

**ELYSIAN FIELDS  
INDEPENDENT SCHOOL DISTRICT**

ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2023



Elysian Fields Independent School District  
Annual Financial Report  
For The Year Ended August 31, 2023

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit</u>
 INTRODUCTORY SECTION		
Certificate of Board.....	1	
 FINANCIAL SECTION		
Independent Auditor's Report.....	2	
Management's Discussion and Analysis (Required Supplementary Information).....	9	
 <u>Basic Financial Statements</u>		
Government-wide Financial Statements:		
Statement of Net Position.....	19	A-1
Statement of Activities.....	20	B-1
Fund Financial Statements:		
Balance Sheet - Governmental Funds.....	21	C-1
Reconciliation of the Governmental Funds		
Balance Sheet to the Statement of Net Position.....	22	C-1R
Statement of Revenues, Expenditures, and Changes in		
Fund Balances - Governmental Funds.....	23	C-2
Reconciliation of the Statement of Revenues, Expenditures, and Changes in		
Fund Balances of Governmental Funds to the Statement of Activities.....	24	C-3
Statement of Net Position - Internal Service Fund.....	25	D-1
Statement of Revenues, Expenses, and Changes in		
Fund Net Position - Internal Service Fund.....	26	D-2
Statement of Cash Flows - Proprietary Funds.....	27	D-3
Statement of Fiduciary Net Position - Fiduciary Funds.....	28	E-1
Statement of Changes in Fiduciary Net Position - Fiduciary Funds.....	29	E-2
Notes to the Financial Statements .....	31	
 <u>Required Supplementary Information</u>		
Budgetary Comparison Schedules:		
General Fund.....	55	G-1
Schedule of the District's Proportionate Share of the		
Net Pension Liability - Teacher Retirement System Of Texas.....	56	G-2
Schedule of District's Contributions - Teacher Retirement System Of Texas.....	57	G-3
Schedule of the District's Proportionate Share of the		
Net OPEB Liability - OPEB Plan.....	58	G-4
Schedule of District's Contributions - OPEB Plan.....	59	G-5
Notes to Required Supplementary Information.....	60	

Elysian Fields Independent School District  
Annual Financial Report  
For The Year Ended August 31, 2023

TABLE OF CONTENTS

	<u>Page</u>	<u>Exhibit</u>
<u>Combining Statements as Supplementary Information:</u>		
Combining Balance Sheet - All Nonmajor Governmental Funds.....	62	H-1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - All Nonmajor Governmental Funds.....	63	H-2
Special Revenue Funds:		
Combining Balance Sheet - Nonmajor Special Revenue Funds.....	64	H-3
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Special Revenue Funds.....	68	H-4
Fiduciary Funds:		
Private-Purpose Trust Funds:		
Combining Statement of Fiduciary Net Position.....	72	H-5
Combining Statement of Changes in Fiduciary Net Position.....	74	H-6
 OTHER SUPPLEMENTARY INFORMATION SECTION		
Schedule of Delinquent Taxes Receivable.....	78	J-1
Use of Funds Report - Select State Allotment Program .....	81	J-2
Budgetary Comparison Schedules Required by the Texas Education Agency.....		
National School Breakfast and Lunch Program.....	82	J-3
Debt Service Fund.....	83	J-4
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	85	
Report on Compliance for Each Major Federal Program and Report on Internal Control over Compliance Required by the Uniform Guidance.....	87	
Schedule of Findings and Questioned Costs .....	90	
Summary Schedule of Prior Audit Findings.....	91	
Corrective Action Plan.....	92	
Schedule of Expenditures of Federal Awards .....	93	K-1
Notes to the Schedule of Expenditures of Federal Awards.....	94	
Schedule of Required Responses to Selected School First Indicators.....	95	K-2

## *Introductory Section*

*This page is left blank intentionally.*

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) ☒ approved ☐ disapproved for the year ended August 31, 2023, at a meeting of the board of trustees of such school district on the 8 day of January, 2024.

  
Signature of Board Secretary

  
Signature of Board President

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

*This page is left blank intentionally.*



# 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**

#### **Opinions**

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, 2023, and the related notes to the financial statements, which collectively comprise the Elysian Fields Independent School District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Elysian Fields Independent School District as of August 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Emphasis of Matter**

##### *Change in Accounting Principle*

As described in Note A to the financial statements, in 2023, Elysian Fields Independent School District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*. Our opinion is not modified with respect to this matter.

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

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Elysian Fields Independent School District's ability to continue as a going concern for twelve months beyond the financial statement date, including

any currently known information that may raise substantial doubt shortly thereafter.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

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

### **Required Supplementary Information**

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

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise 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 a required part 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. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements 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.

### **Other Information Included in the Annual Report**

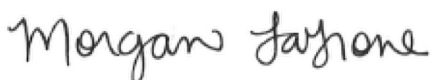
Management is responsible for the other information included in the annual report. The other information as identified in the table of contents comprises the information included in the annual report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 5, 2024 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 Elysian Fields Independent School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Elysian Fields Independent School District's internal control over financial reporting and compliance.

Respectfully submitted,



Morgan LaGrone, CPA, PLLC

Henderson, TX  
January 5, 2024

*This page is left blank intentionally.*

## *Financial Section*

*This page is left blank intentionally.*

# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2023

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, 2023. Please read it in conjunction with the District's financial statements, which follow this section.

### FINANCIAL HIGHLIGHTS

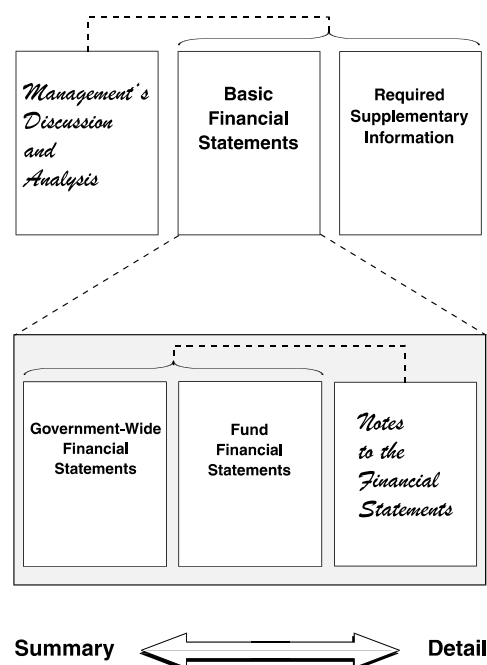
- The District's total combined Net Position was \$14,402,416 at August 31, 2023.
- During the year, the District's expenses were \$18,543,749, and the District generated \$20,065,803 in taxes and other revenues for governmental activities.
- The total cost of the District's programs increased 53.68%, primarily due to the increase in cost of recapture paid to Texas Education Agency.
- The General Fund reported a fund balance this year of \$10,639,702, of which \$7,389,702 was unassigned and \$3,250,000 was committed for construction.

### 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

# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2023

of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

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 \$14,402,416.



# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2023

Table A-1  
Elysian Fields Independent School District  
Net Position

	<u>2023</u>	<u>2022</u>	<u>Increase/ (Decrease) 2022-2023</u>	<u>Percentage Change 2022-2023</u>
Current and Other Assets	\$ 14,196,414	\$ 14,368,334	\$ (171,920)	(1.20%)
Capital Assets	11,352,104	11,887,210	(535,106)	(4.50%)
Total Assets	<u>\$ 25,548,518</u>	<u>\$ 26,255,544</u>	<u>\$ (707,026)</u>	<u>(2.69%)</u>
Deferred Outflow of Resources	\$ 113,015	\$ 145,305	\$ (32,290)	(22.22%)
Deferred Outflow - Pensions	1,065,718	607,778	\$ 457,940	75.35%
Deferred Outflow - OPEB	507,401	592,707	(85,306)	(14.39%)
Total Deferred Outflows of Resources	<u>\$ 1,686,134</u>	<u>\$ 1,345,790</u>	<u>\$ 340,344</u>	<u>25.29%</u>
Long-Term Liabilities Outstanding	\$ 7,759,726	\$ 8,144,896	\$ (385,170)	(4.73%)
Other Liabilities	2,259,648	3,515,671	(1,256,023)	(35.73%)
Total Liabilities	<u>\$ 10,019,374</u>	<u>\$ 11,660,567</u>	<u>\$ (1,641,193)</u>	<u>(14.07%)</u>
Deferred Inflow - Pensions	\$ 281,743	\$ 1,195,991	\$ (914,248)	(76.44%)
Deferred Inflow - OPEB	2,531,120	1,864,415	666,705	35.76%
Total Deferred Inflows of Resources	<u>\$ 2,812,864</u>	<u>\$ 3,060,407</u>	<u>\$ (247,543)</u>	<u>(8.09%)</u>
Net Position:				
Net Investment in Capital Assets	\$ 7,603,670	\$ 7,412,480	\$ 191,190	2.58%
Restricted	411,508	625,957	(214,449)	(34.26%)
Unrestricted	6,387,238	4,841,924	1,545,314	31.92%
Total Net Position	<u>\$ 14,402,416</u>	<u>\$ 12,880,361</u>	<u>\$ 1,522,055</u>	<u>11.82%</u>

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

	<u>2023</u>	<u>2022</u>	<u>Increase/ (Decrease) 2022-2023</u>	<u>Percentage Change 2022-2023</u>
Program Revenues:				
Charges for Services	\$ 469,273	\$ 397,182	\$ 72,091	18.15%
Operating Grants & Contributions	1,737,274	1,364,249	373,025	27.34%
General Revenues:				
Property Taxes	16,271,359	12,343,762	3,927,597	31.82%
State Aid-Formula	462,121	155,955	306,166	196.32%
Other	1,125,776	396,531	729,245	183.91%
Total Revenues	<u>\$ 20,065,803</u>	<u>\$ 14,657,679</u>	<u>\$ 5,408,124</u>	<u>36.90%</u>
Functions/Programs:				
Instructional and Instructional-Related Services	\$ 6,426,319	\$ 6,017,288	\$ 409,031	6.80%
Instruction and School Leadership	903,138	739,607	163,531	22.11%
Support Services - Student	2,559,058	2,316,897	242,161	10.45%
Administrative Support Services	659,333	655,538	3,795	0.58%
Support Services - Non-Student Based	2,210,261	1,736,683	473,578	27.27%
Debt Service	109,569	131,467	(21,898)	(16.66%)
Intergovernmental Charges	5,676,071	469,370	5,206,701	1109.30%
Total Expenses	<u>\$ 18,543,749</u>	<u>\$ 12,066,850</u>	<u>\$ 6,476,899</u>	<u>53.68%</u>
Increase/(Decrease) in Net Position	<u>\$ 1,522,054</u>	<u>\$ 2,590,829</u>	<u>\$ (1,068,775)</u>	<u>(41.25%)</u>

### Governmental Activities

Property tax rates for the current year were an M&O rate of \$0..8546 per \$100 valuation and an I&S rate of \$0..0393 per \$100 valuation for a total rate of \$0.8939 per \$100 valuation.

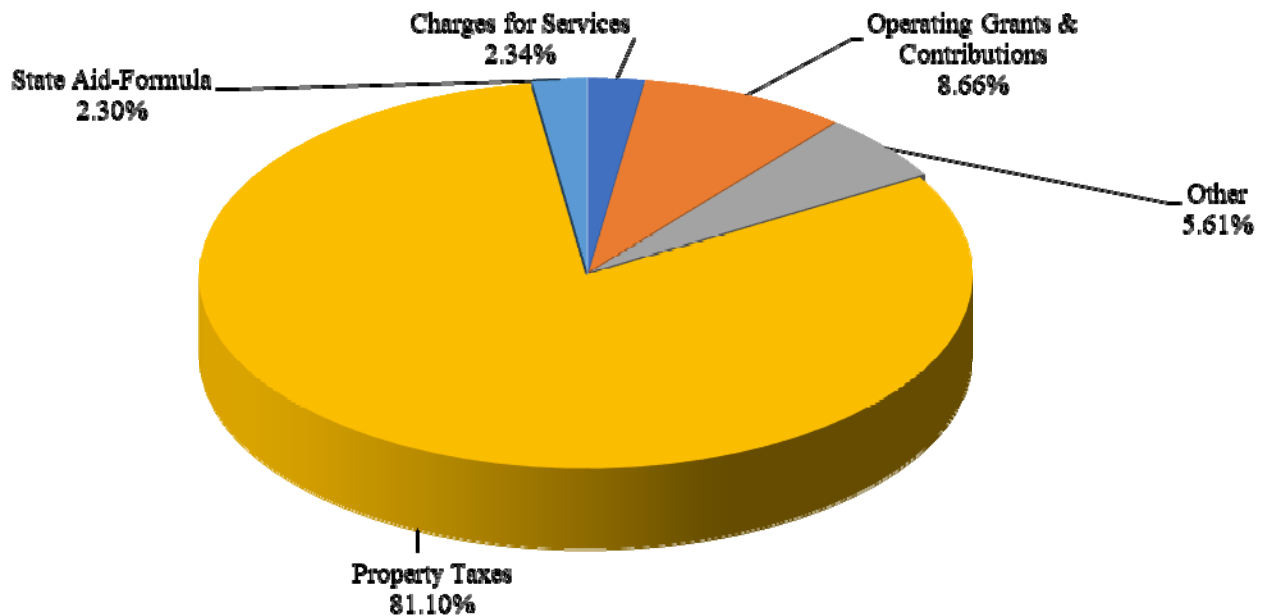
\$183,797 of the District's restricted net position are restricted for debt service, \$174,900 are restricted for campus and student activities, and \$52,811 are restricted for state and federal programs. The \$6,387,238 of unrestricted net position represents resources available to fund the programs of the District next year.

# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

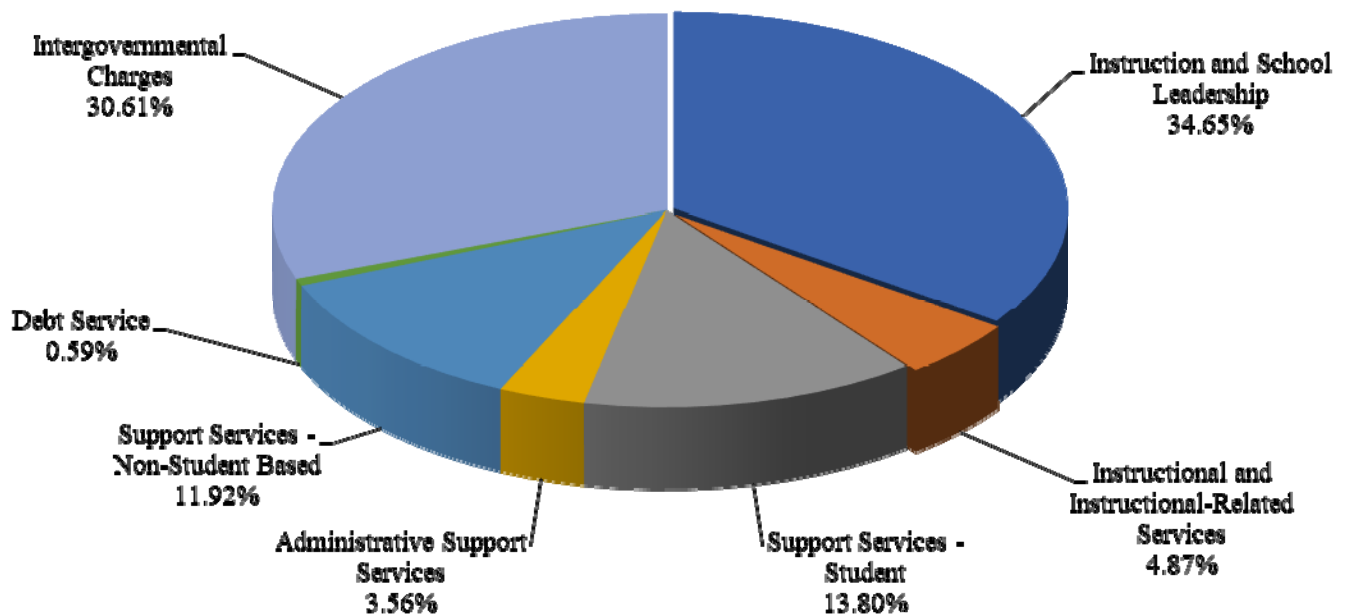
## MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2023

**Chart A-1**  
**Elysian Fields Independent School District**  
**Revenues for the Year Ended August 31, 2023**



**Chart A-2**  
**Elysian Fields Independent School District**  
**Expenses for the Year Ended August 31, 2023**



# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

## MANAGEMENT'S DISCUSSION AND ANALYSIS

AUGUST 31, 2023

Change in Net Position. The District's total revenues were \$20,065,803. A significant portion, 81.10%, of the District's revenue comes from property taxes, 2.3% comes from state aid – formula grants, 8.6% is from operating grants and contributions, 2.34% relates to charges for services, and 5.61% is from investment earnings and miscellaneous.

The total cost of all programs and services was \$18,543,749; 46.57% 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 \$18,543,749.
- The amount that our taxpayers paid for these activities through property taxes was \$16,271,359.
- Some of the cost was paid by those who directly benefited from the programs, \$469,273, or by grants and contributions, \$1,737,274.

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

	Total Cost of Services			Net Cost of Services		
	2023	2022	% Change	2023	2022	% Change
Instruction	\$ 6,221,626	\$ 5,839,456	6.54%	\$ 5,352,715	\$ 5,177,530	3.38%
School Leadership	697,713	586,304	19.00%	666,239	578,312	15.20%
General Administration	659,333	655,538	0.58%	648,882	652,817	(0.60%)
Food Service	707,766	690,061	2.57%	79,658	5,332	1393.96%
Facilities Maintenance & Operations	1,844,606	1,520,358	21.33%	1,808,487	1,510,457	19.73%
Cocurricular/Extracurricular	676,561	690,362	(2.00%)	403,574	372,624	8.31%
Contracted Services Between Schools	5,355,099	213,152	2412.34%	5,355,099	213,152	2412.34%

## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Revenues from governmental fund types totaled \$20,035,599, an increase of \$4,925,660 from the preceding year. Local revenue increased \$4,556,322, due to increased property values. There was an increase in state revenue, which totaled \$506,169. Due to the significant increase in property tax revenues, state revenue was adjusted and ultimately decreased. In addition, the District was assessed a cost of recapture of \$5,355,099. The District's revenue from federal grants decreased \$136,831. Expenditures increased \$3,589,048. The primary reason for the increase in expenditures is due to the additional cost of recapture.

### General Fund Budgetary Highlights

During the year, the District revised its budget as needed. Considering the adjustments, actual expenditures were \$992,374 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 2023, the District had invested \$34,538,221 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, 2023

Table A-4  
Elysian Fields Independent School District  
Capital Assets

	<u>Governmental Activities</u>		Increase/ (Decrease)	Percentage Change
	<u>2023</u>	<u>2022</u>	<u>2022-2023</u>	<u>2022-2023</u>
Land	\$ 393,490	\$ 393,490	\$ -	0.00%
Construction in Progress	-	11,731	(11,731)	(100.00%)
Buildings and Improvements	29,848,030	29,616,909	231,121	0.78%
Vehicles and Equipment	4,168,936	3,823,997	344,939	9.02%
Right-to-Use Asset	127,765	26,565	101,200	380.95%
Total Capital Assets	\$ 34,538,221	\$ 33,872,692	\$ 665,529	1.96%
Less: Accumulated Depreciation	(23,186,114)	(21,985,480)	(1,200,634)	5.46%
Net Capital Assets	\$ 11,352,107	\$ 11,887,212	\$ (535,105)	(4.50%)

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 \$7,759,725 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/ (Decrease)	Percentage Change
	<u>2023</u>	<u>2022</u>	<u>2022-2023</u>	<u>2022-2023</u>
General Obligation Bonds	\$ 3,465,000	\$ 4,245,000	\$ (780,000)	(18.37%)
Bond Premium	282,048	362,633	(80,585)	(22.22%)
Capital Financing Activities	95,599	12,401	83,198	670.90%
Subscriptions Liability	18,800	-	18,800	N/A
Net OPEB Liability	2,334,750	943,888	1,390,862	147.35%
Net Pension Liability	1,563,527	2,580,973	(1,017,446)	(39.42%)
Total Long-Term Debt	\$ 7,759,725	\$ 8,144,896	\$ (385,171)	(4.73%)

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Appraised value used for the 2024 budget preparation is \$2,405,712,760 up 49.16% from 2023, with an M&O rate of \$0.6692 per \$100 valuation and an I&S rate of \$0.0337 per \$100 valuation for a total tax rate of \$.7029 per \$100 valuation.
- The District's 2023 refined average daily attendance is expected to be 750.

These indicators were taken into account when adopting the general fund budget for 2024. Amounts available for appropriation in the general fund budget are \$17,439,635 an increase of \$33,379 from the adopted 2023 budget of \$17,406,256. Property tax collections will be approximately \$15,845,000 for the general fund. State revenue will be approximately \$839,885. The District has added no major new programs or initiatives to the 2024 budget.

# **ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

## ***MANAGEMENT'S DISCUSSION AND ANALYSIS***

*AUGUST 31, 2023*

### **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.

*This page is left blank intentionally.*

## *Basic Financial Statements*

*This page is left blank intentionally.*



**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

## STATEMENT OF NET POSITION

AUGUST 31, 2023

1

Data Control Codes		Governmental Activities
<b>ASSETS:</b>		
1110	Cash and Cash Equivalents	\$ 12,962,221
1225	Property Taxes Receivable (Net)	892,664
1240	Due from Other Governments	259,963
1410	Unrealized Expenses	81,566
	Capital Assets:	
1510	Land	393,490
1520	Buildings and Improvements, Net	9,382,056
1530	Furniture and Equipment, Net	1,463,446
1550	Right to Use Assets, Net	113,112
1000	Total Assets	<u>25,548,518</u>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>		
	Deferred Outflow of Resources - Undesignated	113,015
	Deferred Outflow Related to Pensions	1,065,718
	Deferred Outflow Related to OPEB	507,401
1700	Total Deferred Outflows of Resources	<u>1,686,134</u>
<b>LIABILITIES:</b>		
2110	Accounts Payable	61,074
2140	Interest Payable	8,108
2165	Accrued Liabilities	556,189
2180	Due to Other Governments	1,630,027
2300	Unearned Revenue	4,250
	Noncurrent Liabilities:	
2501	Due Within One Year	841,606
2502	Due in More Than One Year	3,019,843
2540	Net Pension Liability	2,334,750
2545	Net OPEB Liability	1,563,527
2000	Total Liabilities	<u>10,019,374</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>		
	Deferred Inflow Related to Pensions	281,743
	Deferred Inflow Related to OPEB	2,531,120
2600	Total Deferred Inflows of Resources	<u>2,812,862</u>
<b>NET POSITION:</b>		
3200	Net Investment in Capital Assets	7,603,670
	Restricted For:	
3820	Federal and State Programs	52,811
3850	Debt Service	183,797
3870	Campus Activities	174,900
3900	Unrestricted	6,387,238
3000	Total Net Position	<u>\$ 14,402,416</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, 2023

		1	3	4	Net (Expense) Revenue and Changes in Net Position
			Program Revenues		
Data Control Codes	Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
	Governmental Activities:				
11	Instruction	\$ 6,221,626	\$ --	\$ 868,911	\$ (5,352,715)
12	Instructional Resources and Media Services	114,973	--	2,927	(112,046)
13	Curriculum and Staff Development	89,720	--	74,629	(15,091)
21	Instructional Leadership	205,425	--	6,463	(198,962)
23	School Leadership	697,713	--	31,474	(666,239)
31	Guidance, Counseling, and Evaluation Services	216,490	--	5,253	(211,237)
33	Health Services	190,936	--	6,210	(184,726)
34	Student Transportation	767,305	--	14,045	(753,260)
35	Food Service	707,766	203,351	424,757	(79,658)
36	Cocurricular/Extracurricular Activities	676,561	265,922	7,065	(403,574)
41	General Administration	659,333	--	10,451	(648,882)
51	Facilities Maintenance and Operations	1,844,606	--	36,119	(1,808,487)
52	Security and Monitoring Services	239,892	--	229,820	(10,072)
53	Data Processing Services	125,763	--	3,184	(122,579)
72	Interest on Long-term Debt	76,473	--	15,966	(60,507)
73	Bond Issuance Costs and Fees	33,096	--	--	(33,096)
91	Contracted Instructional Services between Schools	5,355,099	--	--	(5,355,099)
93	Payments Related to Shared Services Arrangements	320,972	--	--	(320,972)
TG	Total Governmental Activities	18,543,749	469,273	1,737,274	(16,337,202)
TP	Total Primary Government	\$ 18,543,749	\$ 469,273	\$ 1,737,274	(16,337,202)
	General Revenues:				
MT	Property Taxes, Levied for General Purposes				15,536,477
DT	Property Taxes, Levied for Debt Service				734,882
IE	Investment Earnings				635,704
GC	Grants and Contributions Not Restricted to Specific Programs				462,121
MI	Miscellaneous				490,072
TR	Total General Revenues				17,859,256
CN	Change in Net Position				1,522,054
NB	Net Position - Beginning				12,880,362
NE	Net Position - Ending				\$ 14,402,416

The accompanying notes are an integral part of this statement.

**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

## BALANCE SHEET - GOVERNMENTAL FUNDS

AUGUST 31, 2023

Data Control Codes	10 General Fund	onmf Other Governmental Funds	98 Total Governmental Funds
<b>ASSETS:</b>			
1110 Cash and Cash Equivalents	\$ 12,723,786	\$ 234,077	\$ 12,957,863
1225 Taxes Receivable, Net	786,760	105,904	892,664
1240 Due from Other Governments	48,102	211,861	259,963
1260 Due from Other Funds	2,885	--	2,885
1410 Unrealized Expenditures	81,566	--	81,566
1000 Total Assets	<u>13,643,099</u>	<u>551,842</u>	<u>14,194,941</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
2110 Accounts Payable	\$ 4,459	\$ --	\$ 4,459
2150 Payroll Deductions and Withholdings	76,926	--	76,926
2160 Accrued Wages Payable	439,874	29,566	469,440
2170 Due to Other Funds	56,142	--	56,142
2180 Due to Other Governments	1,630,027	--	1,630,027
2200 Accrued Expenditures	9,209	614	9,823
2300 Unearned Revenue	--	4,250	4,250
2000 Total Liabilities	<u>2,216,637</u>	<u>34,430</u>	<u>2,251,067</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Deferred Revenue	<u>786,760</u>	<u>105,904</u>	<u>892,664</u>
2600 Total Deferred Inflows of Resources	<u>786,760</u>	<u>105,904</u>	<u>892,664</u>
<b>FUND BALANCES:</b>			
Restricted Fund Balances:			
3450 Federal/State Funds Grant Restrictions	--	52,811	52,811
3480 Retirement of Long-Term Debt	--	183,797	183,797
3490 Other Restrictions of Fund Balance	--	91,260	91,260
Committed Fund Balances:			
3510 Construction	3,250,000	--	3,250,000
3545 Other Committed Fund Balance	--	83,640	83,640
3600 Unassigned	<u>7,389,702</u>	<u>--</u>	<u>7,389,702</u>
3000 Total Fund Balances	<u>10,639,702</u>	<u>411,508</u>	<u>11,051,210</u>
Total Liabilities, Deferred Inflow 4000 of Resources and Fund Balances	<u>\$ 13,643,099</u>	<u>\$ 551,842</u>	<u>\$ 14,194,941</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, 2023**

Total fund balances - governmental funds balance sheet	\$ 11,051,210
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.	11,352,103
Property taxes receivable unavailable to pay for current period expenditures are deferred in the funds.	892,665
The assets and liabilities of internal service funds are included in governmental activities in the SNP.	1,001
Payables for bond principal which are not due in the current period are not reported in the funds.	(3,464,996)
Payables for right-to-use leases which are not due in the current period are not reported in the funds.	(86,303)
Payables for debt interest which are not due in the current period are not reported in the funds.	(8,108)
Payables for right-to-use SBITAs which are not due in the current period are not reported in the funds.	(28,101)
The deferred amount on the bond refunding is not reported in the funds.	113,015
Recognition of the District's proportionate share of the net pension liability is not reported in the funds.	(2,334,750)
Deferred Resource Inflows related to the pension plan are not reported in the funds.	(281,743)
Deferred Resource Outflows related to the pension plan are not reported in the funds.	1,065,718
Bond premiums are amortized in the SNA but not in the funds.	(282,048)
Recognition of the District's proportionate share of the net OPEB liability is not reported in the funds.	(1,563,527)
Deferred Resource Inflows related to the OPEB plan are not reported in the funds.	(2,531,120)
Deferred Resource Outflows related to the OPEB plan are not reported in the funds.	507,401
Rounding difference	(1)
Net position of governmental activities - Statement of Net Position	\$ <u>14,402,416</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, 2023

Data Control Codes	10 General Fund	onmf Other Governmental Funds	98 Total Governmental Funds
<b>REVENUES:</b>			
5700 Local and Intermediate Sources	\$ 16,339,970	\$ 1,189,812	\$ 17,529,782
5800 State Program Revenues	1,012,950	225,880	1,238,830
5900 Federal Program Revenues	--	1,266,987	1,266,987
5020 Total Revenues	<u>17,352,920</u>	<u>2,682,679</u>	<u>20,035,599</u>
<b>EXPENDITURES:</b>			
Current:			
0011 Instruction	5,204,558	731,639	5,936,197
0012 Instructional Resources and Media Services	108,040	--	108,040
0013 Curriculum and Staff Development	15,078	74,642	89,720
0021 Instructional Leadership	196,482	--	196,482
0023 School Leadership	650,987	8,981	659,968
0031 Guidance, Counseling, and Evaluation Services	197,702	--	197,702
0033 Health Services	183,635	--	183,635
0034 Student Transportation	932,527	--	932,527
0035 Food Service	--	678,390	678,390
0036 Cocurricular/Extracurricular Activities	442,310	221,500	663,810
0041 General Administration	644,692	--	644,692
0051 Facilities Maintenance and Operations	1,932,847	18,130	1,950,977
0052 Security and Monitoring Services	137,673	228,840	366,513
0053 Data Processing Services	119,966	--	119,966
0071 Principal on Long-term Debt	22,517	780,000	802,517
0072 Interest on Long-term Debt	2,192	154,200	156,392
0073 Bond Issuance Costs and Fees	--	806	806
0081 Capital Outlay	43,269	--	43,269
0091 Contracted Instructional Services			
0091 Between Public Schools	5,355,099	--	5,355,099
0093 Payments to Shared Service Arrangements	320,972	--	320,972
6030 Total Expenditures	<u>16,510,546</u>	<u>2,897,128</u>	<u>19,407,674</u>
1100 Excess (Deficiency) of Revenues Over (Under)			
1100 Expenditures	<u>842,374</u>	<u>(214,449)</u>	<u>627,925</u>
Other Financing Sources and (Uses):			
7913 Issuance of Right to Use Leased Assets	124,516	--	124,516
7915 Transfers In	1,221,785	--	1,221,785
7949 Other Resources	221,522	--	221,522
8911 Transfers Out	(1,221,785)	--	(1,221,785)
7080 Total Other Financing Sources and (Uses)	<u>346,038</u>	<u>--</u>	<u>346,038</u>
1200 Net Change in Fund Balances	<u>1,188,412</u>	<u>(214,449)</u>	<u>973,963</u>
0100 Fund Balances - Beginning	<u>9,451,290</u>	<u>625,957</u>	<u>10,077,247</u>
3000 Fund Balances - Ending	<u>\$ 10,639,702</u>	<u>\$ 411,508</u>	<u>\$ 11,051,210</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, 2023

Net change in fund balances - total governmental funds	\$ 973,963
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	688,845
The depreciation of capital assets used in governmental activities is not reported in the funds.	(1,223,950)
Certain property tax revenues are deferred in the funds. This is the change in these amounts this year.	332,018
Repayment of bond principal is an expenditure in the funds but is not an expense in the SOA.	780,000
Repayment of right-to-use lease principal is an expenditure in the funds but is not an expense in the SOA.	13,216
Repayment of right-to-use SBITA principal is an expenditure in the funds but is not an expense in the SOA.	9,301
(Increase) decrease in accrued interest from beginning of period to end of period.	(666)
The net revenue (expense) of internal service funds is reported with governmental activities.	(2,051)
Prior years' tax collections are revenue in the funds but were reported in a prior period in the SOA.	(219,161)
Amortization of deferred loss on refunding is not reported in the funds.	(32,290)
Bond discounts are reported in the funds but not in the SOA.	80,585
Proceeds of right-to-use leases do not provide revenue in the SOA, but are reported as current resources in the funds.	(96,414)
Proceeds of right-to-use SBITAs do not provide revenue in the SOA, but are reported as current resources in the funds.	(28,101)
Implementing GASB 68 required certain expenditures to be de-expended and recorded as deferred resource outflows.	(18,674)
Implementing GASB 75 required certain expenditures to be de-expended and recorded as deferred resource outflows.	265,435
Rounding difference	(2)
Change in net position of governmental activities - Statement of Activities	\$ <u>1,522,054</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, 2023

Data Control Codes		Nonmajor Internal Service Fund
		Insurance Fund
<b>ASSETS:</b>		
	Current Assets:	
1110	Cash and Cash Equivalents	\$ 4,358
	Receivables:	
1260	Due from Other Funds	53,258
	Total Current Assets	57,616
1000	Total Assets	57,616
<b>LIABILITIES:</b>		
	Current Liabilities:	
2110	Accounts Payable	\$ 56,615
	Total Current Liabilities	56,615
2000	Total Liabilities	56,615
<b>NET POSITION:</b>		
3000	Total Net Position	\$ 1,001

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, 2023

		Nonmajor Internal Service Fund
<u>Data Control Codes</u>		Insurance Fund
<b>OPERATING REVENUES:</b>		
5700	Local and Intermediate Sources	\$ 46,501
5020	Total Revenues	46,501
<b>OPERATING EXPENSES:</b>		
6100	Payroll Costs	48,552
6030	Total Expenses	48,552
1300	Change in Net Position	(2,051)
0100	Total Net Position - Beginning	3,052
3300	Total Net Position - Ending	\$ 1,001

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, 2023

	Internal Service Funds
<b>Cash Flows from Operating Activities:</b>	
Cash Received from Customers	\$ 34,812
Cash Payments for Grants to Other Organizations	<u>(36,863)</u>
Net Cash Provided (Used) by Operating Activities	<u>(2,051)</u>
<b>Cash Flows from Non-capital Financing Activities:</b>	
Net Cash Provided (Used) by Non-capital Financing Activities	<u>--</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>	
Net Cash Provided (Used) for Capital & Related Financing Activities	<u>--</u>
<b>Cash Flows from Investing Activities:</b>	
Net Cash Provided (Used) for Investing Activities	<u>--</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(2,051)
Cash and Cash Equivalents at Beginning of Year	<u>6,409</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 4,358</u></u>
<b>Reconciliation of Operating Income to Net Cash     Provided by Operating Activities:</b>	
Operating Income (Loss)	\$ (2,051)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities	
Change in Assets and Liabilities:	
Decrease (Increase) in Receivables	(11,689)
Increase (Decrease) in Accounts Payable	<u>11,689</u>
Total Adjustments	<u>--</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (2,051)</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, 2023

Data Control Codes		Private-purpose Trust Funds
	<b>ASSETS:</b>	
1110	Cash and Cash Equivalents	\$ 40,308
1000	Total Assets	<u>40,308</u>
	<b>LIABILITIES:</b>	
2000	Total Liabilities	<u>--</u>
	<b>NET POSITION:</b>	
3800	Held in Trust	\$ 40,308
3000	Total Net Position	<u><u>\$ 40,308</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, 2023

	Private Purpose Trusts
<b>Additions:</b>	
Investment Income	\$ --
Net (Decrease) in Fair Value of Investments	--
Gifts and Bequests	1,100
Total Additions	<u>1,100</u>
<b>Deductions:</b>	
Scholarship Awards	<u>4,000</u>
Total Deductions	<u>4,000</u>
<b>Change in Net Position</b>	(2,900)
Net Position-Beginning of the Year	<u>43,208</u>
Net Position-End of the Year	<u>\$ 40,308</u>

The accompanying notes are an integral part of this statement.

*This page is left blank intentionally.*

# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

### 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.

## ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

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.

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 custodial 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 lease contracts and subscription-based information technology arrangements 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.

# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

### 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 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	3-15
Furniture and Equipment	3-10
Computer Equipment	3-15
Right-to-use Lease Assets	5
Right-to-use Subscription Assets	3

## ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

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.

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).



## ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

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.

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 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.

**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED AUGUST 31, 2023**

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

In the current fiscal year, the District implemented the following new standard. The applicable provisions of the new standards are summarized below. Implementation is reflected in the financial statements and the notes to the financial statements.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*

This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

A SBITA is defined as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The District implemented this Statement during the current year.

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

# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

### 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, 2023, the carrying amount of the District's deposits (cash, certificates of deposit, and interest-bearing savings accounts included in temporary investments) was \$1,047,908 and the bank balance was \$1,413,584. The District's cash deposits at August 31, 2023 and during the year ended August 31, 2023, were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

#### 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.

The District's investment at August 31, 2023 is shown below.

<u>Investment or Investment Type</u>	<u>Maturity</u>	<u>Fair Value</u>
LoneStar Investment Pool	N/A	\$ 11,914,313
Total Investment Pool		<u>\$ 11,914,313</u>
Cash		\$ 1,047,908
Investment Pool		11,914,313
Total Cash and Cash Equivalents on Exhibit A-1		<u>\$ 12,962,221</u>

## ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

#### 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.

At August 31, 2023, the District's investments, other than those which are obligations of or guaranteed by the U. S. Government, are rated as to credit quality as follows:

##### 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.

##### 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.

#### Public Funds Investment Pools

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

# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

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

### D. Property Taxes Receivable

	General	Debt Service	Total
Property Tax Year 2022 (FY2023)	\$ 359,903	\$ 16,551	\$ 376,454
Prior Tax Years	814,366	141,515	955,881
Total	1,174,269	158,066	1,332,335
Less: Allowance for Uncollectible Taxes	(387,509)	(52,162)	(439,671)
Net Taxes Receivable	\$ 786,760	\$ 105,904	\$ 892,664

### E. Capital Assets

Capital asset activity for the year ended August 31, 2023, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 393,490	\$ --	\$ --	\$ 393,490
Construction in progress	11,731	--	11,731	--
Total capital assets not being depreciated	405,221	--	11,731	393,490
Capital assets being depreciated:				
Buildings and improvements	29,616,909	231,121	--	29,848,030
Equipment	1,580,130	--	--	1,580,130
Vehicles	2,243,866	344,940	--	2,588,806
Right-to-Use Leased Asset	26,566	96,414	23,316	99,664
Right-to-Use Subscription Asset	--	28,101	--	28,101
Total capital assets being depreciated	33,467,471	700,576	23,316	34,144,731
Less accumulated depreciation for:				
Buildings and improvements	(19,486,054)	(979,920)	--	(20,465,974)
Equipment	(906,877)	(84,694)	--	(991,571)
Vehicles	(1,578,162)	(135,755)	--	(1,713,917)
Right-to-Use Asset	(14,385)	(14,216)	(23,316)	(5,285)
Right-to-Use Subscription Asset	--	(9,367)	--	(9,367)
Total accumulated depreciation	(21,985,478)	(1,223,952)	(23,316)	(23,186,114)
Total capital assets being depreciated, net	11,481,993	(523,376)	--	10,958,617
Governmental activities capital assets, net	\$ 11,887,214	\$ (523,376)	\$ 11,731	\$ 11,352,107

# **ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2023**

Depreciation was charged to functions as follows:

Instruction	\$	721,558
Instructional Resources and Media Services		11,632
Instructional Leadership		20,236
School Leadership		78,389
Guidance, Counseling, & Evaluation Services		28,191
Health Services		18,151
Student Transportation		123,541
Food Services		53,102
Extracurricular Activities		27,009
General Administration		57,633
Plant Maintenance and Operations		73,607
Data Processing Services		10,903
	\$	<u>1,223,952</u>

### **F. Interfund Balances and Activities**

#### **1. Due To and From Other Funds**

Balances due to and due from other funds at August 31, 2023, 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	\$ 53,258	Short-term loans
	Total	<u>\$ 53,258</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, 2023, consisted of the following:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>	<u>Reason</u>
General fund	Transportation Fund*	\$ 911,785	Fund Transportation
General fund	Athletic Fund*	310,000	Fund Athletic Activities
	Total	<u>\$ 1,221,785</u>	

\* These funds are included in the General Fund for reporting purposes. There were no transfers to or from the general funds from other funds.

### **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, 2023, are as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
<b><u>Governmental activities:</u></b>					
Series 2016 Refunding Bonds \$	4,245,000	\$ --	\$ 780,000	\$ 3,465,000	\$ 815,000
Add: Premium on Issuance	362,633	--	80,585	282,048	--
Capital Financing Activities	12,401	96,414	13,216	95,599	17,240
Subscriptions liability	--	28,101	9,301	18,800	9,367
Net Pension Liability*	943,888	1,574,374	183,512	2,334,750	--
Net OPEB Liability*	<u>2,580,973</u>	<u>(963,813)</u>	<u>53,633</u>	<u>1,563,527</u>	<u>--</u>
Total governmental activities	<u>\$ 8,144,895</u>	<u>\$ 735,076</u>	<u>\$ 1,120,247</u>	<u>\$ 7,759,724</u>	<u>\$ 841,607</u>

\* Other long-term liabilities presented

# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

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 August 31, 2023, are as follows:

Year Ending August 31,	Governmental Activities				
	Bonds		Notes from Direct Borrowings and Direct Placements		Total
	Principal	Interest	Principal	Interest	
2024	\$ 815,000	122,300	--	\$ --	\$ 937,300
2025	850,000	89,000	--	--	939,000
2026	880,000	544,400	--	--	1,424,400
2027	920,000	18,400	--	--	938,400
Totals	\$ 3,465,000	\$ 774,100	\$ --	\$ --	\$ 4,239,100

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, 2023, 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 2007	\$ 8,385,000

### H. Leases

Lease activity for the year ended August 31, 2023, was as follows:

#### LEASES

The District entered into a leasing arrangement in January 2020 for copiers/printers totaling \$41,798 payable in monthly installments of \$1,283 at an interest rate of 11.18 percent, ending in April 2023.

The District also entered into a leasing arrangement in September 2020 for a postage machine totaling \$3,880 payable in quarterly installments of \$82 at an interest rate of 9.90 percent through August 2025.

Future lease payment maturity schedule is as follows:

Year ended August 31,	Principal	Interest	Total
2024	\$ 17,240	\$ 7,484	\$ 24,724
2025	18,777	5,948	24,725
2026	19,417	4,320	23,737
2027	21,134	2,603	23,737
2028	19,032	749	19,781
	\$ 95,599	\$ 21,104	\$ 116,703

# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

### Subscription-Based Information Technology Arrangements

The District entered into a subscription agreement totalling \$28,101, payable in annual installments of \$9,500 for 3 years, starting in April 2023.

Future lease payment maturity schedule is as follows:

Year ended August 31,	Principal	Interest	Total
2024 \$	9,367 \$	133 \$	9,500
2025	9,433	67	9,500
\$	18,800 \$	200 \$	19,000

### 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 2023, 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/Pages/about%20publications.aspx> ; 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



# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

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 in the manner are determined by the System's actuary.

### 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.

	<u>Contribution Rates</u>	
	<u>2022</u>	<u>2023</u>
Member	8.0%	8.0%
Non-Employer Contributing Entity (State)	7.75%	8.0%
Employers	7.75%	8.0%
District's 2023 Employer Contributions	\$	212,434
District's 2023 Member Contributions	\$	547,547
2022 NECE On-Behalf Contributions (State)	\$	405,284

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

## ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

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 1.6 percent of the member's salary beginning in fiscal year 2021, 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, 2020 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term expected Investment Rate of Return	7.00%
Municipal Bond Rate as of August 2022	3.91% *
Last year ending August 31 in Projection Period	2121
Inflation	2.30%
Salary Increases including inflation	2.95% to 8.95%
Ad hoc post-employment benefit changes	None

\* The source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index"

The actuarial methods and assumptions used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2021. For a full description of these assumptions, please see the actuarial valuation report dated November 9, 2021.

#### 6. Discount Rate

A single discount rate of 7.00 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 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 expected rate of return on pension plan investments is 7.00 percent. The long-term expected rate of return on plan investments was determined using a building-block method in which best-estimate 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, 2022 are summarized below:

# **ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED AUGUST 31, 2023

<b>Asset Class *</b>	<b>Target Allocation **</b>	<b>Long-Term Expected Arithmetic Real Rate of Return ***</b>	<b>Expected Contribution to Long-Term Portfolio Returns</b>
<b>Global Equity</b>			
USA	18.0%	4.6%	1.12%
Non-U.S. Developed	13.0%	4.9%	0.90%
Emerging Markets	9.0%	5.4%	0.75%
Private Equity	14.0%	7.7%	1.55%
<b>Stable Value</b>			
Government Bonds	16.0%	1.0%	0.22%
Absolute Return	0.0%	3.7%	0.00%
Stable Value Hedge Funds	5.0%	3.4%	0.18%
<b>Real Return</b>			
Real Estate	15.0%	4.1%	0.94%
Energy, Natural Resources and Infrastructure	6.0%	5.1%	0.37%
Commodities	0.0%	3.6%	0.00%
<b>Risk Parity</b>	8.0%	4.6%	0.43%
<b>Asset Allocation Leverage</b>			
Cash	2.0%	3.0%	0.01%
Asset Allocation Leverage	(6.0%)	3.6%	(0.05)%
<b>Inflation Expectation</b>			2.70%
<b>Volatility Drag ****</b>			(0.91)%
<b>Expected Return</b>	<b>100.0%</b>		<b>8.19%</b>
<p>* Absolute Return includes Credit Sensitive Investments.</p> <p>** Target allocations are based on the FY2022 policy model.</p> <p>*** Capital Market Assumptions come from Aon Hewitt (as of 08/31/2022)</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 7.00 percent, and what the net position liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate.

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
District's proportionate share of the net pension liability:	\$ 3,631,986	\$ 2,334,750	\$ 1,283,280

# **ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2023**

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

At August 31, 2023, the District reported a liability of \$2,334,750 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	\$ 2,334,750
State's proportionate share that is associated with District	<u>5,156,266</u>
Total	<u>\$ 7,491,016</u>

The net pension liability was measured as of August 31, 2021 and rolled forward to August 31, 2022 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, 2021 thru August 31, 2022.

At August 31, 2022 the employer's proportion of the collective net pension liability was 0.0039327123 percent which was an increase (decrease) of 0.00022631 percent from its proportion measured as of August 31, 2021.

### 9. Changes Since the Prior Actuarial Valuation

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

For the year ended August 31, 2023, the District recognized pension expense of \$723,989 and revenue of \$492,881 for support provided by the State.

At August 31, 2023, 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 Actuarial Experience	\$ 33,854	\$ 50,902
Changes in Actuarial Assumptions	435,040	108,424
Difference Between Projected and Actual Investment Earnings	230,666	--
Changes in Proportion and Difference between District's Contributions and the Proportionate Share of Contributions	153,724	122,417
Contributions paid to TRS subsequent to the measurement date of the Net Pension Liability (to be calculated by employer)	212,434	--
Total	<u>\$ 1,065,718</u>	<u>\$ 281,743</u>

## ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2023

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
2024	\$ 123,267
2025	\$ 72,091
2026	\$ 30,424
2027	\$ 292,901
2028	\$ 52,857
Thereafter	\$ 1

#### 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.

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/Pages/about\\_publications.aspx](https://www.trs.texas.gov/Pages/about_publications.aspx); by writing to TRS at 1000 Red River Street, Austin, TX 78701-2698; or by calling (512) 542-6592.

##### 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

## ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED AUGUST 31, 2023

#### 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 participating employers are based on active employee compensation. The TRS board does not have the authority to set or amend contribution rates.

Section 1575.202 of the Texas Insurance Code 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 Salary. Section 1575.204 establishes a public school 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 employer. The actual public school contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

Contribution Rates	
	<u>2023</u>
Active Employee	0.65%
Non-Employer Contributing Entity (State)	1.25%
Employers	0.75%
Federal/Private Funding remitted by Employers	1.25%

District's 2023 Employer Contributions	\$	57,091
District's 2023 Member Contributions	\$	45,300
2022 NECE On-Behalf Contributions (state)	\$	65,424

All employers whose employees are covered by the TRS pension plan are also required to pay a surcharge of \$535 per month when employing a retiree of TRS.

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, 2020. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2021. 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,

## ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

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.

Rates of Mortality	General Inflation
Rates of Retirement	Wage Inflation
Rates of Termination	Expected Payroll Growth
Rates of Disability	

The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables. The rates were projected on a fully generational basis using the ultimate improvement rates from mortality projection scale MP-2018.

#### Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry-Age Normal
Inflation	2.30%
Single Discount Rate	3.91% as of August 31, 2022
Aging Factors	Based on plan specific experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the the age-adjusted claims costs.
Projected Salary Increases	3.05% to 9.05%, including inflation
Election Rates	Normal Retirement - 65% participation rate prior to age 65 and 40% participation rate after age 65. Pre-65 retirees - 25% are assumed to discontinue coverage at age 65.
Ad hoc post-employment benefit changes	None

The initial medical trend rates were 8.50 percent for Medicare retirees and 7.10 percent for non-Medicare retirees. There was an initial prescription drug trend rate of 8.50 percent for all retirees. The initial trend rates decrease to an an ultimate trend rate of 4.25 percent over a period of 12 years.

#### 6. Discount Rate

A single discount rate of 3.91 percent was used to measure the Total OPEB Liability. This was an increase of 1.96 percent in the discount rate since the previous year. Since the plan is a pay-as-you-go plan, the single discount rate is equal to the prevailing municipal bond rate. 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, 2022 using the Fixed Income Market Data/Yield Curve/ Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

# **ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2023**

### 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 (1.95%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (0.95%)	Current Single Discount Rate (1.95%)	1% Increase in Discount Rate (2.95%)
District's proportionate share of the Net OPEB Liability:	\$ 1,843,523	\$ 1,563,527	\$ 1,336,695

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

At August 31, 2023, the District reported a liability of \$1,563,527 for its proportionate share of the TRS's Net OPEB liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the Net OPEB Liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 1,563,527
State's proportionate share that is associated with the District	\$ 1,907,258
Total	\$ 3,470,785

The Net OPEB liability was measured as of August 31, 2021 and rolled forward to August 31, 2022 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, 2021 thru August 31, 2022.

At August 31, 2023 the District's proportion of the collective net OPEB liability was 0.0065299323, which was a decrease of .0001609517% from its proportion measured as of August 31, 2021.

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:	\$ 1,288,354	\$ 1,563,527	\$ 1,920,255

### 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 1.95 percent as of August 31, 2021 to 3.91 percent as of August 31, 2022. This change decreased 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.



# **ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED AUGUST 31, 2023**

The amount of OPEB expense recognized by the District in the reporting period was \$(478,999).

At August 31, 2023, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 86,927	\$ 1,302,559
Changes in actuarial assumptions	238,156	1,086,246
Difference between projected and actual investment earnings	4,657	--
Changes in proportion and difference between the District's contributions and the proportionate share of contributions	120,570	142,315
Contributions paid to TRS subsequent to the measurement date	57,091	
Total	<u>\$ 507,401</u>	<u>\$ 2,531,120</u>

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
2024	\$ (386,462)
2025	\$ (386,447)
2026	\$ (320,143)
2027	\$ (230,378)
2028	\$ (253,888)
Thereafter	\$ (503,491)

For the year ended August 31, 2023, the District recognized OPEB expense of \$(270,655) and revenue of \$(270,655) 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, 2023, the subsidy payment received by TRS-Care on behalf of the District was \$37,716.

### L. Employee Health Care Coverage

During the year ended August 31, 2023, employees of the District were covered by a health insurance plan (the Plan). The District paid premiums of \$250 per pay period per employee to the Plan. The Plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

The contract between the District and the licensed insurer is renewable, and terms of coverage and premium costs are included in the contractual provisions.

## ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED AUGUST 31, 2023

#### 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, 2023.

#### 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 fixed assets purchased by the fiscal agent, Waskom 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

The District's management has reviewed its financial statements and evaluated subsequent events for the period from its year end of August 31, 2023 through January 8, 2024, the date the financial statements were issued. Management is not aware of any subsequent events that would require recognition or disclosure in the accompanying financial statements.

### *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.

*This page is left blank intentionally.*

**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**
**EXHIBIT G-1**

GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		1	2	3	Variance with Final Budget Positive (Negative)
		Budgeted Amounts			
		Original	Final	Actual	
	REVENUES:				
5700	Local and Intermediate Sources	\$ 13,886,250	\$ 16,361,781	\$ 16,339,970	\$ (21,811)
5800	State Program Revenues	936,225	1,044,475	1,012,950	(31,525)
5020	Total Revenues	14,822,475	17,406,256	17,352,920	(53,336)
	EXPENDITURES:				
	Current:				
	Instruction and Instructional Related Services:				
0011	Instruction	5,367,290	5,376,165	5,204,558	171,607
0012	Instructional Resources and Media Services	121,195	123,170	108,040	15,130
0013	Curriculum and Instructional Staff Development	14,000	17,300	15,078	2,222
	Total Instruction and Instr. Related Services	5,502,485	5,516,635	5,327,676	188,959
	Instructional and School Leadership:				
0021	Instructional Leadership	196,160	207,590	196,482	11,108
0023	School Leadership	633,275	662,200	650,987	11,213
	Total Instructional and School Leadership	829,435	869,790	847,469	22,321
	Student Support Services:				
0031	Guidance, Counseling and Evaluation Services	198,375	234,325	197,702	36,623
0033	Health Services	198,850	202,350	183,635	18,715
0034	Student Transportation	776,285	1,059,285	932,527	126,758
0036	Extracurricular Activities	468,750	487,131	442,310	44,821
	Total Student Support Services	1,642,260	1,983,091	1,756,174	226,917
	Administrative Support Services:				
0041	General Administration	598,125	661,925	644,692	17,233
	Total Administrative Support Services	598,125	661,925	644,692	17,233
	Support Services:				
0051	Facilities Maintenance and Operations	1,438,345	2,302,540	1,932,847	369,693
0052	Security and Monitoring Services	123,400	200,750	137,673	63,077
0053	Data Processing Services	124,425	125,025	119,966	5,059
	Total Support Services	1,686,170	2,628,315	2,190,486	437,829
	Debt Service:				
0071	Debt Service	--	25,000	22,517	2,483
0072	Interest on Long-Term Debt	--	5,000	2,192	2,808
	Total Debt Service	--	30,000	24,709	5,291
	Capital Outlay:				
0081	Facilities Acquisition and Construction	40,000	45,000	43,269	1,731
	Total Capital Outlay	40,000	45,000	43,269	1,731
	Intergovernmental Charges:				
0091	Contracted Instr. Services Between Public Schools	4,130,000	5,500,000	5,355,099	144,901
0093	Payments to Fiscal Agent/Member Dist.-SSA	319,000	321,500	320,972	528
	Total Intergovernmental Charges	4,449,000	5,821,500	5,676,071	145,429
6030	Total Expenditures	14,747,475	17,556,256	16,510,546	1,045,710
1100	Excess (Deficiency) of Revenues Over (Under)				
1100	Expenditures	75,000	(150,000)	842,374	992,374
	Other Financing Sources (Uses):				
7913	Proceeds from Right to Use Leased Assets	--	--	124,516	124,516
7915	Operating Transfers In	1,113,635	1,378,635	1,221,785	(156,850)
7949	Other Resources	--	225,000	221,522	(3,478)
8911	Operating Transfers Out	(1,188,635)	(1,453,635)	(1,221,785)	231,850
7080	Total Other Financing Sources and (Uses)	(75,000)	150,000	346,038	196,038
1200	Net Change in Fund Balance	--	--	1,188,412	1,188,412
0100	Fund Balance - Beginning	9,446,098	9,446,098	9,451,290	5,192
3000	Fund Balance - Ending	\$ 9,446,098	\$ 9,446,098	\$ 10,639,702	\$ 1,193,604

**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 **								
	2022	2021	2020	2019	2018	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.003933%	0.003706%	0.003480%	0.003802%	0.003866%	0.004166%	0.004519%	0.005083%	0.002744%
District's proportionate share of the net pension liability (asset)	\$ 2,334,750	\$ 943,888	\$ 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	5,156,266	2,418,836	5,236,128	4,651,817	5,159,690	3,287,375	4,224,472	4,278,086	3,659,126
Total	<u>\$ 7,491,016</u>	<u>\$ 3,362,724</u>	<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	\$ 6,429,259	\$ 6,355,456	\$ 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	36.31%	14.85%	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	75.62%	88.79%	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.

\*\* The amounts presented are determined as of the Plan's measurement year which was as of August 31 in each prior calendar year from the District's fiscal year end.

**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

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

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	
Contractually required contribution	\$ 212,434	\$ 183,512	\$ 160,541	\$ 143,839	\$ 133,082	\$ 130,221	\$ 136,526	\$ 143,574	\$ 150,505	
Contributions in relation to the contractually required contribution	(212,434)	(183,512)	(160,541)	(143,839)	(133,082)	(130,221)	(136,526)	(143,574)	(150,505)	
Contribution deficiency (excess)	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	<u>\$ --</u>	
District's covered-employee payroll	\$ 6,844,334	\$ 6,429,259	\$ 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	2.68%	2.85%	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 **					
	2022	2021	2020	2019	2018	2017
District's proportion of the collective net OPEB liability	0.006530%	0.006691%	0.006602%	0.006417%	0.006529%	0.006595%
District's proportionate share of the collective net OPEB liability	\$ 1,563,527	\$ 2,580,973	\$ 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	1,907,258	3,457,929	3,372,271	4,032,502	4,756,442	4,619,136
Total	<u>\$ 3,470,785</u>	<u>\$ 6,038,902</u>	<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	\$ 6,429,259	\$ 6,355,456	\$ 6,158,414	\$ 5,573,294	\$ 5,531,228	\$ 5,794,443
District's proportionate share of the net OPEB liability as a percentage of its covered-employee payroll	24.32%	40.61%	40.75%	54.45%	58.94%	49.49%
Plan fiduciary net position as a percentage of the total OPEB liability	11.52%	6.18%	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.

\*\* The amounts presented are determined as of the Plan's measurement year which was as of August 31 in each prior calendar year from the District's fiscal year end.



**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

## SCHEDULE OF THE DISTRICT'S OPEB CONTRIBUTIONS

## TEACHER RETIREMENT SYSTEM OF TEXAS

## LAST TEN FISCAL YEARS \*

	Fiscal Year					
	2023	2022	2021	2020	2019	2018
Statutorily or contractually required District contribution	\$ 57,091	\$ 53,633	\$ 49,871	\$ 50,177	\$ 45,544	\$ 45,039
Contributions recognized by OPEB in relation to statutorily or contractually required contribution	(57,091)	(53,633)	(49,871)	(50,177)	(45,544)	(45,039)
Contribution deficiency (excess)	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
District's covered-employee payroll	\$ 6,844,334	\$ 6,429,259	\$ 6,355,456	\$ 6,158,414	\$ 5,573,294	\$ 5,531,228
Contributions as a percentage of covered-employee payroll	0.83%	0.83%	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, 2023

### 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, 2023

Data Control Codes		Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds (See Exhibit C-1)
<b>ASSETS:</b>				
1110	Cash and Cash Equivalents	\$ 53,416	\$ 180,661	\$ 234,077
1225	Taxes Receivable, Net	--	105,904	105,904
1240	Due from Other Governments	208,725	3,136	211,861
1000	Total Assets	<u>262,141</u>	<u>289,701</u>	<u>551,842</u>
<b>LIABILITIES:</b>				
Current Liabilities:				
2160	Accrued Wages Payable	\$ 29,566	\$ --	\$ 29,566
2200	Accrued Expenditures	614	--	614
2300	Unearned Revenue	4,250	--	4,250
2000	Total Liabilities	<u>34,430</u>	<u>--</u>	<u>34,430</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
	Deferred Revenue	--	105,904	105,904
2600	Total Deferred Inflows of Resources	<u>--</u>	<u>105,904</u>	<u>105,904</u>
<b>FUND BALANCES:</b>				
Restricted Fund Balances:				
3450	Federal/State Funds Grant Restrictions	49,950	--	49,950
3480	Retirement of Long-Term Debt	--	183,797	183,797
3490	Other Restrictions of Fund Balance	94,121	--	94,121
Committed Fund Balances:				
3545	Other Committed Fund Balance	83,640	--	83,640
3000	Total Fund Balances	<u>227,711</u>	<u>183,797</u>	<u>411,508</u>
4000	Total Liabilities, Deferred Inflow of Resources and Fund Balances	<u>\$ 262,141</u>	<u>\$ 289,701</u>	<u>\$ 551,842</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, 2023

Data Control Codes		Special Revenue Funds	Debt Service Fund	Total Nonmajor Governmental Funds (See Exhibit C-2)
<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ 439,079	\$ 750,733	\$ 1,189,812
5800	State Program Revenues	209,914	15,966	225,880
5900	Federal Program Revenues	1,266,987	--	1,266,987
5020	Total Revenues	<u>1,915,980</u>	<u>766,699</u>	<u>2,682,679</u>
<b>EXPENDITURES:</b>				
Current:				
0011	Instruction	731,639	--	731,639
0013	Curriculum and Staff Development	74,642	--	74,642
0023	School Leadership	8,981	--	8,981
0035	Food Service	678,390	--	678,390
0036	Cocurricular/Extracurricular Activities	221,500	--	221,500
0051	Facilities Maintenance and Operations	18,130	--	18,130
0052	Security and Monitoring Services	228,840	--	228,840
0071	Principal on Long-term Debt	--	780,000	780,000
0072	Interest on Long-term Debt	--	154,200	154,200
0073	Bond Issuance Costs and Fees	--	806	806
6030	Total Expenditures	<u>1,962,122</u>	<u>935,006</u>	<u>2,897,128</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	<u>(46,142)</u>	<u>(168,307)</u>	<u>(214,449)</u>
1200	Net Change in Fund Balances	<u>(46,142)</u>	<u>(168,307)</u>	<u>(214,449)</u>
0100	Fund Balances - Beginning	273,853	352,104	625,957
3000	Fund Balances - Ending	<u>\$ 227,711</u>	<u>\$ 183,797</u>	<u>\$ 411,508</u>

**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

AUGUST 31, 2023

Data Control Codes		224	240	270
		IDEA-Part B Formula	National School Breakfast/Lunch Program	ESEA, Title V Part B, Subpart 2 Rural School
<b>ASSETS:</b>				
1110	Cash and Cash Equivalents	\$ 4,814	\$ 51,112	\$ (4,000)
1240	Due from Other Governments	--	22,649	4,000
1000	Total Assets	<u>4,814</u>	<u>73,761</u>	<u>--</u>
<b>LIABILITIES:</b>				
Current Liabilities:				
2160	Accrued Wages Payable	\$ --	\$ 29,566	\$ --
2200	Accrued Expenditures	--	614	--
2300	Unearned Revenue	--	4,250	--
2000	Total Liabilities	<u>--</u>	<u>34,430</u>	<u>--</u>
<b>FUND BALANCES:</b>				
Restricted Fund Balances:				
3450	Federal/State Funds Grant Restrictions	4,814	39,331	--
3490	Other Restrictions of Fund Balance	--	--	--
Committed Fund Balances:				
3545	Other Committed Fund Balance	--	--	--
3000	Total Fund Balances	<u>4,814</u>	<u>39,331</u>	<u>--</u>
4000	Total Liabilities and Fund Balances	<u>\$ 4,814</u>	<u>\$ 73,761</u>	<u>\$ --</u>

281 ESSER Fund II of the CRRSA Act	282 ESSER Fund III of the American Rescue Plan Act	410 State Textbook Fund	429 State Funded Special Revenue Fund
\$ (3,819)	\$ (178,257)	\$ 4,812	\$ 993
3,819	178,257	--	--
<u>--</u>	<u>--</u>	<u>4,812</u>	<u>993</u>
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
\$ --	\$ --	\$ --	\$ --
--	--	--	--
--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	4,812	993
--	--	--	--
--	--	--	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	--	4,812	993
<u>--</u>	<u>--</u>	<u>4,812</u>	<u>993</u>
\$ --	\$ --	\$ 4,812	\$ 993

*This page is left blank intentionally.*



**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

COMBINING BALANCE SHEET

NONMAJOR SPECIAL REVENUE FUNDS

AUGUST 31, 2023

Data Control Codes	461 Campus Activity Funds	462 Student Activity Funds	Total Nonmajor Special Revenue Funds (See Exhibit H-1)
<b>ASSETS:</b>			
1110 Cash and Cash Equivalents	\$ 83,640	\$ 94,121	\$ 53,416
1240 Due from Other Governments	--	--	208,725
1000 Total Assets	<u>83,640</u>	<u>94,121</u>	<u>262,141</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
2160 Accrued Wages Payable	\$ --	\$ --	\$ 29,566
2200 Accrued Expenditures	--	--	614
2300 Unearned Revenue	--	--	4,250
2000 Total Liabilities	<u>--</u>	<u>--</u>	<u>34,430</u>
<b>FUND BALANCES:</b>			
Restricted Fund Balances:			
3450 Federal/State Funds Grant Restrictions	--	2,861	52,811
3490 Other Restrictions of Fund Balance	--	91,260	91,260
Committed Fund Balances:			
3545 Other Committed Fund Balance	<u>83,640</u>	--	<u>83,640</u>
3000 Total Fund Balances	<u>83,640</u>	<u>94,121</u>	<u>227,711</u>
4000 Total Liabilities and Fund Balances	<u>\$ 83,640</u>	<u>\$ 94,121</u>	<u>\$ 262,141</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, 2023

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
<b>REVENUES:</b>				
5700 Local and Intermediate Sources	\$ --	\$ --	\$ 203,078	\$ --
5800 State Program Revenues	--	--	23,503	--
5900 Federal Program Revenues	212,348	70,400	414,803	31,243
5020 Total Revenues	<u>212,348</u>	<u>70,400</u>	<u>641,384</u>	<u>31,243</u>
<b>EXPENDITURES:</b>				
Current:				
0011 Instruction	212,348	95,300	--	31,243
0013 Curriculum and Staff Development	--	--	--	--
0023 School Leadership	--	--	--	--
0035 Food Service	--	--	678,390	--
0036 Cocurricular/Extracurricular Activities	--	--	--	--
0051 Facilities Maintenance and Operations	--	--	--	--
0052 Security and Monitoring Services	--	--	--	--
6030 Total Expenditures	<u>212,348</u>	<u>95,300</u>	<u>678,390</u>	<u>31,243</u>
1100 Excess (Deficiency) of Revenues Over (Under)				
1100 Expenditures	--	(24,900)	(37,006)	--
1200 Net Change in Fund Balances	--	(24,900)	(37,006)	--
0100 Fund Balances - Beginning	--	29,714	76,337	--
3000 Fund Balances - Ending	<u>\$ --</u>	<u>\$ 4,814</u>	<u>\$ 39,331</u>	<u>\$ --</u>

270 ESEA, Title V Part B, Subpart 2 Rural School	279 Texas COVID Learning Acceleration (TCLAS)	281 ESSER Fund II of the CRRSA Act	282 ESSER Fund III of the American Rescue Plan Act	289 Title IV Part A Subpart 1
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--
4,000	1,389	270,110	247,624	15,070
4,000	1,389	270,110	247,624	15,070
--	--	199,820	186,477	--
4,000	1,389	26,236	43,017	--
--	--	8,981	--	--
--	--	--	--	--
--	--	--	--	--
--	--	--	18,130	--
--	--	35,073	--	15,070
4,000	1,389	270,110	247,624	15,070
--	--	--	--	--
--	--	--	--	--
--	--	--	--	--
\$ --	\$ --	\$ --	\$ --	\$ --

# **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, 2023

Data Control Codes		410 State Textbook Fund	429 State Funded Special Revenue Fund
<b>REVENUES:</b>			
5700	Local and Intermediate Sources	\$ --	\$ --
5800	State Program Revenues	6,721	179,690
5900	Federal Program Revenues	--	--
5020	Total Revenues	<u>6,721</u>	<u>179,690</u>
<b>EXPENDITURES:</b>			
Current:			
0011	Instruction	6,451	--
0013	Curriculum and Staff Development	--	--
0023	School Leadership	--	--
0035	Food Service	--	--
0036	Cocurricular/Extracurricular Activities	--	--
0051	Facilities Maintenance and Operations	--	--
0052	Security and Monitoring Services	--	178,697
6030	Total Expenditures	<u>6,451</u>	<u>178,697</u>
1100	Excess (Deficiency) of Revenues Over (Under)		
1100	Expenditures	<u>270</u>	<u>993</u>
1200	Net Change in Fund Balances	<u>270</u>	<u>993</u>
0100	Fund Balances - Beginning	4,542	--
3000	Fund Balances - Ending	<u>\$ 4,812</u>	<u>\$ 993</u>

461 Campus Activity Funds	462 Student Activity Funds	Total Nonmajor Special Revenue Funds (See Exhibit H-2)
\$ 122,300	\$ 113,701	\$ 439,079
--	--	209,914
--	--	1,266,987
<u>122,300</u>	<u>113,701</u>	<u>1,915,980</u>
--	--	731,639
--	--	74,642
--	--	8,981
--	--	678,390
110,660	110,840	221,500
--	--	18,130
--	--	228,840
<u>110,660</u>	<u>110,840</u>	<u>1,962,122</u>
11,640	2,861	(46,142)
<u>11,640</u>	<u>2,861</u>	<u>(46,142)</u>
72,000	91,260	273,853
\$ <u>83,640</u>	\$ <u>94,121</u>	\$ <u>227,711</u>

# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

COMBINING STATEMENT OF FIDUCIARY NET POSITION

PRIVATE-PURPOSE TRUST FUNDS

AUGUST 31, 2023

Data Control Codes		801 Katie Sullivan Scholarship	805 Life Share Scholarship Fund	816 Noah Langston Scholarship Fund
	<b>ASSETS:</b>			
1110	Cash and Cash Equivalents	\$ 10,872	\$ 1,230	\$ 2,440
1000	Total Assets	10,872	1,230	2,440
	<b>LIABILITIES:</b>			
2000	Total Liabilities	--	--	--
	<b>NET POSITION:</b>			
3800	Held in Trust	\$ 10,872	\$ 1,230	\$ 2,440
3000	Total Net Position	\$ 10,872	\$ 1,230	\$ 2,440

817 Wendy Gullette Scholarship	818 Chris Tucker Scholarship	819 Tiller Scholarship	Total Private- Purpose Trust Funds (See Exhibit E-1)
\$ 88	\$ 347	\$ 25,331	\$ 40,308
88	347	25,331	40,308
--	--	--	--
\$ 88	\$ 347	\$ 25,331	\$ 40,308
\$ 88	\$ 347	\$ 25,331	\$ 40,308

**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
ALL PRIVATE-PURPOSE TRUST FUNDS  
FOR THE YEAR ENDED AUGUST 31, 2023

	801 Katie Sullivan Scholarship	802 CAS Scholarship Fund	805 Life Share Scholarship Fund	815 CAS Scholarship Fund
<b>Additions:</b>				
Investment Income	\$ --	\$ --	\$ --	\$ --
Gifts and Bequests	600	--	--	500
Total Additions	600	--	--	500
<b>Deductions:</b>				
Scholarship Awards	1,000	--	--	500
Total Deductions	1,000	--	--	500
<b>Change in Net Position</b>	(400)	--	--	--
Net Position-Beginning of the Year	11,272	--	1,230	--
Net Position-End of the Year	<u>\$ 10,872</u>	<u>\$ --</u>	<u>\$ 1,230</u>	<u>\$ --</u>



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)
\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	1,100
--	--	--	--	1,100
500	--	--	2,000	4,000
500	--	--	2,000	4,000
(500)	--	--	(2,000)	(2,900)
2,940	88	347	27,331	43,208
<u>\$ 2,440</u>	<u>\$ 88</u>	<u>\$ 347</u>	<u>\$ 25,331</u>	<u>\$ 40,308</u>

*This page is left blank intentionally.*

### *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, 2023

Year Ended August 31	1		2		3	
	Tax Rates				Assessed/Appraised Value For School Tax Purposes	
	Maintenance		Debt Service			
2014 and Prior Years	\$	Various	\$	Various	\$	Various
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		.8747		.10		796,596,286
2022		.872		.065		1,330,264,141
2023 (School Year Under Audit)		.8546		.0393		1,805,742,692
1000 Totals						

10 Beginning Balance 9/1/22	20 Current Year's Total Levy	31 Maintenance Collections	32 Debt Service Collections	40 Entire Year's Adjustments	50 Ending Balance 8/31/23
\$ 265,546	\$ --	\$ 22,574	\$ 2,975	\$ (4,213)	\$ 235,784
51,561	--	5,230	1,215	(174)	44,942
73,375	--	6,327	1,712	(992)	64,344
64,743	--	8,049	2,385	(928)	53,381
74,825	--	10,574	3,152	(348)	60,751
80,641	--	9,692	2,889	(225)	67,835
94,460	--	12,112	2,373	(261)	79,714
112,092	--	17,602	2,020	(9,885)	82,585
382,460	--	100,728	7,552	(7,634)	266,546
--	16,141,534	15,071,634	693,446	--	376,454
<u>\$ 1,199,703</u>	<u>\$ 16,141,534</u>	<u>\$ 15,264,522</u>	<u>\$ 719,719</u>	<u>\$ (24,660)</u>	<u>\$ 1,332,336</u>

*This page is left blank intentionally.*

**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAM  
AS OF AUGUST 31, 2023

<u>Data Control Codes</u>		<u>Responses</u>
<b><u>Section A: Compensatory Education Programs</u></b>		
AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$ 561,561
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28 29, 30, 34)	\$ 517,687
<b><u>Section B: Bilingual Education Programs</u></b>		
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 3,022
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	\$ 13,678

# **ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT J-3**

NATIONAL SCHOOL BREAKFAST AND LUNCH PROGRAM  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		1	2	3
		Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ 214,100	\$ 203,078	\$ (11,022)
5800	State Program Revenues	28,550	23,503	(5,047)
5900	Federal Program Revenues	412,000	414,803	2,803
5020	Total Revenues	<u>654,650</u>	<u>641,384</u>	<u>(13,266)</u>
<b>EXPENDITURES:</b>				
Current:				
Student Support Services:				
0035	Food Services	<u>729,650</u>	<u>678,390</u>	<u>51,260</u>
	Total Student Support Services	<u>729,650</u>	<u>678,390</u>	<u>51,260</u>
6030	Total Expenditures	<u>729,650</u>	<u>678,390</u>	<u>51,260</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	<u>(75,000)</u>	<u>(37,006)</u>	<u>37,994</u>
Other Financing Sources (Uses):				
7915	Operating Transfers In	<u>75,000</u>	<u>--</u>	<u>(75,000)</u>
7080	Total Other Financing Sources and (Uses)	<u>75,000</u>	<u>--</u>	<u>(75,000)</u>
1200	Net Change in Fund Balance	<u>--</u>	<u>(37,006)</u>	<u>(37,006)</u>
0100	Fund Balance - Beginning	<u>76,337</u>	<u>76,337</u>	<u>--</u>
3000	Fund Balance - Ending	<u>\$ 76,337</u>	<u>\$ 39,331</u>	<u>\$ (37,006)</u>



# ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT

EXHIBIT J-4

DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		1	2	3
		Budget	Actual	Variance Positive (Negative)
<b>REVENUES:</b>				
5700	Local and Intermediate Sources	\$ 757,000	\$ 750,733	\$ (6,267)
5800	State Program Revenues	16,000	15,966	(34)
5020	Total Revenues	<u>773,000</u>	<u>766,699</u>	<u>(6,301)</u>
<b>EXPENDITURES:</b>				
Debt Service:				
0071	Debt Service	780,000	780,000	--
0072	Interest on Long-Term Debt	154,200	154,200	--
0073	Bond Issuance Costs and Fees	810	806	4
	Total Debt Service	<u>935,010</u>	<u>935,006</u>	<u>4</u>
6030	Total Expenditures	<u>935,010</u>	<u>935,006</u>	<u>4</u>
1100	Excess (Deficiency) of Revenues Over (Under)			
1100	Expenditures	<u>(162,010)</u>	<u>(168,307)</u>	<u>(6,297)</u>
1200	Net Change in Fund Balance	<u>(162,010)</u>	<u>(168,307)</u>	<u>(6,297)</u>
0100	Fund Balance - Beginning	352,104	352,104	--
3000	Fund Balance - Ending	<u>\$ 190,094</u>	<u>\$ 183,797</u>	<u>\$ (6,297)</u>

*This page is left blank intentionally.*

# 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, 2023, 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 5, 2024.

### Report on Internal Control Over Financial Reporting

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

### Report on Compliance and Other Matters

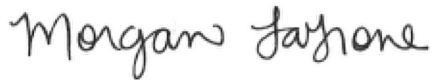
As part of obtaining reasonable assurance about whether Elysian Fields Independent School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could 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 dark ink that reads "Morgan LaGrone". The signature is written in a cursive, flowing style.

Morgan LaGrone, CPA, PLLC

Henderson, TX  
January 5, 2024

# 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**

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

We have audited Elysian Fields Independent School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Elysian Fields Independent School District's major federal programs for the year ended August 31, 2023. Elysian Fields Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Elysian Fields Independent School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2023.

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

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

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

##### **Responsibilities of Management for Compliance**

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

## Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

## Report on Internal Control Over Compliance

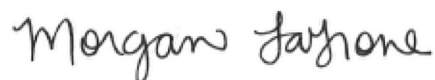
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

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

Respectfully submitted,

A handwritten signature in black ink that reads "Morgan LaGrone". The signature is written in a cursive, flowing style.

Morgan LaGrone, CPA, PLLC

Henderson, TX  
January 5, 2024

**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**FOR THE YEAR ENDED AUGUST 31, 2023**

**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, para. 200.516(a)??        Yes   X   No

Identification of major programs:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.425D	ESSER Fund III of the CRRSA Act
84.425U	ESSER Fund III of the ARP Act

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

Auditee qualified as low-risk auditee?   X   Yes        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, 2023**

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
Not applicable for the year ended August 31, 2023.		

**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**  
CORRECTIVE ACTION PLAN  
FOR THE YEAR ENDED AUGUST 31, 2023

Not applicable for the year ended August 31, 2023.

# **ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

**EXHIBIT K-1**

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED AUGUST 31, 2023

(1)	(2)	(2A)	(3)	
Federal Grantor/ Pass-Through Grantor/ Program or Cluster Title	Federal ALN Number	Pass- Through Entity Identifying Number	Passed Through to Subrecipients	Federal Expenditures
<b>CHILD NUTRITION CLUSTER:</b>				
<u>U. S. Department of Agriculture</u>				
Passed Through State Department of Education:				
School Breakfast Program	10.553	102-906	\$ --	\$ 84,034
National School Lunch Program	10.555	102-906	--	244,557
National School Lunch Program (Non-cash)	10.555	102-906	--	61,504
Supply Chain Assistance	10.555	102-906	--	24,708
Total ALN Number 10.555			--	330,770
Total Passed Through State Department of Education			--	414,803
Total U. S. Department of Agriculture			--	414,803
Total Child Nutrition Cluster			--	414,803
<b>SPECIAL EDUCATION (IDEA) CLUSTER:</b>				
<u>U. S. Department of Education</u>				
Passed Through State Department of Education:				
IDEA-Part B, Formula	84.027	22660001102906	--	95,300
Total U. S. Department of Education			--	95,300
Total Special Education (IDEA) Cluster			--	95,300
<b>OTHER PROGRAMS:</b>				
<u>U. S. Department of Education</u>				
Direct Program:				
Federally Funded Special Revenue Funds	84.424A	23680101102906	--	15,070
Passed Through State Department of Education:				
ESEA Title I Part A - Improving Basic Programs	84.010A	23610101102906	--	212,348
ESEA, Title V, Part B, Subpart 2-Rural and Low Income School Grai	84.358A	23696001102906	--	4,000
ESEA Title II, Part A - Teacher and Principal Training and Recruiting	84.367A	23694501102906	--	31,243
ESSER Fund II of the CRRSA Act	84.425D	21521001102906	--	270,110
ESSER Fund III of the American Rescue Plan Act of 2021	84.425U	21528001102906	--	247,624
Texas COVID Learning Acceleration Supports (TCLAS)-State ESSE	84.425U	21528042102906	--	1,389
Total ALN Number 84.425U			--	249,013
Total Passed Through State Department of Education			--	766,714
Total U. S. Department of Education			--	781,784
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ --	\$ 1,291,887

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, 2023**

- 1 For all federal programs, the District uses the fund types specified in the 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. Generally, unused balances are returned to the grantor at the close of specified project periods.

- 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 in the Governmental Fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on long-term debt, which is recognized when due. 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.

- 3 The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before ending date of the federal project period extended 90 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Performance of Federal Funds, 3 CFR Section 200.343 (b).
- 4 The District has elected to not use the 10% de minimus indirect cost rate.

**ELYSIAN FIELDS INDEPENDENT SCHOOL DISTRICT**

SCHEDULE OF REQUIRED RESPONSES TO SELECTED SCHOOL FIRST INDICATORS  
AS OF AUGUST 31, 2023

<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 <b>to not have made</b> 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	\$ --