

Regular Meeting
Tuesday, December 19, 2023 6:30 PM

Administration Building
400 East Loop 340
Waco, TX 76705

Agenda

- I. Roll Call, Establishment of Quorum, and Call to Order
Presenter: Board President
- II. Opening Ceremony
Presenter: Board President
- III. Consider Listing of Agenda Items
Presenter: Board President
- IV. Recognition Items
Presenter: Board President and Dr. Sharon M. Shields
- V. Public Participation
Presenter: Board President
- VI. Special Reports
Presenter: Board President
 - VI.A. Facility Review and Planning Committee Report
Presenter: Dr. Sharon M. Shields, Mr. Todd Gooden, Mr. James Garrett
 - VI.B. Superintendent's Report
Presenter: Dr. Sharon M. Shields
 - VI.B.1. Student Enrollment Update
Presenter: Dr. Sharon M. Shields
 - VI.B.2. Calendar of Events
Presenter: Dr. Sharon M. Shields
 - VI.B.3. Other Miscellaneous Items
Presenter: Dr. Sharon M. Shields
- VII. Consider Consent Agenda Items
Presenter: Board President
 - VII.A. Minutes for Meetings Held
Presenter: Ms. Betty Bentura
 - VII.B. Monthly Tax Collection Recap and Report
Presenter: Mr. James Garrett
 - VII.C. Budget Amendments
Presenter: Mr. James Garrett
 - VII.D. Letter of Support for LASO Grant
Presenter: Mrs. Sandra Gibson
- VIII. Action and Discussion Items
Presenter: Board President
 - VIII.A. Financial Audit Report
Presenter: Mr. James Garrett
 - VIII.B. Consider Monthly Budget Analysis Report
Presenter: Mr. James Garrett
 - VIII.C. Consider La Vega ISD 2024 HVAC Renovations

Presenter: Mr. James Garrett

XVIII.C. Consider La Vega ISD 2024 HVAC Renovations

Presenter: Mr. James Garrett

XVIII.D. Consider Replacement of Serving Lines for Cafeterias

Presenter: Mr. James Garrett

XVIII.E. Consider Teacher and Professional Employee Contract
Recommendations

Presenter: Mr. Todd Gooden

XIX. Closed Meeting

Presenter: Board President

XX. Adjournment

Presenter: Board President

ROLL CALL, ESTABLISHMENT OF QUORUM, AND CALL TO ORDER

The meeting was called to order at _____ m.

Board of Trustees Members Present: _____

Board of Trustees Members Absent: _____

School Personnel Present: _____

Others Present: _____

BOARD PRESIDENT:

THE OPENING CEREMONY CONSISTING OF THE PLEDGE OF ALLEGIANCE

TO THE AMERICAN FLAG AND TO THE TEXAS FLAG WILL BE PROVIDED BY:

(NAME, TITLE, POSITION, LVISD CAMPUS/DEPT.)



PLEDGE TO UNITED STATES FLAG. I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.



PLEDGE TO TEXAS FLAG: "Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."

APPROVE LISTING OF AGENDA ITEMS

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Dr. Sharon M. Shields and Board President

Background Information:

Board Members are asked to review the listing of agenda items.

Fiscal Implication:

N/A

Administrative Recommendation:

N/A

Motion:

Second:

For:

Against

Abstain:

Facility Review and Planning Committee Report

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Dr. Sharon Shields
Mr. Todd Gooden
Mr. James Garrett

Background Information:

Mr. John Nickell will present an overview of the Bond Committee's findings and considerations.

Fiscal Implication:

Bond Capacity

Administrative Recommendation:

Information only.

Motion:

Second:

For:

Against:

Abstain:

CONSENT AGENDA ITEMS

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

N/A

Background Information:

The consent agenda shall include items of a routine and/or recurring nature grouped together under one action item. For each item listed as part of a consent agenda, the Board shall be furnished with background material. All such items shall be acted upon by one vote without separate discussion, unless a Board member requests that an item be withdrawn for individual consideration. The remaining items shall be adopted under a single motion and vote.

Fiscal Implication:

N/A

Administrative Recommendation:

N/A

Motion:

Second:

For:

Against

Abstain:

Approve Minutes for Meeting(s) Held

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Dr. Sharon M. Shields or Ms. Betty Bentura

Background Information:

The Board shall prepare and retain minutes or make a tape recording of each of its open meetings. The minutes shall state the subject matter of each deliberation and shall indicate each vote, order, decision, or other action taken by the Board. The minutes or tapes are public records and shall be made available for public inspection and copying on request to the Superintendent or designee.

Fiscal Implication:

None.

Administrative Recommendation:

Board review and approval.

Motion:

Second:

For:

Against:

Abstain:



La Vega Independent School District
400 East Loop 340, Waco, Texas 76705
254-299-6700 ♦ 254-799-8642 FAX

Office of the Superintendent

**La Vega I.S.D. Board of Trustees
Minutes of the Regular Meeting
November 14, 2023**

BOARD MEMBERS PRESENT – Mildred Watkins, Henry C. Jennings, Myron Ridge, Raymond Koon, Rev. Larry Carpenter, and Randy Devorsky

BOARD MEMBERS ABSENT – Mrs. Brenda Rocha

SCHOOL PERSONNEL PRESENT – Dr. Sharon M. Shields, Dr. Charla Rudd, Todd Gooden, James D. Garrett, Sandra Gibson, Chief Kerry Blakemore, Betty Bentura, Mrs. Carla Crowe Mrs. Jeanne Gravitt, Mr. Chris Ward and Mr. James Villa

OTHERS PRESENT – La Vega High School Students, Coach D and parents

CALLED TO ORDER – Board President Henry C. Jennings established a quorum and brought the board meeting to order at 7:00 p.m.

OPENING CEREMONY – The Pledges of Allegiance to the United States Flag and the Texas Flag were led by Mr. Gooden.

APPROVED LISTING OF AGENDA ITEMS – Motioned by Mr. Koon and seconded by Mr. Jennings, the Board unanimously approved the listing of agenda items.

RECOGNITION ITEMS – The Board of Trustees and Administration recognized the following groups and individuals for achievements beyond the district level: Coach D for his exceptional work with our students and La Vega ISD students for the publication of their book "Today We Win". Mrs. Gravitt and Mr. Ward were recognized for their great job with the ECHS and P-Tech Showcase.

PUBLIC PARTICIPATION – None

SPECIAL REPORTS – Board Members received the following special report(s).

Superintendent's Information to the Board - Dr. Sharon M. Shields, Superintendent, updated the Board Members on upcoming calendar items and other miscellaneous information.

Report from Hilltop Securities Related to Construction Financing Options – The Board of Trustees and Administration heard a presentation of potential financing options for construction needs.

APPROVED CONSENT AGENDA ITEMS - Motioned by Mr. Devorsky and seconded by Mrs. Watkins, the Board unanimously approved the following consent agenda items:

- the minutes for the October 17, 2023 regular board meeting
- the monthly tax collection recap and report
- the Quarterly Investment Report
- Budget Amendments
- Localized Policy Manual

ACTION AND DISCUSSION ITEMS - The following items were considered, discussed, and/or approved by the Board of Trustees.

Approved the Action on Board Meeting Start time - on a motion by Mr. Carpenter and second by Mr. Ridge, the Board Members unanimously approved the during the winter season to begin meetings at 6:30 pm. At daylight saving time re-look at going back to 7 pm.

Resolution of Votes Cast to Elect Directors for the McLennan Central Appraisal District for 2023-2024 - on a motion by Mr. Devorsky and second by Mr. Jennings, the Board Members unanimously approved all votes go to Mrs. Mildred Watkins.

Approved the Monthly Budget Analysis Report – On a motion by Mr. Koon and seconded by Mr. Jennings, the Board Members unanimously approved the monthly budget analysis report as presented.

Teacher and Professional Employee Contract Recommendations – On a motion by Mr. Koon and seconded by Mrs. Watkins, the Board of Trustees unanimously approved the contract recommendation for Natalie Hamilton and Byron Pyburn.

CLOSED MEETING – None

ADJOURNMENT - On a motion by Mr. Carpenter and seconded by Mrs. Watkins, the Board of Trustees unanimously agreed to adjourn the meeting at 7:32 p.m. on November 14, 2023.

Date of Board Approval

President, La Vega I.S.D. Board of Trustees

Secretary, La Vega I.S.D. Board of Trustees

Monthly Tax Collection Recap and Report

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. James Garrett

Background Information:

The District contracts with the McLennan County Tax Office for the collection of the current and delinquent taxes and penalty and interest on those taxes. As part of this service, the Tax Office supplies the District with a monthly cumulative summary of taxes and penalty and interest collected. Attached the Board will find the monthly tax collection recap and report prepared by the Business Office. This report has been reconciled with the summary report received from the tax office.

Fiscal Implication:

N/A

Administrative Recommendation:

It is recommended that the Board approve the Monthly Tax Collection Recap and Report as submitted.

Motion:

Second:

For:

Against:

Abstain:

La Vega ISD
Tax Collection Report

Current Year M&O Taxes	For Month of	Year to Date
	November 2023	November 2023
Original Current Roll		\$ 14,130,328
Adjustments	\$ (37,769)	\$ (250,581)
Total Adjusted Roll		\$ 13,879,747
Current M&O Taxes Collected	\$ 1,447,456	\$ 1,594,875
Current P & I Collected	\$ -	\$ 735
Current Taxes Collected Adjustments		\$ -
Total Current Taxes Collected	\$ 1,447,456	\$ 1,595,610
% of Current Taxes Collected		11.4960%
Current Year I&S Taxes	For Month of	Year to Date
Current I&S Taxes Collected	\$ 477,722	\$ 526,473
Current P & I Collected	\$ -	\$ 191
Current Taxes Collected Adjustments	\$ -	\$ -
Total Current Taxes Collected	\$ 477,722	\$ 526,664
% of Current Taxes Collected		3.7945%
Total Collections Current	\$ 1,925,178	\$ 2,122,274
		15.29%
Delinquent M&O Taxes	This Month	Year to Date
Delinquent Taxes Outstanding		\$ 732,203.00
Adjustments	(\$16,270)	(\$26,914)
Total Adjusted Delinquent Roll		\$ 705,289.00
Delinquent M&O Taxes Collected	\$5,274	\$32,396
Delinquent P & I Collected	\$5,584	\$15,254
Attorney Fees Collected		\$0
Delinquent Taxes Collected Adjustment		
Total Delinquent Balance Collected	\$10,858	\$47,650
% of of Delinquents Collected		6.7561%
Delinquent I&S Taxes	This Month	Year to Date
Delinquent I&S Taxes Collected	\$ 1,147	\$ 7,901
Delinquent P & I Collected	\$ 1,293	\$ 3,625
Attorney Fees Collected	\$ -	\$ -
Delinquent Taxes Collected Adjustment	\$ -	\$ -
Total Delinquent Balance Collected	\$ 2,440	\$ 11,526
% of of Delinquents Collected		1.6342%
Total Collections Delinquent	\$ 13,298	\$ 59,176
Grand Total Collections	\$ 1,938,476	\$ 2,181,450
Paid YTD		\$ 2,161,645
Balance Remaining		\$ 12,423,391
		85.18%

Consider Budget Amendments

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached X Provided Later

Contact Person:

Mr. James D. Garrett

Background Information:

Section 2.10.6 of the Financial Accountability System Resource Guide, version 14.0, dated January 2010, states that budget amendments are mandated by the state for budgeted funds reallocated from one function level, and state and/or federal project to another. These budget changes are usually the result of unexpected levels of expenditures in certain categories and must be amended in the budget for legal compliance.

All budget amendments are required to be adopted by the last day of the fiscal year. All necessary budget amendments must be formally adopted by the school board and recorded in the board minutes.

Fiscal Implication:

Budget amendments are moving from one function to another.

Administrative Recommendation:

Approve the budget amendments as presented.

Motion:

Second:

For:

Against:

Abstain:

Amendment Nbr	Date	Amendment Reason Fnc-Obj.So-Org-Prog	Original	Approved	Increase	Decrease	Amended
130031	11-08-2023	B130031 BUDGET CHANGE					
	11-6411.00-999-499726		.00	-5,400.00	.00	5,400.00	.00
	41-6411.00-726-499000		.00	.00	5,400.00	.00	-5,400.00
		Amendment 130031 Total			5,400.00	5,400.00	
130034	11-16-2023	B130034 BUDGET CHANGE					
	11-6399.00-106-423000		-1,000.00	-1,000.00	22,000.00	.00	-23,000.00
	99-6222.00-823-423000		-52,000.00	-52,000.00	.00	22,000.00	-30,000.00
		Amendment 130034 Total			22,000.00	22,000.00	
130041	12-07-2023	B130041 BCR_TASB PYMT					
	00-5745.00-000-400000		.00	.00	3,081.20	.00	3,081.20
	52-6299.00-801-499000		-2,000.00	-2,000.00	3,081.20	.00	-5,081.20
		Amendment 130041 Total			6,162.40	.00	
Fund 199 / 4 Totals							
	3XXX		.00	.00	.00	.00	.00
	5XXX		.00	.00	3,081.20	.00	3,081.20
	6XXX		-55,000.00	-60,400.00	30,481.20	27,400.00	-63,481.20
	7XXX		.00	.00	.00	.00	.00
	8XXX		.00	.00	.00	.00	.00
Grand Totals							
	3XXX		.00	.00	.00	.00	.00
	5XXX		.00	.00	3,081.20	.00	3,081.20
	6XXX		-55,000.00	-60,400.00	30,481.20	27,400.00	-63,481.20
	7XXX		.00	.00	.00	.00	.00
	8XXX		.00	.00	.00	.00	.00

End of Report

Letter of Support for LASO Grant

Presented for:

Board action Consent Agenda Item

Supporting documents:

None Attached Provided Later

Contact Person:

Sandra Gibson

Background Information:

Strong Foundation LASO Grant allows La Vega ISD to develop a strong instructional framework in math or literacy, provides optional adoption supports in the selection of High-Quality Instructional Materials (HQIM), and training to support creating systems to effectively manage instruction at the district level. The grant provides in-kind support for pre-implementation planning and content-and-product specific professional learning for teachers, coaches and administrators on effectively implementing HQIM.

Fiscal Implication:

TBD

Administrative Recommendation:

Signature for Letter of Support

Motion:

Second:

For:

Against:

Abstain:



400 East Loop 340
Waco, Texas 76705

Phone 254 299-6700 • Fax 254 799-8642
www.lavegaisd.org

December 12,2023

Texas Education Agency,
Teacher Leadership
Instructional Support Division

La Vega Independent School District (La Vega ISD) enthusiastically supports the Strong Foundations LASO Grant that will allow La Vega ISD to develop a strong instructional framework in math or literacy, provide optional adoption supports in selecting new High Quality Instructional Materials (HQIM), and training to support creating systems to effectively manage instruction at the district level. The grant provides in-kind support for pre-implementation planning and content- and product-specific professional learning for teachers, coaches, and administrators on effectively implementing HQIM.

La Vega ISD believes this project will provide valuable feedback regarding the effectiveness of La Vega ISD's HQIM planning and implementation process, inform current rigorous selection criteria for curriculum, improve the overall instruction, and maximize student performance while reducing the learning loss due to the Coronavirus pandemic. We value opportunities to provide teachers with awareness of the effectiveness of their best practices and resources and value their feedback and perceptions from the classroom.

In summary, as La Vega ISD Board President, my signature signifies the support the application of the Board of Trustees for the District Practices Fellowship grant.

We appreciate this opportunity to improve both our planning and implementation of math and literacy supports.

Sincerely,

Henry Jennings
Board President
La Vega Independent School District

Consider Fiscal Year 2023 Financial Audit Report

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. James Garrett

Background Information:

Section 44.008, Texas Education Code, requires that school districts have an annual financial audit conducted by an independent audit firm. This year, La Vega ISD retained the firm of Jaynes, Reitmeier, Boyd and Therrell, P.C. of Waco to conduct the 2022-2023 annual financial audit for our District. Representatives of this firm will present the audit report to the Board and answer any questions which the Board or Administration may have. There is no requirement in the Texas Education Code or Financial Accountability System Resource Guide that a public hearing on the audit report be held. Once the audit is approved, the Board President and Board Secretary will need to sign the Certificate of Board found in the audit report. The District has 150 days from the end of the fiscal year to submit a signed copy to TEA in electronic format. The Business Office will file the required reports.

Fiscal Implication:

Included in the audit report provided.

Administrative Recommendation:

The Administration recommends the Board approve the 2022-2023 Fiscal Year Audit as presented.

Motion:

Second:

For:

Against:

Abstain:

DRAFT

**La Vega Independent School District
Annual Financial Report
August 31, 2023**

DRAFT

La Vega Independent School District

	<u>Page</u>	<u>Exhibit</u>
Table of Contents	i	
Certificate of Board	iii	
Independent Auditor’s Report	iv	
Management’s Discussion and Analysis	viii	
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Position	1	A-1
Statement of Activities	2	B-1
Fund Financial Statements:		
Balance Sheet – Governmental Funds	3	C-1
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position for Governmental Activities	4	C-2
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	5	C-3
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6	C-4
Statement of Net Position – Proprietary Fund	7	D-1
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund	8	D-2
Statement of Cash Flows – Proprietary Fund	9	D-3
Statement of Fiduciary Net Position – Fiduciary Funds	10	E-1
Statement Changes in Fiduciary Net Position – Fiduciary Funds	11	E-2
Notes to Financial Statements	12	
Required Supplementary Information:		
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	46	G-1
Note to Schedule of Revenues, Expenditures and Change in Fund Balance – Budget and Actual – General Fund	47	
Schedule of the District’s Proportionate Share of the Net Pension Liability Teacher Retirement System of Texas	48	G-2
Schedule of the District’s Contributions to the Teacher Retirement System of Texas - Last Ten Fiscal Years	50	G-3

Schedule of the District's Proportionate Share of the Total OPEB Liability TRC-Care	52	G-4
Schedule of the District's Contributions to TRC-Care Last Ten Fiscal Years	53	G-5
Other Supplementary Schedules:		
Combining Schedule – Balance Sheet – Nonmajor Funds	54-55	H-1
Combining Schedule – Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Funds	56-57	H-2
Schedule of Delinquent Taxes Receivable	58	J-1
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Child Nutrition Program	59	J-2
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund	60	J-3
Compensatory Education Program and Bilingual Education Program Expenditures (Unaudited)	61	J-4
Reports on Compliance, Internal Control, and Federal Awards:		
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 <i>Government Auditing Standards</i>	62	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	64	
Schedule of Findings and Questioned Costs	67	
Summary Schedule of Prior Audit Findings	69	
Schedule of Expenditures of Federal Awards	70	K-1
Notes to Schedule of Expenditures of Federal Awards	71	

DRAFT

Certificate of Board

**La Vega Independent
School District**

McLennan County

161-906

We, the undersigned, certify that the attached annual financial and compliance reports of the above-named independent school district were reviewed and approved for the year ended August 31, 2023 at a meeting of the Board of School Trustees of such independent school district on the 19th day of December 2023.

Board Secretary

Board President



JAYNES REITMEIER BOYD & THERRELL, P.C.
Certified Public Accountants
5400 Bosque Blvd., Ste. 600 | Waco, TX 76710
P.O. Box 7616 | Waco, TX 76714
Main 254.776.4190 | Fax 254.776.8489 | jrbt.com

DRAFT

INDEPENDENT AUDITOR'S REPORT

The Board of School Trustees
La Vega Independent School District:

Report on the Audit of Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of La Vega 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 ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Governmental 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages viii through xv, the budgetary comparison information on pages 46 and 47, and the schedules of the District's proportionate share of the net pension/OPEB liabilities and contributions on pages 48 through 53 (collectively, "the required supplementary information") be presented to supplement the basic financial statements.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and is not a required part of the basic financial statements. The other supplementary schedules, as listed in the table of contents, except for the schedule of Compensatory Education and Bilingual Education Programs, are presented for purposes of additional analysis and also are not a required part of the basic financial statements.

The schedule of expenditures of federal awards and the other supplementary information, except for the schedule of Compensatory Education and Bilingual Education Programs, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting or other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and the other supplementary information, except for the schedule of Compensatory Education and Bilingual Education Programs, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Management is responsible for the other information, the schedule of Compensatory Education and Bilingual Education Programs on page 61, included in the annual financial report. The information comprises the schedule of Compensatory Education and Bilingual Education Programs on page 61, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based upon the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

DRAFT

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2023, 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 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 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.

December 8, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the annual financial report for La Vega Independent School District (the "District") presents our discussion and analysis of the District's financial performance during the fiscal year ended August 31, 2023. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$3.9 million, an increase in net position of \$4.3 million as compared to an increase in net position of \$8.9 million in the prior year. The unrestricted net position of the District at August 31, 2023 is a deficit of \$5.0 million, which results primarily from the District's recognition of net pension and other postemployment benefits ("OPEB") liabilities of \$20.4 million.
- As of the close of 2023, the District's governmental funds reported combined ending fund balances of \$23.4 million, an increase of \$3.0 million in comparison with the prior year increase of \$7.6 million. The increase in governmental funds combined ending fund balance resulted primarily from federal funding of approximately \$4.2 million received under the American Rescue Plan Act ("ARPA") Elementary and Secondary Education Emergency Relief Fund ("ESSER") and other COVID-19 federal funding sources offset by an increase in total expenditures of approximately \$2.2 million due to increases in salaries and related benefits due to retention bonuses paid during the current year and one time capital expenditures of \$1.4 million.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$16.5 million, or approximately 51% of the total 2023 general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and *other supplementary information*.

The basic financial statements include two kinds of statements that present different views of the District: The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status. The remaining statements are *fund financial statements* that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

The *governmental funds* statements tell how general education services were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. The statements also include other supplementary information as required by the

Texas Education Agency. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide Financial Statements

The *government-wide statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the District's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, etc.).

The governmental activities of the District include all of the District's basic services, such as instruction, curriculum and staff development, student services, extracurricular activities, general administration, and plant maintenance and operations. Property taxes, state aid, and federal and state grants finance most of these activities.

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 are governmental funds, proprietary funds, or fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows or spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains approximately twenty-three individual governmental funds. Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the ARPA ESSER III special revenue fund, and the debt service fund, which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation.

The District adopts an annual appropriated budget for its general fund, child nutrition fund, and debt service fund. Budgetary comparison statements are included in supplemental information to demonstrate compliance with these budgets.

Proprietary Fund

The District uses one type of proprietary funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses an internal service fund to account for its self-insured workers' compensation insurance services. Because these services benefit governmental activities, they have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The private purpose trust fund is used to report resources held in trust for scholarships. The custodial fund reports resources held by the District in a custodial capacity for student groups.

Notes to the Financial Statements and Other Information

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligation to provide pension and OPEB benefits. Additional supplementary information is presented as required by the Texas Education Agency.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$3,885,965 at the close of the most recent fiscal year.



La Vega Independent School District
Net Position
August 31, 2023 and 2022

	Governmental Activities	
	2023	2022
Current and other assets	\$ 28,115,336	24,206,539
Capital and other intangible assets	36,618,953	37,093,442
Total assets	64,734,289	61,299,981
Deferred outflows of resources:	12,342,778	5,272,283
Current liabilities	4,173,659	3,384,970
Long-term liabilities	55,828,914	51,137,360
	60,002,573	54,522,330
Deferred inflows of resources:	13,188,529	12,506,683
Net position:		
Net investment in capital assets	2,063,068	1,106,848
Restricted	6,788,745	5,840,441
Unrestricted	(4,965,848)	(7,404,038)
	\$ 3,885,965	(456,749)

The District has a net investment in capital assets of \$2,063,068 at August 31, 2023, which reflects its net investment in capital assets (e.g., land, buildings and improvements, and furniture and equipment) less any outstanding debt that was used to acquire those assets. The District uses these capital assets to provide public educational services to its students. Accordingly, these assets are not available for future spending. Although the District’s investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District’s net position (\$6,788,745) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* is a deficit of \$4,965,848.

DRAFT

La Vega Independent School District
Changes in Net Position
Years Ended August 31, 2023 and 2022

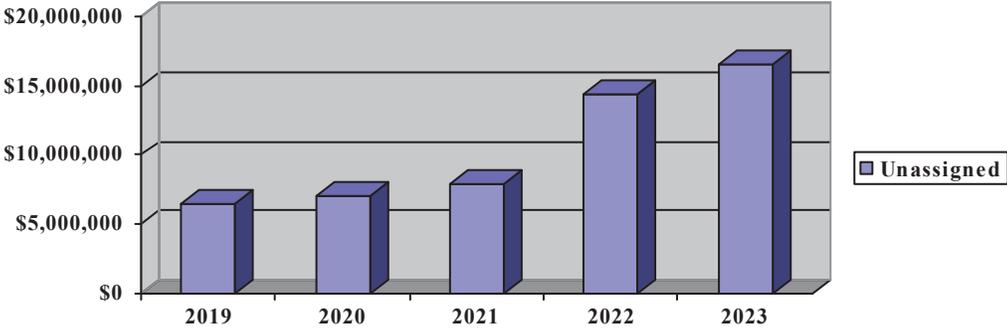
	Governmental Activities	
	<u>2023</u>	<u>2022</u>
Revenues:		
Program revenues:		
Charges for services	\$ 395,853	258,776
Operating grants and contributions	12,111,783	13,712,772
General revenues:		
Maintenance and operations property taxes	11,439,276	10,912,096
Debt service property taxes	2,972,876	2,641,672
State aid formula grants	18,938,126	20,621,045
Grants and contributions not restricted	213,023	433,351
Investment revenue	853,040	171,034
Miscellaneous	168,030	177,902
Total revenue	<u>47,092,007</u>	<u>48,928,648</u>
Expenses:		
Instruction and instructional-related services	21,532,119	20,957,967
Instructional and school leadership	4,009,192	3,270,373
Support services - students	8,085,083	7,478,107
Administrative support services	1,781,546	1,421,351
Support services - non-student based	6,004,967	5,565,722
Ancillary services	62,198	60,238
Interest on long-term debt	1,066,088	1,084,354
Debt issuance costs and other fees	6,549	4,330
Payments to other governments	201,551	137,675
Total expenses	<u>42,749,293</u>	<u>39,980,117</u>
Increase in net position	4,342,714	8,948,531
Net position, beginning of year	<u>(456,749)</u>	<u>(9,405,280)</u>
Net position, end of year	<u>\$ 3,885,965</u>	<u>(456,749)</u>

The District recognized an increase in net position of \$4.3 million, compared to an increase of \$8.9 million in the prior year, as a result of the following:

- Property taxes increased approximately \$0.8 million due to a decrease in the overall tax rate due to state-wide tax rate compression offset by increases in assessed values. State aid decreased \$1.7 million due to the state funding formula. Operating grants and contributions decreased \$1.6 million due to a decrease in federal grant revenues of approximately \$2.8 million due to decreased funding received under ARPA ESSER and other COVID-19 federal funding sources offset by a decrease in the pension and OPEB benefit recognized in the current year.
- The cost of all governmental activities this year was \$42.7 million, an increase of approximately \$2.8 million from the prior year. There was an increase in salaries and related benefits expenses primarily due to adding positions for social workers, “step increases” for teachers, and an additional retention bonus for all District personnel.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

The District’s Board of School Trustees annually monitors the relative unassigned fund balance in the District’s general fund. Most districts have an unassigned fund balance goal of 15% of the budget, or two to three months of operations costs for their fund balance. The unassigned fund balance in the general fund increased in 2023 from \$14,458,423 to \$16,521,760. The graph below reflects the historical trend fund balance for unassigned fund balance of the general fund.



The fund balance of the general fund increased by \$2.1 million during the current fiscal year, compared to an increase of \$6.5 million in the prior year. Key factors in this change are as follows:

- Property taxes increased approximately \$0.6 million due to a decrease in the M&O tax rate due to state-wide tax rate compression offset by increases in assessed values. State aid decreased \$1.7 million due to the state funding formula. Federal revenue decreased approximately \$0.7 million due to less indirect costs recognized in the current year as the ESSER and other ARP funding was reduced in the current year.
- Total expenditures were \$32.3 million and \$28.7 million in 2023 and 2022, respectively. This \$3.6 million increase was primarily attributed to an increase in salaries and related benefits for step-increases, retention bonuses paid in the current year, and the addition of social workers on each campus.

DRAFT

The fund balance of the debt service fund increased by approximately \$1.0 million during the current fiscal year, compared to an increase of \$0.7 million in the prior year. Property taxes increased \$0.3 million due to no decrease in the I&S tax rate and immaterial increases in assessed values. Expenditures consisted of scheduled principal and interest payments on outstanding debt and were consistent with prior year payments.

General Fund Budgetary Highlights

There were no significant differences between the original budget and the final amended budget for total expenditures. The primary differences consisted of reclassifications of expenditures between functions within the general fund.

Expenditures in the general fund exceeded appropriations for instructional leadership (\$12,535), facilities maintenance and operations (\$38,571), security services (\$591), and principal and interest on long-term debt (\$51,708) primarily related to principal and interest payments that were required due to GASB 87, *Leases*, that were not included in the current year budget.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The District's investment in capital assets for its governmental activities as of August 31, 2023 amounts to \$36.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and furniture and equipment.

Major capital asset events during the current fiscal year included \$725,670 for the purchase of district-wide LED lights, \$199,998 for custom counters, \$99,570 for a walk-in freezer, \$84,562 for expansions to the vestibule at the elementary campus, \$148,832 for four new Ford trucks, \$67,778 for four pass-thru refrigerators, \$26,000 for a media trailer, \$39,065 for a Ram police vehicle, and \$25,000 for new band equipment.

Additional information on the District's capital assets can be found in Note 9.

Long-term Debt

The State of Texas backs the District's bonds with its "AAA/stable" rating. This bond rating helps the District by reducing the costs of any debt issued. At the end of the current fiscal year, the District had total bonded debt outstanding of \$34.2 million. Reductions in long-term debt were the result of scheduled principal payments and reductions in the total OPEB liability, offset by an increase in the net pension liability of \$8.9 million.

Additional information on the District's long-term debt can be found in Note 10.

Economic Factors and Next Year's Budget

For 2024, the District adopted a budget of approximately \$36.2 million. The M&O tax rate adopted for 2024 is \$0.7575 per \$100 valuation and is a \$0.1854 decrease from the 2023 tax rate of \$0.9429. The decrease in the M&O tax rate results from state wide tax rate compression. The I&S tax rate adopted for 2024 is \$0.2500 as compared to the 2023 I&S tax rate of \$0.24525. The increase is due to additional debt service requirements for 2024.



Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District's Administration Building, La Vega Independent School District, 400 E. Loop 340, Waco, Texas 76705.

Basic Financial Statements



La Vega Independent School District

Statement of Net Position

August 31, 2023

Data Control Codes		Governmental Activities
	Assets	
1110	Cash and cash equivalents	\$ 21,087,424
1225	Property taxes receivable, net of allowance for uncollectibles of \$292,881	439,322
1240	Due from other governments	2,077,303
1250	Accrued interest	558,600
1300	Inventories	124,568
1400	Prepaid expenses	173,005
1900	Long-term investment	3,655,114
	Capital assets, not depreciated:	
1510	Land	431,650
	Capital assets, net of accumulated depreciation:	
1520	Buildings, net	34,335,585
1530	Furniture and equipment, net	1,606,654
1552	Right-of-use lease asset, net	245,064
	Total assets	<u>64,734,289</u>
	Deferred Outflows of Resources	
1700	Deferred outflows of resources	<u>12,342,778</u>
	Liabilities	
2110	Accounts payable	53,263
2140	Accrued interest payable	27,889
2150	Payroll deductions and withholdings	284,974
2160	Accrued wages payable	1,502,106
2180	Due to other governments	1,172,169
2200	Other accrued expenses	58,383
2300	Unearned revenue	1,074,875
	Noncurrent liabilities:	
2501	Due within one year	1,574,080
	Due after one year:	
2502	Bonds, loans payable, and lease liability	33,490,266
2512	Accumulation accretion on capital appreciation bonds	358,231
2540	Net pension liability	12,954,271
2545	Other postemployment benefits liability	7,452,066
	Total due after one year	<u>54,254,834</u>
	Total liabilities	<u>60,002,573</u>
	Deferred Inflows of Resources	
2600	Deferred inflows of resources	<u>13,188,529</u>
	Net Position	
3200	Net investment in capital assets	2,063,068
	Restricted for:	
3820	Grant requirements	1,181,997
3850	Debt service	5,606,748
3900	Unrestricted	<u>(4,965,848)</u>
	Total net position	<u>\$ 3,885,965</u>

See accompanying notes to financial statements.



La Vega Independent School District

Statement of Activities

Year Ended August 31, 2023

Data Control Codes	Functions/Programs	1 Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
			3 Charges for Services	4 Operating Grants and Contributions	6 Governmental Activities
Governmental activities:					
11	Instruction	\$ 20,675,766	9,578	6,030,606	(14,635,582)
12	Instructional resources and media services	248,863	-	20,413	(228,450)
13	Curriculum and instructional staff development	607,490	-	226,316	(381,174)
21	Instructional leadership	1,085,556	-	276,228	(809,328)
23	School leadership	2,923,636	-	242,406	(2,681,230)
31	Guidance, counseling, and evaluation services	1,006,334	-	285,234	(721,100)
32	Social work services	467,748	-	293,215	(174,533)
33	Health services	290,355	-	27,915	(262,440)
34	Student transportation	1,713,782	-	376,928	(1,336,854)
35	Food services	2,814,009	150,011	2,518,147	(145,851)
36	Extracurricular activities	1,792,855	236,264	61,061	(1,495,530)
41	General administration	1,781,546	-	708,469	(1,073,077)
51	Facilities maintenance and operations	4,015,390	-	462,985	(3,552,405)
52	Security and monitoring services	932,344	-	116,403	(815,941)
53	Data processing services	1,057,233	-	53,541	(1,003,692)
61	Community services	62,198	-	60,128	(2,070)
72	Interest on long-term debt	1,066,088	-	351,788	(714,300)
73	Debt issuance cost and fees	6,549	-	-	(6,549)
95	Payment to JJAEP	42,024	-	-	(42,024)
99	Payment to county appraisal district	159,527	-	-	(159,527)
	Total governmental activities	\$ 42,749,293	395,853	12,111,783	(30,241,657)
General revenues:					
Taxes:					
MT	Property taxes, levied for general purposes				11,439,276
DT	Property taxes, levied for debt service				2,972,876
SF	State aid-formula grants				18,938,126
GC	Grants and contributions not restricted				213,023
IE	Investment earnings				853,040
MI	Miscellaneous local revenue				168,030
TR	Total general revenues				34,584,371
CN	Change in net position				4,342,714
NB	Net position, beginning of year				(456,749)
NE	Net position, end of year				\$ 3,885,965

See accompanying notes to financial statements.

DRAFT

Exhibit C-1

La Vega Independent School District**Balance Sheet –
Governmental Funds**

August 31, 2023

Data Control Codes	10 General Fund	282 ARPA ESSER III	50 Debt Service Fund	Other Governmental Funds	Total Governmental Funds	
Assets						
1110	Cash and cash equivalents	\$ 16,449,773	1,010,506	1,874,776	1,669,804	21,004,859
1225	Taxes receivable, net of allowance for uncollectibles of \$292,881	348,640	-	90,682	-	439,322
1240	Due from other governments	1,504,696	-	-	572,607	2,077,303
1250	Accrued interest	558,600	-	-	-	558,600
1260	Due from other funds	840,717	-	-	-	840,717
1300	Inventories	124,568	-	-	-	124,568
1410	Prepaid expenses	4,699	-	-	158,500	163,199
1900	Other assets	-	-	3,655,114	-	3,655,114
	Total assets	<u>\$ 19,831,693</u>	<u>1,010,506</u>	<u>5,620,572</u>	<u>2,400,911</u>	<u>28,863,682</u>
Liabilities						
2110	Accounts payable	\$ 52,766	310	-	187	53,263
2150	Payroll deductions and withholdings	284,974	-	-	-	284,974
2160	Accrued wages payable	1,310,197	-	-	191,909	1,502,106
2170	Due to other funds	-	115,667	-	725,050	840,717
2180	Due to other governments	1,158,345	-	13,824	-	1,172,169
2200	Accrued expenses	30,443	3,847	-	24,093	58,383
2300	Unearned revenues	-	890,682	-	184,193	1,074,875
	Total liabilities	<u>2,836,725</u>	<u>1,010,506</u>	<u>13,824</u>	<u>1,125,432</u>	<u>4,986,487</u>
Deferred Inflows of Resources						
2600	Unavailable property tax revenue	348,640	-	90,682	-	439,322
Fund Balances						
Nonspendable:						
3410	Inventories	124,568	-	-	-	124,568
Restricted for:						
3450	Grant requirements	-	-	-	1,181,997	1,181,997
3480	Retirement of long-term debt	-	-	5,516,066	-	5,516,066
Committed for:						
3545	Campus activities	-	-	-	93,482	93,482
3600	Unassigned	16,521,760	-	-	-	16,521,760
	Total fund balances	<u>16,646,328</u>	<u>-</u>	<u>5,516,066</u>	<u>1,275,479</u>	<u>23,437,873</u>
	Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 19,831,693</u>	<u>1,010,506</u>	<u>5,620,572</u>	<u>2,400,911</u>	<u>28,863,682</u>

See accompanying notes to financial statements.



La Vega Independent School District

Reconciliation of the Governmental Funds Balance Sheet to
the Statement of Net Position for Governmental Activities

August 31, 2023

<u>Data Control Codes</u>		
	Total fund balances - governmental funds (Exhibit C-1)	\$ 23,437,873
1	Capital assets and right-of-use lease assets used in governmental activities are not financial resources and therefore are not reported in the funds	36,618,953
2	Other long-term assets are not available to pay for current period expenditures and therefore are unavailable revenue in the funds	439,322
3	Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service are included in the governmental statement of net position	92,371
4	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(56,702,554)</u>
19	Net position of governmental activities (Exhibit A-1)	\$ <u><u>3,885,965</u></u>

See accompanying notes to financial statements.

DRAFT

Exhibit C-3

La Vega Independent School District**Statement of Revenues, Expenditures, and Changes
in Fund Balances – Governmental Funds**

Year Ended August 31, 2023

Data Control Codes		10 General Fund	282 ARPA ESSER III	50 Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
5700	Local and intermediate sources	\$ 12,603,537	-	2,982,509	338,925	15,924,971
5800	State program revenues	20,943,274	-	87,992	532,078	21,563,344
5900	Federal program revenues	825,815	667,974	263,796	7,857,023	9,614,608
5020	Total revenues	<u>34,372,626</u>	<u>667,974</u>	<u>3,334,297</u>	<u>8,728,026</u>	<u>47,102,923</u>
Expenditures:						
Current:						
0011	Instruction	14,679,897	393,298	-	4,620,200	19,693,395
0012	Instructional resources and media services	229,649	1,028	-	3,122	233,799
0013	Curriculum and staff development	360,508	4,116	-	202,147	566,771
0021	Instructional leadership	834,283	7,198	-	215,749	1,057,230
0023	School leadership	2,727,703	27,790	-	40,127	2,795,620
0031	Guidance, counseling, and evaluation services	701,685	17,003	-	226,676	945,364
0032	Social work services	168,782	3,203	-	283,162	455,147
0033	Health services	265,737	3,086	-	4,000	272,823
0034	Student transportation	1,620,434	-	-	93,651	1,714,085
0035	Food service	10,479	73,973	-	2,670,940	2,755,392
0036	Extracurricular activities	1,870,454	4,118	-	76,257	1,950,829
0041	General administration	1,586,397	13,389	-	11,556	1,611,342
0051	Facilities maintenance and operations	4,305,469	98,144	-	208,951	4,612,564
0052	Security and monitoring services	910,196	14,412	-	39,211	963,819
0053	Data processing services	1,409,236	6,186	-	6,278	1,421,700
0061	Community services	2,070	1,030	-	59,098	62,198
0095	Payments to JJAEP	42,024	-	-	-	42,024
0099	Payments to county appraisal district	159,527	-	-	-	159,527
Debt service:						
0071	Principal on long-term debt	296,093	-	932,383	-	1,228,476
0072	Interest on long-term debt	36,615	-	1,399,885	-	1,436,500
0073	Other fees	-	-	6,549	-	6,549
0081	Facilities acquisition	84,562	-	-	-	84,562
6030	Total expenditures	<u>32,301,800</u>	<u>667,974</u>	<u>2,338,817</u>	<u>8,761,125</u>	<u>44,069,716</u>
1100	Excess (deficiency) of revenues over (under) expenditures	2,070,826	-	995,480	(33,099)	3,033,207
0100	Fund balances, beginning of year	<u>14,575,502</u>	<u>-</u>	<u>4,520,586</u>	<u>1,308,578</u>	<u>20,404,666</u>
3000	Fund balances, end of year	<u>\$ 16,646,328</u>	<u>-</u>	<u>5,516,066</u>	<u>1,275,479</u>	<u>23,437,873</u>

See accompanying notes to financial statements.



La Vega Independent School District

**Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities**

Year Ended August 31, 2023

Net change in fund balances - total governmental funds (Exhibit C-3)	\$ 3,033,207
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation / amortization expense. This is the amount by which depreciation / amortization expense (\$1,910,547) exceeded capital and lease expenditures (\$1,436,058) in the current period.	(474,489)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(7,256)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,598,888
Internal service funds are used by management to charge the costs of certain services to individual funds. The change in net position for the internal service fund is reported as part of governmental activities.	92,371
Governmental funds report contributions to pension/OPEB plans as expenditures, whereas pension/OPEB expense is recognized in the statement of activities. This is the amount by which the pension/OPEB benefit (\$1,240,620) exceeded contributions to the pension/OPEB plans (\$1,140,627) in the current period.	<u>99,993</u>
Change in net position of governmental activities (Exhibit B-1)	<u>\$ 4,342,714</u>

See accompanying notes to financial statements.

DRAFT

Exhibit D-1

La Vega Independent School District

Statement of Fiduciary Net Position -
Proprietary Fund

August 31, 2023

	<u>Governmental Activities</u> <u>Internal Service Fund</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 82,565
Other assets	9,806
Total current assets	<u>92,371</u>
Total assets	<u>92,371</u>
Net Position	
Unrestricted	<u>92,371</u>
Total net position	<u><u>\$ 92,371</u></u>

See accompanying notes to financial statements.

DRAFT

Exhibit D-2

La Vega Independent School District

Statement of Revenues, Expenses and
Changes in Net Position –
Proprietary Fund

Year Ended August 31, 2023

	<u>Governmental Activities Internal Service Fund</u>
Operating revenues:	
Charges for services	\$ 196,114
Total operating revenues	<u>196,114</u>
Operating expenses:	
Contracted services	<u>103,743</u>
Total operating expenses	<u>103,743</u>
Operating income	92,371
Net position, beginning of year	<u>-</u>
Net position, end of year	<u>\$ 92,371</u>

See accompanying notes to financial statements.

DRAFT

Exhibit D-3

La Vega Independent School District

Statement of Cash Flows -
Proprietary Fund

Year Ended August 31, 2023

	<u>Governmental Activities</u> <u>Internal Service Fund</u>
Cash flows from operating activities:	
Cash received from customers	\$ 196,114
Cash paid to suppliers	<u>(113,549)</u>
Net cash provided by operating activities	<u>82,565</u>
Net increase in cash and cash equivalents	82,565
Cash and cash equivalents, beginning of year	<u>-</u>
Cash and cash equivalents, end of year	<u><u>\$ 82,565</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 92,371
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in assets:	
Other assets	<u>(9,806)</u>
Net cash provided by operating activities	<u><u>\$ 82,565</u></u>

See accompanying notes to financial statements.

DRAFT

Exhibit E-1

La Vega Independent School District

Statement of Fiduciary Net Position -
Fiduciary Funds

August 31, 2023

	<u>Private Purpose Trust Fund</u>	<u>Custodial Fund</u>
Assets		
Cash and cash equivalents	\$ <u>5,750</u>	<u>107,235</u>
Total assets	<u>5,750</u>	<u>107,235</u>
Net Position		
Restricted for individuals and organizations	\$ <u><u>5,750</u></u>	<u><u>107,235</u></u>

See accompanying notes to financial statements.

La Vega Independent School District
Statement Changes in Fiduciary Net Position -
Fiduciary Funds
August 31, 2023

	<u>Private Purpose Trust Fund</u>	<u>Custodial Fund</u>
Additions		
Collections for student organizations	\$ <u>-</u>	<u>136,609</u>
Total additions	<u>-</u>	<u>136,609</u>
Deductions		
Payment of expenses for student organizations	<u>-</u>	<u>112,718</u>
Total deductions	<u>-</u>	<u>112,718</u>
Change in net position	-	23,891
Net position, beginning of year	<u>5,750</u>	<u>83,344</u>
Net position, end of year	<u><u>\$ 5,750</u></u>	<u><u>107,235</u></u>

See accompanying notes to financial statements.

La Vega Independent School District

Notes to Financial Statements

August 31, 2023

(1) Summary of Significant Accounting Policies

The Board of School Trustees (the “Board”), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the La Vega Independent School District (the “District”). Because members of the Board are elected by the public; have the authority to make decisions, appoint administrators and managers, and significantly influence operations; and have the primary accountability for fiscal matters; the District is not included in any other governmental “reporting entity”. Also, no component units were identified or included within the reporting entity.

The accounting policies of the District substantially comply with the rules prescribed in the Texas Education Agency’s (“TEA”) Financial Accountability System Resource Guide (the “Resource Guide”). These accounting policies generally conform to generally accepted accounting principles applicable to governmental units.

(a) Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

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

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

(b) Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements, proprietary funds, and the fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

La Vega Independent School District

Notes to Financial Statements
(Continued)

- (1) Summary of Significant Accounting Policies (continued)
 - (b) Measurement focus, basis of accounting and financial statement presentation (continued)

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenue and interest associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All property tax receivables are reported net of an allowance for uncollectible amounts. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The general fund is the District’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The American Rescue Plan Act (“ARPA”) Elementary and Secondary Education Emergency Relief (“ESSER III”) special revenue fund is used to account for resources provided by the federal government to address the disproportionate impact of COVID-19 on certain student sub-groups and to address learning loss as a result of the COVID-19 pandemic.

The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(1) Summary of Significant Accounting Policies (continued)(b) Measurement focus, basis of accounting
and financial statement presentation (continued)

The District reports the following proprietary funds:

The District utilizes an internal service fund to account for its self-insured workers' compensation insurance services provided to other funds on a cost reimbursement basis.

Additionally, the District reports the following fund types:

The private purpose trust fund accounts for resources legally held in trust for scholarships to be awarded to current and former students for post-secondary education. All resources of the fund, including any earnings on invested resources, may be used to support the activities listed in the preceding sentence. Additionally, the District accounts for resources held for others in a custodial capacity in custodial funds. The District's custodial fund consists of the student activity funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

(c) Investments

State statutes authorize the District to invest in obligations of the United States or its agencies and instrumentalities and state or local governments, commercial paper, guaranteed investment contracts, repurchase agreements, and certain governmental investment pools. The District's local investment policy limits the District to invest in obligations of the United States or its agencies and instrumentalities, certificates of deposit, fully collateralized repurchase agreements by obligations of the United States or its agencies and instrumentalities, money market mutual funds, and local government investment pools.

Investments are reported at fair value, except for governmental investment pools. The governmental investment pools operate in accordance with appropriate state laws and regulations, and are reported at amortized cost.

For its investment in a repurchase agreement carried at fair value, the District uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The District determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(1) Summary of Significant Accounting Policies (continued)(c) Investments (continued)

When considering market participant assumptions in fair value measurements for its investment in a repurchase agreement, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2 Inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

(d) Receivables and payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

(e) Supplies and inventory

All inventories are valued at cost using the first in/first out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(1) Summary of Significant Accounting Policies (continued)(f) Capital assets

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated 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 acquisition 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.

Buildings and improvements, and furniture and equipment are depreciated using the straight-line method over their estimated useful lives:

	<u>Years</u>
Buildings and improvements	6 – 40
Furniture and equipment	4 – 15

(g) Compensated absences

District employees are entitled to vacation and sick leave days earned by them for services performed. Vacation days lapse at the end of the year and have not been accrued. Sick days do accumulate, but employees are not paid the benefits on termination or retirement if they are not used. Consequently, the benefits have not been accrued.

(h) Long-term obligations

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

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

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(1) Summary of Significant Accounting Policies (continued)(i) 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 the 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 benefit terms. Investments are reported at fair value.

(j) Other Postemployment Benefits (“OPEB”)

The fiduciary net position of the Teacher Retirement System of Texas (“TRS”) TRS Care Plan (“TRS-Care”) has been determined using the flow of economic resources measurement focus and the full accrual basis of accounting. This includes for purposes of measuring the total 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 benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

(k) Deferred outflows and deferred inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

(l) Fund balance and net position

Governmental fund balances classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the Board of School



La Vega Independent School District

Notes to Financial Statements
(Continued)

(1) Summary of Significant Accounting Policies (continued)

(l) Fund balance and net position (continued)

Trustees (the “Board”) through an ordinance. Assigned fund balances are constrained by an intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by District management based upon Board direction. When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed. The order of spending available resources is as follows: restricted, committed, assigned, and unassigned.

In the government-wide financial statements, proprietary fund, and fiduciary fund financial statements, net position represents the difference between assets, deferred outflows, liabilities, and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvements of those assets, and adding back unspent bond proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

(m) Data control codes

Data control codes refer to the account code structure prescribed by the TEA in the Resource Guide.

(2) Reconciliation of Government-Wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$56,702,554 difference are as follows:

Bonds payable	\$ (31,384,999)
Add: Premium on issuance	(2,767,475)
Less: Deferred charge on refunding	501,653
Accumulated accretion on bonds	(358,231)
Loans payable	(660,000)
Lease liability	(251,872)
Accrued interest payable	(27,889)
Net pension/OPEB liabilities, and related deferred inflows of \$13,188,529 and deferred outflows of \$11,841,125	<u>(21,753,741)</u>
	<u>\$ (56,702,554)</u>

La Vega Independent School District

Notes to Financial Statements
(Continued)

(2) Reconciliation of Government-Wide and Fund Financial Statements (continued)

The governmental statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances of total governmental funds and changes in net position of governmental activities as reported in the government-wide financial statements. An element of that reconciliation states that “the issuance of long-term debt (e.g., bonds and leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$1,598,888 difference are as follows:

Principal repayments:	
General obligation and refunding bonds	\$ 932,383
Loans payable	189,157
Lease liability	106,936
Amortization of premiums received on issuance of bonds	242,588
Amortization of deferred charge on refunding of bonds	(43,014)
Accumulated accretion on capital appreciation bonds	169,052
Accrued interest payable	1,786
	\$ 1,598,888

(3) Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, the child nutrition special revenue fund, and the debt service fund. There is no legal requirement to adopt a budget for the instructional materials allotment special revenue fund; therefore, presentation of budgetary comparison information is not required. Budgets are not legally adopted for capital projects funds; however, specific projects are individually approved by the Board of School Trustees. All annual appropriations lapse at fiscal year-end. By August 20, the budget is legally adopted through passage of an appropriate ordinance by the Board of School Trustees.

The appropriated budget is prepared by fund, function, object code, program intent code, and location. The District’s management may make transfers of appropriations within a function. Transfers or appropriations between functions require the approval of the Board of Trustees. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the function level.

There were no significant differences between the original budget and the final amended budget for total expenditures. The primary differences consisted of reclassifications of expenditures between functions within the general fund.

La Vega Independent School District

Notes to Financial Statements
(Continued)

(3) Budgetary Information (continued)

Expenditures in the general fund exceeded appropriations for instructional leadership (\$12,535), facilities maintenance and operations (\$38,571), and principal and interest on long-term debt (\$51,708) primarily related to principal and interest payments that were required due to GASB 87, *Leases*.

Encumbrance accounting is employed in the governmental funds. Encumbrances (i.e. purchase orders, contracts) outstanding at year-end do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. There were no significant encumbrances outstanding at August 31, 2023.

(4) Deposits and Investments

Investments of the District at August 31, 2023, consist of the following:

Investments	Amount	Weighted Average Maturity (in Days)
Public funds investment pools - reported at amortized cost:		
Texas CLASS Local Government Investment Pool ("Texas CLASS")	\$ 4,971,934	40
Texas Range Local Government Investment Pool ("Texas Range")	<u>14,047,368</u>	62
Total public funds investment pools	<u>19,019,302</u>	
Repurchase agreement - reported at fair value	<u>3,655,114</u>	
	<u>\$ 22,674,416</u>	

Public Funds Investment Pools

The public funds investment pool has been created pursuant to the Interlocal Corporation Act of the State of Texas. The District has delegated the authority to hold legal title to the public funds investment pools and, as custodian, to make investment purchases with the District's funds.

Texas CLASS. The Texas Cooperative Liquid Assets Securities System Trust ("Texas CLASS") was created as a local government investment pool pursuant to state law. The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Trust Agreement are Texas local governments that choose to participate in the trust

DRAFT

La Vega Independent School District

Notes to Financial Statements (Continued)

(4) Deposits and Investments (continued)

(“participants”), Public Trust Advisors, LLC as program administrator, and UMB Bank, N.A. as custodian. Texas CLASS is overseen by a Board of Trustees (“the Board”) comprised of active members of the pool and elected by the participants. The Board is guided by an Advisory Board and is responsible for selecting the program administrator. There are no maximum transaction amounts and withdrawals from Texas CLASS that may be made daily. Texas CLASS uses amortized cost rather than fair value to report net assets share price.

Texas Range. The Texas Range Local Government Investment Pool (“Texas Range”) was established by the Common Investment Contract, in conformity with Chapters 791 (Interlocal Cooperation Act) and 2256 (Public Funds Investment Act) of the Texas Government Code. Texas Range is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Interlocal Agreement are PFM Asset Management, LLC as investment advisor and administrator, and U.S. Bank, N.A. as custodian. Texas Range is guided by an Advisory Board which is made up of experienced local government finance directors and treasurers. There are no maximum transaction amounts and withdrawals from Texas Range that may be made daily. Texas Range uses amortized cost rather than fair value to report net assets share price.

Repurchase Agreement

In July 2010, the District invested in a repurchase agreement with a financial institution in connection with the issuance of \$5,190,000 Series 2010B Unlimited Tax Qualified School Construction Bonds. Under the terms of the repurchase agreement, annual sinking fund requirements of \$234,789 are deposited with the paying agent and are invested in eligible securities. Interest earned on the sinking fund deposits is 3.16% per annum under the terms of the repurchase agreement, which has a maturity date of February 15, 2027. The maturity date of the repurchase agreement coincides with the maturity date of the bonds, as more fully described in Note 10. At August 31, 2023, the fair value of the repurchase agreement was \$3,655,114, which is based upon estimated future cash flows (Level 3).

Interest Rate Risk

In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting the maturity of its investment portfolio. The term of any collateralized mortgage obligation is limited to ten years, repurchase agreements may not exceed 90 days, banker’s acceptances must have a stated maturity of 270 days or less, and no-load mutual funds must have a weighted average maturity of less than two years. Except for the repurchase agreement described above, the maximum allowable stated maturity of any other individual investment owned by the District cannot exceed one year.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(4) Deposits and Investments (continued)Credit Risk

It is the District's policy to limit its investments in a manner that ensures the preservation of capital in the overall portfolio. Specifically, repurchase agreements must be secured by obligations of the United States or its agencies, commercial paper must be rated not less than A-1 or P-1, no-load mutual funds must be rated not less than AAA or its equivalent, and public funds investment pools must be continuously rated no lower than AAA or AAAM or at an equivalent rating. At August 31, 2023, Texas CLASS and Texas Range are rated AAAM by Standard & Poor's.

Custodial Credit Risk - Deposits

In the case of deposits, custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a depository contract with a financial institution and monitors its deposits to ensure its bank deposits are insured or fully collateralized with securities held by the pledging financial institution's agent in the District's name.

In addition, the following is disclosed regarding coverage of combined balances on the date of the highest combined deposit during 2023:

- (a) Depository: American Bank
- (b) The market value of securities pledged as of the date of the highest combined balance on deposit was \$7,798,388.
- (c) The highest combined balance of cash, savings, and time deposit accounts amounted to \$7,695,040 and occurred during the month of October 2022.
- (d) Total amount of FDIC coverage at the time of largest combined balance was \$250,000.

(5) Property Taxes

Property taxes are levied by October 1 on the assessed value as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code.

The assessed value at January 1, 2022, on which the 2022 levy was based, was \$1,200,245,592. 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 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(5) Property Taxes (continued)

The District's maximum legal maintenance and operations tax rate is \$0.942900 per \$100 valuation; the current maintenance and operations tax rate is \$0.942900 per \$100 valuation.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the general and debt service funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written-off, but the District is prohibited from writing-off real property taxes without specific statutory authority from the Texas Legislature. The allowance for uncollectible amounts was \$292,881 at August 31, 2023.

(6) Due from Other Governments

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State of Texas through the school foundation and per capita programs. Amounts due from federal and state governments as of August 31, 2023 are summarized below:

<u>Fund</u>	<u>State Aid</u>	<u>Federal/State Programs</u>	<u>Total</u>
General	\$ 1,418,787	85,909	1,504,696
Other governmental	-	572,607	572,607
Totals	<u>\$ 1,418,787</u>	<u>658,516</u>	<u>2,077,303</u>

(7) Interfund Balances and Transfers

Interfund receivable and payable balances at August 31, 2023 are as follows:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General	\$ 840,717	-
ARPA - ESSER III	-	115,667
Other governmental funds	-	725,050
	<u>\$ 840,717</u>	<u>840,717</u>

Interfund balances resulted from the time lag between the dates that payments between funds are made.

DRAFT

La Vega Independent School District

Notes to Financial Statements
(Continued)

(8) Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. Unearned revenue at August 31, 2023 consisted of the following:

	<u>ESSER III</u>	<u>Other Governmental</u>	<u>Total</u>
Unearned:			
Grant drawdowns prior to meeting all eligibility requirements	\$ <u>890,682</u>	<u>184,193</u>	<u>1,074,875</u>

(9) Capital Assets

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

	<u>Balance September 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance August 31, 2023</u>
Capital assets not being depreciated:				
Land	\$ <u>431,650</u>	<u>-</u>	<u>-</u>	<u>431,650</u>
Total capital assets not being depreciated	<u>431,650</u>	<u>-</u>	<u>-</u>	<u>431,650</u>
Capital assets being depreciated:				
Buildings and improvements	64,258,790	810,232	-	65,069,022
Furniture and equipment	<u>3,796,155</u>	<u>625,826</u>	<u>-</u>	<u>4,421,981</u>
Total capital assets being depreciated	<u>68,054,945</u>	<u>1,436,058</u>	<u>-</u>	<u>69,491,003</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ (29,147,350)	(1,586,087)	-	(30,733,437)
Furniture and equipment	<u>(2,600,462)</u>	<u>(214,865)</u>	<u>-</u>	<u>(2,815,327)</u>
Total accumulated depreciation	<u>(31,747,812)</u>	<u>(1,800,952)</u>	<u>-</u>	<u>(33,548,764)</u>
Total capital assets being depreciated, net	<u>36,307,133</u>	<u>(364,894)</u>	<u>-</u>	<u>35,942,239</u>
	<u>\$ 36,738,783</u>	<u>(364,894)</u>	<u>-</u>	<u>36,373,889</u>

La Vega Independent School District

Notes to Financial Statements
(Continued)

(9) Capital Assets (continued)

Depreciation expense was charged to functions of the District as follows:

Governmental activities:	
Instruction	\$ 1,103,333
Instructional resources and media services	16,391
Curriculum and staff development	40,733
Instructional leadership	34,293
School leadership	145,880
Guidance, counseling, and evaluation	63,630
Social work services	12,338
Health services	19,273
Food services	59,099
Extracurricular activities	49,055
General administration	73,848
Plant maintenance and operations	141,450
Security and monitoring services	15,296
Data processing services	<u>26,333</u>
Total depreciation expense	<u>\$ 1,800,952</u>

(10) Long-Term Debt

Long-term debt consists of bonded indebtedness, loans payable, lease liability, a net pension liability, and a total OPEB liability. The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and enters into loans payable and leases to provide funds for the acquisition of various types of equipment. Loans payable, lease liability, the net pension liability, and the total OPEB liability are generally liquidated by the general fund and certain special revenue funds.

The following is a summary of changes in long-term debt for the year ended August 31, 2023:

	Balance September 1, 2022	Additions	Deletions	Balance August 31, 2023	Due Within One Year
	<u>2022</u>	<u> </u>	<u> </u>	<u>2023</u>	<u> </u>
General obligation and refunding bonds	\$ 32,317,382	-	932,383	31,384,999	1,399,789
Premiums	3,010,063	-	242,588	2,767,475	-
Total bonds payable	<u>35,327,445</u>	<u> </u>	<u>1,174,971</u>	<u>34,152,474</u>	<u>1,399,789</u>

La Vega Independent School District

Notes to Financial Statements
(Continued)

(10) Long-Term Debt (continued)

	Balance September 1, 2022	Additions	Deletions	Balance August 31, 2023	Due Within One Year
Accumulated accretion on bonds	527,283	-	169,052	358,231	-
Loans payable	849,157	-	189,157	660,000	66,000
Lease liability	358,808	-	106,936	251,872	108,291
Net pension liability	4,086,982	8,867,289	-	12,954,271	-
Total OPEB liability	9,987,685	-	2,535,619	7,452,066	-
	\$ 51,137,360	8,867,289	4,175,735	55,828,914	1,574,080

General obligation and refunding bonds at August 31, 2023 consist of the following individual issues:

\$5,190,000 Unlimited tax qualified school construction bonds, series 2010B with annual sinking fund payments of \$234,789 through maturity in February 2027, at which time all principal and accrued interest at 5.39% are due in full	\$ 5,190,000
\$5,705,000 Unlimited tax refunding bonds, series 2015 due in annual installments of \$330,000 to \$485,000 through February 2031, interest at 3% to 4%	3,360,000
\$8,500,000 Unlimited tax refunding bonds, series 2017 due in annual installments of \$35,000 to \$1,610,000 through February 2039, interest at 2% to 4%	8,354,999
\$7,380,000 Unlimited tax refunding bonds, series 2020 due in annual installments of \$170,000 to \$1,655,000 through February 2040, interest at 1% to 2.28%	6,645,000
\$7,995,000 Unlimited tax refunding bonds, series 2021 due in annual installments of \$160,000 to \$990,000 through February 2034, interest at 2% to 3%	7,835,000
	\$ 31,384,999

The bond indentures contain certain restrictions for the maintenance of and flow of monies through various restricted accounts. The District is in compliance with all such significant financial limitations and restrictions.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(10) Long-Term Debt (continued)

Annual debt service payment requirements to maturity for general obligation and refunding bonds are as follows:

Year Ending August 31,	Principal	Interest	Total Requirements
2024	\$ 1,399,789	886,663	2,286,452
2025	1,434,789	851,100	2,285,889
2026	1,469,789	811,363	2,281,152
2027	5,770,633	766,200	6,536,833
2028	1,625,000	713,750	2,338,750
2029-2033	9,145,000	2,638,450	11,783,450
2034-2038	7,274,999	1,297,500	8,572,499
2039-2040	<u>3,265,000</u>	<u>106,674</u>	<u>3,371,674</u>
Totals	<u>\$ 31,384,999</u>	<u>8,071,700</u>	<u>39,456,699</u>

Loans Payable

Loans payable at August 31, 2023 consist of the following individual issues:

\$990,000 Time warrant note, series 2018, interest at 3.292% is due semi-annually, annual principal payments of \$66,000 are due through maturity in March 2033	<u>\$ 660,000</u>
---	-------------------

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

Year Ending August 31,	Principal	Interest	Total Requirements
2024	\$ 66,000	21,727	87,727
2025	66,000	19,554	85,554
2026	66,000	17,382	83,382
2027	66,000	15,209	81,209
2028	66,000	13,036	79,036
2029-2033	<u>330,000</u>	<u>32,560</u>	<u>362,560</u>
Totals	<u>\$ 660,000</u>	<u>119,468</u>	<u>779,468</u>

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(11) Leases

The District leases copiers and other equipment used in operations. These leases have terms between two and five years requiring monthly payments. As of August 31, 2023, the total amount of right-to-use assets and the related amortization, disclosed separately from other capital assets is as follows:

	Balance September 1, 2022	Increases	Decreases	Balance August 31, 2023
Furniture and equipment	\$ 456,497	-	-	456,497
Accumulated amortization	(101,838)	(109,595)	-	(211,433)
	<u>\$ 354,659</u>	<u>(109,595)</u>	<u>-</u>	<u>245,064</u>

Amounts of the accumulated amortization charged to specific functions for the year ended August 31, 2023 is as follows:

Governmental activities:	
Instruction	\$ 67,143
Instructional resources and media services	997
Curriculum and staff development	2,479
Instructional leadership	2,087
School leadership	8,877
Guidance, counseling, and evaluation	3,872
Social work services	751
Health services	1,173
Food services	3,596
Extracurricular activities	2,985
General administration	4,494
Plant maintenance and operations	8,608
Security and monitoring services	931
Data processing services	<u>1,602</u>
Total amortization expense	<u>\$ 109,595</u>

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(11) Leases (continued)

As of August 31, 2023, the principal and interest requirements to maturity for the lease liability is as follows:

Year Ending August 31,	Principal	Interest	Total Requirements
2024	\$ 108,291	6,566	114,857
2025	95,858	3,131	98,989
2026	39,414	760	40,174
2027	8,309	81	8,390
Totals	<u>\$ 251,872</u>	<u>10,538</u>	<u>262,410</u>

(12) Revenues from Local and Intermediate Sources

During the year ended August 31, 2023, revenues from local and intermediate sources reported in the governmental fund financial statements consisted of the following:

	General	Debt Service	Other Govern- mental	Totals
Property taxes	\$ 11,267,646	2,926,121	-	14,193,767
Penalties, interest and other tax-related income	182,738	42,903	-	225,641
Tuition and fees	9,578	-	-	9,578
Contributions and donations	75,167	-	88,640	163,807
Food sales	-	-	150,011	150,011
Investment income	837,605	13,485	1,950	853,040
Extracurricular activities	62,773	-	98,324	161,097
Other	168,030	-	-	168,030
	<u>\$ 12,603,537</u>	<u>2,982,509</u>	<u>338,925</u>	<u>15,924,971</u>



La Vega Independent School District

Notes to Financial Statements
(Continued)

(13) Deferred Outflows and Inflows of Resources

The statement of financial position and the balance sheet include the following deferred outflows/inflows of resources at August 31, 2023:

	<u>Statement of Net Position</u>	<u>Balance Sheet</u>	
		General	Debt
	Governmental	Fund	Service
	<u>Activities</u>	<u>Fund</u>	<u>Fund</u>
Deferred outflows of resources:			
Deferred loss on refunding	\$ 501,653	-	-
Pension/OPEB related:			
District contributions subsequent			
to the measurement date	1,140,627	-	-
Differences between			
expected and actual experience	602,145	-	-
Changes in assumptions	3,548,899	-	-
Net differences between			
projected and actual earnings	1,302,038	-	-
Changes in proportion	<u>5,247,416</u>	<u>-</u>	<u>-</u>
	<u>\$ 12,342,778</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:			
Unavailable property taxes	\$ -	348,640	90,682
Pension/OPEB related:			
Differences between			
expected and actual experience	6,490,668	-	-
Changes in assumptions	5,778,839	-	-
Changes in proportion	<u>919,022</u>	<u>-</u>	<u>-</u>
	<u>\$ 13,188,529</u>	<u>348,640</u>	<u>90,682</u>

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(14) Defined Benefit Pension Plan

Plan Description. The District participates in a cost-sharing multiple-employer defined benefit pension plan 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 TRS.

Pension Plan Fiduciary Net Position: Detail information about TRS’s fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at https://www.trs.texas.gov/Pages/about_publications.aspx; by writing to TRS at 1000 Red River Street, Austin, Texas 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 credited service or earlier than 55 with 30 years of credited service. 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.

La Vega Independent School District

Notes to Financial Statements
(Continued)

(14) Defined Benefit Pension Plan (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 TRS’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 TRS 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 through 2025.

	Contributions Rates	
	Plan Fiscal Year	
	2023	2022
Member (employees)	8.00%	8.00%
Non-employer contributing entity (state of Texas)	8.00%	7.75%
Employer (the District)	8.00%	7.75%

	Contributions Required and Made
Member (Employees)	\$ 1,883,859
Non-employer contributing entity (State)	1,336,736
District	938,335

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”).



La Vega Independent School District

Notes to Financial Statements
(Continued)

(14) Defined Benefit Pension Plan (continued)

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

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

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

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



La Vega Independent School District

Notes to Financial Statements
(Continued)

(14) Defined Benefit Pension Plan (continued)

Actuarial Assumptions: The total pension liability in the August 31, 2021 actuarial valuation rolled forward to August 31, 2022 was determined using the following actuarial assumptions:

Valuation date	August 31, 2021 rolled forward to August 31, 2022
Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.00%
Long-term expected investment rate of return	7.00%
Municipal bond rate at August 31, 2022	3.91% *
Inflation	2.30%
Salary increases, including inflation	2.95% to 8.95% including inflation
Benefit changes during the year	None
Ad hoc post-employment benefit changes	None

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

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

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.

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

The long-term rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

DRAFT**La Vega Independent School District**Notes to Financial Statements
(Continued)(14) Defined Benefit Pension Plan (continued)

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the TRS's target asset allocation as of August 31, 2022 are summarized below:

Asset Class	Target Allocation **	Long-Term Expected Arithmetic Real Rate of Return ***	Expected Contribution to Long-term Portfolio Returns
Global Equity:			
U.S.	18.0%	4.6%	1.12%
Non-U.S. Developed	13.0%	4.9%	0.90%
Emerging Markets	9.0%	5.4%	0.75%
Private Equity *	14.0%	7.7%	1.55%
Stable Value:			
Government Bonds	16.0%	1.0%	0.22%
Absolute Return *	-	3.7%	-
Stable Value Hedge Funds	5.0%	3.4%	0.18%
Real Return:			
Real Estate	15.0%	4.1%	0.94%
Energy, Natural Resources and Infrastructure	6.0%	5.1%	0.37%
Commodities	-	3.6%	-
Risk Parity:			
Risk Parity	8.0%	4.6%	0.43%
Asset Allocation Leverage:			
Cash	2.0%	3.0%	0.01%
Asset Allocation Leverage	-6.0%	3.6%	-0.05%
Inflation Expectation			2.70%
Volatility Drag ****			-0.93%
Expected Return	100%		8.19%

* Absolute Return includes Credit Sensitive Investments

** Target allocations are based on the FY2022 policy 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.

La Vega Independent School District

Notes to Financial Statements
(Continued)

(14) Defined Benefit Pension Plan (continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 20,151,934	12,954,271	7,120,227

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 \$12,954,271 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for the 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 net pension liability	\$ 12,954,271
State's proportionate share of the net pension liability associated with the District	13,456,971
Total	\$ 26,411,242

The net pension liability was measured as of August 31, 2021 and rolled to August 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At August 31, 2022, the District's proportion of the collective net pension liability was 0.000218205, which was an increase of 0.000057720 from its proportion measured as of August 31, 2021.

Changes Since the Prior Actuarial Valuation: 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% to 7.00%.

DRAFT

La Vega Independent School District

Notes to Financial Statements
(Continued)

(14) Defined Benefit Pension Plan (continued)

For the year ended August 31, 2023, the District recognized total pension expense of \$3,018,383. Of the total pension expense, for the measurement period ended August 31, 2022, the District recognized pension expense of \$1,286,334 and revenue of \$1,057,721 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
District contributions subsequent to the measurement date	\$ 938,335	-
Differences between expected and actual experience	187,836	282,428
Changes in assumptions	2,413,802	601,587
Net difference between projected and actual earnings on pension plan investments	1,279,840	-
Changes in proportion	<u>2,137,369</u>	<u>541,877</u>
Total	<u>\$ 6,957,182</u>	<u>1,425,892</u>

The \$938,335 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in year ended August 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Measurement Year Ended August 31,</u>	
2023	\$ 1,088,651
2024	736,757
2025	411,626
2026	1,855,730
2027	500,191



La Vega Independent School District

Notes to Financial Statements
(Continued)

(15) Defined Other Post-Employment Benefit Plans

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

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code, Chapter 1575. The Board of Trustees is granted authority to establish basic and optional group insurance coverage for participants as well as 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 health insurance coverage to retirees from public and charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

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

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

TRS-Care Monthly Premium Rates

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

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(15) Defined Other Post-Employment Benefit Plans (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 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

	Contributions Rates	
	Plan Fiscal Year	
	2023	2022
Active Employee (Members)	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers (District)	0.75%	0.75%
Federal/Private Funding Remitted by Employers	1.25%	1.25%
		Contributions Required and Made
Member (Employees)	\$	153,064
Non-Employer Contributing Agency (State)		259,320
District		202,292

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

TRS-Care received supplemental appropriations from the State of Texas as the non-employer contributing entity in the amount of \$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.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(15) Defined Other Post-Employment Benefit Plans (continued)

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. The actuarial valuation was determined using the following actuarial assumptions:

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. 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, retirement, termination and disability; general inflation, and wage inflation.

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	3.91% as of August 31, 2022
Aging Factors	Based upon plan specific experience.
Expenses	Third party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs.
Projected salary increases	3.05% to 9.05%, including inflation
Healthcare trend rates	4.25% to 8.25%
Election rates	Normal retirement: 62% participation prior to age 65 and 25% participation after age 65 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Ad hoc post-employment benefit changes	None

La Vega Independent School District

Notes to Financial Statements
(Continued)

(15) Defined Other Post-Employment Benefit Plans (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, 2022 using the Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

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 total OPEB liability.

	1% Decrease (2.91%)	Current Discount Rate (3.91%)	1% Increase (4.91%)
District's proportionate share of the total OPEB liability	\$ <u>8,786,577</u>	<u>7,452,066</u>	<u>6,370,941</u>

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 \$7,452,066 for its proportionate shares of the TRS’s total 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 total OPEB liability, the related State support, and the total portion of the total OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective total OPEB liability	\$ 7,452,066
State's proportionate share of the total OPEB liability that is associated with the District	<u>9,090,350</u>
Total	<u>\$ 16,542,416</u>

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(15) Defined Other Post-Employment Benefit Plans (continued)

The total OPEB liability was measured as of August 31, 2021 and rolled forward to August 31, 2022, and the total OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the total OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At August 31, 2022, the employer's proportion of the collective net OPEB liability was 0.000311229, compared to 0.000258920 as of August 31, 2021.

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

	1% Decrease	Current Single Healthcare Trend Rate	1% Increase
District's proportionate share of the total OPEB liability	\$ 6,140,536	7,452,066	9,152,296

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

- The discount rate was changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change increased the total OPEB liability.

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

For the year ended August 31, 2023, the District recognized an OPEB benefit of \$1,981,409. Of the total OPEB benefit, for the measurement period ended August 31, 2022, the District recognized an OPEB benefit of \$1,289,994 and revenue of \$311,822 for support provided by the State.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(15) Defined Other Post-Employment Benefit Plans (continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
District contributions subsequent to the measurement date	\$ 202,292	-
Differences between expected and actual experience	414,309	6,208,240
Changes in assumptions	1,135,097	5,177,252
Net differences between projected and actual investment earnings	22,198	-
Changes in proportion	<u>3,110,047</u>	<u>377,145</u>
Total	<u>\$ 4,883,943</u>	<u>11,762,637</u>

The \$202,292 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in year ended August 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Measurement Year Ended August 31,</u>	
2023	\$ (1,470,380)
2024	(1,470,299)
2025	(1,154,284)
2026	(726,451)
2027	(933,835)
Thereafter	(1,325,737)

DRAFT

La Vega Independent School District

Notes to Financial Statements (Continued)

(16) Retiree Medicare Part D Coverage

Federal legislation enacted in January 2006 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One provision of the law allows TRS-Care to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible participants. Federal contributions to TRS made on behalf of the employees for the years ended August 31, 2023, 2022 and 2021, were \$123,843; \$95,173; and \$99,594; respectively.

(17) Contingencies

The District participates in a number of federal award programs. Although the programs have been audited in accordance with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* through August 31, 2023, these programs are still subject to financial and compliance audits by grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

The District is involved in various claims and legal actions in the ordinary course of business. In the opinion of management, the ultimate outcome of these claims will not have a material adverse effect on the District's financial position.

(18) Risk Management

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

(19) Economic Dependency

During the year ended August 31, 2023, the District received approximately 46% of its revenues from the State of Texas.

(20) Authoritative Pronouncements Not Yet Effective

A summary of pronouncements issued by the Government Accounting Standards Board ("GASB") which may impact the District but are not yet effective follows. The District has not yet determined the effects of the adoption of these pronouncements on the financial statements.



La Vega Independent School District

Notes to Financial Statements
(Continued)

(20) Authoritative Pronouncements Not Yet Effective (continued)

GASB Statement No. 100, *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62 (issued June 2022) – the objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for financial statements for the fiscal year beginning September 1, 2023.

GASB Statement No. 101, *Compensated Absences* (issued June 2022) – the objective of this statement is to better meet the information needs of the financial statements users by updating the recognition and measurement guidance for compensated absences. The requirements of this statement are effective for financial statements for the fiscal year beginning September 1, 2024.

Required Supplementary Information

DRAFT

Exhibit G-1

La Vega Independent School District**Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual – General Fund**

Year Ended August 31, 2023

Data Control Codes		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
	Revenues:				
5700	Local and intermediate sources	\$ 11,749,191	11,932,577	12,603,537	670,960
5800	State program revenues	19,988,196	20,456,688	20,943,274	486,586
5900	Federal program revenues	250,000	250,000	825,815	575,815
5020	Total revenues	<u>31,987,387</u>	<u>32,639,265</u>	<u>34,372,626</u>	<u>1,733,361</u>
	Expenditures:				
	Current:				
0011	Instruction	17,517,303	16,879,201	14,679,897	2,199,304
0012	Instructional resources and media services	305,194	267,199	229,649	37,550
0013	Curriculum and instructional staff development	512,993	430,488	360,508	69,980
0021	Instructional leadership	824,850	821,748	834,283	(12,535)
0023	School leadership	2,524,065	2,733,368	2,727,703	5,665
0031	Guidance, counseling and evaluation services	839,423	785,298	701,685	83,613
0032	Social work services	98,960	175,126	168,782	6,344
0033	Health services	307,157	306,382	265,737	40,645
0034	Student transportation	2,098,978	2,098,978	1,620,434	478,544
0035	Food services	30,975	30,975	10,479	20,496
0036	Extracurricular activities	1,808,523	1,932,759	1,870,454	62,305
0041	General administration	1,659,454	1,708,454	1,586,397	122,057
0051	Facilities maintenance and operations	3,768,921	4,266,898	4,305,469	(38,571)
0052	Security services	568,002	909,605	910,196	(591)
0053	Data processing services	1,248,883	1,440,893	1,409,236	31,657
0061	Community services	5,084	3,559	2,070	1,489
	Debt service:				
0071	Principal on long-term debt	281,000	281,000	296,093	(15,093)
0072	Interest on long-term debt	-	-	36,615	(36,615)
	Intergovernmental:				
0095	Payments to JJAEP	27,500	57,500	42,024	15,476
0099	Payments to county appraisal district	229,000	199,000	159,527	39,473
	Capital outlay:				
0081	Facilities acquisition and construction	-	99,562	84,562	15,000
6000	Total expenditures	<u>34,656,265</u>	<u>35,427,993</u>	<u>32,301,800</u>	<u>3,126,193</u>
	Excess (deficiency) of revenues over (under) expenditures	(2,668,878)	(2,788,728)	2,070,826	4,859,554
0100	Fund balance, at beginning of year	<u>14,575,502</u>	<u>14,575,502</u>	<u>14,575,502</u>	-
3000	Fund balance, at end of year	<u>\$ 11,906,624</u>	<u>11,786,774</u>	<u>16,646,328</u>	<u>4,859,554</u>

See accompanying independent auditor's report.

DRAFT

La Vega Independent School District

Note to Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual –
General Fund

Year Ended August 31, 2023

(1) Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, the child nutrition fund, and the debt service fund. Budgets are not legally adopted for capital projects funds; however, specific projects are individually approved by the Board of School Trustees. There is no legal requirement to adopt a budget for the instructional materials allotment special revenue fund; therefore, presentation of budgetary comparison information is not required.

There were no significant differences between the original budget and the final amended budget for total expenditures. The primary differences consisted of reclassifications of expenditures between functions within the general fund.

Expenditures in the general fund exceeded appropriations for instructional leadership (\$12,535), facilities maintenance and operations (\$38,571), security services (\$591), and principal and interest on long-term debt (\$51,708) primarily from the recognition of principal and interest payments that were required due to GASB 87, *Leases*. These over-expenditures were funded by other functions that were less than budgeted amounts in the general fund.

DRAFT

La Vega Independent School District

Schedule of the District's Proportionate Share of the Net Pension Liability
Teacher Retirement System of Texas

Last Ten Measurement Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
District's proportion of the net pension liability	0.000218205	0.000160485	0.000163642	0.000180205
District's proportionate share of the net pension liability	\$ 12,954,271	4,086,982	8,764,340	9,367,616
State's proportionate share of the net pension liability associated with the District	<u>13,456,971</u>	<u>7,593,937</u>	<u>15,889,972</u>	<u>14,471,192</u>
Total	<u>\$ 26,411,242</u>	<u>11,680,919</u>	<u>24,654,312</u>	<u>23,838,808</u>
District's covered payroll (for measurement year)	<u>\$ 22,470,352</u>	<u>21,807,398</u>	<u>21,509,240</u>	<u>20,131,701</u>
District's proportionate share of the net pension liability as a percentage of it's covered payroll	<u>57.65%</u>	<u>18.74%</u>	<u>40.75%</u>	<u>46.53%</u>
Plan's fiduciary net position as a percentage of the total pension liability	<u>75.62%</u>	<u>88.79%</u>	<u>75.54%</u>	<u>75.24%</u>

Note: The District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, An Amendment of GASB Statement No. 27*, effective September 1, 2014. Information for years prior to 2014 is not available.

See accompanying independent auditor's report.

Exhibit G-2

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.000180987	0.000173360	0.000186812	0.000201719	0.000122961
9,961,973	5,543,129	7,059,347	7,130,498	3,284,458
<u>15,561,882</u>	<u>9,114,273</u>	<u>10,621,490</u>	<u>10,172,207</u>	<u>8,356,957</u>
<u>25,523,855</u>	<u>14,657,402</u>	<u>17,680,837</u>	<u>17,302,705</u>	<u>11,641,415</u>
<u>19,343,449</u>	<u>18,347,740</u>	<u>18,104,748</u>	<u>17,654,926</u>	<u>15,967,238</u>
<u>51.50%</u>	<u>30.21%</u>	<u>38.99%</u>	<u>40.39%</u>	<u>20.57%</u>
<u>73.74%</u>	<u>82.17%</u>	<u>78.00%</u>	<u>78.43%</u>	<u>83.25%</u>

DRAFT

La Vega Independent School District
Schedule of the District's Contributions to the
Teacher Retirement System of Texas
Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contributions	\$ 938,335	1,017,832	686,135	675,192	633,703
Contributions in relation to the contractually required contributions	<u>(938,335)</u>	<u>(1,017,832)</u>	<u>(686,135)</u>	<u>(675,192)</u>	<u>(633,703)</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered payroll	\$ <u>23,548,238</u>	<u>22,470,352</u>	<u>21,807,398</u>	<u>21,509,240</u>	<u>20,131,701</u>
Contractually required contributions as a percentage of the District's covered payroll	<u>3.98%</u>	<u>4.53%</u>	<u>3.15%</u>	<u>3.14%</u>	<u>3.15%</u>

Note: The District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, An Amendment of GASB Statement No. 27*, effective September 1, 2014. Information for years prior to 2015 is not available.

Exhibit G-3

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
609,700	568,455	593,550	597,299
<u>(609,700)</u>	<u>(568,455)</u>	<u>(593,550)</u>	<u>(597,299)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>19,343,449</u>	<u>18,347,740</u>	<u>18,104,748</u>	<u>17,654,926</u>
<u>3.15%</u>	<u>3.10%</u>	<u>3.28%</u>	<u>3.38%</u>

DRAFT

Exhibit G-4

La Vega Independent School District**Schedule of the District's Proportionate Share of the Total OPEB Liability
TRS-Care****Last Ten Measurement Years**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the total OPEB liability	0.000311229	0.000258920	0.000262067	0.000261458	0.000267967	0.000256591
District's proportion share of the total OPEB liability	\$ 7,452,066	9,987,685	9,962,339	12,364,681	13,379,843	11,158,184
State's proportionate share of the total OPEB liability associated with the District	<u>9,090,350</u>	<u>13,381,273</u>	<u>13,386,995</u>	<u>16,429,897</u>	<u>15,891,994</u>	<u>13,628,759</u>
Total	<u>\$ 16,542,416</u>	<u>23,368,958</u>	<u>23,349,334</u>	<u>28,794,578</u>	<u>29,271,837</u>	<u>24,786,943</u>
District's covered payroll (for measurement year)	<u>\$ 22,470,352</u>	<u>21,807,398</u>	<u>21,509,240</u>	<u>20,131,701</u>	<u>19,343,449</u>	<u>18,347,740</u>
District's proportionate share of the total OPEB liability as a percentage of it's covered payroll	<u>33.16%</u>	<u>45.80%</u>	<u>46.32%</u>	<u>61.42%</u>	<u>69.17%</u>	<u>60.82%</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	<u>11.52%</u>	<u>6.18%</u>	<u>4.99%</u>	<u>2.66%</u>	<u>1.57%</u>	<u>0.91%</u>

Note: The District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, effective September 1, 2017. Information for years prior to 2017 is not available.

See accompanying independent auditor's report.

DRAFT

Exhibit G-5

La Vega Independent School District

Schedule of the District's Contributions
TRS-Care

Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contributions	\$ 202,292	185,648	180,140	199,189	188,808	167,738
Contributions in relation to the contractually required contributions	<u>(202,292)</u>	<u>(185,648)</u>	<u>(180,140)</u>	<u>(199,189)</u>	<u>(188,808)</u>	<u>(167,738)</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered payroll	\$ <u>23,548,238</u>	<u>22,470,352</u>	<u>21,807,398</u>	<u>21,509,240</u>	<u>20,131,701</u>	<u>19,343,449</u>
Contractually required contributions as a percentage of the District's covered payroll	<u>0.86%</u>	<u>0.83%</u>	<u>0.83%</u>	<u>0.93%</u>	<u>0.94%</u>	<u>0.87%</u>

Note: The District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, effective September 1, 2017. Information for years prior to 2018 is not available.

Other Supplementary Schedules

DRAFT

La Vega Independent School District

Combining Schedule

Balance Sheet – Nonmajor Funds

August 31, 2023

	211	224	225	240	244	255	263	265	277	279	281	284
Data Control Codes	ESEA Title I, Part A	IDEA-B Formula	IDEA-B Preschool	Child Nutrition Program	Career and Technical-Basic	ESEA Title II, Part A	Title III, A English Lang Acquisition	Title IV, B Community Learning	Coronavirus Relief	ESF - TCLAS	ESSER II	IDEA-B Formula ARP
1110												
Cash and cash equivalents	\$ -	94,992	1,748	1,237,733	-	-	-	-	-	125,617	6,964	-
1240												
Due from other governments	224,278	-	-	8,857	13,864	20,908	47,325	15,089	-	-	-	67,792
1410												
Prepays	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 224,278	94,992	1,748	1,246,590	13,864	20,908	47,325	15,089	-	125,617	6,964	67,792
Liabilities and Fund Balances												
2110												
Accounts payable	\$ -	-	-	120	-	-	46	-	-	-	-	-
2160												
Accrued wages payable	62,031	17,878	1,566	60,456	-	-	-	-	-	49,978	-	-
2170												
Due to other funds	154,764	-	-	-	13,864	20,570	47,279	14,682	-	73,167	-	67,792
2200												
Accrued expenses	7,483	2,171	182	4,017	-	338	-	407	-	2,472	6,964	-
2300												
Unearned revenue	-	74,943	-	-	-	-	-	-	-	-	-	-
Total liabilities	224,278	94,992	1,748	64,593	13,864	20,908	47,325	15,089	-	125,617	6,964	67,792
Restricted for:												
3450												
Grant requirements Committed for:	-	-	-	1,181,997	-	-	-	-	-	-	-	-
3545												
Campus activities	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balances	-	-	-	1,181,997	-	-	-	-	-	-	-	-
Total liabilities and fund balances	\$ 224,278	94,992	1,748	1,246,590	13,864	20,908	47,325	15,089	-	125,617	6,964	67,792

DRAFT

La Vega Independent School District

Combining Schedule

**Balance Sheet – Nonmajor Funds
(continued)**

Data Control Codes	285	289	397	410	429	461	492	493	496	699	Total Other Nonmajor Funds
	IDEA-B Preschool ARP	Other Federal	Advanced Placement Incentives	Instructional Materials Allotment	Achievement Stipend	Campus Activities	Prosper Waco Grant	Texas Community Grant	Rapoport Foundation Grant	Capital Projects	
Assets											
1110 Cash and cash equivalents	\$ -	-	119	-	-	93,482	913	55,445	52,791	-	1,669,804
1240 Due from other governments	-	23,439	-	35,754	115,301	-	-	-	-	-	572,607
1410 Prepaids	-	-	-	-	-	-	-	-	-	158,500	158,500
Total assets	\$ -	23,439	119	35,754	115,301	93,482	913	55,445	52,791	158,500	2,400,911
Liabilities and Fund Balances											
2110 Accounts payable	\$ -	-	-	-	21	-	-	-	-	-	187
2160 Accrued wages payable	-	-	-	-	-	-	-	-	-	-	191,909
2170 Due to other funds	-	23,419	-	35,754	115,259	-	-	-	-	158,500	725,050
2200 Accrued expenses	-	20	-	-	21	-	-	18	-	-	24,093
2300 Unearned revenue	-	-	119	-	-	-	913	55,427	52,791	-	184,193
Total liabilities	-	23,439	119	35,754	115,301	-	913	55,445	52,791	158,500	1,125,432
Restricted for:											
3450 Grant requirements	-	-	-	-	-	-	-	-	-	-	1,181,997
Committed for:											
3545 Campus activities	-	-	-	-	-	93,482	-	-	-	-	93,482
Total fund balances	-	-	-	-	-	93,482	-	-	-	-	1,275,479
Total liabilities and fund balances	\$ -	23,439	119	35,754	115,301	93,482	913	55,445	52,791	158,500	2,400,911

See accompanying independent auditor's report.

DRAFT

Exhibit H-2

La Vega Independent School District
Combining Schedule
Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Funds

Year Ended August 31, 2023

Data Control Codes	211	224	225	240	244	255	263	265	277	279	281
	ESEA Title I, Part A	IDEA-B Formula	IDEA-B Preschool	Child Nutrition Program	Career and Technical-Basic Grant	ESEA Title II, Part A	Title III, A English Lang Acquisition	Title IV, B Community Learning	Coronavirus Relief	ESF - TCLAS	ESSER II
Revenues:											
5700 Local and intermediate sources	-	-	-	151,961	-	-	-	-	-	-	-
5800 State program revenues	-	-	-	77,545	-	-	-	-	-	-	-
5900 Federal program revenues	916,170	354,480	9,004	2,435,918	45,505	205,621	69,222	126,086	13,642	492,255	3,004,654
5020 Total revenues	<u>916,170</u>	<u>354,480</u>	<u>9,004</u>	<u>2,665,424</u>	<u>45,505</u>	<u>205,621</u>	<u>69,222</u>	<u>126,086</u>	<u>13,642</u>	<u>492,255</u>	<u>3,004,654</u>
Expenditures:											
Current:											
0011 Instruction	632,882	204,508	9,004	-	45,505	109,656	59,930	115,028	-	492,255	2,558,914
0012 Instructional resources and media services	-	-	-	-	-	-	-	-	-	-	3,122
0013 Curriculum and staff development	7,400	-	-	-	-	93,787	8,567	-	-	-	4,156
0021 Instructional leadership	13,696	-	-	-	-	1,715	725	-	-	-	120,352
0023 School leadership	361	-	-	-	-	463	-	-	-	-	39,303
0031 Guidance, counseling, and evaluation services	-	149,972	-	-	-	-	-	-	-	-	75,428
0032 Social work services	202,738	-	-	-	-	-	-	-	-	-	77,258
0033 Health services	-	-	-	-	-	-	-	-	-	-	2,758
0034 Student transportation	-	-	-	-	-	-	-	11,058	-	-	82,593
0035 Food service	-	-	-	2,668,799	-	-	-	-	-	-	2,141
0036 Extracurricular activities	-	-	-	-	-	-	-	-	-	-	3,638
0041 General administration	-	-	-	-	-	-	-	-	-	-	11,556
0051 Facilities maintenance and operations	-	-	-	32,632	-	-	-	-	-	-	3,547
0052 Security and monitoring services	-	-	-	-	-	-	-	-	13,642	-	13,605
0053 Data processing services	-	-	-	-	-	-	-	-	-	-	6,278
0061 Community services	59,093	-	-	-	-	-	-	-	-	-	5
6000 Total expenditures	<u>916,170</u>	<u>354,480</u>	<u>9,004</u>	<u>2,701,431</u>	<u>45,505</u>	<u>205,621</u>	<u>69,222</u>	<u>126,086</u>	<u>13,642</u>	<u>492,255</u>	<u>3,004,654</u>
1100 Excess (deficiency) of revenues over (under) expenditures	-	-	-	(36,007)	-	-	-	-	-	-	-
0100 Fund balance, at beginning of year	-	-	-	1,218,004	-	-	-	-	-	-	-
3000 Fund balance, at end of year	-	-	-	<u>1,181,997</u>	-	-	-	-	-	-	-



La Vega Independent School District
Combining Schedule
Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Funds
(continued)

Data Control Codes	284	285	289	397	410	429	461	492	493	496	699	Total Other Nonmajor Funds
	IDEA-B Formula ARP	IDEA-B Preschool ARP	Other Federal	Advanced Placement Incentives	Instructional Materials Allotment	Achievement Stipend	Campus Activities	Prosper Waco Grant	Texas Community Grant	Rapoport Foundation Grant	Capital Projects	
Revenues:												
5700 Local and intermediate sources	\$ -	-	-	-	-	-	98,324	79,261	4,573	4,806	-	338,925
5800 State program revenues	-	-	-	-	185,422	269,111	-	-	-	-	-	532,078
5900 Federal program revenues	80,716	6,839	96,911	-	-	-	-	-	-	-	-	7,857,023
5020 Total revenues	<u>80,716</u>	<u>6,839</u>	<u>96,911</u>	<u>-</u>	<u>185,422</u>	<u>269,111</u>	<u>98,324</u>	<u>79,261</u>	<u>4,573</u>	<u>4,806</u>	<u>-</u>	<u>8,728,026</u>
Expenditures:												
Current:												
0011 Instruction	80,716	6,839	92,503	-	98,346	98,235	7,776	-	3,297	4,806	-	4,620,200
0012 Instructional resources and media services	-	-	-	-	-	-	-	-	-	-	-	3,122
0013 Curriculum and staff development	-	-	-	-	88,237	-	-	-	-	-	-	202,147
0021 Instructional leadership	-	-	-	-	-	-	-	79,261	-	-	-	215,749
0023 School leadership	-	-	-	-	-	-	-	-	-	-	-	40,127
0031 Guidance, counseling, and evaluation services	-	-	-	-	-	-	-	-	1,276	-	-	226,676
0032 Social work services	-	-	3,166	-	-	-	-	-	-	-	-	283,162
0033 Health services	-	-	1,242	-	-	-	-	-	-	-	-	4,000
0034 Student transportation	-	-	-	-	-	-	-	-	-	-	-	93,651
0035 Food service	-	-	-	-	-	-	72,619	-	-	-	-	2,670,940
0036 Extracurricular activities	-	-	-	-	-	-	-	-	-	-	-	76,257
0041 General administration	-	-	-	-	-	-	-	-	-	-	-	11,556
0051 Facilities maintenance and operations	-	-	-	-	-	172,772	-	-	-	-	-	208,951
0052 Security and monitoring services	-	-	-	-	-	11,964	-	-	-	-	-	39,211
0053 Data processing services	-	-	-	-	-	-	-	-	-	-	-	6,278
0061 Community services	-	-	-	-	-	-	-	-	-	-	-	59,098
6000 Total expenditures	<u>80,716</u>	<u>6,839</u>	<u>96,911</u>	<u>-</u>	<u>186,583</u>	<u>282,971</u>	<u>80,395</u>	<u>79,261</u>	<u>4,573</u>	<u>4,806</u>	<u>-</u>	<u>8,761,125</u>
1100 Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	(1,161)	(13,860)	17,929	-	-	-	-	(33,099)
0100 Fund balance, at beginning of year	-	-	-	-	1,161	13,860	75,553	-	-	-	-	1,308,578
3000 Fund balance, at end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>93,482</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,275,479</u>

DRAFT

La Vega Independent School District
Schedule of Delinquent Taxes Receivable
Year Ended August 31, 2023

Last Ten Years Ended August 31,	1	2	3	10	20	31	32	40	50
	Maintenance	Tax Rates Debt Service	Assessed Appraised Value For School Tax Purposes	Beginning Balance September 1, 2021	Current Year's Total Levy	Maintenance Total Collections	Debt Service Total Collections	Entire Year's Adjustments	Ending Balance August 31, 2022
2014 and prior years	various	various	various	\$ 190,159	-	11,986	2,002	(9,911)	166,260
2015	1.170000	0.295000	678,231,195	29,338	-	2,426	612	(373)	25,927
2016	1.170000	0.289000	694,269,568	29,468	-	2,689	664	(391)	25,724
2017	1.170000	0.252100	741,815,976	36,464	-	5,858	1,262	(398)	28,946
2018	1.170000	0.243532	752,470,959	38,166	-	6,192	1,289	(404)	30,281
2019	1.170000	0.224040	867,621,230	49,827	-	1,905	365	(9,519)	38,038
2020	1.068350	0.221919	969,263,309	65,443	-	10,480	2,177	(14,100)	38,686
2021	1.054700	0.245255	1,013,174,995	95,216	-	28,931	6,728	(11,622)	47,935
2022	1.016100	0.245250	1,069,664,169	210,216	-	73,724	17,794	(34,210)	84,488
2023 (school year under audit)	0.942900	0.245250	1,200,245,592	-	14,260,718	11,121,949	2,892,851	-	245,918
1000 Totals				\$ 744,297	14,260,718	11,266,140	2,925,744	(80,928)	732,203
8000 Tax refunded				\$	-				

See accompanying independent auditor's report.

DRAFT

Exhibit J-2

La Vega Independent School DistrictSchedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Child Nutrition Program

Year Ended August 31, 2023

Data Control Codes		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
	Revenues:				
5700	Local and intermediate sources	\$ 84,616	84,616	151,961	67,345
5800	State program revenues	12,500	12,500	77,545	65,045
5900	Federal program revenues	<u>2,556,347</u>	<u>2,556,347</u>	<u>2,435,918</u>	<u>(120,429)</u>
5000	Total revenues	<u>2,653,463</u>	<u>2,653,463</u>	<u>2,665,424</u>	<u>11,961</u>
	Expenditures:				
0035	Food service	2,629,463	3,073,033	2,668,799	404,234
0051	Facilities maintenance and operations	<u>24,000</u>	<u>31,000</u>	<u>32,632</u>	<u>(1,632)</u>
6030	Total expenditures	<u>2,653,463</u>	<u>3,104,033</u>	<u>2,701,431</u>	<u>402,602</u>
1100	Excess (deficiency) of revenues over (under) expenditures	-	(450,570)	(36,007)	414,563
0100	Fund balance, at beginning of year	<u>1,218,004</u>	<u>1,218,004</u>	<u>1,218,004</u>	<u>-</u>
3000	Fund balance, at end of year	<u>\$ 1,218,004</u>	<u>767,434</u>	<u>1,181,997</u>	<u>414,563</u>

See accompanying independent auditor's report.



La Vega Independent School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund

Year Ended August 31, 2023

Data Control Codes	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final			
Revenues:					
5700	Local and intermediate sources	\$ 2,599,303	2,599,303	2,982,509	383,206
5800	State program revenues	-	-	87,992	87,992
5900	Federal program revenues	-	-	263,796	263,796
5000	Total revenues	<u>2,599,303</u>	<u>2,599,303</u>	<u>3,334,297</u>	<u>734,994</u>
Expenditures:					
0071	Debt service	<u>2,284,689</u>	<u>2,284,689</u>	<u>2,338,817</u>	<u>(54,128)</u>
6030	Total expenditures	<u>2,284,689</u>	<u>2,284,689</u>	<u>2,338,817</u>	<u>(54,128)</u>
1100	Excess of revenues over expenditures	314,614	314,614	995,480	680,866
0100	Fund balance, at beginning of year	<u>4,520,586</u>	<u>4,520,586</u>	<u>4,520,586</u>	<u>-</u>
3000	Fund balance, at end of year	<u>\$ 4,835,200</u>	<u>4,835,200</u>	<u>5,516,066</u>	<u>680,866</u>

See accompanying independent auditor’s report.

DRAFT

La Vega Independent School District
Compensatory Education Program and Bilingual Education
Program Expenditures
Year Ended August 31, 2023
(Unaudited)

<u>Data Codes</u>	<u>Section A: Compensatory Education Programs</u>	<u>Responses</u>
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.	\$ 4,488,524
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal years. (PICs 24, 26, 28, 29, 30, 34)	\$ 2,533,074
	<u>Section B: Bilingual Education Programs</u>	
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.	\$ 506,346
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	\$ 386,774

See accompanying independent auditor's report.

**Compliance, Internal Control
and Federal Awards**



DRAFT

JAYNES REITMEIER BOYD & THERRELL, P.C.
Certified Public Accountants
5400 Bosque Blvd., Ste. 600 | Waco, TX 76710
P.O. Box 7616 | Waco, TX 76714
Main 254.776.4190 | Fax 254.776.8489 | jrbt.com

**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***

The Board of School Trustees
La Vega Independent School District:

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 governmental activities, each major fund, and the aggregate remaining fund information of La Vega 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 and have issued our report thereon dated December 8, 2023.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

DRAFT

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*.

District’s Response to Finding

Government Auditing Standards require the auditor to perform limited procedures on the District’s response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The District’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

December 8, 2023

DRAFT



JAYNES REITMEIER BOYD & THERRELL, P.C.
Certified Public Accountants
5400 Bosque Blvd., Ste. 600 | Waco, TX 76710
P.O. Box 7616 | Waco, TX 76714
Main 254.776.4190 | Fax 254.776.8489 | jrbt.com

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

The Board of School Trustees
La Vega Independent School District:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of La Vega Independent School District (the “District”) with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (“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 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 (“*Government Auditing Standards*”); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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.

DRAFT

Our consideration of the 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. 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.

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.

December 8, 2023

DRAFT

La Vega Independent School District
Schedule of Findings and Questioned Costs
Year Ended August 31, 2023

(1) Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes x no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes x none reported

Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes x no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes x none reported

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

Any audit findings disclosed that are required to be reported in accordance with section 200.516 of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) _____ yes x no

Identification of major programs:

Assistance Listing

<u>Number</u>	<u>Name of Federal Program or Cluster</u>
84.425	COVID-19 - Elementary and Secondary School Emergency Relief Fund - ESSER

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

Auditee qualified as federal low-risk auditee? x yes _____ no

DRAFT

La Vega Independent School District
Schedule of Findings and Questioned Costs
(Continued)

(2) Financial Statement Findings

None

(3) Federal Award Findings and Questioned Costs

None

DRAFT

La Vega Independent School District
Summary Schedule of Prior Audit Findings

August 31, 2023

None

DRAFT

Exhibit K-1

La Vega Independent School District
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2023

(1)	(2)	(3)	(3)	(3)
Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Education				
<u>Passed Through State Department of Education:</u>				
Title I, Part A - Grants to Local Education Agencies	84.010A	23610101161906	-	889,303
Title I, Part D - Grants to Local Education Agencies	84.010A	23610103161906	-	74,678
			\$ -	<u>963,981</u>
IDEA - Part B, Formula	84.027A	236600011619066000	-	440,833
IDEA - Part B, Preschool	84.173A	236610011619066000	-	9,451
IDEA - Part B, Formula ARP	84.027X	225350021619065000	-	17,477
IDEA - Part B, Preschool ARP	84.173X	225360021619065000	-	7,225
Total Special Education Cluster			-	<u>474,986</u>
Career & Technical - Basic Grant	84.048A	22420006161906	-	47,780
ESEA, Title IV- Part B, Community Learning	84.287	236950267110039	-	126,086
ESEA, Title III, English Language	84.365A	23671001161906	-	69,222
ESEA, Title II, Part A, Teacher/Principal Training	84.367A	23694501161906	-	129,871
ESEA, Title II, Part A, Teacher Leadership	84.367A	226945797110013	-	86,255
			-	<u>216,126</u>
ESEA, Title IV, Part A	84.369A	23680101161906	-	102,104
COVID-19 - Elementary and Secondary School Emergency Relief Fund:				
CEESA ESSER II	84.425D	21521001161906	-	3,419,897
ARP ESSER III	84.425D	21528001161906	-	367,112
TCLAS Afterschool - ESSER III	84.425U	215280587110081	-	340,650
TCLAS - ESSER III	84.425U	21528042161906	-	560,285
			-	<u>4,687,944</u>
Total U.S. Department of Education			\$ -	<u>6,688,229</u>
U.S. Department of Treasury				
<u>Passed Through State Department of Education:</u>				
Coronavirus Relief Fund	21.019	not available	-	13,642
Total U.S. Department of Treasury			\$ -	<u>13,642</u>
U.S. Department of Agriculture				
<u>Passed Through State Department of Agriculture:</u>				
School Breakfast Program	10.553	71402201	\$ -	448,732
National School Lunch Program	10.555	71302201	-	1,562,450
COVID-19 - Supply Chain Assistance	10.555	71302201	-	87,083
Total Child Nutrition Cluster			-	<u>2,098,265</u>
Child & Adult Care Food Program	10.558	71302201	-	117,659
U.S.D.A. Commodities	10.565	71302201	-	184,806
Fresh Fruit and Vegetable Program	10.582	71302201	-	35,188
Total U.S. Department of Agriculture			\$ -	<u>2,435,918</u>
Total Expenditures of Federal Awards			\$ -	<u>9,137,789</u>

See accompanying independent auditor's report and notes to schedule of expenditures of federal awards.

DRAFT

La Vega Independent School District

Notes to Schedule of Expenditures of Federal Awards

August 31, 2023

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of La Vega Independent School District (the “District”) under programs of the federal government for the year ended August 31, 2023. The information in this schedule is presented in accordance with the 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”). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

(3) Indirect Cost Rate

Indirect costs amounting to \$612,792 were claimed by the District for the year ended August 31, 2023, using the District’s restricted indirect cost rate of 5.612% or unrestricted indirect cost rate of 13.820%, as applicable.

(4) Reconciliation to Financial Statements

Following is a reconciliation of the schedule of expenditures of federal awards to total federal program revenues per the statement of revenues, expenditures and changes in fund balances – governmental funds for the year ended August 31, 2023:

Expenditures per Schedule of Expenditures of Federal Awards	\$ 9,137,789
SHARS revenue	213,023
Federal subsidy for debt service	<u>263,796</u>
Total federal program revenues per Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 9,614,608</u>

Monthly Budget Analysis Report

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. James Garrett

Background Information:

The District compiles and reports revenue and expenditure data for all funds on a monthly basis. The attached monthly budget analysis reports compare year-to-date revenue and expenditures to the same period from last fiscal year.

Fiscal Implication:

N/A

Administrative Recommendation:

It is recommended that the Board approve the Monthly Budget Analysis Report as submitted.

Motion:

Second:

For:

Against:

Abstain:

La Vega Independent School District
Statement of Revenues and Expenditures - Budget vs. Actual

For the Period Ended 11/30/2023
11

GENERAL FUND - 199

DATA CONTROL CODES	REVENUES	(1)	(2)	(3)		(4)		(5)	(6)	(7)	(8)
		2023-2024 ORIGINAL BUD	2023-2024 AMEND BUD	MONTHLY		YEAR-TO-DATE		DIFFERENCE AMEND BUD TO YTD CURR	CY YTD AS % OF BUDGET	PY YTD AS % OF BUDGET	% OF YEAR ELAPSED AS OF 11/30/2023
				CURRENT 11/30/2023	PRIOR YR 11/30/2022	CURRENT 11/30/2023	PRIOR YR 11/30/2022				
5700	LOCAL	11,350,540	11,370,540	1,510,468	1,490,649	1,896,819	1,942,459	9,473,721	16.68%	16.72%	25.00%
5800	STATE	21,537,070	21,537,070	2,266,708	2,041,334	10,576,365	10,070,921	10,960,705	49.11%	50.15%	25.00%
5900	FEDERAL	444,000	444,000	13,385	(342)	40,390	4,116	403,610	9.10%	#DIV/0!	25.00%
7900	OTHER	-	-	-	-	-	-	-	#DIV/0!	0.00%	25.00%
5020	TOTAL REVENUES	\$ 33,331,610	\$ 33,351,610	\$ 3,790,561	\$ 3,531,641	\$ 12,513,574	\$ 12,017,496	\$ 20,838,036	37.52%	43.40%	25.00%
	EXPENDITURES										
0011	Instruction	18,453,638	18,447,121	1,486,962	1,209,545	4,429,134	3,328,717	14,017,987	24.01%	22.21%	25.00%
0012	Instr Resources/Media Services	291,426	291,426	22,129	19,431	62,266	57,799	229,160	21.37%	19.10%	25.00%
0013	Curriculum & Staff Development	491,756	491,756	29,976	28,863	91,271	76,923	400,485	18.56%	19.14%	25.00%
0021	Instructional Leadership	826,576	826,576	69,558	83,018	202,299	215,687	624,277	24.47%	37.27%	25.00%
0023	School Leadership	2,521,124	2,526,441	238,254	224,245	728,482	676,632	1,797,959	28.83%	30.83%	25.00%
0031	Guidance, Counseling & Evaluation	854,522	854,522	60,117	64,122	193,943	181,324	660,579	22.70%	20.27%	25.00%
0032	Attendance & Social Services	238,160	238,160	754	1,768	121,975	154,571	116,185	51.22%	146.51%	25.00%
0033	Health Services	314,367	314,367	23,694	23,013	70,289	70,949	244,078	22.36%	26.18%	25.00%
0034	Student Transportation	2,181,401	2,201,401	221,909	197,329	419,877	379,031	1,781,524	19.07%	21.47%	25.00%
0035	Food Services	30,975	30,975	-	2,013	-	2,013	30,975	0.00%	7.68%	25.00%
0036	Extracurricular Activities	1,827,249	1,833,949	148,379	181,786	456,003	428,677	1,377,946	24.86%	25.00%	25.00%
0041	General Administration	1,688,971	1,688,971	169,352	138,896	450,158	441,177	1,238,813	26.65%	29.74%	25.00%
0051	Plant Maintenance & Operations	3,857,477	3,834,977	298,454	337,768	801,536	1,481,052	3,033,441	20.90%	27.31%	25.00%
0052	Security & Monitoring Services	831,689	844,689	65,978	89,458	228,179	240,875	616,510	27.01%	65.31%	25.00%
0053	Data Processing Services	1,244,244	1,248,244	210,953	142,447	483,343	415,533	764,901	38.72%	31.69%	25.00%
0061	Community Services	5,084	5,084	-	-	217	217	4,867	4.27%	35.00%	25.00%
0071	Debt Service	281,000	281,000	-	41,963	14,822	53,847	266,178	5.27%	31.96%	25.00%
0081	Facility Acquisition & Construction	-	-	-	38,431	-	38,431	-	#DIV/0!	3.70%	25.00%
0095	Payment to JJAEP	29,000	29,000	5,353	-	15,930	9,468	13,070	54.93%	36.42%	25.00%
0099	Other Intergovernmental Charges	229,000	229,000	32,149	-	32,149	-	196,851	14.04%	0.00%	25.00%
6030	TOTAL EXPENDITURES	\$ 36,197,659	\$ 36,217,659	\$ 3,083,971	\$ 2,824,096	\$ 8,801,873	\$ 8,252,923	\$27,415,786	24.30%	24.85%	25.00%
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,866,049)	\$ (2,866,049)	\$ 706,590	\$ 707,545	\$ 3,711,701	\$ 3,764,573				
	OTHER FINANCING SOURCES (USES)	(9)	(9)			(9)					
7910	Transfers In										
8910	Transfers Out	\$ -	\$ -	\$ -		\$ -					
	TOTAL OTHER FINANCING SOURCES (USES)										
1200	Net Change in Fund Balance	\$ (2,866,049)	\$ (2,866,049)		(11)	\$ 3,711,701					
100	Fund Balance - Sept. 1		\$ 16,646,328		(12)	\$ 16,646,328					
3000	Fund Balance - Aug 31 (projected and unadited)		\$ 13,780,279		(14)	\$ 20,358,029					

- (1) **2023-2024 Approved Budget** - The original budget approved by the Board for the 2023-2024 Fiscal Year
- (2) **2023-2024 Amended Budget** - The original budget approved by the Board plus or minus any Budget Change Requests posted to the budget as of the date of the report
- (3) **Monthly Current Year vs. Prior Year Revenues and Expenditures** - Cash received(revenues)/disbursed(expenditures) for the current month compared with the same period last year
- (4) **Year To Date Current Year vs. Prior Year Revenues and Expenditures** - Cash received(revenues)/disbursed(expenditures) for the current year compared with the same period last year
- (5) **Difference Between Amended Budget and Current Year To Date** - Figures in Column 2 less figures in Column 4 (Current Column) equals balance left to receive(revenues)/disburse(expenditures) for the remainder of the Fiscal Year
- (6) **Current Year To Date as A Percent of The 2023-2024 Amended Budget** - The percent of Current Year To Date revenues/expenditures to the 2023-2024 Amended Budget
- (7) **Prior Year To Date as A Percent of The 2023-2024 Budget** - Ther percent of Prior Year To Date revenues/expenditures from the 2023-2024 Budget
- (8) **Percent of Fiscal Year Elapsed as of The Date of The Report** - The percent of the Fiscal Year which has elapsed for the as of date of the report
- (9) **Excess of Revenues Over Expenditures** - The excess (deficiency) of Revenues over (under) expenditures for the Original Budget, Amended Budget and Current Year To Date columns
- (10) **Transfers In/Out** - The amount of any transfers made to the Approved Budget, Amended Budget or Current Year To Date Columns
- (11) **Net Change In Fund Balance** - The excess or deficiency of revenues over expenditures which would add to or take away from the beginning fund balance
- (12) **Fund Balance - September 1** - The District's audited General Fund Balance as of September 1 of the current fiscal year.
- (13) **Fund Balance - August 31** - The projected and unaudited General Fund Balance the District would have if revenue and expenditures are equal to the 2023-2024 Approved Budget or Amended Budget
- (14) **Fund Balance - August 31** - The projected and unaudited General Fund Balance the District would have if the fiscal year ended on the last day of the month of the report.

La Vega Independent School District
Statement of Revenues and Expenditures - Budget vs. Actual

For the Period Ended 11/30/2023
11

CHILD NUTRITION FUND - 240

DATA CONTROL CODES	REVENUES	(1)	(2)	(3)		(4)		(5)	(6)	(7)	(8)
		2023-2024 APP BUD	2023-2024 AMEND BUD	MONTHLY		YEAR-TO-DATE		DIFFERENCE AMEND BUD TO YTD CURR	CY YTD AS % OF BUDGET	PY YTD AS % OF BUDGET	% OF YEAR ELAPSED AS OF 11/30/2023
				CURRENT 11/30/2023	PRIOR YR 11/30/2022	CURRENT 11/30/2023	PRIOR YR 11/30/2022				
5700	LOCAL	113,492	113,492	14,330	14,875	49,252	41,477	64,240	43.40%	31.86%	25.00%
5800	STATE	10,232	10,232	16,572	5,591	28,443	11,361	(18,211)	277.98%	20.09%	25.00%
5900	FEDERAL	2,694,115	2,694,115	245,679	275,076	688,455	586,732	2,005,660	25.55%	26.90%	25.00%
7900	OTHER			-	-	-	-				25.00%
5020 TOTAL REVENUES		\$ 2,817,839	\$ 2,817,839	\$ 276,581	\$ 295,542	\$ 766,150	\$ 639,570	\$ 2,051,689	27.19%	28.11%	25.00%
EXPENDITURES											
0011	Instruction			-	-	-	-	-	#DIV/0!		25.00%
0012	Instr Resources/Media Services			-	-	-	-	-	#DIV/0!		25.00%
0013	Curriculum & Staff Development			-	-	-	-	-	#DIV/0!		25.00%
0021	Instructional Leadership			-	-	-	-	-	#DIV/0!		25.00%
0023	School Leadership			-	-	-	-	-	#DIV/0!		25.00%
0031	Guidance, Counseling & Evaluation			-	-	-	-	-	#DIV/0!		25.00%
0032	Attendance & Social Services			-	-	-	-	-	#DIV/0!		25.00%
0033	Health Services			-	-	-	-	-	#DIV/0!		25.00%
0034	Student Transportation			-	-	-	-	-	#DIV/0!		25.00%
0035	Food Services	2,791,339	2,791,339	221,417	204,827	582,591	530,949	2,208,748	20.87%	21.71%	25.00%
0036	Extracurricular Activities			-	-	-	-	-	#DIV/0!		25.00%
0041	General Administration			-	-	-	-	-	#DIV/0!		25.00%
0051	Plant Maintenance & Operations	26,500	26,500	1,611	2,348	3,423	3,882	23,077	12.92%	17.25%	25.00%
0052	Security & Monitoring Services			-	-	-	-	-	#DIV/0!		25.00%
0053	Data Processing Services			-	-	-	-	-	#DIV/0!		25.00%
0061	Community Services			-	-	-	-	-	#DIV/0!		25.00%
0071	Debt Service			-	-	-	-	-	#DIV/0!		25.00%
0081	Facility Acquisition & Construction			-	-	-	-	-	#DIV/0!		25.00%
0095	Payment to JJAEP			-	-	-	-	-	#DIV/0!		25.00%
0099	Other Intergovernmental Charges			-	-	-	-	-	#DIV/0!		25.00%
6030 TOTAL EXPENDITURES		\$ 2,817,839	\$ 2,817,839	\$ 223,028	\$ 207,175	\$ 586,014	\$ 534,832	\$ 2,231,825	20.80%	23.33%	25.00%
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ 53,553	\$ 88,367	\$ 180,136	\$ 104,739				
OTHER FINANCING SOURCES (USES)		(9)	(9)			(9)					
7910	Transfers In										
8910	Transfers Out			\$ -	\$ -	\$ -	\$ -				
TOTAL OTHER FINANCING SOURCES (USES)											
1200	Net Change in Fund Balance	\$ -	\$ -		(11)	\$ 180,136					
100	Fund Balance - Sept. 1		\$ 1,181,997		(12)	\$ 1,181,997					
3000	Fund Balance - Aug 31 (projected and unadited)		\$ 1,181,997		(14)	\$ 1,362,133					

La Vega Independent School District
Statement of Revenues and Expenditures - Budget vs. Actual

For the Period Ended

11/30/2023

11

DEBT SERVICE FUND - 511

DATA CONTROL CODES	REVENUES	(1)	(2)	(3)		(4)		(5)	(6)	(7)	(8)
		2023-2024 APP BUD	2023-2024 AMEND BUD	CURRENT MONTHLY 11/30/2023	PRIOR YR 11/30/2022	CURRENT YEAR-TO-DATE 11/30/2023	PRIOR YR 11/30/2022	DIFFERENCE AMEND BUD TO YTD CURR	CY YTD AS % OF BUDGET	PY YTD AS % OF BUDGET	% OF YEAR ELAPSED AS OF 11/30/2023
5700	LOCAL	3,444,194	3,444,194	488,261	374,096	562,432	139,594	2,881,762	16.33%	7.25%	25.00%
5800	STATE	-	-	-	-	-	-	-	#DIV/0!	0.00%	25.00%
5900	FEDERAL	-	-	-	-	-	-	-	#DIV/0!	0.00%	25.00%
7900	OTHER	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
5020	TOTAL REVENUES	\$ 3,444,194	\$ 3,444,194	\$ 488,261	\$ 374,096	\$ 562,432	\$ 139,594	\$ 2,881,762	16.33%	4.74%	25.00%
	EXPENDITURES										
0011	Instruction	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0012	Instr Resources/Media Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0013	Curriculum & Staff Development	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0021	Instructional Leadership	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0023	School Leadership	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0031	Guidance, Counseling & Evaluation	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0032	Attendance & Social Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0033	Health Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0034	Student Transportation	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0035	Food Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0036	Extracurricular Activities	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0041	General Administration	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0051	Plant Maintenance & Operations	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0052	Security & Monitoring Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0053	Data Processing Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0061	Community Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0071	Debt Service	2,286,452	2,286,452	-	806	1,336	806	2,285,116	0.06%	0.0003131	25.00%
0081	Facility Acquisition & Construction	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0095	Payment to JJAEP	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0099	Other Intergovernmental Charges	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
6030	TOTAL EXPENDITURES	\$ 2,286,452	\$ 2,286,452	\$ -	\$ 806	\$ 1,336	\$ 806	\$2,285,116.00	0.06%	0.03%	25.00%
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 1,157,742	\$ 1,157,742	\$ 488,261	\$ 373,290	\$ 561,096	\$ 138,787				
	OTHER FINANCING SOURCES (USES)	(9)	(9)			(9)					
7910	Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
8910	Transfers Out	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
	TOTAL OTHER FINANCING SOURCES (USES)										
1200	Net Change in Fund Balance	\$ 1,157,742	\$ 1,157,742		(11)	\$ 561,096					
100	Fund Balance - Sept. 1	\$ 5,516,066	\$ 5,516,066		(12)	\$ 5,516,066					
100	Less: Committed Fund Balance - Sept. 1	\$ (3,773,224)	\$ (3,773,224)			\$ (3,773,224)					
3000	Fund Balance - Aug 31 (projected and unaudited)	\$ 2,900,584	\$ 2,900,584		(14)	\$ 2,303,938					
3000	Less: Committed Fund Balance-Aug 31										
	Available Fund Balance (projected and unaudited)	(14) \$ 2,900,584	\$ 2,900,584			\$ 2,303,938					

Presented for Consideration: La Vega ISD 2024 HVAC Renovations

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. Todd Gooden
Mr. James D. Garrett

Background Information:

In April 2023, the District was impacted by a severe thunderstorm, causing significant hail damage to all of our of our campuses. Before you this evening is the recommendation from our HVAC consultant firm, EMA, retained by TASB to be our representative and walk us through this process.

General Description of Work and Expectations:

New rooftop units, split systems, and other HVAC renovations to the Elementary School, High School, Intermediate School, Junior High School, and Primary School.

Demolition work and removal of all non-used materials off-site in a legal manner is included (mechanical and electrical).

Fiscal Implication:

La Vega Independent School District received five proposals for this project on December 7, 2023. After reviewing those proposals and the information shown above P&E Mechanical Contractors, LLC, was determined to provide the best value for the project, totaling \$1,541,150. The District will be responsible for our deductible of \$500,000. An item of note, we are still evaluating additional losses related to this claim.

Administrative Recommendation:

La Vega Independent School District award the contract for the above referenced work to P&E Mechanical Contractors, LLC. for a total of \$1,541,150.00 (One Million Five Hundred Forty-One Thousand One Hundred Fifty Dollars and 00/100). This includes the Base Bid, and Contingency.

Motion: _____

Second: _____

For: _____

Against: _____

Abstain: _____

La Vega 2024 HVAC Renovations - Proposal Grading Form

Base Price Includes \$140,000.00 Construction Contingency			Criteria 1	Criteria 2	Criteria 3	Criteria 4	Criteria 5	Criteria 6	Criteria 7	Total
P&E	BASE BID	\$1,541,150.00	49.995	20	10	7	3	5	3	97.995
	TOTAL	\$1,541,150.00	50	20	10	7	3	5	5	100.000
John Cook & Associates	BASE BID	\$1,541,000.00	50.000	19	10	5	3	5	5	97.000
	TOTAL	\$1,541,000.00	50	20	10	7	3	5	5	100.000
Capstone	BASE BID	\$1,742,900.00	44.208	20	10	7	3	5	5	94.208
	TOTAL	\$1,742,900.00	50	20	10	7	3	5	5	100.000
MaNamarra	BASE BID	\$1,635,796.00	47.102	20	10	7	3	5	5	97.102
	TOTAL	\$1,635,796.00	50	20	10	7	3	5	5	100.000
Brandt	BASE BID	\$1,641,000.00	46.953	19	10	5	3	5	5	93.953
	TOTAL	\$1,641,000.00	50	20	10	7	3	5	5	100.000

SELECTION CRITERIA: In accordance with Texas Education Code as amended, La Vega Independent School District shall evaluate all proposals based on a combination of factors that the District determines provides the best value to the District including:

1. The purchase price; (50 Points)
2. The reputation of the vendor and of the vendor's goods or services; (20 Points)
3. The quality of the vendor's goods or services; (10 Points)
4. The vendor's past relationship with the district; (7 Points)
5. Specific experience in public schools of the scope of the proposed project; (3 Points)
6. Financial stability and strength of proposer; (5 Points)
7. Overall familiarity with district facilities and needs, pre-proposal conference, etc. (5 Points)

Price Formula

$$Points\ Awarded = \frac{Lowest\ Price\ Fee}{Proposal\ Being\ Evaluated} * Possible\ Points$$

December 11, 2023

Todd Gooden
400 E. Loop 340
Waco, TX 76705

RE: La Vega ISD 2024 HVAC Renovations
La Vega Independent School District

Mr. Gooden:

EMA Engineering recommends, pending board approval, that La Vega Independent School District award the contract for the above referenced work to P&E Mechanical Contractors, LLC. for a total of \$1,541,150.00 One Million Five Hundred Forty-One Thousand One Hundred Fifty Dollars and 00/100. This includes the Base Bid, and Contingency.

La Vega ISD 2024 HVAC Renovation		
Scope	Accepted (Yes/No)	Bid Price
Base Bid: Provide complete turn-key work per construction documents (including all related work) that includes, but is not limited to, mechanical, electrical, and plumbing renovations.	Yes	\$1,541,150.00
Total Accepted with Contingency Included		\$1,541,150.00

La Vega Independent School District received five proposals for this project on December 7, 2023. After reviewing those proposals and the information shown above P&E Mechanical Contractors, LLC, was determined to provide the best value for the project.

For additional information please contact me.

Sincerely,



Mason Mallard

Presented for Consideration: Replacement of Serving Lines for Cafeterias

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. James D. Garrett

Background Information:

The serving line at the La Vega Elementary School campus is in need of replacement due to its age and increased limits related to our operation. We advertised for proposals and received only one bid from Mission Restaurant Supply. This serving line proposal meets our needs and updates the space for greater efficiency.

Fiscal Implication:

The proposed expenditure for this \$201,208 (proposal attached). This expenditure is within our excess fund balance spending plan permitted by the Texas Department of Agriculture, using the fund balance from the child nutrition fund.

Administrative Recommendation:

Approve the purchase of a new serving line from Mission Restaurant Supply for \$201,208, pending approval from Texas Department of Agriculture.

Motion: _____

Second: _____

For: _____

Against: _____

Abstain: _____

La Vega Independent School District

**Request for Proposals
for
Food Service Equipment**



**Serving Line Replacement
La Vega Elementary School**

Bid Deadline: 10:00 A.M. on December 6, 2023

MAILING ADDRESS:

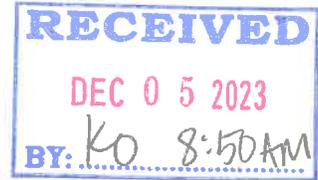
LVISD Administration
400 East Loop 340
Waco, TX 76705

PHYSICAL ADDRESS:

LVISD Central Warehouse
3101 Latimer Street
Waco, TX 76705



TABLE OF CONTENTS



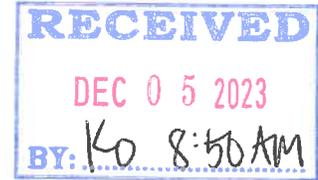
- I. General Instructions to Bidders
- II. Bid Response Requirements
 - A. Acceptance of Bid Terms
 - B. House Bill 89 Verification
 - C. Senate Bill 252 Certification
 - D. Felony Conviction Notice
 - E. H.B. 1295
 - F. Conflict of Interest
 - G. Federal Funds Certification Forms
 - H. Specific Conditions
 - I. Proposal Response
- III. Exhibit A and B

**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

I. GENERAL INSTRUCTIONS TO PROPOSERS

- 1. PROPOSAL SUBMISSION:** Proposals must be submitted on the proposal forms provided, or on photocopies of the proposal forms provided. Proposal forms and information submitted shall be completed in ink, typewritten or otherwise in a permanent marking. Proposal forms to be submitted by Proposer are in Section III, and include:
 - a. Acceptance of Proposal Terms;
 - b. House Bill 89 Verification;
 - c. Senate Bill 252 Certification;
 - d. Felony Conviction Notice;
 - e. Conflict of Interest
 - f. Federal Funds Certification Forms
 - g. Proposal Response; and,
 - h. Any other forms required by these proposal specifications.
- 2. PROPOSAL OFFER:** LVISD requests that unless otherwise stated by the Proposer, this offer be good for acceptance for sixty (60) days from the date of the opening date.
- 3. TELEFAXED:** No faxed proposal or faxed modification of proposal will be considered.
- 4. PROPOSAL DEADLINE:** Proposal responses must be received no later than the proposal opening date and time specified in the cover page.
- 5. LATE PROPOSALS:** Time of response to this proposal is considered to be critical. Proposals received after the proposal opening date and time will not be considered. It is the sole responsibility of the contractor to respond on time.
- 6. DELIVERY OF PROPOSAL:** Each proposal must be delivered to LVISD at the address given in the cover page on or before the proposal deadline. Each proposal shall be enclosed in a sealed envelope bearing a title in the following format:

**Food Service Equipment La Vega ISD Proposal # 24-CNS-02
Name of Proposer
Proposal Deadline: 10:00 A.M., December 6, 2023
ATTENTION: James Garrett**
- 7. PROPOSAL OPENING:** Proposals will be opened publicly. Proposers are invited to be present at the proposal opening at La Vega Independent School District Administration Office, 400 East Loop 340, Waco, TX, 76705.
- 8. EXAMINATION OF CONTRACT DOCUMENTS AND WORK SITES:** Proposer is responsible for examining the work site(s) prior to submitting the proposal as to all existing conditions and limitations under which the service is to be performed. No allowance shall be made to any Proposer because of lack of examination or knowledge. The submission of a proposal shall be construed as conclusive evidence that the Proposer has made such examination of work sites and complete contract documents.
- 9. ADDENDA:** Answers to all substantive questions, inquiries, and requests for additional information will be issued in the form of **Addenda and will be posted online at www.lavegaisd.org**, Departments, Business Office. Copies of each addendum will be issued to those Proposers obtaining proposal documents. Also, Proposers may be advised by addenda of changes in contract requirements. LVISD will not be responsible for the authenticity or correctness of oral interpretations of the contract documents or for information obtained in any other manner than through the written addenda. Each addendum shall be considered a part of the contract documents. **Prospective Proposers must acknowledge receipt of addenda from an authorized contact person and attach to the proposal response.**
- 10. TAXATION:** LVISD is exempt from state sales tax and use tax, and the Proposer should not include such taxes in the proposal prices or in subsequent invoicing.



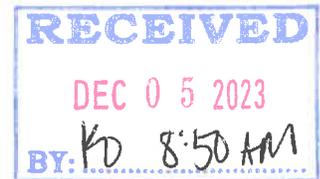
**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

11. RESERVATIONS AND ANNULMENTS: LVISD reserves the right to accept or reject any/or all proposals and to waive any and/or all technicalities in the interest of LVISD. The District has the right to decide equivalency.

12. PROPOSAL AWARD: LVISD reserves the right to award the proposal as a lump total for all items, or in part. As such, each item must have an individual respective cost for federal funds project.

13. EVALUATION CRITERIA: LVISD will consider all, though only those with points will be scored.

- a. The purchase prices.
- b. The reputation of the vendor and of the vendor's goods and services.
- c. The quality of the vendor's goods or services.
- d. The extent to which the goods or services meet LVISD's needs.
- e. The vendor's past relationship with LVISD.
- f. The impact on the ability of the district to comply with laws relating to historically underutilized businesses
- g. The total long-term cost to the district to acquire the goods or services
- h. For a contract that is not for goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, if the vendor or the vendor's ultimate parent company or majority owner has its principal place of business in this state or employs at least 500 persons in this state
- i. Any other relevant factor specifically listed in the request for proposals or proposals



14. WITHDRAWAL OF PROPOSALS:

- a. Prior to the Proposal Deadline, Proposer may withdraw a proposal in its entirety. Withdrawal may be in person or may be requested in writing by an appropriate authority. A withdrawal request may be made by tele-fax. A proposal may be resubmitted prior to the proposal deadline.
- b. After the Proposal Deadline:
 - 1.) Proposer may request that a proposal be withdrawn in whole or in part due to typographical errors or due to unintentional errors in interpretation of proposal specifications. LVISD may consider such requests and may grant such requests as considered necessary in the best interests of LVISD.
 - 2.) Proposer may withdraw a proposal without the consent of LVISD. However, LVISD reserves the right to seek legal damages. LVISD also reserves the right to remove Proposer from consideration for future proposals.

15. SAMPLES, CATALOGS, and CATALOG CUTS: Procedures and requirements for samples, catalogs or catalog cuts required by the LVISD, if any, will be covered under Specific Conditions. Unsolicited samples, catalogs, or catalog cuts may be provided at no cost to LVISD.

16. "Or Equal Interpretation": Use of a particular manufacturer's name and model number means any product of equal or greater quality. LVISD reserves the right to determine equivalency. Bidder/Proposer may be required to demonstrate products.

17. DEVIATION FROM SPECIFICATIONS: All deviations from the specifications must be *clearly* noted in detail by Proposer, in writing, at the time of submittal of the formal proposal. Failure to clearly identify deviations from specifications at the time of proposal submittal will hold Proposer strictly accountable to LVISD to the specifications as written. Any deviations from the specifications as written not previously submitted, as required by the above, will be grounds for rejection of the material, item or service when delivered. Minimum shipment requirements must be stated on the Proposal Terms.

18. FAILURE TO COMPLY: LVISD may reject shipment on any services or items not delivered according to specifications, brands, price, or other proposal terms. If products are not delivered according to proposal terms, LVISD reserves the right to cancel the entire contract. LVISD also reserves the right to charge the Vendor the difference between the prices paid for replacement items purchased and the awarded proposal price.

19. FIREARMS, TOBACCO AND ALCOHOL: Possession of firearms, alcohol and/or drugs, even in vehicles is strictly prohibited on school district property. Smoking of cigarettes, cigars, pipes, or use of other tobacco products and any alcoholic beverage are prohibited by State Law on all school district property.

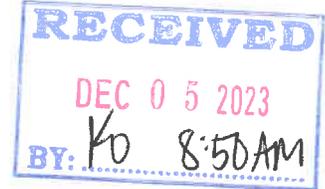
20. OTHER CONTRACTUAL OBLIGATIONS: For contracts awarded in excess of \$10,000.00 by the school district, the successful Proposer and their contractors or subgrantees must be in compliance with executive order 11246 "Equal Employment Opportunity" as amended by executive order 11375, and as supplemented in Department of Labor Regulations (41 C.F.R. Part 60)-Executive Order 11246, as amended, prohibiting job discrimination because of race, color, religion, sex, or national origin and requiring affirmative action to ensure equality of opportunity in all aspects of employment.

**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

21. BOND AND INSURANCE SUBMITTALS:

- a. If awarded the contract, the successful contractor shall be required to furnish the appropriate certificates of insurance, and promptly enter into and execute the Payment and Performance Bonds prior to starting the project. The certificates of insurance shall name La Vega Independent School District as additional insured on all insurances except Workers' Compensation. Following is the required minimum with single limit:

- | | |
|--|-------------|
| 1.) General Public Liability | \$1,000,000 |
| 2.) Umbrella's on top with at least | \$1,000,000 |
| 3.) Automobile combined
including hired and non-owned vehicles | \$ 500,000 |
| 4.) Statutory Workers Compensation
including employees' liability | \$ 500,000 |



- b. Bonds: Prior to commencement of work hereunder, contractors will, if the Contract Price exceeds \$25,000.00, provide an Acceptable Surety Company Payment Bond and if the contract price exceeds \$100,000.00 provide an Acceptable Surety Company Performance Bond, each in principal amount equal to one hundred percent (100%) of the contract price. The contractor will faithfully perform all its undertakings in this contract and will fully pay all persons furnishing labor and material in the prosecution of the work provided for in this contract. If any surety upon any bond becomes insolvent or otherwise ceases to do business in this State, the contractor shall promptly furnish equivalent security to protect the interests of LVISD and of persons furnishing labor and materials in the prosecution of the work.
- c. The successful bidder shall have their insurance companies list La Vega Independent School District as additional insured on all policies except Workers' Compensation. Certificates shall be sent to the La Vega I.S.D. Assistant Superintendent for Finance at each change or renewal during the term of this contract.

22. INSURANCE:

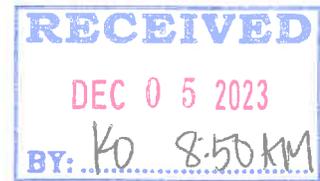
- a. The contractor shall maintain insurance of the kinds and in the amounts specified below and furnish La Vega I.S.D. with Certificates of Insurance as evidence thereof in the prescribed form. If any work provided for or to be performed under any Specifications is sub-let (as otherwise permitted by the terms of such Specifications), the contractor shall require the subcontractor to maintain and furnish him with satisfactory evidence of Workers' Compensation, Employer's Liability and such other forms and amounts of insurance which the contractor deems reasonably adequate.
- b. The contractor will provide and maintain all risk builder's coverage insurance to protect the interest of both the contractor and LVISD for materials brought into the job or stored on the premises. Such insurance shall be for one hundred percent (100%) of the insurable value of the work to be performed including all items of labor and materials incorporated therein, materials stored at the job-site to be used in completing the work, and such other supplies and equipment incidental to the work as are not owned or rented by the contractor, the costs of which are included in the direct cost of the work.
- c. This insurance shall not cover any tools, derricks, machinery, ladders, engines, workmen's quarters, boilers, pumps, wagons, scaffolds, forms, compressors, shanties, or other items owned or rented by the contractor, the cost of which is not included in the direct cost of the work. LVISD shall be named as additional insured as their interest may appear.
- d. The contractor, at his expense, must also maintain insurance which shall:
- i. include coverage for the liability assumed by the contractor;
 - ii. include completed operation coverage which is to be kept in force by the contractor for a period of not less than one year after completion of the work provided for or performed under these specifications;
 - iii. not be subject to any of the special property damage liability exclusions commonly referred to as the XCU exclusions pertaining to blasting or explosion, collapse or structural damage and underground property;
 - iv. not be subject to any exclusion of property used by the insured or property in the case, custody or control for the insured or property as to which the insured for any purpose is exercising physical control; and
 - v. the Certificates of Insurance furnished by the contractor shall show by specific reference that each of the foregoing items have been provided for.
- e. The Certificates of Insurance furnished by the contractor as evidence of the insurance maintained by him shall include a clause obligating the Insurer to give LVISD thirty (30) days prior written notice of cancellation or any material change in the insurance.
- f. The successful contractor must provide LVISD with certificates of insurance liability naming La Vega Independent School District as additional insured.

**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

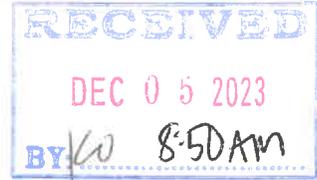
g. The contractor agrees to indemnify, defend and save harmless La Vega Independent School District and the Consultant, their consultants, agents and employees from and against all loss or expense (including costs and attorney fees) by reason of liability imposed by law upon La Vega I.S.D. , Consultant, sub-consultants, agents and employees for damages because of bodily injury, including death at any time resulting therefore, sustained by any person or persons or on account of damage to property, including loss of use thereof, arising out of or in consequence of the performance of this work, whether such injuries to person or damage to property is due or claimed to be due to the negligence of the contractor, his sub-contractors, La Vega I.S.D., the Consultant, their consultants, agents and employees, except only such injury or damage as shall have been occasioned by the sole negligence of La Vega I.S.D., Consultant, and/or other Agents.

23. RECALLS:

Vendor shall take immediate action to correct any situation when product/equipment integrity is violated. In the event of a mandatory or voluntary recall, Vendor shall remove or authorize disposal of all recalled product/equipment from La Vega Independent School District immediately and shall replace the product/equipment with new product/equipment at no cost to the District as soon as possible. Integrity is up to the discretion of the purchaser. A product/equipment recall may be enacted at any time within one [1] year of receipt/installation.



LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02



III. PROPOSAL FORMS

A. ACCEPTANCE OF PROPOSAL TERMS

A proposal, to be valid, must be manually signed in ink by an authorized person in the space provided. By such signature, Proposer agrees to strictly a proposal by the terms, conditions, and specifications embodied in this proposal.

If you do not submit a proposal but want to stay on our vendor list, please sign and return this Acceptance of Proposal Terms and include the reason for non-submittal.

I (we) am proposing in accordance with the general conditions and specifications.

By signing this proposal, the Proposer affirms that he/she has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with the proposal submitted.

The undersigned affirms that he/she is duly authorized to execute this contract, that this company, corporation, firm, partnership or individual has not prepared the proposal in collusion with any other Proposer, and that the contents of this proposal as to prices, terms or conditions of said proposal have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this proposal.

Company (Firm Name): Mission Restaurant Supply

Contact Person: Francisco Herrera

Telephone #: 512-389-1705

Fax: _____

Website: www.missionrs.com

E-Mail: franciscoh@missionrs.com

Date: 12/04/2023

Signature: Francisco Herrera

Printed Name: Francisco Herrera

Title: K12 Specialist

Reason for Non-Submittal: _____

LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02

B. House Bill 89 VERIFICATION

I, Francisco Herrera, the undersigned representative of Mission RS
(Company or Business name), hereafter referred to as company being an adult over the age of eighteen (18) years
of age, verify that the company named-above, under the provisions of Subtitle F, Title 10, Government Code
Chapter 2270:

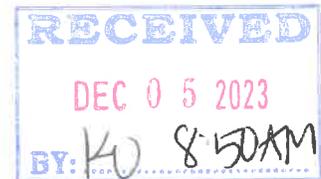
1. Does not boycott Israel currently; and,
2. Will not boycott Israel during the term of the contract the above-named Company, business or individual
with La Vega Independent School District.

Pursuant to Section 2270.001, Texas Government Code:

1. "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any
action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with
Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not
include an action made for ordinary business purposes; and
2. "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint
venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly
owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business
associations that exist to make a profit.

12/04/2023
DATE

Francisco Herrera
SIGNATURE OF COMPANY REPRESENTATIVE



RECEIVED
DEC 05 2023
BY: KO 8:50 AM

C. SB 252
CHAPTER 2252 CERTIFICATION

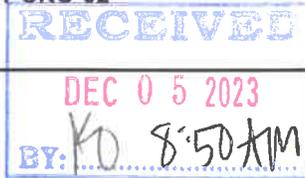
I, Francisco Herrera, the undersigned representative of Mission RS [Company or Business Name] being an adult over the age of eighteen [18] years of age, pursuant to Texas Government Code, Chapter 2252, Section 2252.152 and Section 2252.153 certify that the company named above is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.253. I further certify that should the above-named company enter into a contract that is on said listing of companies on the website of the Comptroller of the State of Texas which do business with Iran, Sudan or any Foreign Terrorist Organization, I will immediately notify the La Vega Independent School District's Purchasing Department.

Mission Restaurant Supply
Company Name

[Signature] Signature of
Company representative

12/04/2023
Date

LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02



D. FELONY CONVICTION NOTICE

Statutory citation covering notification of criminal history of contractor is found in the Texas Education Code section 44.034.

FELONY CONVICTION NOTIFICATION

State of Texas Legislative Senate Bill No. 1, Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into a contract with a school district must give advance notice to LVISD if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony".

Subsection (b) states "a school district may terminate a contract with a person or business entity if LVISD determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. LVISD must compensate the person or business entity for services performed before the termination of the contract".

THIS NOTICE IS NOT REQUIRED OF A PUBLICLY HELD CORPORATION

I, the undersigned agent for the firm named below, certify that the information concerning notification of felony convictions has been reviewed by me and the following information furnished is true to the best of my knowledge.

Check One:

- My firm is a publicly held corporation; therefore, this reporting requirement is not applicable.
- My firm is not owned nor operated by anyone who has been convicted of a felony.
- My firm is owned or operated by the following individual(s) who has/have been convicted of a felony.

Name of Felon(s):

Details of Conviction(s):

Mission Restaurant Supply

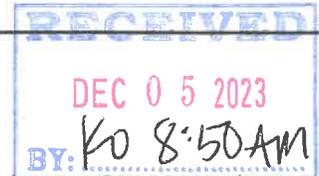
Company (Firm Name)



Signature of Company Official

K12 Specialist

Title



E. H.B. 1295

For contracts entered into on or after January 1, 2016, Texas Government Code Chapter §2252.908 (H.B. 1295) provides that a Texas governmental entity or state agency may not enter into a contract that either (1) requires an action or vote by the governing body of the entity or agency or (2) has a value of at least \$1 million, unless the business entity submits a disclosure of interested parties to the governmental entity or state agency. The Texas Ethics Commission (Commission) has adopted a certificate of interested parties form (Form 1295) and adopted rules requiring the business entity to file Form 1295 electronically with the Commission. Information from the Commission regarding the requirements, including rules and filing information are available on the Commission's website at the following links:

<https://www.ethics.state.tx.us/tec/1295-Info.htm>

https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

The Proposer will have 30 days from the date of the award to complete the required information in accordance to the Texas Ethics Commission.

All contracts with the District will be pending upon receiving the above paperwork.

**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

Form provided by Texas Ethics Commission

www.ethics.state.tx.us

Revised 1/1/2021

CONFLICT OF INTEREST QUESTIONNAIRE For vendor doing business with local governmental entity		FORM CIQ
<p>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>	<p>OFFICE USE ONLY</p> <p>Date Received</p> <div style="border: 1px solid blue; padding: 5px; text-align: center; color: blue;"> <p>RECEIVED</p> <p>DEC 05 2023</p> <p>BY: KO 8:50AM</p> </div>	
<p>1 Name of vendor who has a business relationship with local governmental entity.</p> <p style="font-size: 1.5em; font-family: cursive;">Mission Restaurant Supply</p>		
<p>2 <input checked="" type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>		
<p>3 Name of local government officer about whom the information is being disclosed.</p> <p align="center">_____</p> <p align="center">Name of Officer</p>		
<p>4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p align="center"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </p> <p>B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p align="center"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </p>		
<p>5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</p>		
<p>6 <input type="checkbox"/> Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</p>		
<p>7</p> <p align="center">  _____ Signature of vendor doing business with the governmental entity </p> <p align="right"> 12/04/2023 _____ Date </p>		

LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02

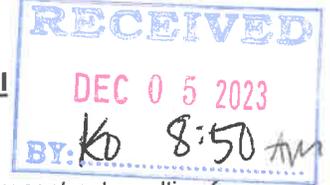
Form provided by Texas Ethics Commission

www.ethics.state.tx.us

Revised 1/1/2021

LA VEGA INDEPENDENT SCHOOL DISTRICT PROPOSER/VENDOR CERTIFICATIONS FORMS

**REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL
ENTITY CONTRACTS UNDER FEDERAL AWARDS-APPENDIX II
TO 2 CFR PART 200**



The following provisions are required and apply when federal funds are expended by the district for any contract resulting from this procurement process.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when federal funds are expended by the District, District reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does vendor agree? YES JK Initials of Authorized Representative of vendor

(B) Termination for cause and convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to Federal Rule (B) above, when federal funds are expended by the District, District reserves the right to immediately terminate any agreement in excess of \$10,000 resulting from this procurement process in the event of a breach or default of the agreement by Vendor, in the event vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation. The District also reserves the right to terminate the contract immediately, with written notice to vendor, for convenience, if District believes, in its sole discretion that it is in the best interest of the District to do so. The vendor will be compensated for work performed and accepted and goods accepted by the District as of the termination date if the contract is terminated for convenience of District. Any award under this procurement process is not exclusive and the District reserves the right to purchase goods and services from other vendors when it is in the best interest of the District.

Does vendor agree to abide by the above? YES JK Initials of Authorized Representative of vendor

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p.339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

Pursuant to Federal funds are expended by the District on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does vendor agree to abide by the above? YES JK Initials of Authorized Representative of vendor

**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145, as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

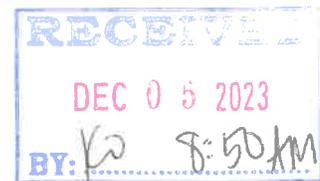
Pursuant to Federal Rule (D) above, when federal funds are expended by the District, during the term of an award for all contracts and subgrants for construction or repair, the vendor will be in compliance with all applicable Davis-Bacon Act provisions.

Does vendor agree? YES DM Initial of Authorized Representative of vendor

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when federal funds are expended by the District, the vendor certifies that during the term of an award for all contracts by the District resulting from this procurement process, the vendor will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act.

Does vendor agree? YES MA Initials of Authorized Representative of vendor



**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

(F). Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement." The recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency

Pursuant to Federal Rule (F) above, when federal funds are expended by the District, the vendor certifies that during the term of an award for all contracts by District resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does vendor agree? YES JA Initials of Authorized Representative of vendor

(G). Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended-Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

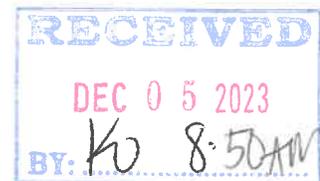
Pursuant to Federal Rule (G) above, when federal funds are expended by the District the vendor certifies that during the term of an award for all contracts by the District resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does vendor agree? YES JA Initials of Authorized Representative of vendor

(H). Debarment and Suspension (Executive Orders 12549 and 12689) – A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that Implement Executive Orders 12549 (3 CFR Part 1986 Comp., p.189) and 12689 (3 CFR Part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by the District, the vendor certifies that during the term of an award for all contracts by the District resulting from this procurement process, the vendor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

Does vendor agree? YES JA Initials of Authorized Representative of vendor



**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

(I). Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)-Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by the District, the vendor certifies that during the term and after the awarded term of an award for all contracts by the District resulting from this procurement process, the vendor certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

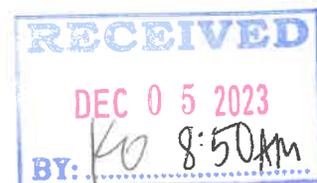
- (1) No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or Cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- (3). The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Does vendor agree? YES MA Initials of Authorized Representative of vendor

(J). A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. (78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014)

Pursuant to Federal Rule (J) above, when federal funds are expended by the District the certifies that during the term of an award for all contracts by the District resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (J) above.

Does vendor agree? YES MA Initials of Authorized Representative of vendor



LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02

**RECORD RETENTION REQUIREMENTS FOR
CONTRACTS PAID FOR WITH FEDERAL FUNDS 2 CFR §200.333**

When federal funds are expended by the District for any contract resulting from this procurement process, the vendor certifies that it will comply with the record retention requirements detailed in 2 CFR §200.333. The vendor further certifies that vendor will retain all records as required by 2 CFR §200.333 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does vendor agree? YES PA Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH EPA REGULATIONS APPLICABLE TO GRANTS, SUBGRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS IN EXCESS OF \$100,000 OF FEDERAL FUNDS

When federal funds are expended by the District for any contract resulting from this procurement process in excess of \$100,000, the vendor certifies that the vendor is in compliance with all applicable standards, orders, regulations, and/or requirements issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15.

Does vendor agree? YES PA Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When federal funds are expended by the District for any contract resulting from this procurement process, the vendor certifies that the vendor will be in compliance with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94 163, 89 Stat. 871).

Does vendor agree? YES PA Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

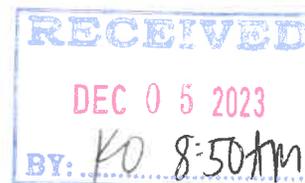
Vendor certifies that vendor is in compliance with all applicable provisions of the Buy America Act. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition.

Does vendor agree? YES PA Initials of Authorized Representative of vendor

CERTIFICATION OF NON-COLLUSION STATEMENT

Vendor certifies under penalty of perjury that its response to this procurement solicitation is in all respects bona fide, fair, and made without collusion or fraud with any person, joint venture, partnership, corporation or other business or legal entity.

Does vendor agree? YES PA Initials of Authorized Representative of vendor



**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

STATE REQUIREMENTS FOR FEDERAL CONTRACTS

All contracts under federal, state and local requirements. State requirements for all contracts under federal awards include the following:

- A letter of intent with a third party may be signed prior to the issuance of a Notice of Grant Award (NOGA).
- The contract is only effective upon receipt by the District of the NOGA from the awarding agency.
- The contract period of availability as stated on the NOGA from the federal/state awarding agency (period of availability).
- All services will be completed during the effective dates of the contract.
- All services will be invoiced monthly after services are received (rather than paid lump sum at the beginning of the period of availability before services are rendered) and paid upon verification of receipt of services.
- The regulations for procurements in 2 CFR §§200.318-323 are followed in issuing the contract.
- All professional services provided under the contract will follow the provisions of 2 CFR 200.459 Professional service costs.
- The contract identifies the funding sources that will be charged for the services provided, including the specific amount and/or percentage of the total contract amount to be charged to each funding source.
- The contract identifies and lists only reasonable, necessary, and allocable services to be provided during the period of availability of the funding sources listed in the contract.
- The administrative costs charged to the grant in the contract must comply with any limitations for administrative costs for funding sources (if applicable).

The contract specifies that the invoice provided by the contractor will include the list of services provided, dates of services, and location(s) where services were provided during the billing period.

Vendor agrees to comply with all federal, state and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that the vendor certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Vendor's Name/Company Name: Mission Restaurant Supply
Address, City, State and Zipcode: 6509 N. Lamar Blvd, Austin, TX 78752
Phone Number: 512-389-1705 Fax Number: _____
Printed Name and Title of Authorized Representative: Francisco Herrera / K12 Specialist
Email Address: franciscoh@missionsupply.com
Signature of Authorized Representative: [Signature]
Date: 12/04/2023



**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

H. SPECIFIC CONDITIONS

1. SCOPE:

This project includes delivery and installation of Food Service Equipment at La Vega Elementary 3100 Wheeler St, Waco, TX, 76705.

2. QUALITY CONTROL:

- a. All materials will be securely fastened in place in a neat and workmanlike manner. All workmen shall be thoroughly experienced in the particular class of work upon which employed. All work shall be done in accordance with these specifications and shall meet the approval in the field of LVISD's representative. Contractor's representative and/or job supervisor shall have a complete copy of specifications on the job site at all times.
- b. Contractor shall plan and conduct the operations of the work so that each section started on one day is thoroughly protected before the close of work for that day.
- c. Unless otherwise indicated, the materials to be used in this specification are those specified and denote the type, quality, performance, etc. required. All proposals shall be based upon the use of the specified material.

3. EXAMINATION OF PREMISES:

Before submitting proposals for this work, each contractor shall be held responsible to have examined the premises and satisfied himself as to the existing conditions under which he will be obliged to work. **This will also include contractor verifying all field measurements.**

4. USE OF PREMISES:

- a. The contractor shall:
 - 1.) Coordinate work in such a manner as to not interfere with the normal operation of the building.
 - 2.) Assume full responsibility for protection and safekeeping of products stored on premises.
 - 3.) Agree to hold LVISD harmless in any and all liability of every nature and description that may be suffered through bodily injuries, including death of any persons by reason of negligence of the contractor, agents, employees, or subcontractors.

5. ON-SITE SUPERVISION:

The contractor is responsible for the management and control of the work. He shall give his personal superintendence of the work or have a competent resident manager or superintendent satisfactory to the LVISD's representative on the job site at all times while work is in progress, with full authority to act for the contractor as his agent.

6. BEGINNING TIME OF PROJECT:

Contractor(s) receiving award of proposal will begin work after receiving written authorization from LVISD to complete the project with the projected completion date of not later than July 31, 2024 (subject to change pending TDA authorization).

7. BOARD APPROVAL OF PROJECT:

Project will be scheduled for Board approval on December 19, 2023, pending TDA authorization.

8. ADJUST AND CLEAN:

- a. Upon completion of installation and tests, remove all protective coverings and clean and service all equipment.
- b. Make and check final adjustments required for proper operation of the equipment.
- c. Clean up all debris by the work of this section, keeping the premises clean and neat at all times.

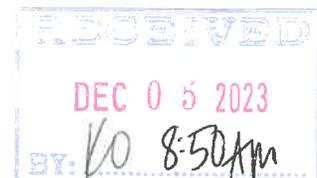
9. QUALIFIED FABRICATORS:

All fabricated items described in the Proposal Response, other than by the catalog numbers shall be manufactured by an N.S.F. approved Foodservice Equipment Fabricator who has the plant, personnel and engineering facilities to properly design, detail and produce high quality foodservice equipment. All fabrication shall have N.S.F. labels and be by one (1) manufacturer and be of uniform design and finish.

10. AWARD OF PROJECT:

Project may be awarded to more than one (1) vendor or to one (1) single vendor as a lump sum total of the proposal.

11. EVALUATION CRITERIA AND POINTS ASSIGNED TO THIS PROJECT:



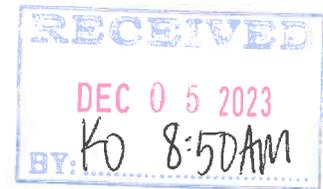
**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

Purchase Price	60
Quality of the vendor's goods or services	10
Reputation of the vendor and the vendor's goods or services	10
Extent to which goods or services meet LVISD's needs	10
Completion of all forms and proposal response	<u>10</u>
	100

12. CONTACT: For questions regarding this document or a walkthrough of the campus, please contact:

Dave Thiel
La Vega I.S.D. Director of Child Nutrition
Dave.thiel@lavegaisd.org
254-299-6810

All questions must be received in writing prior to December 1, 2023.



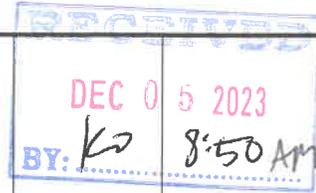
**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

RECEIVED
DEC 05 2023
BY: *KD 8:50 AM*

I. PROPOSAL RESPONSE

ITEM #	DESCRIPTION PER SPECIFICATIONS	QTY.	COST	TOTAL
1	<u>Hot Food Well</u> Provide Mod-U-Serve model# MCT-HF5 Hot Food counters 304 Stainless steel construction throughout counter Full Height, Elite series breath shield over shelf with LED lights and heat lamps above wells 34" AFF stainless Steel constructed top 32" AFF Corian trayslide LED lighting under trayslide Comprised of QTY 5 independent controlled hot food wells 8" fold down stainless-steel rear work shelf 1" recess on hot wells to accommodate 18"x26" sheet pans 2" raised lift out tile front Panels Stainless steel kick plates Stainless steel cut out at trayslide for 12"x 20" food pan Inset electrical outlet on counter body to accommodate existing Milk Box	2	<i>201,208</i>	<i>201,208.-</i>
2	<u>Heated Flat Top</u> Mod-U-Serve model# MCT-FT Flat top counters 304 Stainless steel construction throughout counter Half Height, Elite series breath shield over shelf with LED lights and heat lamps above flat top 34" AFF stainless Steel constructed top 32" AFF Corian trayslide LED lighting under trayslide 1" recess on hot wells to accommodate 18"x26" sheet pans 2" raised lift out tile front Panels	2	<i>included</i>	<i>included</i>
3	<u>Hot/Cold Sheet Pan Unit</u> Mod-U-Serve model# MCT-H/CFSP2-MOD Counter 304 Stainless steel construction throughout counter 34" AFF stainless Steel constructed top 32" AFF Corian Trayslides LED lighting under trayslide 2" raised lift out tile front panels Stainless steel kick plates	2	<i>included</i>	<i>included</i>

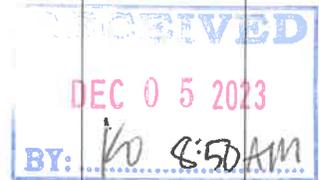
**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**



	<p>Half height Fully adjustable, Elite series breath shield with over shelf with LED lights</p> <p>Unit capable of being mechanically cooled and/or heated</p> <p>Unit to accommodate QTY2 18"x26" sheet pans with 1/2" recess</p>			
4	<p>COLD FOOD WELL Mod-U-Serve model# MCT-CF4</p>	1	<i>included</i>	<i>included</i>
	<p>304 Stainless steel construction throughout counter</p> <p>Dual sided fully adjustable, Elite series breath shield with LED lights</p> <p>34" AFF stainless Steel constructed top</p> <p>32" AFF Dual Sided Corian trayslide LED lighting under trayslide</p> <p>Mechanically cooled unit to accommodate Qty 4 12"x20" food pans</p> <p>Dual sided 2" raised lift out tile Front Panels</p> <p>Corian inserts to match tray slide</p> <p>Dual sided Stainless steel kick plates</p> <p>Stainless steel divider bars provided for mixed use applications</p>			
5	<p>CASHIER COUNTER: Mod-U-Serve model #MCT-CRSG counter, including:</p>	1	<i>included</i>	<i>included</i>
	<p>34" AFF stainless Steel constructed top</p> <p>32" AFF Dual Sided Corian trayslide LED lighting under trayslide</p> <p>Dual sided 2" raised lift out tile Front Panels</p> <p>Dual sided Stainless steel kick plates</p> <p>One (1) all 18-gauge, type 304 series stainless steel cash drawers with extension slides and cylinder lock. 3" deep stainless-steel liner with Removable cash till for register</p> <p>One (1) Grommeted hole for POS cables.</p> <p>Provide DR 5-15R convenience outlet</p> <p>Cat -5 Data outlet</p> <p>Tiled locking door</p>			
6	<p>INSTALLATION or equal :</p>		<i>included</i>	<i>included</i>
	<p>Mod-U-Serve to provide installation and coordination services. Factory Installation and coordination services to include delivery, setting in place & onsite assembly, leveling, and start up. All final drain line runs to be</p>			

LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02

provided by the counter manufacturer. Final electrical connections by La Vega ISD. This installation includes all necessary site visits prior to and during fabrication including site visits for field measurements. Removal and disposal or relocation of existing serving line to be provided by Mod-U-Serve. Alternate vendors must coordinate a site visit and provide full elevation, mechanical and electrical drawings to La Vega ISD for review prior to bid date. Manufacturers must submit written approval from La Vega ISD prior to bid.

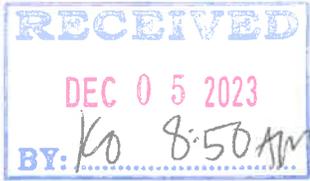


TOTAL LUMP SUM \$ 201,208.00

Please enter a unit cost and extension total for each item.

*the pricing of \$201,208 includes everything.
Please see attached formal proposal
with full details.*

For Herrera
12/04/2023



Project:
 La Vega ISD - La Vega ES – Serving
 Line Replacement RFP 24-CNS-02 -
 12/04/2023

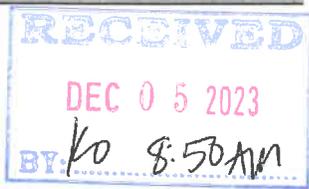
From:
 Mission Restaurant Supply - AU
 Francisco Herrera
 6509 North Lamar Blvd.
 Austin, TX 78752-4009
 5123891705

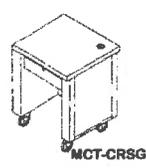
Job Reference Number: 7451

La Vega ISD - La Vega ES – Serving Line Replacement RFP 24-CNS-02 -
 12/04/2023

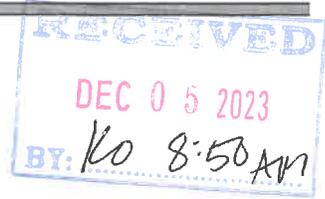
QUOTE VALID UNTIL JUNE 2024.

Item	Qty	Description	Sell	Sell Total
	1 ea	SERVING COUNTER Mod-U-Serve Counters Model No. MCT-SC MOD-U-SERVE CUSTOM SERVING COUNTER TO CONSIST OF:	\$201,208.00	\$201,208.00
			ITEM TOTAL:	\$201,208.00
1	2 ea	SERVING COUNTER, UTILITY Mod-U-Serve Counters Model No. MCT-FT-MOD Serving Counter, stainless steel Counter Construction, stainless steel sides, top & undershelf, 5" swivel casters (2 locking)		
	2 ea	1 yr. parts and labor warranty std.		
	2 ea	MCT-CTS Tray Slide, single serve, solid Corian® trayslide		
	2 ea	MCT-TRAY LIGHT Bottom mount trayslide lights		
	2 ea	MCT-SILVER Silverware dispenser		
	2 ea	MCT-TILE Tile front application by Mod-U-Serve; RAISED/EXTENDED		
	2 ea	MCT-SK Skirting, stainless steel		
	2 ea	MCT-WS Work Shelf, solid stainless steel mounted on fold-down brackets		
	2 ea	MCT-DO Duplex Outlet; TO ACCOMMODATE EXISTING MILK BOX		
	2 ea	MCT-CUST ALTO SHAAM 500HWI/D6 TO BE FURNISHED AND INSTALLED BY MOD-U-SERVE		
	2 ea	MCT-RS Recessed Pan Top		
	2 ea	MCT-ELITE-ADJ Stainless steel custom adjustable sneezeguard with glass breath protector and top shelf; WITH HEAT LAMP AND LIGHTS		
2	2 ea	SERVING COUNTER, UTILITY Mod-U-Serve Counters Model No. MCT-FT-MOD Serving Counter, stainless steel Counter Construction, stainless steel sides, top & undershelf, 5" swivel casters (2 locking)		
	2 ea	1 yr. parts and labor warranty std.		

Item	Qty	Description	Sell	Sell Total
	2 ea	MCT-CTS Tray Slide, single serve, solid Corian® trayslide		
	2 ea	MCT-TRAY LIGHT Bottom mount trayslide lights		
	2 ea	MCT-TILE Tile front application by Mod-U-Serve; RAISED/EXTENDED		
	2 ea	MCT-SK Skirting, stainless steel		
	2 ea	MCT-ELITE-ADJ Stainless steel custom adjustable sneezeguard with glass breath protector and top shelf; WITH LIGHT		
				
3	2 ea	SERVING COUNTER, UTILITY Mod-U-Serve Counters Model No. MCT-FT-MOD Serving Counter, stainless steel Counter Construction, stainless steel sides, top & undershelf, 5" swivel casters (2 locking)		
	2 ea	1 yr. parts and labor warranty std.		
	2 ea	MCT-CTS Tray Slide, single serve, solid Corian® trayslide		
	2 ea	MCT-TRAY LIGHT Bottom mount trayslide lights		
	2 ea	MCT-TILE Tile front application by Mod-U-Serve; RAISED/EXTENDED		
	2 ea	MCT-SK Skirting, stainless steel		
	2 ea	DI-HCSP-1-S Drop-in recessed hot/cold top- SLIM UNIT, to accommodate one (1) 18" x 26" sheet pan		
	2 ea	MCT-ELITE-ADJ-MOD ** TWO TIER ** Stainless steel custom adjustable sneezeguard with glass breath protector and top shelf WITH LED LIGHTS; MODIFIED TO INCLUDE DUAL TEMP LOWER TIER TO ACCOMMODATE ONE (1) 18" X 26" SHEET PAN		
4	1 ea	SERVING COUNTER, COLD FOOD Mod-U-Serve Counters Model No. MCT-CF4-MOD Mobile Serving Cold Food Table, Refrigerated, MODIFIED LENGTH/DEPTH/CONFIGURATION PER DRAWING, mobile modular, 6" deep cold pan, 4-pan size, open cabinet base, stainless steel sides & top, 5" swivel casters (2 locking), 1/3hp		
	1 ea	1 yr. parts and labor warranty std.		
	2 ea	MCT-CTS Tray Slide, single serve, solid Corian® trayslide		
	2 ea	MCT-TRAY LIGHT Bottom mount trayslide lights		
	2 ea	MCT-TILE Tile front application by Mod-U-Serve; RAISED/EXTENDED		
	2 ea	MCT-SK Skirting, stainless steel		
	1 ea	MCT-ELITE-ADJ *** SINGLE TIER/DUAL SERVICE *** Stainless steel custom adjustable sneezeguard with glass breath protector and top shelf; WITH LIGHT		
5	1 ea	CASH REGISTER STAND Mod-U-Serve Counters Model No. MCT-CRSG Mobile Serving Cash Register Stand, single station, MODIFIED LENGTH/DEPTH/CONFIGURATION PER DRAWING, mobile modular, stainless steel sides & top, 5" swivel casters (2 locking), outlet pre-wired to cord & plug		
	1 ea	1 yr. parts and labor warranty std.		



Item	Qty	Description	Sell	Sell Total
	2 ea	MCT-CTS Tray Slide, single serve, solid Corian® trayslide		
	2 ea	MCT-TRAY LIGHT Bottom mount trayslide lights		
	2 ea	MCT-TILE Tile front application by Mod-U-Serve; RAISED/EXTENDED		
	2 ea	MCT-SK Skirting, stainless steel		
	1 ea	MCT-HD Locking Hinged Door; TILE FINISH		
	1 ea	DELIVERY Mod-U-Serve Counters Model No. MCT-DELIVERY DELIVERY AND SET IN PLACE BY MOD-U-SERVE; ALL FINAL CONNECTIONS TO BE COMPLETED BY OTHERS		
		PRICING INCLUDES: - ONE (1) SITE VISIT FOR DIMENSIONING AND FIELD COORDINATION. ADDITIONAL REQUIRED TRIPS WILL INCUR ADDITIONAL CHARGES - REMOVAL AND DISPOSAL/RELOCATION OF EXISTING SERVING LINE BY MOD-U-SERVE - FINAL PLUMBING/DRAIN LINE RUNS TO BE COMPLETED BY MOD-U- SERVE		
		*** ALL FINAL ELECTRICAL CONNECTIONS AND ANY OTHER FIELD MODIFICATIONS REQUIRED ARE TO BE COMPLETED BY LA VEGA ISD ***		
		*** PRICING IS SUBJECT TO CHANGE BASED ON JOBSITE REQUIREMENTS ***		
		Total		\$201,208.00



Mod-U-Serve Pricing is valid for shipment through June 2024. Shipments required after this date will be subject to repricing.

Acceptance: _____ Date: _____

Printed Name: _____

Project Grand Total: \$201,208.00

Consider Resolution for SB 763 - Chaplain

Presented for:

Board action Report/Review Only Consent Agenda Item

Supporting documents:

None Attached Provided Later

Contact Person:

Dr. Sharon M. Shields

Background Information:

Senate Bill 763, passed by the 88th Texas Legislature, requires each school board to take a record vote between September 1, 2023, and March 1, 2024, on whether to adopt a policy authorizing a campus of the district to employ or accept as a volunteer a chaplain under Education Code Chapter 23

Based on the resources noted below available to La Vega ISD students and staff, employing a Chaplin is not required at this time. However, clergy are welcome to support our campuses, as needed.

School Counselors on each campus (four counselors at the High School)

Klaras Center Counselors and Caseworkers

Klaras Outreach Team

Communities In School

Region 12 Crisis Response Team

Waco Family Medicine Medical and Behavioral Health

Texas Child Health Access through Telemedicine (TCHAT)

Fiscal Implication:

N/A

Administrative Recommendation:

Administrative team move that the Board adopt the resolution opting not to employ a chaplain or regularly use a chaplain as a volunteer on a regular basis.

Motion:

Second:

For:

Against:

Abstain:

COUNTY OF WACO

§

STATE OF TEXAS

§

§

**RESOLUTION OF THE BOARD OF TRUSTEES
OF THE
LA VEGA INDEPENDENT SCHOOL DISTRICT**

WHEREAS, Section 23.001 of the Texas Education Code permits the district to employ or accept as a volunteer a chaplain to provide support, services, and programs for students as assigned by the Board;

WHEREAS, Senate Bill 763, passed by the 88th Texas Legislature, requires each school board to take a **record vote** between September 1, 2023, and March 1, 2024, on whether to adopt a policy authorizing a campus of the district to employ or accept as a volunteer a chaplain under Education Code Chapter 23;

WHEREAS, the Board of Trustees recognizes that bringing in counselors of all types, including faith-based counselors, may be beneficial for the students and staff in La Vega ISD in unique times of tragedy;

WHEREAS, the Board of Trustees does not believe that employing chaplains or accepting chaplains as regularly scheduled volunteers serves the best interests of the District.

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of La Vega Independent School District hereby:

- 1) Does not permit a district campus to employ a chaplain or accept a chaplain as a volunteer on a regular basis to provide support, services, and programs for students at this time.

School Chaplains The Board does not permit a campus to employ a chaplain or accept a chaplain as a volunteer on a regular volunteer basis. [See DC and GKG]

- 2) Affirms the practice of a district campus permitting a chaplain to provide support to students and staff in times of tragedy.

Adopted this _____ day of December, 2023, by the Board of Trustees.

Henry C. Jennings
La Vega ISD Board President

Raymond Koon
La Vega ISD Board Secretary

Consider Teacher and Professional Employee Contract Recommendations

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. Todd Gooden

Background Information:

The Board of Trustees of any independent school district may employ by contract a superintendent, a principal or principals, teachers, or other executive officers for a term not to exceed the maximum specified in this section. In those independent school districts with a scholastic population of fewer than 5,000, the term of such contracts shall not exceed three years. The personnel department, campus principals, and management teams interview and check references on each applicant who makes application to become a member of the staff of the La Vega Independent School District.

Fiscal Implication:

Personnel salaries are a budgeted item.

Administrative Recommendation:

Board approval of the contract recommendations as presented.

Motion:

Second:

For:

Against:

Abstain:

LV Personnel Recommendations for employees

The following employees are recommended for employment for the 2023- 2024 school years.

Name	Assignment
Ayahna Minor	3 rd Grade Teacher Replacing: Kimberly Villegas Rosales

I hereby authorize the administration to utilize my signature stamp to issue contracts to personnel and approve resignations as recommended herein.

President, La Vega ISD Board of Trustees
December 19, 2023

CLOSED MEETING

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Board President

Background Information:

The Board may enter into a closed meeting after the following requirements have been met:

1. A quorum of the Board has first been convened in open meeting for which notice has been given.
2. The presiding officer has publicly announced in open meeting that a closed meeting will be held.
3. The presiding officer has identified the section or sections of the Open Meetings Act or other applicable statutes that authorize the holding of such closed meeting.

Fiscal Implication:

N/A

Administrative Recommendation:

N/A

A closed meeting was declared:

_____ Beginning Time

_____ Date

_____ Sections of the Texas Government Code

_____ Ending Time

ADJOURNMENT

Motion: _____

Second: _____

For: _____

Against: _____

Abstain: _____

Date and Time: _____

ROLL CALL, ESTABLISHMENT OF QUORUM, AND CALL TO ORDER

The meeting was called to order at _____ m.

Board of Trustees Members Present: _____

Board of Trustees Members Absent: _____

School Personnel Present: _____

Others Present: _____

BOARD PRESIDENT:

THE OPENING CEREMONY CONSISTING OF THE PLEDGE OF ALLEGIANCE

TO THE AMERICAN FLAG AND TO THE TEXAS FLAG WILL BE PROVIDED BY:

(NAME, TITLE, POSITION, LVISD CAMPUS/DEPT.)



PLEDGE TO UNITED STATES FLAG. I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.



PLEDGE TO TEXAS FLAG: "Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."

APPROVE LISTING OF AGENDA ITEMS

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Dr. Sharon M. Shields and Board President

Background Information:

Board Members are asked to review the listing of agenda items.

Fiscal Implication:

N/A

Administrative Recommendation:

N/A

Motion:

Second:

For:

Against

Abstain:

CONSENT AGENDA ITEMS

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

N/A

Background Information:

The consent agenda shall include items of a routine and/or recurring nature grouped together under one action item. For each item listed as part of a consent agenda, the Board shall be furnished with background material. All such items shall be acted upon by one vote without separate discussion, unless a Board member requests that an item be withdrawn for individual consideration. The remaining items shall be adopted under a single motion and vote.

Fiscal Implication:

N/A

Administrative Recommendation:

N/A

Motion:

Second:

For:

Against

Abstain:

Approve Minutes for Meeting(s) Held

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Dr. Sharon M. Shields or Ms. Betty Bentura

Background Information:

The Board shall prepare and retain minutes or make a tape recording of each of its open meetings. The minutes shall state the subject matter of each deliberation and shall indicate each vote, order, decision, or other action taken by the Board. The minutes or tapes are public records and shall be made available for public inspection and copying on request to the Superintendent or designee.

Fiscal Implication:

None.

Administrative Recommendation:

Board review and approval.

Motion:

Second:

For:

Against:

Abstain:



La Vega Independent School District
400 East Loop 340, Waco, Texas 76705
254-299-6700 ♦ 254-799-8642 FAX

Office of the Superintendent

**La Vega I.S.D. Board of Trustees
Minutes of the Regular Meeting
November 14, 2023**

BOARD MEMBERS PRESENT – Mildred Watkins, Henry C. Jennings, Myron Ridge, Raymond Koon, Rev. Larry Carpenter, and Randy Devorsky

BOARD MEMBERS ABSENT – Mrs. Brenda Rocha

SCHOOL PERSONNEL PRESENT – Dr. Sharon M. Shields, Dr. Charla Rudd, Todd Gooden, James D. Garrett, Sandra Gibson, Chief Kerry Blakemore, Betty Bentura, Mrs. Carla Crowe Mrs. Jeanne Gravitt, Mr. Chris Ward and Mr. James Villa

OTHERS PRESENT – La Vega High School Students, Coach D and parents

CALLED TO ORDER – Board President Henry C. Jennings established a quorum and brought the board meeting to order at 7:00 p.m.

OPENING CEREMONY – The Pledges of Allegiance to the United States Flag and the Texas Flag were led by Mr. Gooden.

APPROVED LISTING OF AGENDA ITEMS – Motioned by Mr. Koon and seconded by Mr. Jennings, the Board unanimously approved the listing of agenda items.

RECOGNITION ITEMS – The Board of Trustees and Administration recognized the following groups and individuals for achievements beyond the district level: Coach D for his exceptional work with our students and La Vega ISD students for the publication of their book "Today We Win". Mrs. Gravitt and Mr. Ward were recognized for their great job with the ECHS and P-Tech Showcase.

PUBLIC PARTICIPATION – None

SPECIAL REPORTS – Board Members received the following special report(s).

Superintendent's Information to the Board - Dr. Sharon M. Shields, Superintendent, updated the Board Members on upcoming calendar items and other miscellaneous information.

Report from Hilltop Securities Related to Construction Financing Options – The Board of Trustees and Administration heard a presentation of potential financing options for construction needs.

APPROVED CONSENT AGENDA ITEMS - Motioned by Mr. Devorsky and seconded by Mrs. Watkins, the Board unanimously approved the following consent agenda items:

- the minutes for the October 17, 2023 regular board meeting
- the monthly tax collection recap and report
- the Quarterly Investment Report
- Budget Amendments
- Localized Policy Manual

ACTION AND DISCUSSION ITEMS - The following items were considered, discussed, and/or approved by the Board of Trustees.

Approved the Action on Board Meeting Start time - on a motion by Mr. Carpenter and second by Mr. Ridge, the Board Members unanimously approved the during the winter season to begin meetings at 6:30 pm. At daylight saving time re-look at going back to 7 pm.

Resolution of Votes Cast to Elect Directors for the McLennan Central Appraisal District for 2023-2024 - on a motion by Mr. Devorsky and second by Mr. Jennings, the Board Members unanimously approved all votes go to Mrs. Mildred Watkins.

Approved the Monthly Budget Analysis Report – On a motion by Mr. Koon and seconded by Mr. Jennings, the Board Members unanimously approved the monthly budget analysis report as presented.

Teacher and Professional Employee Contract Recommendations – On a motion by Mr. Koon and seconded by Mrs. Watkins, the Board of Trustees unanimously approved the contract recommendation for Natalie Hamilton and Byron Pyburn.

CLOSED MEETING – None

ADJOURNMENT - On a motion by Mr. Carpenter and seconded by Mrs. Watkins, the Board of Trustees unanimously agreed to adjourn the meeting at 7:32 p.m. on November 14, 2023.

Date of Board Approval

President, La Vega I.S.D. Board of Trustees

Secretary, La Vega I.S.D. Board of Trustees

Monthly Tax Collection Recap and Report

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. James Garrett

Background Information:

The District contracts with the McLennan County Tax Office for the collection of the current and delinquent taxes and penalty and interest on those taxes. As part of this service, the Tax Office supplies the District with a monthly cumulative summary of taxes and penalty and interest collected. Attached the Board will find the monthly tax collection recap and report prepared by the Business Office. This report has been reconciled with the summary report received from the tax office.

Fiscal Implication:

N/A

Administrative Recommendation:

It is recommended that the Board approve the Monthly Tax Collection Recap and Report as submitted.

Motion:

Second:

For:

Against:

Abstain:

La Vega ISD
Tax Collection Report

Current Year M&O Taxes	For Month of	Year to Date
	November 2023	November 2023
Original Current Roll		\$ 14,130,328
Adjustments	\$ (37,769)	\$ (250,581)
Total Adjusted Roll		\$ 13,879,747
Current M&O Taxes Collected	\$ 1,447,456	\$ 1,594,875
Current P & I Collected	\$ -	\$ 735
Current Taxes Collected Adjustments		\$ -
Total Current Taxes Collected	\$ 1,447,456	\$ 1,595,610
% of Current Taxes Collected		11.4960%
Current Year I&S Taxes	For Month of	Year to Date
Current I&S Taxes Collected	\$ 477,722	\$ 526,473
Current P & I Collected	\$ -	\$ 191
Current Taxes Collected Adjustments	\$ -	\$ -
Total Current Taxes Collected	\$ 477,722	\$ 526,664
% of Current Taxes Collected		3.7945%
Total Collections Current	\$ 1,925,178	\$ 2,122,274
		15.29%
Delinquent M&O Taxes	This Month	Year to Date
Delinquent Taxes Outstanding		\$ 732,203.00
Adjustments	(\$16,270)	(\$26,914)
Total Adjusted Delinquent Roll		\$ 705,289.00
Delinquent M&O Taxes Collected	\$5,274	\$32,396
Delinquent P & I Collected	\$5,584	\$15,254
Attorney Fees Collected		\$0
Delinquent Taxes Collected Adjustment		
Total Delinquent Balance Collected	\$10,858	\$47,650
% of of Delinquents Collected		6.7561%
Delinquent I&S Taxes	This Month	Year to Date
Delinquent I&S Taxes Collected	\$ 1,147	\$ 7,901
Delinquent P & I Collected	\$ 1,293	\$ 3,625
Attorney Fees Collected	\$ -	\$ -
Delinquent Taxes Collected Adjustment	\$ -	\$ -
Total Delinquent Balance Collected	\$ 2,440	\$ 11,526
% of of Delinquents Collected		1.6342%
Total Collections Delinquent	\$ 13,298	\$ 59,176
Grand Total Collections	\$ 1,938,476	\$ 2,181,450
Paid YTD		\$ 2,161,645
Balance Remaining		\$ 12,423,391
		85.18%

Consider Budget Amendments

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached X Provided Later

Contact Person:

Mr. James D. Garrett

Background Information:

Section 2.10.6 of the Financial Accountability System Resource Guide, version 14.0, dated January 2010, states that budget amendments are mandated by the state for budgeted funds reallocated from one function level, and state and/or federal project to another. These budget changes are usually the result of unexpected levels of expenditures in certain categories and must be amended in the budget for legal compliance.

All budget amendments are required to be adopted by the last day of the fiscal year. All necessary budget amendments must be formally adopted by the school board and recorded in the board minutes.

Fiscal Implication:

Budget amendments are moving from one function to another.

Administrative Recommendation:

Approve the budget amendments as presented.

Motion:

Second:

For:

Against:

Abstain:

Amendment Nbr	Date	Amendment Reason					Amended
			Fnc-Obj-So-Org-Prog	Original	Approved	Increase	
130031	11-08-2023	B130031 BUDGET CHANGE					
	11-6411.00-999-499726		.00	-5,400.00	.00	5,400.00	.00
	41-6411.00-726-499000		.00	.00	5,400.00	.00	-5,400.00
		Amendment 130031 Total			5,400.00	5,400.00	
130034	11-16-2023	B130034 BUDGET CHANGE					
	11-6399.00-106-423000		-1,000.00	-1,000.00	22,000.00	.00	-23,000.00
	99-6222.00-823-423000		-52,000.00	-52,000.00	.00	22,000.00	-30,000.00
		Amendment 130034 Total			22,000.00	22,000.00	
130041	12-07-2023	B130041 BCR_TASB PYMT					
	00-5745.00-000-400000		.00	.00	3,081.20	.00	3,081.20
	52-6299.00-801-499000		-2,000.00	-2,000.00	3,081.20	.00	-5,081.20
		Amendment 130041 Total			6,162.40	.00	
Fund 199 / 4 Totals							
	3XXX		.00	.00	.00	.00	.00
	5XXX		.00	.00	3,081.20	.00	3,081.20
	6XXX		-55,000.00	-60,400.00	30,481.20	27,400.00	-63,481.20
	7XXX		.00	.00	.00	.00	.00
	8XXX		.00	.00	.00	.00	.00
Grand Totals							
	3XXX		.00	.00	.00	.00	.00
	5XXX		.00	.00	3,081.20	.00	3,081.20
	6XXX		-55,000.00	-60,400.00	30,481.20	27,400.00	-63,481.20
	7XXX		.00	.00	.00	.00	.00
	8XXX		.00	.00	.00	.00	.00

End of Report

Letter of Support for LASO Grant

Presented for:

Board action Consent Agenda Item

Supporting documents:

None Attached Provided Later

Contact Person:

Sandra Gibson

Background Information:

Strong Foundation LASO Grant allows La Vega ISD to develop a strong instructional framework in math or literacy, provides optional adoption supports in the selection of High-Quality Instructional Materials (HQIM), and training to support creating systems to effectively manage instruction at the district level. The grant provides in-kind support for pre-implementation planning and content-and-product specific professional learning for teachers, coaches and administrators on effectively implementing HQIM.

Fiscal Implication:

TBD

Administrative Recommendation:

Signature for Letter of Support

Motion:

Second:

For:

Against:

Abstain:



400 East Loop 340
Waco, Texas 76705

Phone 254 299-6700 • Fax 254 799-8642
www.lavegaisd.org

December 12,2023

Texas Education Agency,
Teacher Leadership
Instructional Support Division

La Vega Independent School District (La Vega ISD) enthusiastically supports the Strong Foundations LASO Grant that will allow La Vega ISD to develop a strong instructional framework in math or literacy, provide optional adoption supports in selecting new High Quality Instructional Materials (HQIM), and training to support creating systems to effectively manage instruction at the district level. The grant provides in-kind support for pre-implementation planning and content- and product-specific professional learning for teachers, coaches, and administrators on effectively implementing HQIM.

La Vega ISD believes this project will provide valuable feedback regarding the effectiveness of La Vega ISD's HQIM planning and implementation process, inform current rigorous selection criteria for curriculum, improve the overall instruction, and maximize student performance while reducing the learning loss due to the Coronavirus pandemic. We value opportunities to provide teachers with awareness of the effectiveness of their best practices and resources and value their feedback and perceptions from the classroom.

In summary, as La Vega ISD Board President, my signature signifies the support the application of the Board of Trustees for the District Practices Fellowship grant.

We appreciate this opportunity to improve both our planning and implementation of math and literacy supports.

Sincerely,

Henry Jennings
Board President
La Vega Independent School District

Consider Fiscal Year 2023 Financial Audit Report

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. James Garrett

Background Information:

Section 44.008, Texas Education Code, requires that school districts have an annual financial audit conducted by an independent audit firm. This year, La Vega ISD retained the firm of Jaynes, Reitmeier, Boyd and Therrell, P.C. of Waco to conduct the 2022-2023 annual financial audit for our District. Representatives of this firm will present the audit report to the Board and answer any questions which the Board or Administration may have. There is no requirement in the Texas Education Code or Financial Accountability System Resource Guide that a public hearing on the audit report be held. Once the audit is approved, the Board President and Board Secretary will need to sign the Certificate of Board found in the audit report. The District has 150 days from the end of the fiscal year to submit a signed copy to TEA in electronic format. The Business Office will file the required reports.

Fiscal Implication:

Included in the audit report provided.

Administrative Recommendation:

The Administration recommends the Board approve the 2022-2023 Fiscal Year Audit as presented.

Motion:

Second:

For:

Against:

Abstain:

DRAFT

**La Vega Independent School District
Annual Financial Report
August 31, 2023**

DRAFT

La Vega Independent School District

	<u>Page</u>	<u>Exhibit</u>
Table of Contents	i	
Certificate of Board	iii	
Independent Auditor’s Report	iv	
Management’s Discussion and Analysis	viii	
Basic Financial Statements:		
Government-wide Financial Statements:		
Statement of Net Position	1	A-1
Statement of Activities	2	B-1
Fund Financial Statements:		
Balance Sheet – Governmental Funds	3	C-1
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position for Governmental Activities	4	C-2
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	5	C-3
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6	C-4
Statement of Net Position – Proprietary Fund	7	D-1
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Fund	8	D-2
Statement of Cash Flows – Proprietary Fund	9	D-3
Statement of Fiduciary Net Position – Fiduciary Funds	10	E-1
Statement Changes in Fiduciary Net Position – Fiduciary Funds	11	E-2
Notes to Financial Statements	12	
Required Supplementary Information:		
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	46	G-1
Note to Schedule of Revenues, Expenditures and Change in Fund Balance – Budget and Actual – General Fund	47	
Schedule of the District’s Proportionate Share of the Net Pension Liability Teacher Retirement System of Texas	48	G-2
Schedule of the District’s Contributions to the Teacher Retirement System of Texas - Last Ten Fiscal Years	50	G-3

Schedule of the District's Proportionate Share of the Total OPEB Liability TRC-Care	52	G-4
Schedule of the District's Contributions to TRC-Care Last Ten Fiscal Years	53	G-5
Other Supplementary Schedules:		
Combining Schedule – Balance Sheet – Nonmajor Funds	54-55	H-1
Combining Schedule – Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Funds	56-57	H-2
Schedule of Delinquent Taxes Receivable	58	J-1
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Child Nutrition Program	59	J-2
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund	60	J-3
Compensatory Education Program and Bilingual Education Program Expenditures (Unaudited)	61	J-4
Reports on Compliance, Internal Control, and Federal Awards:		
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 <i>Government Auditing Standards</i>	62	
Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance	64	
Schedule of Findings and Questioned Costs	67	
Summary Schedule of Prior Audit Findings	69	
Schedule of Expenditures of Federal Awards	70	K-1
Notes to Schedule of Expenditures of Federal Awards	71	

DRAFT

Certificate of Board

**La Vega Independent
School District**

McLennan County

161-906

We, the undersigned, certify that the attached annual financial and compliance reports of the above-named independent school district were reviewed and approved for the year ended August 31, 2023 at a meeting of the Board of School Trustees of such independent school district on the 19th day of December 2023.

Board Secretary

Board President



JAYNES REITMEIER BOYD & THERRELL, P.C.
Certified Public Accountants
5400 Bosque Blvd., Ste. 600 | Waco, TX 76710
P.O. Box 7616 | Waco, TX 76714
Main 254.776.4190 | Fax 254.776.8489 | jrbt.com

DRAFT

INDEPENDENT AUDITOR'S REPORT

The Board of School Trustees
La Vega Independent School District:

Report on the Audit of Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of La Vega 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 ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Governmental 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages viii through xv, the budgetary comparison information on pages 46 and 47, and the schedules of the District's proportionate share of the net pension/OPEB liabilities and contributions on pages 48 through 53 (collectively, "the required supplementary information") be presented to supplement the basic financial statements.

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and is not a required part of the basic financial statements. The other supplementary schedules, as listed in the table of contents, except for the schedule of Compensatory Education and Bilingual Education Programs, are presented for purposes of additional analysis and also are not a required part of the basic financial statements.

The schedule of expenditures of federal awards and the other supplementary information, except for the schedule of Compensatory Education and Bilingual Education Programs, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting or other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and the other supplementary information, except for the schedule of Compensatory Education and Bilingual Education Programs, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other Information

Management is responsible for the other information, the schedule of Compensatory Education and Bilingual Education Programs on page 61, included in the annual financial report. The information comprises the schedule of Compensatory Education and Bilingual Education Programs on page 61, but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based upon the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

DRAFT

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2023, 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 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 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.

December 8, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the annual financial report for La Vega Independent School District (the "District") presents our discussion and analysis of the District's financial performance during the fiscal year ended August 31, 2023. Please read it in conjunction with the District's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$3.9 million, an increase in net position of \$4.3 million as compared to an increase in net position of \$8.9 million in the prior year. The unrestricted net position of the District at August 31, 2023 is a deficit of \$5.0 million, which results primarily from the District's recognition of net pension and other postemployment benefits ("OPEB") liabilities of \$20.4 million.
- As of the close of 2023, the District's governmental funds reported combined ending fund balances of \$23.4 million, an increase of \$3.0 million in comparison with the prior year increase of \$7.6 million. The increase in governmental funds combined ending fund balance resulted primarily from federal funding of approximately \$4.2 million received under the American Rescue Plan Act ("ARPA") Elementary and Secondary Education Emergency Relief Fund ("ESSER") and other COVID-19 federal funding sources offset by an increase in total expenditures of approximately \$2.2 million due to increases in salaries and related benefits due to retention bonuses paid during the current year and one time capital expenditures of \$1.4 million.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$16.5 million, or approximately 51% of the total 2023 general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts – *management's discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and *other supplementary information*.

The basic financial statements include two kinds of statements that present different views of the District: The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the District's *overall* financial status. The remaining statements are *fund financial statements* that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

The *governmental funds* statements tell how general education services were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. The statements also include other supplementary information as required by the

Texas Education Agency. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide Financial Statements

The *government-wide statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the District's assets, liabilities, and deferred outflows/inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, etc.).

The governmental activities of the District include all of the District's basic services, such as instruction, curriculum and staff development, student services, extracurricular activities, general administration, and plant maintenance and operations. Property taxes, state aid, and federal and state grants finance most of these activities.

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 are governmental funds, proprietary funds, or fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows or spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains approximately twenty-three individual governmental funds. Information is presented in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, the ARPA ESSER III special revenue fund, and the debt service fund, which are considered to be major funds. Data from the other governmental funds are combined into a single aggregated presentation.

The District adopts an annual appropriated budget for its general fund, child nutrition fund, and debt service fund. Budgetary comparison statements are included in supplemental information to demonstrate compliance with these budgets.

Proprietary Fund

The District uses one type of proprietary funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses an internal service fund to account for its self-insured workers' compensation insurance services. Because these services benefit governmental activities, they have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The private purpose trust fund is used to report resources held in trust for scholarships. The custodial fund reports resources held by the District in a custodial capacity for student groups.

Notes to the Financial Statements and Other Information

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligation to provide pension and OPEB benefits. Additional supplementary information is presented as required by the Texas Education Agency.

GOVERNMENT-WIDE OVERALL FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$3,885,965 at the close of the most recent fiscal year.



La Vega Independent School District
Net Position
August 31, 2023 and 2022

	Governmental Activities	
	2023	2022
Current and other assets	\$ 28,115,336	24,206,539
Capital and other intangible assets	36,618,953	37,093,442
Total assets	64,734,289	61,299,981
Deferred outflows of resources:	12,342,778	5,272,283
Current liabilities	4,173,659	3,384,970
Long-term liabilities	55,828,914	51,137,360
	60,002,573	54,522,330
Deferred inflows of resources:	13,188,529	12,506,683
Net position:		
Net investment in capital assets	2,063,068	1,106,848
Restricted	6,788,745	5,840,441
Unrestricted	(4,965,848)	(7,404,038)
	\$ 3,885,965	(456,749)

The District has a net investment in capital assets of \$2,063,068 at August 31, 2023, which reflects its net investment in capital assets (e.g., land, buildings and improvements, and furniture and equipment) less any outstanding debt that was used to acquire those assets. The District uses these capital assets to provide public educational services to its students. Accordingly, these assets are not available for future spending. Although the District’s investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District’s net position (\$6,788,745) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* is a deficit of \$4,965,848.

DRAFT

La Vega Independent School District
Changes in Net Position
Years Ended August 31, 2023 and 2022

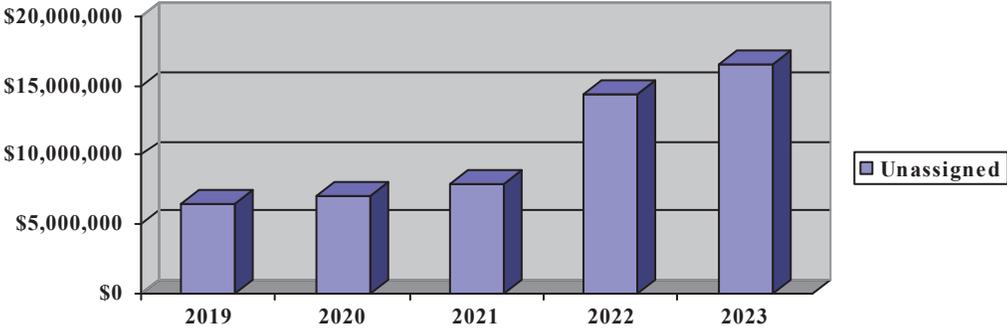
	Governmental Activities	
	2023	2022
Revenues:		
Program revenues:		
Charges for services	\$ 395,853	258,776
Operating grants and contributions	12,111,783	13,712,772
General revenues:		
Maintenance and operations property taxes	11,439,276	10,912,096
Debt service property taxes	2,972,876	2,641,672
State aid formula grants	18,938,126	20,621,045
Grants and contributions not restricted	213,023	433,351
Investment revenue	853,040	171,034
Miscellaneous	168,030	177,902
Total revenue	<u>47,092,007</u>	<u>48,928,648</u>
Expenses:		
Instruction and instructional-related services	21,532,119	20,957,967
Instructional and school leadership	4,009,192	3,270,373
Support services - students	8,085,083	7,478,107
Administrative support services	1,781,546	1,421,351
Support services - non-student based	6,004,967	5,565,722
Ancillary services	62,198	60,238
Interest on long-term debt	1,066,088	1,084,354
Debt issuance costs and other fees	6,549	4,330
Payments to other governments	201,551	137,675
Total expenses	<u>42,749,293</u>	<u>39,980,117</u>
Increase in net position	4,342,714	8,948,531
Net position, beginning of year	<u>(456,749)</u>	<u>(9,405,280)</u>
Net position, end of year	<u>\$ 3,885,965</u>	<u>(456,749)</u>

The District recognized an increase in net position of \$4.3 million, compared to an increase of \$8.9 million in the prior year, as a result of the following:

- Property taxes increased approximately \$0.8 million due to a decrease in the overall tax rate due to state-wide tax rate compression offset by increases in assessed values. State aid decreased \$1.7 million due to the state funding formula. Operating grants and contributions decreased \$1.6 million due to a decrease in federal grant revenues of approximately \$2.8 million due to decreased funding received under ARPA ESSER and other COVID-19 federal funding sources offset by a decrease in the pension and OPEB benefit recognized in the current year.
- The cost of all governmental activities this year was \$42.7 million, an increase of approximately \$2.8 million from the prior year. There was an increase in salaries and related benefits expenses primarily due to adding positions for social workers, “step increases” for teachers, and an additional retention bonus for all District personnel.

FINANCIAL ANALYSIS OF GOVERNMENTAL FUNDS

The District’s Board of School Trustees annually monitors the relative unassigned fund balance in the District’s general fund. Most districts have an unassigned fund balance goal of 15% of the budget, or two to three months of operations costs for their fund balance. The unassigned fund balance in the general fund increased in 2023 from \$14,458,423 to \$16,521,760. The graph below reflects the historical trend fund balance for unassigned fund balance of the general fund.



The fund balance of the general fund increased by \$2.1 million during the current fiscal year, compared to an increase of \$6.5 million in the prior year. Key factors in this change are as follows:

- Property taxes increased approximately \$0.6 million due to a decrease in the M&O tax rate due to state-wide tax rate compression offset by increases in assessed values. State aid decreased \$1.7 million due to the state funding formula. Federal revenue decreased approximately \$0.7 million due to less indirect costs recognized in the current year as the ESSER and other ARP funding was reduced in the current year.
- Total expenditures were \$32.3 million and \$28.7 million in 2023 and 2022, respectively. This \$3.6 million increase was primarily attributed to an increase in salaries and related benefits for step-increases, retention bonuses paid in the current year, and the addition of social workers on each campus.

DRAFT

The fund balance of the debt service fund increased by approximately \$1.0 million during the current fiscal year, compared to an increase of \$0.7 million in the prior year. Property taxes increased \$0.3 million due to no decrease in the I&S tax rate and immaterial increases in assessed values. Expenditures consisted of scheduled principal and interest payments on outstanding debt and were consistent with prior year payments.

General Fund Budgetary Highlights

There were no significant differences between the original budget and the final amended budget for total expenditures. The primary differences consisted of reclassifications of expenditures between functions within the general fund.

Expenditures in the general fund exceeded appropriations for instructional leadership (\$12,535), facilities maintenance and operations (\$38,571), security services (\$591), and principal and interest on long-term debt (\$51,708) primarily related to principal and interest payments that were required due to GASB 87, *Leases*, that were not included in the current year budget.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The District's investment in capital assets for its governmental activities as of August 31, 2023 amounts to \$36.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, and furniture and equipment.

Major capital asset events during the current fiscal year included \$725,670 for the purchase of district-wide LED lights, \$199,998 for custom counters, \$99,570 for a walk-in freezer, \$84,562 for expansions to the vestibule at the elementary campus, \$148,832 for four new Ford trucks, \$67,778 for four pass-thru refrigerators, \$26,000 for a media trailer, \$39,065 for a Ram police vehicle, and \$25,000 for new band equipment.

Additional information on the District's capital assets can be found in Note 9.

Long-term Debt

The State of Texas backs the District's bonds with its "AAA/stable" rating. This bond rating helps the District by reducing the costs of any debt issued. At the end of the current fiscal year, the District had total bonded debt outstanding of \$34.2 million. Reductions in long-term debt were the result of scheduled principal payments and reductions in the total OPEB liability, offset by an increase in the net pension liability of \$8.9 million.

Additional information on the District's long-term debt can be found in Note 10.

Economic Factors and Next Year's Budget

For 2024, the District adopted a budget of approximately \$36.2 million. The M&O tax rate adopted for 2024 is \$0.7575 per \$100 valuation and is a \$0.1854 decrease from the 2023 tax rate of \$0.9429. The decrease in the M&O tax rate results from state wide tax rate compression. The I&S tax rate adopted for 2024 is \$0.2500 as compared to the 2023 I&S tax rate of \$0.24525. The increase is due to additional debt service requirements for 2024.



Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District's Administration Building, La Vega Independent School District, 400 E. Loop 340, Waco, Texas 76705.

Basic Financial Statements



La Vega Independent School District

Statement of Net Position

August 31, 2023

Data Control Codes		Governmental Activities
	Assets	
1110	Cash and cash equivalents	\$ 21,087,424
1225	Property taxes receivable, net of allowance for uncollectibles of \$292,881	439,322
1240	Due from other governments	2,077,303
1250	Accrued interest	558,600
1300	Inventories	124,568
1400	Prepaid expenses	173,005
1900	Long-term investment	3,655,114
	Capital assets, not depreciated:	
1510	Land	431,650
	Capital assets, net of accumulated depreciation:	
1520	Buildings, net	34,335,585
1530	Furniture and equipment, net	1,606,654
1552	Right-of-use lease asset, net	245,064
	Total assets	<u>64,734,289</u>
	Deferred Outflows of Resources	
1700	Deferred outflows of resources	<u>12,342,778</u>
	Liabilities	
2110	Accounts payable	53,263
2140	Accrued interest payable	27,889
2150	Payroll deductions and withholdings	284,974
2160	Accrued wages payable	1,502,106
2180	Due to other governments	1,172,169
2200	Other accrued expenses	58,383
2300	Unearned revenue	1,074,875
	Noncurrent liabilities:	
2501	Due within one year	1,574,080
	Due after one year:	
2502	Bonds, loans payable, and lease liability	33,490,266
2512	Accumulation accretion on capital appreciation bonds	358,231
2540	Net pension liability	12,954,271
2545	Other postemployment benefits liability	7,452,066
	Total due after one year	<u>54,254,834</u>
	Total liabilities	<u>60,002,573</u>
	Deferred Inflows of Resources	
2600	Deferred inflows of resources	<u>13,188,529</u>
	Net Position	
3200	Net investment in capital assets	2,063,068
	Restricted for:	
3820	Grant requirements	1,181,997
3850	Debt service	5,606,748
3900	Unrestricted	<u>(4,965,848)</u>
	Total net position	<u>\$ 3,885,965</u>

See accompanying notes to financial statements.

DRAFT

Exhibit B-1

La Vega Independent School District

Statement of Activities

Year Ended August 31, 2023

Data Control Codes	Functions/Programs	1 Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position 6 Governmental Activities
			3 Charges for Services	4 Operating Grants and Contributions	
Governmental activities:					
11	Instruction	\$ 20,675,766	9,578	6,030,606	(14,635,582)
12	Instructional resources and media services	248,863	-	20,413	(228,450)
13	Curriculum and instructional staff development	607,490	-	226,316	(381,174)
21	Instructional leadership	1,085,556	-	276,228	(809,328)
23	School leadership	2,923,636	-	242,406	(2,681,230)
31	Guidance, counseling, and evaluation services	1,006,334	-	285,234	(721,100)
32	Social work services	467,748	-	293,215	(174,533)
33	Health services	290,355	-	27,915	(262,440)
34	Student transportation	1,713,782	-	376,928	(1,336,854)
35	Food services	2,814,009	150,011	2,518,147	(145,851)
36	Extracurricular activities	1,792,855	236,264	61,061	(1,495,530)
41	General administration	1,781,546	-	708,469	(1,073,077)
51	Facilities maintenance and operations	4,015,390	-	462,985	(3,552,405)
52	Security and monitoring services	932,344	-	116,403	(815,941)
53	Data processing services	1,057,233	-	53,541	(1,003,692)
61	Community services	62,198	-	60,128	(2,070)
72	Interest on long-term debt	1,066,088	-	351,788	(714,300)
73	Debt issuance cost and fees	6,549	-	-	(6,549)
95	Payment to JJAEP	42,024	-	-	(42,024)
99	Payment to county appraisal district	159,527	-	-	(159,527)
	Total governmental activities	\$ 42,749,293	395,853	12,111,783	(30,241,657)
General revenues:					
Taxes:					
MT	Property taxes, levied for general purposes				11,439,276
DT	Property taxes, levied for debt service				2,972,876
SF	State aid-formula grants				18,938,126
GC	Grants and contributions not restricted				213,023
IE	Investment earnings				853,040
MI	Miscellaneous local revenue				168,030
TR	Total general revenues				34,584,371
CN	Change in net position				4,342,714
NB	Net position, beginning of year				(456,749)
NE	Net position, end of year				\$ 3,885,965

See accompanying notes to financial statements.

DRAFT

Exhibit C-1

La Vega Independent School District**Balance Sheet –
Governmental Funds**

August 31, 2023

Data Control Codes	10 General Fund	282 ARPA ESSER III	50 Debt Service Fund	Other Governmental Funds	Total Governmental Funds	
Assets						
1110	Cash and cash equivalents	\$ 16,449,773	1,010,506	1,874,776	1,669,804	21,004,859
1225	Taxes receivable, net of allowance for uncollectibles of \$292,881	348,640	-	90,682	-	439,322
1240	Due from other governments	1,504,696	-	-	572,607	2,077,303
1250	Accrued interest	558,600	-	-	-	558,600
1260	Due from other funds	840,717	-	-	-	840,717
1300	Inventories	124,568	-	-	-	124,568
1410	Prepaid expenses	4,699	-	-	158,500	163,199
1900	Other assets	-	-	3,655,114	-	3,655,114
	Total assets	<u>\$ 19,831,693</u>	<u>1,010,506</u>	<u>5,620,572</u>	<u>2,400,911</u>	<u>28,863,682</u>
Liabilities						
2110	Accounts payable	\$ 52,766	310	-	187	53,263
2150	Payroll deductions and withholdings	284,974	-	-	-	284,974
2160	Accrued wages payable	1,310,197	-	-	191,909	1,502,106
2170	Due to other funds	-	115,667	-	725,050	840,717
2180	Due to other governments	1,158,345	-	13,824	-	1,172,169
2200	Accrued expenses	30,443	3,847	-	24,093	58,383
2300	Unearned revenues	-	890,682	-	184,193	1,074,875
	Total liabilities	<u>2,836,725</u>	<u>1,010,506</u>	<u>13,824</u>	<u>1,125,432</u>	<u>4,986,487</u>
Deferred Inflows of Resources						
2600	Unavailable property tax revenue	348,640	-	90,682	-	439,322
Fund Balances						
Nonspendable:						
3410	Inventories	124,568	-	-	-	124,568
Restricted for:						
3450	Grant requirements	-	-	-	1,181,997	1,181,997
3480	Retirement of long-term debt	-	-	5,516,066	-	5,516,066
Committed for:						
3545	Campus activities	-	-	-	93,482	93,482
3600	Unassigned	16,521,760	-	-	-	16,521,760
	Total fund balances	<u>16,646,328</u>	<u>-</u>	<u>5,516,066</u>	<u>1,275,479</u>	<u>23,437,873</u>
	Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 19,831,693</u>	<u>1,010,506</u>	<u>5,620,572</u>	<u>2,400,911</u>	<u>28,863,682</u>

See accompanying notes to financial statements.



La Vega Independent School District

Reconciliation of the Governmental Funds Balance Sheet to
the Statement of Net Position for Governmental Activities

August 31, 2023

<u>Data Control Codes</u>		
	Total fund balances - governmental funds (Exhibit C-1)	\$ 23,437,873
1	Capital assets and right-of-use lease assets used in governmental activities are not financial resources and therefore are not reported in the funds	36,618,953
2	Other long-term assets are not available to pay for current period expenditures and therefore are unavailable revenue in the funds	439,322
3	Internal service funds are used by management to charge the costs of certain services to individual funds. The assets and liabilities of the internal service are included in the governmental statement of net position	92,371
4	Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	<u>(56,702,554)</u>
19	Net positon of governmental activities (Exhibit A-1)	\$ <u><u>3,885,965</u></u>

See accompanying notes to financial statements.

DRAFT

Exhibit C-3

La Vega Independent School District**Statement of Revenues, Expenditures, and Changes
in Fund Balances – Governmental Funds**

Year Ended August 31, 2023

Data Control Codes		10 General Fund	282 ARPA ESSER III	50 Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Revenues:						
5700	Local and intermediate sources	\$ 12,603,537	-	2,982,509	338,925	15,924,971
5800	State program revenues	20,943,274	-	87,992	532,078	21,563,344
5900	Federal program revenues	825,815	667,974	263,796	7,857,023	9,614,608
5020	Total revenues	<u>34,372,626</u>	<u>667,974</u>	<u>3,334,297</u>	<u>8,728,026</u>	<u>47,102,923</u>
Expenditures:						
Current:						
0011	Instruction	14,679,897	393,298	-	4,620,200	19,693,395
0012	Instructional resources and media services	229,649	1,028	-	3,122	233,799
0013	Curriculum and staff development	360,508	4,116	-	202,147	566,771
0021	Instructional leadership	834,283	7,198	-	215,749	1,057,230
0023	School leadership	2,727,703	27,790	-	40,127	2,795,620
0031	Guidance, counseling, and evaluation services	701,685	17,003	-	226,676	945,364
0032	Social work services	168,782	3,203	-	283,162	455,147
0033	Health services	265,737	3,086	-	4,000	272,823
0034	Student transportation	1,620,434	-	-	93,651	1,714,085
0035	Food service	10,479	73,973	-	2,670,940	2,755,392
0036	Extracurricular activities	1,870,454	4,118	-	76,257	1,950,829
0041	General administration	1,586,397	13,389	-	11,556	1,611,342
0051	Facilities maintenance and operations	4,305,469	98,144	-	208,951	4,612,564
0052	Security and monitoring services	910,196	14,412	-	39,211	963,819
0053	Data processing services	1,409,236	6,186	-	6,278	1,421,700
0061	Community services	2,070	1,030	-	59,098	62,198
0095	Payments to JJAEP	42,024	-	-	-	42,024
0099	Payments to county appraisal district	159,527	-	-	-	159,527
Debt service:						
0071	Principal on long-term debt	296,093	-	932,383	-	1,228,476
0072	Interest on long-term debt	36,615	-	1,399,885	-	1,436,500
0073	Other fees	-	-	6,549	-	6,549
0081	Facilities acquisition	84,562	-	-	-	84,562
6030	Total expenditures	<u>32,301,800</u>	<u>667,974</u>	<u>2,338,817</u>	<u>8,761,125</u>	<u>44,069,716</u>
1100	Excess (deficiency) of revenues over (under) expenditures	2,070,826	-	995,480	(33,099)	3,033,207
0100	Fund balances, beginning of year	<u>14,575,502</u>	<u>-</u>	<u>4,520,586</u>	<u>1,308,578</u>	<u>20,404,666</u>
3000	Fund balances, end of year	<u>\$ 16,646,328</u>	<u>-</u>	<u>5,516,066</u>	<u>1,275,479</u>	<u>23,437,873</u>

See accompanying notes to financial statements.



La Vega Independent School District

**Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of
Governmental Funds to the Statement of Activities**

Year Ended August 31, 2023

Net change in fund balances - total governmental funds (Exhibit C-3)	\$ 3,033,207
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives as depreciation / amortization expense. This is the amount by which depreciation / amortization expense (\$1,910,547) exceeded capital and lease expenditures (\$1,436,058) in the current period.	(474,489)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(7,256)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued; whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,598,888
Internal service funds are used by management to charge the costs of certain services to individual funds. The change in net position for the internal service fund is reported as part of governmental activities.	92,371
Governmental funds report contributions to pension/OPEB plans as expenditures, whereas pension/OPEB expense is recognized in the statement of activities. This is the amount by which the pension/OPEB benefit (\$1,240,620) exceeded contributions to the pension/OPEB plans (\$1,140,627) in the current period.	<u>99,993</u>
Change in net position of governmental activities (Exhibit B-1)	<u>\$ 4,342,714</u>

See accompanying notes to financial statements.

DRAFT

Exhibit D-1

La Vega Independent School District

Statement of Fiduciary Net Position -
Proprietary Fund

August 31, 2023

	<u>Governmental Activities</u> <u>Internal Service Fund</u>
Assets	
Current assets:	
Cash and cash equivalents	\$ 82,565
Other assets	9,806
Total current assets	<u>92,371</u>
Total assets	<u>92,371</u>
Net Position	
Unrestricted	<u>92,371</u>
Total net position	<u><u>\$ 92,371</u></u>

See accompanying notes to financial statements.

DRAFT

Exhibit D-2

La Vega Independent School District

Statement of Revenues, Expenses and
Changes in Net Position –
Proprietary Fund

Year Ended August 31, 2023

	<u>Governmental Activities</u> <u>Internal Service Fund</u>
Operating revenues:	
Charges for services	\$ 196,114
Total operating revenues	<u>196,114</u>
Operating expenses:	
Contracted services	<u>103,743</u>
Total operating expenses	<u>103,743</u>
Operating income	92,371
Net position, beginning of year	<u>-</u>
Net position, end of year	<u>\$ 92,371</u>

See accompanying notes to financial statements.

DRAFT

Exhibit D-3

La Vega Independent School District

Statement of Cash Flows -
Proprietary Fund

Year Ended August 31, 2023

	<u>Governmental Activities</u> <u>Internal Service Fund</u>
Cash flows from operating activities:	
Cash received from customers	\$ 196,114
Cash paid to suppliers	<u>(113,549)</u>
Net cash provided by operating activities	<u>82,565</u>
Net increase in cash and cash equivalents	82,565
Cash and cash equivalents, beginning of year	<u>-</u>
Cash and cash equivalents, end of year	<u><u>\$ 82,565</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income	\$ 92,371
Adjustments to reconcile operating income to net cash provided by operating activities:	
Changes in assets and liabilities:	
(Increase) decrease in assets:	
Other assets	<u>(9,806)</u>
Net cash provided by operating activities	<u><u>\$ 82,565</u></u>

See accompanying notes to financial statements.

DRAFT

Exhibit E-1

La Vega Independent School District

Statement of Fiduciary Net Position -
Fiduciary Funds

August 31, 2023

	<u>Private Purpose Trust Fund</u>	<u>Custodial Fund</u>
Assets		
Cash and cash equivalents	\$ <u>5,750</u>	<u>107,235</u>
Total assets	<u>5,750</u>	<u>107,235</u>
Net Position		
Restricted for individuals and organizations	\$ <u><u>5,750</u></u>	<u><u>107,235</u></u>

See accompanying notes to financial statements.

La Vega Independent School District
Statement Changes in Fiduciary Net Position -
Fiduciary Funds
August 31, 2023

	<u>Private Purpose Trust Fund</u>	<u>Custodial Fund</u>
Additions		
Collections for student organizations	\$ <u>-</u>	<u>136,609</u>
Total additions	<u>-</u>	<u>136,609</u>
Deductions		
Payment of expenses for student organizations	<u>-</u>	<u>112,718</u>
Total deductions	<u>-</u>	<u>112,718</u>
Change in net position	-	23,891
Net position, beginning of year	<u>5,750</u>	<u>83,344</u>
Net position, end of year	<u><u>\$ 5,750</u></u>	<u><u>107,235</u></u>

See accompanying notes to financial statements.

La Vega Independent School District

Notes to Financial Statements

August 31, 2023

(1) Summary of Significant Accounting Policies

The Board of School Trustees (the “Board”), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the La Vega Independent School District (the “District”). Because members of the Board are elected by the public; have the authority to make decisions, appoint administrators and managers, and significantly influence operations; and have the primary accountability for fiscal matters; the District is not included in any other governmental “reporting entity”. Also, no component units were identified or included within the reporting entity.

The accounting policies of the District substantially comply with the rules prescribed in the Texas Education Agency’s (“TEA”) Financial Accountability System Resource Guide (the “Resource Guide”). These accounting policies generally conform to generally accepted accounting principles applicable to governmental units.

(a) Government-wide and fund financial statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

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

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

(b) Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements, proprietary funds, and the fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

La Vega Independent School District

Notes to Financial Statements
(Continued)

- (1) Summary of Significant Accounting Policies (continued)
 - (b) Measurement focus, basis of accounting and financial statement presentation (continued)

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Property taxes, intergovernmental revenue and interest associated with the current fiscal period are considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All property tax receivables are reported net of an allowance for uncollectible amounts. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The general fund is the District’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The American Rescue Plan Act (“ARPA”) Elementary and Secondary Education Emergency Relief (“ESSER III”) special revenue fund is used to account for resources provided by the federal government to address the disproportionate impact of COVID-19 on certain student sub-groups and to address learning loss as a result of the COVID-19 pandemic.

The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(1) Summary of Significant Accounting Policies (continued)(b) Measurement focus, basis of accounting
and financial statement presentation (continued)

The District reports the following proprietary funds:

The District utilizes an internal service fund to account for its self-insured workers' compensation insurance services provided to other funds on a cost reimbursement basis.

Additionally, the District reports the following fund types:

The private purpose trust fund accounts for resources legally held in trust for scholarships to be awarded to current and former students for post-secondary education. All resources of the fund, including any earnings on invested resources, may be used to support the activities listed in the preceding sentence. Additionally, the District accounts for resources held for others in a custodial capacity in custodial funds. The District's custodial fund consists of the student activity funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

(c) Investments

State statutes authorize the District to invest in obligations of the United States or its agencies and instrumentalities and state or local governments, commercial paper, guaranteed investment contracts, repurchase agreements, and certain governmental investment pools. The District's local investment policy limits the District to invest in obligations of the United States or its agencies and instrumentalities, certificates of deposit, fully collateralized repurchase agreements by obligations of the United States or its agencies and instrumentalities, money market mutual funds, and local government investment pools.

Investments are reported at fair value, except for governmental investment pools. The governmental investment pools operate in accordance with appropriate state laws and regulations, and are reported at amortized cost.

For its investment in a repurchase agreement carried at fair value, the District uses valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The District determines fair value based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(1) Summary of Significant Accounting Policies (continued)(c) Investments (continued)

When considering market participant assumptions in fair value measurements for its investment in a repurchase agreement, the following fair value hierarchy distinguishes between observable and unobservable inputs, which are categorized in one of the following levels:

Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2 Inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

(d) Receivables and payables

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds”.

Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

(e) Supplies and inventory

All inventories are valued at cost using the first in/first out method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(1) Summary of Significant Accounting Policies (continued)(f) Capital assets

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated 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 acquisition 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.

Buildings and improvements, and furniture and equipment are depreciated using the straight-line method over their estimated useful lives:

	<u>Years</u>
Buildings and improvements	6 – 40
Furniture and equipment	4 – 15

(g) Compensated absences

District employees are entitled to vacation and sick leave days earned by them for services performed. Vacation days lapse at the end of the year and have not been accrued. Sick days do accumulate, but employees are not paid the benefits on termination or retirement if they are not used. Consequently, the benefits have not been accrued.

(h) Long-term obligations

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

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

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(1) Summary of Significant Accounting Policies (continued)(i) 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 the 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 benefit terms. Investments are reported at fair value.

(j) Other Postemployment Benefits (“OPEB”)

The fiduciary net position of the Teacher Retirement System of Texas (“TRS”) TRS Care Plan (“TRS-Care”) has been determined using the flow of economic resources measurement focus and the full accrual basis of accounting. This includes for purposes of measuring the total 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 benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

(k) Deferred outflows and deferred inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

(l) Fund balance and net position

Governmental fund balances classified as restricted are balances with constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments. Fund balances classified as committed can only be used for specific purposes pursuant to constraints imposed by the Board of School



La Vega Independent School District

Notes to Financial Statements
(Continued)

(1) Summary of Significant Accounting Policies (continued)

(l) Fund balance and net position (continued)

Trustees (the “Board”) through an ordinance. Assigned fund balances are constrained by an intent to be used for specific purposes but are neither restricted nor committed. Assignments are made by District management based upon Board direction. When both restricted and unrestricted resources are available for use, it is the District’s policy to use restricted resources first, then unrestricted resources as they are needed. The order of spending available resources is as follows: restricted, committed, assigned, and unassigned.

In the government-wide financial statements, proprietary fund, and fiduciary fund financial statements, net position represents the difference between assets, deferred outflows, liabilities, and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvements of those assets, and adding back unspent bond proceeds. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

(m) Data control codes

Data control codes refer to the account code structure prescribed by the TEA in the Resource Guide.

(2) Reconciliation of Government-Wide and Fund Financial Statements

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains, “long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.” The details of this \$56,702,554 difference are as follows:

Bonds payable	\$ (31,384,999)
Add: Premium on issuance	(2,767,475)
Less: Deferred charge on refunding	501,653
Accumulated accretion on bonds	(358,231)
Loans payable	(660,000)
Lease liability	(251,872)
Accrued interest payable	(27,889)
Net pension/OPEB liabilities, and related deferred inflows of \$13,188,529 and deferred outflows of \$11,841,125	<u>(21,753,741)</u>
	<u>\$ (56,702,554)</u>

La Vega Independent School District

Notes to Financial Statements
(Continued)

(2) Reconciliation of Government-Wide and Fund Financial Statements (continued)

The governmental statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net change in fund balances of total governmental funds and changes in net position of governmental activities as reported in the government-wide financial statements. An element of that reconciliation states that “the issuance of long-term debt (e.g., bonds and leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.” The details of this \$1,598,888 difference are as follows:

Principal repayments:	
General obligation and refunding bonds	\$ 932,383
Loans payable	189,157
Lease liability	106,936
Amortization of premiums received on issuance of bonds	242,588
Amortization of deferred charge on refunding of bonds	(43,014)
Accumulated accretion on capital appreciation bonds	169,052
Accrued interest payable	<u>1,786</u>
	<u>\$ 1,598,888</u>

(3) Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, the child nutrition special revenue fund, and the debt service fund. There is no legal requirement to adopt a budget for the instructional materials allotment special revenue fund; therefore, presentation of budgetary comparison information is not required. Budgets are not legally adopted for capital projects funds; however, specific projects are individually approved by the Board of School Trustees. All annual appropriations lapse at fiscal year-end. By August 20, the budget is legally adopted through passage of an appropriate ordinance by the Board of School Trustees.

The appropriated budget is prepared by fund, function, object code, program intent code, and location. The District’s management may make transfers of appropriations within a function. Transfers or appropriations between functions require the approval of the Board of Trustees. The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the function level.

There were no significant differences between the original budget and the final amended budget for total expenditures. The primary differences consisted of reclassifications of expenditures between functions within the general fund.

La Vega Independent School District

Notes to Financial Statements
(Continued)

(3) Budgetary Information (continued)

Expenditures in the general fund exceeded appropriations for instructional leadership (\$12,535), facilities maintenance and operations (\$38,571), and principal and interest on long-term debt (\$51,708) primarily related to principal and interest payments that were required due to GASB 87, *Leases*.

Encumbrance accounting is employed in the governmental funds. Encumbrances (i.e. purchase orders, contracts) outstanding at year-end do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year. There were no significant encumbrances outstanding at August 31, 2023.

(4) Deposits and Investments

Investments of the District at August 31, 2023, consist of the following:

Investments	Amount	Weighted Average Maturity (in Days)
Public funds investment pools - reported at amortized cost:		
Texas CLASS Local Government Investment Pool ("Texas CLASS")	\$ 4,971,934	40
Texas Range Local Government Investment Pool ("Texas Range")	<u>14,047,368</u>	62
Total public funds investment pools	<u>19,019,302</u>	
Repurchase agreement - reported at fair value	<u>3,655,114</u>	
	<u>\$ 22,674,416</u>	

Public Funds Investment Pools

The public funds investment pool has been created pursuant to the Interlocal Corporation Act of the State of Texas. The District has delegated the authority to hold legal title to the public funds investment pools and, as custodian, to make investment purchases with the District's funds.

Texas CLASS. The Texas Cooperative Liquid Assets Securities System Trust ("Texas CLASS") was created as a local government investment pool pursuant to state law. The Texas CLASS Trust Agreement is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Trust Agreement are Texas local governments that choose to participate in the trust

DRAFT

La Vega Independent School District

Notes to Financial Statements (Continued)

(4) Deposits and Investments (continued)

(“participants”), Public Trust Advisors, LLC as program administrator, and UMB Bank, N.A. as custodian. Texas CLASS is overseen by a Board of Trustees (“the Board”) comprised of active members of the pool and elected by the participants. The Board is guided by an Advisory Board and is responsible for selecting the program administrator. There are no maximum transaction amounts and withdrawals from Texas CLASS that may be made daily. Texas CLASS uses amortized cost rather than fair value to report net assets share price.

Texas Range. The Texas Range Local Government Investment Pool (“Texas Range”) was established by the Common Investment Contract, in conformity with Chapters 791 (Interlocal Cooperation Act) and 2256 (Public Funds Investment Act) of the Texas Government Code. Texas Range is an agreement of indefinite term regarding the investment, reinvestment, and withdrawal of local government funds. The parties to the Interlocal Agreement are PFM Asset Management, LLC as investment advisor and administrator, and U.S. Bank, N.A. as custodian. Texas Range is guided by an Advisory Board which is made up of experienced local government finance directors and treasurers. There are no maximum transaction amounts and withdrawals from Texas Range that may be made daily. Texas Range uses amortized cost rather than fair value to report net assets share price.

Repurchase Agreement

In July 2010, the District invested in a repurchase agreement with a financial institution in connection with the issuance of \$5,190,000 Series 2010B Unlimited Tax Qualified School Construction Bonds. Under the terms of the repurchase agreement, annual sinking fund requirements of \$234,789 are deposited with the paying agent and are invested in eligible securities. Interest earned on the sinking fund deposits is 3.16% per annum under the terms of the repurchase agreement, which has a maturity date of February 15, 2027. The maturity date of the repurchase agreement coincides with the maturity date of the bonds, as more fully described in Note 10. At August 31, 2023, the fair value of the repurchase agreement was \$3,655,114, which is based upon estimated future cash flows (Level 3).

Interest Rate Risk

In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting the maturity of its investment portfolio. The term of any collateralized mortgage obligation is limited to ten years, repurchase agreements may not exceed 90 days, banker’s acceptances must have a stated maturity of 270 days or less, and no-load mutual funds must have a weighted average maturity of less than two years. Except for the repurchase agreement described above, the maximum allowable stated maturity of any other individual investment owned by the District cannot exceed one year.

La Vega Independent School District

Notes to Financial Statements
(Continued)

(4) Deposits and Investments (continued)

Credit Risk

It is the District’s policy to limit its investments in a manner that ensures the preservation of capital in the overall portfolio. Specifically, repurchase agreements must be secured by obligations of the United States or its agencies, commercial paper must be rated not less than A-1 or P-1, no-load mutual funds must be rated not less than AAA or its equivalent, and public funds investment pools must be continuously rated no lower than AAA or AAAM or at an equivalent rating. At August 31, 2023, Texas CLASS and Texas Range are rated AAAM by Standard & Poor’s.

Custodial Credit Risk - Deposits

In the case of deposits, custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to it. The District has a depository contract with a financial institution and monitors its deposits to ensure its bank deposits are insured or fully collateralized with securities held by the pledging financial institution’s agent in the District’s name.

In addition, the following is disclosed regarding coverage of combined balances on the date of the highest combined deposit during 2023:

- (a) Depository: American Bank
- (b) The market value of securities pledged as of the date of the highest combined balance on deposit was \$7,798,388.
- (c) The highest combined balance of cash, savings, and time deposit accounts amounted to \$7,695,040 and occurred during the month of October 2022.
- (d) Total amount of FDIC coverage at the time of largest combined balance was \$250,000.

(5) Property Taxes

Property taxes are levied by October 1 on the assessed value as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code.

The assessed value at January 1, 2022, on which the 2022 levy was based, was \$1,200,245,592. 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 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(5) Property Taxes (continued)

The District's maximum legal maintenance and operations tax rate is \$0.942900 per \$100 valuation; the current maintenance and operations tax rate is \$0.942900 per \$100 valuation.

Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the general and debt service funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and written-off, but the District is prohibited from writing-off real property taxes without specific statutory authority from the Texas Legislature. The allowance for uncollectible amounts was \$292,881 at August 31, 2023.

(6) Due from Other Governments

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State of Texas through the school foundation and per capita programs. Amounts due from federal and state governments as of August 31, 2023 are summarized below:

<u>Fund</u>	<u>State Aid</u>	<u>Federal/State Programs</u>	<u>Total</u>
General	\$ 1,418,787	85,909	1,504,696
Other governmental	-	572,607	572,607
Totals	<u>\$ 1,418,787</u>	<u>658,516</u>	<u>2,077,303</u>

(7) Interfund Balances and Transfers

Interfund receivable and payable balances at August 31, 2023 are as follows:

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General	\$ 840,717	-
ARPA - ESSER III	-	115,667
Other governmental funds	-	725,050
	<u>\$ 840,717</u>	<u>840,717</u>

Interfund balances resulted from the time lag between the dates that payments between funds are made.

DRAFT

La Vega Independent School District

Notes to Financial Statements
(Continued)

(8) Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. Unearned revenue at August 31, 2023 consisted of the following:

	<u>ESSER III</u>	<u>Other Governmental</u>	<u>Total</u>
Unearned:			
Grant drawdowns prior to meeting all eligibility requirements	\$ <u>890,682</u>	<u>184,193</u>	<u>1,074,875</u>

(9) Capital Assets

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

	<u>Balance September 1, 2022</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance August 31, 2023</u>
Capital assets not being depreciated:				
Land	\$ <u>431,650</u>	<u>-</u>	<u>-</u>	<u>431,650</u>
Total capital assets not being depreciated	<u>431,650</u>	<u>-</u>	<u>-</u>	<u>431,650</u>
Capital assets being depreciated:				
Buildings and improvements	64,258,790	810,232	-	65,069,022
Furniture and equipment	<u>3,796,155</u>	<u>625,826</u>	<u>-</u>	<u>4,421,981</u>
Total capital assets being depreciated	<u>68,054,945</u>	<u>1,436,058</u>	<u>-</u>	<u>69,491,003</u>
Less accumulated depreciation for:				
Buildings and improvements	\$ (29,147,350)	(1,586,087)	-	(30,733,437)
Furniture and equipment	<u>(2,600,462)</u>	<u>(214,865)</u>	<u>-</u>	<u>(2,815,327)</u>
Total accumulated depreciation	<u>(31,747,812)</u>	<u>(1,800,952)</u>	<u>-</u>	<u>(33,548,764)</u>
Total capital assets being depreciated, net	<u>36,307,133</u>	<u>(364,894)</u>	<u>-</u>	<u>35,942,239</u>
	<u>\$ 36,738,783</u>	<u>(364,894)</u>	<u>-</u>	<u>36,373,889</u>

La Vega Independent School District

Notes to Financial Statements
(Continued)

(9) Capital Assets (continued)

Depreciation expense was charged to functions of the District as follows:

Governmental activities:	
Instruction	\$ 1,103,333
Instructional resources and media services	16,391
Curriculum and staff development	40,733
Instructional leadership	34,293
School leadership	145,880
Guidance, counseling, and evaluation	63,630
Social work services	12,338
Health services	19,273
Food services	59,099
Extracurricular activities	49,055
General administration	73,848
Plant maintenance and operations	141,450
Security and monitoring services	15,296
Data processing services	<u>26,333</u>
Total depreciation expense	<u>\$ 1,800,952</u>

(10) Long-Term Debt

Long-term debt consists of bonded indebtedness, loans payable, lease liability, a net pension liability, and a total OPEB liability. The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and enters into loans payable and leases to provide funds for the acquisition of various types of equipment. Loans payable, lease liability, the net pension liability, and the total OPEB liability are generally liquidated by the general fund and certain special revenue funds.

The following is a summary of changes in long-term debt for the year ended August 31, 2023:

	Balance September 1, 2022	Additions	Deletions	Balance August 31, 2023	Due Within One Year
General obligation and refunding bonds	\$ 32,317,382	-	932,383	31,384,999	1,399,789
Premiums	3,010,063	-	242,588	2,767,475	-
Total bonds payable	35,327,445	-	1,174,971	34,152,474	1,399,789

La Vega Independent School District

Notes to Financial Statements
(Continued)

(10) Long-Term Debt (continued)

	Balance September 1, 2022	Additions	Deletions	Balance August 31, 2023	Due Within One Year
Accumulated accretion on bonds	527,283	-	169,052	358,231	-
Loans payable	849,157	-	189,157	660,000	66,000
Lease liability	358,808	-	106,936	251,872	108,291
Net pension liability	4,086,982	8,867,289	-	12,954,271	-
Total OPEB liability	9,987,685	-	2,535,619	7,452,066	-
	\$ 51,137,360	8,867,289	4,175,735	55,828,914	1,574,080

General obligation and refunding bonds at August 31, 2023 consist of the following individual issues:

\$5,190,000 Unlimited tax qualified school construction bonds, series 2010B with annual sinking fund payments of \$234,789 through maturity in February 2027, at which time all principal and accrued interest at 5.39% are due in full	\$ 5,190,000
\$5,705,000 Unlimited tax refunding bonds, series 2015 due in annual installments of \$330,000 to \$485,000 through February 2031, interest at 3% to 4%	3,360,000
\$8,500,000 Unlimited tax refunding bonds, series 2017 due in annual installments of \$35,000 to \$1,610,000 through February 2039, interest at 2% to 4%	8,354,999
\$7,380,000 Unlimited tax refunding bonds, series 2020 due in annual installments of \$170,000 to \$1,655,000 through February 2040, interest at 1% to 2.28%	6,645,000
\$7,995,000 Unlimited tax refunding bonds, series 2021 due in annual installments of \$160,000 to \$990,000 through February 2034, interest at 2% to 3%	7,835,000
	\$ 31,384,999

The bond indentures contain certain restrictions for the maintenance of and flow of monies through various restricted accounts. The District is in compliance with all such significant financial limitations and restrictions.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(10) Long-Term Debt (continued)

Annual debt service payment requirements to maturity for general obligation and refunding bonds are as follows:

Year Ending August 31,	Principal	Interest	Total Requirements
2024	\$ 1,399,789	886,663	2,286,452
2025	1,434,789	851,100	2,285,889
2026	1,469,789	811,363	2,281,152
2027	5,770,633	766,200	6,536,833
2028	1,625,000	713,750	2,338,750
2029-2033	9,145,000	2,638,450	11,783,450
2034-2038	7,274,999	1,297,500	8,572,499
2039-2040	<u>3,265,000</u>	<u>106,674</u>	<u>3,371,674</u>
Totals	<u>\$ 31,384,999</u>	<u>8,071,700</u>	<u>39,456,699</u>

Loans Payable

Loans payable at August 31, 2023 consist of the following individual issues:

\$990,000 Time warrant note, series 2018, interest at 3.292% is due semi-annually, annual principal payments of \$66,000 are due through maturity in March 2033	<u>\$ 660,000</u>
---	-------------------

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

Year Ending August 31,	Principal	Interest	Total Requirements
2024	\$ 66,000	21,727	87,727
2025	66,000	19,554	85,554
2026	66,000	17,382	83,382
2027	66,000	15,209	81,209
2028	66,000	13,036	79,036
2029-2033	<u>330,000</u>	<u>32,560</u>	<u>362,560</u>
Totals	<u>\$ 660,000</u>	<u>119,468</u>	<u>779,468</u>

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(11) Leases

The District leases copiers and other equipment used in operations. These leases have terms between two and five years requiring monthly payments. As of August 31, 2023, the total amount of right-to-use assets and the related amortization, disclosed separately from other capital assets is as follows:

	Balance September 1, 2022	Increases	Decreases	Balance August 31, 2023
Furniture and equipment	\$ 456,497	-	-	456,497
Accumulated amortization	(101,838)	(109,595)	-	(211,433)
	<u>\$ 354,659</u>	<u>(109,595)</u>	<u>-</u>	<u>245,064</u>

Amounts of the accumulated amortization charged to specific functions for the year ended August 31, 2023 is as follows:

Governmental activities:	
Instruction	\$ 67,143
Instructional resources and media services	997
Curriculum and staff development	2,479
Instructional leadership	2,087
School leadership	8,877
Guidance, counseling, and evaluation	3,872
Social work services	751
Health services	1,173
Food services	3,596
Extracurricular activities	2,985
General administration	4,494
Plant maintenance and operations	8,608
Security and monitoring services	931
Data processing services	<u>1,602</u>
Total amortization expense	<u>\$ 109,595</u>

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(11) Leases (continued)

As of August 31, 2023, the principal and interest requirements to maturity for the lease liability is as follows:

Year Ending August 31,	Principal	Interest	Total Requirements
2024	\$ 108,291	6,566	114,857
2025	95,858	3,131	98,989
2026	39,414	760	40,174
2027	8,309	81	8,390
Totals	\$ <u>251,872</u>	<u>10,538</u>	<u>262,410</u>

(12) Revenues from Local and Intermediate Sources

During the year ended August 31, 2023, revenues from local and intermediate sources reported in the governmental fund financial statements consisted of the following:

	General	Debt Service	Other Govern- mental	Totals
Property taxes	\$ 11,267,646	2,926,121	-	14,193,767
Penalties, interest and other tax-related income	182,738	42,903	-	225,641
Tuition and fees	9,578	-	-	9,578
Contributions and donations	75,167	-	88,640	163,807
Food sales	-	-	150,011	150,011
Investment income	837,605	13,485	1,950	853,040
Extracurricular activities	62,773	-	98,324	161,097
Other	168,030	-	-	168,030
	\$ <u>12,603,537</u>	<u>2,982,509</u>	<u>338,925</u>	<u>15,924,971</u>



La Vega Independent School District

Notes to Financial Statements
(Continued)

(13) Deferred Outflows and Inflows of Resources

The statement of financial position and the balance sheet include the following deferred outflows/inflows of resources at August 31, 2023:

	<u>Statement of Net Position</u>	<u>Balance Sheet</u>	
		General	Debt
	Governmental	Fund	Service
	<u>Activities</u>	<u>Fund</u>	<u>Fund</u>
Deferred outflows of resources:			
Deferred loss on refunding	\$ 501,653	-	-
Pension/OPEB related:			
District contributions subsequent			
to the measurement date	1,140,627	-	-
Differences between			
expected and actual experience	602,145	-	-
Changes in assumptions	3,548,899	-	-
Net differences between			
projected and actual earnings	1,302,038	-	-
Changes in proportion	<u>5,247,416</u>	<u>-</u>	<u>-</u>
	<u>\$ 12,342,778</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:			
Unavailable property taxes	\$ -	348,640	90,682
Pension/OPEB related:			
Differences between			
expected and actual experience	6,490,668	-	-
Changes in assumptions	5,778,839	-	-
Changes in proportion	<u>919,022</u>	<u>-</u>	<u>-</u>
	<u>\$ 13,188,529</u>	<u>348,640</u>	<u>90,682</u>

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(14) Defined Benefit Pension Plan

Plan Description. The District participates in a cost-sharing multiple-employer defined benefit pension plan 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 TRS.

Pension Plan Fiduciary Net Position: Detail information about TRS’s fiduciary net position is available in a separately issued Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the internet at https://www.trs.texas.gov/Pages/about_publications.aspx; by writing to TRS at 1000 Red River Street, Austin, Texas 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 credited service or earlier than 55 with 30 years of credited service. 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.

La Vega Independent School District

Notes to Financial Statements
(Continued)

(14) Defined Benefit Pension Plan (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 TRS’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 TRS 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 through 2025.

	Contributions Rates	
	Plan Fiscal Year	
	2023	2022
Member (employees)	8.00%	8.00%
Non-employer contributing entity (state of Texas)	8.00%	7.75%
Employer (the District)	8.00%	7.75%

	Contributions Required and Made
Member (Employees)	\$ 1,883,859
Non-employer contributing entity (State)	1,336,736
District	938,335

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”).



La Vega Independent School District

Notes to Financial Statements
(Continued)

(14) Defined Benefit Pension Plan (continued)

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

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

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

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



La Vega Independent School District

Notes to Financial Statements
(Continued)

(14) Defined Benefit Pension Plan (continued)

Actuarial Assumptions: The total pension liability in the August 31, 2021 actuarial valuation rolled forward to August 31, 2022 was determined using the following actuarial assumptions:

Valuation date	August 31, 2021 rolled forward to August 31, 2022
Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.00%
Long-term expected investment rate of return	7.00%
Municipal bond rate at August 31, 2022	3.91% *
Inflation	2.30%
Salary increases, including inflation	2.95% to 8.95% including inflation
Benefit changes during the year	None
Ad hoc post-employment benefit changes	None

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

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

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.

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

The long-term rate of return on pension plan investments is 7.00%. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

DRAFT**La Vega Independent School District**Notes to Financial Statements
(Continued)(14) Defined Benefit Pension Plan (continued)

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the TRS's target asset allocation as of August 31, 2022 are summarized below:

Asset Class	Target Allocation **	Long-Term Expected Arithmetic Real Rate of Return ***	Expected Contribution to Long-term Portfolio Returns
Global Equity:			
U.S.	18.0%	4.6%	1.12%
Non-U.S. Developed	13.0%	4.9%	0.90%
Emerging Markets	9.0%	5.4%	0.75%
Private Equity *	14.0%	7.7%	1.55%
Stable Value:			
Government Bonds	16.0%	1.0%	0.22%
Absolute Return *	-	3.7%	-
Stable Value Hedge Funds	5.0%	3.4%	0.18%
Real Return:			
Real Estate	15.0%	4.1%	0.94%
Energy, Natural Resources and Infrastructure	6.0%	5.1%	0.37%
Commodities	-	3.6%	-
Risk Parity:			
Risk Parity	8.0%	4.6%	0.43%
Asset Allocation Leverage:			
Cash	2.0%	3.0%	0.01%
Asset Allocation Leverage	-6.0%	3.6%	-0.05%
Inflation Expectation			2.70%
Volatility Drag ****			-0.93%
Expected Return	100%		8.19%

* Absolute Return includes Credit Sensitive Investments

** Target allocations are based on the FY2022 policy 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.

La Vega Independent School District

Notes to Financial Statements
(Continued)

(14) Defined Benefit Pension Plan (continued)

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

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 20,151,934	12,954,271	7,120,227

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 \$12,954,271 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for the 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 net pension liability	\$ 12,954,271
State's proportionate share of the net pension liability associated with the District	<u>13,456,971</u>
Total	<u>\$ 26,411,242</u>

The net pension liability was measured as of August 31, 2021 and rolled to August 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At August 31, 2022, the District's proportion of the collective net pension liability was 0.000218205, which was an increase of 0.000057720 from its proportion measured as of August 31, 2021.

Changes Since the Prior Actuarial Valuation: 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% to 7.00%.

DRAFT

La Vega Independent School District

Notes to Financial Statements
(Continued)

(14) Defined Benefit Pension Plan (continued)

For the year ended August 31, 2023, the District recognized total pension expense of \$3,018,383. Of the total pension expense, for the measurement period ended August 31, 2022, the District recognized pension expense of \$1,286,334 and revenue of \$1,057,721 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:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
District contributions subsequent to the measurement date	\$ 938,335	-
Differences between expected and actual experience	187,836	282,428
Changes in assumptions	2,413,802	601,587
Net difference between projected and actual earnings on pension plan investments	1,279,840	-
Changes in proportion	<u>2,137,369</u>	<u>541,877</u>
Total	<u>\$ 6,957,182</u>	<u>1,425,892</u>

The \$938,335 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in year ended August 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Measurement Year Ended August 31,</u>	
2023	\$ 1,088,651
2024	736,757
2025	411,626
2026	1,855,730
2027	500,191



La Vega Independent School District

Notes to Financial Statements
(Continued)

(15) Defined Other Post-Employment Benefit Plans

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

The TRS Board of Trustees administers the TRS-Care program and the related fund in accordance with Texas Insurance Code, Chapter 1575. The Board of Trustees is granted authority to establish basic and optional group insurance coverage for participants as well as 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 health insurance coverage to retirees from public and charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

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

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

TRS-Care Monthly Premium Rates

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

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(15) Defined Other Post-Employment Benefit Plans (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 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act. The following table shows contributions to the TRS-Care plan by type of contributor.

	Contributions Rates	
	Plan Fiscal Year	
	2023	2022
Active Employee (Members)	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers (District)	0.75%	0.75%
Federal/Private Funding Remitted by Employers	1.25%	1.25%
		Contributions Required and Made
Member (Employees)	\$	153,064
Non-Employer Contributing Agency (State)		259,320
District		202,292

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

TRS-Care received supplemental appropriations from the State of Texas as the non-employer contributing entity in the amount of \$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.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(15) Defined Other Post-Employment Benefit Plans (continued)

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. The actuarial valuation was determined using the following actuarial assumptions:

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. 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, retirement, termination and disability; general inflation, and wage inflation.

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	3.91% as of August 31, 2022
Aging Factors	Based upon plan specific experience.
Expenses	Third party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs.
Projected salary increases	3.05% to 9.05%, including inflation
Healthcare trend rates	4.25% to 8.25%
Election rates	Normal retirement: 62% participation prior to age 65 and 25% participation after age 65 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Ad hoc post-employment benefit changes	None

La Vega Independent School District

Notes to Financial Statements
(Continued)

(15) Defined Other Post-Employment Benefit Plans (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, 2022 using the Fixed Income Market Data/Yield Curve/Data Municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds.

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 total OPEB liability.

	1% Decrease (2.91%)	Current Discount Rate (3.91%)	1% Increase (4.91%)
District's proportionate share of the total OPEB liability	\$ <u>8,786,577</u>	<u>7,452,066</u>	<u>6,370,941</u>

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 \$7,452,066 for its proportionate shares of the TRS’s total 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 total OPEB liability, the related State support, and the total portion of the total OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective total OPEB liability	\$ 7,452,066
State's proportionate share of the total OPEB liability that is associated with the District	<u>9,090,350</u>
Total	<u>\$ 16,542,416</u>

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(15) Defined Other Post-Employment Benefit Plans (continued)

The total OPEB liability was measured as of August 31, 2021 and rolled forward to August 31, 2022, and the total OPEB liability was determined by an actuarial valuation as of that date. The employer's proportion of the total OPEB liability was based on the employer's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At August 31, 2022, the employer's proportion of the collective net OPEB liability was 0.000311229, compared to 0.000258920 as of August 31, 2021.

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

	1% Decrease	Current Single Healthcare Trend Rate	1% Increase
District's proportionate share of the total OPEB liability	\$ 6,140,536	7,452,066	9,152,296

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

- The discount rate was changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change increased the total OPEB liability.

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

For the year ended August 31, 2023, the District recognized an OPEB benefit of \$1,981,409. Of the total OPEB benefit, for the measurement period ended August 31, 2022, the District recognized an OPEB benefit of \$1,289,994 and revenue of \$311,822 for support provided by the State.

La Vega Independent School DistrictNotes to Financial Statements
(Continued)(15) Defined Other Post-Employment Benefit Plans (continued)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
District contributions subsequent to the measurement date	\$ 202,292	-
Differences between expected and actual experience	414,309	6,208,240
Changes in assumptions	1,135,097	5,177,252
Net differences between projected and actual investment earnings	22,198	-
Changes in proportion	<u>3,110,047</u>	<u>377,145</u>
Total	<u>\$ 4,883,943</u>	<u>11,762,637</u>

The \$202,292 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in year ended August 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Measurement Year Ended August 31,</u>	
2023	\$ (1,470,380)
2024	(1,470,299)
2025	(1,154,284)
2026	(726,451)
2027	(933,835)
Thereafter	(1,325,737)

DRAFT

La Vega Independent School District

Notes to Financial Statements
(Continued)

(16) Retiree Medicare Part D Coverage

Federal legislation enacted in January 2006 established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One provision of the law allows TRS-Care to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible participants. Federal contributions to TRS made on behalf of the employees for the years ended August 31, 2023, 2022 and 2021, were \$123,843; \$95,173; and \$99,594; respectively.

(17) Contingencies

The District participates in a number of federal award programs. Although the programs have been audited in accordance with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* through August 31, 2023, these programs are still subject to financial and compliance audits by grantor agencies. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

The District is involved in various claims and legal actions in the ordinary course of business. In the opinion of management, the ultimate outcome of these claims will not have a material adverse effect on the District's financial position.

(18) Risk Management

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

(19) Economic Dependency

During the year ended August 31, 2023, the District received approximately 46% of its revenues from the State of Texas.

(20) Authoritative Pronouncements Not Yet Effective

A summary of pronouncements issued by the Government Accounting Standards Board ("GASB") which may impact the District but are not yet effective follows. The District has not yet determined the effects of the adoption of these pronouncements on the financial statements.



La Vega Independent School District

Notes to Financial Statements
(Continued)

(20) Authoritative Pronouncements Not Yet Effective (continued)

GASB Statement No. 100, *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62 (issued June 2022) – the objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this statement are effective for financial statements for the fiscal year beginning September 1, 2023.

GASB Statement No. 101, *Compensated Absences* (issued June 2022) – the objective of this statement is to better meet the information needs of the financial statements users by updating the recognition and measurement guidance for compensated absences. The requirements of this statement are effective for financial statements for the fiscal year beginning September 1, 2024.

Required Supplementary Information

DRAFT

Exhibit G-1

La Vega Independent School District**Schedule of Revenues, Expenditures, and Changes in
Fund Balance – Budget and Actual – General Fund**

Year Ended August 31, 2023

Data Control Codes		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
	Revenues:				
5700	Local and intermediate sources	\$ 11,749,191	11,932,577	12,603,537	670,960
5800	State program revenues	19,988,196	20,456,688	20,943,274	486,586
5900	Federal program revenues	250,000	250,000	825,815	575,815
5020	Total revenues	<u>31,987,387</u>	<u>32,639,265</u>	<u>34,372,626</u>	<u>1,733,361</u>
	Expenditures:				
	Current:				
0011	Instruction	17,517,303	16,879,201	14,679,897	2,199,304
0012	Instructional resources and media services	305,194	267,199	229,649	37,550
0013	Curriculum and instructional staff development	512,993	430,488	360,508	69,980
0021	Instructional leadership	824,850	821,748	834,283	(12,535)
0023	School leadership	2,524,065	2,733,368	2,727,703	5,665
0031	Guidance, counseling and evaluation services	839,423	785,298	701,685	83,613
0032	Social work services	98,960	175,126	168,782	6,344
0033	Health services	307,157	306,382	265,737	40,645
0034	Student transportation	2,098,978	2,098,978	1,620,434	478,544
0035	Food services	30,975	30,975	10,479	20,496
0036	Extracurricular activities	1,808,523	1,932,759	1,870,454	62,305
0041	General administration	1,659,454	1,708,454	1,586,397	122,057
0051	Facilities maintenance and operations	3,768,921	4,266,898	4,305,469	(38,571)
0052	Security services	568,002	909,605	910,196	(591)
0053	Data processing services	1,248,883	1,440,893	1,409,236	31,657
0061	Community services	5,084	3,559	2,070	1,489
	Debt service:				
0071	Principal on long-term debt	281,000	281,000	296,093	(15,093)
0072	Interest on long-term debt	-	-	36,615	(36,615)
	Intergovernmental:				
0095	Payments to JJAEP	27,500	57,500	42,024	15,476
0099	Payments to county appraisal district	229,000	199,000	159,527	39,473
	Capital outlay:				
0081	Facilities acquisition and construction	-	99,562	84,562	15,000
6000	Total expenditures	<u>34,656,265</u>	<u>35,427,993</u>	<u>32,301,800</u>	<u>3,126,193</u>
	Excess (deficiency) of revenues over (under) expenditures	(2,668,878)	(2,788,728)	2,070,826	4,859,554
0100	Fund balance, at beginning of year	<u>14,575,502</u>	<u>14,575,502</u>	<u>14,575,502</u>	-
3000	Fund balance, at end of year	<u>\$ 11,906,624</u>	<u>11,786,774</u>	<u>16,646,328</u>	<u>4,859,554</u>

See accompanying independent auditor's report.

DRAFT

La Vega Independent School District

Note to Schedule of Revenues, Expenditures and
Changes in Fund Balance – Budget and Actual –
General Fund

Year Ended August 31, 2023

(1) Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund, the child nutrition fund, and the debt service fund. Budgets are not legally adopted for capital projects funds; however, specific projects are individually approved by the Board of School Trustees. There is no legal requirement to adopt a budget for the instructional materials allotment special revenue fund; therefore, presentation of budgetary comparison information is not required.

There were no significant differences between the original budget and the final amended budget for total expenditures. The primary differences consisted of reclassifications of expenditures between functions within the general fund.

Expenditures in the general fund exceeded appropriations for instructional leadership (\$12,535), facilities maintenance and operations (\$38,571), security services (\$591), and principal and interest on long-term debt (\$51,708) primarily from the recognition of principal and interest payments that were required due to GASB 87, *Leases*. These over-expenditures were funded by other functions that were less than budgeted amounts in the general fund.

DRAFT

La Vega Independent School District

Schedule of the District's Proportionate Share of the Net Pension Liability
Teacher Retirement System of Texas

Last Ten Measurement Years

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
District's proportion of the net pension liability	0.000218205	0.000160485	0.000163642	0.000180205
District's proportionate share of the net pension liability	\$ 12,954,271	4,086,982	8,764,340	9,367,616
State's proportionate share of the net pension liability associated with the District	<u>13,456,971</u>	<u>7,593,937</u>	<u>15,889,972</u>	<u>14,471,192</u>
Total	<u>\$ 26,411,242</u>	<u>11,680,919</u>	<u>24,654,312</u>	<u>23,838,808</u>
District's covered payroll (for measurement year)	<u>\$ 22,470,352</u>	<u>21,807,398</u>	<u>21,509,240</u>	<u>20,131,701</u>
District's proportionate share of the net pension liability as a percentage of it's covered payroll	<u>57.65%</u>	<u>18.74%</u>	<u>40.75%</u>	<u>46.53%</u>
Plan's fiduciary net position as a percentage of the total pension liability	<u>75.62%</u>	<u>88.79%</u>	<u>75.54%</u>	<u>75.24%</u>

Note: The District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, An Amendment of GASB Statement No. 27*, effective September 1, 2014. Information for years prior to 2014 is not available.

See accompanying independent auditor's report.

Exhibit G-2

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
0.000180987	0.000173360	0.000186812	0.000201719	0.000122961
9,961,973	5,543,129	7,059,347	7,130,498	3,284,458
<u>15,561,882</u>	<u>9,114,273</u>	<u>10,621,490</u>	<u>10,172,207</u>	<u>8,356,957</u>
<u>25,523,855</u>	<u>14,657,402</u>	<u>17,680,837</u>	<u>17,302,705</u>	<u>11,641,415</u>
<u>19,343,449</u>	<u>18,347,740</u>	<u>18,104,748</u>	<u>17,654,926</u>	<u>15,967,238</u>
<u>51.50%</u>	<u>30.21%</u>	<u>38.99%</u>	<u>40.39%</u>	<u>20.57%</u>
<u>73.74%</u>	<u>82.17%</u>	<u>78.00%</u>	<u>78.43%</u>	<u>83.25%</u>

DRAFT

La Vega Independent School District
Schedule of the District's Contributions to the
Teacher Retirement System of Texas
Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Contractually required contributions	\$ 938,335	1,017,832	686,135	675,192	633,703
Contributions in relation to the contractually required contributions	<u>(938,335)</u>	<u>(1,017,832)</u>	<u>(686,135)</u>	<u>(675,192)</u>	<u>(633,703)</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered payroll	\$ <u>23,548,238</u>	<u>22,470,352</u>	<u>21,807,398</u>	<u>21,509,240</u>	<u>20,131,701</u>
Contractually required contributions as a percentage of the District's covered payroll	<u>3.98%</u>	<u>4.53%</u>	<u>3.15%</u>	<u>3.14%</u>	<u>3.15%</u>

Note: The District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions, An Amendment of GASB Statement No. 27*, effective September 1, 2014. Information for years prior to 2015 is not available.

See accompanying independent auditor's report.

Exhibit G-3

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
609,700	568,455	593,550	597,299
<u>(609,700)</u>	<u>(568,455)</u>	<u>(593,550)</u>	<u>(597,299)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>19,343,449</u>	<u>18,347,740</u>	<u>18,104,748</u>	<u>17,654,926</u>
<u>3.15%</u>	<u>3.10%</u>	<u>3.28%</u>	<u>3.38%</u>

La Vega Independent School District**Schedule of the District's Proportionate Share of the Total OPEB Liability
TRS-Care****Last Ten Measurement Years**

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
District's proportion of the total OPEB liability	0.000311229	0.000258920	0.000262067	0.000261458	0.000267967	0.000256591
District's proportion share of the total OPEB liability	\$ 7,452,066	9,987,685	9,962,339	12,364,681	13,379,843	11,158,184
State's proportionate share of the total OPEB liability associated with the District	<u>9,090,350</u>	<u>13,381,273</u>	<u>13,386,995</u>	<u>16,429,897</u>	<u>15,891,994</u>	<u>13,628,759</u>
Total	<u>\$ 16,542,416</u>	<u>23,368,958</u>	<u>23,349,334</u>	<u>28,794,578</u>	<u>29,271,837</u>	<u>24,786,943</u>
District's covered payroll (for measurement year)	<u>\$ 22,470,352</u>	<u>21,807,398</u>	<u>21,509,240</u>	<u>20,131,701</u>	<u>19,343,449</u>	<u>18,347,740</u>
District's proportionate share of the total OPEB liability as a percentage of it's covered payroll	<u>33.16%</u>	<u>45.80%</u>	<u>46.32%</u>	<u>61.42%</u>	<u>69.17%</u>	<u>60.82%</u>
Plan's fiduciary net position as a percentage of the total OPEB liability	<u>11.52%</u>	<u>6.18%</u>	<u>4.99%</u>	<u>2.66%</u>	<u>1.57%</u>	<u>0.91%</u>

Note: The District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, effective September 1, 2017. Information for years prior to 2017 is not available.

DRAFT

Exhibit G-5

La Vega Independent School District

Schedule of the District's Contributions
TRS-Care

Last Ten Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually required contributions	\$ 202,292	185,648	180,140	199,189	188,808	167,738
Contributions in relation to the contractually required contributions	<u>(202,292)</u>	<u>(185,648)</u>	<u>(180,140)</u>	<u>(199,189)</u>	<u>(188,808)</u>	<u>(167,738)</u>
Contribution deficiency (excess)	\$ <u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered payroll	\$ <u>23,548,238</u>	<u>22,470,352</u>	<u>21,807,398</u>	<u>21,509,240</u>	<u>20,131,701</u>	<u>19,343,449</u>
Contractually required contributions as a percentage of the District's covered payroll	<u>0.86%</u>	<u>0.83%</u>	<u>0.83%</u>	<u>0.93%</u>	<u>0.94%</u>	<u>0.87%</u>

Note: The District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, effective September 1, 2017. Information for years prior to 2018 is not available.

Other Supplementary Schedules



La Vega Independent School District

Combining Schedule

Balance Sheet – Nonmajor Funds

August 31, 2023

	211	224	225	240	244	255	263	265	277	279	281	284
Data Control Codes	ESEA Title I, Part A	IDEA-B Formula	IDEA-B Preschool	Child Nutrition Program	Career and Technical-Basic	ESEA Title II, Part A	Title III, A English Lang Acquisition	Title IV, B Community Learning	Coronavirus Relief	ESF - TCLAS	ESSER II	IDEA-B Formula ARP
Assets												
1110 Cash and cash equivalents	\$ -	94,992	1,748	1,237,733	-	-	-	-	-	125,617	6,964	-
1240 Due from other governments	224,278	-	-	8,857	13,864	20,908	47,325	15,089	-	-	-	67,792
1410 Prepaids	-	-	-	-	-	-	-	-	-	-	-	-
Total assets	\$ 224,278	94,992	1,748	1,246,590	13,864	20,908	47,325	15,089	-	125,617	6,964	67,792
Liabilities and Fund Balances												
2110 Accounts payable	\$ -	-	-	120	-	-	46	-	-	-	-	-
2160 Accrued wages payable	62,031	17,878	1,566	60,456	-	-	-	-	-	49,978	-	-
2170 Due to other funds	154,764	-	-	-	13,864	20,570	47,279	14,682	-	73,167	-	67,792
2200 Accrued expenses	7,483	2,171	182	4,017	-	338	-	407	-	2,472	6,964	-
2300 Unearned revenue	-	74,943	-	-	-	-	-	-	-	-	-	-
Total liabilities	224,278	94,992	1,748	64,593	13,864	20,908	47,325	15,089	-	125,617	6,964	67,792
3450 Restricted for: Grant requirements Committed for: Campus activities	-	-	-	1,181,997	-	-	-	-	-	-	-	-
3545 Total fund balances	-	-	-	1,181,997	-	-	-	-	-	-	-	-
Total liabilities and fund balances	\$ 224,278	94,992	1,748	1,246,590	13,864	20,908	47,325	15,089	-	125,617	6,964	67,792

DRAFT

La Vega Independent School District

Combining Schedule

**Balance Sheet – Nonmajor Funds
(continued)**

Data Control Codes	285	289	397	410	429	461	492	493	496	699	Total Other Nonmajor Funds
	IDEA-B Preschool ARP	Other Federal	Advanced Placement Incentives	Instructional Materials Allotment	Achievement Stipend	Campus Activities	Prosper Waco Grant	Texas Community Grant	Rapoport Foundation Grant	Capital Projects	
Assets											
1110 Cash and cash equivalents	\$ -	-	119	-	-	93,482	913	55,445	52,791	-	1,669,804
1240 Due from other governments	-	23,439	-	35,754	115,301	-	-	-	-	-	572,607
1410 Prepaids	-	-	-	-	-	-	-	-	-	158,500	158,500
Total assets	\$ -	23,439	119	35,754	115,301	93,482	913	55,445	52,791	158,500	2,400,911
Liabilities and Fund Balances											
2110 Accounts payable	\$ -	-	-	-	21	-	-	-	-	-	187
2160 Accrued wages payable	-	-	-	-	-	-	-	-	-	-	191,909
2170 Due to other funds	-	23,419	-	35,754	115,259	-	-	-	-	158,500	725,050
2200 Accrued expenses	-	20	-	-	21	-	-	18	-	-	24,093
2300 Unearned revenue	-	-	119	-	-	-	913	55,427	52,791	-	184,193
Total liabilities	-	23,439	119	35,754	115,301	-	913	55,445	52,791	158,500	1,125,432
Restricted for:											
3450 Grant requirements	-	-	-	-	-	-	-	-	-	-	1,181,997
Committed for:											
3545 Campus activities	-	-	-	-	-	93,482	-	-	-	-	93,482
Total fund balances	-	-	-	-	-	93,482	-	-	-	-	1,275,479
Total liabilities and fund balances	\$ -	23,439	119	35,754	115,301	93,482	913	55,445	52,791	158,500	2,400,911

See accompanying independent auditor's report.

DRAFT

La Vega Independent School District
Combining Schedule
Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Funds

Year Ended August 31, 2023

Data Control Codes	211	224	225	240	244	255	263	265	277	279	281
	ESEA Title I, Part A	IDEA-B Formula	IDEA-B Preschool	Child Nutrition Program	Career and Technical-Basic Grant	ESEA Title II, Part A	Title III, A English Lang Acquisition	Title IV, B Community Learning	Coronavirus Relief	ESF - TCLAS	ESSER II
Revenues:											
5700 Local and intermediate sources	-	-	-	151,961	-	-	-	-	-	-	-
5800 State program revenues	-	-	-	77,545	-	-	-	-	-	-	-
5900 Federal program revenues	916,170	354,480	9,004	2,435,918	45,505	205,621	69,222	126,086	13,642	492,255	3,004,654
5020 Total revenues	<u>916,170</u>	<u>354,480</u>	<u>9,004</u>	<u>2,665,424</u>	<u>45,505</u>	<u>205,621</u>	<u>69,222</u>	<u>126,086</u>	<u>13,642</u>	<u>492,255</u>	<u>3,004,654</u>
Expenditures:											
Current:											
0011 Instruction	632,882	204,508	9,004	-	45,505	109,656	59,930	115,028	-	492,255	2,558,914
0012 Instructional resources and media services	-	-	-	-	-	-	-	-	-	-	3,122
0013 Curriculum and staff development	7,400	-	-	-	-	93,787	8,567	-	-	-	4,156
0021 Instructional leadership	13,696	-	-	-	-	1,715	725	-	-	-	120,352
0023 School leadership	361	-	-	-	-	463	-	-	-	-	39,303
0031 Guidance, counseling, and evaluation services	-	149,972	-	-	-	-	-	-	-	-	75,428
0032 Social work services	202,738	-	-	-	-	-	-	-	-	-	77,258
0033 Health services	-	-	-	-	-	-	-	-	-	-	2,758
0034 Student transportation	-	-	-	-	-	-	-	11,058	-	-	82,593
0035 Food service	-	-	-	2,668,799	-	-	-	-	-	-	2,141
0036 Extracurricular activities	-	-	-	-	-	-	-	-	-	-	3,638
0041 General administration	-	-	-	-	-	-	-	-	-	-	11,556
0051 Facilities maintenance and operations	-	-	-	32,632	-	-	-	-	-	-	3,547
0052 Security and monitoring services	-	-	-	-	-	-	-	-	13,642	-	13,605
0053 Data processing services	-	-	-	-	-	-	-	-	-	-	6,278
0061 Community services	59,093	-	-	-	-	-	-	-	-	-	5
6000 Total expenditures	<u>916,170</u>	<u>354,480</u>	<u>9,004</u>	<u>2,701,431</u>	<u>45,505</u>	<u>205,621</u>	<u>69,222</u>	<u>126,086</u>	<u>13,642</u>	<u>492,255</u>	<u>3,004,654</u>
1100 Excess (deficiency) of revenues over (under) expenditures	-	-	-	(36,007)	-	-	-	-	-	-	-
0100 Fund balance, at beginning of year	-	-	-	1,218,004	-	-	-	-	-	-	-
3000 Fund balance, at end of year	-	-	-	<u>1,181,997</u>	-	-	-	-	-	-	-



La Vega Independent School District
Combining Schedule
Revenues, Expenditures, and Changes in Fund Balances –
Nonmajor Funds
(continued)

Data Control Codes	284	285	289	397	410	429	461	492	493	496	699	Total Other Nonmajor Funds
	IDEA-B Formula ARP	IDEA-B Preschool ARP	Other Federal	Advanced Placement Incentives	Instructional Materials Allotment	Achievement Stipend	Campus Activities	Prosper Waco Grant	Texas Community Grant	Rapoport Foundation Grant	Capital Projects	
Revenues:												
5700 Local and intermediate sources	\$ -	-	-	-	-	-	98,324	79,261	4,573	4,806	-	338,925
5800 State program revenues	-	-	-	-	185,422	269,111	-	-	-	-	-	532,078
5900 Federal program revenues	80,716	6,839	96,911	-	-	-	-	-	-	-	-	7,857,023
5020 Total revenues	<u>80,716</u>	<u>6,839</u>	<u>96,911</u>	<u>-</u>	<u>185,422</u>	<u>269,111</u>	<u>98,324</u>	<u>79,261</u>	<u>4,573</u>	<u>4,806</u>	<u>-</u>	<u>8,728,026</u>
Expenditures:												
Current:												
0011 Instruction	80,716	6,839	92,503	-	98,346	98,235	7,776	-	3,297	4,806	-	4,620,200
0012 Instructional resources and media services	-	-	-	-	-	-	-	-	-	-	-	3,122
0013 Curriculum and staff development	-	-	-	-	88,237	-	-	-	-	-	-	202,147
0021 Instructional leadership	-	-	-	-	-	-	-	79,261	-	-	-	215,749
0023 School leadership	-	-	-	-	-	-	-	-	-	-	-	40,127
0031 Guidance, counseling, and evaluation services	-	-	-	-	-	-	-	-	1,276	-	-	226,676
0032 Social work services	-	-	3,166	-	-	-	-	-	-	-	-	283,162
0033 Health services	-	-	1,242	-	-	-	-	-	-	-	-	4,000
0034 Student transportation	-	-	-	-	-	-	-	-	-	-	-	93,651
0035 Food service	-	-	-	-	-	-	72,619	-	-	-	-	2,670,940
0036 Extracurricular activities	-	-	-	-	-	-	-	-	-	-	-	76,257
0041 General administration	-	-	-	-	-	-	-	-	-	-	-	11,556
0051 Facilities maintenance and operations	-	-	-	-	-	172,772	-	-	-	-	-	208,951
0052 Security and monitoring services	-	-	-	-	-	11,964	-	-	-	-	-	39,211
0053 Data processing services	-	-	-	-	-	-	-	-	-	-	-	6,278
0061 Community services	-	-	-	-	-	-	-	-	-	-	-	59,098
6000 Total expenditures	<u>80,716</u>	<u>6,839</u>	<u>96,911</u>	<u>-</u>	<u>186,583</u>	<u>282,971</u>	<u>80,395</u>	<u>79,261</u>	<u>4,573</u>	<u>4,806</u>	<u>-</u>	<u>8,761,125</u>
1100 Excess (deficiency) of revenues over (under) expenditures	-	-	-	-	(1,161)	(13,860)	17,929	-	-	-	-	(33,099)
0100 Fund balance, at beginning of year	-	-	-	-	1,161	13,860	75,553	-	-	-	-	1,308,578
3000 Fund balance, at end of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>93,482</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,275,479</u>

See accompanying independent auditor's report.

DRAFT

La Vega Independent School District
Schedule of Delinquent Taxes Receivable
Year Ended August 31, 2023

Last Ten Years Ended August 31,	1	2	3	10	20	31	32	40	50
	Maintenance	Tax Rates Debt Service	Assessed Appraised Value For School Tax Purposes	Beginning Balance September 1, 2021	Current Year's Total Levy	Maintenance Total Collections	Debt Service Total Collections	Entire Year's Adjustments	Ending Balance August 31, 2022
2014 and prior years	various	various	various	\$ 190,159	-	11,986	2,002	(9,911)	166,260
2015	1.170000	0.295000	678,231,195	29,338	-	2,426	612	(373)	25,927
2016	1.170000	0.289000	694,269,568	29,468	-	2,689	664	(391)	25,724
2017	1.170000	0.252100	741,815,976	36,464	-	5,858	1,262	(398)	28,946
2018	1.170000	0.243532	752,470,959	38,166	-	6,192	1,289	(404)	30,281
2019	1.170000	0.224040	867,621,230	49,827	-	1,905	365	(9,519)	38,038
2020	1.068350	0.221919	969,263,309	65,443	-	10,480	2,177	(14,100)	38,686
2021	1.054700	0.245255	1,013,174,995	95,216	-	28,931	6,728	(11,622)	47,935
2022	1.016100	0.245250	1,069,664,169	210,216	-	73,724	17,794	(34,210)	84,488
2023 (school year under audit)	0.942900	0.245250	1,200,245,592	-	14,260,718	11,121,949	2,892,851	-	245,918
1000 Totals				\$ 744,297	14,260,718	11,266,140	2,925,744	(80,928)	732,203
8000 Tax refunded				\$ -	-	-	-	-	-

See accompanying independent auditor's report.

DRAFT

Exhibit J-2

La Vega Independent School DistrictSchedule of Revenues, Expenditures, and Changes in Fund Balance –
Budget and Actual – Child Nutrition Program

Year Ended August 31, 2023

Data Control Codes		Budgeted Amounts		Actual	Variance with Final Budget
		Original	Final		
	Revenues:				
5700	Local and intermediate sources	\$ 84,616	84,616	151,961	67,345
5800	State program revenues	12,500	12,500	77,545	65,045
5900	Federal program revenues	<u>2,556,347</u>	<u>2,556,347</u>	<u>2,435,918</u>	<u>(120,429)</u>
5000	Total revenues	<u>2,653,463</u>	<u>2,653,463</u>	<u>2,665,424</u>	<u>11,961</u>
	Expenditures:				
0035	Food service	2,629,463	3,073,033	2,668,799	404,234
0051	Facilities maintenance and operations	<u>24,000</u>	<u>31,000</u>	<u>32,632</u>	<u>(1,632)</u>
6030	Total expenditures	<u>2,653,463</u>	<u>3,104,033</u>	<u>2,701,431</u>	<u>402,602</u>
1100	Excess (deficiency) of revenues over (under) expenditures	-	(450,570)	(36,007)	414,563
0100	Fund balance, at beginning of year	<u>1,218,004</u>	<u>1,218,004</u>	<u>1,218,004</u>	<u>-</u>
3000	Fund balance, at end of year	<u>\$ 1,218,004</u>	<u>767,434</u>	<u>1,181,997</u>	<u>414,563</u>

See accompanying independent auditor's report.



La Vega Independent School District

Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – Debt Service Fund

Year Ended August 31, 2023

Data Control Codes	Budgeted Amounts		Actual	Variance with Final Budget	
	Original	Final			
Revenues:					
5700	Local and intermediate sources	\$ 2,599,303	2,599,303	2,982,509	383,206
5800	State program revenues	-	-	87,992	87,992
5900	Federal program revenues	-	-	263,796	263,796
5000	Total revenues	<u>2,599,303</u>	<u>2,599,303</u>	<u>3,334,297</u>	<u>734,994</u>
Expenditures:					
0071	Debt service	<u>2,284,689</u>	<u>2,284,689</u>	<u>2,338,817</u>	<u>(54,128)</u>
6030	Total expenditures	<u>2,284,689</u>	<u>2,284,689</u>	<u>2,338,817</u>	<u>(54,128)</u>
1100	Excess of revenues over expenditures	314,614	314,614	995,480	680,866
0100	Fund balance, at beginning of year	<u>4,520,586</u>	<u>4,520,586</u>	<u>4,520,586</u>	<u>-</u>
3000	Fund balance, at end of year	<u>\$ 4,835,200</u>	<u>4,835,200</u>	<u>5,516,066</u>	<u>680,866</u>

See accompanying independent auditor’s report.

DRAFT

La Vega Independent School District
Compensatory Education Program and Bilingual Education
Program Expenditures
Year Ended August 31, 2023
(Unaudited)

<u>Data Codes</u>	<u>Section A: Compensatory Education Programs</u>	<u>Responses</u>
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.	\$ 4,488,524
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal years. (PICs 24, 26, 28, 29, 30, 34)	\$ 2,533,074
	<u>Section B: Bilingual Education Programs</u>	
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.	\$ 506,346
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	\$ 386,774

See accompanying independent auditor's report.

**Compliance, Internal Control
and Federal Awards**



DRAFT

JAYNES REITMEIER BOYD & THERRELL, P.C.
Certified Public Accountants
5400 Bosque Blvd., Ste. 600 | Waco, TX 76710
P.O. Box 7616 | Waco, TX 76714
Main 254.776.4190 | Fax 254.776.8489 | jrbt.com

**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***

The Board of School Trustees
La Vega Independent School District:

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 governmental activities, each major fund, and the aggregate remaining fund information of La Vega 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 and have issued our report thereon dated December 8, 2023.

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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District’s financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

DRAFT

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*.

District's Response to Finding

Government Auditing Standards require the auditor to perform limited procedures on the District's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

December 8, 2023

DRAFT



JAYNES REITMEIER BOYD & THERRELL, P.C.
Certified Public Accountants
5400 Bosque Blvd., Ste. 600 | Waco, TX 76710
P.O. Box 7616 | Waco, TX 76714
Main 254.776.4190 | Fax 254.776.8489 | jrbt.com

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

The Board of School Trustees
La Vega Independent School District:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the compliance of La Vega Independent School District (the “District”) with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (“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 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 (“*Government Auditing Standards*”); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 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.

DRAFT

Our consideration of the 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. 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.

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.

December 8, 2023

DRAFT

La Vega Independent School District
Schedule of Findings and Questioned Costs
Year Ended August 31, 2023

(1) Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes x no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes x none reported

Noncompliance material to financial statements noted? _____ yes x no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes x no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes x none reported

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

Any audit findings disclosed that are required to be reported in accordance with section 200.516 of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) _____ yes x no

Identification of major programs:

Assistance Listing

<u>Number</u>	<u>Name of Federal Program or Cluster</u>
84.425	COVID-19 - Elementary and Secondary School Emergency Relief Fund - ESSER

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

Auditee qualified as federal low-risk auditee? x yes _____ no

DRAFT

La Vega Independent School District
Schedule of Findings and Questioned Costs
(Continued)

(2) Financial Statement Findings

None

(3) Federal Award Findings and Questioned Costs

None

DRAFT

La Vega Independent School District
Summary Schedule of Prior Audit Findings

August 31, 2023

None

DRAFT

Exhibit K-1

La Vega Independent School District
Schedule of Expenditures of Federal Awards
Year Ended August 31, 2023

(1)	(2)	(3)	(3)	(3)
Federal Grantor / Pass-Through Grantor / Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
U.S. Department of Education				
<u>Passed Through State Department of Education:</u>				
Title I, Part A - Grants to Local Education Agencies	84.010A	23610101161906	-	889,303
Title I, Part D - Grants to Local Education Agencies	84.010A	23610103161906	-	74,678
			\$ -	<u>963,981</u>
IDEA - Part B, Formula	84.027A	236600011619066000	-	440,833
IDEA - Part B, Preschool	84.173A	236610011619066000	-	9,451
IDEA - Part B, Formula ARP	84.027X	225350021619065000	-	17,477
IDEA - Part B, Preschool ARP	84.173X	225360021619065000	-	7,225
Total Special Education Cluster			-	<u>474,986</u>
Career & Technical - Basic Grant	84.048A	22420006161906	-	47,780
ESEA, Title IV- Part B, Community Learning	84.287	236950267110039	-	126,086
ESEA, Title III, English Language	84.365A	23671001161906	-	69,222
ESEA, Title II, Part A, Teacher/Principal Training	84.367A	23694501161906	-	129,871
ESEA, Title II, Part A, Teacher Leadership	84.367A	226945797110013	-	86,255
			-	<u>216,126</u>
ESEA, Title IV, Part A	84.369A	23680101161906	-	102,104
COVID-19 - Elementary and Secondary School Emergency Relief Fund:				
CEESA ESSER II	84.425D	21521001161906	-	3,419,897
ARP ESSER III	84.425D	21528001161906	-	367,112
TCLAS Afterschool - ESSER III	84.425U	215280587110081	-	340,650
TCLAS - ESSER III	84.425U	21528042161906	-	560,285
			-	<u>4,687,944</u>
Total U.S. Department of Education			\$ -	<u>6,688,229</u>
U.S. Department of Treasury				
<u>Passed Through State Department of Education:</u>				
Coronavirus Relief Fund	21.019	not available	-	13,642
Total U.S. Department of Treasury			\$ -	<u>13,642</u>
U.S. Department of Agriculture				
<u>Passed Through State Department of Agriculture:</u>				
School Breakfast Program	10.553	71402201	\$ -	448,732
National School Lunch Program	10.555	71302201	-	1,562,450
COVID-19 - Supply Chain Assistance	10.555	71302201	-	87,083
Total Child Nutrition Cluster			-	<u>2,098,265</u>
Child & Adult Care Food Program	10.558	71302201	-	117,659
U.S.D.A. Commodities	10.565	71302201	-	184,806
Fresh Fruit and Vegetable Program	10.582	71302201	-	35,188
Total U.S. Department of Agriculture			\$ -	<u>2,435,918</u>
Total Expenditures of Federal Awards			\$ -	<u>9,137,789</u>

See accompanying independent auditor's report and notes to schedule of expenditures of federal awards.

DRAFT

La Vega Independent School District

Notes to Schedule of Expenditures of Federal Awards

August 31, 2023

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) includes the federal grant activity of La Vega Independent School District (the “District”) under programs of the federal government for the year ended August 31, 2023. The information in this schedule is presented in accordance with the 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”). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

(2) Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Pass-through entity identifying numbers are presented where available.

(3) Indirect Cost Rate

Indirect costs amounting to \$612,792 were claimed by the District for the year ended August 31, 2023, using the District’s restricted indirect cost rate of 5.612% or unrestricted indirect cost rate of 13.820%, as applicable.

(4) Reconciliation to Financial Statements

Following is a reconciliation of the schedule of expenditures of federal awards to total federal program revenues per the statement of revenues, expenditures and changes in fund balances – governmental funds for the year ended August 31, 2023:

Expenditures per Schedule of Expenditures of Federal Awards	\$ 9,137,789
SHARS revenue	213,023
Federal subsidy for debt service	<u>263,796</u>
Total federal program revenues per Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 9,614,608</u>

Monthly Budget Analysis Report

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. James Garrett

Background Information:

The District compiles and reports revenue and expenditure data for all funds on a monthly basis. The attached monthly budget analysis reports compare year-to-date revenue and expenditures to the same period from last fiscal year.

Fiscal Implication:

N/A

Administrative Recommendation:

It is recommended that the Board approve the Monthly Budget Analysis Report as submitted.

Motion:

Second:

For:

Against:

Abstain:

La Vega Independent School District
Statement of Revenues and Expenditures - Budget vs. Actual

For the Period Ended 11/30/2023
11

GENERAL FUND - 199

DATA CONTROL CODES	REVENUES	(1)	(2)	(3)		(4)		(5)	(6)	(7)	(8)
		2023-2024 ORIGINAL BUD	2023-2024 AMEND BUD	MONTHLY		YEAR-TO-DATE		DIFFERENCE AMEND BUD TO YTD CURR	CY YTD AS % OF BUDGET	PY YTD AS % OF BUDGET	% OF YEAR ELAPSED AS OF 11/30/2023
				CURRENT 11/30/2023	PRIOR YR 11/30/2022	CURRENT 11/30/2023	PRIOR YR 11/30/2022				
5700	LOCAL	11,350,540	11,370,540	1,510,468	1,490,649	1,896,819	1,942,459	9,473,721	16.68%	16.72%	25.00%
5800	STATE	21,537,070	21,537,070	2,266,708	2,041,334	10,576,365	10,070,921	10,960,705	49.11%	50.15%	25.00%
5900	FEDERAL	444,000	444,000	13,385	(342)	40,390	4,116	403,610	9.10%	#DIV/0!	25.00%
7900	OTHER	-	-	-	-	-	-	-	#DIV/0!	0.00%	25.00%
5020	TOTAL REVENUES	\$ 33,331,610	\$ 33,351,610	\$ 3,790,561	\$ 3,531,641	\$ 12,513,574	\$ 12,017,496	\$ 20,838,036	37.52%	43.40%	25.00%
	EXPENDITURES										
0011	Instruction	18,453,638	18,447,121	1,486,962	1,209,545	4,429,134	3,328,717	14,017,987	24.01%	22.21%	25.00%
0012	Instr Resources/Media Services	291,426	291,426	22,129	19,431	62,266	57,799	229,160	21.37%	19.10%	25.00%
0013	Curriculum & Staff Development	491,756	491,756	29,976	28,863	91,271	76,923	400,485	18.56%	19.14%	25.00%
0021	Instructional Leadership	826,576	826,576	69,558	83,018	202,299	215,687	624,277	24.47%	37.27%	25.00%
0023	School Leadership	2,521,124	2,526,441	238,254	224,245	728,482	676,632	1,797,959	28.83%	30.83%	25.00%
0031	Guidance, Counseling & Evaluation	854,522	854,522	60,117	64,122	193,943	181,324	660,579	22.70%	20.27%	25.00%
0032	Attendance & Social Services	238,160	238,160	754	1,768	121,975	154,571	116,185	51.22%	146.51%	25.00%
0033	Health Services	314,367	314,367	23,694	23,013	70,289	70,949	244,078	22.36%	26.18%	25.00%
0034	Student Transportation	2,181,401	2,201,401	221,909	197,329	419,877	379,031	1,781,524	19.07%	21.47%	25.00%
0035	Food Services	30,975	30,975	-	2,013	-	2,013	30,975	0.00%	7.68%	25.00%
0036	Extracurricular Activities	1,827,249	1,833,949	148,379	181,786	456,003	428,677	1,377,946	24.86%	25.00%	25.00%
0041	General Administration	1,688,971	1,688,971	169,352	138,896	450,158	441,177	1,238,813	26.65%	29.74%	25.00%
0051	Plant Maintenance & Operations	3,857,477	3,834,977	298,454	337,768	801,536	1,481,052	3,033,441	20.90%	27.31%	25.00%
0052	Security & Monitoring Services	831,689	844,689	65,978	89,458	228,179	240,875	616,510	27.01%	65.31%	25.00%
0053	Data Processing Services	1,244,244	1,248,244	210,953	142,447	483,343	415,533	764,901	38.72%	31.69%	25.00%
0061	Community Services	5,084	5,084	-	-	217	217	4,867	4.27%	35.00%	25.00%
0071	Debt Service	281,000	281,000	-	41,963	14,822	53,847	266,178	5.27%	31.96%	25.00%
0081	Facility Acquisition & Construction	-	-	-	38,431	-	38,431	-	#DIV/0!	3.70%	25.00%
0095	Payment to JJAEP	29,000	29,000	5,353	-	15,930	9,468	13,070	54.93%	36.42%	25.00%
0099	Other Intergovernmental Charges	229,000	229,000	32,149	-	32,149	-	196,851	14.04%	0.00%	25.00%
6030	TOTAL EXPENDITURES	\$ 36,197,659	\$ 36,217,659	\$ 3,083,971	\$ 2,824,096	\$ 8,801,873	\$ 8,252,923	\$27,415,786	24.30%	24.85%	25.00%
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,866,049)	\$ (2,866,049)	\$ 706,590	\$ 707,545	\$ 3,711,701	\$ 3,764,573				
	OTHER FINANCING SOURCES (USES)	(9)	(9)			(9)					
7910	Transfers In										
8910	Transfers Out	\$ -	\$ -	\$ -		\$ -					
	TOTAL OTHER FINANCING SOURCES (USES)										
1200	Net Change in Fund Balance	\$ (2,866,049)	\$ (2,866,049)		(11)	\$ 3,711,701					
100	Fund Balance - Sept. 1		\$ 16,646,328		(12)	\$ 16,646,328					
3000	Fund Balance - Aug 31 (projected and unadited)		\$ 13,780,279		(14)	\$ 20,358,029					

- (1) **2023-2024 Approved Budget** - The original budget approved by the Board for the 2023-2024 Fiscal Year
- (2) **2023-2024 Amended Budget** - The original budget approved by the Board plus or minus any Budget Change Requests posted to the budget as of the date of the report
- (3) **Monthly Current Year vs. Prior Year Revenues and Expenditures** - Cash received(revenues)/disbursed(expenditures) for the current month compared with the same period last year
- (4) **Year To Date Current Year vs. Prior Year Revenues and Expenditures** - Cash received(revenues)/disbursed(expenditures) for the current year compared with the same period last year
- (5) **Difference Between Amended Budget and Current Year To Date** - Figures in Column 2 less figures in Column 4 (Current Column) equals balance left to receive(revenues)/disburse(expenditures) for the remainder of the Fiscal Year
- (6) **Current Year To Date as A Percent of The 2023-2024 Amended Budget** - The percent of Current Year To Date revenues/expenditures to the 2023-2024 Amended Budget
- (7) **Prior Year To Date as A Percent of The 2023-2024 Budget** - Ther percent of Prior Year To Date revenues/expenditures from the 2023-2024 Budget
- (8) **Percent of Fiscal Year Elapsed as of The Date of The Report** - The percent of the Fiscal Year which has elapsed for the as of date of the report
- (9) **Excess of Revenues Over Expenditures** - The excess (deficiency) of Revenues over (under) expenditures for the Original Budget, Amended Budget and Current Year To Date columns
- (10) **Transfers In/Out** - The amount of any transfers made to the Approved Budget, Amended Budget or Current Year To Date Columns
- (11) **Net Change In Fund Balance** - The excess or deficiency of revenues over expenditures which would add to or take away from the beginning fund balance
- (12) **Fund Balance - September 1** - The District's audited General Fund Balance as of September 1 of the current fiscal year.
- (13) **Fund Balance - August 31** - The projected and unaudited General Fund Balance the District would have if revenue and expenditures are equal to the 2023-2024 Approved Budget or Amended Budget
- (14) **Fund Balance - August 31** - The projected and unaudited General Fund Balance the District would have if the fiscal year ended on the last day of the month of the report.

La Vega Independent School District
Statement of Revenues and Expenditures - Budget vs. Actual

For the Period Ended 11/30/2023
11

CHILD NUTRITION FUND - 240

DATA CONTROL CODES	REVENUES	(1)	(2)	(3)		(4)		(5)	(6)	(7)	(8)
		2023-2024 APP BUD	2023-2024 AMEND BUD	MONTHLY		YEAR-TO-DATE		DIFFERENCE AMEND BUD TO YTD CURR	CY YTD AS % OF BUDGET	PY YTD AS % OF BUDGET	% OF YEAR ELAPSED AS OF 11/30/2023
				CURRENT 11/30/2023	PRIOR YR 11/30/2022	CURRENT 11/30/2023	PRIOR YR 11/30/2022				
5700	LOCAL	113,492	113,492	14,330	14,875	49,252	41,477	64,240	43.40%	31.86%	25.00%
5800	STATE	10,232	10,232	16,572	5,591	28,443	11,361	(18,211)	277.98%	20.09%	25.00%
5900	FEDERAL	2,694,115	2,694,115	245,679	275,076	688,455	586,732	2,005,660	25.55%	26.90%	25.00%
7900	OTHER			-	-	-	-				25.00%
5020	TOTAL REVENUES	\$ 2,817,839	\$ 2,817,839	\$ 276,581	\$ 295,542	\$ 766,150	\$ 639,570	\$ 2,051,689	27.19%	28.11%	25.00%
	EXPENDITURES										
0011	Instruction			-	-	-	-	-	#DIV/0!		25.00%
0012	Instr Resources/Media Services			-	-	-	-	-	#DIV/0!		25.00%
0013	Curriculum & Staff Development			-	-	-	-	-	#DIV/0!		25.00%
0021	Instructional Leadership			-	-	-	-	-	#DIV/0!		25.00%
0023	School Leadership			-	-	-	-	-	#DIV/0!		25.00%
0031	Guidance, Counseling & Evaluation			-	-	-	-	-	#DIV/0!		25.00%
0032	Attendance & Social Services			-	-	-	-	-	#DIV/0!		25.00%
0033	Health Services			-	-	-	-	-	#DIV/0!		25.00%
0034	Student Transportation			-	-	-	-	-	#DIV/0!		25.00%
0035	Food Services	2,791,339	2,791,339	221,417	204,827	582,591	530,949	2,208,748	20.87%	21.71%	25.00%
0036	Extracurricular Activities			-	-	-	-	-	#DIV/0!		25.00%
0041	General Administration			-	-	-	-	-	#DIV/0!		25.00%
0051	Plant Maintenance & Operations	26,500	26,500	1,611	2,348	3,423	3,882	23,077	12.92%	17.25%	25.00%
0052	Security & Monitoring Services			-	-	-	-	-	#DIV/0!		25.00%
0053	Data Processing Services			-	-	-	-	-	#DIV/0!		25.00%
0061	Community Services			-	-	-	-	-	#DIV/0!		25.00%
0071	Debt Service			-	-	-	-	-	#DIV/0!		25.00%
0081	Facility Acquisition & Construction			-	-	-	-	-	#DIV/0!		25.00%
0095	Payment to JJAEP			-	-	-	-	-	#DIV/0!		25.00%
0099	Other Intergovernmental Charges			-	-	-	-	-	#DIV/0!		25.00%
6030	TOTAL EXPENDITURES	\$ 2,817,839	\$ 2,817,839	\$ 223,028	\$ 207,175	\$ 586,014	\$ 534,832	\$ 2,231,825	20.80%	23.33%	25.00%
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ 53,553	\$ 88,367	\$ 180,136	\$ 104,739				
	OTHER FINANCING SOURCES (USES)	(9)	(9)			(9)					
7910	Transfers In										
8910	Transfers Out			\$ -	\$ -	\$ -	\$ -				
	TOTAL OTHER FINANCING SOURCES (USES)										
1200	Net Change in Fund Balance	\$ -	\$ -		(11)	\$ 180,136					
100	Fund Balance - Sept. 1		\$ 1,181,997		(12)	\$ 1,181,997					
3000	Fund Balance - Aug 31 (projected and unadited)		\$ 1,181,997		(14)	\$ 1,362,133					

La Vega Independent School District
Statement of Revenues and Expenditures - Budget vs. Actual

For the Period Ended

11/30/2023

11

DEBT SERVICE FUND - 511

DATA CONTROL CODES	REVENUES	(1)	(2)	(3)		(4)		(5)	(6)	(7)	(8)
		2023-2024 APP BUD	2023-2024 AMEND BUD	CURRENT MONTHLY 11/30/2023	PRIOR YR 11/30/2022	CURRENT YEAR-TO-DATE 11/30/2023	PRIOR YR 11/30/2022	DIFFERENCE AMEND BUD TO YTD CURR	CY YTD AS % OF BUDGET	PY YTD AS % OF BUDGET	% OF YEAR ELAPSED AS OF 11/30/2023
5700	LOCAL	3,444,194	3,444,194	488,261	374,096	562,432	139,594	2,881,762	16.33%	7.25%	25.00%
5800	STATE	-	-	-	-	-	-	-	#DIV/0!	0.00%	25.00%
5900	FEDERAL	-	-	-	-	-	-	-	#DIV/0!	0.00%	25.00%
7900	OTHER	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
5020	TOTAL REVENUES	\$ 3,444,194	\$ 3,444,194	\$ 488,261	\$ 374,096	\$ 562,432	\$ 139,594	\$ 2,881,762	16.33%	4.74%	25.00%
	EXPENDITURES										
0011	Instruction	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0012	Instr Resources/Media Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0013	Curriculum & Staff Development	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0021	Instructional Leadership	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0023	School Leadership	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0031	Guidance, Counseling & Evaluation	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0032	Attendance & Social Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0033	Health Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0034	Student Transportation	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0035	Food Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0036	Extracurricular Activities	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0041	General Administration	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0051	Plant Maintenance & Operations	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0052	Security & Monitoring Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0053	Data Processing Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0061	Community Services	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0071	Debt Service	2,286,452	2,286,452	-	806	1,336	806	2,285,116	0.06%	0.0003131	25.00%
0081	Facility Acquisition & Construction	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0095	Payment to JJAEP	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
0099	Other Intergovernmental Charges	-	-	-	-	-	-	-	#DIV/0!	#DIV/0!	25.00%
6030	TOTAL EXPENDITURES	\$ 2,286,452	\$ 2,286,452	\$ -	\$ 806	\$ 1,336	\$ 806	\$2,285,116.00	0.06%	0.03%	25.00%
1100	Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 1,157,742	\$ 1,157,742	\$ 488,261	\$ 373,290	\$ 561,096	\$ 138,787				
	OTHER FINANCING SOURCES (USES)	(9)	(9)			(9)					
7910	Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
8910	Transfers Out	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				
	TOTAL OTHER FINANCING SOURCES (USES)										
1200	Net Change in Fund Balance	\$ 1,157,742	\$ 1,157,742		(11)	\$ 561,096					
100	Fund Balance - Sept. 1	\$ 5,516,066	\$ 5,516,066		(12)	\$ 5,516,066					
100	Less: Committed Fund Balance - Sept. 1	\$ (3,773,224)	\$ (3,773,224)			\$ (3,773,224)					
3000	Fund Balance - Aug 31 (projected and unaudited)	\$ 2,900,584	\$ 2,900,584		(14)	\$ 2,303,938					
3000	Less: Committed Fund Balance-Aug 31										
	Available Fund Balance (projected and unaudited)	(14) \$ 2,900,584	\$ 2,900,584			\$ 2,303,938					

Presented for Consideration: La Vega ISD 2024 HVAC Renovations

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. Todd Gooden
Mr. James D. Garrett

Background Information:

In April 2023, the District was impacted by a severe thunderstorm, causing significant hail damage to all of our of our campuses. Before you this evening is the recommendation from our HVAC consultant firm, EMA, retained by TASB to be our representative and walk us through this process.

General Description of Work and Expectations:

New rooftop units, split systems, and other HVAC renovations to the Elementary School, High School, Intermediate School, Junior High School, and Primary School.

Demolition work and removal of all non-used materials off-site in a legal manner is included (mechanical and electrical).

Fiscal Implication:

La Vega Independent School District received five proposals for this project on December 7, 2023. After reviewing those proposals and the information shown above P&E Mechanical Contractors, LLC, was determined to provide the best value for the project, totaling \$1,541,150. The District will be responsible for our deductible of \$500,000. An item of note, we are still evaluating additional losses related to this claim.

Administrative Recommendation:

La Vega Independent School District award the contract for the above referenced work to P&E Mechanical Contractors, LLC. for a total of \$1,541,150.00 (One Million Five Hundred Forty-One Thousand One Hundred Fifty Dollars and 00/100). This includes the Base Bid, and Contingency.

Motion: _____

Second: _____

For: _____

Against: _____

Abstain: _____

La Vega 2024 HVAC Renovations - Proposal Grading Form

Base Price Includes \$140,000.00 Construction Contingency			Criteria 1	Criteria 2	Criteria 3	Criteria 4	Criteria 5	Criteria 6	Criteria 7	Total
P&E	BASE BID	\$1,541,150.00	49.995	20	10	7	3	5	3	97.995
	TOTAL	\$1,541,150.00	50	20	10	7	3	5	5	100.000
John Cook & Associates	BASE BID	\$1,541,000.00	50.000	19	10	5	3	5	5	97.000
	TOTAL	\$1,541,000.00	50	20	10	7	3	5	5	100.000
Capstone	BASE BID	\$1,742,900.00	44.208	20	10	7	3	5	5	94.208
	TOTAL	\$1,742,900.00	50	20	10	7	3	5	5	100.000
MaNamarra	BASE BID	\$1,635,796.00	47.102	20	10	7	3	5	5	97.102
	TOTAL	\$1,635,796.00	50	20	10	7	3	5	5	100.000
Brandt	BASE BID	\$1,641,000.00	46.953	19	10	5	3	5	5	93.953
	TOTAL	\$1,641,000.00	50	20	10	7	3	5	5	100.000

SELECTION CRITERIA: In accordance with Texas Education Code as amended, La Vega Independent School District shall evaluate all proposals based on a combination of factors that the District determines provides the best value to the District including:

1. The purchase price; (50 Points)
2. The reputation of the vendor and of the vendor's goods or services; (20 Points)
3. The quality of the vendor's goods or services; (10 Points)
4. The vendor's past relationship with the district; (7 Points)
5. Specific experience in public schools of the scope of the proposed project; (3 Points)
6. Financial stability and strength of proposer; (5 Points)
7. Overall familiarity with district facilities and needs, pre-proposal conference, etc. (5 Points)

Price Formula

$$Points\ Awarded = \frac{Lowest\ Price\ Fee}{Proposal\ Being\ Evaluated} * Possible\ Points$$

December 11, 2023

Todd Gooden
400 E. Loop 340
Waco, TX 76705

RE: La Vega ISD 2024 HVAC Renovations
La Vega Independent School District

Mr. Gooden:

EMA Engineering recommends, pending board approval, that La Vega Independent School District award the contract for the above referenced work to P&E Mechanical Contractors, LLC. for a total of \$1,541,150.00 One Million Five Hundred Forty-One Thousand One Hundred Fifty Dollars and 00/100. This includes the Base Bid, and Contingency.

La Vega ISD 2024 HVAC Renovation		
Scope	Accepted (Yes/No)	Bid Price
Base Bid: Provide complete turn-key work per construction documents (including all related work) that includes, but is not limited to, mechanical, electrical, and plumbing renovations.	Yes	\$1,541,150.00
Total Accepted with Contingency Included		\$1,541,150.00

La Vega Independent School District received five proposals for this project on December 7, 2023. After reviewing those proposals and the information shown above P&E Mechanical Contractors, LLC, was determined to provide the best value for the project.

For additional information please contact me.

Sincerely,



Mason Mallard

Presented for Consideration: Replacement of Serving Lines for Cafeterias

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. James D. Garrett

Background Information:

The serving line at the La Vega Elementary School campus is in need of replacement due to its age and increased limits related to our operation. We advertised for proposals and received only one bid from Mission Restaurant Supply. This serving line proposal meets our needs and updates the space for greater efficiency.

Fiscal Implication:

The proposed expenditure for this \$201,208 (proposal attached). This expenditure is within our excess fund balance spending plan permitted by the Texas Department of Agriculture, using the fund balance from the child nutrition fund.

Administrative Recommendation:

Approve the purchase of a new serving line from Mission Restaurant Supply for \$201,208, pending approval from Texas Department of Agriculture.

Motion: _____

Second: _____

For: _____

Against: _____

Abstain: _____

La Vega Independent School District

**Request for Proposals
for
Food Service Equipment**



**Serving Line Replacement
La Vega Elementary School**

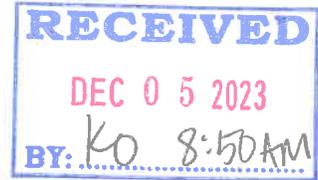
Bid Deadline: 10:00 A.M. on December 6, 2023

MAILING ADDRESS:
LVISD Administration
400 East Loop 340
Waco, TX 76705

PHYSICAL ADDRESS:
LVISD Central Warehouse
3101 Latimer Street
Waco, TX 76705



TABLE OF CONTENTS



- I. General Instructions to Bidders
- II. Bid Response Requirements
 - A. Acceptance of Bid Terms
 - B. House Bill 89 Verification
 - C. Senate Bill 252 Certification
 - D. Felony Conviction Notice
 - E. H.B. 1295
 - F. Conflict of Interest
 - G. Federal Funds Certification Forms
 - H. Specific Conditions
 - I. Proposal Response
- III. Exhibit A and B

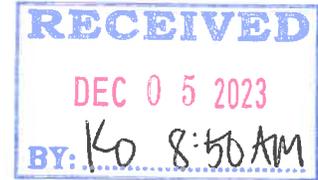
**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

I. GENERAL INSTRUCTIONS TO PROPOSERS

- 1. PROPOSAL SUBMISSION:** Proposals must be submitted on the proposal forms provided, or on photocopies of the proposal forms provided. Proposal forms and information submitted shall be completed in ink, typewritten or otherwise in a permanent marking. Proposal forms to be submitted by Proposer are in Section III, and include:

 - a. Acceptance of Proposal Terms;
 - b. House Bill 89 Verification;
 - c. Senate Bill 252 Certification;
 - d. Felony Conviction Notice;
 - e. Conflict of Interest
 - f. Federal Funds Certification Forms
 - g. Proposal Response; and,
 - h. Any other forms required by these proposal specifications.
- 2. PROPOSAL OFFER:** LVISD requests that unless otherwise stated by the Proposer, this offer be good for acceptance for sixty (60) days from the date of the opening date.
- 3. TELEFAXED:** No faxed proposal or faxed modification of proposal will be considered.
- 4. PROPOSAL DEADLINE:** Proposal responses must be received no later than the proposal opening date and time specified in the cover page.
- 5. LATE PROPOSALS:** Time of response to this proposal is considered to be critical. Proposals received after the proposal opening date and time will not be considered. It is the sole responsibility of the contractor to respond on time.
- 6. DELIVERY OF PROPOSAL:** Each proposal must be delivered to LVISD at the address given in the cover page on or before the proposal deadline. Each proposal shall be enclosed in a sealed envelope bearing a title in the following format:

**Food Service Equipment La Vega ISD Proposal # 24-CNS-02
Name of Proposer
Proposal Deadline: 10:00 A.M., December 6, 2023
ATTENTION: James Garrett**
- 7. PROPOSAL OPENING:** Proposals will be opened publicly. Proposers are invited to be present at the proposal opening at La Vega Independent School District Administration Office, 400 East Loop 340, Waco, TX, 76705.
- 8. EXAMINATION OF CONTRACT DOCUMENTS AND WORK SITES:** Proposer is responsible for examining the work site(s) prior to submitting the proposal as to all existing conditions and limitations under which the service is to be performed. No allowance shall be made to any Proposer because of lack of examination or knowledge. The submission of a proposal shall be construed as conclusive evidence that the Proposer has made such examination of work sites and complete contract documents.
- 9. ADDENDA:** Answers to all substantive questions, inquiries, and requests for additional information will be issued in the form of **Addenda and will be posted online at www.lavegaisd.org**, Departments, Business Office. Copies of each addendum will be issued to those Proposers obtaining proposal documents. Also, Proposers may be advised by addenda of changes in contract requirements. LVISD will not be responsible for the authenticity or correctness of oral interpretations of the contract documents or for information obtained in any other manner than through the written addenda. Each addendum shall be considered a part of the contract documents. **Prospective Proposers must acknowledge receipt of addenda from an authorized contact person and attach to the proposal response.**
- 10. TAXATION:** LVISD is exempt from state sales tax and use tax, and the Proposer should not include such taxes in the proposal prices or in subsequent invoicing.



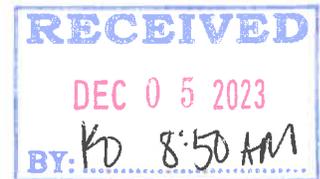
**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

11. RESERVATIONS AND ANNULMENTS: LVISD reserves the right to accept or reject any/or all proposals and to waive any and/or all technicalities in the interest of LVISD. The District has the right to decide equivalency.

12. PROPOSAL AWARD: LVISD reserves the right to award the proposal as a lump total for all items, or in part. As such, each item must have an individual respective cost for federal funds project.

13. EVALUATION CRITERIA: LVISD will consider all, though only those with points will be scored.

- a. The purchase prices.
- b. The reputation of the vendor and of the vendor's goods and services.
- c. The quality of the vendor's goods or services.
- d. The extent to which the goods or services meet LVISD's needs.
- e. The vendor's past relationship with LVISD.
- f. The impact on the ability of the district to comply with laws relating to historically underutilized businesses
- g. The total long-term cost to the district to acquire the goods or services
- h. For a contract that is not for goods and services related to telecommunications and information services, building construction and maintenance, or instructional materials, if the vendor or the vendor's ultimate parent company or majority owner has its principal place of business in this state or employs at least 500 persons in this state
- i. Any other relevant factor specifically listed in the request for proposals or proposals



14. WITHDRAWAL OF PROPOSALS:

- a. Prior to the Proposal Deadline, Proposer may withdraw a proposal in its entirety. Withdrawal may be in person or may be requested in writing by an appropriate authority. A withdrawal request may be made by tele-fax. A proposal may be resubmitted prior to the proposal deadline.
- b. After the Proposal Deadline:
 - 1.) Proposer may request that a proposal be withdrawn in whole or in part due to typographical errors or due to unintentional errors in interpretation of proposal specifications. LVISD may consider such requests and may grant such requests as considered necessary in the best interests of LVISD.
 - 2.) Proposer may withdraw a proposal without the consent of LVISD. However, LVISD reserves the right to seek legal damages. LVISD also reserves the right to remove Proposer from consideration for future proposals.

15. SAMPLES, CATALOGS, and CATALOG CUTS: Procedures and requirements for samples, catalogs or catalog cuts required by the LVISD, if any, will be covered under Specific Conditions. Unsolicited samples, catalogs, or catalog cuts may be provided at no cost to LVISD.

16. "Or Equal Interpretation": Use of a particular manufacturer's name and model number means any product of equal or greater quality. LVISD reserves the right to determine equivalency. Bidder/Proposer may be required to demonstrate products.

17. DEVIATION FROM SPECIFICATIONS: All deviations from the specifications must be *clearly* noted in detail by Proposer, in writing, at the time of submittal of the formal proposal. Failure to clearly identify deviations from specifications at the time of proposal submittal will hold Proposer strictly accountable to LVISD to the specifications as written. Any deviations from the specifications as written not previously submitted, as required by the above, will be grounds for rejection of the material, item or service when delivered. Minimum shipment requirements must be stated on the Proposal Terms.

18. FAILURE TO COMPLY: LVISD may reject shipment on any services or items not delivered according to specifications, brands, price, or other proposal terms. If products are not delivered according to proposal terms, LVISD reserves the right to cancel the entire contract. LVISD also reserves the right to charge the Vendor the difference between the prices paid for replacement items purchased and the awarded proposal price.

19. FIREARMS, TOBACCO AND ALCOHOL: Possession of firearms, alcohol and/or drugs, even in vehicles is strictly prohibited on school district property. Smoking of cigarettes, cigars, pipes, or use of other tobacco products and any alcoholic beverage are prohibited by State Law on all school district property.

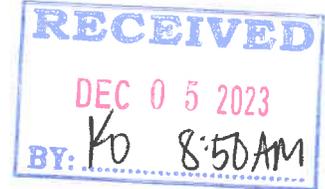
20. OTHER CONTRACTUAL OBLIGATIONS: For contracts awarded in excess of \$10,000.00 by the school district, the successful Proposer and their contractors or subgrantees must be in compliance with executive order 11246 "Equal Employment Opportunity" as amended by executive order 11375, and as supplemented in Department of Labor Regulations (41 C.F.R. Part 60)-Executive Order 11246, as amended, prohibiting job discrimination because of race, color, religion, sex, or national origin and requiring affirmative action to ensure equality of opportunity in all aspects of employment.

**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

21. BOND AND INSURANCE SUBMITTALS:

- a. If awarded the contract, the successful contractor shall be required to furnish the appropriate certificates of insurance, and promptly enter into and execute the Payment and Performance Bonds prior to starting the project. The certificates of insurance shall name La Vega Independent School District as additional insured on all insurances except Workers' Compensation. Following is the required minimum with single limit:

- | | |
|--|-------------|
| 1.) General Public Liability | \$1,000,000 |
| 2.) Umbrella's on top with at least | \$1,000,000 |
| 3.) Automobile combined
including hired and non-owned vehicles | \$ 500,000 |
| 4.) Statutory Workers Compensation
including employees' liability | \$ 500,000 |



- b. Bonds: Prior to commencement of work hereunder, contractors will, if the Contract Price exceeds \$25,000.00, provide an Acceptable Surety Company Payment Bond and if the contract price exceeds \$100,000.00 provide an Acceptable Surety Company Performance Bond, each in principal amount equal to one hundred percent (100%) of the contract price. The contractor will faithfully perform all its undertakings in this contract and will fully pay all persons furnishing labor and material in the prosecution of the work provided for in this contract. If any surety upon any bond becomes insolvent or otherwise ceases to do business in this State, the contractor shall promptly furnish equivalent security to protect the interests of LVISD and of persons furnishing labor and materials in the prosecution of the work.
- c. The successful bidder shall have their insurance companies list La Vega Independent School District as additional insured on all policies except Workers' Compensation. Certificates shall be sent to the La Vega I.S.D. Assistant Superintendent for Finance at each change or renewal during the term of this contract.

22. INSURANCE:

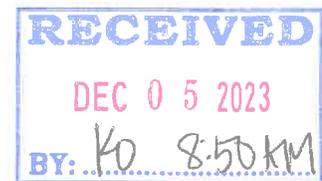
- a. The contractor shall maintain insurance of the kinds and in the amounts specified below and furnish La Vega I.S.D. with Certificates of Insurance as evidence thereof in the prescribed form. If any work provided for or to be performed under any Specifications is sub-let (as otherwise permitted by the terms of such Specifications), the contractor shall require the subcontractor to maintain and furnish him with satisfactory evidence of Workers' Compensation, Employer's Liability and such other forms and amounts of insurance which the contractor deems reasonably adequate.
- b. The contractor will provide and maintain all risk builder's coverage insurance to protect the interest of both the contractor and LVISD for materials brought into the job or stored on the premises. Such insurance shall be for one hundred percent (100%) of the insurable value of the work to be performed including all items of labor and materials incorporated therein, materials stored at the job-site to be used in completing the work, and such other supplies and equipment incidental to the work as are not owned or rented by the contractor, the costs of which are included in the direct cost of the work.
- c. This insurance shall not cover any tools, derricks, machinery, ladders, engines, workmen's quarters, boilers, pumps, wagons, scaffolds, forms, compressors, shanties, or other items owned or rented by the contractor, the cost of which is not included in the direct cost of the work. LVISD shall be named as additional insured as their interest may appear.
- d. The contractor, at his expense, must also maintain insurance which shall:
- i. include coverage for the liability assumed by the contractor;
 - ii. include completed operation coverage which is to be kept in force by the contractor for a period of not less than one year after completion of the work provided for or performed under these specifications;
 - iii. not be subject to any of the special property damage liability exclusions commonly referred to as the XCU exclusions pertaining to blasting or explosion, collapse or structural damage and underground property;
 - iv. not be subject to any exclusion of property used by the insured or property in the case, custody or control for the insured or property as to which the insured for any purpose is exercising physical control; and
 - v. the Certificates of Insurance furnished by the contractor shall show by specific reference that each of the foregoing items have been provided for.
- e. The Certificates of Insurance furnished by the contractor as evidence of the insurance maintained by him shall include a clause obligating the Insurer to give LVISD thirty (30) days prior written notice of cancellation or any material change in the insurance.
- f. The successful contractor must provide LVISD with certificates of insurance liability naming La Vega Independent School District as additional insured.

**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

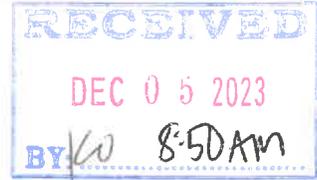
g. The contractor agrees to indemnify, defend and save harmless La Vega Independent School District and the Consultant, their consultants, agents and employees from and against all loss or expense (including costs and attorney fees) by reason of liability imposed by law upon La Vega I.S.D. , Consultant, sub-consultants, agents and employees for damages because of bodily injury, including death at any time resulting therefore, sustained by any person or persons or on account of damage to property, including loss of use thereof, arising out of or in consequence of the performance of this work, whether such injuries to person or damage to property is due or claimed to be due to the negligence of the contractor, his sub-contractors, La Vega I.S.D., the Consultant, their consultants, agents and employees, except only such injury or damage as shall have been occasioned by the sole negligence of La Vega I.S.D., Consultant, and/or other Agents.

23. RECALLS:

Vendor shall take immediate action to correct any situation when product/equipment integrity is violated. In the event of a mandatory or voluntary recall, Vendor shall remove or authorize disposal of all recalled product/equipment from La Vega Independent School District immediately and shall replace the product/equipment with new product/equipment at no cost to the District as soon as possible. Integrity is up to the discretion of the purchaser. A product/equipment recall may be enacted at any time within one [1] year of receipt/installation.



LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02



III. PROPOSAL FORMS

A. ACCEPTANCE OF PROPOSAL TERMS

A proposal, to be valid, must be manually signed in ink by an authorized person in the space provided. By such signature, Proposer agrees to strictly a proposal by the terms, conditions, and specifications embodied in this proposal.

If you do not submit a proposal but want to stay on our vendor list, please sign and return this Acceptance of Proposal Terms and include the reason for non-submittal.

I (we) am proposing in accordance with the general conditions and specifications.

By signing this proposal, the Proposer affirms that he/she has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor or service to a public servant in connection with the proposal submitted.

The undersigned affirms that he/she is duly authorized to execute this contract, that this company, corporation, firm, partnership or individual has not prepared the proposal in collusion with any other Proposer, and that the contents of this proposal as to prices, terms or conditions of said proposal have not been communicated by the undersigned nor by any employee or agent to any other person engaged in this type of business prior to the official opening of this proposal.

Company (Firm Name): Mission Restaurant Supply

Contact Person: Francisco Herrera

Telephone #: 512-389-1705

Fax: _____

Website: www.missionrs.com

E-Mail: franciscoh@missionrs.com

Date: 12/04/2023

Signature: Francisco Herrera

Printed Name: Francisco Herrera

Title: K12 Specialist

Reason for Non-Submittal: _____

LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02

B. House Bill 89 VERIFICATION

I, Francisco Herrera, the undersigned representative of Mission RS
(Company or Business name), hereafter referred to as company being an adult over the age of eighteen (18) years
of age, verify that the company named-above, under the provisions of Subtitle F, Title 10, Government Code
Chapter 2270:

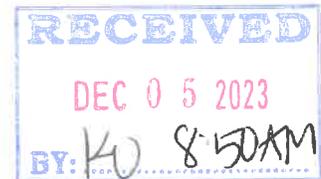
1. Does not boycott Israel currently; and,
2. Will not boycott Israel during the term of the contract the above-named Company, business or individual
with La Vega Independent School District.

Pursuant to Section 2270.001, Texas Government Code:

1. "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any
action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with
Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not
include an action made for ordinary business purposes; and
2. "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint
venture, limited partnership, limited liability partnership, or any limited liability company, including a wholly
owned subsidiary, majority-owned subsidiary, parent company or affiliate of those entities or business
associations that exist to make a profit.

12/04/2023
DATE

Francisco Herrera
SIGNATURE OF COMPANY REPRESENTATIVE



RECEIVED
DEC 05 2023
BY: KO 8:50 AM

C. SB 252
CHAPTER 2252 CERTIFICATION

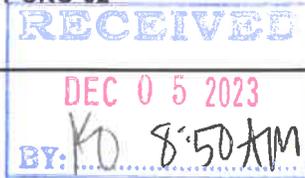
I, Francisco Herrera, the undersigned representative of Mission RS [Company or Business Name] being an adult over the age of eighteen [18] years of age, pursuant to Texas Government Code, Chapter 2252, Section 2252.152 and Section 2252.153 certify that the company named above is not listed on the website of the Comptroller of the State of Texas concerning the listing of companies that are identified under Section 806.051, Section 807.051 or Section 2253.253. I further certify that should the above-named company enter into a contract that is on said listing of companies on the website of the Comptroller of the State of Texas which do business with Iran, Sudan or any Foreign Terrorist Organization, I will immediately notify the La Vega Independent School District's Purchasing Department.

Mission Restaurant Supply
Company Name

[Signature] Signature of
Company representative

12/04/2023
Date

LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02



D. FELONY CONVICTION NOTICE

Statutory citation covering notification of criminal history of contractor is found in the Texas Education Code section 44.034.

FELONY CONVICTION NOTIFICATION

State of Texas Legislative Senate Bill No. 1, Section 44.034, Notification of Criminal History, Subsection (a), states "a person or business entity that enters into a contract with a school district must give advance notice to LVISD if the person or an owner or operator of the business entity has been convicted of a felony. The notice must include a general description of the conduct resulting in the conviction of a felony".

Subsection (b) states "a school district may terminate a contract with a person or business entity if LVISD determines that the person or business entity failed to give notice as required by Subsection (a) or misrepresented the conduct resulting in the conviction. LVISD must compensate the person or business entity for services performed before the termination of the contract".

THIS NOTICE IS NOT REQUIRED OF A PUBLICLY HELD CORPORATION

I, the undersigned agent for the firm named below, certify that the information concerning notification of felony convictions has been reviewed by me and the following information furnished is true to the best of my knowledge.

Check One:

- My firm is a publicly held corporation; therefore, this reporting requirement is not applicable.
- My firm is not owned nor operated by anyone who has been convicted of a felony.
- My firm is owned or operated by the following individual(s) who has/have been convicted of a felony.

Name of Felon(s):

Details of Conviction(s):

Mission Restaurant Supply

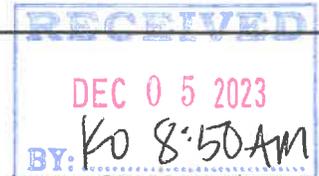
Company (Firm Name)



Signature of Company Official

K12 Specialist

Title



E. H.B. 1295

For contracts entered into on or after January 1, 2016, Texas Government Code Chapter §2252.908 (H.B. 1295) provides that a Texas governmental entity or state agency may not enter into a contract that either (1) requires an action or vote by the governing body of the entity or agency or (2) has a value of at least \$1 million, unless the business entity submits a disclosure of interested parties to the governmental entity or state agency. The Texas Ethics Commission (Commission) has adopted a certificate of interested parties form (Form 1295) and adopted rules requiring the business entity to file Form 1295 electronically with the Commission. Information from the Commission regarding the requirements, including rules and filing information are available on the Commission's website at the following links:

<https://www.ethics.state.tx.us/tec/1295-Info.htm>

https://www.ethics.state.tx.us/whatsnew/FAQ_Form1295.html

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

The Proposer will have 30 days from the date of the award to complete the required information in accordance to the Texas Ethics Commission.

All contracts with the District will be pending upon receiving the above paperwork.

**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

Form provided by Texas Ethics Commission

www.ethics.state.tx.us

Revised 1/1/2021

CONFLICT OF INTEREST QUESTIONNAIRE For vendor doing business with local governmental entity		FORM CIQ
<p>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>	<p>OFFICE USE ONLY</p> <p>Date Received</p> <div style="border: 1px solid blue; padding: 5px; text-align: center; color: blue;"> <p>RECEIVED</p> <p>DEC 05 2023</p> <p>BY: KO 8:50AM</p> </div>	
<p>1 Name of vendor who has a business relationship with local governmental entity.</p> <p style="font-size: 1.5em; font-family: cursive;">Mission Restaurant Supply</p>		
<p>2 <input checked="" type="checkbox"/> Check this box if you are filing an update to a previously filed questionnaire. (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>		
<p>3 Name of local government officer about whom the information is being disclosed.</p> <p align="center">_____</p> <p align="center">Name of Officer</p>		
<p>4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p>A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p align="center"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </p> <p>B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p align="center"> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No </p>		
<p>5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</p>		
<p>6 <input type="checkbox"/> Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</p>		
<p>7</p> <p style="font-size: 1.5em; font-family: cursive;">K. P. ...</p> <p align="center">Signature of vendor doing business with the governmental entity</p> <p align="right" style="font-size: 1.5em; font-family: cursive;">12/04/2023</p> <p align="right">Date</p>		

LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02

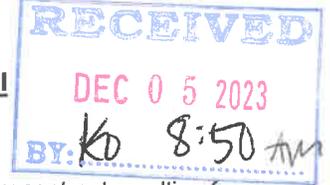
Form provided by Texas Ethics Commission

www.ethics.state.tx.us

Revised 1/1/2021

LA VEGA INDEPENDENT SCHOOL DISTRICT PROPOSER/VENDOR CERTIFICATIONS FORMS

**REQUIRED CONTRACT PROVISIONS FOR NON-FEDERAL
ENTITY CONTRACTS UNDER FEDERAL AWARDS-APPENDIX II
TO 2 CFR PART 200**



The following provisions are required and apply when federal funds are expended by the district for any contract resulting from this procurement process.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Pursuant to Federal Rule (A) above, when federal funds are expended by the District, District reserves all rights and privileges under the applicable laws and regulations with respect to this procurement in the event of breach of contract by either party.

Does vendor agree? YES JK Initials of Authorized Representative of vendor

(B) Termination for cause and convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement. (All contracts in excess of \$10,000)

Pursuant to Federal Rule (B) above, when federal funds are expended by the District, District reserves the right to immediately terminate any agreement in excess of \$10,000 resulting from this procurement process in the event of a breach or default of the agreement by Vendor, in the event vendor fails to: (1) meet schedules, deadlines, and/or delivery dates within the time specified in the procurement solicitation, contract, and/or purchase order; (2) make any payments owed; or (3) otherwise perform in accordance with the contract and/or the procurement solicitation. The District also reserves the right to terminate the contract immediately, with written notice to vendor, for convenience, if District believes, in its sole discretion that it is in the best interest of the District to do so. The vendor will be compensated for work performed and accepted and goods accepted by the District as of the termination date if the contract is terminated for convenience of District. Any award under this procurement process is not exclusive and the District reserves the right to purchase goods and services from other vendors when it is in the best interest of the District.

Does vendor agree to abide by the above? YES JK Initials of Authorized Representative of vendor

(C) Equal Employment Opportunity. Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p.339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing regulations at 41 CFR Part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

Pursuant to Federal funds are expended by the District on any federally assisted construction contract, the equal opportunity clause is incorporated by reference herein.

Does vendor agree to abide by the above? YES JK Initials of Authorized Representative of vendor

**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

(D) Davis-Bacon Act, as amended (40 U.S.C. 3141-3148). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 3141-3144, and 3146-3148) as supplemented by Department of Labor regulations (29 CFR Part 5, "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act (40 U.S.C. 3145, as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

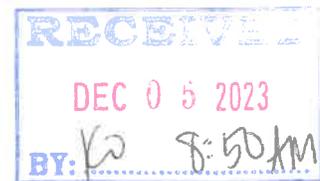
Pursuant to Federal Rule (D) above, when federal funds are expended by the District, during the term of an award for all contracts and subgrants for construction or repair, the vendor will be in compliance with all applicable Davis-Bacon Act provisions.

Does vendor agree? YES DM Initial of Authorized Representative of vendor

(E) Contract Work Hours and Safety Standards Act (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Pursuant to Federal Rule (E) above, when federal funds are expended by the District, the vendor certifies that during the term of an award for all contracts by the District resulting from this procurement process, the vendor will be in compliance with all applicable provisions of the Contract Work Hours and Safety Standards Act.

Does vendor agree? YES MA Initials of Authorized Representative of vendor



**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

(F). Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR §401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement." The recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency

Pursuant to Federal Rule (F) above, when federal funds are expended by the District, the vendor certifies that during the term of an award for all contracts by District resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (F) above.

Does vendor agree? YES JA Initials of Authorized Representative of vendor

(G). Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended-Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

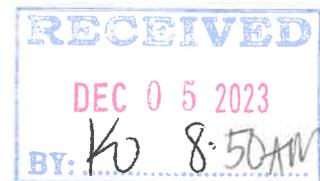
Pursuant to Federal Rule (G) above, when federal funds are expended by the District the vendor certifies that during the term of an award for all contracts by the District resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (G) above.

Does vendor agree? YES JA Initials of Authorized Representative of vendor

(H). Debarment and Suspension (Executive Orders 12549 and 12689) – A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that Implement Executive Orders 12549 (3 CFR Part 1986 Comp., p.189) and 12689 (3 CFR Part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

Pursuant to Federal Rule (H) above, when federal funds are expended by the District, the vendor certifies that during the term of an award for all contracts by the District resulting from this procurement process, the vendor certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation by any federal department or agency.

Does vendor agree? YES JA Initials of Authorized Representative of vendor



**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

(I). Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)-Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Pursuant to Federal Rule (I) above, when federal funds are expended by the District, the vendor certifies that during the term and after the awarded term of an award for all contracts by the District resulting from this procurement process, the vendor certifies that it is in compliance with all applicable provisions of the Byrd Anti-Lobbying Amendment (31 U.S.C. 1352). The undersigned further certifies that:

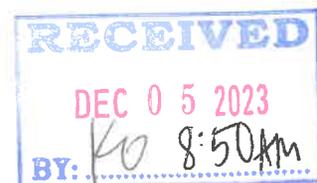
- (1) No Federal appropriated funds have been paid or will be paid for on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or Cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
- (3). The undersigned shall require that the language of this certification be included in the award documents for all covered sub-awards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

Does vendor agree? YES MA Initials of Authorized Representative of vendor

(J). A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. (78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014)

Pursuant to Federal Rule (J) above, when federal funds are expended by the District the certifies that during the term of an award for all contracts by the District resulting from this procurement process, the vendor agrees to comply with all applicable requirements as referenced in Federal Rule (J) above.

Does vendor agree? YES MA Initials of Authorized Representative of vendor



LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02

**RECORD RETENTION REQUIREMENTS FOR
CONTRACTS PAID FOR WITH FEDERAL FUNDS 2 CFR §200.333**

When federal funds are expended by the District for any contract resulting from this procurement process, the vendor certifies that it will comply with the record retention requirements detailed in 2 CFR §200.333. The vendor further certifies that vendor will retain all records as required by 2 CFR §200.333 for a period of three years after grantees or subgrantees submit final expenditure reports or quarterly or annual financial reports, as applicable, and all other pending matters are closed.

Does vendor agree? YES PA Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH EPA REGULATIONS APPLICABLE TO GRANTS, SUBGRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS IN EXCESS OF \$100,000 OF FEDERAL FUNDS

When federal funds are expended by the District for any contract resulting from this procurement process in excess of \$100,000, the vendor certifies that the vendor is in compliance with all applicable standards, orders, regulations, and/or requirements issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. 1857(h)), Section 508 of the Clean Water Act, as amended (33 U.S.C. 1368), Executive Order 117389 and Environmental Protection Agency Regulation, 40 CFR Part 15.

Does vendor agree? YES PA Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH THE ENERGY POLICY AND CONSERVATION ACT

When federal funds are expended by the District for any contract resulting from this procurement process, the vendor certifies that the vendor will be in compliance with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94 163, 89 Stat. 871).

Does vendor agree? YES PA Initials of Authorized Representative of vendor

CERTIFICATION OF COMPLIANCE WITH BUY AMERICA PROVISIONS

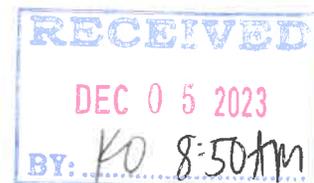
Vendor certifies that vendor is in compliance with all applicable provisions of the Buy America Act. Purchases made in accordance with the Buy America Act must still follow the applicable procurement rules calling for free and open competition.

Does vendor agree? YES PA Initials of Authorized Representative of vendor

CERTIFICATION OF NON-COLLUSION STATEMENT

Vendor certifies under penalty of perjury that its response to this procurement solicitation is in all respects bona fide, fair, and made without collusion or fraud with any person, joint venture, partnership, corporation or other business or legal entity.

Does vendor agree? YES PA Initials of Authorized Representative of vendor



**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

STATE REQUIREMENTS FOR FEDERAL CONTRACTS

All contracts under federal, state and local requirements. State requirements for all contracts under federal awards include the following:

- A letter of intent with a third party may be signed prior to the issuance of a Notice of Grant Award (NOGA).
- The contract is only effective upon receipt by the District of the NOGA from the awarding agency.
- The contract period of availability as stated on the NOGA from the federal/state awarding agency (period of availability).
- All services will be completed during the effective dates of the contract.
- All services will be invoiced monthly after services are received (rather than paid lump sum at the beginning of the period of availability before services are rendered) and paid upon verification of receipt of services.
- The regulations for procurements in 2 CFR §§200.318-323 are followed in issuing the contract.
- All professional services provided under the contract will follow the provisions of 2 CFR 200.459 Professional service costs.
- The contract identifies the funding sources that will be charged for the services provided, including the specific amount and/or percentage of the total contract amount to be charged to each funding source.
- The contract identifies and lists only reasonable, necessary, and allocable services to be provided during the period of availability of the funding sources listed in the contract.
- The administrative costs charged to the grant in the contract must comply with any limitations for administrative costs for funding sources (if applicable).

The contract specifies that the invoice provided by the contractor will include the list of services provided, dates of services, and location(s) where services were provided during the billing period.

Vendor agrees to comply with all federal, state and local laws, rules, regulations and ordinances, as applicable. It is further acknowledged that the vendor certifies compliance with all provisions, laws, acts, regulations, etc. as specifically noted above.

Vendor's Name/Company Name: Mission Restaurant Supply
Address, City, State and Zipcode: 6509 N. Lamar Blvd, Austin, TX 78752
Phone Number: 512-389-1705 Fax Number: _____
Printed Name and Title of Authorized Representative: Francisco Herrera / K12 Specialist
Email Address: franciscoh@missionsupply.com
Signature of Authorized Representative: [Signature]
Date: 12/04/2023



**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

H. SPECIFIC CONDITIONS

1. SCOPE:

This project includes delivery and installation of Food Service Equipment at La Vega Elementary 3100 Wheeler St, Waco, TX, 76705.

2. QUALITY CONTROL:

- a. All materials will be securely fastened in place in a neat and workmanlike manner. All workmen shall be thoroughly experienced in the particular class of work upon which employed. All work shall be done in accordance with these specifications and shall meet the approval in the field of LVISD's representative. Contractor's representative and/or job supervisor shall have a complete copy of specifications on the job site at all times.
- b. Contractor shall plan and conduct the operations of the work so that each section started on one day is thoroughly protected before the close of work for that day.
- c. Unless otherwise indicated, the materials to be used in this specification are those specified and denote the type, quality, performance, etc. required. All proposals shall be based upon the use of the specified material.

3. EXAMINATION OF PREMISES:

Before submitting proposals for this work, each contractor shall be held responsible to have examined the premises and satisfied himself as to the existing conditions under which he will be obliged to work. **This will also include contractor verifying all field measurements.**

4. USE OF PREMISES:

- a. The contractor shall:
 - 1.) Coordinate work in such a manner as to not interfere with the normal operation of the building.
 - 2.) Assume full responsibility for protection and safekeeping of products stored on premises.
 - 3.) Agree to hold LVISD harmless in any and all liability of every nature and description that may be suffered through bodily injuries, including death of any persons by reason of negligence of the contractor, agents, employees, or subcontractors.

5. ON-SITE SUPERVISION:

The contractor is responsible for the management and control of the work. He shall give his personal superintendence of the work or have a competent resident manager or superintendent satisfactory to the LVISD's representative on the job site at all times while work is in progress, with full authority to act for the contractor as his agent.

6. BEGINNING TIME OF PROJECT:

Contractor(s) receiving award of proposal will begin work after receiving written authorization from LVISD to complete the project with the projected completion date of not later than July 31, 2024 (subject to change pending TDA authorization).

7. BOARD APPROVAL OF PROJECT:

Project will be scheduled for Board approval on December 19, 2023, pending TDA authorization.

8. ADJUST AND CLEAN:

- a. Upon completion of installation and tests, remove all protective coverings and clean and service all equipment.
- b. Make and check final adjustments required for proper operation of the equipment.
- c. Clean up all debris by the work of this section, keeping the premises clean and neat at all times.

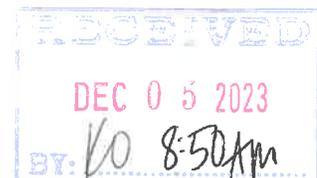
9. QUALIFIED FABRICATORS:

All fabricated items described in the Proposal Response, other than by the catalog numbers shall be manufactured by an N.S.F. approved Foodservice Equipment Fabricator who has the plant, personnel and engineering facilities to properly design, detail and produce high quality foodservice equipment. All fabrication shall have N.S.F. labels and be by one (1) manufacturer and be of uniform design and finish.

10. AWARD OF PROJECT:

Project may be awarded to more than one (1) vendor or to one (1) single vendor as a lump sum total of the proposal.

11. EVALUATION CRITERIA AND POINTS ASSIGNED TO THIS PROJECT:



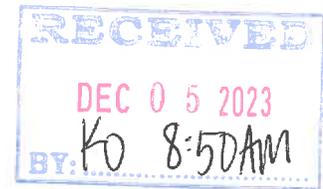
**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

Purchase Price	60
Quality of the vendor's goods or services	10
Reputation of the vendor and the vendor's goods or services	10
Extent to which goods or services meet LVISD's needs	10
Completion of all forms and proposal response	<u>10</u>
	100

12. CONTACT: For questions regarding this document or a walkthrough of the campus, please contact:

Dave Thiel
La Vega I.S.D. Director of Child Nutrition
Dave.thiel@lavegaisd.org
254-299-6810

All questions must be received in writing prior to December 1, 2023.



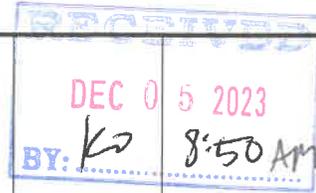
**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**

RECEIVED
DEC 05 2023
BY: *KD 8:50 AM*

I. PROPOSAL RESPONSE

ITEM #	DESCRIPTION PER SPECIFICATIONS	QTY.	COST	TOTAL
1	<u>Hot Food Well</u> Provide Mod-U-Serve model# MCT-HF5 Hot Food counters 304 Stainless steel construction throughout counter Full Height, Elite series breath shield over shelf with LED lights and heat lamps above wells 34" AFF stainless Steel constructed top 32" AFF Corian trayslide LED lighting under trayslide Comprised of QTY 5 independent controlled hot food wells 8" fold down stainless-steel rear work shelf 1" recess on hot wells to accommodate 18"x26" sheet pans 2" raised lift out tile front Panels Stainless steel kick plates Stainless steel cut out at trayslide for 12"x 20" food pan Inset electrical outlet on counter body to accommodate existing Milk Box	2	<i>201,208</i>	<i>201,208.-</i>
2	<u>Heated Flat Top</u> Mod-U-Serve model# MCT-FT Flat top counters 304 Stainless steel construction throughout counter Half Height, Elite series breath shield over shelf with LED lights and heat lamps above flat top 34" AFF stainless Steel constructed top 32" AFF Corian trayslide LED lighting under trayslide 1" recess on hot wells to accommodate 18"x26" sheet pans 2" raised lift out tile front Panels	2	<i>included</i>	<i>included</i>
3	<u>Hot/Cold Sheet Pan Unit</u> Mod-U-Serve model# MCT-H/CFSP2-MOD Counter 304 Stainless steel construction throughout counter 34" AFF stainless Steel constructed top 32" AFF Corian Trayslides LED lighting under trayslide 2" raised lift out tile front panels Stainless steel kick plates	2	<i>included</i>	<i>included</i>

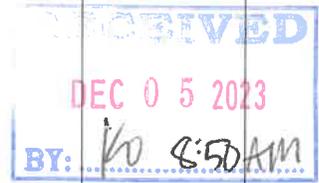
**LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02**



	<p>Half height Fully adjustable, Elite series breath shield with over shelf with LED lights</p> <p>Unit capable of being mechanically cooled and/or heated</p> <p>Unit to accommodate QTY2 18"x26" sheet pans with ½" recess</p>			
4	<p>COLD FOOD WELL Mod-U-Serve model# MCT-CF4</p>	1	<i>included</i>	<i>included</i>
	<p>304 Stainless steel construction throughout counter</p> <p>Dual sided fully adjustable, Elite series breath shield with LED lights</p> <p>34" AFF stainless Steel constructed top</p> <p>32" AFF Dual Sided Corian trayslide LED lighting under trayslide</p> <p>Mechanically cooled unit to accommodate Qty 4 12"x20" food pans</p> <p>Dual sided 2" raised lift out tile Front Panels</p> <p>Corian inserts to match tray slide</p> <p>Dual sided Stainless steel kick plates</p> <p>Stainless steel divider bars provided for mixed use applications</p>			
5	<p>CASHIER COUNTER: Mod-U-Serve model #MCT-CRSG counter, including:</p>	1	<i>included</i>	<i>included</i>
	<p>34" AFF stainless Steel constructed top</p> <p>32" AFF Dual Sided Corian trayslide LED lighting under trayslide</p> <p>Dual sided 2" raised lift out tile Front Panels</p> <p>Dual sided Stainless steel kick plates</p> <p>One (1) all 18-gauge, type 304 series stainless steel cash drawers with extension slides and cylinder lock. 3" deep stainless-steel liner with Removable cash till for register</p> <p>One (1) Grommeted hole for POS cables.</p> <p>Provide DR 5-15R convenience outlet</p> <p>Cat -5 Data outlet</p> <p>Tiled locking door</p>			
6	<p>INSTALLATION or equal :</p>		<i>included</i>	<i>included</i>
	<p>Mod-U-Serve to provide installation and coordination services. Factory Installation and coordination services to include delivery, setting in place & onsite assembly, leveling, and start up. All final drain line runs to be</p>			

LA VEGA INDEPENDENT SCHOOL DISTRICT
LA VEGA ISD FOOD SERVICE EQUIPMENT PROPOSAL # 24-CNS-02

provided by the counter manufacturer. Final electrical connections by La Vega ISD. This installation includes all necessary site visits prior to and during fabrication including site visits for field measurements. Removal and disposal or relocation of existing serving line to be provided by Mod-U-Serve. Alternate vendors must coordinate a site visit and provide full elevation, mechanical and electrical drawings to La Vega ISD for review prior to bid date. Manufacturers must submit written approval from La Vega ISD prior to bid.

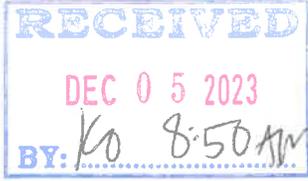


TOTAL LUMP SUM \$ 201,208.00

Please enter a unit cost and extension total for each item.

*the pricing of \$201,208 includes everything.
Please see attached formal proposal
with full details.*

For Herrera
12/04/2023



Project:
 La Vega ISD - La Vega ES – Serving
 Line Replacement RFP 24-CNS-02 -
 12/04/2023

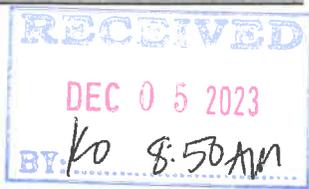
From:
 Mission Restaurant Supply - AU
 Francisco Herrera
 6509 North Lamar Blvd.
 Austin, TX 78752-4009
 5123891705

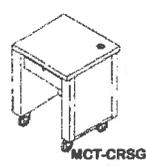
Job Reference Number: 7451

La Vega ISD - La Vega ES – Serving Line Replacement RFP 24-CNS-02 -
 12/04/2023

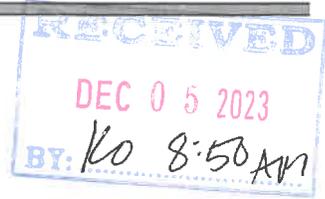
QUOTE VALID UNTIL JUNE 2024.

Item	Qty	Description	Sell	Sell Total
	1 ea	SERVING COUNTER Mod-U-Serve Counters Model No. MCT-SC MOD-U-SERVE CUSTOM SERVING COUNTER TO CONSIST OF:	\$201,208.00	\$201,208.00
			ITEM TOTAL:	\$201,208.00
1	2 ea	SERVING COUNTER, UTILITY Mod-U-Serve Counters Model No. MCT-FT-MOD Serving Counter, stainless steel Counter Construction, stainless steel sides, top & undershelf, 5" swivel casters (2 locking)		
	2 ea	1 yr. parts and labor warranty std.		
	2 ea	MCT-CTS Tray Slide, single serve, solid Corian® trayslide		
	2 ea	MCT-TRAY LIGHT Bottom mount trayslide lights		
	2 ea	MCT-SILVER Silverware dispenser		
	2 ea	MCT-TILE Tile front application by Mod-U-Serve; RAISED/EXTENDED		
	2 ea	MCT-SK Skirting, stainless steel		
	2 ea	MCT-WS Work Shelf, solid stainless steel mounted on fold-down brackets		
	2 ea	MCT-DO Duplex Outlet; TO ACCOMMODATE EXISTING MILK BOX		
	2 ea	MCT-CUST ALTO SHAAM 500HWI/D6 TO BE FURNISHED AND INSTALLED BY MOD-U-SERVE		
	2 ea	MCT-RS Recessed Pan Top		
	2 ea	MCT-ELITE-ADJ Stainless steel custom adjustable sneezeguard with glass breath protector and top shelf; WITH HEAT LAMP AND LIGHTS		
2	2 ea	SERVING COUNTER, UTILITY Mod-U-Serve Counters Model No. MCT-FT-MOD Serving Counter, stainless steel Counter Construction, stainless steel sides, top & undershelf, 5" swivel casters (2 locking)		
	2 ea	1 yr. parts and labor warranty std.		

Item	Qty	Description	Sell	Sell Total
	2 ea	MCT-CTS Tray Slide, single serve, solid Corian® trayslide		
	2 ea	MCT-TRAY LIGHT Bottom mount trayslide lights		
	2 ea	MCT-TILE Tile front application by Mod-U-Serve; RAISED/EXTENDED		
	2 ea	MCT-SK Skirting, stainless steel		
	2 ea	MCT-ELITE-ADJ Stainless steel custom adjustable sneezeguard with glass breath protector and top shelf; WITH LIGHT		
				
3	2 ea	SERVING COUNTER, UTILITY Mod-U-Serve Counters Model No. MCT-FT-MOD Serving Counter, stainless steel Counter Construction, stainless steel sides, top & undershelf, 5" swivel casters (2 locking)		
	2 ea	1 yr. parts and labor warranty std.		
	2 ea	MCT-CTS Tray Slide, single serve, solid Corian® trayslide		
	2 ea	MCT-TRAY LIGHT Bottom mount trayslide lights		
	2 ea	MCT-TILE Tile front application by Mod-U-Serve; RAISED/EXTENDED		
	2 ea	MCT-SK Skirting, stainless steel		
	2 ea	DI-HCSP-1-S Drop-in recessed hot/cold top- SLIM UNIT, to accommodate one (1) 18" x 26" sheet pan		
	2 ea	MCT-ELITE-ADJ-MOD ** TWO TIER ** Stainless steel custom adjustable sneezeguard with glass breath protector and top shelf WITH LED LIGHTS; MODIFIED TO INCLUDE DUAL TEMP LOWER TIER TO ACCOMMODATE ONE (1) 18" X 26" SHEET PAN		
4	1 ea	SERVING COUNTER, COLD FOOD Mod-U-Serve Counters Model No. MCT-CF4-MOD Mobile Serving Cold Food Table, Refrigerated, MODIFIED LENGTH/DEPTH/CONFIGURATION PER DRAWING, mobile modular, 6" deep cold pan, 4-pan size, open cabinet base, stainless steel sides & top, 5" swivel casters (2 locking), 1/3hp		
	1 ea	1 yr. parts and labor warranty std.		
	2 ea	MCT-CTS Tray Slide, single serve, solid Corian® trayslide		
	2 ea	MCT-TRAY LIGHT Bottom mount trayslide lights		
	2 ea	MCT-TILE Tile front application by Mod-U-Serve; RAISED/EXTENDED		
	2 ea	MCT-SK Skirting, stainless steel		
	1 ea	MCT-ELITE-ADJ *** SINGLE TIER/DUAL SERVICE *** Stainless steel custom adjustable sneezeguard with glass breath protector and top shelf; WITH LIGHT		
5	1 ea	CASH REGISTER STAND Mod-U-Serve Counters Model No. MCT-CRSG Mobile Serving Cash Register Stand, single station, MODIFIED LENGTH/DEPTH/CONFIGURATION PER DRAWING, mobile modular, stainless steel sides & top, 5" swivel casters (2 locking), outlet pre-wired to cord & plug		
	1 ea	1 yr. parts and labor warranty std.		



Item	Qty	Description	Sell	Sell Total
	2 ea	MCT-CTS Tray Slide, single serve, solid Corian® trayslide		
	2 ea	MCT-TRAY LIGHT Bottom mount trayslide lights		
	2 ea	MCT-TILE Tile front application by Mod-U-Serve; RAISED/EXTENDED		
	2 ea	MCT-SK Skirting, stainless steel		
	1 ea	MCT-HD Locking Hinged Door; TILE FINISH		
	1 ea	DELIVERY Mod-U-Serve Counters Model No. MCT-DELIVERY DELIVERY AND SET IN PLACE BY MOD-U-SERVE; ALL FINAL CONNECTIONS TO BE COMPLETED BY OTHERS		
		PRICING INCLUDES: - ONE (1) SITE VISIT FOR DIMENSIONING AND FIELD COORDINATION. ADDITIONAL REQUIRED TRIPS WILL INCUR ADDITIONAL CHARGES - REMOVAL AND DISPOSAL/RELOCATION OF EXISTING SERVING LINE BY MOD-U-SERVE - FINAL PLUMBING/DRAIN LINE RUNS TO BE COMPLETED BY MOD-U- SERVE		
		*** ALL FINAL ELECTRICAL CONNECTIONS AND ANY OTHER FIELD MODIFICATIONS REQUIRED ARE TO BE COMPLETED BY LA VEGA ISD ***		
		*** PRICING IS SUBJECT TO CHANGE BASED ON JOBSITE REQUIREMENTS ***		
		Total		\$201,208.00



Mod-U-Serve Pricing is valid for shipment through June 2024. Shipments required after this date will be subject to repricing.

Acceptance: _____ Date: _____

Printed Name: _____

Project Grand Total: \$201,208.00

Consider Teacher and Professional Employee Contract Recommendations

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Mr. Todd Gooden

Background Information:

The Board of Trustees of any independent school district may employ by contract a superintendent, a principal or principals, teachers, or other executive officers for a term not to exceed the maximum specified in this section. In those independent school districts with a scholastic population of fewer than 5,000, the term of such contracts shall not exceed three years. The personnel department, campus principals, and management teams interview and check references on each applicant who makes application to become a member of the staff of the La Vega Independent School District.

Fiscal Implication:

Personnel salaries are a budgeted item.

Administrative Recommendation:

Board approval of the contract recommendations as presented.

Motion:

Second:

For:

Against:

Abstain:

LV Personnel Recommendations for employees

The following employees are recommended for employment for the 2023- 2024 school years.

Name	Assignment
Ayahna Minor	3 rd Grade Teacher Replacing: Kimberly Villegas Rosales

I hereby authorize the administration to utilize my signature stamp to issue contracts to personnel and approve resignations as recommended herein.

President, La Vega ISD Board of Trustees
December 19, 2023

CLOSED MEETING

Presented for:

Board action Report/Review Only

Supporting documents:

None Attached Provided Later

Contact Person:

Board President

Background Information:

The Board may enter into a closed meeting after the following requirements have been met:

1. A quorum of the Board has first been convened in open meeting for which notice has been given.
2. The presiding officer has publicly announced in open meeting that a closed meeting will be held.
3. The presiding officer has identified the section or sections of the Open Meetings Act or other applicable statutes that authorize the holding of such closed meeting.

Fiscal Implication:

N/A

Administrative Recommendation:

N/A

A closed meeting was declared:

_____ Beginning Time

_____ Date

_____ Sections of the Texas Government Code

_____ Ending Time

ADJOURNMENT

Motion: _____

Second: _____

For: _____

Against: _____

Abstain: _____

Date and Time: _____