	\$ 3,034,748	\$ 3,259,861	\$ 2,867,878
State proportionate share of the collective net OPEB liability associated with the District	\$ 3,372,271	\$ 4,032,502	\$ 4,756,442	\$ 4,619,136
Total	<u>\$ 5,881,849</u>	<u>\$ 7,067,250</u>	<u>\$ 8,016,303</u>	<u>\$ 7,487,014</u>
District's covered-employee payroll	\$ 6,158,414	\$ 5,573,294	\$ 5,794,443	\$ 5,531,228
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	40.75%	54.45%	58.94%	49.49%
Plan fiduciary net position as a percentage of the total OPEB liability	4.99%	2.66%	1.57%	0.91%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information only for those years for which information is available.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT*SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS**TEACHER RETIREMENT SYSTEM OF TEXAS**LAST TEN FISCAL YEARS **

	Fiscal Year Ended			
	2021	2020	2019	2018
Statutorily or contractually required District contribution	\$ 49,871	\$ 50,177	\$ 45,544	\$ 45,039
Contributions recognized by OPEB in relation to statutorily or contractually required contribution	(49,871)	(50,177)	(45,544)	(45,039)
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --
District's covered-employee payroll	\$ 6,355,456	\$ 6,158,414	\$ 5,573,294	\$ 5,531,228
Contributions as a percentage of covered-employee payroll	0.78%	0.81%	0.82%	0.81%

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this schedule provides the information for those years for which information is available.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED AUGUST 31, 2021

Budget

The official budget was prepared for adoption for all Governmental Fund Types. The budget was prepared in accordance with accounting practices generally accepted in the United States of America. The following procedures are followed in establishing the budgetary data.:

- a. Prior to August 21 of the preceding fiscal year, the District prepares a budget for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- b. A meeting of the Board is then called for the purpose of adopting the proposed budget after ten days' public notice of the meeting has been given.
- c. Prior to the beginning of the fiscal year, the budget is legally enacted through passage of a resolution by the Board.

Once a budget is approved, it can be amended at function and fund level only by approval of a majority of the members of the Board. Amendments are presented to the Board at its regular meetings.

Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board and are not made after fiscal year end as required by law.

Each amendment is controlled by the budget coordinator at the revenue and expenditure function/object level. Budgeted amounts are as amended by the Board. All budget appropriations lapse at year end.

Encumbrances for goods or purchased services are documented by purchase orders or contracts. Under Texas law, appropriations lapse at August 31, and encumbrances outstanding at that time are to be either cancelled or appropriately provided for in the subsequent year's budget. There were no end-of-year outstanding encumbrances that were provided for in the subsequent year's budget.

Defined Benefit Pension Plan

Changes of benefit terms

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

Changes of assumptions

There were no changes of assumptions or other inputs that affected measurement of the total pension liability during the measurement period.

Other Post-Employment Benefit Plan

Changes of benefit terms

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

Changes of assumptions

There were no changes of assumptions or other inputs that affected measurement of the total OPEB liability during the measurement period.

*Combining Statements and Budget Comparisons
as Supplementary Information*

This supplementary information includes financial statements and schedules not required by the Governmental Accounting Standards Board, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**COMBINING BALANCE SHEET****NONMAJOR GOVERNMENTAL FUNDS**

AUGUST 31, 2021

Data Control Codes		Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds (See Exhibit C-1)
ASSETS:				
1110	Cash and Cash Equivalents	\$ 220,994	\$ 413,743	\$ 634,737
1225	Taxes Receivable, Net	--	109,959	109,959
1240	Due from Other Governments	34,585	2,710	37,295
1000	Total Assets	<u>255,579</u>	<u>526,412</u>	<u>781,991</u>
LIABILITIES:				
Current Liabilities:				
2160	Accrued Wages Payable	\$ 21,846	\$ --	\$ 21,846
2200	Accrued Expenditures	2,216	--	2,216
2300	Unearned Revenue	3,377	--	3,377
2000	Total Liabilities	<u>27,439</u>	<u>--</u>	<u>27,439</u>
DEFERRED INFLOWS OF RESOURCES:				
	Deferred Revenue	--	109,959	109,959
2600	Total Deferred Inflows of Resources	<u>--</u>	<u>109,959</u>	<u>109,959</u>
FUND BALANCES:				
Restricted Fund Balances:				
3450	Federal/State Funds Grant Restrictions	94,692	--	94,692
3480	Retirement of Long-Term Debt	--	416,453	416,453
3490	Other Restrictions of Fund Balance	79,192	--	79,192
Committed Fund Balances:				
3545	Other Committed Fund Balance	54,256	--	54,256
3000	Total Fund Balances	<u>228,140</u>	<u>416,453</u>	<u>644,593</u>
4000	Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 255,579</u>	<u>\$ 526,412</u>	<u>\$ 781,991</u>

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes		Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds (See Exhibit C-2)
REVENUES:				
5700	Local and Intermediate Sources	\$ 369,127	\$ 823,851	\$ 1,192,978
5800	State Program Revenues	53,115	7,697	60,812
5900	Federal Program Revenues	815,662	--	815,662
5020	Total Revenues	<u>1,237,904</u>	<u>831,548</u>	<u>2,069,452</u>
EXPENDITURES:				
Current:				
0011	Instruction	566,031	--	566,031
0035	Food Service	517,414	--	517,414
0036	Cocurricular/Extracurricular Activities	266,574	--	266,574
0052	Security and Monitoring Services	30,341	--	30,341
0071	Principal on Long-term Debt	--	745,000	745,000
0072	Interest on Long-term Debt	--	192,450	192,450
0073	Bond Issuance Costs and Fees	--	806	806
6030	Total Expenditures	<u>1,380,360</u>	<u>938,256</u>	<u>2,318,616</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	<u>(142,456)</u>	<u>(106,708)</u>	<u>(249,164)</u>
Other Financing Sources and (Uses):				
7915	Transfers In	110,000	--	110,000
7080	Total Other Financing Sources and (Uses)	<u>110,000</u>	<u>--</u>	<u>110,000</u>
1200	Net Change in Fund Balances	<u>(32,456)</u>	<u>(106,708)</u>	<u>(139,164)</u>
0100	Fund Balances - Beginning	163,454	523,161	686,615
1300	Prior Period Adjustment	97,142	--	97,142
	Fund Balances - Beginning, as Restated	260,596	523,161	783,757
3000	Fund Balances - Ending	<u>\$ 228,140</u>	<u>\$ 416,453</u>	<u>\$ 644,593</u>

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

AUGUST 31, 2021

Data Control Codes		224 IDEA-Part B Formula	240 National School Breakfast/Lunch Program
ASSETS:			
1110	Cash and Cash Equivalents	\$ 40,027	\$ 37,631
1240	Due from Other Governments	--	34,585
1000	Total Assets	<u>40,027</u>	<u>72,216</u>
LIABILITIES:			
Current Liabilities:			
2160	Accrued Wages Payable	\$ 1,292	\$ 20,554
2200	Accrued Expenditures	142	2,074
2300	Unearned Revenue	--	3,377
2000	Total Liabilities	<u>1,434</u>	<u>26,005</u>
FUND BALANCES:			
Restricted Fund Balances:			
3450	Federal/State Funds Grant Restrictions	38,593	46,211
3490	Other Restrictions of Fund Balance	--	--
Committed Fund Balances:			
3545	Other Committed Fund Balance	--	--
3000	Total Fund Balances	<u>38,593</u>	<u>46,211</u>
4000	Total Liabilities and Fund Balances	<u>\$ 40,027</u>	<u>\$ 72,216</u>

EXHIBIT H-3

410 State Textbook Fund	461 Campus Activity Funds	462 Student Activity Funds	Total Nonmajor Special Revenue Funds (See Exhibit H-1)
\$ 9,888	\$ 54,256	\$ 79,192	\$ 220,994
--	--	--	34,585
<u>9,888</u>	<u>54,256</u>	<u>79,192</u>	<u>255,579</u>
\$ --	\$ --	\$ --	\$ 21,846
--	--	--	2,216
--	--	--	3,377
<u>--</u>	<u>--</u>	<u>--</u>	<u>27,439</u>
9,888	--	--	94,692
--	--	79,192	79,192
--	54,256	--	54,256
<u>9,888</u>	<u>54,256</u>	<u>79,192</u>	<u>228,140</u>
\$ <u>9,888</u>	\$ <u>54,256</u>	\$ <u>79,192</u>	\$ <u>255,579</u>

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	211 ESEA Title I Improving Basic Programs	224 IDEA-Part B Formula	240 National School Breakfast/Lunch Program	255 ESEA Title II Training & Recruiting
REVENUES:				
5700 <i>Local and Intermediate Sources</i>	\$ --	\$ --	\$ 121,940	\$ --
5800 <i>State Program Revenues</i>	--	--	22,342	--
5900 <i>Federal Program Revenues</i>	219,374	67,851	298,862	34,315
5020 <i>Total Revenues</i>	<u>219,374</u>	<u>67,851</u>	<u>443,144</u>	<u>34,315</u>
EXPENDITURES:				
Current:				
0011 <i>Instruction</i>	219,374	92,445	--	34,315
0035 <i>Food Service</i>	--	--	517,414	--
0036 <i>Cocurricular/Extracurricular Activities</i>	--	--	--	--
0052 <i>Security and Monitoring Services</i>	--	--	--	--
6030 <i>Total Expenditures</i>	<u>219,374</u>	<u>92,445</u>	<u>517,414</u>	<u>34,315</u>
1100 <i>Excess (Deficiency) of Revenues Over (Under)</i>				
1100 <i>Expenditures</i>	<u>--</u>	<u>(24,594)</u>	<u>(74,270)</u>	<u>--</u>
Other Financing Sources and (Uses):				
7915 <i>Transfers In</i>	--	--	110,000	--
7080 <i>Total Other Financing Sources and (Uses)</i>	<u>--</u>	<u>--</u>	<u>110,000</u>	<u>--</u>
1200 <i>Net Change in Fund Balances</i>	<u>--</u>	<u>(24,594)</u>	<u>35,730</u>	<u>--</u>
0100 <i>Fund Balances - Beginning</i>	--	63,187	10,481	--
1300 <i>Prior Period Adjustment</i>	--	--	--	--
<i>Fund Balances - Beginning, as Restated</i>	--	63,187	10,481	--
3000 <i>Fund Balances - Ending</i>	<u>\$ --</u>	<u>\$ 38,593</u>	<u>\$ 46,211</u>	<u>\$ --</u>

266 Coronavirus Aid Relief, and Economic Security Act	270 ESEA, Title V Part B, Subpart 2 Rural School	289 Title IV Part A-SSAEP	410 State Textbook Fund	429 State Funded Special Revenue Fund
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	15,429	15,344
162,743	17,520	14,997	--	--
<u>162,743</u>	<u>17,520</u>	<u>14,997</u>	<u>15,429</u>	<u>15,344</u>
162,743	17,520	--	39,634	--
--	--	--	--	--
--	--	--	--	--
--	--	14,997	--	15,344
<u>162,743</u>	<u>17,520</u>	<u>14,997</u>	<u>39,634</u>	<u>15,344</u>
--	--	--	(24,205)	--
--	--	--	--	--
--	--	--	--	--
--	--	--	(24,205)	--
--	--	--	34,093	--
--	--	--	--	--
--	--	--	34,093	--
<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ 9,888</u>	<u>\$ --</u>

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ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes	461 Campus Activity Funds	462 Student Activity Funds	Total Nonmajor Special Revenue Funds (See Exhibit H-2)
REVENUES:			
5700 <i>Local and Intermediate Sources</i>	\$ 38,586	\$ 208,601	\$ 369,127
5800 <i>State Program Revenues</i>	--	--	53,115
5900 <i>Federal Program Revenues</i>	--	--	815,662
5020 <i>Total Revenues</i>	<u>38,586</u>	<u>208,601</u>	<u>1,237,904</u>
EXPENDITURES:			
Current:			
0011 <i>Instruction</i>	--	--	566,031
0035 <i>Food Service</i>	--	--	517,414
0036 <i>Cocurricular/Extracurricular Activities</i>	40,023	226,551	266,574
0052 <i>Security and Monitoring Services</i>	--	--	30,341
6030 <i>Total Expenditures</i>	<u>40,023</u>	<u>226,551</u>	<u>1,380,360</u>
1100 <i>Excess (Deficiency) of Revenues Over (Under)</i>			
1100 <i>Expenditures</i>	<u>(1,437)</u>	<u>(17,950)</u>	<u>(142,456)</u>
Other Financing Sources and (Uses):			
7915 <i>Transfers In</i>	--	--	110,000
7080 <i>Total Other Financing Sources and (Uses)</i>	<u>--</u>	<u>--</u>	<u>110,000</u>
1200 <i>Net Change in Fund Balances</i>	<u>(1,437)</u>	<u>(17,950)</u>	<u>(32,456)</u>
0100 <i>Fund Balances - Beginning</i>	55,693	--	163,454
1300 <i>Prior Period Adjustment</i>	--	97,142	97,142
<i>Fund Balances - Beginning, as Restated</i>	55,693	97,142	260,596
3000 <i>Fund Balances - Ending</i>	<u>\$ 54,256</u>	<u>\$ 79,192</u>	<u>\$ 228,140</u>

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**COMBINING STATEMENT OF FIDUCIARY NET POSITION****PRIVATE-PURPOSE TRUST FUNDS****AUGUST 31, 2021**

Data Control Codes		801 Katie Sullivan Scholarship	805 Life Share Scholarship Fund	816 Noah Langston Scholarship Fund
	ASSETS:			
1110	<i>Cash and Cash Equivalents</i>	\$ 934	\$ 1,230	\$ 2,940
1000	Total Assets	934	1,230	2,940
	LIABILITIES:			
2000	Total Liabilities	--	--	--
	NET POSITION:			
3800	<i>Held in Trust</i>	\$ 934	\$ 1,230	\$ 2,940
3000	Total Net Position	\$ 934	\$ 1,230	\$ 2,940

817 Wendy Gullette Scholarship	818 Chris Tucker Scholarship	819 Tiller Scholarship	Total Private- Purpose Trust Funds (See Exhibit E-1)
\$ 88	\$ 347	\$ 29,331	\$ 34,870
88	347	29,331	34,870
--	--	--	--
\$ 88	\$ 347	\$ 29,331	\$ 34,870
\$ 88	\$ 347	\$ 29,331	\$ 34,870

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL PRIVATE-PURPOSE TRUST FUNDS
FOR THE YEAR ENDED AUGUST 31, 2021

	801 Katie Sullivan Scholarship	802 CAS Scholarship Fund	805 Life Share Scholarship Fund	815 BJ Griggs BJ Griggs Scholarship
Additions:				
Investment Income	\$ --	\$ --	\$ --	\$ --
Gifts and Bequests	350	1,000	1,230	--
Total Additions	350	1,000	1,230	--
Deductions:				
Scholarship Awards	250	1,000	--	500
Total Deductions	250	1,000	--	500
Change in Net Position	100	--	1,230	(500)
Net Position-Beginning of the Year	834	--	--	500
Net Position-End of the Year	\$ 934	\$ --	\$ 1,230	\$ --

816 Noah Langston Scholarship Fund	817 Wendy Gullette Scholarship	818 Chris Tucker Scholarship	819 Tiller Scholarship	Total Private-Purpose Trust Funds (See Exhibit E-2)
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	1,246	3,826
--	--	--	1,246	3,826
--	--	--	2,000	3,750
--	--	--	2,000	3,750
--	--	--	(754)	76
2,940	88	347	30,085	34,794
<u>\$ 2,940</u>	<u>\$ 88</u>	<u>\$ 347</u>	<u>\$ 29,331</u>	<u>\$ 34,870</u>

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Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

*SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE YEAR ENDED AUGUST 31, 2021*

Year Ended August 31	1		2		3	
	Tax Rates				Assessed/Appraised Value For School Tax Purposes	
	Maintenance		Debt Service			
2012 and Prior Years	\$	Various	\$	Various	\$	Various
2013		1.04		.185		559,115,592
2014		1.04		.197		501,246,079
2015		1.04		.243		457,573,281
2016		1.04		.28		405,137,500
2017		1.04		.31		335,692,000
2018		1.04		.31		302,676,667
2019		1.04		.31		311,904,296
2020		.97		.19		573,776,379
2021 (School Year Under Audit)		.87		.10		796,596,286

1000 Totals

9000 - Portion of Row 1000 for Taxes Paid into Tax Increment Zone Under Chapter 311, Tax Code

10 Beginning Balance 9/1/20	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 8/31/21
\$ 245,445	\$ --	\$ 10,059	\$ 1,320	\$ (35,109)	\$ 198,960
53,544	--	4,363	753	(660)	47,768
54,673	--	4,203	785	(668)	49,017
67,098	--	7,103	1,611	(692)	57,692
95,672	--	10,666	2,881	(414)	81,711
87,035	--	9,349	2,731	(434)	74,520
106,060	--	14,518	4,217	(832)	86,493
132,883	--	26,018	7,018	(5,232)	94,615
198,078	--	59,269	11,728	(5,834)	121,247
--	7,764,424	6,686,090	765,956	(130,388)	181,990
<u>\$ 1,040,488</u>	<u>\$ 7,764,424</u>	<u>\$ 6,831,638</u>	<u>\$ 799,000</u>	<u>\$ (180,263)</u>	<u>\$ 994,013</u>
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED AUGUST 31, 2021

EXHIBIT J-2

Data Control Codes		1	2	3
		Budget	Actual	Variance Positive (Negative)
	REVENUES:			
5700	<i>Local and Intermediate Sources</i>	\$ 192,375	\$ 121,940	\$ (70,435)
5800	<i>State Program Revenues</i>	23,205	22,342	(863)
5900	<i>Federal Program Revenues</i>	323,000	298,862	(24,138)
5020	Total Revenues	538,580	443,144	(95,436)
	EXPENDITURES:			
	Current:			
	Support Services - Student (Pupil):			
0035	<i>Food Services</i>	648,580	517,414	131,166
	Total Support Services - Student (Pupil)	648,580	517,414	131,166
6030	Total Expenditures	648,580	517,414	131,166
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	(110,000)	(74,270)	35,730
	Other Financing Sources (Uses):			
7915	<i>Transfers In</i>	110,000	110,000	--
7080	Total Other Financing Sources and (Uses)	110,000	110,000	--
1200	Net Change in Fund Balance	--	35,730	35,730
0100	Fund Balance - Beginning	10,481	10,481	--
3000	Fund Balance - Ending	\$ 10,481	\$ 46,211	\$ 35,730

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

EXHIBIT J-3

DEBT SERVICE FUND

BUDGETARY COMPARISON SCHEDULE

FOR THE YEAR ENDED AUGUST 31, 2021

Data Control Codes		1	2	3
		Budget	Actual	Variance Positive (Negative)
	REVENUES:			
5700	Local and Intermediate Sources	\$ 818,000	\$ 823,851	\$ 5,851
5800	State Program Revenues	7,710	7,697	(13)
5020	Total Revenues	<u>825,710</u>	<u>831,548</u>	<u>5,838</u>
	EXPENDITURES:			
	Debt Service:			
0071	Principal on Long-Term Debt	745,000	745,000	--
0072	Interest on Long-Term Debt	192,450	192,450	--
0073	Bond Issuance Costs and Fees	810	806	4
	Total Debt Service	<u>938,260</u>	<u>938,256</u>	<u>4</u>
6030	Total Expenditures	<u>938,260</u>	<u>938,256</u>	<u>4</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	(112,550)	(106,708)	5,842
1200	Net Change in Fund Balance	<u>(112,550)</u>	<u>(106,708)</u>	<u>5,842</u>
0100	Fund Balance - Beginning	523,161	523,161	--
3000	Fund Balance - Ending	<u>\$ 410,611</u>	<u>\$ 416,453</u>	<u>\$ 5,842</u>

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Morgan LaGrone, CPA, PLLC

Certified Public Accountant

Telephone: 903.657.0240
Fax: 903.655.1324

116 S Marshall
Henderson TX 75654

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

Board of Trustees
Elysian Fields Independent School District
P.O. Box 120
Elysian Fields, Texas 75642

Members of the Board of Trustees:

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 Elysian Fields Independent School District, as of and for the year ended August 31, 2021, and the related notes to the financial statements, which collectively comprise Elysian Fields Independent School District's basic financial statements, and have issued our report thereon dated January 6, 2022.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 may exist that have not been identified.

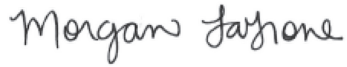
Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

A handwritten signature in cursive script that reads "Morgan LaGrone".

Morgan LaGrone, CPA, PLLC

Henderson, TX
January 6, 2022

Morgan LaGrone, CPA, PLLC

Certified Public Accountant

Telephone: 903.657.0240
Fax: 903.655.1324

116 S Marshall
Henderson TX 75654

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

Board of Trustees
Elysian Fields Independent School District
P.O. Box 120
Elysian Fields, Texas 75642

Members of the Board of Trustees:

Report on Compliance for Each Major Federal Program

We have audited the Elysian Fields Independent School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Elysian Fields Independent School District's major federal program for the year ended August 31, 2021. Elysian Fields Independent School District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Elysian Fields Independent School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Elysian Fields Independent School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Elysian Fields Independent School District's compliance.

Opinion on Each Major Federal Program

In our opinion, the Elysian Fields Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended August 31, 2021.

Report on Internal Control Over Compliance

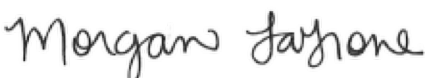
Management of the Elysian Fields Independent School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Elysian Fields Independent School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program 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 internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Elysian Fields Independent School District's 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 first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we considered to be material weaknesses. However, material weaknesses may exist that have not been identified.

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.

Respectfully submitted,



Morgan LaGrone, CPA, PLLC

Henderson, TX
January 6, 2022

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED AUGUST 31, 2021

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Noncompliance material to financial statements noted? Yes X No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200? Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553	School Breakfast Program
10.555	National School Lunch Program
84.425d	Elementary & Secondary School Emergency Relief

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes X No

B. Financial Statement Findings
NONE

C. Federal Award Findings and Questioned Costs
NONE

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT***SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED AUGUST 31, 2021***

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
Not applicable for the year ended August 31, 2021.		

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

CORRECTIVE ACTION PLAN

FOR THE YEAR ENDED AUGUST 31, 2021

Not applicable for the year ended August 31, 2021.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

EXHIBIT K-1

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED AUGUST 31, 2021

(1)	(2)	(2A)	(3)
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients Federal Expenditures
CHILD NUTRITION CLUSTER:			
<u>U. S. Department of Agriculture</u>			
Passed Through State Department of Education:			
School Breakfast Program	10.553	none	\$ 56,338
National School Lunch Program	10.555	none	209,521
National School Lunch Program (Non-cash)	10.555	none	33,004
Total CFDA Number 10.555			242,525
Total Passed Through State Department of Education			298,863
Total U. S. Department of Agriculture			298,863
Total Child Nutrition Cluster			298,863
SPECIAL EDUCATION (IDEA) CLUSTER:			
<u>U. S. Department of Education</u>			
Passed Through State Department of Education:			
<i>IDEA-Part B, Formula</i>	84.027	2166000110290	92,445
Total U. S. Department of Education			92,445
Total Special Education (IDEA) Cluster			92,445
OTHER PROGRAMS:			
<u>U. S. Department of Education</u>			
Direct Program:			
<i>Title IV, Part A Subpart 1</i>	84.424a	2160101102906	14,997
Passed Through State Department of Education:			
<i>Title I, Part A - Improving Basic Programs</i>	84.010a	2161010110290	219,374
<i>Title V, Part B, Subpart 2 - Rural & Low-income School Program</i>	84.358a	2169600110290	17,520
<i>Title II, Part A - Supporting Effective Instruction</i>	84.367a	2169450110290	34,315
<i>Elementary & Secondary School Emergency Relief</i>	84.425d	2052100110290	162,743
Total Passed Through State Department of Education			433,952
Total U. S. Department of Education			448,949
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 840,257

The accompanying notes are an integral part of this schedule.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED AUGUST 31, 2021

1. For all Federal programs, the District uses the fund types specified in Texas Education Agency's Financial Accountability System Resource Guide. Special revenue funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and state financial assistance generally is accounted for in a Special Revenue Fund.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. All Federal grant funds were accounted for in a Special Revenue Fund or, in some instances, in the General Fund which are Governmental Fund type funds.

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

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

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

3. The period performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 90 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Performance of Federal Funds, Part 3, Uniform Compliance Supplement.
4. Nonmonetary assistance received from the Commodity Supplemental Food Program is recorded in fair market value of the commodities received and disbursed. The revenue and expenditure are reported in the Food Service Special Revenue Fund.

ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

*SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS
AS OF AUGUST 31, 2021*

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