

Agenda of Regular Meeting

The Board of Trustees Little Elm ISD

A Regular Meeting of the Board of Trustees of Little Elm ISD will be held October 21, 2024, beginning at 6:00 PM in the Little Elm ISD Administration Building.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. Call to Order Open Session in the Board Room at Little Elm ISD Administration Building on 400 Lobo Lane, Little Elm, Texas 75068.
2. The Board will recess into Closed Meeting in the Board Support Conference Room as permitted by the Texas Open Meetings Act Code Subchapter 551.072 & 551.074. The Board and Superintendent will discuss:
 - A. Personnel
 - B. Land
3. Pledge of Allegiance
4. Invocation
5. Introduction and Roll Call
6. Superintendent Spotlight
 - A. LEaders of the Pack
Presenter: Asheley Brown
 - B. Students of the Month
Presenter: Donnie Bartlett
7. Reports of the Superintendent
 - A. School Safety 4
Presenter: Donald Bartlett
 - B. Curriculum and Learning Update 5
Presenter: Amanda Ball
8. Citizen Input
Audience participation shall be permitted at regular Board meetings and shall be limited to the public comment portion designated for that purpose
9. Approval of Minutes
 - A. Consider Regular Board Meeting Minutes - 9/16/2024 17
Presenter: Sonia S. Flores
10. Action Items
 - A. Consider approval of Annual Financial Report for the Year Ended June 30, 2024 22
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12. Board President Comments Presenter: Mary Watkins	
13. Board Comments	
14. Superintendent Comments	
15. Adjournment	

If, during the course of the meeting, the Board of Trustees should determine that a closed meeting should be conducted, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Texas Government Code Section 551.001 et seq. The meeting will be held by the School Board at the date, hour, and place given in this Notice or as soon after the commencement of the meeting covered by this Notice as the School Board may conveniently meet in such closed or executive meeting or session concerning any and all purposes permitted by the Act, including, but not limited to the following sections and purposes:

Texas Government Code Section:

551.071	Private consultation with the Board's attorney.
551.072	Discussing purchase, exchange, lease, or value of real property.
551.073	Discussing negotiated contracts for prospective gifts or donations.
551.074	Discussing personnel or to hear complaints against personnel.
551.075	To confer with employees of the school district to receive information or to ask questions.
551.076	Considering the deployment, specific occasions, for or implementation of security personnel or devices.
551.082	Considering discipline of a public school child, or

- 551.0821 complaint or charge against personnel.
Considering personally identifiable information about public school student.
- 551.083 Considering the standards, guidelines, terms, or conditions the board will follow, or will instruct its representatives to follow, in consultation with representatives of employees groups,
- 551.084 Excluding witnesses from a hearing.

Before any closed meeting is convened, the presiding officer will publicly identify the section or sections or the Act authorizing the closed meeting.

Should any final action, final decision, or final vote be required in the opinion of the School Board with regard to any matter considered in such closed or executive session, then the final action, final decision, or final vote shall be either:

- (a) in the open meeting covered by the Notice upon the reconvening of the public meeting, or
- (b) at a subsequent public meeting of the School Board upon notice thereof; as the School Board shall determine.

Superintendent

Original copy of this agenda was posted on the bulletin board at the Little Elm ISD Administration Building 72 hours prior to the scheduled meeting.

Sonia S. Flores

Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 10-21-2024	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	SCHOOL SAFETY				
Presenter or Contact Person:	Donald Bartlett, Deputy Superintendent				
Policy/Code:	CK - Safety Policy				
Strategic Plan Goal:	Safety and Security - Little Elm will provide and maintain safe, secure and healthy learning environments conducive to learning.				
Summary:	N/A				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	Presentation				
Recommendation:	This agenda item does not need Board approval. It is for information only.				
Motion:	This agenda item does not need Board approval. It is for information only.				

Board Agenda Item

Little Elm Independent School District
400 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
10-21-24	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	CURRICULUM AND LEARNING UPDATE				
Presenter or Contact Person:	Amanda Ball, Director for Professional Learning				
Policy/Code:	N/A				
Strategic Plan Goal:	Curriculum and Learning will engage each employee in personalized learning experiences that support them meeting the social, emotional, and academic needs of all students.				
Summary:	The District will provide the Board with a curriculum and learning update on Professional Learning.				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	Professional Learning Update Presentation				
Recommendation:	Item is for informational purposes only. No recommendation is necessary.				
Motion:	Item is for informational purposes only. No motion is necessary.				



PROFESSIONAL LEARNING UPDATE

Little Elm ISD BOARD OF TRUSTEES

OCT 21, 2024

PROFESSIONAL *Learning* adult learning 🐾 student outcomes



LOBO
WELCOME
WEEK



FALL
KICK
OFF



BEGINNING
TEACHER
ACADEMY



MENTOR
TEACHER
ACADEMY



DISTRICT
PROFESSIONAL
LEARNING

PROGRAM OVERVIEW

Adult Learning in LE is intentionally designed to support the District's Strategic Goals and continuous improvement.

We serve approximately 860 educators, including Specialists, Counselors, Nurses, and campus, district, and executive leadership.

8

PROGRAM OVERVIEW

Approximately 80% of funding for professional learning comes from **Title II, Part A** [Federal]

Funds are used to **increase the overall support for teachers, principals, and other school leaders** through professional development opportunities.

9

PROGRAM GOALS

Teachers will demonstrate increased efficacy using research based instructional strategies as measured by student growth on normed assessments.

10

new familie LE



LOBO WELCOME WEEK ¹¹

PURPOSE: introduce educators new to Little Elm ISD to the district vision, mission, values, portrait of a lobo, and provide new hires with foundational skills to be successful in LE



FALL KICK OFF

PURPOSE: engage in targeted continue learning, collaborate with teachers from across the district, and prepare for the return of our PK-12 students

12

BEGINNING TEACHER ACADEMY

Becoming a successful educator is a journey that requires support. Our two year program provides job embedded learning, personalized content, and a district Mentor Teacher to first and second year educators.





MENTOR TEACHER ACADEMY

Even Mentors need support. District Mentors are compensated for their expertise, receive 1:1 Coaching, and participate in ongoing learning.



highlights

DISTRICT-WIDE

PROFESSIONAL LEARNING

APROX 20 HOURS EARNED PER EDUCATOR

HOURS EARNED (in district)		15
WELCOME WEEK	1,647	
FALL KICK OFF	4,770	
AUG 8-OCT 4, 2024	4,581	
TOTAL EARNED since JULY 29	11,002	

thank you.



Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 10-21-2024	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	REGULAR BOARD MEETING MINUTES - 9/16/2024				
Presenter or Contact Person:	Sonia S. Flores				
Policy/Code:	N/A				
Strategic Plan Goal:	N/A				
Summary:	Board Meeting Minutes for September 16, 2024.				
Financial Implications:	There is no financial impact to the budget.				
Attachments:	Meeting Minutes				
Recommendation:	The Administration recommends the approval of the Regular Board Meeting Minutes for September 16, 2024				
Motion:	I move that the Board approve the attached Regular Board Meeting Minutes for September 16, 2024				

Minutes of Regular Meeting

The Board of Trustees Little Elm ISD

A Regular Meeting of the Board of Trustees of Little Elm ISD will be held September 16, 2024, beginning at 6:00 PM in the Little Elm ISD Administration Building.

PRESENT: President Mary Watkins, Vice President DeLeon English, Secretary Ken Beber, Trustee Jason Olson, Trustee David Montemayor, Trustee Jeff Burton, Trustee Alejandro Flores, and Superintendent Michael Lamb.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. Call to Order Open Session in the Board Room at Little Elm ISD Administration Building on 400 Lobo Lane, Little Elm, Texas 75068. Board President Mary Watkins called the meeting to order at 6:00 pm.
2. The Board recessed into Closed Meeting at 6:00 pm in the Board Support Conference Room as permitted by the Texas Open Meetings Act Code Subchapter 551.072 & 551.074. The Board and Superintendent discussed:
 - A. Personnel
 - B. LandThe Board reconvened at 7:00 pm.
3. Pledge of Allegiance
The Board led those present to The Pledges of The United States Flag and The Texas Flag.
4. Invocation
There was no invocation.
5. Introduction and Roll Call
Ms. Sonia S. Flores took roll call.
6. Superintendent Spotlight
 - A. LEaders of the Pack
Ms. Asheley Brown presented this award to Ms. Abigail Stevenson (Prestwick Elementary), and Ms. Hailey Adams (Little Elm High School).
 - B. Students of the Month
Mr. Donnie Bartlett and administrators from all LEISD campuses presented the students of the month.
7. Reports of the Superintendent
 - A. SHAC Yearly Review
Ms. Toni Nelson and Mr. Donald Bartlett shared the following with the Board:
 - Agenda
 - 2024-2025 SHAC Report to Board of Trustees
 - LEISD SHAC Members 2024-2025

B. Curriculum and Learning Update

Ms. Kim Chow-Jackson briefed the Board on the following:

- Academic Programs
- GT Overview
- GT Performance Data
- GT Needs
- AP Overview
- AP Program Goals
- AP Performance Data
- AP Needs
- Dual Credit Program Overview
- Dual Credit Program Goals
- Dual Credit Program Performance Data
- Dual Credit Program Needs
- Emergent Bilingual Overview
- Emergent Bilingual Program Goals
- Emergent Bilingual Performance Data
- Emergent Bilingual Program Needs
- Questions/Comments

C. Human Resource Services Annual Report

Ms. Asheley Brown shared the following with the Board:

- 2023-2024 Successes
- 2023-2024 Adopt-a-Lobo
- LEaders of the Pack
- Carpool Kudos
- Honoree Awards Banquet
- LEISD Career Fairs!
- Grow Your Home Program
- Employee Child Care Program
- ESS
- Areas of Focus
- District Stats

D. Class Size Report

Ms. Asheley Brown briefed the Board about the following:

- Average Class Size – Elementary
- Average Class Size – Middle School
- Average Class Size – High School

8. Citizen Input

Audience participation shall be permitted at regular Board meetings and shall be limited to the public comment portion designated for that purpose

There was no citizen input.

9. Approval of Minutes

A. Consider approval of Public Hearing Meeting Minutes - June 24, 2024

Ms. Sonia S. Flores presented this item to the Board. Vice President DeLeon English made the first motion to approve this item as submitted. Secretary Ken Beber seconded the motion. The motion passed (6-1-0). Trustee Alejandro Flores abstained from voting.

B. Consider Regular Board Meeting Minutes - August 19, 2024

Ms. Sonia S. Flores presented this item to the Board. Vice President DeLeon English made the first motion to approve this item as submitted. Trustee Jeff Burton seconded the motion. The motion passed (7-0).

10. Action Items

A. Consider approval of the Little Elm High School Addition & Renovation PH1
Mr. Mickey James briefed the Board about this item. This item is being presented to approve the Master Budget and GMP for Little Elm High School addition and renovation.

Trustee Jason Olson made the first motion to approve this item as submitted. Secretary Ken Beber seconded the motion. The motion passed (7-0).

B. Consider approval of Lakewood Village Elementary Change Order #1 for AV Enhancements

Mr. Mickey James shared this item with the Board. This is being presented seeking approval for Change Order #1 to add audio and video enhancements to each classroom. Vice President DeLeon English made the first motion to approve this item as submitted. Secretary Ken Beber seconded the motion. The motion passed (7-0).

C. Consider approval of 2024 - 2025 District Improvement Plan

Dr. Penny Tramel shared the following with the Board:

- TEC Chapter 11, Section 11.251
- 2024-2025 Goal 1
- 2024-2025 Goal 2
- 2024-2025 Goal 3
- 2024-2025 Goal 4
- 2024-2025 Goal 5
- 2024-2025 Goal 6
- 2024-2025 Goal 7
- 2024-2025 Goal 8
- 2024-2025 Goal 9
- 2024-2025 Goal 10
- Questions/Comments

Trustee Jeff Burton made the first motion to approve this item as submitted. Secretary Ken Beber seconded the motion. The motion passed (7-0).

D. Consider approval of Hiring of Chief Financial Officer

Ms. Asheley Brown briefed the Board about this item. Trustee David Montemayor made the first motion to approve this item as discussed in closed session. Trustee Jason Olson seconded the motion.

Ms. Asheley Brown announced Mr. Jesse Wyse as the new Chief Financial Officer.

E. Consider approval of the Revised 2024-2025 Stipends

Ms. Asheley Brown shared this item with the Board. Two revisions are recommended to be added to the 2024-2025 LEISD stipends.

Trustee Jason Olson made the first motion to approve this item as submitted. Secretary Ken Beber seconded the motion. The motion passed (7-0).

F. Consider approval of Maximum Class Size - Exemptions - Class Size Waivers

Ms. Asheley Brown briefed the Board about this item. In grades PreK-4, the class size maximum is 22. We are requesting approval to submit a class waiver to TEA for the three classes.

Vice President DeLeon English made the first motion to approve this item as submitted. Trustee Ken Beber seconded the motion. The motion passed (7-0).

G. Consider approval of Resolution Tax Rate

Mr. Jesse Wyse briefed the Board about the following:

- LEISD Historical Tax Rate
- Total Tax Rate Decrease

Ms. Mary Watkins made the first motion to approve this item as submitted.

On September 16, 2024. On this date, we, the Board of Trustees of Little Elm Independent School District, hereby levy or set the tax rate on \$100 valuation for the District for tax year 2024 at a total tax rate of \$1.2252, to be assessed and collected by the duly specified assessor and collector as follows:

\$0.7552 for the purpose of maintenance and operations, and

\$0.47 for the purpose of payment of principal and interest on debts.

Such taxes are to be assessed and collected by the tax officials designated by the District.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

THE TAX RATE WILL EFFECTIVELY BE RAISED BY 7.121 PERCENT AND WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$50.20.

These tax rate calculation forms will serve as an appendix to the district's adopted budget.

Trustee Alejandro Flores seconded the motion. The motion passed (7-0).

11. Consent Agenda

A. Consider approval of T-TESS Appraisers and Appraisal Calendar

B. Consider approval of Little Elm ISD Interlocal Summary Report

C. Consider approval of Financial Reports - July 2024

D. Consider approval of Little Elm ISD Expenditures over \$100,000 Summary Report

E. Consider approval of Resolution Authorizing Non-Business Days

Secretary Ken Beber made the first motion to approve the Consent Agenda as submitted.

Trustee Jeff Burton seconded the motion. The motion passed (7-0).

12. Board President Comments

Ms. Mary Watkins thanked Cabinet for staying late and reminded everyone about the 633 Run.

13. Board Comments

Vice President DeLeon English thanked everyone and for them to keep up the great work.

Trustee David Montemayor thanked everyone for staying late.

Trustee Jason Olson congratulated the Board for presenting at TASB. Mr. Olson reminded everyone about the Homecoming Parade.

Secretary Ken Beber mentioned how great it is to see students being recognized. Mr. Beber thanked the staff for presenting awards and emphasized the different languages spoken at our campuses.

Trustee Jeff Burton thanked those volunteers who helped to build the beds. Mr. Burton thanked Cecelia Jones for the information going out to our community.

Trustee Alejandro Flores reminded everyone about the LE Food Bank.

14. Superintendent Comments

Mr. Lamb mentioned the following:

- Thanked Ms. Michelle Hammock for attending the meeting and her support
- Food bank opportunities
- Tonight was wonderful to recognize students and staff
- Thanks for staying late
- Great things coming
- TASB
- Great day to be a Lobo

15. Adjournment

Vice President DeLeon English made the first motion to adjourn the meeting. Trustee Jason Olson seconded the motion. The motion passed (7-0).

The meeting adjourned at 9:16 pm.

Board Agenda Item

Little Elm Independent School District
400 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 10-21-2024	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2024				
Presenter or Contact Person:	Shay Adams, Assistant Superintendent for Business & Finance				
Policy/Code:	Accounting Audits - CFC (Legal)				
Strategic Plan Goal:	Ensuring Fiscal Health and Sustainability				
Summary:	Dan Tonn with the audit firm Hankins, Eastup, Deaton, Tonn, & Seay, PC to present audit report				
Financial Implications:	There is no financial implication to the budget.				
Attachments:	1) Auditor Communication Letter 2) Annual Financial Report FY 23-24				
Recommendation:	The Administration recommends approval of the Annual Financial Report for the year ended June 30, 2024 as submitted.				
Motion:	I move that the Board approve the Annual Financial Report for the year ended June 30, 2024 as submitted.				

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT FOR THE
YEAR ENDED JUNE 30, 2024

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2024

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 ANNUAL FINANCIAL REPORT
 FOR THE YEAR ENDED JUNE 30, 2024

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CERTIFICATE OF BOARD

Little Elm Independent School District
Name of School District

Denton
County

061-914
Co. – Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) _____ approved _____ disapproved for the year ended June 30, 2024, at a meeting of the Board of Trustees of such school district on the 21st day of October, 2024.

Signature of Board Secretary

Signature of Board President

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Independent Auditors' Report

Little Elm Independent School District
Little Elm, Texas

Opinion

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We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Little Elm Independent School District as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise Little Elm Independent School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Little Elm Independent School District as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financials section of our report. We are required to be independent of Little Elm 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.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Little Elm Independent School District’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Little Elm Independent School District’s ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis on pages 7 through 13 and the Teacher Retirement System schedules on page 64 through 72 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 Little Elm Independent School District’s basic financial statements. The combining and individual nonmajor fund financial statements, the required TEA schedules listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the required TEA schedules, and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 17, 2024 on our consideration of Little Elm Independent School District’s internal control over financial reporting and on our tests of the compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Little Elm 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 Little Elm Independent School District’s internal control over financial reporting and compliance.

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

October 17, 2024

**LITTLE ELM INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED ENDED JUNE 30, 2024
(UNAUDITED)**

As management of Little Elm Independent School District, we offer readers of the District's financial statement this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2024. Please read this narrative in conjunction with the independent auditors' report on page 5, and the District's Basic Financial Statements that begin on page 17.

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FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$68,237,934 (*net position*). Of this amount, \$(9,801,677) represents negative unrestricted net position.
- The District's total net position increased by \$15,152,077 during the current fiscal year.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$272,636,544. 9.9% of this total amount, \$26,948,660, is unassigned and available for use within the District's policies.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$26,948,660 or 29.7% of the total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 17 through 19). These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (starting on page 20) report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the District were sold to departments within the District or to external customers and how the sales revenues covered the expenses of the goods or services. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the District.

The notes to the financial statements (starting on page 33) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining statements for nonmajor funds contain even more information about the District's individual funds. These are not required by TEA. The sections labeled TEA Required Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

The analysis of the District's overall financial condition and operations begins on page 17. Its primary purpose is to show whether the District is better off or worse off as a result of the year's activities. The Statement of Net Position includes all the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources at the end of the year while the Statement of Activities includes all revenues and expenses generated by the District's operations during the fiscal year. These apply the accrual basis of accounting (the basis used by private sector companies).

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All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. The District's revenues are divided into those provided by outside parties who share the costs of some programs, such as tuition received from students from outside the district and grants provided by the U.S. Department of Education to assist children with disabilities or from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers or by TEA in equalization funding processes (general revenues). All the District's assets are reported whether they serve the current year or future years. Liabilities are considered regardless of whether they must be paid in the current or future years.

These two statements report the District's net position and changes in them. The District's net position (the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources) provide one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

In the Statement of Net Position and the Statement of Activities, we divide the District into two kinds of activities:

- Governmental activities—Most of the District's basic services are reported here, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.
- Business-type activities—The District charges a fee to "customers" to help it cover all or most of the cost of services it provides in its childcare operation.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 20 and provide detailed information about the most significant funds—not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities). The District's two kinds of funds—government and proprietary—use different accounting approaches.

- Governmental funds—All of the District's basic services are reported in governmental funds. These use modified accrual accounting (a method that measures the receipt and disbursement of cash and all other financial assets that can be readily converted to cash) and report balances that are available for future spending. The governmental fund statements provide a detailed short-term view of the District's general operations and the basic services it provides. We describe the differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in reconciliation schedules following each of the fund financial statements.

· Proprietary funds—The District reports the activities for which it charges users (whether outside customers or other units of the District) in proprietary funds using the same accounting methods employed in the Statement of Net Position and the Statement of Activities. In fact, the District’s enterprise funds (one category of propriety funds) are the business-type activities reported in the government-wide statements but containing more detail and additional information, such as cash flows.

The District as Trustee

Reporting the District’s Fiduciary Responsibilities

The District is the fiduciary, or custodian, for money raised by student activities. The District’s custodial activity is reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position on pages 31 and 32. We exclude these resources from the District’s other financial statements because the District cannot use these assets to finance its operations. The District is only responsible for ensuring that the assets reported in this fund are used for their intended purposes.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following analysis of comparative balances and changes therein is presented for the current period and prior year’s operations and a discussion of significant changes in the accounts. The analysis focuses on the net position (Table I) and changes in net position (Table II) of the District’s governmental activities.

Net position of the District’s governmental activities increased from \$51,816,481 to \$67,885,466. Unrestricted net position – the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – was (\$10,152,234) at June 30, 2024.

Table I
NET POSITION

	Governmental Activities		Business-type Activities		Total	
	June 30, 2023	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023	June 30, 2024
Current and other assets	\$ 299,819,554	\$ 287,067,138	\$ 321,128	\$ 351,783	\$ 300,140,682	\$287,418,921
Capital assets	356,572,725	367,420,299	13,379	1,911	356,586,104	367,422,210
Total assets	<u>656,392,279</u>	<u>654,487,437</u>	<u>334,507</u>	<u>353,694</u>	<u>656,726,786</u>	<u>654,841,131</u>
Deferred outflows of resources	20,729,114	21,156,396	-	-	20,729,114	21,156,396
Total assets and deferred outflows of resources	<u>677,121,393</u>	<u>675,643,833</u>	<u>334,507</u>	<u>353,694</u>	<u>677,455,900</u>	<u>675,997,527</u>
Long-term liabilities	574,808,036	567,236,564	-	-	574,808,036	567,236,564
Other liabilities	27,207,984	20,386,661	4,412	826	27,212,396	20,387,487
Total liabilities	<u>602,016,020</u>	<u>587,623,225</u>	<u>4,412</u>	<u>826</u>	<u>602,020,432</u>	<u>587,624,051</u>
Deferred inflows of resources	23,288,892	20,135,142	-	-	23,288,892	20,135,142
Total liabilities and deferred inflows of resources	<u>625,304,912</u>	<u>607,758,367</u>	<u>4,412</u>	<u>826</u>	<u>625,309,324</u>	<u>607,759,193</u>
Net Position:						
Net investment in capital assets	47,554,492	50,946,487	13,379	1,911	47,567,871	50,948,398
Restricted	20,574,500	27,091,213	-	-	20,574,500	27,091,213
Unrestricted	(16,312,511)	(10,152,234)	316,716	350,557	(15,995,795)	(9,801,677)
Total Net Position	<u>\$ 51,816,481</u>	<u>\$ 67,885,466</u>	<u>\$ 330,095</u>	<u>\$ 352,468</u>	<u>\$ 52,146,576</u>	<u>\$ 68,237,934</u>

**Table II
CHANGES IN NET POSITION**

	Governmental		Business-type		Total	
	Activities		Activities			
	Year Ended June 30, 2023	Year Ended June 30, 2024	Year Ended June 30, 2023	Year Ended June 30, 2024	Year Ended June 30, 2023	Year Ended June 30, 2024
Revenues:						
Program Revenues:						
Charges for services	\$ 4,652,950	\$ 3,110,975	\$ 575,085	\$ 625,451	\$ 5,228,035	\$ 3,736,426 ³⁴
Operating grants and contributions	16,426,746	17,088,130	315,948	-	16,742,694	17,088,130
General Revenues:						
Maintenance and operations taxes	67,699,061	56,669,335	-	-	67,699,061	56,669,335
Debt service taxes	33,732,809	35,151,137	-	-	33,732,809	35,151,137
State aid	6,754,674	24,019,743	-	-	6,754,674	24,019,743
Other grants and contributions	1,034,215	3,077,978	-	-	1,034,215	3,077,978
Investment earnings	6,428,485	14,212,721	-	-	6,428,485	14,212,721
Miscellaneous	272,719	483,591	-	-	272,719	483,591
Extraordinary item - resource	1,171,909	-	-	-	1,171,909	-
Extraordinary item - (use)	(21,939)	-	-	-	(21,939)	-
Total Revenue	138,151,629	153,813,610	891,033	625,451	139,042,662	154,439,061
Expenses:						
Instruction, curriculum and media services	59,763,106	63,088,036	-	-	59,763,106	63,088,036
Instructional and school leadership	6,863,663	6,977,111	-	-	6,863,663	6,977,111
Student support services	8,799,051	9,447,414	-	-	8,799,051	9,447,414
Child nutrition	5,425,616	6,194,567	-	-	5,425,616	6,194,567
Extracurricular activities	4,661,884	4,778,628	-	-	4,661,884	4,778,628
General administration	4,226,462	4,095,218	-	-	4,226,462	4,095,218
Plant maintenance, security and data processing	17,703,603	21,999,434	-	-	17,703,603	21,999,434
Community services	119,961	208,048	-	-	119,961	208,048
Childcare services	-	-	609,732	603,078	609,732	603,078
Debt services	16,343,451	19,860,620	-	-	16,343,451	19,860,620
Capital outlay	854,078	668	-	-	854,078	668
Contracted instructional services between schools	1,327,353	1,387,388	-	-	1,327,353	1,387,388
Payments to juvenile justice alternative ed. prg.	23,265	4,000	-	-	23,265	4,000
Intergovernmental charges	582,855	642,774	-	-	582,855	642,774
Total Expenses	126,694,348	138,683,906	609,732	603,078	127,304,080	139,286,984
Increase (Decrease) in Net Position	11,457,281	15,129,704	281,301	22,373	11,738,582	15,152,077
Net Position - beginning of year	40,359,200	51,816,481	48,794	330,095	40,407,994	52,146,576
Prior Period Adjustment	-	939,281	-	-	-	939,281
Net Position - end of year	\$ 51,816,481	\$ 67,885,466	\$ 330,095	\$ 352,468	\$ 52,146,576	\$ 68,237,934

The District notes the following highlights for the 2023-2024 school year in response to changes in personnel and continued growth in student enrollment.

- The District maintained its contract with a professional demographer in an effort to plan for future facility needs.
- The District maintained the employer’s health insurance contribution at \$397 per month.
- The District operated an Energy Education Plan and an Energy Manager in an effort to conserve energy and reduce energy costs.
- The Board of Trustees approved a property tax rate of \$1.2275/\$100 of taxable value (\$0.7575 for M&O and \$0.47 for Debt Service). This represents a decrease of \$0.1854 from the prior year.
- The District maintained an employee induction program for new teachers that provides training and staff development.
- The District maintained its status of “Superior Achievement” according to the Financial Integrity Rating System of Texas.

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The cost of all governmental activities for the current fiscal year was \$138,683,906. However, as shown in the Statement of Activities on pages 18 and 19, the amount that our taxpayers ultimately financed for these activities through District taxes was \$91,820,472 because some of the costs were paid by those who directly benefited from the programs (\$3,110,975) or by other governments and organizations that subsidized certain programs with grants and contributions (\$17,088,130) or by State equalization funding (\$24,019,743), or by other grants and contributions (\$3,077,978).

THE DISTRICT’S FUNDS

As the District completed the fiscal year, its governmental funds (as presented in the balance sheet on page 20) reported a combined fund balance of \$272,636,544, which is \$5,175,401 less than last year’s total of \$277,811,945. Included in this year’s total change in fund balance is an increase of \$2,781,465 in the District’s Growth/Transition Fund, an increase of \$7,887,213 in the Debt Service Fund, and a decrease of \$15,022,795 in the Capital Projects Fund.

Over the course of the year, the Board of Trustees revised the District’s budget several times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts we estimated in June 2023). The second category includes changes that the Board made during the year to reflect new information regarding revenue sources and expenditure needs. The third category involves amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

The District’s General Fund balance of \$33,953,476 reported on page 20 is more than the General Fund’s budgetary fund balance of \$29,169,201 reported in the budgetary comparison schedule on page 27 due to expenditure savings throughout all functions and actual revenues more than budgeted amounts.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2024, the District’s governmental activities had \$367,420,299 invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents a net increase of \$9,908,293 or 2.8%, more than last year.

This period’s major additions were completion of several buildings, and renovations and additions and construction in progress on several new building projects.

More detailed information about the District’s capital assets is presented in Note 4 to the financial statements.

Debt Administration

At June 30, 2024, the District had \$525,387,719 in bonds payable and other long-term debt outstanding (including accreted interest on bonds) versus \$537,311,839 last year—a decrease of 2.2%. The District’s general obligation bond rating is AAA (as a result of guarantees of the Texas Permanent School Fund), according to national rating agencies.

More detailed information about the District’s long-term liabilities is presented in Note 5 to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS AND RATES

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The District took actions for 2024-2025 to compensate for some increases in costs and an increase in enrollment:

- The Board adopted a \$137.915 million appropriations budget including General Operating, Child Nutrition, and Debt Service.
- Certified Taxable Property Values increased \$512 million from \$8,269,973,772 to \$8,782,261,940 from 2023 to 2024.
- Student enrollment is estimated to increase 44 students from 8,210 to 8,254 students from the end of the 23-24 school year to the beginning of the 24-25 school year.

The following shows the enrollment at the end of the last six school years:

2018-2019 – 7,817
2019-2020 – 8,091
2020-2021 – 8,011
2021-2022 – 8,286
2022-2023 – 8,301
2023-2024 – 8,210

- The Board adopted a total tax rate of \$1.2252/\$100 of taxable property value (\$0.7552 for M&O and \$.47 for Debt Service).

CONTACTING THE DISTRICT’S FINANCIAL MANAGEMENT

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 show the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the District’s Finance Department, at Little Elm Independent School District, 400 Lobo Lane, Little Elm, Texas 75068, (972) 947-9340.

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BASIC FINANCIAL STATEMENTS

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2024

EXHIBIT A-1

Data Control Codes	1	2 Primary Government	3
	Governmental Activities	Business Type Activities	Total
ASSETS			
1110 Cash and Cash Equivalents	\$ 277,819,284	\$ 351,383	\$ 278,170,667
1220 Property Taxes - Delinquent	1,626,109	-	1,626,109
1230 Allowance for Uncollectible Taxes	(105,697)	-	(105,697)
1240 Due from Other Governments	7,424,445	-	7,424,445
1250 Accrued Interest	274,479	-	274,479
1290 Other Receivables, Net	23,702	-	23,702
1410 Prepayments	4,816	-	4,816
Capital Assets:			
1510 Land	26,595,955	-	26,595,955
1520 Buildings, Net	317,005,276	1,911	317,007,187
1530 Furniture and Equipment, Net	8,248,871	-	8,248,871
1580 Construction in Progress	15,570,197	-	15,570,197
1000 Total Assets	<u>654,487,437</u>	<u>353,294</u>	<u>654,840,731</u>
DEFERRED OUTFLOWS OF RESOURCES			
1701 Deferred Charge on Bond Refundings	2,643,899	-	2,643,899
1705 Deferred Resource Outflows Related to TRS Pension	12,786,586	-	12,786,586
1706 Deferred Resource Outflows Related to TRS OPEB	5,725,911	-	5,725,911
1700 Total Deferred Outflows of Resources	<u>21,156,396</u>	<u>-</u>	<u>21,156,396</u>
LIABILITIES			
2110 Accounts Payable	4,903,770	826	4,904,596
2140 Accrued Interest Payable	7,476,479	-	7,476,479
2160 Accrued Wages Payable	7,003,237	-	7,003,237
2200 Accrued Expenses	957,328	-	957,328
2300 Unearned Revenue	45,847	-	45,847
Noncurrent Liabilities:			
2501 Due Within One Year: Loans, Note, Leases, etc.	7,273,138	-	7,273,138
Due in More than One Year:			
2502 Bonds, Notes, Loans, Leases, etc.	518,114,581	-	518,114,581
2540 Net Pension Liability (District's Share)	29,817,685	-	29,817,685
2545 Net OPEB Liability (District's Share)	12,031,160	-	12,031,160
2000 Total Liabilities	<u>587,623,225</u>	<u>826</u>	<u>587,624,051</u>
DEFERRED INFLOWS OF RESOURCES			
2605 Deferred Resource Inflows Related to TRS Pension	1,855,584	-	1,855,584
2606 Deferred Resource Inflows Related to TRS OPEB	18,279,558	-	18,279,558
2600 Total Deferred Inflows of Resources	<u>20,135,142</u>	<u>-</u>	<u>20,135,142</u>
NET POSITION			
3200 Net Investment in Capital Assets and Right-to-Use Lease	50,946,487	1,911	50,948,398
Restricted:			
3820 Restricted for Federal and State Programs	1,797,085	-	1,797,085
3850 Restricted for Debt Service	25,294,128	-	25,294,128
3900 Unrestricted	(10,152,234)	350,557	(9,801,677)
3000 Total Net Position	<u>\$ 67,885,466</u>	<u>\$ 352,468</u>	<u>\$ 68,237,934</u>

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	1	Program Revenues		
		3	4	
	Expenses	Charges for Services	Operating Grants and Contributions	
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
11	Instruction	\$ 57,774,586	\$ 131,512	\$ 5,777,477
12	Instructional Resources and Media Services	1,414,047	-	93,434
13	Curriculum and Instructional Staff Development	3,899,403	765	899,926
21	Instructional Leadership	1,492,312	-	276,397
23	School Leadership	5,484,799	12,833	340,300
31	Guidance, Counseling, and Evaluation Services	3,749,370	-	938,485
32	Social Work Services	168,023	-	167,874
33	Health Services	893,143	-	70,148
34	Student (Pupil) Transportation	4,636,878	-	985,476
35	Food Services	6,194,567	2,032,846	2,990,996
36	Extracurricular Activities	4,778,628	743,389	104,817
41	General Administration	4,095,218	13,185	942,089
51	Facilities Maintenance and Operations	17,409,099	176,445	325,167
52	Security and Monitoring Services	2,027,751	-	451,110
53	Data Processing Services	2,562,584	-	109,858
61	Community Services	208,048	-	196,931
72	Debt Service - Interest on Long-Term Debt	19,845,120	-	2,400,034
73	Debt Service - Bond Issuance Cost and Fees	15,500	-	-
81	Capital Outlay	668	-	17,611
91	Contracted Instructional Services Between Schools	1,387,388	-	-
95	Payments to Juvenile Justice Alternative Ed. Prg.	4,000	-	-
99	Other Intergovernmental Charges	642,774	-	-
	[TG] Total Governmental Activities:	138,683,906	3,110,975	17,088,130
BUSINESS-TYPE ACTIVITIES:				
01	Childcare Fund	603,078	625,451	-
	[TB] Total Business-Type Activities:	603,078	625,451	-
	[TP] TOTAL PRIMARY GOVERNMENT:	\$ 139,286,984	\$ 3,736,426	\$ 17,088,130
Data				
Control	General Revenues:			
Codes	Taxes:			
MT	Property Taxes, Levied for General Purposes			
DT	Property Taxes, Levied for Debt Service			
SF	State Aid - Formula Grants			
GC	Grants and Contributions not Restricted			
IE	Investment Earnings			
MI	Miscellaneous Local and Intermediate Revenue			
TR	Total General Revenues			
CN	Change in Net Position			
NB	Net Position - Beginning			
PA	Prior Period Adjustment			
NE	Net Position - Ending			

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

Net (Expense) Revenue and Changes in Net Position		
6	7	8
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (51,865,597)	\$ -	\$ (51,865,597)
(1,320,613)	-	(1,320,613)
(2,998,712)	-	(2,998,712)
(1,215,915)	-	(1,215,915)
(5,131,666)	-	(5,131,666)
(2,810,885)	-	(2,810,885)
(149)	-	(149)
(822,995)	-	(822,995)
(3,651,402)	-	(3,651,402)
(1,170,725)	-	(1,170,725)
(3,930,422)	-	(3,930,422)
(3,139,944)	-	(3,139,944)
(16,907,487)	-	(16,907,487)
(1,576,641)	-	(1,576,641)
(2,452,726)	-	(2,452,726)
(11,117)	-	(11,117)
(17,445,086)	-	(17,445,086)
(15,500)	-	(15,500)
16,943	-	16,943
(1,387,388)	-	(1,387,388)
(4,000)	-	(4,000)
(642,774)	-	(642,774)
(118,484,801)	-	(118,484,801)
-	22,373	22,373
-	22,373	22,373
(118,484,801)	22,373	(118,462,428)
56,669,335	-	56,669,335
35,151,137	-	35,151,137
24,019,743	-	24,019,743
3,077,978	-	3,077,978
14,212,721	-	14,212,721
483,591	-	483,591
133,614,505	-	133,614,505
15,129,704	22,373	15,152,077
51,816,481	330,095	52,146,576
939,281	-	939,281
\$ 67,885,466	\$ 352,468	\$ 68,237,934

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
ASSETS			
1110 Cash and Cash Equivalents	\$ 35,802,028	\$ 32,236,717	\$ 195,058,819
1220 Property Taxes - Delinquent	1,055,104	571,005	-
1230 Allowance for Uncollectible Taxes	(68,582)	(37,115)	-
1240 Due from Other Governments	5,934,349	-	-
1250 Accrued Interest	-	-	274,479
1290 Other Receivables	22,349	-	-
1410 Prepayments	4,816	-	-
1000 Total Assets	<u>\$ 42,750,064</u>	<u>\$ 32,770,607</u>	<u>\$ 195,333,298</u>
LIABILITIES			
2110 Accounts Payable	\$ 468,045	\$ -	\$ 4,220,333
2160 Accrued Wages Payable	6,467,334	-	-
2200 Accrued Expenditures	871,668	-	-
2300 Unearned Revenue	3,019	-	-
2000 Total Liabilities	<u>7,810,066</u>	<u>-</u>	<u>4,220,333</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	986,522	533,890	-
2600 Total Deferred Inflows of Resources	<u>986,522</u>	<u>533,890</u>	<u>-</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3430 Prepaid Items	4,816	-	-
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	-	-	-
3470 Capital Acquisition and Contractual Obligation	-	-	191,112,965
3480 Retirement of Long-Term Debt	-	32,236,717	-
Committed Fund Balance:			
3545 Other Committed Fund Balance	-	-	-
Assigned Fund Balance:			
3590 Other Assigned Fund Balance	7,000,000	-	-
3600 Unassigned Fund Balance	26,948,660	-	-
3000 Total Fund Balances	<u>33,953,476</u>	<u>32,236,717</u>	<u>191,112,965</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 42,750,064</u>	<u>\$ 32,770,607</u>	<u>\$ 195,333,298</u>

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

Other Funds	Total Governmental Funds
\$ 14,721,720	\$ 277,819,284
-	1,626,109
-	(105,697)
1,490,096	7,424,445
-	274,479
1,353	23,702
-	4,816
<u>\$ 16,213,169</u>	<u>\$ 287,067,138</u>
\$ 215,392	\$ 4,903,770
535,903	7,003,237
85,660	957,328
42,828	45,847
<u>879,783</u>	<u>12,910,182</u>
-	1,520,412
-	1,520,412
-	4,816
1,797,095	1,797,095
-	191,112,965
-	32,236,717
535,511	535,511
13,000,780	20,000,780
-	26,948,660
<u>15,333,386</u>	<u>272,636,544</u>
<u>\$ 16,213,169</u>	<u>\$ 287,067,138</u>

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2024

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$	272,636,544
1 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements.		493,919,436
2 Accumulated depreciation is not reported in the fund financial statements.		(126,499,137)
3 Bonds payable are not included in the fund financial statements.		(484,625,874)
4 Property tax revenue reported as unavailable revenue in the fund financial statements is recognized as revenue in the government-wide financial statements.		1,520,412
5 Interest on outstanding debt is accrued in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.		(7,476,479)
6 Accreted interest payable on capital appreciation bonds has not been included in the fund financial statements.		(15,157,043)
7 Bond discounts and premiums were not recognized in the fund financial statements.		(25,604,802)
8 The deferred charge on bond refundings is not recognized in the fund financial statements.		2,643,899
9 Included in the items related to government-wide long-term debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68 in the amount of \$29,817,685, Deferred Inflows of Resources related to TRS Pensions in the amount of \$1,855,584, and Deferred Outflows of Resources related to TRS Pensions in the amount of \$12,786,586. This results in a decrease in Net Position in the amount of \$18,886,683.		(18,886,683)
10 Included in the items related to government-wide long-term debt is the recognition of the District's proportionate share of the net Other Post-Employment Benefit (OPEB) liability required by GASB 75 in the amount of \$12,031,160, a Deferred Resource Inflow related to TRS OPEB in the amount of \$18,279,558, and a Deferred Resource Outflow related to TRS OPEB in the amount of \$5,725,911. This results in a net decrease in Net Position in the amount of \$24,584,807.		(24,584,807)
29 Net Position of Governmental Activities	\$	67,885,466

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects	
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 59,661,418	\$ 36,393,305	\$ 11,060,265	
5800 State Program Revenues	29,283,642	2,400,034	-	
5900 Federal Program Revenues	3,849,113	-	-	
5020 Total Revenues	<u>92,794,173</u>	<u>38,793,339</u>	<u>11,060,265</u>	47
EXPENDITURES:				
Current:				
0011 Instruction	48,676,492	-	645,653	
0012 Instructional Resources and Media Services	1,152,424	-	-	
0013 Curriculum and Instructional Staff Development	3,034,802	-	-	
0021 Instructional Leadership	1,259,370	-	-	
0023 School Leadership	5,199,293	-	-	
0031 Guidance, Counseling, and Evaluation Services	2,917,228	-	-	
0032 Social Work Services	1,722	-	-	
0033 Health Services	832,692	-	-	
0034 Student (Pupil) Transportation	3,920,266	-	867,673	
0035 Food Services	186,638	-	-	
0036 Extracurricular Activities	2,783,653	-	-	
0041 General Administration	4,037,103	-	-	
0051 Facilities Maintenance and Operations	10,741,777	-	711,975	
0052 Security and Monitoring Services	1,547,514	-	-	
0053 Data Processing Services	2,243,152	-	1,694,971	
0061 Community Services	52,962	-	-	
Debt Service:				
0071 Principal on Long-Term Liabilities	227,795	6,539,267	610,237	
0072 Interest on Long-Term Liabilities	13,569	24,351,359	-	
0073 Bond Issuance Cost and Fees	-	15,500	-	
Capital Outlay:				
0081 Facilities Acquisition and Construction	18,544	-	21,552,551	
Intergovernmental:				
0091 Contracted Instructional Services Between Schools	1,387,388	-	-	
0095 Payments to Juvenile Justice Alternative Ed. Prg.	4,000	-	-	
0099 Other Intergovernmental Charges	642,774	-	-	
6030 Total Expenditures	<u>90,881,158</u>	<u>30,906,126</u>	<u>26,083,060</u>	
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,913,015</u>	<u>7,887,213</u>	<u>(15,022,795)</u>	
OTHER FINANCING SOURCES (USES):				
7912 Sale of Real and Personal Property	30,418	-	-	
7913 Right-to-Use Lease and SBITA Proceeds	838,032	-	-	
7915 Transfers In	-	-	-	
8911 Transfers Out (Use)	(2,781,465)	-	-	
7080 Total Other Financing Sources (Uses)	<u>(1,913,015)</u>	<u>-</u>	<u>-</u>	
1200 Net Change in Fund Balances	-	7,887,213	(15,022,795)	
0100 Fund Balance - July 1 (Beginning)	<u>33,953,476</u>	<u>24,349,504</u>	<u>206,135,760</u>	
3000 Fund Balance - June 30 (Ending)	<u>\$ 33,953,476</u>	<u>\$ 32,236,717</u>	<u>\$ 191,112,965</u>	

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

	Other Funds	Total Governmental Funds
\$	2,739,833	\$ 109,854,821
	735,537	32,419,213
	8,162,334	12,011,447
	<u>11,637,704</u>	<u>154,285,481</u>
	3,276,719	52,598,864
	29,601	1,182,025
	764,485	3,799,287
	214,694	1,474,064
	42,984	5,242,277
	794,826	3,712,054
	166,239	167,961
	25,473	858,165
	160,369	4,948,308
	5,783,166	5,969,804
	593,024	3,376,677
	13,185	4,050,288
	-	11,453,752
	442,256	1,989,770
	-	3,938,123
	151,967	204,929
	-	7,377,299
	-	24,364,928
	-	15,500
	-	21,571,095
	-	1,387,388
	-	4,000
	-	642,774
	<u>12,458,988</u>	<u>160,329,332</u>
	<u>(821,284)</u>	<u>(6,043,851)</u>
	-	30,418
	-	838,032
	2,781,465	2,781,465
	-	(2,781,465)
	<u>2,781,465</u>	<u>868,450</u>
	1,960,181	(5,175,401)
	<u>13,373,205</u>	<u>277,811,945</u>
\$	<u>15,333,386</u>	\$ <u>272,636,544</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$ (5,175,401)
Current year capital asset additions are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of reclassifying the current year capital asset additions is to increase net position.	25,547,967
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position in the government-wide financial statements.	(15,639,674)
	49
Current year long-term debt principal payments on bonds payable, payment of accreted interest on capital appreciation bonds, and payments on lease liability are expenditures in the governmental fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.	12,003,032
Current year interest accretion on capital appreciation bonds is not recognized in the fund financial statements, but is shown as an increase in long-term debt in the government-wide financial statements.	(657,258)
Revenues from property taxes are shown as unearned in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed, net of an allowance for uncollectible amounts, in the government-wide financial statements.	(279,075)
Current year amortization of the premium/discount on bonds payable is not recorded in the fund financial statements, but is shown as a reduction in long-term debt in the government-wide financial statements.	1,416,378
Current year amortization of deferred charge on bond refunding is not recorded in the fund financial statements, but is shown as a reduction of the deferred loss in the government-wide financial statements.	(388,428)
Interest expense on outstanding debt is accrued in the government-wide financial statements, whereas in the fund financial statements, interest expenditures are reported when due.	(476,617)
The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows. TRS contributions made after the measurement date of 8/31/2023 caused the change in the ending net position to increase in the amount of \$285,663. These contributions were replaced with the District's pension expense for the year of \$3,162,099, which caused a decrease in the change in net position. The net effect of these is to decrease the change in net position by \$2,876,436.	(2,876,436)
The implementation of GASB 75 required that certain expenditures be de-expended and recorded as deferred resource outflows. TRS OPEB contributions made after the measurement date of 8/31/2023 but during the current fiscal year caused the ending net position to increase in the amount of \$36,129. These contributions were replaced with the District's negative OPEB expense for the year of \$2,457,119, which caused an increase in the change in net position. The net effect of these is to increase the change in net position by \$2,,493,248	2,493,248
Current year proceeds from right-to-use lease liability is shown as other financing sources in the fund financial statements, but are shown as increases in long-term debt in the government-wide financial statements.	(838,032)
Change in Net Position of Governmental Activities	\$ 15,129,704

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 79,703,856	\$ 62,455,700	\$ 59,661,418	\$ (2,794,282)
5800 State Program Revenues	11,046,837	25,597,031	29,283,642	3,686,611
5900 Federal Program Revenues	2,750,000	2,224,637	3,849,113	1,624,476
5020 Total Revenues	93,500,693	90,277,368	92,794,173	2,516,805
EXPENDITURES:				
Current:				
0011 Instruction	50,822,360	50,158,751	48,676,492	1,482,259
0012 Instructional Resources and Media Services	1,088,800	1,188,523	1,152,424	36,099
0013 Curriculum and Instructional Staff Development	2,829,869	3,211,925	3,034,802	177,123
0021 Instructional Leadership	1,543,466	1,483,347	1,259,370	223,977
0023 School Leadership	5,265,796	5,336,545	5,199,293	137,252
0031 Guidance, Counseling, and Evaluation Services	3,009,986	3,103,557	2,917,228	186,329
0032 Social Work Services	9,949	39,049	1,722	37,327
0033 Health Services	873,706	879,340	832,692	46,648
0034 Student (Pupil) Transportation	3,772,300	4,362,731	3,920,266	442,465
0035 Food Services	212,532	224,185	186,638	37,547
0036 Extracurricular Activities	3,005,010	3,105,647	2,783,653	321,994
0041 General Administration	4,331,254	4,464,106	4,037,103	427,003
0051 Facilities Maintenance and Operations	11,618,557	11,692,400	10,741,777	950,623
0052 Security and Monitoring Services	1,471,151	1,612,344	1,547,514	64,830
0053 Data Processing Services	2,342,651	2,315,392	2,243,152	72,240
0061 Community Services	48,745	63,113	52,962	10,151
Debt Service:				
0071 Principal on Long-Term Liabilities	-	227,795	227,795	-
0072 Interest on Long-Term Liabilities	-	13,569	13,569	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	17,762	38,659	18,544	20,115
Intergovernmental:				
0091 Contracted Instructional Services Between Schools	5,389,555	1,686,078	1,387,388	298,690
0095 Payments to Juvenile Justice Alternative Ed. Prg.	50,000	50,000	4,000	46,000
0099 Other Intergovernmental Charges	606,500	673,500	642,774	30,726
6030 Total Expenditures	98,309,949	95,930,556	90,881,158	5,049,398
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,809,256)	(5,653,188)	1,913,015	7,566,203
OTHER FINANCING SOURCES (USES):				
7912 Sale of Real and Personal Property	-	-	30,418	30,418
7913 Right-to-Use Lease and SBITA Proceeds	-	868,913	838,032	(30,881)
8911 Transfers Out (Use)	-	-	(2,781,465)	(2,781,465)
7080 Total Other Financing Sources (Uses)	-	868,913	(1,913,015)	(2,781,928)
1200 Net Change in Fund Balances	(4,809,256)	(4,784,275)	-	4,784,275
0100 Fund Balance - July 1 (Beginning)	33,953,476	33,953,476	33,953,476	-
3000 Fund Balance - June 30 (Ending)	\$ 29,144,220	\$ 29,169,201	\$ 33,953,476	\$ 4,784,275

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024

	Business-Type Activities	
	Total Enterprise Funds	
ASSETS		
Current Assets:		
Cash and Cash Equivalents	\$ 351,383	51
Total Current Assets	<u>351,383</u>	
Noncurrent Assets:		
Capital Assets:		
Buildings and Improvements, Net	1,911	
Total Noncurrent Assets	<u>1,911</u>	
Total Assets	<u>353,294</u>	
LIABILITIES		
Current Liabilities:		
Accounts Payable	826	
Total Liabilities	<u>826</u>	
NET POSITION		
Unrestricted Net Position	352,468	
Total Net Position	<u>\$ 352,468</u>	

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Business-Type Activities	
	Total Enterprise Funds	
OPERATING REVENUES:		
Local and Intermediate Sources	\$ 625,451	52
Total Operating Revenues	<u>625,451</u>	
OPERATING EXPENSES:		
Payroll Costs	546,734	
Professional and Contracted Services	245	
Supplies and Materials	38,531	
Other Operating Costs	6,099	
Depreciation Expense	<u>11,469</u>	
Total Operating Expenses	<u>603,078</u>	
Operating Income	22,373	
Total Net Position - July 1 (Beginning)	<u>330,095</u>	
Total Net Position - June 30 (Ending)	<u>\$ 352,468</u>	

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

EXHIBIT D-3

	Business-Type Activities	
	Total Enterprise Funds	
<u>Cash Flows from Operating Activities:</u>		
Cash Received from User Charges	\$ 625,451	
Cash Payments to Employees for Services	(551,147)	
Cash Payments for Suppliers	(37,950)	
Cash Payments for Other Operating Expenses	(6,099)	53
Net Cash Provided by Operating Activities	30,255	
Net Increase in Cash and Cash Equivalents	30,255	
Cash and Cash Equivalents at Beginning of Year	321,128	
Cash and Cash Equivalents at End of Year	\$ 351,383	
<u>Reconciliation of Operating Income to Net Cash</u>		
<u>Provided by Operating Activities:</u>		
Operating Income:	\$ 22,373	
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	11,469	
Effect of Increases and Decreases in Current Assets and Liabilities:		
Increase (decrease) in Accounts Payable	826	
Increase (decrease) in Accrued Wages Payable	(4,413)	
Net Cash Provided by Operating Activities	\$ 30,255	

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2024

	Total Custodial Funds	
ASSETS		
Cash and Cash Equivalents	\$ 204,826	
Total Assets	<u>204,826</u>	54
NET POSITION		
Unrestricted Net Position	<u>204,826</u>	
Total Net Position	<u><u>\$ 204,826</u></u>	

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

	Total Custodial Funds	
ADDITIONS:		
Contributions to Student Groups	\$ 297,469	
Total Additions	297,469	55
DEDUCTIONS:		
Other Deductions	266,038	
Total Deductions	266,038	
Change in Fiduciary Net Position	31,431	
Total Net Position - July 1 (Beginning)	173,395	
Total Net Position - June 30 (Ending)	\$ 204,826	

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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A. REPORTING ENTITY

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

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

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

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

B. BASIS OF PRESENTATION

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Fund Financial Statements:

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

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

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

Additionally, the District reports the following fund types:

1. **Special Revenue Funds** - These funds are established to account for federally financed or expenditures legally restricted for specified purposes. In many special revenue funds, any unused balances are returned to the grantor at the close of specified project periods. For funds in this fund type, project accounting is employed to maintain integrity for the various sources of funds.
2. **Enterprise Fund** - The District utilizes an enterprise fund to account for the Districts' activities for which outside users are charged a fee roughly equal to the cost of providing the goods or services of those activities. The District uses this fund to account for its child care program, because the child care program is self-supporting and does not require subsidies from the general fund.
3. **Fiduciary Funds** - These funds are used to account for activities of student groups and other organizational activities requiring clearing accounts. If any unused resources are declared surplus by the student groups, they are transferred to the General Fund with a recommendation to the Board for an appropriate utilization through a budgeted program. No funds were declared surplus during the year ended June 30, 2024.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

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

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

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

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

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

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

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

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

D. BUDGETARY CONTROL

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

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

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

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

June 30, 2024	
<u>Fund Balance</u>	
Appropriated Budget Funds - Food Service Special Revenue Fund	\$ 1,793,018
Nonappropriated Budget Funds	<u>13,540,368</u>
All Special Revenue Funds	<u>\$15,333,386</u>

E. ENCUMBRANCE ACCOUNTING

The District employs encumbrance accounting, whereby encumbrances for goods or purchased services are documented by purchase orders and contracts. An encumbrance represents a commitment of Board appropriation related to unperformed contracts for goods and services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period, only a commitment to expend resources. Appropriations lapse at August 31 and encumbrances outstanding at that time are either canceled or appropriately provided for in the subsequent year's budget. There were no outstanding encumbrances at June 30, 2024 that were subsequently provided for in the 2024-2025 budget.

F. PREPAID ITEMS

Prepaid balances are for payments made by the District in the current period to provide services occurring in the subsequent fiscal year, and the nonspendable fund balance has been recognized to signify that a portion of fund balance is not available for other subsequent expenditures.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
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G. CAPITAL ASSETS

Capital assets, which includes property, plant, equipment, and infrastructure assets, are reported in the governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for propriety funds. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated assets are valued at their fair market value on the date donated. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant and equipment.

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

Buildings	40 Years
Furniture and Equipment	5-10 Years

H. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

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

Deferred outflows of resources for refunding - Reported in the government-wide statement of net position, the deferred charge on bond refundings results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amount of deferred outflows reported in the governmental activities for the deferred charge on bond refundings at June 30, 2024 was \$2,643,899.

Deferred outflows of resources for pensions - Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of differences between expected and actual actuarial experiences. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan which is currently approximately 5.6705 years.

The amount of deferred outflows reported in the governmental activities for deferred pension expenses at June 30, 2024 was \$12,786,586.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Deferred outflows of resources for OPEB- Reported in the government-wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of differences between expected and actual investment earnings and changes in proportionate share. The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. The other OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB through the OPEB plan which is currently approximately 9.2215 years. The amount of deferred outflows reported for deferred OPEB expense at June 30, 2024 was \$5,725,911.

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

Deferred inflows of resources for unavailable revenues - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District reported property taxes that are unavailable as deferred inflows of resources in the fund financial statements. The amount of deferred inflows of resources reported in the governmental funds at June 30, 2024 was \$1,520,412.

Deferred inflows of resources for pensions - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between projected and actual earnings on pension plan investments and other actuarial and other assumption differences. These amounts will be amortized over a closed 5-year period. In fiscal year 2024, the District reported deferred inflows of resources for pensions in the governmental activities in the amount of \$1,855,584.

Deferred inflows of resources for OPEB - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between expected and actual experience and from changes in assumptions. These amounts will be amortized over the average expected remaining service life (AERSL) of all members (9.2215 years for the 2023 measurement year). In fiscal year 2024, the District reported deferred inflows of resources for OPEB in the governmental activities in the amount of \$18,279,558.

I. COMPENSATED ABSENCES

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. CASH EQUIVALENTS

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
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K. NET POSITION

Net position represents the difference between assets, deferred outflows of resources, deferred inflows of resources and liabilities. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation's adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Unrestricted net position is available for general governmental uses. When both restricted and unrestricted net position is available, restricted net position is expended before unrestricted net position if such use is consistent with the restricted purpose.

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L. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as debt service expenditures in the year bonds are issued.

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

M. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal 2024, the District purchased commercial insurance to cover general liabilities. There were no significant reductions in coverage in the past fiscal period, and there were no settlements exceeding insurance coverage for each of the past three fiscal years.

During the year ended June 30, 2024, the District participated in the Texas Association of School Boards Risk Management Fund (the Fund). The Fund was created and is operated under provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The following are Funds the District participated in during the year ended June 30, 2024.

Workers' Compensation Aggregate Deductible

The District met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Workers Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members' injured employees.

The District participates in the Fund's reimbursable aggregate deductible program. As such, the member is responsible for a certain amount of claims liability as outlined on the member's Contribution and Coverage Summary document. After the member's deductible has been met, the Fund is responsible for additional claims liability. The District's 2024 deductible was \$285,375.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
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The Fund and its members are protected against higher than expected claims cost through the purchase of stop loss coverage for any claim in excess of the Fund’s self-insured retention of \$2.0 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2023, the fund carries a discounted reserve of \$48,919,036 for future development on reported claims and claims that have been incurred but not yet reported. For the year-ended June 30, 2024, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions and reimbursable aggregate deductibles.

The Fund engages the services of independent auditors to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund’s Board of Trustees in February of the following year. The Fund’s audited financial statements as of August 31, 2023, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

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Changes in the workers compensation claims liability amounts in fiscal periods 2024 and 2023 is presented below:

Fiscal Period	July 1 Claims Liability	Claims and Changes in Estimates	Claims Payments	June 30 Claims Liability
2024	\$205,724	\$266,068	\$ 96,943	\$374,849
2023	148,636	84,524	27,436	205,724

Unemployment Compensation Pool

During the year ended June 30, 2024, Little Elm ISD provided unemployment compensation coverage to its employees through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund’s Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligation to the Texas Workforce Commission. Expenses are accrued monthly until the quarterly payment has been made. Expenses can be reasonably estimated; therefore there is no need for specific or aggregate stop loss coverage for the Unemployment Compensation pool. For the year ended June 30, 2024, the Fund anticipates that Little Elm ISD has no additional liability beyond the contractual obligation for payment of contribution.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund’s Board of Trustees in February of the following year. The Fund’s audited financial statements as of August 31, 2023, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
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Auto, Liability and Property Programs

During the year ended June 30, 2024, Little Elm ISD participated in the following TASB Risk Management Fund (the Fund) programs:

Auto Liability
Auto Physical Damage
School Liability
Privacy & Information Security
Property

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The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund purchases stop-loss coverage for protection against catastrophic and larger than anticipated claims for its Auto, Liability and Property programs. The terms and limits of the stop-loss program vary by line of coverage. The Fund uses the services of an independent actuary to determine the adequacy of reserves and fully funds those reserves. For the year ended June 30, 2024, the Fund anticipates that Little Elm ISD has no additional liability beyond the contractual obligations for payment of contributions.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2023, are available on the TASB Risk Management Fund website and have been filed with the Texas Department of Insurance in Austin.

N. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. FUND BALANCE

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

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

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified prepaid items as being nonspendable as these items are not expected to be converted to cash.

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- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the District's bonded debt and are restricted through debt covenants. Unspent bond proceeds are restricted for future capital acquisition programs. Federal and State grant resources are restricted because their use is restricted pursuant to the mandates of the Federal or State grants.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board of Trustees. The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This can also be done through adoption and amendment of the budget. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board of Trustees have committed resources as of June 30, 2024 for campus activities, textbooks, and local grants.
- Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board of Trustees delegating this responsibility to other individuals in the District. Under the District's adopted policy, only the Board of Trustees may assign amounts for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. At June 30, 2024, the District has assigned \$7.0 million of the General Fund fund balance for future capital projects, payroll, and general operating expenses.
- Unassigned: This classification includes all amounts not included in other spendable classifications, including the residual fund balance for the General Fund.

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

The details of the fund balances are included in the Governmental Funds Balance Sheet (pages 20 & 21) and are described below:

General Fund

The General Fund has unassigned fund balance of \$26,948,660 at June 30, 2024. Prepayments of \$4,816 are considered nonspendable fund balance. \$7,000,000 has been assigned for future capital projects, payroll, and general operating expenditures.

Other Major Funds

The Debt Service Fund has restricted funds of \$32,236,717 at June 30, 2024 consisting primarily of property tax collections that are restricted for debt service payments on bonded debt.

The Capital Projects Fund has restricted funds of \$191,112,965 at June 30, 2024 consisting primarily of unspent bond funds for future construction and other approved projects.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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Other Funds

The fund balance of \$447,843 of the Campus Activity Fund and \$15,789 of Textbook Funds and \$71,879 of local grant funds (special revenue funds) are shown as committed due to Board policy committing those funds to campus activities, textbooks, and local grants. The fund balance of \$1,793,018 in the Food Service Fund is shown as restricted for food service operations and the fund balance of \$3,955 in Advanced Placement Incentives is restricted for those incentives. The fund balance of \$122 in the State Textbook Fund is shown as committed for textbooks. The remaining special revenue fund balance of \$13,000,780 is assigned for growth costs of the District, as well as to mitigate the ongoing financial impact of the covid pandemic.

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NOTE 3. DEPOSITS AND INVESTMENTS

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

1. Cash Deposits:

At June 30, 2024, the carrying amount of the District's deposits in checking accounts and interest-bearing savings accounts was \$35,664,071, which includes \$1,499 of cash on hand. The combined bank balance was \$39,087,953. The District's cash deposits at June 30, 2024 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 Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment practices as provided by the Act. The district is in substantial compliance with the requirements of the Act and with local policies.

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

- a. Custodial Credit Risk – Deposits: In the case of deposits, this is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. As of June 30, 2024, the District's cash balances in the bank totaled \$39,087,953. This entire amount was either collateralized with securities held by the District's financial institution's agent in the District's name or covered by FDIC insurance. Thus, the District's deposits were not exposed to custodial credit risk at June 30, 2024.

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NOTES TO THE BASIC FINANCIAL STATEMENTS
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- b. Custodial Credit Risk - Investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2024, the District held investments in obligations of the U.S. Treasury and in four public funds investment pools (TexPool, TexSTAR, Lone Star and Texas Class). Investments in external investment pools are considered unclassified as to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.
- c. Credit Risk: This is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligations. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk. The credit quality rating for the four investment pools range from AAA (Standard & Poor's) to AAAM (Standard & Poor's).
- d. Interest Rate Risk: This is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year from the time of purchase. The weighted average maturity for all investment pools is less than 90 days.
- e. Foreign Currency Risk: This is the risk that exchange rates will adversely affect the fair value of an investment. At June 30, 2024, the District was not exposed to foreign currency risk.
- f. Concentration of Credit Risk: This is the risk of loss attributed to the magnitude of the District's investment in a single issuer (i.e., lack of diversification). Concentration risk is defined as positions of 5 percent or more in the securities of a single issuer. Investment pools and government securities are excluded from the 5 percent disclosure requirement.

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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 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.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
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The District's investments at June 30, 2024, are shown below:

<u>Name</u>	<u>Carrying Amount</u>	<u>Market Value</u>
TexPool	\$ 28,540,473	\$ 28,540,473
TexSTAR	1,601,636	1,601,636
Lone Star	18,999,278	18,999,278
Texas Class	93,472,506	93,472,506
Treasury Bills	24,191,500	24,191,500
UMB Money Market	1,532,280	1,532,280
Treasury Note	<u>74,373,750</u>	<u>74,373,750</u>
Total	<u>\$242,711,423</u>	<u>\$242,711,423</u>

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Fair Value Measurements

The District categorizes its fair value measurements with the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The District's assessment of the significance of particular inputs to these fair value measurements requires judgement and considers factors specific to each asset or liability.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

	<u>Fair Value Measurements Using</u>			
	<u>Balance at 6/30/24</u>	<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
<u>Investments by Fair Value level:</u>				
Treasury Bills	\$24,191,500	\$ -	\$24,191,500	\$ -
Treasury Notes	<u>74,373,750</u>	<u>-</u>	<u>74,373,750</u>	<u>-</u>
Total	<u>\$98,565,250</u>	<u>\$ -</u>	<u>\$98,565,250</u>	<u>\$ -</u>

The fair value of the Treasury obligations at June 30, 2024 was determined based on level 2 inputs. The District estimates the fair value of these investments using inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

The District's investment in Texpool, TexStar, Lone Star, Texas Class (statewide 2a7-like external investment pools), and money market accounts are not required to be measured at fair value but are measured at amortized cost.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2024, was as follows:

	Balance July 1	Additions/ Completions	Retirement/ Adjustments	Balance June 30
Governmental Activities:				
Capital assets, not being depreciated:				
Land	\$ 26,595,955	\$ -	\$ -	\$ 26,595,955
Construction in Progress	728,026	16,752,911	(1,910,740)	15,570,197
Total capital assets, not being depreciated	27,323,981	16,752,911	(1,910,740)	42,166,152
Capital assets, being depreciated:				
Buildings	425,597,139	6,224,019	-	431,821,158
Furniture and Equipment	15,450,349	3,638,365	-	19,088,714
Right-to-Use Asset	-	843,412	-	843,412
Total capital assets, being depreciated	441,047,488	10,705,796	-	451,753,284
Less accumulated depreciation for:				
Buildings	(100,996,931)	(13,818,951)	-	(114,815,882)
Furniture and Equipment	(9,862,532)	(1,736,382)	-	(11,598,914)
Right-to-Use Asset	-	(84,341)	-	(84,341)
Total accumulated depreciation	(110,859,463)	(15,639,674)	-	(126,499,137)
Total capital assets being depreciated, net	329,248,744	(4,933,878)	-	325,254,147
Governmental activities capital assets, net	\$ 356,572,725	\$ 11,819,033	\$ (1,910,740)	\$ 367,420,299
Business-type activities:				
Buildings and improvements	\$ 114,687	\$ -	\$ -	\$ 114,687
Totals at historic cost	114,687	-	-	114,687
Less accumulated depreciation for:				
Buildings and improvements	(101,308)	(11,468)	-	(112,776)
Total accumulated depreciation	(101,308)	(11,468)	-	(112,776)
Business-type activities capital assets, net	\$ 13,379	\$ (11,468)	\$ -	\$ 1,911

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
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Depreciation expense was charged as direct expense to programs of the District as follows:

Governmental activities:	
Instruction	\$ 5,971,478
Instructional Resources & Media Services	229,599
Curriculum & Instructional Staff Development	94,947
Instructional Leadership	15,906
School Leadership	230,752
Guidance, Counseling & Evaluation Services	31,864
Health Services	33,283
Student (Pupil) Transportation	556,243
Food Services	700,679
Cocurricular/Extracurricular Activities	1,415,976
General Administration	37,623
Plant Maintenance and Operations	5,943,007
Security and Monitoring Services	37,645
Data Processing Services	339,259
Community Services	<u>1,413</u>
Total depreciation expense-Governmental activities	<u>\$15,639,674</u>
Business-type activities:	
Child Care	<u>\$ 11,468</u>
Total depreciation expense-Business-type activities	<u>\$ 11,468</u>

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In May 2021, GASB Implementation Guide No. 2021-1 provided guidance concerning the capitalization of a group of assets with individual values less than the capitalization threshold, effective for fiscal years beginning after June 15, 2023.

In prior years, the District has expended a group of assets with individual values less than the District capitalization threshold.

NOTE 5. LONG-TERM DEBT

Long-term debt includes par bonds and capital appreciation (deep discount) serial bonds. All long-term debt represents transactions in the District's governmental activities.

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
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The following is a summary of the changes in the District's Long-term Debt for the year ended June 30, 2024:

Description	Interest Rate Payable	Amounts Outstanding 7/1/2023	Additions	Refunded/ Retired	Amounts Outstanding 6/30/2024	Due Within One Year
Bonded Indebtness:						
1995A School Bldg.	5.90%	\$ 90,000	\$ -	\$ 15,000	\$ 75,000	\$ 15,000
1999 School Bldg. & Ref.	6.22%	740,141	-	104,267	635,874	98,138
2008B Refunding	4.00%	105,000	-	105,000	-	-
2012 Refunding	5.00%	90,000	-	90,000	-	-
2013 School Bldg. & Ref.	5.00%	10,000	-	-	10,000	-
2015A Refunding	4.00%	8,235,000	-	450,000	7,785,000	465,000
2015B Refunding	4.00%	6,595,000	-	475,000	6,120,000	485,000
2016 School Bldg. & Ref.	5.00%	29,205,000	-	705,000	28,500,000	730,000
2017 School Refunding	4.00%	8,300,000	-	255,000	8,045,000	145,000
2018 School Building	3.00-5.00%	133,040,000	-	-	133,040,000	820,000
2018A School Building	4.00-5.00%	20,830,000	-	440,000	20,390,000	465,000
2019 School Building	1.14-2.35%	15,135,000	-	950,000	14,185,000	1,000,000
2019A Refunding	1.73-2.91%	49,535,000	-	15,000	49,520,000	5,000
2020 Building	5.00% & Var.	5,385,000	-	2,465,000	2,920,000	-
2021 Refunding	1.505-5.00%	20,380,000	-	-	20,380,000	220,000
2021 Building	2.00-5.00%	8,585,000	-	320,000	8,265,000	325,000
2022 Building		4,655,000	-	150,000	4,505,000	150,000
2023 Building		180,250,000	-	-	180,250,000	2,350,000
Total Bonded Indebtness		<u>491,165,141</u>	<u>-</u>	<u>6,539,267</u>	<u>484,625,874</u>	<u>7,273,138</u>
Accreted Interest Payable		19,125,518	657,258	4,625,733	15,157,043	-
Discount/Premium on Issuance of Debt		27,021,180	-	1,416,378	25,604,802	-
Lease Liability		-	838,032	838,032	-	-
Total Other Obligations		<u>46,146,698</u>	<u>1,495,290</u>	<u>6,880,143</u>	<u>40,761,845</u>	<u>-</u>
Total Obligations of District		<u>\$ 537,311,839</u>	<u>\$ 1,495,290</u>	<u>\$ 13,419,410</u>	<u>\$ 525,387,719</u>	<u>\$ 7,273,138</u>

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The 1995A, 1999, 2013 and 2019A bond series include outstanding capital appreciation bonds in the principal amount of \$1,070,141. The bonds mature variously beginning in 2025 through 2030. Interest accrues on these bonds each February 15 and August 15, even though the interest is not paid until maturity. The accreted interest of \$15,157,043 is accounted for as Accreted Interest Payable-Capital Appreciation Bonds.

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

There are a number of limitations and restrictions contained in the various general obligation bonds indentures. The District is in compliance with all significant limitations and restrictions at June 30, 2024.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

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

Year Ended June 30,	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2025	\$ 7,273,138	\$ 24,207,250	\$ 31,480,388
2026	7,191,678	23,357,219	30,548,897
2027	8,859,306	23,091,139	31,950,445
2028	12,620,249	20,944,099	33,564,348
2029	9,340,090	19,812,260	29,152,350
2030-2034	57,436,413	88,126,196	145,562,609
2035-2039	71,180,000	74,224,526	145,404,526
2040-2044	85,990,000	58,798,524	144,788,524
2045-2049	105,025,000	37,231,550	142,256,550
2050-2054	<u>119,710,000</u>	<u>12,389,600</u>	<u>132,099,600</u>
	<u>\$484,625,874</u>	<u>\$382,182,363</u>	<u>\$866,808,237</u>

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NOTE 6. DEBT ISSUANCES AND DEFEASED BONDS OUTSTANDING

In February 2024, the District early redeemed \$2,465,000 (par value) of bonds, Series 2020. The bonds were repaid on February 15, 2024, no refunding bonds were issued.

In prior years, the District has issued refunding bonds and advance refunded bonds to defease certain outstanding bonds for the purpose of consolidation and to achieve debt service savings. The District has placed the proceeds from the refunding issues in irrevocable escrow accounts with a trust agent to ensure payment of debt service on the refunded bonds.

Accordingly, the trust account assets and liabilities for the defeased bonds and notes are not included in the District's financial statements. Although defeased, the refunded debt from those earlier issues will not be actually retired until the call dates have come due or until maturity if they are not callable issues. On June 30, 2024, all previously defeased bonds have been repaid.

The District's deferred charges on bond refundings are as follows:

Balance – July 1, 2023	\$3,032,327
Current year amortization	<u>(388,428)</u>
Balance – June 30, 2024	<u>\$2,643,899</u>

NOTE 7. PROPERTY TAXES

Property taxes are considered available when collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. The District levies its taxes on October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. The assessed value of the property tax roll upon which the levy for the 2023-24 fiscal year was based was \$8,146,494,759. Taxes are delinquent if not paid by June 30. Delinquent taxes are subject to both penalty and interest charges plus 15 % delinquent collection fees for attorney costs.

The tax rates assessed for the year ended June 30, 2024, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$.7575 and \$0.47 per \$100 valuation, respectively, for a total of \$1.2275 per \$ 100 valuation.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
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Current tax collections for the year ended June 30, 2024 were 98.97% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of June 30, 2024, property taxes receivable, net of estimated uncollectible taxes, totaled \$986,522 and \$533,890 for the General and Debt Service Funds, respectively.

Property taxes are recorded as receivables and unavailable revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and therefore susceptible to accrual in accordance with Generally Accepted Accounting Principles have been recognized as revenue.

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NOTE 8. DEFINED BENEFIT PENSION PLAN

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

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

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

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 under a previous rule. There are no automatic post-employment benefit changes, including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

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

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

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	<u>2023</u>	<u>2024</u>
Contribution Rates		
Member	8.00%	8.25%
Non-Employer Contributing Entity (State)	8.00%	8.25%
Employers	8.00%	8.25%
Little Elm ISD FY2024 Employer Contributions		\$ 2,517,057
Little Elm ISD FY2024 Member Contributions		\$ 4,974,031
Little Elm ISD FY2024 NECE On-Behalf Contributions		\$ 3,304,564

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

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

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any part or all of an employee's salary is paid by federal funding source or a privately sponsored source, from non-educational and general, or local funds.
- All public schools must contribute 1.8 percent of the member's salary beginning in fiscal year 2023, gradually increasing to 2 percent in fiscal year 2025.

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

- When employing a retiree of the Teacher Retirement System the employer shall pay both the member contribution and the state contribution as an employment after retirement surcharge.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

Actuarial Assumptions. The total pension liability in the August 31, 2023 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	August 31, 2022 rolled forward to August 31, 2023
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term expected Investment Rate of Return	7.00%
Municipal Bond Rate as of August 2023	4.13%
Inflation	2.30%
Salary Increases Including Inflation	2.95% to 8.95%
Benefit Changes During the Year	None
Ad hoc Post Employment Benefit Changes	None

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The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2022. For a full description of these assumptions please see the actuarial valuation report dated November 22, 2022.

Discount Rate. A single discount rate of 7.00 percent was used to measure the total pension liability. The single discount rate was based on the expected rate of return on plan investments of 7.00 percent. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 9.50 percent of payroll in fiscal year 2024 gradually increasing to 9.56 percent in fiscal year 2025 and thereafter. This includes all employer and state contributions for active and rehired retirees.

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2023 are summarized below:

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024

Asset Class	Target Allocation ¹	Long-Term Expected Arithmetic Real Rate of Return ²	Expected Contribution To Long-Term Portfolio Returns
Global Equity			
U.S.	18%	4.0%	1.00%
Non-U.S. Developed	13%	4.5%	0.90%
Emerging Markets	9%	4.8%	0.70%
Private Equity	14%	7.0%	1.50%
Stable Value			
Government Bonds	16%	2.5%	0.50%
Absolute Return ⁴	0%	3.6%	0.00%
Stable Value Hedge Funds	5%	4.1%	0.20%
Real Return			
Real Estate	15%	4.9%	1.10%
Energy, Natural Resources	6%	4.8%	0.40%
Commodities	0%	4.4%	0.00%
Risk Parity			
Risk Parity	8%	4.5%	0.40%
Leverage			
Cash	2%	3.7%	0.00%
Asset Allocation Leverage	-6%	4.4%	-0.10%
Inflation Expectation	-		2.30%
Volatility Drag ³	-		-0.90%
Total	<u>100%</u>		<u>8.00%</u>

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Discount Rate Sensitivity Analysis. The following table presents the Net Pension Liability of the plan using the discount rate of 7.00 percent, and what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate.

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
Little Elm ISD's proportionate share of the net pension liability:	\$44,579,089	\$29,817,685	\$17,543,567

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2024, Little Elm Independent School District reported a liability of \$29,817,685 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to Little Elm Independent School District. The amount recognized by Little Elm Independent School District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with Little Elm Independent School District were as follows:

District's Proportionate share of the collective net pension liability	\$29,817,685
State's proportionate share that is associated with the District	<u>42,001,423</u>
Total	<u>\$71,819,108</u>

¹ Target allocations are based on the FY23 policy model.

² Capital Market Assumptions come from Aon Hewitt (as of 06/30/2023).

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

⁴ Absolute Return includes credit sensitive investments.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

The net pension liability was measured as of August 31, 2022 and rolled forward to August 31, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on the employer's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2022 thru August 31, 2023.

At August 31, 2023 the employer's proportion of the collective net pension liability was 0.04340884%, an increase of 3.99% from its proportionate share of 0.04174243% at August 31, 2022.

Changes in Assumptions and Benefits Since the Prior Actuarial Valuation.

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

The Texas 2023 Legislature passed legislation that provides a one-time stipend to certain retired teachers. The stipend was paid to retirees beginning in September of 2023. The Legislature appropriated funds to pay for this one-time stipend so there will be no impact on the net pension liability of TRS. In addition, the Legislature also provided for a cost of living adjustment (COLA) to retirees which was approved during the November 2023 elections which will be paid in January, 2024. Therefore, this contingent liability was not reflected as of August 31, 2023.

The amount of pension expense recognized by Little Elm Independent School District in the reporting period was \$5,393,417.

For the year ended June 30, 2024 Little Elm Independent School District recognized pension expense of \$3,143,052 and revenue of \$3,143,052 for support by the State.

At June 30, 2024, Little Elm Independent School District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (The amounts shown below will be the cumulative layers from the current and prior years combined.):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 1,062,414	\$ 361,060
Changes in actuarial assumptions	2,820,169	690,160
Difference between projected and actual investment earnings	4,339,197	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	2,408,934	804,364
Contributions paid to TRS subsequent to the measurement date	2,155,872	-
Total	\$12,786,586	\$1,855,584

The net amounts of the District's balances of deferred outflows and inflows of resources (not including the deferred contribution paid subsequent to the measurement date) related to pensions will be recognized in pension expense as follows:

Year ended June 30:	Pension Expense Amount	Balance of Deferred Outflows (Deferred Inflows)
2025	\$ 1,784,796	\$ 6,990,334
2026	1,210,105	5,780,229
2027	4,159,488	1,620,741
2028	1,420,505	200,236
2029	200,236	-
Thereafter	-	-

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

NOTE 9. DEFINED OTHER POST-EMPLOYMENT BENEFIT PLANS

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

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

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OPEB Plan Fiduciary Net Position. Detail information about the TRS-Care’s fiduciary net position is available in the separately-issued TRS Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at <http://www.trs.texas.gov/pages/aboutpublications.aspx>; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

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

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

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

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

* or surviving spouse

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

Texas Insurance Code, section 1575.202 establishes the state’s contribution rate which is 1.25% of the employee’s salary. Section 1575.203 establishes the active employee’s rate which is .65% of salary. Section 1575.204 establishes an employer contribution rate of not less than 0.25 percent or not more than 0.75 percent of the salary of each active employee of the public school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act, which is 0.75 percent of each active employee’s pay for fiscal year 2023. The following table shows contributions to the TRS-Care plan by type of contributor.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

	<u>Contribution Rates</u>	
	<u>2023</u>	<u>2024</u>
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private Funding remitted by Employers	1.25%	1.25%
Little Elm ISD FY24 Employer Contributions	\$505,028	
Little Elm ISD FY24 Member Contributions	\$393,894	
Little Elm ISD FY24 NECE On-behalf Contributions	\$712,428	

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

TRS-Care received supplemental appropriations from the State of Texas as the Non-Employer Contributing Entity in the amount of \$21.3 million in fiscal year 2023 provided by Rider 14 of the Senate Bill GAA of the 87th Legislature. These amounts were re-appropriated from amounts received by the pension and TRS-Care funds in excess of the state’s actual obligation and then transferred to TRS-Care.

Actuarial Assumptions. The actuarial valuation was performed as of August 31, 2022. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2023

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were updated based on the experience study performed for TRS for the period ending August 31, 2021.

The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2022 TRS pension actuarial valuation that was rolled forward to August 31, 2023:

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

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

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2022 rolled forward to August 31, 2023	
Actuarial Cost Method	Individual Entry Age Normal	
Inflation	2.30%	
Single Discount Rate	4.13%	
Aging Factors	Based on specific plan experience	
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs	80
Projected Salary Increases	2.95% to 8.95%, including inflation	
Election Rates	Normal Retirement: 62% participation prior to age 65 and 25% participation after age 65	
Ad hoc post-employment benefit changes	None	

Discount Rate. A single discount rate of 4.13% was used to measure the total OPEB liability. There was an increase of 0.22 percent in the discount rate since the previous year. Because the investments are held in cash and there is no intentional objective to advance fund the benefits, the single discount rate is equal to the prevailing municipal bond rate.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2023 using the fixed-income market data/yield curve/data municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

Discount Rate Sensitivity Analysis. The following schedule shows the impact of the Net OPEB Liability if the discount rate used was 1% less than and 1% greater than the discount rate that was used (4.13%) in measuring the Net OPEB Liability.

	1% Decrease in Discount Rate (3.13%)	Current Single Discount Rate (4.13%)	1% Increase in Discount Rate (5.13%)
District’s proportionate share of the Net OPEB Liability:	\$14,170,201	\$12,031,160	\$10,285,652

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

	1% Decrease in Healthcare Trend Rate	Current Single Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
District’s proportionate share of the Net OPEB Liability:	\$9,907,058	\$12,031,160	\$14,763,824

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2024, the District reported a liability of \$12,031,160 for its proportionate share of the TRS’s Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District.

**LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

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	\$12,031,160
State's proportionate share that is associated with the District	<u>\$14,517,444</u>
Total	<u>\$26,548,604</u>

The Net OPEB Liability was measured as of August 31, 2022 and rolled forward to August 31, 2023 and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer's proportion of the Net OPEB Liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2022 thru August 31, 2023.

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At August 31, 2023 the employer's proportion of the collective Net OPEB Liability was 0.054345444%, an increase of 2.34% compared to the August 31, 2022 proportionate share of 0.053102194%.

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

- The discount rate changed from 3.91 percent as of August 31, 2022 to 4.13 percent as of August 31, 2023, accompanied by revised demographic and economic assumptions based on the TRS experience study.

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

The amount of OPEB expense recognized by the District in the reporting period was \$(2,049,922).

For the year ended August 31, 2023, the District recognized OPEB expense of \$568,856 and revenue of \$568,856 for support provided by the State.

At June 30, 2024, the District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to other post-employment benefits related to OPEB from the following sources (the amounts shown below will be the cumulative layers for the current and prior years combined.):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 544,319	\$10,121,942
Changes in actuarial assumptions	1,642,166	7,366,999
Difference between projected and actual investment earnings	5,198	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	3,105,893	790,617
Contributions paid to TRS subsequent to the measurement date	428,335	-
Total	\$5,725,911	\$18,279,558

The net amounts of the employer's balances of deferred outflows and inflows of resources (not including the deferred contribution paid subsequent to the measurement date) related to OPEB will be recognized in OPEB expense as follows:

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

Year ended June 30:	OPEB Expense Amount	Balance of Deferred Outflows (Deferred Inflows)
2025	\$ (2,987,088)	\$ (9,994,894)
2026	(2,435,272)	(7,559,622)
2027	(1,688,212)	(5,871,410)
2028	(2,093,376)	(3,778,034)
2029	(1,639,609)	(2,148,425)
Thereafter	(2,138,425)	-

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NOTE 10. SCHOOL DISTRICT RETIREE HEALTH PLAN

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District. For the year ended June 30, 2024, the contribution made on behalf of the District was \$343,008.

NOTE 11. HEALTH CARE

During the year ended June 30, 2024, employees of Little Elm Independent School District were covered by the TRS-Active Care health insurance plan (the Plan). The District contributed \$397 per month per employee to the Plan and employees, at their option, authorized payroll withholdings to pay any additional contribution and contributions for dependents. All contributions were paid to a self-funded pool. The Plan was authorized by Section 21.922, Texas Education Code and was documented by contractual agreement.

NOTE 12. DUE FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal and state governments as of June 30 2024, are summarized below. All federal grants shown below are passed through the TEA and are reported on the financial statements as Due from Other Governments.

Fund	State Grant	Federal Grants	Total
General Fund	\$5,934,349	\$ -	\$5,934,349
Special Revenue	<u>419,843</u>	<u>1,070,253</u>	<u>1,490,096</u>
Total	<u>\$6,354,192</u>	<u>\$1,070,253</u>	<u>\$7,424,445</u>

NOTE 13. LITIGATION AND CONTINGENCIES

Minimum foundation funding received from the Agency is based primarily upon information concerning average daily attendance at the District's schools which is compiled by the District and supplied to the Agency. Federal funding for Food Services under child nutrition programs is based primarily upon the number and type of meals served and on user charges as reported to the USDA. Federal and state funding received related to various grant programs are based upon periodic reports detailing reimbursable expenditures made in compliance with program guidelines to the grantor agencies.

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

The programs are governed by various statutory rules and regulations of the grantors. Amounts received and receivable under these various funding programs are subject to periodic audit and adjustment by the funding agencies. To the extent, if any, that the District has not complied with all the rules and regulations with respect to performance, financial or otherwise, adjustment to or return of funding monies may be required. In the opinion of the District's administration, there are no significant contingent liabilities relating to matters of compliance and, accordingly, no provision has been made in the accompanying financial statements for such contingencies.

The Denton Central Appraisal District is a defendant in various lawsuits involving the property values assigned to property located within the District's boundaries on which the District assesses property taxes. The District could be required to refund property taxes paid on values which were greater than the ultimate final assessed valuation assigned by the court. Such lawsuits could continue several years into the future.

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NOTE 14. REVENUES FROM LOCAL AND INTERMEDIATE SOURCES

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

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total
Property Taxes	\$ 56,624,559	\$ -	\$ 35,041,437	\$ -	\$ 91,665,996
Food Sales	-	2,032,846	-	-	2,032,846
Investment Income	1,891,574	58,833	1,202,049	11,060,265	14,212,721
Penalties, interest and other tax related income	283,733	-	149,819	-	433,552
Co-curricular student activities	171,129	615,586	-	-	786,715
Other	690,423	32,568	-	-	722,991
Total	\$ 59,661,418	\$ 2,739,833	\$ 36,393,305	\$ 11,060,265	\$ 109,854,821

NOTE 15. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

	General Fund	Special Revenue Funds	Debt Service Fund	Total
State Aid	\$ -	\$ -	\$ -	\$ -
Tuition and Fees	571	-	-	571
Insurance	2,448	-	-	2,448
Grant Funds	-	42,828	-	42,828
Total	\$ 3,019	\$ 42,828	\$ -	\$ 45,847

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2024

NOTE 16. GENERAL FUND FEDERAL SOURCE REVENUES

<u>Program or Source</u>	<u>FALN Number</u>	<u>Amount</u>	<u>Total Grant or Entitlement</u>
General Fund:			
Impact Aid	84.041	\$1,909,447	\$1,909,447
Watershed Protection & Flood Control	10.904	289,040	289,040
SHARS		69,877	69,877
E-rate		831,209	831,209
Indirect Costs		<u>749,540</u>	<u>749,540</u>
Total for General Fund		<u>\$3,849,113</u>	<u>\$3,849,113</u>

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NOTE 17. CONSTRUCTION COMMITMENTS

As of June 30, 2024, the District had entered into construction contracts for construction and renovation projects totaling \$57.7 million. At June 30, 2024, there was \$42.5 million remaining costs under these contracts. These costs will be paid from the District’s Capital Projects Fund.

NOTE 18. INTERFUND TRANSFERS

During the year ended June 30, 2024, the District transferred \$2,781,465 to the special revenue fund (Growth/Transition Fund) to fund future projects and expenses required due to growth and a reduction in federal funding in the future.

NOTE 19. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

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

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

NOTE 20. PRIOR PERIOD ADJUSTMENT

As described in Note 4 during the current fiscal year the District implemented GASB Implementation Guide No. 2021-1 which provides guidance concerning the capitalization of a group of assets with individual values less than the capitalization threshold. As part of the implementation, the District recorded a prior period adjustment for \$939,281 increasing the beginning net position of the Governmental Activities. The net prior period adjustment was the result of an increase in capital assets of \$1,145,652 and an increase in accumulated depreciation of \$206,371.

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REQUIRED SUPPLEMENTARY INFORMATION

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2024

	FY 2024 <u>Plan Year 2023</u>	FY 2023 <u>Plan Year 2022</u>	FY 2022 <u>Plan Year 2021</u>
District's Proportion of the Net Pension Liability (Asset)	0.04340884%	0.04174243%	0.039616451%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 29,817,685	\$ 24,781,405	\$ 10,088,987
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	42,001,423	36,537,604	15,730,061
Total	<u>\$ 71,819,108</u>	<u>\$ 61,319,009</u>	<u>\$ 25,818,969</u>
District's Covered Payroll	\$ 58,568,210	\$ 54,067,763	\$ 49,699,556
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	50.91%	45.83%	20.30%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	73.15%	75.62%	88.79%

Note: GASB Codification, Vol. 2, P20.183 requires that the information on this schedule be data from the period corresponding with the periods covered as of the measurement dates of August 31, 2023 for year 2024, August 31, 2022 for year 2023, August 31, 2021 for year 2022, August 31, 2020 for year 2021, August 31, 2019 for year 2020, August 31, 2018 for year 2019, August 31, 2017 for year 2018, August 31, 2016 for year 2017, August 31, 2015 for year 2016 and August 31, 2014 for year 2015.

<u>FY 2021</u> <u>Plan Year 2020</u>	<u>FY 2020</u> <u>Plan Year 2019</u>	<u>FY 2019</u> <u>Plan Year 2018</u>	<u>FY 2018</u> <u>Plan Year 2017</u>	<u>FY 2017</u> <u>Plan Year 2016</u>	<u>FY 2016</u> <u>Plan Year 2015</u>	<u>FY 2015</u> <u>Plan Year 2014</u>
0.034981421%	0.0391078%	0.0409388%	0.0396664%	0.0393544%	0.038084%	0.0253074%
\$ 18,735,336	\$ 20,329,470	\$ 22,533,699	\$ 12,683,167	\$ 14,871,455	\$ 13,460,915	\$ 6,759,957
33,573,739	30,766,345	33,210,755	19,618,342	23,843,301	21,232,603	18,037,366
<u>\$ 52,309,075</u>	<u>\$ 51,095,815</u>	<u>\$ 55,744,454</u>	<u>\$ 32,301,509</u>	<u>\$ 38,714,756</u>	<u>\$ 34,693,518</u>	<u>\$ 24,797,323</u>
\$ 46,541,197	\$ 44,166,020	\$ 43,300,209	\$ 41,426,312	\$ 40,626,075	\$ 36,340,923	\$ 34,299,303
40.26%	46.03%	52.04%	30.62%	36.61%	37.04%	19.71%
75.54%	75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
 TEACHER RETIREMENT SYSTEM OF TEXAS
 FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023	2022
Contractually Required Contribution	\$ 2,517,057	\$ 2,179,161	\$ 1,640,356
Contribution in Relation to the Contractually Required Contribution	(2,517,057)	(2,179,161)	(1,640,356)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ 89
District's Covered Payroll	\$ 60,598,971	\$ 57,804,406	\$ 44,677,247
Contributions as a Percentage of Covered Payroll	4.15%	3.77%	3.67%

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

	2021	2020	2019	2018	2017	2016	2015
\$	1,690,257	\$ 1,443,435	\$ 1,368,512	\$ 1,379,178	\$ 1,309,535	\$ 1,250,351	1,127,615
	(1,690,257)	(1,443,435)	(1,368,512)	(1,379,178)	(1,309,535)	(1,250,351)	(1,127,615)
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	90-
\$	49,699,556	\$ 46,541,197	\$ 44,166,020	\$ 43,300,209	\$ 41,426,312	\$ 40,626,075	36,340,923
	3.40%	3.10%	3.10%	3.19%	3.16%	3.07%	3.10%

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
 TEACHER RETIREMENT SYSTEM OF TEXAS
 FOR THE YEAR ENDED JUNE 30, 2024

	FY 2024 Plan Year 2023	FY 2023 Plan Year 2022	FY 2022 Plan Year 2021
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.054345444%	0.053102194%	0.050846802%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 12,031,160	\$ 12,714,792	\$ 19,613,883 91
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	14,517,444	15,510,049	26,278,233
Total	<u>\$ 26,548,604</u>	<u>\$ 28,224,841</u>	<u>\$ 45,892,116</u>
District's Covered Payroll	\$ 58,568,210	\$ 54,067,763	\$ 49,699,556
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	20.54%	23.52%	39.46%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	14.94%	11.52%	6.18%

Note: GASB Codification, Vol. 2, P50.238 states that the information on this schedule should be determined as of the measurement date. The amounts for FY 2024 are for the measurement date of August 31, 2023. The amounts for FY 2023 are for the measurement date of August 31, 2022. The amounts reported for FY 2022 are for measurement date August 31, 2021. The amounts reported for FY 2021 are for the measurement date of August 31, 2020. The amounts for FY 2020 are for the measurement date August 31, 2019. The amounts for FY 2019 are for the measurement date August 31, 2018. The amounts for FY 2018 are based on the August 31, 2017 measurement date.

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

<u>FY 2021</u> <u>Plan Year 2020</u>	<u>FY 2020</u> <u>Plan Year 2019</u>	<u>FY 2019</u> <u>Plan Year 2018</u>	<u>FY 2018</u> <u>Plan Year 2017</u>
0.048684735%	0.0494296%	0.05133%	0.048687%
\$ 18,507,266	\$ 23,375,840	\$ 25,629,348	\$ 21,172,128
24,869,329	31,061,264	37,839,539	33,151,472
<u>\$ 43,376,595</u>	<u>\$ 54,437,104</u>	<u>\$ 63,468,887</u>	<u>\$ 54,323,600</u>
\$ 46,541,197	\$ 44,166,020	\$ 43,300,209	\$ 41,426,312
39.77%	52.93%	59.19%	51.11%
4.99%	2.66%	1.57%	0.91%

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
 TEACHER RETIREMENT SYSTEM OF TEXAS
 FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023	2022
Contractually Required Contribution	\$ 505,028	\$ 465,249	\$ 359,897
Contribution in Relation to the Contractually Required Contribution	(505,028)	(465,249)	(359,897)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ 93
District's Covered Payroll	\$ 60,598,971	\$ 57,804,406	\$ 44,677,247
Contributions as a Percentage of Covered Payroll	0.83%	0.80%	0.81%

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

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

	2021	2020	2019	2018
\$	397,162	\$ 370,040	\$ 350,816	\$ 343,937
	(397,162)	(370,040)	(350,816)	(343,937)
\$	-	\$ -	\$ -	-
\$	49,699,556	\$ 46,541,197	\$ 44,166,020	\$ 43,300,209
	0.80%	0.80%	0.79%	0.79%

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2024

PENSION LIABILITY:

Changes of benefit terms:

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

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Changes of assumptions:

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

OPEB LIABILITY:

Changes of benefit terms:

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

Changes of assumptions:

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

- The discount rate changed from 3.91 percent as of August 31, 2022 to 4.13 percent as of August 31, 2023. This change decreased the Total OPEB Liability.

COMBINING SCHEDULES

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2024

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	226 IDEA - Part B Discretionary	
ASSETS					
1110 Cash and Cash Equivalents	\$ (204,011)	\$ (132,520)	\$ 707	\$ (10,292)	
1240 Due from Other Governments	204,626	293,500	640	10,292	
1290 Other Receivables	-	-	-	-	97
1000 Total Assets	<u>\$ 615</u>	<u>\$ 160,980</u>	<u>\$ 1,347</u>	<u>\$ -</u>	
LIABILITIES					
2110 Accounts Payable	\$ 615	\$ -	\$ -	\$ -	
2160 Accrued Wages Payable	-	139,204	944	-	
2200 Accrued Expenditures	-	21,776	403	-	
2300 Unearned Revenue	-	-	-	-	
2000 Total Liabilities	<u>615</u>	<u>160,980</u>	<u>1,347</u>	<u>-</u>	
FUND BALANCES					
Restricted Fund Balance:					
3450 Federal or State Funds Grant Restriction	-	-	-	-	
Committed Fund Balance:					
3545 Other Committed Fund Balance	-	-	-	-	
Assigned Fund Balance:					
3590 Other Assigned Fund Balance	-	-	-	-	
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
4000 Total Liabilities and Fund Balances	<u>\$ 615</u>	<u>\$ 160,980</u>	<u>\$ 1,347</u>	<u>\$ -</u>	

240 National Breakfast and Lunch Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	280 ESSER III Homelss Children	282 ESSER III ARP Act	283 ESSER Supplemental	284 IDEA B Formula ARP Act
\$ 2,063,847	\$ (5,299)	\$ (63,011)	\$ (17,702)	-	\$ (64,438)	-	\$ -
23,072	5,299	63,011	17,702	-	444,460	-	-
90	-	-	-	-	-	-	-
<u>\$ 2,087,009</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 380,022</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 74,778	\$ -	\$ -	\$ -	\$ -	\$ 139,999	\$ -	\$ -
190,555	-	-	-	-	205,200	-	-
28,658	-	-	-	-	34,823	-	-
-	-	-	-	-	-	-	-
<u>293,991</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>380,022</u>	<u>-</u>	<u>-</u>
1,793,018	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>1,793,018</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 2,087,009</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 380,022</u>	<u>\$ -</u>	<u>\$ -</u>

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2024

Data Control Codes	289 Other Federal Special Revenue Funds	397 Advanced Placement Incentives	410 State Instructional Materials	429 Other State Special Revenue Funds		
ASSETS						
1110	Cash and Cash Equivalents	\$ (7,651)	\$ 3,955	\$ 42,950	\$ (419,843)	
1240	Due from Other Governments	7,651	-	-	419,843	
1290	Other Receivables	-	-	-	-	99
1000	Total Assets	\$ -	\$ 3,955	\$ 42,950	\$ -	
LIABILITIES						
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ -	
2160	Accrued Wages Payable	-	-	-	-	
2200	Accrued Expenditures	-	-	-	-	
2300	Unearned Revenue	-	-	42,828	-	
2000	Total Liabilities	-	-	42,828	-	
FUND BALANCES						
Restricted Fund Balance:						
3450	Federal or State Funds Grant Restriction	-	3,955	122	-	
Committed Fund Balance:						
3545	Other Committed Fund Balance	-	-	-	-	
Assigned Fund Balance:						
3590	Other Assigned Fund Balance	-	-	-	-	
3000	Total Fund Balances	-	3,955	122	-	
4000	Total Liabilities and Fund Balances	\$ -	\$ 3,955	\$ 42,950	\$ -	

461 Campus Activity Funds	491 Textbook Fund	492 Growth/ Transition Fund	499 Other Local Special Revenue Funds	Total Nonmajor Governmental Funds
\$ 446,730	\$ 15,789	\$ 13,000,780	\$ 71,729	\$ 14,721,720
-	-	-	-	1,490,096
1,113	-	-	150	1,353
<u>\$ 447,843</u>	<u>\$ 15,789</u>	<u>\$ 13,000,780</u>	<u>\$ 71,879</u>	<u>\$ 16,213,169</u>
\$ -	\$ -	\$ -	\$ -	\$ 215,392
-	-	-	-	535,903
-	-	-	-	85,660
-	-	-	-	42,828
-	-	-	-	879,783
-	-	-	-	1,797,095
447,843	15,789	-	71,879	535,511
-	-	13,000,780	-	13,000,780
<u>447,843</u>	<u>15,789</u>	<u>13,000,780</u>	<u>71,879</u>	<u>15,333,386</u>
<u>\$ 447,843</u>	<u>\$ 15,789</u>	<u>\$ 13,000,780</u>	<u>\$ 71,879</u>	<u>\$ 16,213,169</u>

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool	226 IDEA - Part B Discretionary	
REVENUES:					
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -	
5800 State Program Revenues	-	-	-	-	
5900 Federal Program Revenues	756,912	1,385,817	12,271	42,006	
5020 Total Revenues	756,912	1,385,817	12,271	42,006	101
EXPENDITURES:					
Current:					
0011 Instruction	574,992	568,095	12,271	42,006	
0012 Instructional Resources and Media Services	-	-	-	-	
0013 Curriculum and Instructional Staff Development	44,878	-	-	-	
0021 Instructional Leadership	-	108,394	-	-	
0023 School Leadership	1,398	-	-	-	
0031 Guidance, Counseling, and Evaluation Services	-	709,328	-	-	
0032 Social Work Services	-	-	-	-	
0033 Health Services	-	-	-	-	
0034 Student (Pupil) Transportation	-	-	-	-	
0035 Food Services	-	-	-	-	
0036 Extracurricular Activities	2,408	-	-	-	
0041 General Administration	-	-	-	-	
0052 Security and Monitoring Services	-	-	-	-	
0061 Community Services	133,236	-	-	-	
6030 Total Expenditures	756,912	1,385,817	12,271	42,006	
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	
OTHER FINANCING SOURCES (USES):					
7915 Transfers In	-	-	-	-	
1200 Net Change in Fund Balance	-	-	-	-	
0100 Fund Balance - July 1 (Beginning)	-	-	-	-	
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ -	

240 National Breakfast and Lunch Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	263 Title III, A English Lang. Acquisition	280 ESSER III Homelss Children	282 ESSER III ARP Act	283 ESSER Supplemental	284 IDEA B Formula ARP Act
\$ 2,091,679	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
26,380	-	-	-	-	-	-	-
2,811,353	66,752	225,217	164,726	25,473	2,353,395	232,377	11,209
4,929,412	66,752	225,217	164,726	25,473	2,353,395	232,377	11,209
-	63,794	-	68,260	-	1,591,728	32,852	3,319
-	-	-	-	-	29,915	(314)	-
-	2,958	224,738	95,576	-	252,006	142,514	-
-	-	479	890	-	104,931	-	-
-	-	-	-	-	-	28,753	-
-	-	-	-	-	61,935	8,473	7,890
-	-	-	-	-	152,511	13,728	-
-	-	-	-	25,473	-	-	-
-	-	-	-	-	160,369	-	-
5,783,166	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	6,371	-
-	-	-	-	-	-	-	-
5,783,166	66,752	225,217	164,726	25,473	2,353,395	232,377	11,209
(853,754)	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(853,754)	-	-	-	-	-	-	-
2,646,772	-	-	-	-	-	-	-
\$ 1,793,018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	289 Other Federal Special Revenue Funds	397 Advanced Placement Incentives	410 State Instructional Materials	429 Other State Special Revenue Funds	
REVENUES:					
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -	
5800 State Program Revenues	-	-	288,264	420,893	
5900 Federal Program Revenues	74,826	-	-	-	
5020 Total Revenues	74,826	-	288,264	420,893	103
EXPENDITURES:					
Current:					
0011 Instruction	23,138	-	288,264	-	
0012 Instructional Resources and Media Services	-	-	-	-	
0013 Curriculum and Instructional Staff Development	-	-	-	1,050	
0021 Instructional Leadership	-	-	-	-	
0023 School Leadership	-	-	-	-	
0031 Guidance, Counseling, and Evaluation Services	7,200	-	-	-	
0032 Social Work Services	-	-	-	-	
0033 Health Services	-	-	-	-	
0034 Student (Pupil) Transportation	-	-	-	-	
0035 Food Services	-	-	-	-	
0036 Extracurricular Activities	9,715	-	-	-	
0041 General Administration	-	-	-	-	
0052 Security and Monitoring Services	16,042	-	-	419,843	
0061 Community Services	18,731	-	-	-	
6030 Total Expenditures	74,826	-	288,264	420,893	
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	
OTHER FINANCING SOURCES (USES):					
7915 Transfers In	-	-	-	-	
1200 Net Change in Fund Balance	-	-	-	-	
0100 Fund Balance - July 1 (Beginning)	-	3,955	122	-	
3000 Fund Balance - June 30 (Ending)	\$ -	\$ 3,955	\$ 122	\$ -	

461 Campus Activity Funds	491 Textbook Fund	492 Growth/ Transition Fund	499 Other Local Special Revenue Funds	Total Nonmajor Governmental Funds
\$ 615,586	\$ -	\$ -	\$ 32,568	\$ 2,739,833
-	-	-	-	735,537
-	-	-	-	8,162,334
615,586	-	-	32,568	11,637,704
-	-	-	8,000	3,276,719
-	-	-	-	29,601
-	-	-	765	764,485
-	-	-	-	214,694
12,833	-	-	-	42,984
-	-	-	-	794,826
-	-	-	-	166,239
-	-	-	-	25,473
-	-	-	-	160,369
-	-	-	-	5,783,166
575,075	-	-	5,826	593,024
-	-	-	13,185	13,185
-	-	-	-	442,256
-	-	-	-	151,967
587,908	-	-	27,776	12,458,988
27,678	-	-	4,792	(821,284)
-	-	2,781,465	-	2,781,465
27,678	-	2,781,465	4,792	1,960,181
420,165	15,789	10,219,315	67,087	13,373,205
\$ 447,843	\$ 15,789	\$ 13,000,780	\$ 71,879	\$ 15,333,386

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REQUIRED T.E.A. SCHEDULES

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FOR THE YEAR ENDED JUNE 30, 2024

Last 10 Years	(1)	(2)	(3)	
	Tax Rates		Assessed/Appraised Value for School Tax Purposes	
	Maintenance	Debt Service		
2015 and prior years	Various	Various	\$ Various	107
2016	1.170000	0.370000	2,674,137,297	
2017	1.170000	0.370000	3,245,898,900	
2018	1.170000	0.370000	3,904,942,803	
2019	1.170000	0.470000	4,710,400,731	
2020	1.068300	0.470000	5,226,184,446	
2021	1.023600	0.470000	5,615,229,100	
2022	0.960300	0.470000	6,307,564,145	
2023	0.942900	0.470000	7,374,331,381	
2024 (School year under audit)	0.757500	0.470000	8,146,494,759	
1000 TOTALS				
8000 Total Taxes Refunded Under Section 26.1115, Tax Code				

	(10) Beginning Balance 7/1/2023	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2024	(99) Taxes Refunded Under Section 26.1115c
\$	130,903	\$ -	\$ 5,500	\$ 2,645	\$ (18,653)	\$ 104,105	108
	21,070	-	3,054	966	-	17,050	
	35,711	-	6,134	1,940	1	27,638	
	42,538	-	6,349	2,008	-	34,181	
	60,116	-	3,962	1,592	(563)	53,999	
	198,398	-	99,706	43,866	5,822	60,648	
	208,186	-	156,984	72,081	103,331	82,452	
	235,847	-	122,976	60,188	86,439	139,122	
	991,815	-	214,376	106,858	(505,356)	165,225	
	-	91,696,499	56,005,514	34,749,296	-	941,689	
\$	<u>1,924,584</u>	\$ <u>91,696,499</u>	\$ <u>56,624,555</u>	\$ <u>35,041,440</u>	\$ <u>(328,979)</u>	\$ <u>1,626,109</u>	
							\$ <u>58,776</u>

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 2,382,731	\$ 2,085,774	\$ 2,091,679	\$ 5,905
5800 State Program Revenues	20,000	517,970	26,380	(491,590)
5900 Federal Program Revenues	3,500,000	3,830,561	2,811,353	(1,019,208)
5020 Total Revenues	5,902,731	6,434,305	4,929,412	(1,504,893)
EXPENDITURES:				
Current:				
0035 Food Services	5,902,731	7,738,555	5,783,166	1,955,389
6030 Total Expenditures	5,902,731	7,738,555	5,783,166	1,955,389
1200 Net Change in Fund Balances	-	(1,304,250)	(853,754)	450,496
0100 Fund Balance - July 1 (Beginning)	2,646,772	2,646,772	2,646,772	-
3000 Fund Balance - June 30 (Ending)	\$ 2,646,772	\$ 1,342,522	\$ 1,793,018	\$ 450,496

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2024

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 34,347,125	\$ 34,347,125	\$ 36,393,305	\$ 2,046,180
5800 State Program Revenues	200,626	200,626	2,400,034	2,199,408
5020 Total Revenues	34,547,751	34,547,751	38,793,339	4,245,588
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Liabilities	6,540,000	6,540,000	6,539,267	733
0072 Interest on Long-Term Liabilities	24,680,625	24,680,625	24,351,359	329,266
0073 Bond Issuance Cost and Fees	3,327,126	3,327,126	15,500	3,311,626
6030 Total Expenditures	34,547,751	34,547,751	30,906,126	3,641,625
1200 Net Change in Fund Balances	-	-	7,887,213	7,887,213
0100 Fund Balance - July 1 (Beginning)	24,349,504	24,349,504	24,349,504	-
3000 Fund Balance - June 30 (Ending)	\$ 24,349,504	\$ 24,349,504	\$ 32,236,717	\$ 7,887,213

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAMS
 FOR THE YEAR ENDED JUNE 30, 2024

Section A: Compensatory Education Programs

AP1	Did your district expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes	
AP2	Does the district have written policies and procedures for its state compensatory education program?	Yes	111
AP3	Total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$5,832,530	
AP4	Actual direct program expenditures for state compensatory education programs during the district's fiscal year. (PICs 24,26,28,29,30)	\$3,014,905	

Section B: Bilingual Education Programs

AP5	Did your district expend any bilingual education program state allotment funds during the district's fiscal year?	Yes	
AP6	Does the district have written policies and procedures for its bilingual education program?	Yes	
AP7	Total state allotment funds received for bilingual education programs during the district's fiscal year.	\$1,254,590	
AP8	Actual direct program expenditures for bilingual education programs during the district's fiscal year. (PIC 25)	\$706,815	

FEDERAL AWARDS SECTION

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INDEPENDENT AUDITORS' 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*

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To the Board of Trustees
Little Elm Independent School District
Little Elm, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Little Elm Independent School District, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Little Elm Independent School District's basic financial statements, and have issued our report dated October 17, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

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October 17, 2024

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

To the Board of Trustees
Little Elm Independent School District
Little Elm, Texas

Report on Compliance for Each Major Federal Program

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Opinion on Each Major Federal Program

We have audited Little Elm 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 Little Elm Independent School District's major federal programs for the year ended June 30, 2024. Little Elm 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, Little Elm Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Little Elm 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 Little Elm 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 Little Elm Independent School District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

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

October 17, 2024

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2024

I. Summary of Auditor's Results

1. Type of auditor's report issued on the financial statements: Unmodified.
2. Internal control over financial reporting:
Material weakness(es) identified: None
Significant deficiency(ies) identified that are not considered to be material weaknesses: None reported
3. Noncompliance which is material to the financial statements: None
4. Internal controls over major federal programs:
Material weakness(es) identified: None
Significant deficiency(ies) identified that are not considered to be material weaknesses: No
5. Type of auditor's report on compliance for major federal programs: Unmodified.
6. Did the audit disclose findings which are required to be reported in accordance with 2 CFR 200.516(a)?: No
7. Major programs include:
FALN 84.010A ESEA, Title I, Part A - Improving Basic Programs

Special Education Cluster:
FALN 84.027A IDEA-Part B, Formula
FALN 84.027A IDEA-Part B, Discretionary
FALN 84.027X COVID 19 - IDEA, Part B, Formula - (ARP)
FALN 84.173A IDEA-Part B, Preschool

FALN 84.367A ESEA, Title II, Part A - Teacher & Principal Training
8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
9. Low risk auditee: Yes

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II. Findings Related to the Financial Statements which are Required to be Reported in Accordance with *Generally Accepted Government Auditing Standards*

None

III. Findings and Questioned Costs Related to Federal Awards

None

IV. Other Findings

None

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF STATUS OF PRIOR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2024

No Prior Findings.

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LITTLE ELM INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2024

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Direct Programs</u>			
Impact Aid - P.L. 81.874	84.041	S041A-2024-5019	\$ 1,909,447
Total Direct Programs			<u>1,909,447</u>
<u>Passed Through Texas Education Agency</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	24610101061914	796,408
*IDEA - Part B, Formula	84.027A	24660001061914	1,458,128
*IDEA - Part B, Discretionary	84.027A	24660001061914	42,006
*COVID 19 - IDEA, Part B, Formula - (ARP)	84.027X	245350010619145350	11,794
Total Assistance Listing Number 84.027			<u>1,511,928</u>
Total Special Education Cluster (IDEA)			<u>1,524,839</u>
Career and Technical - Basic Grant	84.048A	24420006061914	70,235
*IDEA - Part B, Preschool	84.173A	24661001061914	12,911
Title III, Part A - English Language Acquisition	84.365A	24671001061914	173,321
ESEA, Title II, Part A, Teacher Principal Training	84.367A	24694501061914	236,045
Summer School LEP	84.369A	69552302	7,347
ESEA Title IV, Part A - Student Support	84.424A	24680101061914	71,000
COVID 19 - ESSER III - School Emergency Relief	84.425D	21521001061914	2,353,395
COVID 19 - Supplemental ESSER Fund	84.425U	21521001061914	273,238
COVID 19 - ARP Education for Homeless Children	84.425W	24533002061914	25,473
Total Assistance Listing Number 84.425			<u>2,652,106</u>
Total Passed Through Texas Education Agency			<u>5,531,301</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>7,440,748</u>
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the Texas Department of Agriculture</u>			
*School Breakfast Program	10.553	NT4XL1YGLGC5	693,056
*National School Lunch Program - Cash Assistance	10.555	NT4XL1YGLGC5	2,079,930
*National School Lunch Prog. - Non-Cash Assistance	10.555	NT4XL1YGLGC5	260,479
*NSLP Supply Chain Assistance	10.555	NT4XL1YGLGC5	347,107
Total Assistance Listing Number 10.555			<u>2,687,516</u>
Total Child Nutrition Cluster			<u>3,380,572</u>
Watershed Protection & Flood Control	10.904	806780706	289,081
Total Passed Through the Texas Department of Agriculture			<u>3,669,653</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>3,669,653</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 11,110,401</u>
*Clustered Programs			

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See Accompanying Notes to the Schedule of Expenditures of Federal Awards

LITTLE ELM INDEPENDENT SCHOOL DISTRICT
 NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2024

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

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

- The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 90 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Performance of Federal Funds, 3 CFR Section 200.343 (b).
- FALN numbers for commodity assistance are the FALN numbers of the programs under which USDA donated the commodities.
- Indirect cost reimbursement for federal programs for this fiscal year was received in the amount of \$749,540.
- Reconciliation Information:

Amount reported on the Schedule of Expenditures of Federal awards	\$11,110,401
SHARS Revenue reported in the General Fund	69,877
E-rate	<u>831,209</u>
Total Federal Program Revenue	<u>\$12,011,447</u>

Board Agenda Item

Little Elm Independent School District
400 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 10-21-2024	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	CONSIDER TERMINATION OF THE TRANSPORTATION AGREEMENT WITH STUDENT TRANSPORTATION OF AMERICA, INC. DOING BUSINESS AS GOLDSTAR TRANSIT, INC.				
Presenter or Contact Person:	Jesse Wyse, Chief Financial Officer				
Policy/Code:	CH(LOCAL), CH(LEGAL)				
Strategic Plan Goal:	Ensuring Fiscal Health and Sustainability				
Summary:	<p>The Administration is seeking approval to terminate the transportation agreement with Student Transportation of America, Inc. doing business as Goldstar Transit, Inc. Goldstar Transit will continue to serve the district throughout the current school and fiscal year.</p> <p>Little Elm ISD will bring transportation services in-house beginning with the 2025-2026 school year, with an estimated savings to the District of \$700,000 annually. Under a separate agenda item, the district seeks approval to hire a Director of Transportation to begin developing the LEISD operated Transportation Department.</p>				
Financial Implications:	Approximately \$700,000 annual budget savings				
Attachments:	Under separate cover				

Recommendation: | **The Administration recommends the Board of Trustees terminate the transportation agreement with Student Transportation of America, Inc., doing business as Goldstar Transit, Inc., and delegate authority to the Superintendent or his designee to send the notice of termination.**

Motion: | **I move that the Board terminate the transportation agreement with Student Transportation of America, Inc., doing business as Goldstar Transit, Inc., and delegate authority to the Superintendent or his designee to send the notice of termination.**

Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 10-21-2024	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	NEW FTE REQUEST - DIRECTOR FOR TRANSPORTATION SERVICES				
Presenter or Contact Person:	Asheley Brown, Executive Director for Human Resource Services				
Policy/Code:	DCA, DCB, DC, and DCE as appropriate				
Strategic Plan Goal:	We will recruit, recognize, and retain high quality and effective personnel to support student success at every level.				
Summary:	District administration has been reviewing strategies to decrease the budget deficit and will bring transportation services in-house (ending the outsourcing). With this decision, a new position - Director for Transportation Services - will be needed to manage the transportation needs for the district.				
Financial Implications:	Approximately \$100,000				
Attachments:	N/A				
Recommendation:	The Administration recommends approval of the Director for Transportation Services position as submitted.				
Motion:	I move the Board approve the Director for Transportation Services position as submitted.				

Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 10-21-2024	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	HIRING OF DIRECTOR FOR NETWORK AND TECHNOLOGY SERVICES				
Presenter or Contact Person:	Asheley Brown, Executive Director of Human Resource Services				
Policy/Code:	DEAA, DEA, DEAB as appropriate				
Strategic Plan Goal:	We will recruit, recognize, and retain high quality and effective personnel to support student success at every level.				
Summary:	As a result of our selection process, we are bringing to the Board for consideration, our recommendation for Director for Network and Technology Services.				
Financial Implications:	N/A				
Attachments:	Under separate cover.				
Recommendation:	The Administration recommends approval of the hire of the new Director for Network and Technology Services as discussed in closed session.				
Motion:	I move the Board approve the hire of the new Director for Network and Technology Services as discussed in closed session.				

Board Agenda Item

Little Elm Independent School District

400 Lobo Lane

Little Elm, Texas 75068

Board Mtg. Date 10-21-2024	Reports of the Superintendent <input type="checkbox"/>	Action Item <input type="checkbox"/>	Consent Agenda <input checked="" type="checkbox"/>	Reports, Routine Monthly <input type="checkbox"/>	Other <input type="checkbox"/>
Subject:	RECLASSIFICATION OF SPECIAL POPULATIONS INSTRUCTIONAL ASSISTANT POSITION				
Presenter or Contact Person:	Asheley Brown, Executive Director of Human Resource Services				
Policy/Code:	DCA, DCB, DC, and DCE as appropriate				
Strategic Plan Goal:	We will recruit, recognize, and retain high quality and effective personnel to support student success at every level.				
Summary:	As the needs of our special education students across the district are continuously being assessed and reviewed, there is a need for a Special Education instructional assistant position to be reclassified as detailed below: <ul style="list-style-type: none">• Special Education Resource/Inclusion Instructional Assistant (178 days; clerk/paraprofessional paygrade 1) at Prestwick reclassified to a Special Education Life Skills Instructional Assistant at Prestwick (178 days; clerk/paraprofessional paygrade 3).				
Financial Implications:	There will be no additional impact on the budget, as Clerk/Paraprofessional paygrades 1 and 3 have the same minimum rate of pay (\$15/hour).				
Attachments:	N/A				
Recommendation:	The Administration recommends approval of the reclassification of the Special Education paraprofessional FTE for Prestwick Elementary School as submitted.				
Motion:	I move the Board approve the reclassification of Special Education paraprofessional FTE for Prestwick Elementary School as submitted.				

Board Agenda Item

Little Elm Independent School District
400 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
10-21-2024	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	2024-2025 CAMPUS IMPROVEMENT PLANS				
Presenter or Contact Person:	Dr. Penny Tramel, Assistant Superintendent for Curriculum and Learning				
Policy/Code:	N/A				
Strategic Plan Goal:	Destination 2030 Strategic Plan				
Summary:	The District will present the Campus Improvement Plans aligned to the Destination 2030 Strategic Plan.				
Financial Implications:	There is no financial implication to the budget other than the cost of implementing action steps in the improvement plan.				
Attachments:	Under separate cover				
Recommendation:	I recommend the Board approve the 2024-2025 Campus Improvement Plan Goals and Objectives as submitted.				
Motion:	I move the Board approve the 2024-2025 Campus Improvement Plans as submitted.				

Board Agenda Item

Little Elm Independent School District
400 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 10-21-2024	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	FINANCIAL REPORTS - AUGUST 2024				
Presenter or Contact Person:	Jesse Wyse, Chief Financial Officer				
Policy/Code:	Board Legal Status Powers and Duties - BAA (LOCAL) Annual Operating Budget - CE (LOCAL)				
Strategic Plan Goal:	Ensuring Fiscal Health & Sustainability				
Summary:	Monthly financial reports are prepared by the Business Services Department. <i>*Financial report format currently under construction for improved clarity for end users.</i>				
Financial Implications:	As this is a report only, there are no direct financial implications. Each month, financial reports are prepared detailing the status of the District's budget as of the most recent accounting period. The following reports are included to provide financial transparency.				
Attachments:	Financial Reports Expenditures by Major Object (for Board Adopted Funds 199, 240, 511) Budget to Actuals (for Board Adopted Funds 199, 240, 511) Cash Flow Statement Cash Position Property Tax Collection Reports				

Recommendation: | **The Administration recommends approval of the August 2024 Financial Reports as presented.**

Motion: | **I move that the Board approve the August 2024 Financial Reports as presented.**

Financial Report

August

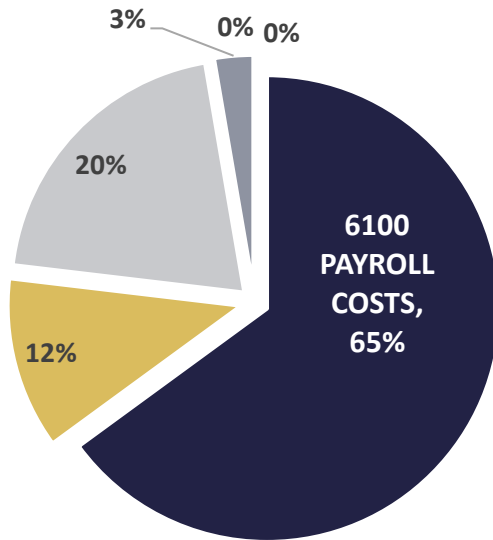


- **Budget to Actuals**
- **Expenditures by Major Object**
- **Cash Position**
- **Property Tax Collection Report**
- **Capital Project Reports**

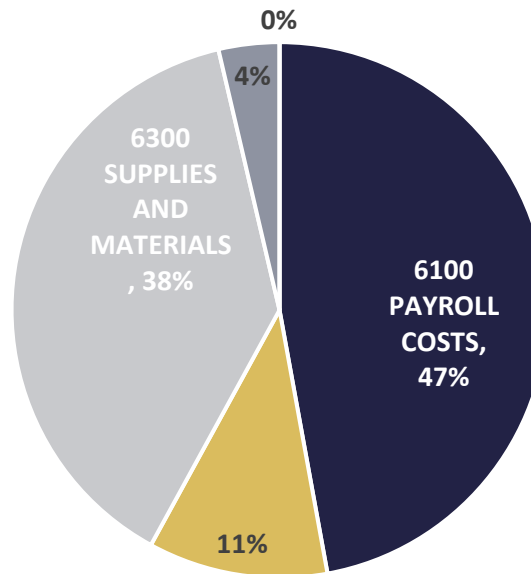
Revenue and Expenditures
By Major Object Code
Through Accounting Period: August 2024



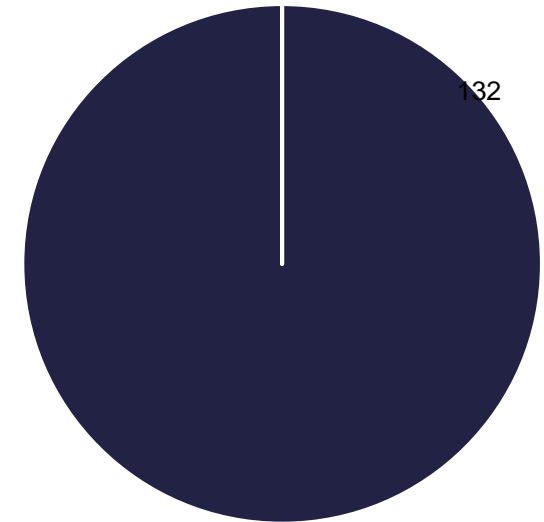
General Fund - 199



Child Nutrition - 240



DEBT SERVICE - 511



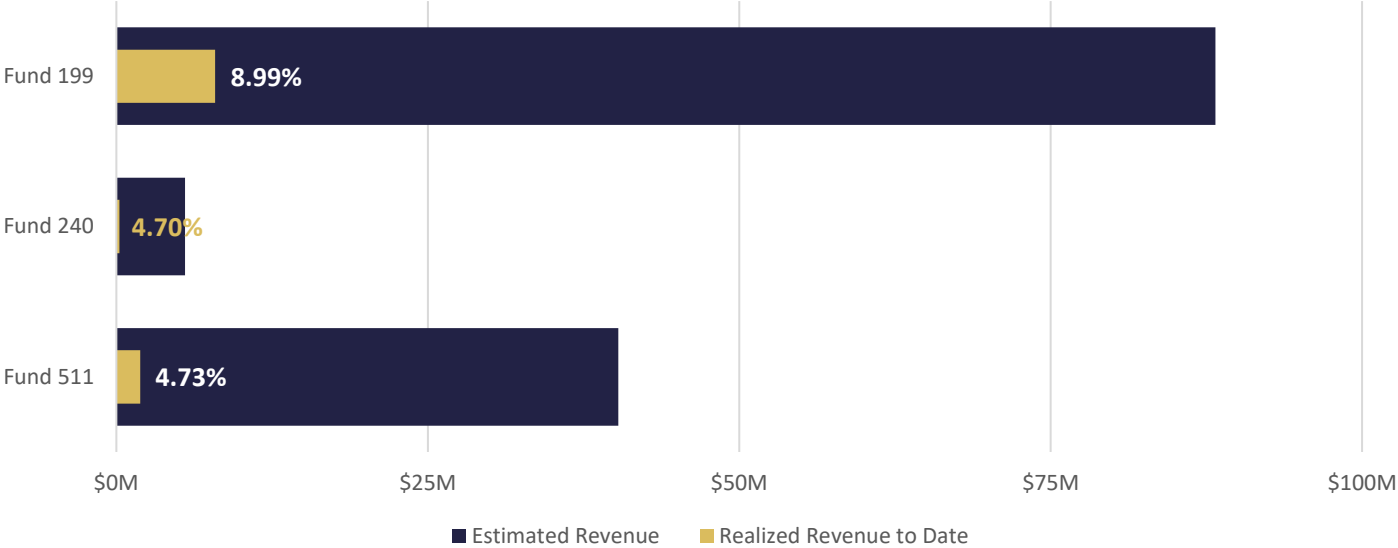
- 6100 PAYROLL COSTS
- 6200 PROFESSIONAL & CONTRACTED
- 6300 SUPPLIES AND MATERIALS
- 6400 OTHER OPERATING COSTS
- 6500 DEBT SERVICE
- 6600 CPTL OUTLY LAND BLDG & EQUIP

- 6100 PAYROLL COSTS
- 6200 PROFESSIONAL & CONTRACTED
- 6300 SUPPLIES AND MATERIALS
- 6400 OTHER OPERATING COSTS
- 6600 CPTL OUTLY LAND BLDG & EQUIP

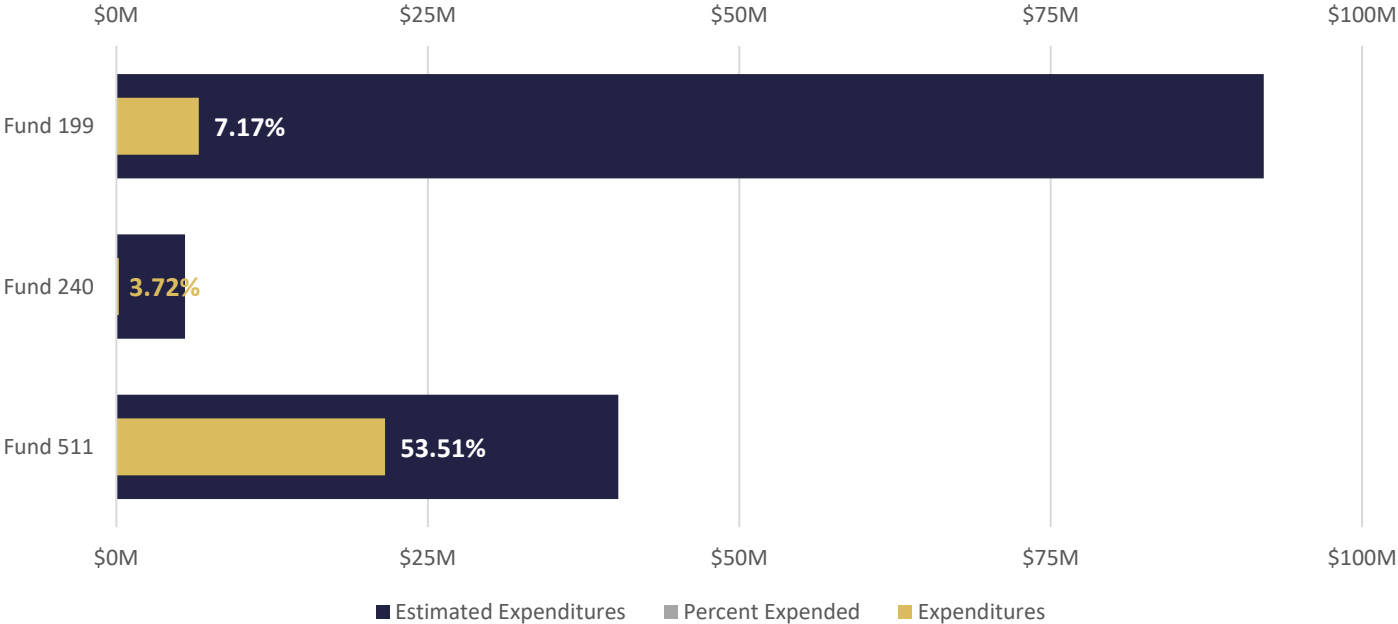
- 6500 DEBT SERVICE



Revenue: Estimated vs. Realized



Expenditures: Estimated vs. Expended



Revenues and Expenditures by Major Object Code
 LITTLE ELM I.S.D
 Accounting Periods: 07 through 08
 ACTUALS FOR THE MONTH OF AUGUST

<u>Class/Major Object Code</u>	<u>Est Rev/Approp</u>	<u>Encumbrances</u>	<u>Real Rev/Exp</u>	<u>Balances</u>
Fund Code 199 / 5 - GENERAL FUND				
6100 PAYROLL COSTS	-69,279,709.65	.00	4,291,212.91	-64,988,496.74
6200 PROFESSIONAL & CONTRACTED SVS	-15,188,036.35	8,697,785.18	787,964.05	-5,702,287.12
6300 SUPPLIES AND MATERIALS	-4,460,706.00	788,410.31	1,348,792.33	-2,323,503.36
6400 OTHER OPERATING COSTS	-3,148,627.00	272,721.07	178,500.89	-2,697,405.04
6600 CPTL OUTLY LAND BLDG & EQUIP	-38,102.00	19,906.00	.00	-18,196.00
Subtotals for Fund 199 / 5	-92,115,181.00	9,778,822.56	6,606,470.18	-75,729,888.26
Fund Code 240 / 5 - NATL BREAKFAST/LUNCH PROGRAM				
6100 PAYROLL COSTS	-2,182,446.00	.00	96,305.89	-2,086,140.11
6200 PROFESSIONAL & CONTRACTED SVS	-222,000.00	71,436.00	22,151.09	-128,412.91
6300 SUPPLIES AND MATERIALS	-3,049,554.00	2,038,800.00	78,377.27	-932,376.73
6400 OTHER OPERATING COSTS	-36,000.00	3,629.20	7,494.37	-24,876.43
6600 CPTL OUTLY LAND BLDG & EQUIP	-10,000.00	.00	.00	-10,000.00
Subtotals for Fund 240 / 5	-5,500,000.00	2,113,865.20	204,328.62	-3,181,806.18
Fund Code 511 / 5 - DEBT SERVICE FUND				
6500 DEBT SERVICE	-40,300,000.00	7,700.00	21,563,212.73	-18,729,087.27
Subtotals for Fund 511 / 5	-40,300,000.00	7,700.00	21,563,212.73	-18,729,087.27
Grand Totals	-137,915,181.00	11,900,387.76	28,374,011.53	-97,640,781.71

End of Report

Revenues and Expenditures by Major Object Code
 LITTLE ELM I.S.D
 Accounting Periods: 07 through 08
 ACTUALS FOR THE MONTH OF AUGUST

<u>Class/Major Object Code</u>	<u>Est Rev/Approp</u>	<u>Encumbrances</u>	<u>Real Rev/Exp</u>	<u>Balances</u>
Fund Code 199 / 5 - GENERAL FUND				
5700 REVENUE-LOCAL AND INTERMEDIATE	64,368,559.00	.00	-446,270.18	63,922,288.82
5800 STATE PROGRAM REVENUES	21,370,441.00	.00	-7,487,509.75	13,882,931.25
5900 FEDERAL PROGRAM REVENUES	2,500,000.00	.00	-826.55	2,499,173.45
Subtotals for Fund 199 / 5	88,239,000.00	.00	-7,934,606.48	80,304,393.52
Fund Code 240 / 5 - NATL BREAKFAST/LUNCH PROGRAM				
5700 REVENUE-LOCAL AND INTERMEDIATE	2,291,461.00	.00	-198,163.00	2,093,298.00
5800 STATE PROGRAM REVENUES	20,000.00	.00	-2,360.70	17,639.30
5900 FEDERAL PROGRAM REVENUES	3,188,539.00	.00	-57,812.00	3,130,727.00
Subtotals for Fund 240 / 5	5,500,000.00	.00	-258,335.70	5,241,664.30
Fund Code 511 / 5 - DEBT SERVICE FUND				
5700 REVENUE-LOCAL AND INTERMEDIATE	36,296,000.00	.00	-274,249.40	36,021,750.60
5800 STATE PROGRAM REVENUES	4,004,000.00	.00	-1,631,931.00	2,372,069.00
Subtotals for Fund 511 / 5	40,300,000.00	.00	-1,906,180.40	38,393,819.60
Grand Totals	134,039,000.00	.00	-10,099,122.58	123,939,877.42

End of Report

**Little Elm Independent School District
General Operating Cash Flow Statement
FY 2024-2025**

	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	TOTAL
<i>Beginning Cash Balance in Bank</i>	31,927,385.78	32,041,095.02											31,927,385.78
RECEIPTS													
Tax Collections	0.00	0.00											-
Interest	52,515.56	42,720.29											95,235.85
Other Local Revenue	68,126.63	165,699.08											233,825.71
State Revenue - Available School	402.78	423.77											826.55
State Revenue - Foundation	190,418.00	649,150.00											839,568.00
State Revenue - Debt Service	-	5,909,657.00											5,909,657.00
State Revenue - Misc	1,631,931.00	-											1,631,931.00
SHARS Receipts	534,149.95	420,397.00											954,546.95
Federal Program Revenue	475,849.08	571,333.29											1,047,182.37
Federal Program Revenue 240	25,362.05	70.50											25,432.55
Lunch Revenue - local 240	3,983.05	182,283.28											186,266.33
Payroll Deposits	1,826.86	1,569.39											3,396.25
Transfers from Debt Service	-	-											-
Transfers from Investment Acct	7,000,000.00	-											7,000,000.00
Total Revenue	9,984,564.96	7,943,303.60	-	-	-	-	-	-	-	-	-	-	17,927,868.56
DISBURSEMENTS													
Payroll Checks	4,806,054.74	4,000,213.61											8,806,268.35
Accounts Payable Checks	6,923,786.15	5,184,443.07											12,108,229.22
TRS	-	1,208,130.79											1,208,130.79
IRS	528,381.69	458,548.15											986,929.84
Bank Charges/ NSF's/Bk Trans	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	12,258,222.58	10,851,335.62	-	-	-	-	-	-	-	-	-	-	23,109,558.20
Cash Transfer to TEA	-	-	-	-	-	-	-	-	-	-	-	-	-
Cash Transfer to Debt Service	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers to Investment Accounts	-	-	-	-	-	-	-	-	-	-	-	-	-
In Transit	(2,387,366.86)	514,431.81	-	-	-	-	-	-	-	-	-	-	(1,872,935.05)
Total Expenditures & Transfers	9,870,855.72	11,365,767.43	-	-	-	-	-	-	-	-	-	-	21,236,623.15
Net Change in Cash	113,709.24	(3,422,463.83)	-	-	-	-	-	-	-	-	-	-	(3,308,754.59)
Ending Cash Balance	32,041,095.02	28,618,631.19	-	-	-	-	-	-	-	-	-	-	28,618,631.19
Beginning Cash Balance Lone Star	18,999,277.92	19,085,771.21											18,999,277.92
Beginning Cash Balance TexStar	1,601,636.17	1,608,863.58											1,601,636.17
Beginning Cash Balance Texas Class	93,458,589.96	193,658,474.35											93,458,589.96
Beginning Cash Balance TX Class UMB	100,097,529.96	100,474,301.34											100,097,529.96
Interest Earned Lone Star	86,493.29	86,717.49											173,210.78
Interest Earned TexStar	7,227.41	7,233.74											14,461.15
Interest Earned TexasClass	552,983.75	887,837.12											1,440,820.87
Interest Earned TexasClass UMB	-	328,278.52											328,278.52
Transfers in	108,442,193.87	129,016.06											108,571,209.93
Transfers out	(8,418,521.85)	(2,187,461.10)											(10,605,982.95)
In Transit	52,230.97	3,359.33											3,359.33
Ending Cash Balance Invested	314,879,641.45	314,082,391.64	-	-	-	-	-	-	-	-	-	-	314,082,391.64
TOTAL CASH AVAILABLE	346,920,736.47	342,701,022.83	-	-	-	-	-	-	-	-	-	-	342,701,022.83

0001 - GENERAL OPERATING

Cash Ending Balance:	21,886,961.22
Add Investment:	
Total:	21,886,961.22

0002 - PAYROLL CLEARING

Cash Ending Balance:	11,627.05
Add Investment:	
Total:	11,627.05

0003 - DEBT SERVICE

Cash Ending Balance:	3,735,186.35
Add Investment:	
Total:	3,735,186.35

0004 - CREDIT CARD

Cash Ending Balance:	28,797.51
Add Investment:	
Total:	28,797.51

0005 - ECR

Cash Ending Balance:	10,000,000.00
Add Investment:	
Total:	10,000,000.00

0006 - LONESTAR

Cash Ending Balance:	18,999,277.92
Add Investment:	
Total:	18,999,277.92

0007 - TEXSTAR

Cash Ending Balance:	1,601,636.17
Add Investment:	
Total:	1,601,636.17

0008 - TEXAS CLASS

Cash Ending Balance:	193,570,035.85
Add Investment:	
Total:	193,570,035.85

0009 - TEXPOOL

Cash Ending Balance:	28,540,473.41
Add Investment:	
Total:	28,540,473.41

TOTALS

Cash Ending Balance	278,373,995.48
Add Investment Balance	.00
Totals	278,373,995.48

End of Report

0001 - GENERAL OPERATING

Cash Ending Balance:	-3,431,674.08
Add Investment:	
Total:	-3,431,674.08

0002 - PAYROLL CLEARING

Cash Ending Balance:	-2,103.43
Add Investment:	
Total:	-2,103.43

0003 - DEBT SERVICE

Cash Ending Balance:	28,022.14
Add Investment:	
Total:	28,022.14

0004 - CREDIT CARD

Cash Ending Balance:	125,022.92
Add Investment:	
Total:	125,022.92

0005 - ECR

Cash Ending Balance:	.00
Add Investment:	
Total:	.00

0006 - LONESTAR

Cash Ending Balance:	173,210.78
Add Investment:	
Total:	173,210.78

0007 - TEXSTAR

Cash Ending Balance:	14,461.15
Add Investment:	
Total:	14,461.15

0008 - TEXAS CLASS

Cash Ending Balance:	99,723,769.77
Add Investment:	
Total:	99,723,769.77

0009 - TEXPOOL

Cash Ending Balance:	-21,203,028.29
Add Investment:	
Total:	-21,203,028.29

TOTALS

Cash Ending Balance	75,427,680.96
Add Investment Balance	.00
Totals	75,427,680.96

End of Report

Denton County Tax Office

Run Date: 9/3/2024 2:49:07PM

Distribution Summary 2 Report

Page 1 of 2

Deposit Date from 8/1/2024 to 8/31/2024 and Tax Units = 60

S10- LITTLE ELM ISD

Cur. Levy M&O	60,295.60	Del. Levy M&O	8,264.31
Cur. Interest M&O	2,966.34	Del. Interest M&O	1,951.95
Cur. Penalty M&O	5,373.76	Del. Penalty M&O	985.75
Cur. Rendition Penalty M&O	306.71		
Total Current M&O	68,942.41	Total Delinquent M&O	11,202.01
Cur. Levy I&S	37,411.11	Del. Levy I&S	4,090.69
Cur. Interest I&S	1,826.92	Del. Interest I&S	964.09
Cur. Penalty I&S	3,310.10	Del. Penalty I&S	487.93
Cur. Rendition Penalty I&S	0.00		
Total Current I&S	42,548.13	Total Delinquent I&S	5,542.71
Cur. Levy S1	0.00	Del. Levy S1	0.00
Cur. Interest S1	0.00	Del. Interest S1	0.00
Cur. Penalty S1	0.00	Del. Penalty S1	0.00
Cur. Rendition Penalty S1	0.00		
Total Current S1	0.00	Total Delinquent S1	0.00

Cur. Levy	97,706.71	Del. Levy	12,355.00
Cur. Interest	4,793.26	Del. Interest	2,916.04
Cur. Penalty	8,683.86	Del. Penalty	1,473.68
Cur. Rendition Penalty	306.71		
Total Current	111,490.54	Total Delinquent	16,744.72

Grand Total M&O	80,144.42	School Fund Coding Totals (if applicable)	
Grand Total I&S	48,090.84	M&O Current Year	199-5711 60,295.60
Grand Total S1	0.00	M&O Prior Years	199-5712 8,264.31
Total Due to Jurisdiction	128,235.26	M&O Penalty & Interest	199-5719 11,584.51
Total Due to Delq Tax Atty	19,709.06	I&S Current Year	599-5711 37,411.11
		I&S Prior Year	599-5712 4,090.69
		I&S Penalty & Interest	599-5719 6,589.04

Denton County Tax Office

Run Date: 9/3/2024 2:49:07PM

Distribution Summary 2 Report

Page 2 of 2

Deposit Date from 8/1/2024 to 8/31/2024 and Tax Units = 60

- GRAND TOTALS

Cur. Levy M&O	60,295.60	Del. Levy M&O	8,264.31
Cur. Interest M&O	2,966.34	Del. Interest M&O	1,951.95
Cur. Penalty M&O	5,373.76	Del. Penalty M&O	985.75
Cur. Rendition Penalty M&O	306.71		
Total Current M&O	68,942.41	Total Delinquent M&O	11,202.01
Cur. Levy I&S	37,411.11	Del. Levy I&S	4,090.69
Cur. Interest I&S	1,826.92	Del. Interest I&S	964.09
Cur. Penalty I&S	3,310.10	Del. Penalty I&S	487.93
Cur. Rendition Penalty I&S	0.00		
Total Current I&S	42,548.13	Total Delinquent I&S	5,542.71
Cur. Levy S1	0.00	Del. Levy S1	0.00
Cur. Interest S1	0.00	Del. Interest S1	0.00
Cur. Penalty S1	0.00	Del. Penalty S1	0.00
Cur. Rendition Penalty S1	0.00		
Total Current S1	0.00	Total Delinquent S1	0.00

Cur. Levy	97,706.71	Del. Levy	12,355.00
Cur. Interest	4,793.26	Del. Interest	2,916.04
Cur. Penalty	8,683.86	Del. Penalty	1,473.68
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Grand Total M&O	80,144.42	School Fund Coding Totals (if applicable)	
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Total Due to Jurisdiction	128,235.26	M&O Penalty & Interest	199-5719 11,584.51
Total Due to Delq Tax Atty	19,709.06	I&S Current Year	599-5711 37,411.11
		I&S Prior Year	599-5712 4,090.69
		I&S Penalty & Interest	599-5719 6,589.04



High School Renovations

Budgeted \$164,550,000

Expended \$ 5,265,727

Dr. Ashley B. Glover Elementary¹⁴²

Budgeted \$42,300,000

Expended \$ 0

\$289,500,000

Bond Package

Lakewood Elementary

Budgeted \$50,400,000

Expended \$ 7,645,540

Safety/Technology/Building Upgrades

Budgeted \$32,250,000

Expended \$ 9,205,417



Safety & Security

Budgeted \$9,500,000

Expended \$4,792,418

Technology

Budgeted \$7,000,000

Expended \$ 429,281

\$32,250,000

**Safety/Technology/Building
Upgrades/Transportation**

Interior/Exterior Upgrades

Budgeted \$15,445,000

Expended \$ 3,983,718

Transportation

Budgeted \$305,000

Expended \$ 0

Board Agenda Item

Little Elm Independent School District
400 Lobo Lane
Little Elm, Texas 75068

Board Mtg. Date	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
10-21-2024	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	2024-2025 BUDGET AMENDMENT #1				
Presenter or Contact Person:	Jesse Wyse, Chief Financial Officer				
Policy/Code:	CE (LOCAL)				
Strategic Plan Goal:	Ensuring Fiscal Health and Sustainability				
Summary:	<p>Each June, the Board of Trustees adopts a general operating, student nutrition, and debt service fund budget based on the district's calculation of estimated revenue and expenditures. The expenditure is adopted at the "functional" level, meaning that each major category defined by the Texas Education Code is identified and funds are allocated between each function. Once adopted, the administration operates within that budget, although it is a working document. The administration has the authority to move funds from account to account, as long as no overall function is exceeded. When it becomes necessary to increase or decrease a function, it requires Board approval. We are requesting the first budget amendment for 2024-2025. We will continue to review our revenue and expenditures compared with the original budget to recommend future amendments as needed.</p>				
Financial Implications:	<p>The fiscal implications of this action fulfill legal requirements and allow the administration to operate within the confines of the functional expenditures approved by the Board.</p>				
Attachments:	2024-2025 Budget Amendment #1				

Recommendation: | The Administration recommends approval of the 2024-2025 Budget Amendment #1 as submitted.

Motion: | The move the Board approve the 2024-2025 Budget Amendment #1 as submitted.



Little Elm ISD

2024-2025 Adopted Budget

Combined Funds

	General Fund	Student Nutrition Fund	Debt Service Fund	Combined Total
Estimated Revenue				
5700 - Local Revenue	\$63,619,985	\$2,000,000	\$36,296,000	\$101,915,985
5800 - State Revenue	\$22,242,908	\$25,000	\$4,004,000	\$26,271,908
5900 - Federal Revenue	\$2,500,000	\$3,475,000		\$5,975,000
Total Revenue	\$88,362,893	\$5,500,000	\$40,300,000	\$134,162,893
Appropriations				
11 - Instruction	\$49,811,567			\$49,811,567
12 - Instructional Resources	\$1,189,475			\$1,189,475
13 - Instructional Staff Development	\$2,438,000			\$2,438,000
21 - Instructional Leadership	\$1,257,879			\$1,257,879
23 - School Administration	\$5,344,532			\$5,344,532
31 - Guidance & Counseling	\$3,086,816			\$3,086,816
32 - Social Work Services	\$168,010			\$168,010
33 - Health Services	\$877,196			\$877,196
34 - Student Transportation	\$3,986,300			\$3,986,300
35 - Food Services	\$175,158	\$5,500,000		\$5,675,158
36 - Extra Curricular Activities	\$2,678,638			\$2,678,638
41 - General Administration	\$3,738,325			\$3,738,325
51 - Plant Maintenance & Operations	\$10,981,519			\$10,981,519
52 - Security	\$1,710,386			\$1,710,386
53 - Data Processing Services	\$2,228,102			\$2,228,102
61 - Community Services	\$45,463			\$45,463
71 - Debt Service	\$0		\$40,300,000	\$40,300,000
81 - Facilities & Construction	\$18,615			\$18,615
91 - Recapture Payments	\$1,803,093			\$1,803,093
95 - JJAEP	\$50,000			\$50,000
99 - Other Intergovernmental Charges	\$650,000			\$650,000
Total Appropriations	\$92,239,074	\$5,500,000	\$40,300,000	\$138,039,074
Net Surplus/(Deficit)	(\$3,876,181)	\$0	\$0	(\$3,876,181)
Transfer In from Transition Fund Balance	\$3,876,181			\$3,876,181
Adjusted net Surplus/(Deficit)	\$0	\$0	\$0	\$0

This proposed budget amendment for the 2024-25 school year was adopted at a meeting of the School Board of Trustees on October 21, 2024 as evidenced in the Official School Board Minutes. I certify that budget preparation & adoption is in accordance with Chapter 44 of the Texas Education Code.

Board President

Date

Board Secretary

Date

Board Agenda Item

Little Elm Independent School District
3400 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Discussion Item
Board Mtg. Date 10-21-2024	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	REQUEST FOR PROPOSAL #2024-005 FOOD CATERING SERVICES				
Presenter or Contact Person:	Jesse Wyse, Chief Financial Officer				
Policy/Code:	CH (LEGAL)				
Summary:	The Food Catering Services RFP results/recommendations for monthly approval.				
Financial Implications:	N/A				
Attachments:	RFP #2024-005 vendor list				
Recommendation:	The Administration recommends approval of the vendors for Food Catering Services as submitted.				
Motion:	I move that the Board approve the list of Food Catering Services vendors dated October 21, 2024 as submitted.				

**RFP #2024-005 Food Catering Services
Awarded Vendor(s)**

Awarded: 10/21/2024

Rovin Inc dba Babe's Chicken Dinner House - Frisco
Onward Management Group LLC dba Marcos Pizza & The Halal Guys
The Marroquin Group LLC dba Chick-fil-A

Board Agenda Item

Little Elm Independent School District
400 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 10-21-2024	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	APPROVAL OF 2024 TAX ROLL				
Presenter or Contact Person:	Jesse Wyse, Chief Financial Officer				
Policy/Code:	Texas Property Tax Code Section 26.09				
Strategic Plan Goal:	Ensuring Fiscal Health and Sustainability				
Summary:	TASB recommends the governing body of the school district to approve the tax roll. The 2024 tax roll lists the total levy for Little Elm ISD. The tax roll is prepared by the Denton County Tax Assessor/Collector using taxable value information provided by the Denton County Appraisal District and combining it with the tax rate adopted by Little Elm ISD.				
Financial Implications:	N/A				
Attachments:	2024 LEISD Tax Roll Summary				
Recommendation:	The Administration recommends the Board of Trustees approve the 2024 Little Elm ISD Tax Roll as submitted.				
Motion:	I move that the Board approve the 2024 Little Elm ISD Tax Roll as submitted.				

2024 TAX ROLL SUMMARY

S10 - LITTLE ELM ISD

	Amount	Count
NUMBER OF ACCOUNTS		26,253
MARKET VALUES		
ROLLCODE: MOBILE HOME		
Improvement	\$14,299,746	
Improvement Non-Home Site	\$116,199	
ROLLCODE: PERSONAL		
Personal	\$226,721,080	
ROLLCODE: REAL		
Agriculture	\$98,056,647	
Improvement	\$7,348,609,310	
Improvement Non-Home Site	\$663,737,789	
Land	\$2,723,623,163	
Land Aq Land	\$73,741	
Land Non-Home Site	\$677,996,542	
	TOTAL MARKET VALUE	\$11,753,234,217
DEFERRALS		
Aq 1D1	\$98,056,647	122
	TOTAL DEFERRALS	\$98,056,647
EXEMPTIONS		
100% Disabled Veteran	\$112,813,812	297
23.231 Circuit Breaker Limitation	\$62,464,011	1,283
Cap Adjustment, XT	\$650,028,715	10,609
Contract Abatement	\$0	9
Disabled	\$1,210,000	134
Disabled Veteran 10% to 29%	\$797,350	104
Disabled Veteran 30% to 49%	\$601,500	66
Disabled Veteran 50% to 69%	\$842,500	83
Disabled Veteran 70% to 100%	\$1,794,000	382
Economic Development - XL	\$13,940,441	6
Energy, XR	\$309,676	2
First Responder Surviving Spouse	\$351,196	1
Freeport	\$600,688	2
General Homestead	\$1,445,155,162	14,799
Homestead	\$1,370,766	17
Low Income Housing, XD, XA	\$0	1
Medical / Biomedical	\$78,676,664	1
Member Armed Svcs Surviving Sps	\$316,888	1
Miscellaneous - XV	\$445,878,913	951
Nominal Value	\$108,648	139
Other Exemption, XF, XH, XU	\$60,191	2
Over 65	\$43,620,772	4,599
Personal Use Vehicle, XN	\$147,226	7
Pollution Control	\$17,106	1
Private Schools- XJ	\$5,434,703	5
Surviving Spouse	\$1,034,430	114
Surviving Spouse 100% Disabled Vet	\$5,340,272	18
	TOTAL EXEMPTIONS	\$2,872,915,630
	150	

2024 TAX ROLL SUMMARY

S10 - LITTLE ELM ISD

GRAND TOTAL FOR DEFERRALS AND EXEMPTIONS		\$2,970,972,277	
TOTAL MARKET VALUE		\$11,753,234,217	
TAXABLE VALUE		\$8,782,261,940	
TAX RATE		1.2252	
ROLLCODE: MOBILE HOME			
Levy	\$125,471.60		567
ROLLCODE: PERSONAL			
Levy	\$1,795,873.35		742
ROLLCODE: REAL			
Levy	\$95,940,415.29		24,944
	TOTAL LEVY	\$97,861,760.24	
LEVY LOST DUE TO FROZEN		\$9,732,675.64	
OTHER LOST LEVY		\$5,838.35	
TOTAL LOST LEVY		\$9,738,513.99	

Calculation Analysis

	Calc Levy	- Tax Amount	=	Diff.	Market Value	Exemption	Taxable Value
Frozen	19,788,855.64	10,056,180.00		9,732,675.64	2,359,373,771	744,220,688	1,615,153,083
DV100 (Excl. Frozen)	19,255.15	13,416.80		5,838.35	109,213,092	81,070,097	28,142,995
Prorated (Excl. Frozen)	0.00	0.00		0.00	0	0	0
Other	87,792,163.44	87,792,163.44		0.00	9,284,647,354	2,145,681,492	7,138,965,862
Total	<u>107,600,274.23</u>	<u>97,861,760.24</u>		<u>9,738,513.99</u>	<u>11,753,234,217</u>	<u>2,970,972,277</u>	<u>8,782,261,940</u>
DV100 (Incl. Frozen)	8,080.04	2,491.29		5,588.75	47,104,037	31,743,715	15,360,322
Prorated (Incl. Frozen)	0.00	0.00		0.00	0	0	0

Board Agenda Item

Little Elm Independent School District
400 Lobo Lane
Little Elm, Texas 75068

	Reports of the Superintendent	Action Item	Consent Agenda	Reports, Routine Monthly	Other
Board Mtg. Date 10-21-2024	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Subject:	COSERV ELECTRIC LINE EASEMENT				
Presenter or Contact Person:	Mickey James, Executive Director of Construction				
Policy/Code:	CVD (LOCAL)				
Strategic Plan Goal:	To ensure fiscal health & sustainability.				
Summary:	Consider approval to grant an electric line easement to CoServ on 0.057 acres, more or less, on District real property located at High Ridge Drive, situated in the William Loftin Survey, Abstract No. 750, in the Town of Lakewood Village, Denton County, Texas.				
Financial Implications:	None				
Attachments:	Proposal from Walsh Gallegos & CoServ				
Recommendation:	The Administration recommends the approval of this electric line easement to CoServ as presented, and to authorize the Superintendent or his designee to negotiate and execute the easement.				
Motion:	I move that the Board approve granting this electric line easement to CoServ on 0.057 acres, more or less, on District real property located at High Ridge Drive and delegate authority to the Superintendent to negotiate and execute the easement.				

After Recording, Return to:

Kevin W. Haney
McGinnis Lochridge LLP
c/o 7701 South Stemmons Freeway
Corinth, Texas 76210

For CoServ Use Only:	
MAP GRID:	_____
WO NO.:	1098936
SO NO.:	_____
EASEMENT NO.:	_____

ELECTRIC LINE EASEMENT AND RIGHT-OF-WAY

STATE OF TEXAS §
 §
COUNTY OF DENTON §

KNOW ALL MEN BY THESE PRESENTS:

EFFECTIVE DATE: _____, 2024

GRANTOR: BOARD OF TRUSTEES OF THE LITTLE ELM INDEPENDENT SCHOOL DISTRICT, an independent school district and political subdivision of the State of Texas

GRANTOR’S MAILING ADDRESS (including county): Board of Trustees of the Little Elm ISD
400 Lobo Lane
Little Elm, Denton County, Texas 75068
Attention: _____
E-Mail: _____

GRANTEE: DENTON COUNTY ELECTRIC COOPERATIVE, INC., d/b/a COSERV ELECTRIC
7701 South Stemmons Freeway
Corinth, Denton County, Texas 76210
Attention: President
E-Mail: legalnotices@coserv.com

CONSIDERATION: The provision of electrical service and/or other benefits inuring to GRANTOR and/or Ten and No/100’s dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of some consideration deemed valuable to GRANTOR being hereby expressly acknowledged and accepted by GRANTOR.

EASEMENT PROPERTY: The EASEMENT PROPERTY is that certain tract or tracts of land more particularly described in the attached Exhibit A, incorporated herein by this reference for all purposes, together with the subsurface below and air space above the tract(s) of land.

PROJECT: Except as otherwise provided in this paragraph, the PROJECT(s) means underground-type electric transmission and/or underground-type electric distribution line or lines, consisting of a variable number and sizes of wires, cables, and circuits, and all necessary or desirable appurtenances, appliances, facilities and equipment (including but not limited to supporting structures, insulators, above-ground padmounted transformers and equipment, and other facilities whether made of wood, metal or other materials). No overhead electric transmission and/or electric distribution line is to be permanently installed within the EASEMENT PROPERTY.

GRANT: GRANTOR, for the CONSIDERATION received by GRANTOR, hereby grants, sells, and conveys to GRANTEE a non-exclusive easement appurtenant and right-of-way in, upon, and across the EASEMENT PROPERTY, together with all and singular the rights and appurtenances thereto in any wise belonging (the foregoing being hereinafter collectively referred to as the “EASEMENT”), to have and hold it to GRANTEE and GRANTEE’s successors and assigns forever. Notwithstanding anything to the contrary herein, GRANTOR may not grant any other easement within the EASEMENT PROPERTY for providing electric utility service, but GRANTOR may otherwise grant any other easements within the EASEMENT PROPERTY and use and enjoy the EASEMENT PROPERTY, subject to the provisions related to PERMITTED IMPROVEMENTS and MINERALS below, and GRANTOR may grant or convey other interests in the EASEMENT PROPERTY to third parties, as long as any such easement, use, enjoyment or interest granted or conveyed does not unreasonably interfere with the rights granted to GRANTEE herein.

PURPOSE: This Electric Line Easement and Right-of-Way (this “EASEMENT AGREEMENT”) does not constitute a conveyance of the EASEMENT PROPERTY, nor of the minerals therein and thereunder, but grants only an easement. The EASEMENT herein granted shall be used for the purpose of providing electric utility service, constructing, placing, operating, maintaining, reconstructing, replacing, relocating, reconstituting, changing the size or nature of, rebuilding, upgrading, expanding, removing, inspecting, patrolling, and/or repairing the PROJECT(s) or any part of the PROJECT(s), and making connections to GRANTEE’s electric system. The PURPOSE shall also include use of the EASEMENT granted herein for any use directly related to the PROJECT(s) or financing of the PROJECT(s), including but not limited to performing archeological, historical, environmental, or other studies. GRANTEE shall have the right to place

temporary poles, towers, anchorages, guys, and supporting structures for use in erecting or repairing the PROJECT(s). Any temporary poles, towers, anchorages, guys, and supporting structures must be removed once the PROJECT(s) is erected or repaired, as determined by GRANTEE. GRANTEE shall have the right to temporarily use such portions of the property along and adjacent to the EASEMENT PROPERTY and right-of-way as may be reasonably necessary in connection with the PURPOSE stated, or any one or more of them relating to the PROJECT(s), or any part thereof, from time to time; provided, however, (i) such use shall be in a manner as may be reasonably necessary in connection with the PURPOSE, (ii) no portion of the PROJECT(s) shall be installed outside the EASEMENT PROPERTY, and (iii) except as may be reasonably necessary in connection with GRANTEE's exercise of the rights and privileges granted herein, GRANTEE shall not park and/or store any of its vehicles, equipment or materials on the EASEMENT PROPERTY or on GRANTOR's adjacent property without making reasonable efforts to provide GRANTOR prior notice thereof.

ACCESS: GRANTEE shall have the right of pedestrian, equipment, and vehicular ingress and egress at all times upon and across the EASEMENT PROPERTY for the above stated PURPOSE. GRANTEE shall also have the right of pedestrian, equipment, and vehicular ingress and egress over existing roads across the adjacent or remainder property of GRANTOR for the purpose of obtaining access. In the event that access is not reasonably available over existing roads, GRANTEE shall have the right of reasonable pedestrian, equipment, and vehicular ingress and egress over the adjacent property of GRANTOR along any route that is reasonable and appropriate under the circumstances then existing in order to obtain access.

TERM: The EASEMENT granted herein, as well as the covenants made herein, shall be perpetual and appurtenant to the land, unless expressly abandoned in writing by GRANTEE for a continuous period of 10 years.

TREES: GRANTEE shall have the right to cut, trim, chemically treat with herbicides, and/or remove trees, shrubs, bushes, brush and vegetation within or adjacent to the EASEMENT PROPERTY if the growth or location of such trees, shrubs, bushes, brush or vegetation unreasonably interferes with the rights granted to GRANTEE herein.

STRUCTURES: GRANTOR shall not construct or locate on the EASEMENT PROPERTY any structure, obstruction or improvement, except that GRANTOR shall be permitted to place within the EASEMENT PROPERTY paved driveways, paved parking areas, paved sidewalks, paved walkways, concrete curbing, and landscaping that does not unreasonably restrict or prevent GRANTEE from utilizing the EASEMENT PROPERTY for the stated PURPOSE (collectively, the "PERMITTED IMPROVEMENTS"). Upon the request of GRANTEE, GRANTOR promptly shall remove from the EASEMENT PROPERTY any structure, improvement, or obstruction that GRANTEE determines in its reasonable discretion must be removed in connection with its use of the EASEMENT PROPERTY for the stated PURPOSE; provided, however, if such structure, improvement or obstruction requested to be removed by GRANTEE is a PERMITTED IMPROVEMENT, the cost of removal and the cost to restore and/or replace such PERMITTED IMPROVEMENT shall be borne by GRANTOR. In all other events, the cost of removal of any structures, improvements or obstructions shall be borne by GRANTEE. Additionally, if GRANTOR fails to promptly remove the item requested by GRANTEE, GRANTEE shall have the right to remove same from the EASEMENT PROPERTY with the cost of removal and the cost of any subsequent restoration and/or replacement to be borne by the applicable of GRANTOR or GRANTEE as provided above in this paragraph.

DAMAGES: It is understood and agreed that the CONSIDERATION received by GRANTOR includes adequate compensation for the grant of the EASEMENT contained in this instrument and any damages arising out of GRANTEE's lawful exercise of any PURPOSE. GRANTEE shall not be liable for damages caused by keeping the EASEMENT PROPERTY clear of trees, undergrowth, brush, and obstructions. Notwithstanding the foregoing, GRANTEE shall repair and/or restore the surface of the EASEMENT PROPERTY and the surface of GRANTOR's adjacent property to substantially the same condition as existed immediately prior to any damage thereto that is directly caused by GRANTEE's exercise of its rights hereunder; provided, however, that in no event shall GRANTEE have any obligation or liability to repair and/or restore any structure, obstruction or improvement located on the EASEMENT PROPERTY that is not permitted to be located thereon in this instrument. GRANTEE shall not cause or permit any construction lien to be filed against the EASEMENT PROPERTY in connection with GRANTEE's exercise of its rights hereunder.

MINERALS: GRANTOR expressly reserves all oil, gas, and other minerals owned by GRANTOR in, on, and under the EASEMENT PROPERTY, provided that GRANTOR shall not be permitted to, and shall not allow any party to, drill or excavate for minerals on or from the surface of the EASEMENT PROPERTY, but GRANTOR may extract oil, gas, or other minerals from and under the EASEMENT PROPERTY by directional drilling or other means which do not interfere with or disturb GRANTEE's use of the EASEMENT PROPERTY. GRANTOR agrees to consult with GRANTEE concerning the location of GRANTEE's facilities in the EASEMENT PROPERTY prior to exercising GRANTOR's rights under this paragraph. GRANTOR, to the extent permitted by law and without waiving any governmental immunities and rights, indemnifies and agrees to hold GRANTEE harmless from and against all losses, costs, expenses, and other claims that may be suffered by, or otherwise claimed against GRANTEE in whole or in part due to GRANTOR's exercise of its rights under this paragraph.

OWNERSHIP: GRANTOR agrees that all poles, wires, cables, circuits, appurtenances, facilities, appliances and equipment installed upon the EASEMENT PROPERTY shall at all times remain the property of the GRANTEE and are removable at the option of the GRANTEE, regardless of the extent to which such items are attached or affiliated to the EASEMENT PROPERTY or any improvements

thereon, or the extent to which removal of such items may damage such items or the EASEMENT PROPERTY or improvements located thereon.

AUTHORITY: GRANTOR represents and warrants to GRANTEE that GRANTOR has the full right, power, and authority to execute and deliver this EASEMENT AGREEMENT, that this EASEMENT AGREEMENT does not violate the terms or provisions of any other agreement to which GRANTOR is a party (including from any mortgage) or to which the EASEMENT PROPERTY is subject, that each person signing this EASEMENT AGREEMENT on behalf of GRANTOR is authorized to do so, and that GRANTOR has obtained any and all third party consents (including from any mortgagee) necessary for the execution and delivery of this EASEMENT AGREEMENT. This conveyance is made and accepted subject to any and all conditions and restrictions, if any, affecting the EASEMENT PROPERTY to the extent that the same may still be in force and effect, filed of record in the Real Property Records of Denton County, Texas. If GRANTEE so desires, GRANTEE may perform title work at GRANTEE's sole cost and expense, to confirm whether there are any recorded liens, attachments, easements, or other encumbrances which would affect the title or right of GRANTOR to convey the EASEMENT to GRANTEE for the for the PURPOSE.

ASSIGNMENT AND MISCELLANEOUS: This instrument, and the terms and conditions contained herein, shall inure to the benefit of and be binding upon GRANTEE and GRANTOR, and their respective heirs, personal and legal representatives, successors, and assigns, and shall be covenants running with the land for the benefit of GRANTEE. When the context requires, singular nouns and pronouns include the plural. When appropriate, the term "GRANTEE" includes the employees, authorized agents, licensees and permittees of GRANTEE. GRANTEE shall have the right to assign this instrument, and the rights and privileges hereunder in favor of GRANTEE, in whole or in part.

MULTIPLE COUNTERPARTS: This EASEMENT AGREEMENT may be executed in multiple counterparts, each of which shall be deemed an original for all purposes and all of which shall be deemed collectively to be one and the same instrument.

FEES AND EXPENSES: If either party institutes legal action to enforce its rights under this EASEMENT AGREEMENT, the prevailing party will be entitled to recover its reasonable attorneys' fees and other costs so incurred

GOVERNING LAW AND VENUE: This EASEMENT AGREEMENT shall be governed by and interpreted pursuant to the laws of the State of Texas, without regard to its conflict of laws. Exclusive venue of any action between GRANTOR and GRANTEE arising out of or related to this EASEMENT AGREEMENT shall be in the state courts located in Denton County, Texas, and the federal courts located in Dallas County, Texas, and each of the parties hereby submits to the personal jurisdiction of such courts for such purpose.

IMMUNITY: By signing this EASEMENT AGREEMENT, GRANTOR does not waive its right of governmental immunity provided under law to GRANTOR.

COMPLIANCE WITH LAWS: GRANTEE, at GRANTEE's sole cost and expense shall comply in all material respects with all governmental ordinances, zoning, laws and regulations, now existing or hereinafter enacted, and any requirements imposed by any court of law applicable to GRANTEE's use of the EASEMENT PROPERTY and related to the PURPOSE described herein.

INSURANCE: If requested by GRANTOR, but not more often than once in any one (1) calendar year, GRANTEE shall provide to GRANTOR a certificate(s) of insurance evidencing GRANTEE's insurance coverage and policy limits.

WARRANTY: The EASEMENT is conveyed and accepted in its "AS-IS" "WHERE IS" condition, with no warranties or representations, express or implied, other than the warranty of title expressly stated herein. GRANTOR warrants and shall forever defend the EASEMENT to GRANTEE against anyone lawfully claiming or to claim the EASEMENT or any part thereof, by, through, or under GRANTOR, but not otherwise, subject to those matters set forth in instruments recorded in the Real Property Records of Denton County, Texas, to the extent such matters are in full force and effect and actually affect the EASEMENT PROPERTY.

{Remainder of page intentionally left blank.}

EXECUTED as of the EFFECTIVE DATE.

GRANTOR:

**BOARD OF TRUSTEES OF THE LITTLE ELM
INDEPENDENT SCHOOL DISTRICT**

By: _____

Name: _____

Title: _____

THE STATE OF _____ §

§

COUNTY OF _____ §

This instrument was acknowledged before me on this _____ day of _____, 2024,
by _____,
of the Board of Trustees of the Little Elm Independent School District, an independent school district and political subdivision of the State
of Texas, on behalf of said district.

NOTARY PUBLIC

GRANTEE:

**DENTON COUNTY ELECTRIC COOPERATIVE, INC.,
d/b/a COSERV ELECTRIC**

By: _____
Name: _____
Title: _____

THE STATE OF TEXAS §
 §
COUNTY OF DENTON §

This instrument was acknowledged before me on this _____ day of _____, 2024,
by _____,
of Denton County Electric Cooperative, Inc., d/b/a CoServ Electric, a Texas electric cooperative corporation, on behalf of said corporation.

NOTARY PUBLIC

EXHIBIT "A"
VARIABLE WIDTH COSERV EASEMENT

BEING a 0.057 acre tract of land in the William Lofton Survey, Abstract Number 750, situated in the City of Lakewood Village, Denton County, Texas, and being a portion of that certain tract of land described in deed to Board of Trustees of the Little Elm Independent School District, recorded in Instrument Number 2021-12421, Deed Records, Denton County, Texas. The bearings for this description are based on the bearings as they appear in Instrument Number 2021-12421, Deed Records, Denton County, Texas. Said 0.057 acre tract of land being described by metes and bounds as follows:

COMMENCING at a Mag Nail with a shiner stamped "BOWMAN" found at the northeast corner of said Little Elm I.S.D. tract, the southeast corner of that certain tract of land described in deed to CCD-LWV, LLC, recorded in Instrument Number 2023-64438, Deed Records, Denton County, Texas and being in the west right of way line of Highridge Drive, a 60' right of way from which a 1/2" iron rod found bears South 00°31'42" East, a distance of 38.21 Feet;

THENCE South 00°31'42" East, along the east line of said Little Elm I.S.D. tract and said west right of way line, a distance of 232.86 Feet from which a 1/2" iron rod found bears South 00°31'42" East, a distance of 61.53 Feet;

THENCE South 89°04'10" West, departing said east line and said west right of way line and continuing over and across said Little Elm I.S.D. tract, a distance of 10.00 Feet to the **POINT OF BEGINNING**;

THENCE continuing over and across said Little Elm I.S.D. tract, the following courses and distances;

South 00°31'42" East, a distance of 10.00 Feet;

South 89°04'10" West, a distance of 227.41 Feet;

South 00°55'55" East, a distance of 5.00 Feet;

South 89°04'10" West, a distance of 15.00 Feet;

North 00°55'55" West, a distance of 15.00 Feet;

North 89°04'10" East, a distance of 242.48 Feet to the **POINT OF BEGINNING** and containing a computed area of 0.057 Acres, more or less.

Compiled from field ties and record data on August 5, 2024 by Whitfield-Hall Surveyors. A survey exhibit of even survey date accompanies this description.

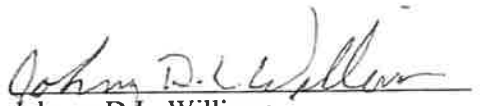

Johnny D.L. Williams
Registered Professional Land Surveyor
Texas Registration No. 4818
TBPELS Firm Reg. No. 10138500



EXHIBIT "A"
Variable Width CoServ Easement

POINT OF COMMENCING

1/2" IRF
N 00°31'42" W 38.21'
MAG NAIL BOWMAN

CCD-LWV, LLC
INST.# 2023-64438
D.R.D.C.T.

HIGHRIDGE DRIVE
60' ROW

S 00°31'42" E 232.86'
S 00°31'42" E 294.39'

S 00°31'42" E 61.53'
1/2" IRF

10' COSERV ESMT
INST.# 2020-126812
D.R.D.C.T.

POINT OF BEGINNING

WILLIAM LOFTIN SURVEY
A-750

N 89°04'10" E 242.48'
0.057 ACRES

S 89°04'10" W 227.41'

BOARD OF TRUSTEES
OF THE LITTLE ELM
INDEPENDENT SCHOOL DISTRICT
INST.# 2021-12421
D.R.D.C.T.



WHITFIELD-HALL SURVEYORS
REGISTERED PROFESSIONAL LAND SURVEYORS
3559 WILLIAMS ROAD, SUITE 107
FORT WORTH, TEXAS 76116
(817) 560-2916
Johnny D.L. Williams
I certify that this plat of survey is true and correct as surveyed on the ground and there are no visible encroachments or protrusions except as shown.
DATE: AUGUST 5, 2024



SCALE 1"=60'

LEGEND

○	CAPPED I.R. SET
△	CONTROLLING MON.
□	FENCE CORNER
●	IRON ROD FND.
×	"X" IN CONC

LINE TABLE	
Id	Bearing Distance
L1	S 89°04'10" W 10.00'
L2	S 00°31'42" E 10.00'
L3	S 00°55'55" E 5.00'
L4	S 89°04'10" W 15.00'
L5	N 00°55'55" W 15.00'

NOTES:

1. THE BEARINGS FOR THIS SURVEY ARE BASED ON THE BEARINGS AS THEY APPEAR IN INSTRUMENT NUMBER 2021-12421, DEED RECORDS, DENTON COUNTY, TEXAS.
2. A PROPERTY DESCRIPTION OF EVEN SURVEY DATE ACCOMPANIES THIS SKETCH.
3. THE MONUMENTS FOUND OR SET FOR THIS SURVEY ARE SUFFICIENT TO RETRACE THE BOUNDARY OF THE DEPICTED EASEMENT ON THE PLAT OF SURVEY.