

Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT

Carrizo Springs, Texas

ANNUAL FINANCIAL AND COMPLIANCE REPORT

For the Year Ended August 31, 2023

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CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

ANNUAL FINANCIAL AND COMPLIANCE REPORT

For The Year Ended August 31, 2023

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CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

ANNUAL FINANCIAL AND COMPLIANCE REPORT

For the Year Ended August 31, 2023

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INTRODUCTORY SECTION

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CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT

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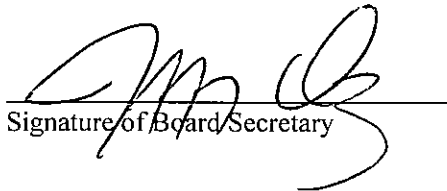
064903

Name of School District

County

Co. Dist. Number

We, the undersigned, do hereby certify that the attached annual financial reports of the above-named school district was reviewed and ☒ approved ☐ disapproved for the year ended August 31, 2023 at a meeting of the board of trustees of such school district on the 23rd day of January, 2024.


Signature of Board Secretary


Signature of Board President

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

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FINANCIAL SECTION

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Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Carrizo Springs Consolidated Independent School District
Carrizo Springs, Texas

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Carrizo Springs Consolidated Independent School District (the District) as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the 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, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2023, and the respective changes in financial position 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 the financial audits contained in *Government Auditing Standards* issued by the Comptroller of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally 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 the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

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Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and other statements, TEA Required Schedules and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* 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 other statements, TEA Required 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 January 12, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 the District's internal control over financial reporting and compliance.

A handwritten signature in black ink, appearing to read "George Gonzalez", with a stylized flourish underneath.

January 12, 2024

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CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of Carrizo Springs Consolidated Independent School District's (the District) annual financial report presents our discussion and analysis of the District's financial performance for the fiscal year ended August 31, 2023. Please read it in conjunction with the Independent Auditor's Report and the District's Basic Financial Statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The District's total net position at August 31, 2023 was \$43.9 million. The total net position increased by \$1.1 million from the previous year.
- The General Fund ended the year with a fund balance of \$22.6 million. This represents an increase of \$1.6 million from the previous year.
- At the end of the fiscal year, the District's total governmental funds reported combined ending fund balances of \$26.3 million. This represents an increase of \$1.8 million in comparison with the prior year.

USING THIS ANNUAL REPORT

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. 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 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 provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

The primary purpose of the Statement of Net Position and the Statement of Activities is to show whether the District's financial standing is improving or worsening as a result of the year's activities

CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

The statement of Net Position includes all the District's assets plus outflows minus liabilities plus inflows at the end of the year while the Statement of Activities includes all the revenues and expenses generated by the District's operations during the year. These statements apply the same basis of accounting as used by private sector companies.

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 outside the District (currently, the District has no tuition income) and grants provided from the U.S. Department of Education and other Federal Agencies to assist children with disabilities or from disadvantaged backgrounds (program revenues), and revenues provided by the taxpayers (in the form of local property taxes) or by the Texas Education Agency (TEA) in equalization funding processes (general revenues).

All the District's assets and deferred outflows are reported whether they serve the current year or future years. Liabilities and deferred inflows 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 those net positions. The District's net position (the difference between assets plus outflows minus liabilities plus inflows) provides 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 (ADA), its property tax bases and the condition of the District's facilities.

The government-wide financial statements of the District are primarily supported by taxes and intergovernmental revenues. The governmental activities of the District include: instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration.

Reporting the District's Most Significant Funds

Fund Financial Statements

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

Governmental funds – Most 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.

CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

Custodial funds – Custodial funds are used to account for resources held for the benefit of students and for a scholarship fund. Custodial funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

Financial Analysis of the District as a Whole

Our analysis focuses on the net position (Table I) and changes in the net position (Table II) of the District's governmental activities in the following pages.

Combined net position of the District is approximately \$43.9 million at August 31, 2023. See Table 1 below:

Table I
NET POSITION
(in thousands)

	Governmental Activities 2023	Governmental Activities 2022
Current Assets	\$ 37,556	\$ 35,854
Capital Assets	63,850	67,196
Total Assets	101,406	103,050
Deferred Outflows of Resources	11,318	6,815
Total Deferred Outflow of Resources	11,318	6,815
Current Liabilities	\$ 7,700	\$ 8,060
Long-term Liabilities	51,909	49,868
Total Liabilities	59,609	57,928
Deferred Inflows of Resources	9,223	9,140
Net Investment in Capital Assets	23,098	28,881
Restricted for Federal and State Programs	443	458
Restricted for Capital Projects	2,514	2,401
Unrestricted Net Position	17,857	11,056
Total Net Position	\$ 43,892	\$ 42,796

**CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

Combined total revenues of the District were \$95.4 million and combined expenses were \$94.3 million at August 31, 2023. See Table II below.

**Table II
CHANGES IN NET POSITION
(in thousands)**

	Governmental Activities 2023	Governmental Activities 2022
Revenues		
Program Revenues		
Charges for Services	\$ 307	\$ 428
Operating Grants and Contributions	8,153	6,910
General Revenues		
Maintenance and Operation Taxes	78,376	54,762
Debt Service Taxes	2,902	2,925
Grants and Contributions not Restricted to Specific Functions	2,015	3,072
Investment Earnings	3,412	359
Miscellaneous	286	295
Total Revenue	95,451	68,751
Expenses		
Instruction	16,358	14,969
Instruction Resources and Media Services	371	351
Curriculum and Instructional Staff Development	506	714
Instructional Leadership	927	912
School Leadership	1,840	1,662
Guidance Counseling & Evaluation Services	768	685
Social Work Services	66	43
Health Services	327	284
Student (Pupil) Transportation	1,181	1,047
Food Services	2,547	2,473
Extracurricular Activities	1,634	1,363
General Administration	1,739	1,657
Facilities Maintenance and Operations	4,085	3,899
Security and Monitoring Services	789	400
Data Processing Services	956	969
Community Services	122	53
Debt Service-Interest and Issuance Cost & Fees	831	950
Contracted Instructional Services between Schools	58,606	35,661
Payments Related to Shared Services Arrangements	39	47
Other Intergovernmental Payments	663	652
Total Expenses	94,355	68,791
Total Change in Net Position	1,096	(40)
Net Position – Beginning	42,796	42,836
Net Position – Ending	\$ 43,892	\$ 42,796

CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

The District's total revenues were \$95.4 million. A significant portion, 85.2%, of the District's revenues came from Maintenance and Operation Taxes. The total cost of all programs and services was \$94.3 million; of these costs, the largest was recapture payments (Chapter 41) 62.1%.

The district has ended the year with an increase in net position of \$1,095,737.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2023, the District had \$63.8 million invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents a decrease of 5% from last year primarily due to depreciation and the disposition of assets. See Table III below. For capital asset activity, please refer to Note D of the notes to the financial statements.

Table III
CAPITAL ASSETS
(in thousands)

	Governmental Activities 2023	Governmental Activities 2022
Land & Land Improvements	\$ 952	\$ 973
Buildings and Improvements	119,385	123,755
Furniture and Equipment	6,659	6,201
Construction in Progress	-	-
Totals at Historical Costs	126,996	130,929
Accumulated Depreciation	(63,182)	(63,733)
Total Net Capital Assets	<u>\$ 63,814</u>	<u>\$ 67,196</u>

Debt Administration

At year-end, the District had \$38.5 million in bonds outstanding versus \$40.7 million last year. See Table IV below. For detailed information of the District's long-term debt refer to Note K of the notes to the financial statements. The District's general obligation bond rating is Moody Rating A1.

Table IV
THE DISTRICT'S LONG-TERM DEBT
(in thousands)

	2023	2022
General Obligation Debt	\$ 38,491	\$ 40,736
Total Long-Term Debt	<u>\$ 38,491</u>	<u>\$ 40,736</u>

CARRIZO SPRINGS CONSOLIDATED INDEPENDENT SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Carrizo Springs Consolidated Independent School District's 2022-2023 Maintenance & Operations tax rate was approved at \$0.9746 and the Debt Service tax rate was approved at \$.036078 for a total rate of \$1.010678.

The District experienced a slight decline in enrollment and continues to remain stagnant for the 2023-2024 school year.

The District collected 99.9% of the estimated tax collections for fiscal year 2022-2023.

The appraised property values are expected to have a significant increase for the 2023-2024 school year. The Chapter 49 recapture obligations will decrease. The recapture obligations to tax collections will decrease approximately by 27% to the state.

The District passed a resolution authorizing execution of an escrow agreement providing for the defeasance of currently outstanding debt obligations. Eligible amounts to be defeased include all or portion of the Series 2020 Bonds in an amount not less than \$9,370,000. The execution of this defeasance would effectively set the I&S tax rate at \$0.1350 for the 2023-2024 school year.

The District held an election on November 7, 2023 for the purpose of determining whether qualified voters would authorize the issuance of general obligation bonds and ratification of the ad valorem tax rate for the 2023-2024 school year.

- With a result of 564 FOR and 540 AGAINST, Proposition A passed for the purposes of constructing two new elementary campuses, improvements to existing Junior High and High School campuses, and for the purchase of buses and other vehicles for the maintenance and transportation department, not to exceed \$91,000,000.
- With a result of 577 FOR and 524 AGAINST, Proposition C passed authorizing to ratify the total ad valorem tax of \$0.8501 for the 2023-2024 school year. This would effectively increase the M&O maximum compressed tax rate from \$0.6951 to \$0.7151, an increase of \$0.02. The additional enrichment pennies is estimated to generate an additional \$1.7 Million in property tax revenue to the General Fund.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report, or need additional information, contact the District's Business Office at Carrizo Springs CISD, 300 N. 7th Street, Carrizo Springs, Texas 78834.

Basic Financial Statements

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Government-Wide Financial Statements

CARRIZO SPRINGS CONSOLIDATED ISD
STATEMENT OF NET POSITION
AUGUST 31, 2023

EXHIBIT A-1

Data		Primary Government
Control		Governmental
Codes		Activities
ASSETS		
1110	Cash and Cash Equivalents	\$ 29,860,343
1220	Property Taxes - Delinquent	5,825,364
1230	Allowance for Uncollectible Taxes	(291,268)
1240	Due from Other Governments	1,700,757
1290	Other Receivables, Net	244,309
1300	Inventories	216,915
	Capital Assets:	
1510	Land	952,176
1520	Buildings, Net	61,565,710
1530	Furniture and Equipment, Net	1,296,099
1553	SBITA Assets, Net	35,680
1000	Total Assets	101,406,085
DEFERRED OUTFLOWS OF RESOURCES		
1701	Deferred Charge for Refunding	2,260,368
1705	Deferred Outflow Related to TRS Pension	5,346,204
1706	Deferred Outflow Related to TRS OPEB	3,711,895
1700	Total Deferred Outflows of Resources	11,318,467
LIABILITIES		
2110	Accounts Payable	1,108,076
2131	SBITA Liability Payable - Current	35,302
2140	Interest Payable	47,553
2150	Payroll Deductions and Withholdings	590,577
2160	Accrued Wages Payable	882,444
2180	Due to Other Governments	2,518,720
2200	Accrued Expenses	11,644
2300	Unearned Revenue	630,080
	Noncurrent Liabilities:	
2501	Due Within One Year: Loans, Note, Leases, etc.	1,875,000
	Due in More than One Year:	
2502	Bonds, Notes, Loans, Leases, etc.	36,580,550
2540	Net Pension Liability (District's Share)	9,808,163
2545	Net OPEB Liability (District's Share)	5,521,628
2000	Total Liabilities	59,609,737
DEFERRED INFLOWS OF RESOURCES		
2605	Deferred Inflow Related to TRS Pension	786,703
2606	Deferred Inflow Related to TRS OPEB	8,436,110
2600	Total Deferred Inflows of Resources	9,222,813
NET POSITION		
3200	Net Investment in Capital Assets and SBITAs	23,098,445
	Restricted:	
3820	Restricted for Federal and State Programs	443,171
3860	Restricted for Capital Projects	2,513,576
3900	Unrestricted	17,836,810
3000	Total Net Position	\$ 43,892,002

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

CARRIZO SPRINGS CONSOLIDATED ISD
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2023

EXHIBIT B-1

Data Control Codes	1	Program Revenues		6 Primary Gov. Governmental Activities
		3	4	
		Charges for Services	Operating Grants and Contributions	
	Expenses			
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
11 Instruction	\$ 16,358,066	\$ -	\$ 2,763,641	\$ (13,594,425)
12 Instructional Resources and Media Services	371,323	-	23,710	(347,613)
13 Curriculum and Instructional Staff Development	505,533	-	334,443	(171,090)
21 Instructional Leadership	927,336	-	275,554	(651,782)
23 School Leadership	1,839,707	-	124,549	(1,715,158)
31 Guidance, Counseling, and Evaluation Services	768,142	-	94,326	(673,816)
32 Social Work Services	66,185	-	2,462	(63,723)
33 Health Services	326,989	-	28,547	(298,442)
34 Student (Pupil) Transportation	1,181,307	-	715,238	(466,069)
35 Food Services	2,546,595	49,241	1,729,256	(768,098)
36 Extracurricular Activities	1,633,701	82,288	27,955	(1,523,458)
41 General Administration	1,738,970	138,763	59,756	(1,540,451)
51 Facilities Maintenance and Operations	4,084,910	19,738	1,708,122	(2,357,050)
52 Security and Monitoring Services	788,829	-	122,685	(666,144)
53 Data Processing Services	956,190	16,922	29,775	(909,493)
61 Community Services	121,940	-	112,860	(9,080)
72 Debt Service - Interest on Long-Term Debt	828,059	-	-	(828,059)
73 Debt Service - Bond Issuance Cost and Fees	3,250	-	-	(3,250)
91 Contracted Instructional Services Between Schools	58,606,166	-	-	(58,606,166)
93 Payments Related to Shared Services Arrangements	39,361	-	-	(39,361)
99 Other Intergovernmental Charges	662,450	-	-	(662,450)
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 94,355,009	\$ 306,952	\$ 8,152,879	(85,895,178)
Data	General Revenues:			
Control	Taxes:			
Codes				
MT	Property Taxes, Levied for General Purposes			78,375,804
DT	Property Taxes, Levied for Debt Service			2,901,777
GC	Grants and Contributions not Restricted			2,015,657
IE	Investment Earnings			3,411,587
MI	Miscellaneous Local and Intermediate Revenue			286,088
TR	Total General Revenues			86,990,913
CN	Change in Net Position			1,095,735
NB	Net Position - Beginning			42,796,267
NE	Net Position - Ending			\$ 43,892,002

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

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Governmental Fund Financial Statements

CARRIZO SPRINGS CONSOLIDATED ISD
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2023

Data Control Codes	10 General Fund	Other Funds	Total Governmental Funds
ASSETS			
1110 Cash and Cash Equivalents	\$ 26,134,827	\$ 3,725,516	\$ 29,860,343
1220 Property Taxes - Delinquent	5,617,417	207,947	5,825,364
1230 Allowance for Uncollectible Taxes	(280,871)	(10,397)	(291,268)
1240 Due from Other Governments	347,368	1,353,389	1,700,757
1260 Due from Other Funds	1,380,757	13,168	1,393,925
1290 Other Receivables	231,292	13,017	244,309
1300 Inventories	216,915	-	216,915
1000 Total Assets	<u>\$ 33,647,705</u>	<u>\$ 5,302,640</u>	<u>\$ 38,950,345</u>
LIABILITIES			
2110 Accounts Payable	\$ 1,040,332	\$ 67,744	\$ 1,108,076
2150 Payroll Deductions and Withholdings Payable	570,334	20,243	590,577
2160 Accrued Wages Payable	855,060	27,384	882,444
2170 Due to Other Funds	155,906	1,238,019	1,393,925
2180 Due to Other Governments	2,506,864	11,856	2,518,720
2200 Accrued Expenditures	11,644	-	11,644
2300 Unearned Revenue	607,655	22,425	630,080
2000 Total Liabilities	<u>5,747,795</u>	<u>1,387,671</u>	<u>7,135,466</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	5,317,800	216,294	5,534,094
2600 Total Deferred Inflows of Resources	<u>5,317,800</u>	<u>216,294</u>	<u>5,534,094</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3410 Inventories	216,915	-	216,915
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	-	443,171	443,171
3470 Capital Acquisition and Contractual Obligation	-	2,513,576	2,513,576
3480 Retirement of Long-Term Debt	-	681,556	681,556
Assigned Fund Balance:			
3590 Other Assigned Fund Balance	-	60,253	60,253
3600 Unassigned Fund Balance	22,365,195	119	22,365,314
3000 Total Fund Balances	<u>22,582,110</u>	<u>3,698,675</u>	<u>26,280,785</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 33,647,705</u>	<u>\$ 5,302,640</u>	<u>\$ 38,950,345</u>

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

CARRIZO SPRINGS CONSOLIDATED ISD
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
AUGUST 31, 2023

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$ 26,280,785
1 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$130,929,559 and the accumulated depreciation was (\$63,733,081). In addition, long-term liabilities, including bonds payable, are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. At the beginning of the year liabilities and deferred charges on refunding related to debt were comprised of: bonds payable (\$35,400,000), premium on bonds (\$5,336,611), interest payable (\$50,766) and deferred charge on refunding \$2,420,471. The net effect is to increase net position.	28,829,570
2 Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government wide financial statements. The net effect of including the 2023 capital outlays, \$628,949, debt principal payments \$1,810,000, amortization of loss on refunding (\$160,101), amortization of bond premium \$410,783, change in interest payable \$3,213, amortization of accreted interest \$60,278 and deletion of capital assets (\$321,633) is to increase net position. Principal payments on SBITA liabilities are not expenditures, rather they are decreased in SBITA liabilities. These payments must be reclassified as shown as reductions to these liabilities increasing net position.	2,431,867
3 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68. At the beginning of the year, the net position related to TRS was a Deferred Resource Outflow in the amount of \$2,316,497, a Deferred Resource Inflow in the amount of (\$3,326,784) and a net pension liability in the amount of (\$3,844,334). The impact of this on Net Position is (\$4,854,621). Changes from the current year reporting of the TRS plan resulted in a increase net position in the amount of (\$394,041). The net effect is to decrease ending net position.	(5,428,662)
4 At the beginning of the year, the net position related to the District's net OPEB liability was a Deferred Resource Outflow in the amount of \$2,077,983, a Deferred Resource Inflow in the amount of (\$7,614,934) and a net pension liability in the amount of (\$5,296,579). The impact of this on the Net Position is (\$10,833,530). Changes from the current year reporting of the OPEB benefit plan resulted in a increase in net position in the amount of \$587,687. The net effect was to decrease ending net position.	(10,245,843)
5 The 2023 depreciation expense increases accumulated depreciation. The net effect of the current year's depreciation is to decrease net position.	(3,689,809)
6 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue. The net effect of these reclassifications and recognitions is to increase net position.	5,534,094
19 Net Position of Governmental Activities	\$ 43,892,002

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

CARRIZO SPRINGS CONSOLIDATED ISD
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes	10 General Fund	Other Funds	Total Governmental Funds
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 81,880,930	\$ 3,223,680	\$ 85,104,610
5800 State Program Revenues	2,258,230	93,783	2,352,013
5900 Federal Program Revenues	2,496,714	6,388,377	8,885,091
5020 Total Revenues	86,635,874	9,705,840	96,341,714
EXPENDITURES:			
Current:			
0011 Instruction	12,491,504	2,729,444	15,220,948
0012 Instructional Resources and Media Services	315,530	22,671	338,201
0013 Curriculum and Instructional Staff Development	114,543	334,437	448,980
0021 Instructional Leadership	593,126	273,447	866,573
0023 School Leadership	1,585,281	117,663	1,702,944
0031 Guidance, Counseling, and Evaluation Services	628,020	91,831	719,851
0032 Social Work Services	62,925	2,266	65,191
0033 Health Services	275,633	27,297	302,930
0034 Student (Pupil) Transportation	750,003	713,894	1,463,897
0035 Food Services	2,340,135	143,958	2,484,093
0036 Extracurricular Activities	1,489,042	32,786	1,521,828
0041 General Administration	1,556,065	55,373	1,611,438
0051 Facilities Maintenance and Operations	2,212,074	1,707,169	3,919,243
0052 Security and Monitoring Services	687,928	119,836	807,764
0053 Data Processing Services	833,420	27,791	861,211
0061 Community Services	4,805	112,860	117,665
Debt Service:			
0071 Principal on Long-Term Liabilities	35,303	1,810,000	1,845,303
0072 Interest on Long-Term Liabilities	754	1,142,232	1,142,986
0073 Bond Issuance Cost and Fees	-	3,250	3,250
Intergovernmental:			
0091 Contracted Instructional Services Between Schools	58,606,166	-	58,606,166
0093 Payments to Fiscal Agent/Member Districts of SSA	39,361	-	39,361
0099 Other Intergovernmental Charges	662,450	-	662,450
6030 Total Expenditures	85,284,068	9,468,205	94,752,273
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	1,351,806	237,635	1,589,441
OTHER FINANCING SOURCES (USES):			
7912 Sale of Real and Personal Property	133,532	-	133,532
7913 Proceeds of Right-to-Use Lease	71,359	-	71,359
7080 Total Other Financing Sources (Uses)	204,891	-	204,891
1200 Net Change in Fund Balances	1,556,697	237,635	1,794,332
0100 Fund Balance - September 1 (Beginning)	21,025,413	3,461,040	24,486,453
3000 Fund Balance - August 31 (Ending)	\$ 22,582,110	\$ 3,698,675	\$ 26,280,785

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

CARRIZO SPRINGS CONSOLIDATED ISD
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2023

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$ 1,794,332
Current year capital outlays and long-term debt principal payments are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in longterm debt in the government-wide financial statements. The net effect of removing the 2023 capital outlays \$628,949, debt principal payments \$1,810,000, amortization of loss on refunding \$(160,101), amortization of bond premium \$410,783, change in interest payable \$3,213, amortization of accreted interest \$60,278 and the deletion of capital assets (\$321,633) is to increase net position.	2,431,867
Similarly, current year principal payments on SIBTAs of \$36,057 are also reclassified as reductions to the SBITA liability which will result in a decrease in net position.	
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 the change in net position.	(3,689,809)
Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue and adjusting current year revenue to show the revenue earned from the current year's tax levy. The net effect of these reclassifications and recognitions is to increase net position.	365,700
Various adjustments necessary to record the District's net pension liability included de-expending contributions made after the measurement date by \$889,005 and recording them as deferred resource outflows; the net effect to deferred inflows and outflows of resources was \$510,978 including amounts amortized; and, the district's share of various expenses in the amount of (\$1,794,024) were made to calculate the ending net pension liability. The net effect was a decrease in net position.	(394,041)
Various adjustments necessary to record the District's OPEB liability included de-expending contributions after the measurement date by \$203,113 and recording them as deferred outflows of resource; the net effect to deferred inflows and outflows of resources was \$814,814 including amounts amortized; and the district's share of various expenses in the amount of (\$430,241) were made to calculate the district's ending net OPEB liability. The net effect was to increase net position.	587,686
Change in Net Position of Governmental Activities	\$ 1,095,735

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

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Fiduciary Fund Financial Statements

CARRIZO SPRINGS CONSOLIDATED ISD
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2023

	Total Custodial Funds
<hr/>	
ASSETS	
Cash and Cash Equivalents	\$ 165,575
Total Assets	<u>165,575</u>
NET POSITION	
Restricted for Student Activities & Other Purposes	<u>165,575</u>
Total Net Position	<u><u>\$ 165,575</u></u>

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

CARRIZO SPRINGS CONSOLIDATED ISD
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2023

	Total Custodial Funds
ADDITIONS:	
Contributions to Student Groups	\$ 167,325
Earnings from Temporary Deposits	499
Total Additions	<u>167,824</u>
DEDUCTIONS:	
Supplies and Materials	<u>169,084</u>
Total Deductions	<u>169,084</u>
Change in Fiduciary Net Position	(1,260)
Total Net Position September 1 (Beginning)	<u>166,835</u>
Total Net Position August 31 (Ending)	<u><u>\$ 165,575</u></u>

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

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Carrizo Springs Consolidated Independent School District (the “District”) is a public educational agency operating under the applicable laws and regulations of the State of Texas. It is governed by a seven-member Board of Trustees (the “Board”) elected by registered voters of the District. The District prepares its basic financial statements in conformity with generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB) and other authoritative sources identified in GASB Statement No. 76, and it complies with the requirements of the appropriate version of the Texas Education Agency’s (TEA) *Financial Accountability System Resource Guide* (the “Resource Guide”), and the requirements of contracts and grants of agencies from which it receives funds.

A. REPORTING ENTITY

The Board is elected by the public and it has the authority to make decisions, approve/disapprove appointment of administrators and managers, and significantly influence operations. The Board has primary accountability for fiscal matters; therefore, the District is a financial reporting entity as defined by GASB in its Statement No. 14, “The Financial Reporting Entity,” and it is not included as part of any other governmental reporting entity. There are no component units included within the reporting entity.

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

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

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses result from providing services in connection with the internal service funds of the self-insurance program. Operating expenses for internal service fund include the administrative expenses. All other revenues and expenses are nonoperating.

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

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The District reports the following major governmental funds:

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

Additionally, the District reports the following fund types:

Special Revenue Funds – These funds used to account for the majority of federal and state funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Generally, unused balances are returned to the grantor at the close of specified project periods.

Debt Service Fund – The Debt Service und accounts for the accumulation of resources, and the payment of, bonded debt principal and interest. The primary revenue source is local property taxes levied specifically for debt service. The fund balance in this fund represent funds that will be used for the retirement of debt in the future. This fund is a budgeted fund.

Capital Projects Fund – The Capital Projects Fund was established to account for the resources to be used for renovating existing facilities.

Custodial Fund – This fund is used to account for assets held by the District as agent for individuals. The funds set aside are for school-sponsored groups (student activity funds) and by other third parties.

Measurement Focus, Basis of Accounting

Government-wide and proprietary fund financial statements: These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting. The Custodial funds utilize the accrual basis of accounting but do not have measurement focus as they report only assets and liabilities. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty (60) days after year end. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the state are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds.

Recently Issued Accounting Standards

The District implemented GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA's) during fiscal year 2023. The statement is based on the principle that SBITA's are financing of the right-to-use another party's information technology software, alone, or in combination with tangible capital assets. It establishes that a SBITA results in a right-of-use subscription asset (intangible asset) and a corresponding subscription liability.

C. FINANCIAL STATEMENT AMOUNTS

Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 1 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available (1) when they become due or past due and receivable within the current period and (2) when they are expected to be collected during a sixty-day period after the close of the fiscal year.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the General and Debt Service Funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature.

Deposit Accounting Policy

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

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investment Accounting Policy

The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value. The term "short-term" refers to investments which have a remaining term of one (1) year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

Receivable and Payable Balances

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

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

Inventories and Prepaid Items

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

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

Unearned Revenue

Unearned revenue accounted for on the balance sheet relates to excess funds received from the funding sources over earned amounts.

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets

Capital assets, which include land, buildings, furniture and equipment are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

Asset Class	Estimated Useful Lives
Buildings	50 years
Building Improvements	20-30 years
Furniture & Equipment	3-7 years
All Vehicles	5-10 years

The District elects to apply a right-to-use subscription asset capitalization threshold of \$25,000. The District elects to apply the GASB 96 Standard only to the most recent period without restating prior periods. The term of the subscription must be the non-cancelable period during which the District has the right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or SBITA vendor will exercise that option) or to terminate (if it is reasonably certain that the government or SBITA vendor will not exercise that option). If the SBITA is in a governmental fund, the full amount of the subscription asset will be reported as an expenditure in the fund level statements the year the agreement is made.

Accumulated Unpaid Vacation and Sick Leave Benefits

The District adopts the State of Texas sick leave program which consists of five days per year of sick leave with no limit on accumulating and transferability among District employees. The District also provides an additional five days of local sick leave per year. Sick leave is not vested, therefore upon resignation, termination, or non-renewal of contract accumulated sick leave is not paid.

The District's annual leave policy provides a maximum of ten days leave per year to all nonprofessional personnel in a twelve-month position. Upon resignation or termination annual accumulated leave is not compensated.

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. It is the District's policy to record bond premiums and discounts as deferred costs and amortize them over the life of the bonds using the effective interest method if material or straight line when not material. Loss on refunded debt is amortized over the term of the related bond using the straight-line method. The balance of the loss on refunded debt is reported as a deferred outflow of resources with the adoption of GASB 65. Bonds payable are reported net of the applicable bond premiums and discounts.

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, if any. Issuance costs, whether or not withheld from the actual proceeds received, are reported as debt service expenditures.

Pensions

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

Other Post-Employment Benefits

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

Fund Balance

In the fund financial statements, the District uses the following criteria when classifying fund balance amounts:

Nonspendable – amounts not in spendable form or that are legally or contractually earmarked for a specific use. Examples include inventories and endowment principal.

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Restricted – amounts that have been legally separated for a specific purpose by law or external funding source. Examples include grants, capital acquisitions, and long-term debt.

Committed – amounts that can only be set aside for a specific purpose by the District's highest level of decision-making authority, the Board, through formal action by adopting a resolution. This Board action to commit funds must occur prior to fiscal year end and can only be modified or removed through Board resolution. Examples include capital expenditures, self-insurance, and campus activity funds.

Assigned – amounts that do not require Board approval but are intended to be used for a specific purpose. As established by the District's fund balance policy, the Superintendent or his designee is authorized to assign amounts for a specific purpose. These amounts do not meet the criteria to be classified as restricted or committed.

Spending Order

Fund balance amounts that are restricted, committed, or assigned are considered to have been spent when the expenditure is incurred for the respective purpose. If an expenditure incurred meets the criteria for more than one fund balance category, the District relieves fund balance in the following order: restricted, committed, assigned, and then unassigned.

Accounting System and Data Control Codes

In accordance with the Texas Education Code, Chapter 44, Subchapter A, the District has adopted and installed an accounting system which meets at least the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. The data control codes refer to the account code structure prescribed by TEA in the Resource Guide. School districts are required to display these codes in the financial statements filed with Texas Education Agency in order to ensure accuracy in building a statewide data base for policy development and funding plans.

Accrual of Foundation School Program Revenues

The State of Texas provides funding to Districts through the Foundation School Program based on instructional days, average daily attendance by fiscal year, and other relevant factors. The Academic year for the District typically begins after the fourth Monday in August and before the beginning of the subsequent fiscal year (September1). During this period, expenditures are incurred that relate directly to revenues received in the subsequent fiscal year. In the current fiscal year, the District accrued Foundation School revenues that would be received next year to match August days of instructional expenditures.

Restricted/Unrestricted Resources

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted resources available to finance the program. It is the District's policy to first apply cost-reimbursement grant (restricted) resources to such programs and then general revenues.

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

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

Indirect Expenses

School districts are required to report all expenses by function. All general administration and other intergovernmental expenses reported in functions 41 and 99, respectively, and some data processing service expenses reported in function 53 represent indirect expenses of other functions.

Investments

The District's investments are generally reported at fair value in accordance with GASB Statement No. 72; accordingly, the District's investments in local government investment pools are reported at amortized cost and do not include any unrealized gains and losses.

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

The Board adopts an appropriated budget on a basis consistent with GAAP for the general fund, debt service fund, and food service fund (which is included in special revenue funds). The District is required to present the original and the final amended budgets for revenues and expenditures for each of these funds. The District compares the final amended budget to actual revenues and expenditures.

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

Prior to August 20th, of the preceding year, the District prepared a budget based on budgeting concepts for the next succeeding fiscal year, beginning September 1. The operating budget included proposed expenditures and the means of financing them.

After several budget workshops with the Board, a meeting was called for the purpose of adopting the proposed budget. At least ten days, but not more than 30 days, of public notice of the meeting is required.

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INDEPENDENT SCHOOL DISTRICT
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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

Prior to September 1, the budget is legally enacted through passage of a resolution by the Board. Once a budget is approved, it can only be amended at the function and fund level by approval of a majority of members of the Board. Amendments are presented to the Board at its regular meetings. Each amendment must have Board approval. As required by law, such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year end. Because the District has a policy of careful budgetary control, several budgetary amendments were necessary throughout the year.

The original budget was approved by the Board on August 23, 2022. The budget may be amended by management without Board approval within a major functional expenditure category and can be amended at the function and fund level only by approval of a majority of the members of the Board. Amendments at the function and fund level are presented to the Board at its regular meetings. Such amendments are made before the fact, are reflected in the official minutes of the Board and are made before the fiscal year end as required by law.

The budget amounts included in this report reflect various amendments made by management or adopted by the Board throughout the year through the final amended budget, which was approved by the Board on August 15, 2023.

For the year ended August 31, 2023, expenditures exceeded appropriations for the General Fund as follows:

	Final Amended Appropriation	Actual Expenditures	Variance (Excess)
General Fund:			
Instructional Resources and Media Services	\$ 297,448	\$ 315,530	\$ (18,082)
School Leadership	1,521,821	1,585,281	(63,460)
Health Services	266,902	275,633	(8,731)
Facilities Maintenance and Operations	2,088,604	2,212,074	(123,470)
Security and Monitoring Services	661,833	687,928	(26,095)
Principal on Long-Term Liabilities	-	35,303	(35,303)
Interest on Long-Term Liabilities	-	754	(754)

Instructional Resources and Media Services – Excess expenditures was due to increase in payroll related benefit elections for librarian and librarian aides.

School Leadership – Excess expenditures was due to increased payroll costs above anticipated amounts.

Health Services – Excess expenditures was due to hiring of a high school nurse aide that was vacant and filled towards the end of the fall semester.

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS

Facilities Maintenance and Operations – Excess expenditures was due to: 1) water line break at the high school football field that amounted to \$63,000 in water usage fees, 2) purchase of district wide copier paper amounting to \$30,000, 3) HVAC repairs including purchase of mini split units, as opposed to commercial units, as well as replacement parts for aging units.

Security and Monitoring Services – Excess expenditures was due to increase in overtime for police officers.

Principal and Interest on Long-Term Liabilities – Excess expenditures was due to implementation of GASB 96.

A. DEPOSITS AND INVESTMENTS

Deposits – Under Texas state law, a bank serving as the school depository must have a bond or in lieu thereof, deposited or pledged securities with the District or an independent third-party agent, in an amount equal to the highest daily balance of all deposits the District may have during the term of the depository contract, less any applicable FDIC Insurance.

The District's deposits as of August 31, 2023 consist of the following:

	<u>Cash and Cash Equivalents</u>
Deposits:	
Cash on Hand	\$ 5,655
Demand Accounts	4,995,174
Investment Pools	<u>24,859,514</u>
Total	<u>\$ 29,860,343</u>

At August 31, 2023 the net carrying amount of the District's cash on deposit was \$4,998,405 and the bank balance was \$5,278,408.

In addition, the following is disclosed regarding the coverage of combined balances on the date of the highest combined balance:

- a. Depository: First State Bank of Uvalde in Carrizo Springs, Texas.
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was \$44,791,637 at First State Bank of Uvalde and occurred in November 2022.
- c. The largest combined balances of cash, savings and time deposit accounts amounted to \$38,144,320 at First State Bank of Uvalde and occurred in November 2022.
- d. Total amount of FDIC coverage at the time of the highest combined balance was \$250,000.

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

Investments – Government Code Chapter 2256, The Public Funds Investments Act (“Act”) 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. The 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 of the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit.

The Act determines the types of investments which are allowable for the District. These include with certain restrictions, (1) obligations of the U.S. Treasury, 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) commercial paper, restricted to dual rated A1/P1 paper, (8) Mutual Funds, (9) Investment pools, (10) guaranteed investment contracts, (11) and common trust funds.

The Act also requires an annual independent audit of investment practices. Audit procedures in this area conducted as part of the audit of the basic financial statements disclosed that the District is in substantial compliance with the requirements of the Act and with local policies.

Interest Rate Risk - Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. One of the ways the District manages its exposure to interest rate risk is by investing in investment pools which have no stated maturity date; therefore, the funds are always available to meet operational needs. Maturities of the District’s investments in the investment pools are less than one year. In accordance with District policy, to reduce exposure to changes in interest rates that could adversely affect the values of investments, the District shall use final and weighted average maturity limits and diversification. The District shall monitor interest rate risk using weighted average maturity and specific identification.

Credit Risk - Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. In accordance with state law, investments in investment pools must be rated at least AAA.

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

Custodial Credit Risk - Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Act, the District's investment policy, and Government Code Chapter 2257, *Collateral for Public Funds*, contain legal or policy requirements that would limit the exposure to custodial risk for deposits or investments. To be eligible to receive funds from and invest funds on behalf of an entity under this Chapter, a public funds investment pool created to function as a money market mutual fund must mark its portfolio to market daily and, to the extent reasonable possible, stabilize at a \$1-net asset value. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, portfolio holdings shall be sold as necessary to maintain the ration between 0.995 and 1.005. The District's bank accounts and certificate of deposit funds are required to be deposited in accordance with the terms of the depository agreement. The depository bank places for safekeeping with the District's agent; bank approved pledged securities to protect the District's investments.

At August 31, 2023, the District had the following investments:

Investment Type	Fair Value	Weighted Average Maturity (Days)	Standard & Poors Rating
Lone Star – Investment Pool	\$ 23,660,772	1 *	AAAm *
Texas Range – Investment Pool	1,198,742	1	AAAmmf**
	<u>\$ 24,859,514</u>		

Lonestar

Government Overnight Fund	49 Days	AAAm
Corporate Overnight Fund	50 Days	AAAm
Corporate Overnight Plus Fund	65 Days	AAAf/S1+

Texas Range

Texas Daily	44 Days	AAAmmf
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The District's investments include those with Lone Star Investment Pool (Lone Star) and Texas Range Investment Program. The pool was created pursuant to the Interlocal Cooperation Act, Chapter 791, of the Texas Government Code and are subject to the provisions of the Public Funds Investment Act, Chapter 2256, of the Texas Government Code. The pool operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The pool uses amortized cost rather than fair value to report net position to compute share prices. Accordingly, the fair value of the District's position in the pool is the same as the value of the pool shares. Participation in the pool is voluntary.

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

Lone Star is administered and distributed by the Texas Association of School Boards' wholly owned subsidiary, First Public. Lone Star is governed by an eleven-member Board of Trustees (Board) made up of active participants in the pool. The Board has the responsibility of adopting and monitoring compliance with the investment policy, appointing investment officers, overseeing the selection of an investment advisor, custodian, investment consultant, administrator, and other service providers. The Board is also responsible for monitoring the performance of the pool. Financial information for the pool can be obtained by writing to First Public at 12007 Research Blvd., Austin, Texas 78759 or by calling 1-800-558-8875.

The Texas Range Investment Program was created by and for Texas Local Governments. The program provides investment options tailored to the needs of Texas cities, counties, school districts and other public investors. The District's investments are in the Texas Daily Portfolio. TexasDAILY is a money market portfolio with daily liquidity of \$1.00 NAV, that is rated AAmmf* by Fitch.

Fair Value Investments: The District measures and records its investments in accordance with GASB Statement No. 72 using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows: Level 1: Quoted prices for identical investments in active markets; Level 2: Observable inputs other than quoted market prices; and, Level 3: Unobservable inputs.

At August 31, 2023, the District did not hold any investments.

B. PROPERTY TAXES

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

On January 31 of each year, a tax lien attaches to property to secure payment of all taxes, penalties, and interest ultimately imposed.

The appraisal and recording of all property within the District is the responsibility of the Dimmit Central Appraisal District (DCAD). The DCAD is an independent governmental unit with a board of directors appointed by the taxing jurisdictions within the county and funded from assessments against those taxing jurisdictions. DCAD is required by law to assess property at 100% of its appraised value. Real property must be reappraised at least every two years. Under certain circumstances, taxpayers and taxing units, including the District, may challenge orders of the DCAD Review Board through various appeals and, if necessary, legal action.

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

Tax collections are prorated between the General Fund and Debt Service Fund based on a tax rate approved by the Board. For the period ended August 31, 2023, the General and Debt Service fund rates were \$.974600 and \$.036078, respectively, per \$100 of assessed value.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible tax receivables within the General and Debt Service Funds are based on historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. The property tax receivable allowance is equal to 5% of outstanding property taxes at August 31, 2023.

C. DUE TO/DUE FROM OTHER FUNDS

The amounts due to/from other funds as of August 31, 2023 are as follows:

	<u>Due From</u>	<u>Due To</u>
General Fund:		
Other Funds	\$ 1,393,925	\$ -
Other Funds:		
General Fund	-	1,393,925
Total	<u>\$ 1,393,925</u>	<u>\$ 1,393,925</u>

Receivables in the General Fund represent amounts transferred to Special Revenue Funds pending reimbursement from grantors. These interfund balances are expected to be repaid within one year from the date of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

D. CAPITAL ASSETS

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

	Beginning Balances 8/31/2022	Increases	Decreases	Ending Balances 8/31/2023
<u>Governmental activities:</u>				
Capital assets not being depreciated:				
Land	\$ 973,160	\$ -	\$ (20,984)	\$ 952,176
Total capital assets not being depreciated	973,160	-	(20,984)	952,176
Capital assets being depreciated:				
Buildings and Improvements	123,755,554	109,715	(4,480,299)	119,384,970
Furniture, Equipment and Vehicles	6,200,846	519,234	(60,915)	6,659,165
Total capital assets being depreciated	129,956,400	628,949	(4,541,214)	126,044,135
Less accumulated depreciation:				
Building and Improvements	(58,580,772)	(3,418,137)	4,179,650	(57,819,259)
Furniture, Equipment and Vehicles	(5,152,309)	(271,672)	60,915	(5,363,066)
Total accumulated depreciation	(63,733,081)	(3,689,809)	4,240,565	(63,182,325)
Total capital assets being depreciated, net	66,223,317	(3,060,861)	(300,649)	62,861,810
Governmental activities capital assets, net	\$ 67,196,479	\$ (3,060,861)	\$ (321,633)	\$ 63,813,985

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

Depreciation expense of the governmental activities was charged to the functions as follows:

Governmental Activities	Totals
Instruction	\$ 1,804,317
Instructional Resources and Media Services	40,588
Curriculum and Staff Development	77,486
Instructional Leadership	107,005
School Leadership	202,940
Guidance, Counseling and Evaluation Services	81,176
Social Work Services	3,690
Health Services	33,208
Student (Pupil) Transportation	114,384
Food Services	269,356
Extracurricular Activities	158,662
General Administration	202,940
Facilities and Maintenance Operations	428,018
Security and Monitoring Services	47,967
Data Processing Services	110,694
Community Services	7,378
Total Depreciation Expense	<u>\$ 3,689,809</u>

E. DUE FROM OTHER GOVERNMENTS

The amount reflected as due from other governments is comprised of the following:

	General Fund	Other Funds	Total
State Funds	\$ 109,390	\$ 38,220	\$ 147,610
Federal Funds	237,978	1,315,169	1,553,147
Total	<u>\$ 347,368</u>	<u>\$ 1,353,389</u>	<u>\$ 1,700,757</u>

CARRIZO SPRINGS CONSOLIDATED
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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

F. GENERAL FUND FEDERAL SOURCE REVENUES

The following federal source revenues are included in the General Fund:

Program or Source	Amount
ESSER II, Indirect Costs	\$ 566,219
School Health & Related Services (SHARS)	245,852
Junior Reserve Officers Training Corp (JROTC)	27,176
Child Nutrition Cluster	1,575,638
IDEA, Part B, Indirect Costs	23,108
ESEA, Title I, Indirect Costs	53,495
Title IV, Part A, Indirect Costs	5,226
Total	<u>\$ 2,496,714</u>

G. REVENUE FROM LOCAL AND INTERMEDIATE SOURCES

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

	General Fund	Other Funds	Total
Property Taxes, Penalties, Interest	\$ 78,400,597	\$ 2,985,473	\$ 81,386,070
Food Sale	49,241	-	49,241
Rent	6,200	-	6,200
Investment Income	3,195,008	216,580	3,411,588
Athletic Activity	79,618	-	79,618
Other Revenues from Local Sources	150,266	21,627	171,893
	<u>\$ 81,880,930</u>	<u>\$ 3,223,680</u>	<u>\$ 85,104,610</u>

H. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred Outflows of Resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred Inflows of Resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time.

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

The District reports deferred resource outflows and deferred resource inflows in the Statement of Net Position as of August 31, 2023 as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
District's Share of Resources related to TRS Pension	\$ 5,346,204	\$ 786,703
District's Share of Resources related to OPEB	3,711,895	8,436,110
Deferred Charge for Refunding of Debt	2,260,368	-
Total	<u>\$ 11,318,467</u>	<u>\$ 9,222,813</u>

Deferred Inflows of Resources as of August 31, 2023, was as follows:

	General Fund	Other Funds	Total
Property Tax Receivable	\$ 5,617,417	\$ 207,947	\$ 5,825,364
Allowance for Uncollectible Taxes	(280,871)	(10,397)	(291,268)
Unavailable Revenues for Property Taxes	<u>\$ 5,336,546</u>	<u>\$ 197,550</u>	<u>\$ 5,534,096</u>

I. LONG TERM DEBT

- a) During fiscal year 2013, the District issued \$ 9,300,000 in Unlimited Tax School Building Bonds, Series 2013. The bonds were issued for constructing, renovating, designing, acquiring, and equipping school facilities and acquiring necessary sites for school facilities. The bonds have an annual interest rate of 3.5% to 5%.
- b) During fiscal year 2015, the District issued \$ 5,340,000 in Unlimited Tax Refunding Bonds, Series 2015. The proceeds were used to defease the Unlimited Tax Refunding Bonds, Series 2005 and to pay bond issue costs. The bonds have an annual interest rate of 2% to 4%.
- c) During fiscal year 2017, the District issued \$6,880,000 in Unlimited Tax Refunding Bonds, Series 2017. The proceeds were used to defease \$6,950,000 of Unlimited Tax Refunding Bonds, Series 2012 and to pay related bond issue costs. The bonds have an annual interest rate of 2% to 4.5%.
- d) During fiscal year 2020, the District issued \$16,290,000 in Unlimited Tax Refunding Bonds, Series 2020. The proceeds were used to defease \$16,290,000 of the Series 2012 bonds and to pay related bond issue costs. The bonds have an annual interest rate of .6%-2.6%.

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

- e) During fiscal year 2021, the District issued Unlimited Tax Refunding Bonds, Taxable Series 2021 in the amount of \$11,500,000. The proceeds were used to refund a portion of Series 2012, 2013, and 2015 bonds. The bonds have interest rates between 1.87% - 5%.

A summary of changes in general obligation and refunding bonds for the year ended August 31, 2023 are as follows:

Description	Original Issue Amount	Interest Rate Payable	Amount Outstanding 9/1/2022	Issued	Retired	Amount Outstanding 8/31/2023	Amounts Due Within One Year
Unlimited Tax School Building Bonds:							
Series 2013	9,300,000	3.5% - 5%	\$ 440,000	\$ -	\$ (440,000)	\$ -	\$ -
Unlimited Tax Refunding Bonds:							
Series 2015	5,340,000	2% - 4%	1,065,000	-	(350,000)	715,000	350,000
Series 2017	6,880,000	2% - 4.5%	6,790,000	-	-	6,790,000	-
Series 2020	16,290,000	.6% - 2.6%	15,665,000	-	(165,000)	15,500,000	165,000
Series 2021	11,500,000	1.87%-5.00%	11,440,000	-	(855,000)	10,585,000	1,360,000
Totals			<u>\$ 35,400,000</u>	<u>\$ -</u>	<u>\$ (1,810,000)</u>	<u>\$ 33,590,000</u>	<u>\$ 1,875,000</u>

Payments on bonds that pertain to the District's governmental activities are made from the Debt Service Fund.

Annual debt service requirements to maturity for bonds payable are as follows:

Year Ending August 31,	Principal	Interest	Total
2024	\$ 1,875,000	\$ 1,069,938	\$ 2,944,938
2025	1,965,000	989,642	2,954,642
2026	2,045,000	901,608	2,946,608
2027	2,140,000	805,666	2,945,666
2028	2,230,000	714,956	2,944,956
2029 – 2033	9,630,000	3,734,034	13,364,034
2034 – 2038	6,635,000	2,794,370	9,429,370
2039– 2042	7,070,000	465,992	7,535,992
Total	<u>\$ 33,590,000</u>	<u>\$ 11,476,206</u>	<u>\$ 45,066,206</u>

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

The District issues obligation bonds for the governmental activities to provide funds for the acquisition and construction of major capital facilities. The bonds are supported by a pledge of the District's full faith and credit. The bond indentures require a levy and collection of taxes without limitation as to rate or amount on all property subject to taxation by the District sufficient in amount to pay the principal and interest on such bonds as they become due. The indentures also require that a debt service fund be created and administered by the District solely for paying principal and interest when due.

Bond indebtedness of the District is reflected in the government-wide financial statements, and current requirements for principal and interest expenditures are accounted for in the Debt Service Fund.

The District has never defaulted on any principal or interest payments. There are a number of limitations and restrictions contained in the general obligation bond indentures. The District is in compliance with all significant limitations and restrictions at August 31, 2023.

In prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements. On August 31, 2023, \$2,065,000 of bonds considered defeased are still outstanding.

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury for investment income received at yields that exceed the issuer's tax-exempt borrowing rates. The Treasury requires payment for each issue every five years. The liability is not recorded until payment is actually made or the liability has become due and payable. The District does not have an arbitrage liability as of August 31, 2023.

J. CHANGES IN LONG TERM LIABILITIES

Long-term liability activity for the year ended August 31, 2023, was as follows:

	Balance 9/1/2022	Additions	Deletions	Balance 8/31/2023	Due Within One Year
Bonds Payable	\$ 35,400,000	\$ -	\$ (1,810,000)	\$ 33,590,000	\$ 1,875,000
Unamortized Premiums	3,669,746	-	(410,783)	3,258,963	-
C.A.B.'s – Accreted Interest	1,666,865	-	(60,278)	1,606,587	-
SBITAs	-	70,605	(35,303)	35,302	35,302
Total Governmental Activities	<u>\$ 40,736,611</u>	<u>\$ 70,605</u>	<u>\$ (2,316,364)</u>	<u>\$ 38,490,852</u>	<u>\$ 1,910,302</u>

The District has one (1) SBITA subject to the requirements of GASB 96.

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

K. SUBSCRIPTION BASED INFORMATION TECHNOLOGY AGREEMENTS

On September 1, 2022, the District entered into a 24-month subscription for the use of Skyward Software. An initial subscription liability was recorded in the amount of \$70,605. As of August 31, 2023, the value of the subscription liability is \$35,302. The District's payments are based on a per student pricing. The September 2022 payment was \$36,056 and the September 2023 payment was \$36,109. The subscription has an interest rate of 5.00%. The value of the right to use asset as of August 31, 2023 of \$71,359 with accumulated amortization of \$35,679 is included with Software on the Subscription Class activities table found below.

Total Amount of the Subscription Asset and Accumulated Amortization

Description	Beginning Assets	Accumulated Amortization	Ending Balance
Software	\$ 71,359	\$ (35,679)	\$ 35,680

The Schedule of Changes for SBITA Liability is as follows:

Description	Original Liability	Amounts Outstanding 9/1/22	Additions	Retired	Amounts Outstanding 8/31/23	Due Within One Year
Software	\$ 70,605	\$ -	\$ 70,605	\$ (35,303)	\$ 35,302	\$ 35,302

Principal and Interest Requirements to Maturity

Year Ending August 31,	Principal	Interest	Total
2024	\$ 35,302	\$ 1,806	\$ 37,108
Total	\$ 35,302	\$ 1,806	\$ 37,108

Commitments and Impairments

There were no additional commitments made before the commencement of the SBITA term(s). There were also no impairments nor modifications to be reported during this fiscal year.

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

L. DEFINED BENEFIT PENSION PLAN

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

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard 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. Detail information about the Teacher Retirement System's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at https://trs.texas.gov/Pages/about_publications.aspx or 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 in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the *Plan Description* above.

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III. DETAILED NOTES ON ALL FUNDS (Continued)

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

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 2020 thru 2025.

	<u>Contribution Rates</u>	
	<u>2023</u>	<u>2022</u>
Member (Employee)	8.0%	7.70%
Non-Employer Contributing Entity (State)	7.75%	7.50%
Employer (District)	7.75%	7.50%
Carrizo Springs CISD 2023 – Employer Contributions (District)	\$ 889,005	
Carrizo Springs CISD 2023 – Member Contributions (Employees)	\$ 1,439,666	
Carrizo Springs CISD 2022 – NECE On-Behalf Contributions (State of Texas)	\$ 850,704	

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

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

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

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III. DETAILED NOTES ON ALL FUNDS (Continued)

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

- All public schools, charter schools and regional education service centers must contribute 1.7 percent of the salary beginning in fiscal year 2022, gradually increasing to 2 percent in fiscal year 2025.
- When employing a retiree of Teacher Retirement System, the employer shall pay an amount equal to the member contribution and the state contribution as an employment after retirement surcharge.

Actuarial Assumptions. The total pension liability in the August 31, 2020 actuarial valuation was rolled forward to August 31, 2021 and was determined using the following actuarial assumptions:

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Market Value
Single Discount Rate	7.00%
Long-term Expected Investment Rate of Return	7.00%
Municipal Bond Rate as of August 31, 2020	3.91%. Source for the rate is the Fixed Income Market Data/Yield Curve/Data Municipal Bonds with 20 years to maturity that include only Federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."
Inflation	2.30%
Salary Increases <i>(Including Inflation)</i>	3.05% to 9.05% including inflation
Benefit Changes During the Year	None
Ad Hoc Post-Employment Benefit Changes	None

The actuarial methods and assumptions are used in the determination of the total pension liability are the same assumptions used in the actuarial valuation as of August 31, 2021. For a full description of these assumptions, please see the actuarial valuation report dated November 12, 2021.

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III. DETAILED NOTES ON ALL FUNDS (Continued)

Discount Rate. A single discount rate of 7.00% 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%. The projection of cash flows used to determine this single discount rate assumed that contributions from active members, employers and the non-employer contributing entity will be made at the rates set by the legislature during the 2019 session. It is assumed that future employer and state contributions will be 8.50% of payroll in fiscal year 2020 gradually increasing to 9.55% of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2022 (TRS ACFR, pg. 54) are summarized below:

Asset Class	FY 2022 Target Allocation*	Long-Term Expected Geometric Real Rate of Return***	Expected Contribution to Long-Term Portfolio Return***
Global Equity			
USA	18.0%	3.60%	1.12%
Non-U.S. Developed	13.0%	4.90%	0.90%
Emerging Markets	9.0%	5.40%	0.75%
Private Equity	14.0%	7.70%	1.55%
Stable Value			
Government Bonds	16.0%	1.00%	0.22%
Stable Value Hedge Funds	5.0%	3.40%	0.18%
Absolute Return (including Credit Sensitive Investments)	-	3.70%	-
Real Return			
Real Estate	15.0%	4.10%	0.94%
Energy, Natural Resources and Infrastructure	6.0%	5.10%	0.37%
Commodities	-	3.60%	-
Risk Parity			
Risk Parity	8.0%	4.60%	0.43%
Asset Allocation Leverage			
Cash	2.0%	3.00%	0.01%
Asset Allocation Leverage	-6.0%	3.60%	-0.05%
Inflation Expectation	-	-	2.70%
Volatility Drag***	-	-	-0.91%
Total	100.0%		8.19%

* Target allocation based on the FY 2022 Model

** Capital Market Assumptions come from Aon Hewitt (as of 8/31/2022)

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

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III. DETAILED NOTES ON ALL FUNDS (Continued)

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. The discount rate can be found in the 2022 TRS ACFR, Note 11, page 87 and the Table of Sensitivities [Table 11.H.1] can be found on page 87.

1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
\$ 15,257,782	\$ 9,808,163	\$ 5,390,990

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At August 31, 2023, the District reported a liability of \$9,808,163 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 9,808,163
State's proportionate share that is associated with the District	<u>10,823,169</u>
Total	<u><u>\$ 20,631,332</u></u>

The net pension liability was measured as of August 31, 2021 and rolled forward to August 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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, 2021 thru August 31, 2022.

At August 31, 2023 the employer's proportion of the collective net pension liability was .0165211177% which was an increase of .0034577227% from its proportion measured as of August 31, 2022.

Changes Since the Prior Actuarial Valuation

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

- The actuarial assumptions and methods have been modified since the determination of the prior year's Net Pension Liability. These new assumptions were adopted in conjunction with an actuarial experience study. The primary assumption change was the lowering of the single discount rate from 7.25 percent to 7.00 percent

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For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

Actuarial Methods and Policies

For the year ended August 31, 2023, the District recognized pension expense of \$1,034,572 and revenue of \$1,034,572 for support provided by the State.

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

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experiences	\$ 142,218	\$ 213,837
Changes in actuarial assumptions	1,827,580	455,484
Differences between projected and actual investment earnings	969,015	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	1,518,386	117,382
Contributions paid to TRS subsequent to the measurement date	889,005	-
Total	\$ 5,346,204	\$ 786,703

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

Year Ending August 31,	Pension Expense Amount
2023	\$ 856,152
2024	656,884
2025	412,962
2026	1,404,711
2027	339,787
Thereafter	-
Total	\$ 3,670,496

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

M. OTHER POST EMPLOYMENT BENEFITS

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

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

OPEB Plan Fiduciary Net Position. Detail information about 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/about_publications.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 a basic 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 Premium Rates		
	Medicare	Non-Medicare
Retiree or Surviving Spouse	\$ 135	\$ 200
Retiree and Spouse	529	689
Retiree or Surviving Spouse and Children	468	408
Retiree and Family	1,020	999

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For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

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

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

	<u>Contribution Rates</u>	
	<u>2023</u>	<u>2022</u>
Member (Employee)	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employer (District)	0.75%	0.75%
Federal/Private Funding*	1.25%	1.25%
Carrizo Springs CISD 2023 – Employer Contributions (District)	\$ 203,113	
Carrizo Springs CISD 2023 – Member Contributions (Employees)	\$ 118,253	
Carrizo Springs CISD 2022 – NECE On-Behalf Contributions (State of Texas)	\$ 231,046	

*Contributions paid from federal funds and private grants are remitted by the employer and paid at the state rate.

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 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 \$83 million in fiscal year 2022 from the Federal Rescue Plan Act (ARPA) to help defray Covid-19-related health care costs during fiscal year 2022.

Actuarial Assumptions. The actuarial valuation was performed as of August 31, 2021. Update procedures were used to roll forward the Total OPEB Liability to August 31, 2022.

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NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended August 31, 2023

III. DETAILED NOTES ON ALL FUNDS (Continued)

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 developed in the experience study performed for TRS for the period ending August 31, 2017. The following assumptions and other inputs used for members of TRS-Care are based on an established pattern of practice and are identical to the assumptions used in the August 31, 2021 TRS pension actuarial valuation that was rolled forward to August 31, 2022:

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

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

Additional Actuarial Methods and Assumptions:

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Inflation	2.30%
Single Discount Rate	1.95% as of August 31, 2022
Aging Factors	Based on plan specific experience
	Normal Retirement: 65% participation prior to age 65 and 40% after age 65. 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Election Rates	Third-party administrative expenses related to the delivery of healthcare benefits are included in the age-adjusted claim costs.
Expenses	3.05% to 9.05% including inflation
Projected Salary Increases	Initial medical trend rates of 8.25% for Medicare retirees and 7.25% for non-Medicare retirees.
Healthcare Trend Rates	Initial prescription drug trend rate of 8.25% for all retirees.
	Initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 13 years.
Ad Hoc Post-Employment Benefit Changes	None

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III. DETAILED NOTES ON ALL FUNDS (Continued)

Discount Rate. A single discount rate of 3.91% was used to measure the total OPEB liability. There was an increase of 1.96% in the discount rate since the previous year. Because the plan is essentially a “pay-as-you-go” plan, the single discount rate is equal to the prevailing municipal bond rate. The projection of cash flows used to determine the discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity are made at the statutorily required rates. Based on those assumptions, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments of current plan members. Therefore, the municipal bond rate was applied to all periods of projected benefit payments to determine the total OPEB liability.

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 2021 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 (3.91%) in measuring the Net OPEB Liability

1% Decrease in Discount Rate (2.91%)	Discount Rate (3.91%)	1% Increase in Discount Rate (4.91%)
\$ 6,510,437	\$ 5,521,628	\$ 4,720,565

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At August 31, 2023, the District reported a liability of \$5,521,628 for its proportionate share of the TRS’s Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District’s proportionate share of the collective net pension liability	\$ 5,521,628
State’s proportionate share that is associated with the District	<u>6,735,518</u>
Total	<u>\$ 12,257,146</u>

The Net OPEB Liability was measured as of August 31, 2021 rolled forward to August 31, 2022, and the Total OPEB Liability used to calculate the Net OPEB Liability was determined by an actuarial valuation as of that date. The employer’s proportion of the Net OPEB Liability was based on the employer’s contributions to OPEB relative to the contributions of all employers to the plan for the period September 1, 2021 thru August 31, 2022.

At August 31, 2023 the District’s proportion of the collective net OPEB liability was .0230605851% compared to .0197408663% as of August 31, 2022.

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III. DETAILED NOTES ON ALL FUNDS (Continued)

The following presents the District's proportionate share of the Net OPEB Liability of the plan using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is 1% less than and 1% greater than the assumed healthcare cost trend rate:

1% Decrease in Healthcare Trend Rate	Current Single Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
\$ 4,549,846	\$ 5,521,628	\$ 6,781,418

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

- The discount rate changed from 1.95 percent as of August 31, 2021 to 3.91 percent, as of August 31, 2022. This change increased the Total OPEB Liability. (TOL)

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

For the year ended August 31, 2023, the District recognized OPEB expense of (\$955,824) and revenue of (\$955,824) for support provided by the state.

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

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 306,983	\$ 4,600,012
Changes in actuarial assumptions	841,053	3,836,098
Differences between projected and actual investment earnings	16,447	-
Changes in proportion and differences between the employer's contributions and the proportionate share of contributions	2,344,299	-
Contributions paid to TRS subsequent to the Measurement Date	203,113	-
Total	<u>\$ 3,711,895</u>	<u>\$ 8,436,110</u>

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III. DETAILED NOTES ON ALL FUNDS (Continued)

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

Year Ended August 31	Pension Expense Amount
2023	\$ (1,021,981)
2024	(1,021,922)
2025	(787,768)
2026	(470,765)
2027	(601,587)
Thereafter	(1,023,304)
	<u>\$ (4,927,327)</u>

Medicare Part D. The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare Part D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. Contributions made by the federal government on behalf of the District are recorded in the financial statements as both revenues and expenditures. These payments totaled \$86,593, \$70,595, and \$69,592 for fiscal years 2023, 2022, and 2021 respectively.

N. HEALTH CARE COVERAGE

During the year-ended August 31, 2023, employees of the District were covered by a District Health Plan ("the Plan"). The District paid premiums ranging between \$400 to \$561 per month per employee to the plan. Employees, at their option, authorize payroll withholdings to pay premiums for dependents. All premiums were paid to a licensed insurer.

O. 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; and natural disasters. The District participates in the Texas Association School Board (TASB) Risk Management Fund (Fund), which provides coverage for covered losses related to general liability coverage, auto liability, crime, and physical damage coverage. The Fund is not an insurance company; rather, the coverage Agreement is an agreement between the Fund, and the Fund members to pay all covered losses subject to all provisions of the Agreement.

The District pays an annual premium for the general liability, auto liability, crime, and physical damage coverage. There were no significant reductions in coverage from the past fiscal year and settled claims resulting from this risk have not exceeded insurance coverage in any of the past three years.

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III. DETAILED NOTES ON ALL FUNDS (Continued)

P. WORKER'S COMPENSATION

In prior years, the District entered into an agreement with Workers' Compensation Solutions (WCS) to participate in a modified self-funded program. WCS is a cooperative agency established by participating school districts. Under this program, WCS computes a premium by utilizing the District's payroll, by fiscal year, and other factors. The premium is used as the basis to determine the amount of the District's fixed administrative costs and maximum loss fund. During the year, the District paid \$75,367 in fixed administrative fees, which was assessed at \$66,295 plus 10% of the maximum loss fund for 2022-2023. The District is also required to maintain a deposit with WCS equal to 10% of the maximum loss fund for each fiscal year. The District made other payments corresponding to the maximum loss fund of \$33,779. The maximum loss fund represents the maximum estimated amount in workers compensation claims for which the District is contractually liable. WCS is liable for amounts above the maximum loss fund.

Governmental accounting standards require that liabilities be recognized based on reasonable estimates based on historical experience and/or actuarial methods. In prior years, the District had recognized the self-insurance fund liabilities based on the maximum loss contractual estimates. The maximum loss contractual estimates have not been exceeded in the last ten (10) years. The District reflects claims liabilities based on the actuarial cost estimates obtained and provided by WCS. Information provided by WCS indicates that there is a negative actuarial liability for the fiscal year ended August 31, 2023 and a negative liability in the previous two years. The actuarially determined negative liabilities were \$(83,162) in 2023, \$(67,907) in 2022 and \$(68,669) in 2021. As such, no liability is reported in the financial statements.

Q. COMMITMENTS AND CONTINGENCIES

Litigation, Claims or Judgements

From time to time the District is a party to legal actions, claims or judgements. Management does not consider any items to have a material effect on the financial condition of the District as of the date of this report. Accordingly, no provision for losses has been recorded in the accompanying financial statements for such contingencies.

State and Federal Programs Contingencies

The District participates in numerous Federal and state grant programs that are governed by the rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies. If the District is found to be out of compliance with any rules or regulations governing the grants, the grantor may either deny requests for reimbursement or may require that grant proceeds received be returned. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

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NOTES TO THE FINANCIAL STATEMENTS

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III. DETAILED NOTES ON ALL FUNDS (Continued)

R. INCREMENTAL COST ASSOCIATED WITH TEXAS STATE LAW - CHAPTER 41

Expenditures of \$58,606,166 for incremental costs associated with Chapter 41 consist of Chapter 41 recapture payments to TEA and amounts payable. Under Texas State Law (TEC Chapter 41), the State recaptured ad valorem taxes collected by the District; recapture is a mechanism in state funding formulas that ensures that a district's property wealth per student does not exceed certain levels, known as equalized wealth levels. A district is subject to the provisions of Chapter 41 if its property wealth per Weighted Average Daily Attendance (WADA) exceeds certain equalized wealth levels set in statute.

S. TAX ABATEMENTS

The District has one active Chapter 313 Agreement with a corporation for limitation on appraised value of property for school district maintenance and operations taxes pursuant to the Chapter 313 of the Texas Tax Code, i.e., the Texas Economic Development Act.

Value limitation agreements are a part of a state program, originally created in 2001 which allows school districts to limit the taxable value of an approved project for Maintenance and Operations (M&O) for a period of years specified in statute. The project(s) under the Chapter 313 agreement must be consistent with the state's goal to "encourage large scale capital investments in this state." Chapter 313 of the Tax Code grants eligibility to companies engaged in manufacturing, research and development, renewable electric energy production, clean coal projects, nuclear power generation and data centers.

In order to qualify for a value limitation agreement, each applicant has been required to meet a series of capital investment, job creation, and wage requirements specified by state law. At the time of the application's approval, the agreement was found to have done so by both the District's Board of trustees and the Texas Comptroller's Office, which recommended approval of the project. The application, the agreements and state reporting requirement documentation can be viewed at the Texas Comptroller's website: <https://www.comptroller.texas.gov/economy/local/ch313/agreement-docs.php>. The agreement and all supporting documentation was assigned Texas Comptroller Application number 350.

The following Chapter 313 Agreement is in effect:

Shakes Solar LLC- On March 16, 2019, the District signed a Tax Limitation Agreement with Shakes Solar, LLC (Application No. 1297). The 2022-2023 school year is the second of 10 years that the \$30 million value limitation will be in effect under the Agreement. The gross tax savings (and amounts paid to the District) for the year ended August 31, 2023 under the agreement was \$1,152; and, there was no net benefit to the company.

T. SUBSEQUENT EVENTS

On November 7, 2023, an election was held and voters approved two propositions as follows: 1) a \$91,000,000 bond issuance for the purposes of designing, constructing, renovating, improving, and equipping school facilities including two new elementary campuses, and the existing Junior High and High School campuses and other safety measures, and, 2) an order authorizing the ratification of the total ad valorem tax of \$0.08501 for the 2023-2024 school year. This effectively increases the M&O maximum compressed tax rate from \$0.6951 to \$ 0.7151, an increase of \$0.02. The additional enrichment pennies is estimated to generate an additional \$1.7 million in property tax revenue to the General Fund.

REQUIRED SUPPLEMENTARY INFORMATION

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CARRIZO SPRINGS CONSOLIDATED ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED AUGUST 31, 2023

Data			Actual Amounts	Variance With	
Control	Budgeted Amounts		(GAAP BASIS)	Final Budget	
Codes	Original	Final		Positive or (Negative)	
REVENUES:					
5700	Total Local and Intermediate Sources	\$ 79,825,176	\$ 79,825,176	\$ 81,880,930	\$ 2,055,754
5800	State Program Revenues	2,036,193	2,036,193	2,258,230	222,037
5900	Federal Program Revenues	2,089,423	2,089,423	2,496,714	407,291
5020	Total Revenues	83,950,792	83,950,792	86,635,874	2,685,082
EXPENDITURES:					
Current:					
0011	Instruction	13,131,184	13,131,184	12,491,504	639,680
0012	Instructional Resources and Media Services	289,448	297,448	315,530	(18,082)
0013	Curriculum and Instructional Staff Development	211,304	136,804	114,543	22,261
0021	Instructional Leadership	617,783	617,783	593,126	24,657
0023	School Leadership	1,521,821	1,521,821	1,585,281	(63,460)
0031	Guidance, Counseling, and Evaluation Services	588,507	633,507	628,020	5,487
0032	Social Work Services	110,781	106,281	62,925	43,356
0033	Health Services	266,902	266,902	275,633	(8,731)
0034	Student (Pupil) Transportation	789,853	854,853	750,003	104,850
0035	Food Services	2,297,937	2,441,537	2,340,135	101,402
0036	Extracurricular Activities	1,660,493	1,560,493	1,489,042	71,451
0041	General Administration	1,890,487	1,704,487	1,556,065	148,422
0051	Facilities Maintenance and Operations	2,074,604	2,088,604	2,212,074	(123,470)
0052	Security and Monitoring Services	651,833	661,833	687,928	(26,095)
0053	Data Processing Services	708,433	868,433	833,420	35,013
0061	Community Services	9,000	9,000	4,805	4,195
Debt Service:					
0071	Principal on Long-Term Liabilities	-	-	35,303	(35,303)
0072	Interest on Long-Term Liabilities	-	-	754	(754)
Intergovernmental:					
0091	Contracted Instructional Services Between Schools	57,250,613	58,758,818	58,606,166	152,652
0093	Payments to Fiscal Agent/Member Districts of SSA	70,000	70,000	39,361	30,639
0099	Other Intergovernmental Charges	645,000	663,000	662,450	550
6030	Total Expenditures	84,785,983	86,392,788	85,284,068	1,108,720
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	(835,191)	(2,441,996)	1,351,806	3,793,802
OTHER FINANCING SOURCES (USES):					
7912	Sale of Real and Personal Property	-	-	133,532	133,532
7913	Proceeds of Right-to-Use Lease	-	-	71,359	71,359
7915	Transfers In	230,845	230,845	-	(230,845)
8911	Transfers Out (Use)	(230,845)	(230,845)	-	230,845
7080	Total Other Financing Sources (Uses)	-	-	204,891	204,891
1200	Net Change in Fund Balances	(835,191)	(2,441,996)	1,556,697	3,998,693
0100	Fund Balance - September 1 (Beginning)	21,025,413	21,025,413	21,025,413	-
3000	Fund Balance - August 31 (Ending)	\$ 20,190,222	\$ 18,583,417	\$ 22,582,110	\$ 3,998,693

CARRIZO SPRINGS CONSOLIDATED ISD
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2023

	FY 2023 <u>Plan Year 2022</u>	FY 2022 <u>Plan Year 2021</u>	FY 2021 <u>Plan Year 2020</u>
District's Proportion of the Net Pension Liability (Asset)	0.01652118%	0.0130634%	0.0128588%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 9,808,163	\$ 3,326,784	\$ 6,886,929
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	10,823,169	5,781,237	11,901,780
Total	<u>\$ 20,631,332</u>	<u>\$ 9,108,021</u>	<u>\$ 18,788,709</u>
District's Covered Payroll	\$ 18,001,208	\$ 17,046,548	\$ 16,430,571
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	54.49%	19.52%	41.92%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.62%	88.79%	75.54%

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, 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.

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 2020</u> <u>Plan Year 2019</u>	<u>FY 2019</u> <u>Plan Year 2018</u>	<u>FY 2018</u> <u>Plan Year</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</u>
0.0012347%	0.0116753%	1.1197019%	1.43106%	1.63437%	-
\$ 6,418,136	\$ 6,426,347	\$ 3,827,422	\$ 5,407,775	\$ 5,777,280	\$ -
10,931,710	12,762,211	7,312,046	8,659,231	8,634,779	-
<u>\$ 17,349,846</u>	<u>\$ 19,188,558</u>	<u>\$ 11,139,469</u>	<u>\$ 14,067,007</u>	<u>\$ 14,412,061</u>	<u>\$ -</u>
\$ 15,687,088	\$ 13,887,625	\$ 14,126,795	\$ 14,126,795	\$ 14,166,259	\$ -
40.91%	46.27%	27.09%	38.28%	40.78%	-
75.24%	73.74%	82.17%	78.00%	78.43%	-

CARRIZO SPRINGS CONSOLIDATED ISD
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually Required Contribution	\$ 889,005	\$ 767,353	\$ 554,314
Contribution in Relation to the Contractually Required Contribution	(889,005)	(767,353)	(554,314)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 18,001,208	\$ 17,046,548	\$ 16,430,571
Contributions as a Percentage of Covered Payroll	4.94%	4.50%	3.39%

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.

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.

2020	2019	2018	2017	2016	
\$ 535,758	\$ 427,872	\$ 382,813	\$ 449,311	\$ 436,792	
(535,758)	(427,872)	(382,813)	(449,311)	(436,792)	
\$ -	\$ -	\$ -	\$ -	\$ -	
\$ 15,687,088	\$ 13,887,625	\$ 14,429,699	\$ 15,032,169	\$ 14,354,571	
3.42%	3.08%	2.65%	2.99%	3.04%	

CARRIZO SPRINGS CONSOLIDATED ISD
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED AUGUST 31, 2023

	FY 2023 Plan Year 2022	FY 2022 Plan Year 2021	FY 2021 Plan Year 2020
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.023060585%	0.019740866%	0.01960096%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 5,521,628	\$ 7,614,934	\$ 7,451,211
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	6,735,518	10,202,315	10,012,641
Total	<u>\$ 12,257,146</u>	<u>\$ 17,817,249</u>	<u>\$ 17,463,852</u>
District's Covered Payroll	\$ 18,001,208	\$ 17,046,548	\$ 16,430,571
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	30.67%	44.67%	45.35%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.52%	6.18%	2.66%

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 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.

FY 2020 Plan Year		FY 2019 Plan Year		FY 2018 Plan Year	
0.019330917%		0.018556308%		-	
\$	9,141,827	\$	9,265,334	\$	-
12,147,444		12,312,037		-	
<hr/>		<hr/>		<hr/>	
\$	21,289,271	\$	21,577,371	\$	-
<hr/>		<hr/>		<hr/>	
\$	15,687,078	\$	13,887,625	\$	-
58.28%		66.72%		-	
2.66%		1.57%		-	

CARRIZO SPRINGS CONSOLIDATED ISD
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually Required Contribution	\$ 203,113	\$ 197,786	\$ 152,573
Contribution in Relation to the Contractually Required Contribution	(203,113)	(197,786)	(152,573)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 18,001,208	\$ 17,046,548	\$ 16,430,571
Contributions as a Percentage of Covered Payroll	1.13%	1.16%	0.93%

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.

2020		2019	
\$	141,631	\$	134,952
	(141,631)		(134,952)
\$	-	\$	-
\$	15,687,078	\$	13,887,625
	0.90%		0.97%

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Year Ended August, 31, 2023

A. Notes to Schedules for the TRS Pension

Changes of Benefit Terms

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

Changes of Assumptions

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

B. Notes to Schedules for the TRS OPEB

Changes of Benefit Terms

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

Changes in 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 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change decreased the Total OPEB Liability.

COMBINING AND OTHER STATEMENTS

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**Nonmajor Governmental Funds –
Special Revenue Funds and Debt Service**

CARRIZO SPRINGS CONSOLIDATED ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2023

Data Control Codes		206 ESSA, IX, A Homeless Children Ed.	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ 5,063
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	-	243,249	30,393	6,728
1260	Due from Other Funds	-	-	-	-
1290	Other Receivables	-	-	-	-
1000	Total Assets	<u>\$ -</u>	<u>\$ 243,249</u>	<u>\$ 30,393</u>	<u>\$ 11,791</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ 35,633	\$ 2,000	\$ 6,728
2150	Payroll Deductions and Withholdings Payable	-	4,082	1,400	-
2160	Accrued Wages Payable	-	24,887	2,497	-
2170	Due to Other Funds	-	178,647	24,496	-
2180	Due to Other Governments	-	-	-	5,063
2300	Unearned Revenue	-	-	-	-
2000	Total Liabilities	<u>-</u>	<u>243,249</u>	<u>30,393</u>	<u>11,791</u>
DEFERRED INFLOWS OF RESOURCES					
2601	Unavailable Revenue - Property Taxes	-	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	-
3470	Capital Acquisition and Contractual Obligation	-	-	-	-
3480	Retirement of Long-Term Debt	-	-	-	-
Assigned Fund Balance:					
3590	Other Assigned Fund Balance	-	-	-	-
3600	Unassigned Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ -</u>	<u>\$ 243,249</u>	<u>\$ 30,393</u>	<u>\$ 11,791</u>

242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	266 ESSER 1 - Emergency Sch Relief Fund	270 ESEA V, B,2 Rural & Low Income	278 ESSER (ARP) Homeless Children	279 ESSER III TCLAS ARP Act	280 ESSER III Homeless Children
\$ 440,756	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	17,545	-	-	933	9,776	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 440,756</u>	<u>\$ -</u>	<u>\$ 17,545</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 933</u>	<u>\$ 9,776</u>	<u>\$ -</u>
\$ -	\$ -	\$ 12,306	\$ -	\$ -	\$ -	\$ 1,346	\$ -
-	-	-	-	-	-	296	-
-	-	-	-	-	-	-	-
-	-	5,239	-	-	933	8,134	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>17,545</u>	<u>-</u>	<u>-</u>	<u>933</u>	<u>9,776</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
440,756	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>440,756</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 440,756</u>	<u>\$ -</u>	<u>\$ 17,545</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 933</u>	<u>\$ 9,776</u>	<u>\$ -</u>

CARRIZO SPRINGS CONSOLIDATED ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2023

Data Control Codes		281 ESSER II CRRSA Act Supplemental	282 ESSER III ARP Act	284 IDEA B Formula ARP Act	285 IDEA B Preschool ARP Act
ASSETS					
1110	Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1220	Property Taxes - Delinquent	-	-	-	-
1230	Allowance for Uncollectible Taxes	-	-	-	-
1240	Due from Other Governments	193,271	795,702	-	-
1260	Due from Other Funds	-	-	-	-
1290	Other Receivables	-	-	-	-
1000	Total Assets	<u>\$ 193,271</u>	<u>\$ 795,702</u>	<u>\$ -</u>	<u>\$ -</u>
LIABILITIES					
2110	Accounts Payable	\$ -	\$ -	\$ -	\$ -
2150	Payroll Deductions and Withholdings Payable	-	14,465	-	-
2160	Accrued Wages Payable	-	-	-	-
2170	Due to Other Funds	193,271	781,237	-	-
2180	Due to Other Governments	-	-	-	-
2300	Unearned Revenue	-	-	-	-
2000	Total Liabilities	<u>193,271</u>	<u>795,702</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
2601	Unavailable Revenue - Property Taxes	-	-	-	-
2600	Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted Fund Balance:					
3450	Federal or State Funds Grant Restriction	-	-	-	-
3470	Capital Acquisition and Contractual Obligation	-	-	-	-
3480	Retirement of Long-Term Debt	-	-	-	-
Assigned Fund Balance:					
3590	Other Assigned Fund Balance	-	-	-	-
3600	Unassigned Fund Balance	-	-	-	-
3000	Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 193,271</u>	<u>\$ 795,702</u>	<u>\$ -</u>	<u>\$ -</u>

289 Other Federal Special Revenue Funds	379 Other Federal SSA Special Revenue Funds	410 State Instructional Materials	427 TCLAS & SPAT	429 Other State Special Revenue Funds	461 Campus Activity Funds	481 Wal-Mart	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ 6,096	\$ -	\$ -	\$ 56,670	\$ 119	\$ 508,704
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
17,571	-	-	38,221	-	-	-	1,353,389
-	-	-	-	-	3,583	-	3,583
-	-	-	-	-	-	-	-
<u>\$ 17,571</u>	<u>\$ -</u>	<u>\$ 6,096</u>	<u>\$ 38,221</u>	<u>\$ -</u>	<u>\$ 60,253</u>	<u>\$ 119</u>	<u>\$ 1,865,676</u>
\$ 9,730	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,743
-	-	-	-	-	-	-	20,243
-	-	-	-	-	-	-	27,384
7,841	-	-	38,221	-	-	-	1,238,019
-	-	-	-	-	-	-	5,063
-	-	3,681	-	-	-	-	3,681
<u>17,571</u>	<u>-</u>	<u>3,681</u>	<u>38,221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,362,133</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	2,415	-	-	-	-	443,171
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	60,253	-	60,253
-	-	-	-	-	-	119	119
<u>-</u>	<u>-</u>	<u>2,415</u>	<u>-</u>	<u>-</u>	<u>60,253</u>	<u>119</u>	<u>503,543</u>
<u>\$ 17,571</u>	<u>\$ -</u>	<u>\$ 6,096</u>	<u>\$ 38,221</u>	<u>\$ -</u>	<u>\$ 60,253</u>	<u>\$ 119</u>	<u>\$ 1,865,676</u>

CARRIZO SPRINGS CONSOLIDATED ISD
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AUGUST 31, 2023

Data Control Codes		511 Debt Service Fund	620 Capital Projects Fund	Total Nonmajor Governmental Funds
ASSETS				
1110	Cash and Cash Equivalents	\$ 703,236	\$ 2,513,576	\$ 3,725,516
1220	Property Taxes - Delinquent	207,947	-	207,947
1230	Allowance for Uncollectible Taxes	(10,397)	-	(10,397)
1240	Due from Other Governments	-	-	1,353,389
1260	Due from Other Funds	9,585	-	13,168
1290	Other Receivables	13,017	-	13,017
1000	Total Assets	<u>\$ 923,388</u>	<u>\$ 2,513,576</u>	<u>\$ 5,302,640</u>
LIABILITIES				
2110	Accounts Payable	\$ 1	\$ -	\$ 67,744
2150	Payroll Deductions and Withholdings Payable	-	-	20,243
2160	Accrued Wages Payable	-	-	27,384
2170	Due to Other Funds	-	-	1,238,019
2180	Due to Other Governments	6,793	-	11,856
2300	Unearned Revenue	18,744	-	22,425
2000	Total Liabilities	<u>25,538</u>	<u>-</u>	<u>1,387,671</u>
DEFERRED INFLOWS OF RESOURCES				
2601	Unavailable Revenue - Property Taxes	216,294	-	216,294
2600	Total Deferred Inflows of Resources	<u>216,294</u>	<u>-</u>	<u>216,294</u>
FUND BALANCES				
Restricted Fund Balance:				
3450	Federal or State Funds Grant Restriction	-	-	443,171
3470	Capital Acquisition and Contractual Obligation	-	2,513,576	2,513,576
3480	Retirement of Long-Term Debt	681,556	-	681,556
Assigned Fund Balance:				
3590	Other Assigned Fund Balance	-	-	60,253
3600	Unassigned Fund Balance	-	-	119
3000	Total Fund Balances	<u>681,556</u>	<u>2,513,576</u>	<u>3,698,675</u>
4000	Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 923,388</u>	<u>\$ 2,513,576</u>	<u>\$ 5,302,640</u>

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CARRIZO SPRINGS CONSOLIDATED ISD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		206 ESSA, IX, A Homeless Children Ed.	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
REVENUES:					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	2,188	1,010,084	428,734	6,728
5020	Total Revenues	2,188	1,010,084	428,734	6,728
EXPENDITURES:					
Current:					
0011	Instruction	2,188	582,719	268,544	6,728
0012	Instructional Resources and Media Services	-	-	-	-
0013	Curriculum and Instructional Staff Development	-	222,458	-	-
0021	Instructional Leadership	-	117,081	110,678	-
0023	School Leadership	-	1,018	-	-
0031	Guidance, Counseling, and Evaluation Services	-	-	49,512	-
0032	Social Work Services	-	-	-	-
0033	Health Services	-	-	-	-
0034	Student (Pupil) Transportation	-	-	-	-
0035	Food Services	-	-	-	-
0036	Extracurricular Activities	-	-	-	-
0041	General Administration	-	-	-	-
0051	Facilities Maintenance and Operations	-	-	-	-
0052	Security and Monitoring Services	-	-	-	-
0053	Data Processing Services	-	-	-	-
0061	Community Services	-	86,808	-	-
Debt Service:					
0071	Principal on Long-Term Liabilities	-	-	-	-
0072	Interest on Long-Term Liabilities	-	-	-	-
0073	Bond Issuance Cost and Fees	-	-	-	-
6030	Total Expenditures	2,188	1,010,084	428,734	6,728
1200	Net Change in Fund Balance	-	-	-	-
0100	Fund Balance - September 1 (Beginning)	-	-	-	-
3000	Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -

242 Summer Feeding Program	244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	266 ESSER 1 - Emergency Sch Relief Fund	270 ESEA V, B,2 Rural & Low Income	278 ESSER (ARP) Homeless Children	279 ESSER III TCLAS ARP Act	280 ESSER III Homeless Children
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	30,513	80,434	5,850	43,159	933	90,924	10,033
-	30,513	80,434	5,850	43,159	933	90,924	10,033
-	-	-	-	-	-	-	-
-	26,282	38,950	5,850	43,159	933	90,924	10,033
-	-	-	-	-	-	-	-
-	4,231	18,679	-	-	-	-	-
-	-	8,539	-	-	-	-	-
-	-	10,186	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	4,080	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	30,513	80,434	5,850	43,159	933	90,924	10,033
-	-	-	-	-	-	-	-
440,756	-	-	-	-	-	-	-
\$ 440,756	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CARRIZO SPRINGS CONSOLIDATED ISD
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		281 ESSER II CRRSA Act Supplemental	282 ESSER III ARP Act	284 IDEA B Formula ARP Act	285 IDEA B Preschool ARP Act
REVENUES:					
5700	Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800	State Program Revenues	-	-	-	-
5900	Federal Program Revenues	2,123,837	2,416,777	36,098	-
5020	Total Revenues	2,123,837	2,416,777	36,098	-
EXPENDITURES:					
Current:					
0011	Instruction	529,638	1,034,586	36,098	-
0012	Instructional Resources and Media Services	12,240	10,431	-	-
0013	Curriculum and Instructional Staff Development	4,090	6,475	-	-
0021	Instructional Leadership	16,359	20,980	-	-
0023	School Leadership	44,988	61,471	-	-
0031	Guidance, Counseling, and Evaluation Services	16,664	25,655	-	-
0032	Social Work Services	2,045	221	-	-
0033	Health Services	10,224	17,073	-	-
0034	Student (Pupil) Transportation	495,217	218,677	-	-
0035	Food Services	69,540	74,418	-	-
0036	Extracurricular Activities	2,045	2,230	-	-
0041	General Administration	24,541	30,832	-	-
0051	Facilities Maintenance and Operations	865,552	841,617	-	-
0052	Security and Monitoring Services	18,424	55,572	-	-
0053	Data Processing Services	12,270	15,521	-	-
0061	Community Services	-	1,018	-	-
Debt Service:					
0071	Principal on Long-Term Liabilities	-	-	-	-
0072	Interest on Long-Term Liabilities	-	-	-	-
0073	Bond Issuance Cost and Fees	-	-	-	-
6030	Total Expenditures	2,123,837	2,416,777	36,098	-
1200	Net Change in Fund Balance	-	-	-	-
0100	Fund Balance - September 1 (Beginning)	-	-	-	-
3000	Fund Balance - August 31 (Ending)	\$ -	\$ -	\$ -	\$ -

289 Other Federal Special Revenue Funds	379 Other Federal SSA Special Revenue Funds	410 State Instructional Materials	427 TCLAS & SPAT	429 Other State Special Revenue Funds	461 Campus Activity Funds	481 Wal-Mart	Total Nonmajor Special Revenue Funds
\$ -	\$ -	\$ -	\$ -	\$ -	21,835	\$ -	21,835
-	-	14,126	38,221	27,172	-	-	79,519
102,085	-	-	-	-	-	-	6,388,377
102,085	-	14,126	38,221	27,172	21,835	-	6,489,731
23,832	-	28,980	-	-	-	-	2,729,444
-	-	-	-	-	-	-	22,671
58,951	-	-	-	19,553	-	-	334,437
-	-	(190)	-	-	-	-	273,447
-	-	-	-	-	-	-	117,663
-	-	-	-	-	-	-	91,831
-	-	-	-	-	-	-	2,266
-	-	-	-	-	-	-	27,297
-	-	-	-	-	-	-	713,894
-	-	-	-	-	-	-	143,958
-	-	-	-	-	28,511	-	32,786
-	-	-	-	-	-	-	55,373
-	-	-	-	-	-	-	1,707,169
-	-	-	38,221	7,619	-	-	119,836
-	-	-	-	-	-	-	27,791
19,302	-	-	-	-	-	1,652	112,860
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
102,085	-	28,790	38,221	27,172	28,511	1,652	6,512,723
-	-	(14,664)	-	-	(6,676)	(1,652)	(22,992)
-	-	17,079	-	-	66,929	1,771	526,535
\$ -	\$ -	\$ 2,415	\$ -	\$ -	60,253	119	503,543

CARRIZO SPRINGS CONSOLIDATED ISD
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED AUGUST 31, 2023

Data Control Codes		511 Debt Service Fund	620 Capital Projects Fund	Total Nonmajor Governmental Funds
REVENUES:				
5700	Total Local and Intermediate Sources	\$ 3,089,539	\$ 112,306	\$ 3,223,680
5800	State Program Revenues	14,264	-	93,783
5900	Federal Program Revenues	-	-	6,388,377
5020	Total Revenues	3,103,803	112,306	9,705,840
EXPENDITURES:				
Current:				
0011	Instruction	-	-	2,729,444
0012	Instructional Resources and Media Services	-	-	22,671
0013	Curriculum and Instructional Staff Development	-	-	334,437
0021	Instructional Leadership	-	-	273,447
0023	School Leadership	-	-	117,663
0031	Guidance, Counseling, and Evaluation Services	-	-	91,831
0032	Social Work Services	-	-	2,266
0033	Health Services	-	-	27,297
0034	Student (Pupil) Transportation	-	-	713,894
0035	Food Services	-	-	143,958
0036	Extracurricular Activities	-	-	32,786
0041	General Administration	-	-	55,373
0051	Facilities Maintenance and Operations	-	-	1,707,169
0052	Security and Monitoring Services	-	-	119,836
0053	Data Processing Services	-	-	27,791
0061	Community Services	-	-	112,860
Debt Service:				
0071	Principal on Long-Term Liabilities	1,810,000	-	1,810,000
0072	Interest on Long-Term Liabilities	1,142,232	-	1,142,232
0073	Bond Issuance Cost and Fees	3,250	-	3,250
6030	Total Expenditures	2,955,482	-	9,468,205
1200	Net Change in Fund Balance	148,321	112,306	237,635
0100	Fund Balance - September 1 (Beginning)	533,235	2,401,270	3,461,040
3000	Fund Balance - August 31 (Ending)	\$ 681,556	\$ 2,513,576	\$ 3,698,675

TEA REQUIRED SCHEDULES

CARRIZO SPRINGS CONSOLIDATED ISD
SCHEDULE OF DELINQUENT TAXES RECEIVABLE
FOR THE YEAR ENDED AUGUST 31, 2023

Last 10 Years Ended August 31	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2014 and prior years	Various	Various	\$ Various
2015	1.040000	0.10020	6,826,581,614
2016	1.060000	0.05330	5,929,822,282
2017	1.060000	0.09230	3,517,297,934
2018	1.060000	0.05610	5,264,725,979
2019	1.060000	0.05670	5,727,013,220
2020	0.990000	0.04600	7,335,979,998
2021	0.976400	0.04420	6,882,035,470
2022	0.973400	0.05180	5,740,653,980
2023 (School year under audit)	0.974600	0.03607	8,205,406,503
1000 TOTALS			

(10) Beginning Balance 9/1/2022	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 8/31/2023
\$ 1,673,317	\$ -	\$ 46,225	\$ 4,353	\$ (92,104)	\$ 1,530,635
294,552	-	14,422	574	(470)	279,086
361,479	-	17,840	897	(630)	342,112
457,332	-	25,112	2,187	(3,091)	426,942
417,984	-	34,144	1,807	(2,650)	379,383
436,692	-	42,657	2,282	(2,862)	388,891
467,377	-	86,844	4,035	21,568	398,066
536,155	-	133,740	6,054	19,918	416,279
795,526	-	282,491	15,033	11,081	509,083
-	83,017,800	79,348,516	2,937,388	422,991	1,154,887
<u>\$ 5,440,414</u>	<u>\$ 83,017,800</u>	<u>\$ 80,031,991</u>	<u>\$ 2,974,610</u>	<u>\$ 373,751</u>	<u>\$ 5,825,364</u>

CARRIZO SPRINGS CONSOLIDATED ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
FOR THE YEAR ENDED AUGUST 31, 2023

Data	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
Control Codes	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 54,750	\$ 54,750	\$ 49,241	\$ (5,509)
5800 State Program Revenues	47,402	47,402	39,436	(7,966)
5900 Federal Program Revenues	1,854,423	1,854,423	1,575,638	(278,785)
5020 Total Revenues	1,956,575	1,956,575	1,664,315	(292,260)
EXPENDITURES:				
Current:				
0035 Food Services	2,259,363	2,357,963	2,265,413	92,550
6030 Total Expenditures	2,259,363	2,357,963	2,265,413	92,550
1100 Excess (Deficiency) of Revenues Over Expenditures	(302,788)	(401,388)	(601,098)	(199,710)
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	230,845	230,845	-	(230,845)
1200 Net Change in Fund Balances	(71,943)	(170,543)	(601,098)	(430,555)
0100 Fund Balance - September 1 (Beginning)	230,954	230,954	230,954	-
3000 Fund Balance - August 31 (Ending)	\$ 159,011	\$ 60,411	\$ (370,144)	\$ (430,555)

CARRIZO SPRINGS CONSOLIDATED ISD
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - DEBT SERVICE FUND
FOR THE YEAR ENDED AUGUST 31, 2023

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	\$ 2,956,484	\$ 2,956,484	\$ 3,089,539	\$ 133,055
5800 State Program Revenues	-	-	14,264	14,264
5020 Total Revenues	2,956,484	2,956,484	3,103,803	147,319
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Liabilities	2,956,484	1,810,000	1,810,000	-
0072 Interest on Long-Term Liabilities	-	1,142,234	1,142,232	2
0073 Bond Issuance Cost and Fees	-	4,250	3,250	1,000
6030 Total Expenditures	2,956,484	2,956,484	2,955,482	1,002
1200 Net Change in Fund Balances	-	-	148,321	148,321
0100 Fund Balance - September 1 (Beginning)	533,235	533,235	533,235	-
3000 Fund Balance - August 31 (Ending)	\$ 533,235	\$ 533,235	\$ 681,556	\$ 148,321

CARRIZO SPRINGS CONSOLIDATED ISD
STATE COMPENSATORY EDUCATION AND BILINGUAL EDUCATION PROGRAM EXPENDITURES
FOR THE YEAR ENDED AUGUST 31, 2023

Section A: Compensatory Education Programs

AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$2,304,456
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.	\$1,054,699

Section B: Bilingual Education Programs

AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$48,002
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year.	\$51,327

FEDERAL AWARDS SECTION

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Garza/Gonzalez & Associates

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
Carrizo Springs Consolidated Independent School District
Carrizo Springs, 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 the District, as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 12, 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

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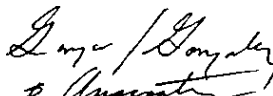
Report on Compliance and Other Matters

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

We noted certain matters that we reported to management of the District in a separate letter dated January 12, 2024.

Purpose of this Report

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


January 12, 2024

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

To the Board of Trustees
Carrizo Springs Consolidated Independent School District
Carrizo Springs, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the 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 the District's major federal programs for the year ended August 31, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the 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 August 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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 the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

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Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 the 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 the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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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.

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January 12, 2024

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CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended August 31, 2023

SECTION I – SUMMARY OF AUDITORS’ RESULTS

<i>Financial Statements</i>			
	Type of auditor’s report issued: <u>Unmodified</u>		
	Internal control over financial reporting: • Material weakness (es) identified?	<u> </u> Yes	<u> X </u> No
	• Significant deficiencies identified not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> None Reported
	Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

<i>Federal Awards</i>			
	Internal control over major programs: • Material weakness (es) identified?	<u> </u> Yes	<u> X </u> No
	• Significant deficiencies identified not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> None Reported
	Type of auditor’s report issued on compliance for Major programs <u>Unmodified</u>		
	Any audit findings disclosed that are required to be reported in accordance with 2 CFR, Section. 200.516(a)?	<u> </u> Yes	<u> X </u> No

<i>Identification of Major Programs</i>			
	CFDA Numbers(s)	Name of Federal Program or Cluster	
	84.425D, 84.425U	Elementary and Secondary Schools Emergency Relief Fund (ESSER) Grants: ESSER I – Education Stabilization Fund Under the Coronavirus Aid, Relief, And Economic Security Act ESSER II – Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) ESSER III – American Rescue Plan (ARP) & Texas COVID Learning Acceleration Supports (TCLAS) Program	
	10.553 10.555	Child Nutrition Cluster: School Breakfast Program (SBP) National School Lunch Program (NSLP)	
	Dollar threshold used to distinguish between Type A and Type B programs:		\$750,000
	Auditee qualified as low-risk auditee?		<u> X </u> Yes <u> </u> No

(Continued)

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended August 31, 2023

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no financial statement findings required to be reported in accordance with *Government Auditing Standards*.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

There were no federal award findings nor questioned costs required to be reported in accordance with Uniform Guidance Section 200.516(a).

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

SCHEDULE OF STATUS OF PRIOR YEAR AUDIT FINDINGS

Year Ended August 31, 2023

There were no prior year findings reported.

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SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

CARRIZO SPRINGS CONSOLIDATED ISD
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED AUGUST 31, 2023

(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 DEFENSE			
<u>Direct Programs:</u>			
Junior Reserve Officers Training Corp (JROTC)	12.NA		\$ 27,176
Total Direct Programs			27,176
TOTAL U.S. DEPARTMENT OF DEFENSE			27,176
U.S. DEPARTMENT OF EDUCATION			
<u>Passed Through Texas Education Agency</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	22610101064903	148,501
ESEA, Title I, Part A - Improving Basic Programs	84.010A	23610101064903	915,078
Total Assistance Listing Number 84.010			1,063,579
*IDEA - Part B, Formula	84.027	236600010649036000	451,525
*COVID 19 - IDEA, Part B, Formula - (ARP)	84.027X	225350020649035000	36,098
Total Assistance Listing Number 84.027			487,623
Total Special Education Cluster (IDEA)			494,668
Career and Technical - Basic Grant	84.048	23420006064903	30,513
*IDEA - Part B, Preschool	84.173	236610010649036610	7,045
ESSA Title IX, Part A Homeless Children Education	84.196	379-662-3-03	2,188
ESEA, Title V, Part B,2 - Rural & Low Income Prog.	84.358B	23696001064903	43,159
ESEA, Title II, Part A, Teacher Principal Training	84.367A	23694501064903	80,434
Title IV, Part A, Subpart 1	84.424A	23680101064903	107,311
COVID 19 - ESSER I - School Emergency Relief Fd	84.425D	20521001064903	5,850
COVID 19 - ESSER II - School Emergency Relief	84.425D	1521001064903	2,667,324
COVID 19 - ESSER III - School Emergency Relief	84.425U	21528001064903	2,416,777
COVID 19 - Learning Supports - (TCLAS) ESSER III	84.425U	21528042064903	113,657
COVID 19 - ARP (ESSER) - Homeless Children & Youth	84.425W	278-505-2-02	933
COVID 19 - ARP Education for Homeless Children	84.425W	21533002064903	10,033
Total Assistance Listing Number 84.425			5,214,574
Total Passed Through Texas Education Agency			7,036,426
TOTAL U.S. DEPARTMENT OF EDUCATION			7,036,426
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the Texas Department of Agriculture</u>			
*School Breakfast Program	10.553	71302301	480,678
*National School Lunch Program - Cash Assistance	10.555	71302301	1,004,321
Supply Chain Assistance (SCA)	10.555		72,535
Total Assistance Listing Number 10.555			1,076,856
Total Child Nutrition Cluster			1,557,534
Child & Adult Care Food Program - Non-Cash Assist.	10.558		14,968
Pandemic Electronic Benefit Transfer Local Leave Admin	10.649		3,135
Total Food Distribution Cluster			18,103
Total Passed Through the Texas Department of Agriculture			1,575,637
TOTAL U.S. DEPARTMENT OF AGRICULTURE			1,575,637
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 8,639,239

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

*Clustered Programs

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended August 31, 2023

1. The District uses the fund types specified in Texas Education Agency's Financial Accountability System Resource Guide. Special revenue funds are used to account for resources restricted to, or designated for, specific purposes by a grantor. Federal and State financial assistance generally is accounted for in the Special Revenue Funds. All Federal grant funds, with the exception of funds for Army JROTC, and the Child Nutrition Cluster funds were accounted for in this Fund which is a Governmental Fund type. Generally, unused balances must be returned to the grantor at the close of specified project periods.
2. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The Governmental Fund types are accounted for using a current financial resources measurement focus. 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 (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for 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 deferred revenues until earned.

3. The period of performance for most 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 2CFR 200, period of performance.
4. Expenditures for the National School Lunch and Breakfast Program are not specifically attributed to the revenue source and are shown on this schedule in an amount equal to revenue. Commodity Supplemental Food Program receipts represent USDA donated commodities received during the year. The related expenditures relate to the issuance of the commodities to the District's campuses.
5. The School Health Related Services (SHARS) revenues of \$245,852 are reported as federal revenues in the general fund; however, based on TEA requirements, SHARS revenue is not considered federal financial assistance and is therefore not included in the Schedule of Expenditures of Federal Awards.

CARRIZO SPRINGS CONSOLIDATED
INDEPENDENT SCHOOL DISTRICT
Carrizo Springs, Texas

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For The Year Ended August 31, 2023

6. In fiscal year 2023, the District had no subrecipients, loans, or loan guarantees.
7. The District did not elect to use the 10% de minimus indirect cost rate as provided by the Uniform Guidance.
8. Reconciliation of the total expenditures of federal awards as reported in the Schedule of Expenditures of Federal Awards to total federal revenues reported in Exhibit C-3.

- Total Expenditures of Federal Awards (Exhibit K-1)	<u>\$ 8,639,239</u>
- Total Federal Program Revenues (Exhibit C-3)	\$ 8,885,091
Less: SHARS Revenue (excluded from Exhibit K-1)	<u>(245,852)</u>
	<u>\$ 8,639,239</u>

9. During the year, the District received \$543,486 through the Elementary and Secondary School Emergency Relief (ESSER) Program. These federal funds were recorded in the District's general fund since they were used to offset qualifying costs incurred in a prior fiscal year, in connection with the COVID-19 pandemic. The federal revenues are included in the Schedule of Expenditures of Federal Awards ESSER II program.