

Board Meeting
Monday, October 30, 2023 6:00 PM

Carrie L. Lovejoy Child Development Center:
Library
256 Country Club Road
Allen, TX 75002

Agenda

1. Call to Order
Presenter: Barrett Owens, President
2. Roll Call and Announcement by President that a quorum is present, that the meeting has been duly called, and that notice of the meeting has been duly posted for time and manner as required by law
Presenter: Barrett Owens, President
3. Closed Session, Gov't. Code 551.071-551.084. The Board May Retire into Closed Session in Accordance with the Texas Open Meetings Act
Presenter: Barrett Owens, President
 - 3.A. 551-071 For the purpose of a private consultation with its attorney only when it seeks the attorney's advice about pending or contemplated litigation or a settlement offer or on a matter in which the duty of the attorney to the Board under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the requirement for open meetings.
 - 3.A.1. Consultation with legal counsel regarding EFB (LEGAL) and EFB (LOCAL).
 - 3.A.2. Consultation with legal counsel and deliberations regarding pending personnel investigation.
 - 3.A.3. Discussion and deliberation regarding non renewal or termination of James (Chuck) Brown.
 - 3.B. 551-072 For the purpose of deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the District in negotiations with a third person.
 - 3.C. 551-073 For the purpose of deliberating a negotiated contract for a prospective gift donation to the District if deliberation in an open meeting would have a detrimental effect on the Board's position in negotiations with a third person.
 - 3.D. 551-074 For the purpose of deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee or to hear a complaint or charge against an officer or employee. However, the Board may not conduct a closed meeting for these purposes if the officer or employee who is the subject of the deliberation or hearing requests a public hearing.
 - 3.D.1. Evaluation of employees.
 - 3.E. 551-076 For the purpose of deliberating the deployment, or specific occasions for implementation, of security personnel, devices or security audits.
 - 3.F. 551-082 For the purpose of deliberating in a case involving discipline of a public school child, or in which a complaint or charge is brought against a District employee by another employee and the complaint or charge directly results in the need for a hearing. However, the Board may not conduct a closed meeting for this

purpose if the employee against whom the complaint or charge is brought makes a written request for an open hearing.

3.G. 551-0821 For the purpose of deliberating a matter regarding a student if personally identifiable information about the student will necessarily be revealed by the deliberation. This exception does not apply if an open meeting about the matter is requested in writing by a parent or guardian of the student or by the student if the student has attained 18 years of age.

3.H. 551-083 For the purpose of discussing or deliberating the standards, guidelines, terms or conditions the Board will follow, or will instruct its representative to follow, in consultation with representatives of employee groups.

3.I. 551-084 For the purpose of excluding a witness from a hearing during the examination of another witness.

4. Return to Open Meeting for Action, If Necessary, On Matters Discussed In Closed Session

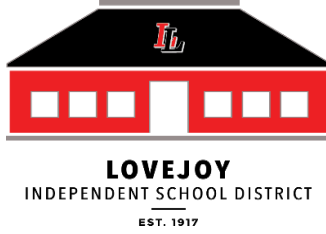
Presenter: Barrett Owens, President

5. Opening Exercise

Presenter: Barrett Owens, President

5.A. Pledges

Presenter: Dr. Travis Zambiasi, Principal, Lovejoy High School



Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	October Pledge Leader
Presented For	Board Action X Report/Review Only
Supporting Documents	X None Attached Provided Later
Administrator Responsible	Rodricka Taylor, Coordinator for the Superintendent and Board Services

Executive Summary

The pledges will be led by 11th grade Lovejoy High School Students,

- Anil Dandekar - Anil has lived in the Lovejoy ISD community his entire life. He is a junior this year and is on the Student Council. Anil plays rec basketball and was on the Lovejoy Tennis team his Freshman year. He has an older sister, Maya (class of 2022) and 3 dogs.
- Carsten Dunn - Carsten is a junior this year and has lived in the district his whole life. Carsten is on the Student Council, and is a member of the Fishing and Football teams. He has an older brother, Connor (class of 2022) and 2 dogs.

6. Recognitions

Presenter: Barrett Owens, President

6.A. Staff Recognitions: Principal Appreciation Month

Presenter: Dr. Laurie Tinsley, Assistant Superintendent of Curriculum and Instruction



LOVEJOY
INDEPENDENT SCHOOL DISTRICT
EST. 1917

Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Staff Recognitions: Principal Appreciation Month
Presented For	Board Action X Report/Review Only
Supporting Documents	X None Attached Provided Later
Administrator Responsible	Dr. Laurie Tinsley, Assistant Superintendent of Curriculum and Instruction
Executive Summary	
<p>The October Staff Recognitions include our campus Principals: Wendy Craft, Hart Elementary School, Holly Haynes, Puster Elementary School, Megan Rawlins, Sloan Creek Intermediate School, Caitlin Eldredge, Willow Springs Middle School, and Dr. Travis Zambiasi, Lovejoy High School.</p> <p>October is Principal Recognition Month. Our campus Principals are impactful and valuable leaders who support Lovejoy ISD's legacy of excellence and make sure our students receive an outstanding educational experience.</p>	
Fiscal Implications	
No fiscal implications.	
Administrator Recommendation	
No administrator recommendation.	
District Priority	

Priority 1: Lovejoy ISD students will live our Legacy of Excellence by learning at high levels and graduating life ready.

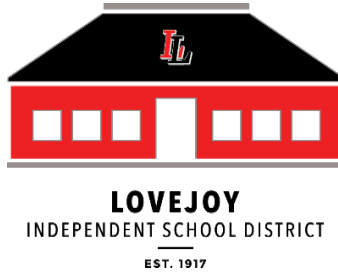
Priority 2: Lovejoy ISD will value employees as our greatest asset in serving students.

Priority 3: Lovejoy ISD will prioritize community, connection, and communication.

Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.

6.B. Introduction of New Hires

Presenter: Anna Koenig, Executive Director of Human Resources and Communications



Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Introduction of New Hires
Presented For	Board Action X Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Anna Koenig, Executive Director of Human Resources and Communications
Executive Summary	
<p>In Lovejoy ISD, it is a tradition to give our new professional hires a pen to write their next professional chapter with Lovejoy and an apple to symbolize the highly valued role of educators in our schools and community. Please join us in giving a warm Lovejoy welcome to our new hires.</p>	
Fiscal Implications	
No fiscal implications.	
Administrator Recommendation	
Report/Review Only. No administrator recommendation.	
District Priority	
Priority 2: Lovejoy ISD will value employees as our greatest asset in serving students.	



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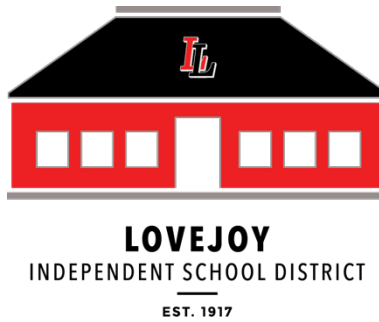
Introduction of New Hires October 30, 2023

Professional Employee	Position	Location
Eric White	SPED Teacher (9-12) - RLA	LHS
Elliot Parkman	Teacher/Coach	LHS
Sarah Murray	SPED Teacher (9-12) - Life Skills	LHS
Brandon Springfield	English Teacher	LHS
Carter Beasley	Science Teacher/Coach (2 LHS Sports)	LHS
Zack Zimmermann	Business Teacher/Coach (2 sports)	LHS
David Denham	Head Tennis Coach	LHS
Cassie Kovach	Life Skills Teacher	LHS
Holly Green	Librarian	LHS
Robert Burke	Physics Teacher	LHS
Navita Sinha	Chemistry and AP Env Science Teacher	LHS
Curtis McCarthy	Counselor	LHS
Jennifer Haefner	English Teacher	LHS
Davy Salazar	SPED Teacher	LHS
Matt Joslin	Band (Percussion) Teacher	LHS
David Muller	Social Studies Teacher	LHS
Sandy McCarty	Teacher/Coach	LHS
Andria Harris	504 Testing Facilitator	LHS
Joseph Rasca	Math Teacher	LHS

Michael Anderson	Part-Time Assistant Theatre Teacher	LHS
Sarah Poe	Orchestra Teacher/Assistant	LHS
Emily Serna	Speech and Language Pathologist	ADMIN/SPED (at LHS)

7. Public Comments Related to October 30, 2023 Agenda Items

Presenter: Rodricka Taylor, Coordinator for the Superintendent and Board Services



Public Comment Procedures

Regular Meetings

Submitting for Public Comment

Any individual seeking to speak during the public comment session of a regular board meeting must complete and submit the public comment card by no later than 15 minutes prior to the designated start time provided on the meeting notice.

Public comment cards must be completed in their entirety with accurate and truthful information and must designate whether the speaker is speaking on a specific agenda item. Failure to designate an agenda item relevant to the speaker's comments will result in the classification of the public comment as a non-agenda item comment, to be heard at a later time in the meeting.

The Board will provide speakers that submit a public comment card on an agenda item the opportunity to speak prior to the Board's consideration of the item in the order in which they were received.

Public comment cards are only applicable to the meeting in which they are completed and submitted by the established deadline.

Each individual gets one opportunity per meeting to share their comments with the Board of Trustees, not multiple opportunities per individual agenda items.

If a speaker is not present when his/her name is called, the speaker forfeits the opportunity to speak at that meeting.

The comments made by speakers at public comment reflect the opinions solely of the speaker and not the Board of Trustees as a governing body or the District.

Order of Agenda and Limitations

The Board reserves the right to change the order of the agenda items on the notice of meeting and / or defer agenda items until a later date.

Each speaker will be provided up to three minutes to address the Board of Trustees unless more than 10 speakers sign up to speak, in which case, the presiding officer reserves the right to reduce the time allotted to each speaker to no less than one minute per speaker. (Board Policy BED (LOCAL)).

If at any time, in the opinion of the presiding officer, the individual speaker is attempting to address a non-agenda item in the agenda item public comment period, the presiding officer or designee may stop the speaker and defer the speaker's comments to the appropriate portion of the meeting.

Public comments relating to non-agenda items will be deferred until the end of the meeting if time permits, unless otherwise noted by the Board of Trustees.

Disruptive Behavior

Disruptive behavior will not be tolerated in the meeting. If after the provision of a single warning, the disruptive behavior continues, the disruptive individual may be escorted out of the meeting by District officials and/or law enforcement.

It is a criminal offense for a person, with intent to prevent or disrupt a lawful meeting, to substantially obstruct or interfere with the ordinary conduct of a meeting by physical action or verbal utterance.

Conduct defined by Texas Penal Code §42.01 and Board Policies BED (LEGAL) and BED (LOCAL).

Failure to yield the podium at the conclusion of the time allotted to a speaker at public comment constitutes a disruption and will be addressed accordingly.

Comments made to the Board of Trustees by meeting attendees and/or speakers outside of the designated public comment periods during a meeting constitute a disruption.

Board's Response to Public Comment

Specific factual information or recitation of existing policy may be furnished in response to inquiries, but the Board shall not deliberate or decide regarding any subject that is not included on the agenda posted with notice of the meeting. The Board may also refer a speaker to a staff member in authority over the issue.

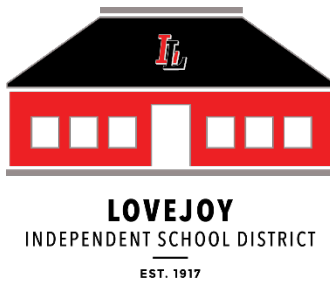
For specific complaints or concerns, speakers are encouraged to utilize the District's appropriate grievance procedures and policies set forth in Board Policies FNG (LOCAL), DGBA (LOCAL), and GF (LOCAL).

Special Meetings

The procedures outlined herein apply to special called Board meetings. However, comments at special called Board meetings are limited to agenda items only.

Statement of Non-Discrimination

The Board does not discriminate against speech on the basis of viewpoint.



School Board Public Comments Sign In October 30, 2023

The Board of Trustees encourages public comment. All public comment at a meeting other than a regularly scheduled meeting should be limited to agenda items posted for the meeting. By signing up to provide public comment at a Board meeting, you are acknowledging and accepting the procedures for public comment available online at lovejoyisd.net.

Any individual seeking to speak during the public comment session of a regular board meeting must complete and submit the public comment card by no later than 15 minutes prior to the designated start time provided on the meeting notice. Public comment cards must be completed in their entirety with accurate and truthful information and must designate whether the speaker is speaking on a specific agenda item. Failure to designate an agenda item relevant to the speaker's comments will result in the classification of the public comment as a non-agenda item comment, to be heard at a later time in the meeting. Public comment cards are only applicable to the meeting in which they are completed and submitted by the established deadline.

Each individual will have one opportunity per meeting to share their comments with the Board of Trustees, not multiple opportunities per individual agenda items. If a speaker is not present when his/her name is called, the speaker forfeits the opportunity to speak at that meeting. All speakers will be limited to no more than three minutes. The presiding officer reserves the right to reduce the number of minutes per speaker to no less than one minute per speaker in order to maintain effective meeting management. The speakers will be recognized in the order in which each person signs up. If there are more speakers than time allotted for public comment, the amount of time per speaker may be reduced, as determined appropriate by the Board of Trustees. If time does not allow for you to speak at public comment, the Board of Trustees may allot additional time for public comment or defer specific agenda items for review at a subsequent meeting in an effort to allow more public comment, as determined necessary by the Board. This public comment card will not be maintained from one meeting to the next and is only applicable to the meeting on the date in which it was submitted.

If you have a specific concern related to an employee of the District or a specific student issue, you are encouraged to utilize the District's grievance procedures provided in Board Policies DGBA (LOCAL), FNG (LOCAL), and GF (LOCAL) or applicable grievance process. Each grievance procedure allows for an individual to redress grievances with the Board of Trustees. All relevant policies are available online at lovejoyisd.net.

Disruptive behavior will not be tolerated in the meeting. If after the provision of a single warning, the disruptive behavior continues, the disruptive individual may be escorted out of the meeting by District officials and/or law enforcement. It is a criminal offense for a person, with intent to prevent or disrupt a lawful meeting, to substantially obstruct or interfere with the ordinary conduct of a meeting by physical action or verbal utterance.

The Board of Trustees appreciates your active participation in the school district.

***I wish to address the Board about an agenda item on the October 30, 2023 agenda.**

I wish to speak about agenda item #_____ which is titled:

***I wish to participate in the open forum by speaking about the following topic:**

First and Last Name:

Address:

Phone:

Organization and Campus(es) your student(s) attend (if applicable):

Printed Name & Signature (Acknowledging you have read the procedures above)

Print:

Signature:

Date:

8. Invocation

Presenter: Barrett Owens, President

9. Board Notifications

9.A. Notification of New Hires

Presenter: Anna Koenig, Executive Director of Human Resources and Communications



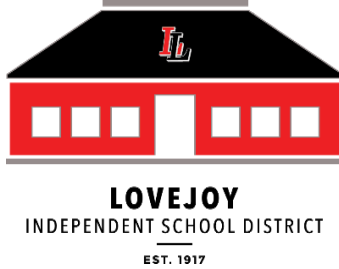
LOVEJOY
INDEPENDENT SCHOOL DISTRICT
EST. 1917

Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Notification of New Hires
Presented For	Board Action X Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Anna Koenig, Executive Director of Human Resources and Communications
Executive Summary	
The new hire list is attached for board notification. This is not an action item.	
Fiscal Implications	
No fiscal implications.	
Administrator Recommendation	
Report/Review Only. No administrator recommendation.	
District Priority	
Priority 2: Lovejoy ISD will value employees as our greatest asset in serving students.	

9.B. Notification of Resignations

Presenter: Anna Koenig, Executive Director of Human Resources and Communications



Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Notification of Resignations
Presented For	Board Action X Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Anna Koenig, Executive Director of Human Resources and Communications
Executive Summary	
Resignations are attached for Board notification. This is not an action item.	
Fiscal Implications	
No fiscal implications.	
Administrator Recommendation	
Report/Review Only. No administrator recommendation.	
District Priority	
Priority 2: Lovejoy ISD will value employees as our greatest asset in serving students.	



LOVEJOY
INDEPENDENT SCHOOL DISTRICT
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Notifications of Resignations

October 30, 2023

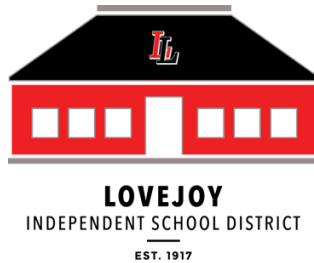
Professional Resignations			
			October 30, 2023
Name	Position	Location	Last Day
Raisa Rouse	Theatre Teacher 9-12	LHS	10/13/2023

10. Consent Agenda

Presenter: Barrett Owens, President

10.A. Consider Approval of the Minutes of the September 25, 2023 Board Meeting

Presenter: Rodricka Taylor, Coordinator for the Superintendent and Board Services



Board of Trustees Minutes of the Board Meeting Monday, September 25, 2023

A Board Meeting of the Lovejoy Independent School District Board of Trustees was held on Monday, September 25, 2023, beginning at 5:31 PM in the Carrie L. Lovejoy Child Development Center, located at 256 Country Club Road, Allen, Texas.

1. Call to Order

Barrett Owens, President

The Meeting was Called to Order at 5:31 PM by Board President, Barrett Owens.

2. Roll Call and Announcement by President that a quorum is present, that the meeting has been duly called, and that notice of the meeting has been duly posted for time and manner as required by law

Barrett Owens, President

All Board members were present.

Marvin Bobo: Present
Jason Jaynes: Present
Julie McLaughlin: Present
Barrett Owens: Present
Amy Smith: Present
Mark Wheelis: Present
Jeff Wood: Present

3. Closed Session, Gov't. Code 551.071-551.084. The Board May Retire into Closed Session in Accordance with the Texas Open Meetings Act

Barrett Owens, President

The Board retired into Closed Session at 5:31PM in room C113.

- 3.A. 551-071 For the purpose of a private consultation with its attorney only when it seeks the attorney's advice about pending or contemplated litigation or a settlement offer or on a matter in which the duty of the attorney to the Board under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the requirement for open meetings.**
 - 3.A.1. Consultation regarding TEC Chapter 49.**
 - 3.A.2. Consultation with legal counsel and deliberation regarding dual credit programs, protocols, and agreements.**
 - 3.A.3. Consultation with legal counsel and deliberations regarding pending personnel investigation.**
- 3.B. 551-072 For the purpose of deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the District in negotiations with a third person.**
- 3.C. 551-073 For the purpose of deliberating a negotiated contract for a prospective gift donation to the District if deliberation in an open meeting would have a detrimental effect on the Board's position in negotiations with a third person.**
- 3.D. 551-074 For the purpose of deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee or to hear a complaint or charge against an officer or employee. However, the Board may not conduct a closed meeting for these purposes if the officer or employee who is the subject of the deliberation or hearing requests a public hearing.**
 - 3.D.1. Evaluation of employees.**
- 3.E. 551-076 For the purpose of deliberating the deployment, or specific occasions for implementation, of security personnel, devices or security audits.**
- 3.F. 551-082 For the purpose of deliberating in a case involving discipline of a public school child, or in which a complaint or charge is brought against a District employee by another employee and the complaint or charge directly results in the need for a hearing. However, the Board may not conduct a closed meeting for this purpose if the employee against whom the complaint or charge is brought makes a written request for an open hearing.**
- 3.G. 551-0821 For the purpose of deliberating a matter regarding a student if personally identifiable information about the student will necessarily be revealed by the deliberation. This exception does not apply if an open meeting about the matter is requested in writing by a parent or guardian of the student or by the student if the student has attained 18 years of age.**
- 3.H. 551-083 For the purpose of discussing or deliberating the standards, guidelines, terms or conditions the Board will follow, or will instruct its**

representative to follow, in consultation with representatives of employee groups.

3.I. 551-084 For the purpose of excluding a witness from a hearing during the examination of another witness.

4. Return to Open Meeting for Action, If Necessary, On Matters Discussed In Closed Session

Barrett Owens, President

5. Opening Exercise

Barrett Owens, President

The Board of Trustees returned to the Open Meeting at 7:09 PM in the Library.

5.A. Pledges

Megan Rawlins, Principal, Sloan Creek Intermediate School

Megan Rawlins, Principal, Sloan Creek Intermediate School, introduced 6th grader, Easton Kulcak who led the Pledge of Allegiance and the Texas Pledge.

6. Recognitions

Barrett Owens, President

6.A. Introduction of New Hires

Anna Koenig, Executive Director of Human Resources and Communications

6.B. Student Recognitions - National Merit

Kevin Parker, Executive Director of Student Services

Kevin Parker, Executive Director of Student Services and Anna Koenig, Executive Director of Human Resources and Communications, introduced Dr. Travis Zambiasi, who recognized the Lovejoy High School National Merits for their outstanding accomplishments in the 2023 National Merit Finalists. Over 1.3 million students took the 2021 Preliminary SAT/National Merit Scholarship Qualifying Test (PSAT/NMSQT) and met requirements to enter the National Merit Scholarship Program, a nationwide competition for recognition and awards conducted by the National Merit Scholarship Corporation (NMSC).

7. Public Comments Related to September 25, 2023 Agenda Items

Rodricka Taylor, Coordinator for the Superintendent and Board Services

There was one public comment as related to the September 25, 2023 Agenda Items:

1. Amy Campbell: Consent Agenda item 11c.

8. Presentation: Celebration of Learning

Anna Koenig, Executive Director of Human Resources and Communications

Anna Koenig, Executive Director of Human Resources and Communications, Dr. Travis Zambiasis, Principal of Lovejoy High School, and Brie Smith, Director of Advanced Academics and Gifted and Talented, provided a presentation on Celebration of Learning.

9. Invocation

Barrett Owens, President

Board President, Barrett Owens, led the Invocation.

10. Board Notifications

10.A. Notification of New Hires

Anna Koenig, Executive Director of Human Resources and Communications

Anna Koenig, Executive Director of Human Resources and Communications, notified the Board of new hires.

11. Consent Agenda

Barrett Owens, President

11.A. Consider Approval of the Minutes of the August 21, 2023 Board Meeting

Rodricka Taylor, Coordinator for the Superintendent and Board Services

11.B. Consider Approval of the Minutes of the September 11, 2023 Board Workshop

Rodricka Taylor, Coordinator for the Superintendent and Board Services

11.C. Consider Approval of the Additions/Revisions/Deletions of Local Policies Resulting from the Policy Review Session Conducted on July 25, 2023, with Drafts Prepared by TASB Policy Service (See Attached List)

Rodricka Taylor, Coordinator for the Superintendent and Board Services

All policies in the Additions/Revisions/Deletions of Local Policies Resulting from the Policy Review Session Conducted on July 25, 2023, with Drafts Prepared by TASB Policy Service listed in the Policy Action Sheet were approved as presented with the exception of BBFA (LOCAL), remaining the same, and FEC (LOCAL) revising the language.

11.D. Consider Approval of the 2023-2024 Board Norms, Protocols, and Operating Procedures

Barrett Owens, President

11.E. Consider Approval of the Monthly Finance Report

Thomas Willman, Chief Financial Officer

11.F. Consider Approval of the Purchase of Cengage Learning Instructional Materials

Thomas Willman, Chief Financial Officer

Motion to approve the Consent Agenda This motion made by Jeff Wood and seconded by Amy Smith, Passed.

Yea: 7, Nay: 0, Absent: 0

12. Consider and Act on the Annual Review of Investment Policy and Officer Resolution

Thomas Willman, Chief Financial Officer

Motion to approve the Annual Review of Investment Policy and Officer Resolution. This motion made by Julie McLaughlin and seconded by Marvin Bobo, Passed.

Yea: 7, Nay: 0, Absent: 0

13. Consider and Act on the Memorandum of Understanding (MOU) with the Town of Fairview and Lovejoy ISD - Traffic Control Services

Kyle Pursifull, Executive Director of District Support Services

Motion to approve the Memorandum of Understanding (MOU) with the Town of Fairview and Lovejoy ISD - Traffic Control Services. This motion made by Mark Wheelis and seconded by Julie McLaughlin, Passed.

Yea: 7, Nay: 0, Absent: 0

14. Consider and Act on the 2023-2024 Board Goals, Superintendent Goals, and District Priorities

Barrett Owens, President and Katie Kordel, Superintendent of Schools

Motion to approve the 2023-2024 Board Goals, Superintendent Goals, and District Priorities. This motion made by Amy Smith and seconded by Julie McLaughlin, Passed.

Yea: 7, Nay: 0, Absent: 0

15. Consideration and Possible Action on the Board Legislative Priorities: Special Session

Barrett Owens, President

Motion to approve the Board Legislative Priorities: Special Session. This motion made by Marvin Bobo and seconded by Jeff Wood, Passed.

Yea: 7, Nay: 0, Absent: 0

16. Presentation: LOVEJOY 2030 Update

Katie Kordel, Superintendent of Schools

Katie Kordel, Superintendent of Schools, provided a presentation on a year two review of LOVEJOY 2030.

17. Cabinet Reports

Executive Cabinet Members

17.A. Finance - Finance Updates, Tax Collections, and School District Property Value Hearing

Thomas Willman, Chief Financial Officer

17.B. Human Resources and Communications - Teacher Planning Day and Attendance Updates

Anna Koenig, Executive Director of Human Resources and Communications

17.C. Student Services - Cross Country, AP Summer Art Show, and Bus Route Updates

Kevin Parker, Executive Director of Student Services

17.D. District Support Services - Maintenance, Grounds, Custodial and Safety and Security Updates

Kyle Pursifull, Executive Director of District Support Services

18. Superintendent's Report

Katie Kordel, Superintendent of Schools

Katie Kordel, Superintendent, spoke about student recognitions: The Cross Country fall festival sweep, Band earning 1st overall in visual performance and 4th overall at the Golden Triangle Competition, as well as the band's GLOW performance at the homecoming football game. Friday morning, we hosted representatives from London who presented a special invitation to our Orchestra and Band to perform in the London New Year's day parade. Orchestra and band performed exceptionally well and were featured on the Channel 8 local evening news on Friday. Mrs. Kordel extended a heartfelt thank you to our Fine Arts and Athletics programs for the opportunities they provide our students.

19. Public Comments Related to Non-Agenda Items

Rodricka Taylor, Coordinator for the Superintendent and Board Services

There were two public comments related to Non-Agenda Items:

1. Kril Cunningham: Student Safety.
2. Donald Smith: District Communication.

20. Announcements

Barrett Owens, President

There were no announcements made by President Owens.

21. Adjournment

Barrett Owens, President

With there being no further business, the Board adjourned at 8:49 PM.

Respectfully submitted,

Jeff Wood, Secretary of the Board of Trustees

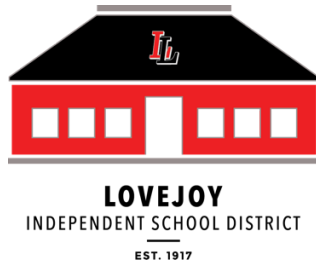
Barrett Owens, President of the Board of Trustees

**Agenda item details are filed in the Superintendent's Office with the Monday, September 25, 2023 agenda packet.*

**These are unofficial minutes that have not yet been approved by the Board of Trustees.*

10.B. Consider Approval of the Minutes of the October 16, 2023 Board Workshop

Presenter: Rodricka Taylor, Coordinator for the Superintendent and Board Services



Board of Trustees Minutes of the Board Workshop Monday, October 16, 2023

A Board Workshop of the Lovejoy Independent School District Board of Trustees was held on Monday, October 16, 2023, beginning at 5:00 PM in the Carrie L. Lovejoy Child Development Center, located at 256 Country Club Road, Allen, Texas.

1. Call to Order

Barrett Owens, President

The Meeting was Called to Order at 5:01PM by Board President, Barrett Owens.

2. Roll Call and Announcement by President that a quorum is present, that the meeting has been duly called, and that notice of the meeting has been duly posted for time and manner as required by law

Barrett Owens, President

The Board of Trustees returned to the Open Meeting at 6:13 PM in the Library.

Marvin Bobo: Absent
Jason Jaynes: Present
Julie McLaughlin: Present
Barrett Owens: Present
Amy Smith: Present
Mark Wheelis: Present
Jeff Wood: Present

3. Closed Session, Gov't. Code 551.071-551.084. The Board May Retire into Closed Session in Accordance with the Texas Open Meetings Act

Barrett Owens, President

The Board retired into Closed Session at 5:01 PM in room C113.

- 3.A. 551-071 For the purpose of a private consultation with its attorney only when it seeks the attorney's advice about pending or contemplated litigation or a settlement offer or on a matter in which the duty of the attorney to the Board under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the requirement for open meetings.**
 - 3.A.1. Consultation regarding TEC Chapter 49.**
 - 3.A.2. Consultation with legal counsel regarding Texas Open Meetings Act and legislative advocacy.**
 - 3.A.3. Consultation with legal counsel and deliberations regarding pending personnel investigation.**
 - 3.A.4. Consultation with legal counsel regarding EFB (LEGAL) and EFB (LOCAL).**
- 3.B. 551-072 For the purpose of deliberating the purchase, exchange, lease, or value of real property if deliberation in an open meeting would have a detrimental effect on the position of the District in negotiations with a third person.**
- 3.C. 551-073 For the purpose of deliberating a negotiated contract for a prospective gift donation to the District if deliberation in an open meeting would have a detrimental effect on the Board's position in negotiations with a third person.**
- 3.D. 551-074 For the purpose of deliberating the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee or to hear a complaint or charge against an officer or employee. However, the Board may not conduct a closed meeting for these purposes if the officer or employee who is the subject of the deliberation or hearing requests a public hearing.**
 - 3.D.1. Evaluation of employees.**
- 3.E. 551-076 For the purpose of deliberating the deployment, or specific occasions for implementation, of security personnel, devices or security audits.**
- 3.F. 551-082 For the purpose of deliberating in a case involving discipline of a public school child, or in which a complaint or charge is brought against a District employee by another employee and the complaint or charge directly results in the need for a hearing. However, the Board may not conduct a closed meeting for this purpose if the employee against whom the complaint or charge is brought makes a written request for an open hearing.**
- 3.G. 551-0821 For the purpose of deliberating a matter regarding a student if personally identifiable information about the student will necessarily be revealed by the deliberation. This exception does not apply if an open meeting about the matter is requested in writing by a parent or guardian of the student or by the student if the student has attained 18 years of age.**
- 3.H. 551-083 For the purpose of discussing or deliberating the standards, guidelines, terms or conditions the Board will follow, or will instruct its**

representative to follow, in consultation with representatives of employee groups.

3.I. 551-084 For the purpose of excluding a witness from a hearing during the examination of another witness.

4. Return to Open Meeting for Action, If Necessary, On Matters Discussed In Closed Session

Barrett Owens, President

5. Recognitions

Barrett Owens, President

5.A. Introduction of New Hires

Anna Koenig, Executive Director of Human Resources and Communications

Anna Koenig, Executive Director of Human Resources and Communications, introduced the Professional New Hires.

6. Public Comments Related to October 16, 2023 Agenda Items

Rodricka Taylor, Coordinator for the Superintendent and Board Services

There were no public comments as related to the October 16, 2023 Agenda Items.

7. Discussion: Board Legislative Subcommittee Update

Barrett Owens, President

The Board of Trustees discussed a Board Legislative Subcommittee update.

8. Discussion and Possible Action on School Board Letter to State Legislators and Letter to Community Regarding the Special Legislative Session

Barrett Owens, President

Motion to approve the School Board Letter to State Legislators and Letter to Community Regarding the Special Legislative Session. This motion made by Mark Wheelis and seconded by Jason Jaynes, Passed.

Yea: 6, Nay: 0, Absent: 1

9. Presentation: Preview of 2022-2023 Financial Audit

Thomas Willman, Chief Financial Officer

Thomas Willman, Chief Financial Officer, provided a presentation on the 2022-2023 Financial Audit.

10. Consideration and Possible Action Regarding Modifications to Update Tuition for Lovejoy Scholars to Address Changes Made by TEA in the 2023-2024 Student Attendance Accounting Handbook

Thomas Willman, Chief Financial Officer and Anna Koenig, Executive Director of Human Resources and Communications

Motion to approve the Modifications to Update Tuition for Lovejoy Scholars to Address Changes Made by TEA in the 2023-2024 Student Attendance Accounting Handbook. This motion made by Julie McLaughlin and seconded by Jeff Wood, Passed.

Yea: 6, Nay: 0, Absent: 1

11. Presentation: Financial Implications of 2023-2024 Student Attendance Accounting Handbook on District Budget

Thomas Willman, Chief Financial Officer

Thomas Willman, Chief Financial Officer, provided a presentation on Financial Implications of 2023-2024 Student Attendance Accounting Handbook on District Budget.

12. Discussion and Possible Action on a Resolution to Nominate for the Collin CAD Board of Directors

Katie Kordel, Superintendent of Schools

The Board of Trustees had no nominations for the Collin CAD Board of Directors, therefore there was no action taken.

13. Presentation: Monthly Financial Reports

Thomas Willman, Chief Financial Officer

Thomas Willman, Chief Financial Officer, provided a presentation on Monthly Financial Reports.

14. Announcements

Barrett Owens, President

There were no announcements made by President Owens.

15. Adjournment

Barrett Owens, President

With there being no further business, the Board adjourned at 7:05 PM.

Respectfully submitted,

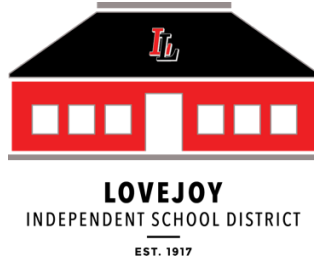
Jeff Wood, Secretary of the Board of Trustees

Barrett Owens, President of the Board of Trustees

**Agenda item details are filed in the Superintendent's Office with the Monday, October 16, 2023 agenda packet.*

**These are unofficial minutes that have not yet been approved by the Board of Trustees.*

10.C. Consider Approval of the Monthly Finance Report
Presenter: Thomas Willman, Chief Financial Officer



Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Monthly Finance Report
Presented For	X Board Action Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Thomas Willman, Chief Financial Officer
Executive Summary	
<p>The finance report is typically included as a standard report in the Consent Agenda section. The report gives a monthly status report for the Board of our cash and investment balances in summary form, a cumulative revenue report as compared to estimated annual revenue adopted during the budget process and an expenditure report by function for the major funds as compared to the annual budget adoption.</p>	
Fiscal Implications	
<p>There are no direct fiscal implications of the action, as this is a monthly status report of activity previously approved by the Board.</p>	
Administrator Recommendation	
<p>The Monthly Finance Report for transactions through the end of September is compiled and presented for Board action. Administration recommends approval of the monthly financial report.</p>	
District Priority	
<p>Priority 3: Lovejoy ISD will prioritize community, connection, and communication.</p>	

Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.

LOVEJOY ISD
2023-2024
FINANCIAL DASHBOARD

FY23-24 Unaudited Financials: September 30, 2023						
	FY23-24 Target	Current YTD	Green	Yellow	Red	Notes
Enrollment	4,105	4,028	YTD>=Target	99.9%<YTD>98%	YTD<98%	Enrollment as of 10/26/2023 is 4,032. The average enrollment for the year through 10/26/2023 is 4,027. Funding is based on the average enrollment and average attendance for the year.
Average Daily Attendance	3,924	3,909	YTD>=Target	99.9%<YTD>98%	YTD<98%	
Average Daily Attendance %	95.6%	97.0%	YTD>=98%	98%<YTD>95.6%	YTD<95.6%	ADA % at this time last year was 96.56%. We are seeing an improvement in attendance year over year by .64%.
Net Surplus/<Deficit> *Reflects Target for Budget Amendment #1	(665,989)	(4,816,187)	YTD>=Target	99.9%<YTD>98%	YTD<98%	Our accounting approach is a modified accrual basis, therefor tax collections are on a cash basis so the first 4-5 months will operate in a deficit.
Total Cash		21,945,092				General Fund Cash = \$15,545,135; Student Nutrition Cash = \$700,317; Debt Service Cash = \$2,217,996; Special Revenue Cash = \$1,602,544; Bond Cash = \$1,879,100
Days of Cash on Hand- General Fund	120	133	>45/60	n/a	<45/60	
Days of Operating expense in General Fund Balance	120	97	>=120	120<x>90	<90	Our accounting approach is a modified accrual basis, therefor tax collections are on a cash basis so the first 4-5 months will operate in a deficit. This is causing fund balance year to date to be at 97 days. We anticipate to end the year with 142 Days

LOVEJOY ISD 2023-2024
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUNDS

	Month to Date (MTD)				Year to Date (YTD)				Total Amended Budget	Remaining	% Remaining
	Actual	Budget	Variance (+/-)	% Var	Actual	Budget	Variance (+/-)	% Var			
REVENUE											
Local	\$ 293,322	\$ 141,679	\$ 151,642	107%	\$ 1,709,389	\$ 1,247,195	\$ 462,194	37%	\$ 32,927,153	\$ 31,217,764	95%
State	\$ 3,142,042	\$ 1,031,328	\$ 2,110,714	205%	\$ 3,142,042	\$ 1,729,891	\$ 1,412,152	82%	\$ 7,908,113	\$ 4,766,071	60%
Federal	\$ 40,588	\$ 22,949	\$ 17,640	77%	\$ 41,736	\$ 22,949	\$ 18,788	82%	\$ 638,216	\$ 596,480	93%
Transfer In from Another Fund	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
TOTAL	\$ 3,475,952	\$ 1,195,956	\$ 2,279,996	191%	\$ 4,893,168	\$ 3,000,034	\$ 1,893,134	63%	\$ 41,473,482	\$ 36,580,315	88%
EXPENDITURES											
PAYROLL COST											
Teachers & Other Professional Support	\$ 4,790,234	\$ 4,796,989	\$ (6,756)	0%	\$ 5,668,839	\$ 5,858,724	\$ 189,885	3%	\$ 24,578,576	\$ 18,909,738	77%
Employee Allowances	\$ 686,345	\$ 719,857	\$ (33,512)	-5%	\$ 1,259,066	\$ 1,316,454	\$ 57,388	4%	\$ 5,543,885	\$ 4,284,819	77%
Employee Benefits	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Employee Benefits	\$ 785,622	\$ 938,525	\$ (152,903)	-16%	\$ 1,020,188	\$ 1,251,367	\$ 231,179	18%	\$ 5,214,029	\$ 4,193,841	80%
SUBTOTAL	\$ 6,262,202	\$ 6,455,372	\$ (193,170)	-3%	\$ 7,948,092	\$ 8,426,545	\$ 478,453	6%	\$ 35,336,490	\$ 27,388,398	78%
PROFESSIONAL & CONTRACTED SERVICES											
Professional Services	\$ 32,697	\$ 165,558	\$ (132,861)	-80%	\$ 245,705	\$ 233,180	\$ (12,526)	-5%	\$ 1,040,913	\$ 795,208	76%
Tuition and Transfer Payments	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ 761,512	\$ 761,512	100%
Education Service Center Services	\$ -	\$ 3,521	\$ (3,521)	-100%	\$ 1,823	\$ 6,721	\$ 4,899	73%	\$ 32,007	\$ 30,184	94%
Contracted Maintenance and Repair	\$ 36,375	\$ 37,360	\$ (984)	-3%	\$ 63,635	\$ 71,323	\$ 7,688	11%	\$ 339,633	\$ 275,998	81%
Utilities	\$ 78,740	\$ 103,539	\$ (24,799)	-24%	\$ 224,395	\$ 310,617	\$ 86,222	28%	\$ 1,242,467	\$ 1,018,072	82%
Rentals	\$ 7,114	\$ 20,906	\$ (13,792)	-66%	\$ 22,454	\$ 23,679	\$ 1,225	5%	\$ 99,151	\$ 76,697	77%
Misc Contracted Services	\$ 1,459	\$ 4,716	\$ (3,257)	-69%	\$ 11,558	\$ 9,003	\$ (2,555)	-28%	\$ 42,873	\$ 31,315	73%
SUBTOTAL	\$ 156,385	\$ 335,599	\$ (179,215)	-53%	\$ 569,570	\$ 654,523	\$ 84,953	13%	\$ 3,558,556	\$ 2,988,986	84%
SUPPLIES & MATERIALS											
Supplies & Materials for Maintenance	\$ 27,400	\$ 59,133	\$ (31,732)	-54%	\$ 95,865	\$ 112,890	\$ 17,025	15%	\$ 537,570	\$ 441,705	82%
Instructional Materials	\$ 114	\$ 1,775	\$ (1,662)	-94%	\$ 1,614	\$ 3,389	\$ 1,776	52%	\$ 16,140	\$ 14,526	90%
Testing Materials	\$ 264	\$ 8,475	\$ (8,211)	-97%	\$ 264	\$ 16,180	\$ 15,916	98%	\$ 77,050	\$ 76,786	100%
Food Service	\$ -	\$ 1,435	\$ (1,435)	-100%	\$ -	\$ 2,739	\$ 2,739	100%	\$ 13,042	\$ 13,042	100%
General Supplies & Materials	\$ 57,799	\$ 119,314	\$ (61,514)	-52%	\$ 466,174	\$ 227,780	\$ (238,393)	-105%	\$ 1,089,589	\$ 623,415	57%
SUBTOTAL	\$ 85,578	\$ 190,132	\$ (104,554)	-55%	\$ 563,916	\$ 362,979	\$ (200,938)	-55%	\$ 1,733,391	\$ 1,169,474	67%
OTHER OPERATING EXPENSES											
Travel	\$ 9,054	\$ 28,747	\$ (19,693)	-69%	\$ 19,004	\$ 54,881	\$ 35,878	65%	\$ 261,339	\$ 242,335	93%
Insurance	\$ -	\$ 1,552	\$ (1,552)	-100%	\$ 436,926	\$ 436,390	\$ (536)	0%	\$ 447,539	\$ 10,613	2%
Election Cost	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ 20,000	\$ 20,000	100%
Misc Operating Costs	\$ 89,946	\$ 48,503	\$ 41,443	85%	\$ 158,044	\$ 92,596	\$ (65,448)	-71%	\$ 440,933	\$ 282,889	64%
Transfer out to other funds	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
SUBTOTAL	\$ 98,999	\$ 78,802	\$ 20,197	26%	\$ 613,974	\$ 583,867	\$ (30,107)	-5%	\$ 1,169,811	\$ 555,838	48%
DEBT SERVICE											
Principal	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Interest Expense	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Other Debt Service Expenses	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
SUBTOTAL	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
CAPITAL-LAND,BUILDINGS, & EQUIPMENT											
Land	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Building (Purchase,Construction, or Improvements)	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Furniture and Equipment	\$ 6,918	\$ 34,345	\$ (27,427)	-80%	\$ 13,803	\$ 65,567	\$ 51,764	79%	\$ 312,223	\$ 298,421	96%
Capital Assets	\$ -	\$ 2,860	\$ (2,860)	-100%	\$ -	\$ 5,460	\$ 5,460	100%	\$ 26,000	\$ 26,000	100%
Leased Capital Assets	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Library Books and Media	\$ -	\$ 330	\$ (330)	-100%	\$ -	\$ 630	\$ 630	100%	\$ 3,000	\$ 3,000	100%
SUBTOTAL	\$ 6,918	\$ 37,535	\$ (30,617)	-82%	\$ 13,803	\$ 71,657	\$ 57,854	81%	\$ 341,223	\$ 327,421	96%
TOTAL EXPENDITURES	\$ 6,610,081	\$ 7,097,440	\$ (487,359)	-7%	\$ 9,709,354	\$ 10,099,570	\$ 390,216	4%	\$ 42,139,471	\$ 32,430,117	77%
NET CONTRIBUTION - SURPLUS/<DEFICIT>	\$ (3,134,128)	\$ (5,901,484)	\$ 2,767,355	-47%	\$ (4,816,187)	\$ (7,099,536)	\$ 1,502,918	-21%	\$ (665,989)	\$ 4,150,198	-623%

Financial Analysis-General Fund

Revenue

Local Revenue: Lovejoy Scholar Tuition is accounted for in the local revenue for both the budget and actual. This represents \$100,000 of the local year-to-date variance. The October Financial Statements will reflect the refunds and amended budget. We continue to improve and adjust our budget spreads each month. Athletic collections through September are \$125,000 and our budget spread was only \$55,000 resulting in a favorable variance of \$75,000. Interest income through September is \$222,000 and the budget spread reflected \$50,000 resulting in a favorable variance to date of \$172,000. In both instances, the budget reflected twelve equal monthly budget amounts, which will require adjusting the monthly budgets to reflect a higher amount in the earlier months. As part of the Budget Amendment #1, we will increase our interest earnings by \$125,000. Finally, delinquent tax collections for September were \$72,500. The unexpected collection for the month will likely increase the district's recapture.

State Revenue: Lovejoy ISD's accounting treatment is on a modified accrual basis. This means that Lovejoy ISD recognizes its revenue when a cash payment is received, and then at the end of the year, an adjustment is made to the revenue to reflect the actual revenue earned. The actual revenue amounts recognized are on a cash basis while the budget spread is based on the anticipated earned revenue. The budget revenue recognition is based on the revenue earned from our average daily attendance through September 30, 2023. The actual revenue is the cash received from the state through September 30, 2023. Lovejoy ISD received approximately 75% of its anticipated state aid payments in September and October. Lovejoy ISD completed only 31% of the total number of school days by the end of October. For the October monthly financial statements, we will convert the actuals to represent earning 31% of the state aid and deferring the remaining amounts.

Federal Revenue: The year-to-date favorable variance represented is related to the timing of the actual spending of the federal grants. The revenue is related to the associated indirect costs to administer our federal grants and is recognized when the grants are spent.

Expenditures

Payroll: The year-to-date favorable variance is due to the timing of substitutes and hourly support staff such as athletic gate workers. The budget reflects \$156,500 through September 30, 2023, and the actuals to date are \$110,000 resulting in a favorable variance of \$46,500. At this time, we do not believe this is a real variance that the district can recognize as a savings. The remaining approximately \$200,000 variance is related to budgeted positions and a deeper dive is needed to determine if it is a timing and adjustment of the monthly budget spreads or a true savings to be captured by the district. The benefits variance will require additional research to determine if the district participation in Group Health is lower than budgeted.

Non-personnel: We continue to improve and adjust our budget spreads each month while we meet with our budget owners. We believe the variances within these expense categories are timing and budget spread adjustments rather than actual variances to the district.

LOVEJOY ISD 2023-2024
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
STUDENT NUTRITION FUNDS

	Month to Date (MTD)				Year to Date (YTD)				Total Amended Budget	Remaining	% Remaining
	Actual	Budget	Variance (+/-)	% Var	Actual	Budget	Variance (+/-)	% Var			
REVENUE											
Local	\$ 203,057	\$ 198,941	\$ 4,117	2%	\$ 437,525	\$ 379,796	\$ 57,730	15%	\$ 1,808,550	\$ 1,371,025	76%
State	\$ -	\$ 15,405	\$ (15,405)	-100%	\$ -	\$ 20,793	\$ (20,793)	-100%	\$ 87,139	\$ 87,139	100%
Federal	\$ 9,776	\$ 14,740	\$ (4,964)	-34%	\$ 18,508	\$ 28,140	\$ (9,632)	-34%	\$ 202,945	\$ 184,437	91%
Transfer In from Another Fund	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
TOTAL	\$ 212,833	\$ 229,086	\$ (16,253)	-7%	\$ 456,033	\$ 428,729	\$ 27,304	6%	\$ 2,098,634	\$ 1,642,601	78%
EXPENDITURES											
PAYROLL COST											
Teachers & Other Professional	\$ 9,999	\$ 22,245	\$ (12,246)	-55%	\$ 29,996	\$ 29,660	\$ (336)	-1%	\$ 123,583	\$ 93,587	76%
Support	\$ 138,772	\$ 149,569	\$ (10,797)	-7%	\$ 154,984	\$ 199,426	\$ 44,441	22%	\$ 830,940	\$ 675,956	81%
Employee Benefits	\$ 21,952	\$ 37,349	\$ (15,397)	-41%	\$ 30,294	\$ 49,799	\$ 19,505	39%	\$ 207,494	\$ 177,200	85%
SUBTOTAL	\$ 170,722	\$ 209,163	\$ (38,441)	-18%	\$ 215,274	\$ 278,884	\$ 63,610	23%	\$ 1,162,017	\$ 946,743	81%
PROFESSIONAL & CONTRACTED SERVICES											
Professional Services	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Tuition and Transfer Payments	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Education Service Center Services	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Contracted Maintenance and Repair	\$ 3,594	\$ 4,400	\$ (806)	-18%	\$ 9,519	\$ 8,400	\$ (1,119)	-13%	\$ 40,000	\$ 30,481	76%
Utilities	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Rentals	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Misc Contracted Services	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
SUBTOTAL	\$ 3,594	\$ 4,400	\$ (806)	-18%	\$ 9,519	\$ 8,400	\$ (1,119)	-13%	\$ 40,000	\$ 30,481	76%
SUPPLIES & MATERIALS											
Supplies & Materials for Maintenance	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Instructional Materials	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Testing Materials	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Food Service	\$ 97,871	\$ 85,863	\$ 12,009	14%	\$ 178,356	\$ 163,920	\$ (14,436)	-9%	\$ 849,515	\$ 671,159	79%
General Supplies & Materials	\$ 232	\$ 2,618	\$ (2,386)	-91%	\$ 5,184	\$ 4,998	\$ (186)	-4%	\$ 23,801	\$ 18,617	78%
SUBTOTAL	\$ 98,103	\$ 88,481	\$ 9,622	11%	\$ 183,540	\$ 168,918	\$ (14,622)	-9%	\$ 873,316	\$ 689,776	79%
OTHER OPERATING EXPENSES											
Travel	\$ 324	\$ 495	\$ (171)	-34%	\$ 643	\$ 945	\$ 302	32%	\$ 4,500	\$ 3,857	86%
Insurance	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Election Cost	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Misc Operating Costs	\$ 230	\$ 2,068	\$ (1,838)	-89%	\$ 750	\$ 3,948	\$ 3,198	81%	\$ 18,800	\$ 18,050	96%
Transfer out to other funds	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
SUBTOTAL	\$ 555	\$ 2,563	\$ (2,008)	-78%	\$ 1,392	\$ 4,893	\$ 3,501	72%	\$ 23,300	\$ 21,908	94%
CAPITAL-LAND,BUILDINGS, & EQUIPMENT											
Furniture and Equipment	\$ -	\$ 0	\$ (0)	-100%	\$ -	\$ 0	\$ 0	100%	\$ 348,727	\$ 348,727	100%
Library Books and Media	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
SUBTOTAL	\$ -	\$ 0	\$ (0)	-100%	\$ -	\$ 0	\$ 0	100%	\$ 348,727	\$ 348,727	100%
TOTAL EXPENDITURES	\$ 272,974	\$ 304,607	\$ (31,633)	-10%	\$ 409,726	\$ 461,095	\$ 51,369	11%	\$ 2,447,360	\$ 2,037,634	83%
NET CONTRIBUTION - SURPLUS/<DEFICIT>	\$ (60,142)	\$ (75,521)	\$ 15,380	-20%	\$ 46,307	\$ (32,366)	\$ 78,673	-243%	\$ (348,726)	\$ (395,033)	113%

Financial Analysis-Student Nutrition

Revenue

Local Revenue: Lovejoy ISD's accounting treatment is on a modified accrual basis. This means that Lovejoy ISD recognizes its revenue when a cash payment is received, and then at the end of the year, an adjustment is made to the revenue to reflect the actual revenue earned. The actual local revenue here reflects payment made by parents into their child(ren)'s meal account. The budget revenue reflects the actual meal sales. The actual meal sales through September is \$378,000. For the October monthly financial statements, we will convert the actuals to full accrual recognition based on sales.

Federal Revenue: The year-to-date un-favorable variance represented is related to the decline in the meal participation at the intermediate schools. We believe that the participation will increase throughout the year. We will closely monitor each month and make the necessary expense adjustments if this continues to trend unfavorably.

Expenditures

Payroll: The year-to-date favorable variance is due to unfilled budget positions. We are working on identifying how much of this can be recognized as an offset to the decline in meal participation.

Non-personnel: We continue to improve and adjust our budget spreads each month while we meet with our budget owners. We believe the variances within these expense categories are more timing and budget spread adjustments rather than actual variances to the district.

LOVEJOY ISD 2023-2024
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
DEBT SERVICE FUNDS

	Month to Date (MTD)				Year to Date (YTD)				Total Amended Budget	Remaining	% Remaining
	Actual	Budget	Variance (+/-)	% Var	Actual	Budget	Variance (+/-)	% Var			
REVENUE											
Local	\$ 42,635	\$ 6,250	\$ 36,385	582%	\$ 71,823	\$ 18,750	\$ 53,073	283%	\$ 17,113,865	\$ 17,042,042	100%
State	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Federal	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Transfer In from Another Fund	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
TOTAL	\$ 42,635	\$ 6,250	\$ 36,385	582%	\$ 71,823	\$ 18,750	\$ 53,073	283%	\$ 17,113,865	\$ 17,042,042	100%
EXPENDITURES											
Misc Operating Costs	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
DEBT SERVICE											
Principal	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ 12,183,244	\$ 12,183,244	100%
Interest Expense	\$ -	\$ -	\$ -	0%	\$ 2,462,809	\$ 2,462,809	\$ -	0%	\$ 4,925,621	\$ 2,462,812	50%
Other Debt Service Expenses	\$ -	\$ -	\$ -	0%	\$ 2,500	\$ 2,500	\$ -	0%	\$ 5,000	\$ 2,500	50%
SUBTOTAL	\$ -	\$ -	\$ -	0%	\$ 2,465,309	\$ 2,465,309	\$ -	0%	\$ 17,113,865	\$ 14,648,556	86%
TOTAL EXPENDITURES	\$ -	\$ -	\$ -	0%	\$ 2,465,309	\$ 2,465,309	\$ -	0%	\$ 17,113,865	\$ 14,648,556	86%
NET CONTRIBUTION - SURPLUS/<DEFICIT>	\$ 42,635	\$ 6,250	\$ 36,385	582%	\$ (2,393,487)	\$ (2,446,559)	\$ 53,073	-2%	\$ -	\$ 2,393,487	0%

LOVEJOY ISD 2023-2024
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
SPECIAL REVENUE FUNDS

	Month to Date (MTD)				Year to Date (YTD)				Total Amended Budget	Remaining	% Remaining
	Actual	Budget	Variance (+/-)	% Var	Actual	Budget	Variance (+/-)	% Var			
REVENUE											
Local	\$ 150	\$ 59,069	\$ (58,919)	-100%	\$ 205,832	\$ 112,768	\$ 93,063	83%	\$ 536,991	\$ 331,160	62%
State	\$ 14,287	\$ 59,529	\$ (45,243)	-76%	\$ 19,912	\$ 113,646	\$ (93,735)	-82%	\$ 541,174	\$ 521,262	96%
Federal	\$ 355,034	\$ 119,603	\$ 235,431	197%	\$ 356,022	\$ 228,333	\$ 127,689	56%	\$ 1,087,300	\$ 731,278	67%
Transfer In from Another Fund	\$ -	\$ -	\$ -	0%	\$ 2,600	\$ -	\$ 2,600	0%	\$ -	\$ (2,600)	0%
TOTAL	\$ 369,471	\$ 238,201	\$ 131,270	55%	\$ 584,365	\$ 454,748	\$ 129,617	29%	\$ 2,165,465	\$ 1,581,100	73%
EXPENDITURES											
PAYROLL COST											
Teachers & Other Professional	\$ 159,845	\$ 154,816	\$ 5,028	3%	\$ 255,645	\$ 206,422	\$ (49,223)	-24%	\$ 860,092	\$ 604,447	70%
Support	\$ 33,572	\$ 37,956	\$ (4,384)	-12%	\$ 74,772	\$ 50,608	\$ (24,164)	-48%	\$ 210,867	\$ 136,095	65%
Employee Allowances	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Employee Benefits	\$ 22,820	\$ 24,776	\$ (1,956)	-8%	\$ 34,606	\$ 33,034	\$ (1,572)	-5%	\$ 137,644	\$ 103,038	75%
SUBTOTAL	\$ 216,237	\$ 217,548	\$ (1,311)	-1%	\$ 365,023	\$ 290,065	\$ (74,959)	-26%	\$ 1,208,602	\$ 843,579	70%
PROFESSIONAL & CONTRACTED SERVICES											
Professional Services	\$ 850	\$ 10,666	\$ (9,816)	-92%	\$ 9,400	\$ 20,363	\$ 10,963	54%	\$ 96,968	\$ 87,568	90%
Tuition and Transfer Payments	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Education Service Center Services	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Contracted Maintenance and Repair	\$ -	\$ 21	\$ (21)	-100%	\$ (50)	\$ 41	\$ 91	223%	\$ 194	\$ 244	126%
Utilities	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Rentals	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Misc Contracted Services	\$ -	\$ 5,610	\$ (5,610)	-100%	\$ -	\$ 10,710	\$ 10,710	100%	\$ 51,000	\$ 51,000	100%
SUBTOTAL	\$ 850	\$ 16,298	\$ (15,448)	-95%	\$ 9,350	\$ 31,114	\$ 21,764	70%	\$ 148,161	\$ 138,811	94%
SUPPLIES & MATERIALS											
Supplies & Materials for Maintenance	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Instructional Materials	\$ (110,711)	\$ 28,567	\$ (139,278)	-488%	\$ (114,953)	\$ 54,536	\$ 169,489	311%	\$ 259,696	\$ 374,649	144%
Testing Materials	\$ -	\$ 11,605	\$ (11,605)	-100%	\$ (234)	\$ 22,155	\$ 22,389	101%	\$ 105,502	\$ 105,736	100%
Food Service	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
General Supplies & Materials	\$ 112,067	\$ 80,394	\$ 31,673	39%	\$ 129,871	\$ 153,480	\$ 23,609	15%	\$ 730,857	\$ 600,986	82%
SUBTOTAL	\$ 1,356	\$ 120,566	\$ (119,210)	-99%	\$ 14,684	\$ 230,172	\$ 215,488	94%	\$ 1,096,055	\$ 1,081,371	99%
OTHER OPERATING EXPENSES											
Travel	\$ (109)	\$ 4,156	\$ (4,265)	-103%	\$ 184	\$ 7,933	\$ 7,749	98%	\$ 37,777	\$ 37,593	100%
Insurance	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Election Cost	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Depreciation	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Misc Operating Costs	\$ (104,450)	\$ 111,645	\$ (216,095)	-194%	\$ (237,384)	\$ 213,140	\$ 450,524	211%	\$ 1,014,953	\$ 1,252,338	123%
Transfer out to other funds	\$ -	\$ -	\$ -	0%	\$ 2,600	\$ -	\$ (2,600)	0%	\$ -	\$ (2,600)	0%
SUBTOTAL	\$ (104,559)	\$ 115,800	\$ (220,360)	-190%	\$ (234,600)	\$ 221,074	\$ 455,673	206%	\$ 1,052,731	\$ 1,287,331	122%
DEBT SERVICE											
Principal	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Interest Expense	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
Other Debt Service Expenses	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
SUBTOTAL	\$ -	\$ -	\$ -	0%	\$ -	\$ -	\$ -	0%	\$ -	\$ -	0%
TOTAL EXPENDITURES	\$ 109,949	\$ 472,080	\$ (362,132)	-77%	\$ 158,457	\$ 775,989	\$ 617,532	80%	\$ 3,522,529	\$ 3,364,072	96%
NET CONTRIBUTION - SURPLUS/<DEFICIT>	\$ 259,522	\$ (233,879)	\$ 493,401	-211%	\$ 425,908	\$ (321,242)	\$ (487,914)	152%	\$ (1,357,064)	\$ (1,782,972)	131%

LOVEJOY ISD 2023-2024

BALANCE SHEET

GENERAL FUND

	YTD	Ending Balance 6/30/2023	Change
ASSETS			
Cash and Cash Equivalent	\$ 2,286,742	\$ (800,342)	\$ 3,087,084
Current Investments	\$ 13,258,393	\$ 21,727,406	\$ (8,469,013)
Property Taxes - Delinquent	\$ 927,609	\$ 927,609	\$ -
Allowance for Uncollectible Taxes	\$ (9,276)	\$ (9,276)	\$ -
Due from Other Government	\$ 108,690	\$ 929,623	\$ 820,933
Due from Other Funds	\$ 136,381	\$ 325,655	\$ 189,275
Inventories	\$ -	\$ -	\$ -
Prepayments	\$ 97,276	\$ 87,668	\$ (9,609)
CURRENT ASSETS	\$ 16,805,815	\$ 23,188,342	\$ (4,381,330)
CAPITAL ASSETS			
Land	\$ -	\$ -	\$ -
Building, Net	\$ -	\$ -	\$ -
Furniture and Equipment, Net	\$ -	\$ -	\$ -
Other Capital Assets, Net	\$ -	\$ -	\$ -
Construction in Progress	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -
SUBTOTAL	\$ -	\$ -	\$ -
TOTAL ASSETS	\$ 16,805,815	\$ 23,188,342	\$ (6,382,527)
LIABILITIES			
Accounts Payable	\$ 305	\$ 300,013	\$ 299,708
Payroll Deductions and Withholdings	\$ 242,421	\$ (4,047)	\$ (246,467)
Accrued Wages Payable	\$ 2,991,247	\$ 3,077,230	\$ 85,983
Due to Other Funds	\$ -	\$ -	\$ -
Due to Other Governments	\$ 467,199	\$ 1,678,301	\$ 1,211,101
Accrued Expenses	\$ 74,830	\$ 156,369	\$ 81,539
Unearned Revenue	\$ 1,679,931	\$ 1,814,408	\$ 134,477
CURRENT LIABILITIES	\$ 5,455,934	\$ 7,022,275	\$ 1,566,341
LONG TERM LIABILITIES			
Bonds, Notes, Loans, Leases	\$ -	\$ -	\$ -
SUBTOTAL	\$ -	\$ -	\$ -
TOTAL LIABILITIES	\$ 5,455,934	\$ 7,022,275	\$ 1,566,341
FUND BALANCES			
Restricted: Federal or State Funds	\$ 25,726	\$ 25,726	\$ -
Restricted Retirement of LT Debt	\$ -	\$ -	\$ -
Construction	\$ -	\$ -	\$ -
Other Committed Fund Balance	\$ -	\$ -	\$ -
Unassigned Fund Balance	\$ 11,324,156	\$ 16,140,342	\$ (4,816,187)
SUBTOTAL	\$ 11,349,881	\$ 16,166,068	\$ (4,816,187)
TOTAL LIABILITIES AND FUND BALANCE	\$ 16,805,815	\$ 23,188,342	\$ 6,382,527

**LOVEJOY ISD 2023-2024
BALANCE SHEET
STUDENT NUTRITION FUND**

	YTD	Ending Balance 6/30/2023	Change
ASSETS			
Cash and Cash Equivalent	\$ 700,317	\$ 665,589	\$ 34,728
Current Investments	\$ -	\$ -	\$ -
Property Taxes - Delinquent	\$ -	\$ -	\$ -
Allowance for Uncollectible Taxes	\$ -	\$ -	\$ -
Due from Other Government	\$ 18,508	\$ -	\$ (18,508)
Due from Other Funds	\$ -	\$ -	\$ -
Inventories	\$ 5,345	\$ 5,345	\$ -
Prepayments	\$ (1,052)	\$ -	\$ 1,052
CURRENT ASSETS	\$ 723,118	\$ 670,934	\$ 17,272
CAPITAL ASSETS			
Land	\$ -	\$ -	\$ -
Building, Net	\$ -	\$ -	\$ -
Furniture and Equipment, Net	\$ -	\$ -	\$ -
Other Capital Assets, Net	\$ -	\$ -	\$ -
Construction in Progress	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -
SUBTOTAL	\$ -	\$ -	\$ -
TOTAL ASSETS	\$ 723,118	\$ 670,934	\$ 52,184
LIABILITIES			
Accounts Payable	\$ 1,215	\$ 317	\$ (898)
Payroll Deductions and Withholdings	\$ -	\$ -	\$ -
Accrued Wages Payable	\$ 82,990	\$ 74,814	\$ (8,177)
Due to Other Funds	\$ -	\$ -	\$ -
Due to Other Governments	\$ -	\$ -	\$ -
Accrued Expenses	\$ 10,128	\$ 13,325	\$ 3,198
Unearned Revenue	\$ 112,304	\$ 112,304	\$ -
CURRENT LIABILITIES	\$ 206,637	\$ 200,760	\$ (5,877)
LONG TERM LIABILITIES			
Bonds, Notes, Loans, Leases	\$ -	\$ -	\$ -
SUBTOTAL	\$ -	\$ -	\$ -
TOTAL LIABILITIES	\$ 206,637	\$ 200,760	\$ (5,877)
FUND BALANCES			
Restricted: Federal or State Funds	\$ 304,551	\$ 258,244	\$ 46,307
Restricted Retirement of LT Debt	\$ -	\$ -	\$ -
Construction	\$ -	\$ -	\$ -
Other Committed Fund Balance	\$ -	\$ -	\$ -
Unassigned Fund Balance	\$ 211,930	\$ 211,930	\$ -
SUBTOTAL	\$ 516,481	\$ 470,174	\$ 46,307
TOTAL LIABILITIES AND FUND BALANCE	\$ 723,118	\$ 670,934	\$ (52,184)

LOVEJOY ISD 2023-2024

BALANCE SHEET

DEBT SERVICE FUND

	YTD	Ending Balance 6/30/2023	Change
ASSETS			
Cash and Cash Equivalent	\$ 625,824	\$ 626,324	\$ (500)
Current Investments	\$ 1,592,172	\$ 3,807,228	\$ (2,215,056)
Property Taxes - Delinquent	\$ 460,598	\$ 460,598	\$ -
Allowance for Uncollectible Taxes	\$ (4,606)	\$ (4,606)	\$ -
Due from Other Government	\$ -	\$ -	\$ -
Due from Other Funds	\$ -	\$ -	\$ -
Inventories	\$ -	\$ -	\$ -
Prepayments	\$ -	\$ -	\$ -
CURRENT ASSETS	\$ 2,673,988	\$ 4,889,544	\$ (2,215,556)
CAPITAL ASSETS			
Land	\$ -	\$ -	\$ -
Building, Net	\$ -	\$ -	\$ -
Furniture and Equipment, Net	\$ -	\$ -	\$ -
Other Capital Assets, Net	\$ -	\$ -	\$ -
Construction in Progress	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -
SUBTOTAL	\$ -	\$ -	\$ -
TOTAL ASSETS	\$ 2,673,988	\$ 4,889,544	\$ (2,215,556)
LIABILITIES			
Accounts Payable	\$ -	\$ 500	\$ 500
Payroll Deductions and Withholdings	\$ -	\$ -	\$ -
Accrued Wages Payable	\$ -	\$ -	\$ -
Due to Other Funds	\$ -	\$ -	\$ -
Due to Other Governments	\$ 36,257	\$ 36,257	\$ -
Accrued Expenses	\$ -	\$ -	\$ -
Unearned Revenue	\$ 464,797	\$ 286,366	\$ (178,431)
CURRENT LIABILITIES	\$ 501,054	\$ 323,123	\$ (177,931)
LONG TERM LIABILITIES			
Bonds, Notes, Loans, Leases	\$ -	\$ -	\$ -
SUBTOTAL	\$ -	\$ -	\$ -
TOTAL LIABILITIES	\$ 501,054	\$ 323,123	\$ (177,931)
FUND BALANCES			
Restricted: Federal or State Funds	\$ -	\$ -	\$ -
Restricted Retirement of LT Debt	\$ 3,163,842	\$ 5,557,329	\$ (2,393,487)
Construction	\$ -	\$ -	\$ -
Other Committed Fund Balance	\$ -	\$ -	\$ -
Unassigned Fund Balance	\$ (990,909)	\$ (990,909)	\$ -
SUBTOTAL	\$ 2,172,934	\$ 4,566,421	\$ (2,393,487)
TOTAL LIABILITIES AND FUND BALANCE	\$ 2,673,988	\$ 4,889,544	\$ 2,215,556

**LOVEJOY ISD 2023-2024
BALANCE SHEET
SPECIAL REVENUE FUND**

	YTD	Ending Balance 6/30/2023	Change
ASSETS			
Cash and Cash Equivalent	\$ 1,602,544	\$ 1,525,747	\$ 76,797
Current Investments	\$ -	\$ -	\$ -
Property Taxes - Delinquent	\$ -	\$ -	\$ -
Allowance for Uncollectible Taxes	\$ -	\$ -	\$ -
Due from Other Government	\$ 442,553	\$ 251,446	\$ (191,107)
Due from Other Funds	\$ -	\$ -	\$ -
Inventories	\$ 75,351	\$ 75,351	\$ -
Prepayments	\$ (575)	\$ -	\$ 575
CURRENT ASSETS	\$ 2,119,872	\$ 1,852,544	\$ (113,735)
CAPITAL ASSETS			
Land	\$ -	\$ -	\$ -
Building, Net	\$ -	\$ -	\$ -
Furniture and Equipment, Net	\$ -	\$ -	\$ -
Other Capital Assets, Net	\$ -	\$ -	\$ -
Construction in Progress	\$ -	\$ -	\$ -
Accumulated Depreciation	\$ -	\$ -	\$ -
SUBTOTAL	\$ -	\$ -	\$ -
TOTAL ASSETS	\$ 2,119,872	\$ 1,852,544	\$ 267,328
LIABILITIES			
Accounts Payable	\$ 8,210	\$ 8,210	\$ (0)
Payroll Deductions and Withholdings	\$ -	\$ -	\$ -
Accrued Wages Payable	\$ 93,464	\$ 63,886	\$ (29,578)
Due to Other Funds	\$ 136,381	\$ 325,655	\$ 189,275
Due to Other Governments	\$ 14,790	\$ 15,931	\$ 1,141
Accrued Expenses	\$ 11,331	\$ 9,073	\$ (2,258)
Unearned Revenue	\$ 12,562	\$ 12,562	\$ -
CURRENT LIABILITIES	\$ 276,738	\$ 435,317	\$ 158,579
LONG TERM LIABILITIES			
Bonds, Notes, Loans, Leases	\$ -	\$ -	\$ -
SUBTOTAL	\$ -	\$ -	\$ -
TOTAL LIABILITIES	\$ 276,738	\$ 435,317	\$ 158,579
FUND BALANCES			
Restricted: Federal or State Funds	\$ -	\$ -	\$ -
Restricted Retirement of LT Debt	\$ -	\$ -	\$ -
Construction	\$ -	\$ -	\$ -
Other Committed Fund Balance	\$ -	\$ -	\$ -
Unassigned Fund Balance	\$ 1,843,134	\$ 1,417,226	\$ 425,908
SUBTOTAL	\$ 1,843,134	\$ 1,417,226	\$ 425,908
TOTAL LIABILITIES AND FUND BALANCE	\$ 2,119,872	\$ 1,852,544	\$ (267,328)

10.D. Consider Approval of the Quarterly Investment Report
Presenter: Thomas Willman, Chief Financial Officer



LOVEJOY
INDEPENDENT SCHOOL DISTRICT

EST. 1917

Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Quarterly Investment Report
Presented For	X Board Action Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Thomas Willman, Chief Financial Officer

Executive Summary

The Public Funds Investment Act (“PFIA”) under Government Code, Chapter 2256: Public Funds Investment, requires that each school district, not less than quarterly, prepare and submit to the Board of Trustees a report of investment transactions for all funds. The quarterly investment report includes the District’s investment transactions required by the PFIA for the quarter ended September 30, 2023.

The report is typically included in the Consent Agenda. Each quarter, the Investment Officer designated by Lovejoy ISD provides a detailed report of all transactions performed during the quarter. These transactions include investments outside of the district’s bank depository. Actual statements are provided with the report.

The majority of the deposits made on a monthly basis come directly from the Collin County Tax Collector. Some transfer of funds between the district checking account and investment accounts occurs in order to keep the maximum amount of funds available in investment accounts that have a higher yield than the bank depository, while still providing sufficient cash flow. This report fulfills the requirement outlined in board policy CDA (LEGAL) and CDA (LOCAL).

Fiscal Implications

Investment earnings are noted in the report. There are no additional fiscal implications.

Administrator Recommendation

It is the recommendation of Administration that the Board of Trustees accept the quarterly investment report for the quarter ended September 30, 2023.

District Priority

Priority 3: Lovejoy ISD will prioritize community, connection, and communication.

Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.

**LOVEJOY INDEPENDENT SCHOOL DISTRICT
 QUARTERLY INVESTMENT BALANCES BY FUND
 2023-2024**

	JULY	AUGUST	SEPTEMBER
GENERAL FUND TEXPOOL INVESTMENTS	\$ 19,354,888	\$ 14,581,561	\$ 13,213,513
GENERAL FUND TEXAS CLASS INVESTMENTS	\$ 24,926	\$ 25,043	\$ 25,156
GENERAL FUND LONE STAR INVESTMENTS	<u>\$ 19,550</u>	<u>\$ 19,638</u>	<u>\$ 19,724</u>
TOTAL GENERAL FUND 199	<u>\$ 19,399,364</u>	<u>\$ 14,626,242</u>	<u>\$ 13,258,393</u>
DEBT SERVICE TEXAS CLASS INVESTMENTS	<u>\$ 3,922,722</u>	<u>\$ 1,549,536</u>	<u>\$ 1,592,172</u>
TOTAL DEBT SERVICE FUND 599	<u>\$ 3,922,722</u>	<u>\$ 1,549,536</u>	<u>\$ 1,592,172</u>
LAND PROCEEDS TEXAS CLASS INVESTMENTS	\$ -	\$ -	\$ -
CONSTRUCTION 2021 LONE STAR INVESTMENTS	\$ 2,100,315	\$ 2,037,194	\$ 1,870,698
TOTAL CONSTRUCTION FUNDS 646 & 656 & 676	<u>\$ 2,100,315</u>	<u>\$ 2,037,194</u>	<u>\$ 1,870,698</u>
TOTAL DISTRICT INVESTMENTS	<u><u>\$ 25,422,401</u></u>	<u><u>\$ 18,212,972</u></u>	<u><u>\$ 16,721,262</u></u>

These accounts are only those outside our official depository contract with American National Bank.

QUARTERLY INVESTMENT BALANCES BY INVESTMENT POOL

TEXAS TERM	\$ -	\$ -	\$ -
TEXPOOL	\$ 19,354,888	\$ 14,581,561	\$ 13,213,513
TEXAS CLASS	\$ 3,947,648	\$ 1,574,579	\$ 1,617,328
LONE STAR	\$ 2,119,865	\$ 2,056,832	\$ 1,890,421
TOTAL DISTRICT INVESTMENTS	<u><u>\$ 25,422,401</u></u>	<u><u>\$ 18,212,972</u></u>	<u><u>\$ 16,721,262</u></u>

TexPool Participant Services
 1001 Texas Avenue, Suite 1150
 Houston, TX 77002



LOVEJOY ISD
 GENERAL FUND
 ATTN KATIE KORDEL
 259 COUNTRY CLUB RD
 ALLEN TX 75002-7643

Participant Statement

Statement Period 07/01/2023 - 07/31/2023

Customer Service 1-866-TEX-POOL
Location ID [REDACTED]
Investor ID [REDACTED]

TexPool Update

Keep up to date with the latest market talk from our portfolio managers and strategists by visiting the Insights page of TexPool.com.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$21,672,185.71	\$132,646.15	\$2,600,000.00	\$86,503.53	\$19,291,335.39	\$19,886,452.12
Total Dollar Value	\$21,672,185.71	\$132,646.15	\$2,600,000.00	\$86,503.53	\$19,291,335.39	

Portfolio Value

Pool Name	Pool/Account	Market Value (07/01/2023)	Share Price (07/31/2023)	Shares Owned (07/31/2023)	Market Value (07/31/2023)
Texas Local Government Investment Pool	[REDACTED]	\$21,672,185.71	\$1.00	19,291,335.390	\$19,291,335.39
Total Dollar Value		\$21,672,185.71			\$19,291,335.39

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	[REDACTED]	\$86,503.53	\$654,447.79
Total		\$86,503.53	\$654,447.79

Transaction Detail

Texas Local Government Investment Pool

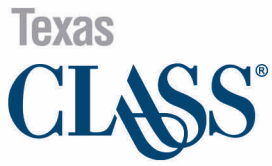
Participant: LOVEJOY ISD

Pool/Account: [REDACTED]

Transaction Date	Settlement Date	Transaction Description	Transaction Dollar Amount	Share Price	Shares This Transaction	Shares Owned
07/01/2023	07/01/2023	BEGINNING BALANCE	\$21,672,185.71	\$1.00		21,672,185.710
07/03/2023	07/03/2023	DIRECT DEPOSIT	\$2,828.60	\$1.00	2,828.600	21,675,014.310
07/06/2023	07/06/2023	DIRECT DEPOSIT	\$8,112.47	\$1.00	8,112.470	21,683,126.780
07/07/2023	07/07/2023	DIRECT DEPOSIT	\$4,045.97	\$1.00	4,045.970	21,687,172.750
07/10/2023	07/10/2023	DIRECT DEPOSIT	\$1,201.52	\$1.00	1,201.520	21,688,374.270
07/10/2023	07/10/2023	WITHDRAWAL	\$2,600,000.00-	\$1.00	2,600,000.000-	19,088,374.270
07/11/2023	07/11/2023	DIRECT DEPOSIT	\$5,489.02	\$1.00	5,489.020	19,093,863.290

TexPool Participant Statement

07/12/2023	07/12/2023	DIRECT DEPOSIT	\$5,574.78	\$1.00	5,574.780	19,099,438.070
07/13/2023	07/13/2023	DIRECT DEPOSIT	\$3,472.47	\$1.00	3,472.470	19,102,910.540
07/14/2023	07/14/2023	DIRECT DEPOSIT	\$828.66	\$1.00	828.660	19,103,739.200
07/17/2023	07/17/2023					
07/18/2023	07/18/2023	DIRECT DEPOSIT	\$6,245.78	\$1.00	6,245.780	19,114,579.230
07/19/2023	07/19/2023	DIRECT DEPOSIT	\$20,603.57	\$1.00	20,603.570	19,135,182.800
07/20/2023	07/20/2023	DIRECT DEPOSIT	\$8,582.59	\$1.00	8,582.590	19,143,765.390
07/21/2023	07/21/2023	DIRECT DEPOSIT	\$23,905.83	\$1.00	23,905.830	19,167,671.220
07/24/2023	07/24/2023	DIRECT DEPOSIT	\$8,987.32	\$1.00	8,987.320	19,176,658.540
07/25/2023	07/25/2023	DIRECT DEPOSIT	\$10,656.15	\$1.00	10,656.150	19,187,314.690
07/26/2023	07/26/2023	DIRECT DEPOSIT	\$7,644.71	\$1.00	7,644.710	19,194,959.400
07/27/2023	07/27/2023	DIRECT DEPOSIT	\$5,555.15	\$1.00	5,555.150	19,200,514.550
07/28/2023	07/28/2023	DIRECT DEPOSIT	\$4,317.31	\$1.00	4,317.310	19,204,831.860
07/31/2023	07/31/2023	MONTHLY POSTING	\$86,503.53	\$1.00	86,503.530	19,291,335.390
Account Value as of 07/31/2023			\$19,291,335.39	\$1.00		19,291,335.390



Summary Statement

July 31, 2023

Page 1 of 5

Investor ID: [REDACTED]

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Lovejoy I.S.D.
259 Country Club Road
Allen, TX 75002

Texas CLASS

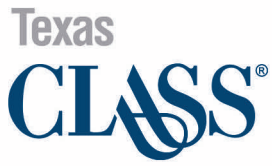
Texas CLASS

Average Monthly Yield: 5.3245%

		Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
[REDACTED]	DEBT SERVICE RESERVE	3,801,426.02	70,207.29	0.00	17,363.38	158,368.62	3,840,511.31	3,888,996.69
[REDACTED]	GENERAL FUND	24,813.88	0.00	0.00	112.47	714.09	24,873.12	24,926.35
[REDACTED]	CONSTRUCTION 2004	0.00	0.00	0.00	0.00	207.36	0.00	0.00
TOTAL		3,826,239.90	70,207.29	0.00	17,475.85	159,290.07	3,865,384.43	3,913,923.04

Tel: (800) 707-6242

[REDACTED]



Account Number: [REDACTED]

DEBT SERVICE RESERVE

Account Summary

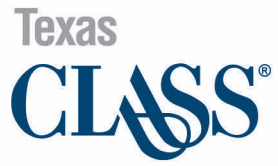
Average Monthly Yield: 5.3245%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Texas CLASS	3,801,426.02	70,207.29	0.00	17,363.38	158,368.62	3,840,511.31	3,888,996.69

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
07/01/2023	Beginning Balance			3,801,426.02	
07/03/2023	Contribution	1,499.95			7357616
07/06/2023	Contribution	4,301.88			7381878
07/07/2023	Contribution	2,145.47			7387689
07/10/2023	Contribution	637.13			7393616
07/11/2023	Contribution	2,910.72			7399449
07/12/2023	Contribution	2,939.79			7405285
07/13/2023	Contribution	1,841.37			7411203
07/14/2023	Contribution	439.42			7417090
07/17/2023	Contribution	2,404.53			7423010
07/18/2023	Contribution	3,312.01			7428893
07/19/2023	Contribution	10,844.93			7434786
07/20/2023	Contribution	4,551.15			7440747





Account Number: T [REDACTED]

DEBT SERVICE RESERVE

Transaction Activity (Continued)

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
07/21/2023	Contribution	12,676.75			7446644
07/24/2023	Contribution	4,765.78			7452587
07/25/2023	Contribution	5,650.69			7458428
07/26/2023	Contribution	4,053.80			7464331
07/27/2023	Contribution	2,942.55			7470219
07/28/2023	Contribution	2,289.37			7476230
07/31/2023	Income Dividend Reinvestment	17,363.38			
07/31/2023	Ending Balance			3,888,996.69	



Account Number: [REDACTED]

GENERAL FUND

Account Summary

Average Monthly Yield: 5.3245%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Texas CLASS	24,813.88	0.00	0.00	112.47	714.09	24,873.12	24,926.35

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
07/01/2023	Beginning Balance			24,813.88	
07/31/2023	Income Dividend Reinvestment	112.47			
07/31/2023	Ending Balance			24,926.35	





Texas CLASS

Texas CLASS

Date	Dividend Rate	Daily Yield
07/01/2023	0.00000000	5.3015%
07/02/2023	0.00000000	5.3015%
07/03/2023	0.000290686	5.3050%
07/04/2023	0.00000000	5.3050%
07/05/2023	0.000145290	5.3031%
07/06/2023	0.000145046	5.2942%
07/07/2023	0.000435180	5.2941%
07/08/2023	0.00000000	5.2947%
07/09/2023	0.00000000	5.2947%
07/10/2023	0.000145116	5.2967%
07/11/2023	0.000145266	5.3022%
07/12/2023	0.000145373	5.3061%
07/13/2023	0.000145439	5.3085%
07/14/2023	0.000436401	5.3095%
07/15/2023	0.00000000	5.3096%
07/16/2023	0.00000000	5.3096%
07/17/2023	0.000145373	5.3066%
07/18/2023	0.000145474	5.3098%
07/19/2023	0.000145527	5.3118%
07/20/2023	0.000145563	5.3131%
07/21/2023	0.000437193	5.3192%
07/22/2023	0.00000000	5.3192%
07/23/2023	0.00000000	5.3192%
07/24/2023	0.000145672	5.3171%
07/25/2023	0.000145709	5.3184%
07/26/2023	0.000145792	5.3214%
07/27/2023	0.000146848	5.3600%
07/28/2023	0.000445701	5.4227%
07/29/2023	0.00000000	5.4227%
07/30/2023	0.00000000	5.4227%
07/31/2023	0.000149014	5.4391%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**



Participant #: [REDACTED]

Lone Star™ July 2023
Investment Pool **Monthly Statement**

Statement Period: 07/01/2023 to 07/31/2023

Jennifer DuPlessis
Lovejoy ISD
259 Country Club Road
Allen, Texas 75002
[REDACTED]

Summary of Portfolio Holdings

Account	Fund	Number of Shares	Price Per Share	Account Balance	% Port.
Construction 2021	Government Overnight Fund	2,100,314.94	1.00	2,100,314.94	99.08%
Totals:				2,100,314.94	

Account	Fund	Number of Shares	Price Per Share	Account Balance	% Port.
General Fund	Government Overnight Fund	19,549.82	1.00	19,549.82	0.92%
Totals:				19,549.82	

Totals

Fund	Yield	Share Quantity	Price Per Share	Fund Balance (USD)	% Port.
Corporate Overnight Fund	0.00 %	0.00	1.00	0.00	0.00 %
Government Overnight Fund	5.12 %	2,119,864.76	1.00	2,119,864.76	100.00 %
Corporate Overnight Plus Fund	0.00 %	0.00	1.00	0.00	0.00 %
Total Value:				2,119,864.76	100.00 %

Portfolio Transactions

Construction 2021 - Government Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
07/01/2023	Starting Balance	2,091,225.25			2,091,225.25
07/31/2023	Interest	2,100,314.94	9,089.69	1.00	9,089.69
07/31/2023	Ending Balance	2,100,314.94			2,100,314.94

General Fund - Government Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
07/01/2023	Starting Balance	19,465.21			19,465.21
07/31/2023	Interest	19,549.82	84.61	1.00	84.61
07/31/2023	Ending Balance	19,549.82			19,549.82

Important Information about this statement

Please review this statement carefully, it is the official record of your account with Lone Star Investment Pool and First Public, LLC. If you disagree with any transaction, or if there are any errors or omissions in this statement please notify us promptly in writing, but no later than 10 business days after receipt of this statement. Trades pending settlement will not appear on this statement. All such trades will appear in the next monthly statement. The yield for the period is an annualized rate that reflects the relationship between the average amount of income earned and the average daily balance for the account. Please notify First Public promptly and in writing of any changes of address or phone number. Times of transactions will be furnished upon written request. The Lone Star Investment Pool Information Statement should be read carefully before investing. Investors should consider the investment objectives, risks, charges and expenses associated with municipal fund securities before investing. All transactions are no load. No remuneration has, or will be, paid to any entity in connection with this transaction. An investor may obtain an Information Statement by contacting First Public at the address and phone number identified above. An investment in Lone Star investment Pool is not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency and although Lone Star Investment Pool seeks to preserve the value of the investment at a fixed share price, it is possible to lose money by investing in municipal fund securities.

TexPool Participant Services
1001 Texas Avenue, Suite 1150
Houston, TX 77002



LOVEJOY ISD
GENERAL FUND
ATTN KATIE KORDEL
259 COUNTRY CLUB RD
ALLEN TX 75002-7643

Participant Statement

Statement Period 08/01/2023 - 08/31/2023

Customer Service 1-866-TEX-POOL
Location ID [REDACTED]
Investor ID [REDACTED]

TexPool Update

Keep up to date with the latest market talk from our portfolio managers and strategists by visiting the Insights page of TexPool.com.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$19,291,335.39	\$218,076.65	\$5,000,000.00	\$71,599.92	\$14,581,011.96	\$15,899,146.08
Total Dollar Value	\$19,291,335.39	\$218,076.65	\$5,000,000.00	\$71,599.92	\$14,581,011.96	

Portfolio Value

Pool Name	Pool/Account	Market Value (08/01/2023)	Share Price (08/31/2023)	Shares Owned (08/31/2023)	Market Value (08/31/2023)
Texas Local Government Investment Pool	[REDACTED]	\$19,291,335.39	\$1.00	14,581,011.960	\$14,581,011.96
Total Dollar Value		\$19,291,335.39			\$14,581,011.96

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	[REDACTED]	\$71,599.92	\$726,047.71
Total		\$71,599.92	\$726,047.71

Transaction Detail

Texas Local Government Investment Pool

Participant: LOVEJOY ISD

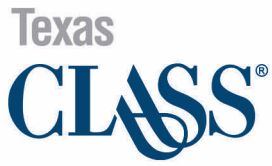
Pool/Account: [REDACTED]

Transaction Date	Settlement Date	Transaction Description	Transaction Dollar Amount	Share Price	Shares This Transaction	Shares Owned
08/01/2023	08/01/2023	BEGINNING BALANCE	\$19,291,335.39	\$1.00		19,291,335.390
08/02/2023	08/02/2023	DIRECT DEPOSIT	\$8,422.45	\$1.00	8,422.450	19,299,757.840
08/03/2023	08/03/2023	DIRECT DEPOSIT	\$55,130.10	\$1.00	55,130.100	19,354,887.940
08/04/2023	08/04/2023	DIRECT DEPOSIT	\$23,508.50	\$1.00	23,508.500	19,378,396.440
08/07/2023	08/07/2023	DIRECT DEPOSIT	\$37,301.23	\$1.00	37,301.230	19,415,697.670
08/08/2023	08/08/2023	DIRECT DEPOSIT	\$11,550.42	\$1.00	11,550.420	19,427,248.090
08/09/2023	08/09/2023	DIRECT DEPOSIT	\$3,231.85	\$1.00	3,231.850	19,430,479.940
08/10/2023	08/10/2023	DIRECT DEPOSIT	\$7,070.63	\$1.00	7,070.630	19,437,550.570
08/10/2023	08/10/2023	WITHDRAWAL	\$5,000,000.00	\$1.00	5,000,000.000	14,437,550.570
08/11/2023	08/11/2023	DIRECT DEPOSIT	\$745.13	\$1.00	745.130	14,438,295.700

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TexPool Participant Statement

08/14/2023	08/14/2023	DIRECT DEPOSIT	\$1,956.43	\$1.00	1,956.430	14,440,252.130
08/16/2023	08/16/2023	DIRECT DEPOSIT	\$3,995.96	\$1.00	3,995.960	14,444,248.090
08/18/2023	08/18/2023	DIRECT DEPOSIT	\$14,715.20	\$1.00	14,715.200	14,458,963.290
08/22/2023	08/22/2023	DIRECT DEPOSIT	\$49,601.62	\$1.00	49,601.620	14,508,564.910
08/25/2023	08/25/2023	DIRECT DEPOSIT	\$590.80	\$1.00	590.800	14,509,155.710
08/31/2023	08/31/2023	DIRECT DEPOSIT	\$256.33	\$1.00	256.330	14,509,412.040
08/31/2023	08/31/2023	MONTHLY POSTING	\$71,599.92	\$1.00	71,599.920	14,581,011.960
Account Value as of 08/31/2023			\$14,581,011.96	\$1.00		14,581,011.960



Summary Statement

August 31, 2023

Page 1 of 5

Investor ID: [REDACTED]

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Lovejoy I.S.D.
259 Country Club Road
Allen, TX 75002

Texas CLASS

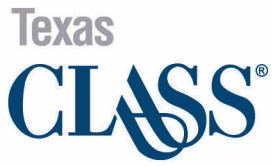
Texas CLASS

Average Monthly Yield: 5.4752%

		Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
[REDACTED]	DEBT SERVICE RESERVE	3,888,996.69	113,733.89	2,465,309.39	11,823.90	170,192.52	2,545,456.95	1,549,245.09
[REDACTED]	GENERAL FUND	24,926.35	0.00	0.00	116.19	830.28	24,987.66	25,042.54
[REDACTED]	CONSTRUCTION 2004	0.00	0.00	0.00	0.00	207.36	0.00	0.00
TOTAL		3,913,923.04	113,733.89	2,465,309.39	11,940.09	171,230.16	2,570,444.61	1,574,287.63

Tel: (800) 707-6242





Account Statement

August 31, 2023

Page 2 of 5

Account Number: [REDACTED]

DEBT SERVICE RESERVE

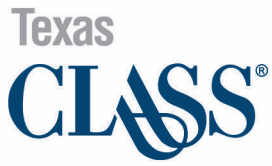
Account Summary

Average Monthly Yield: 5.4752%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Texas CLASS	3,888,996.69	113,733.89	2,465,309.39	11,823.90	170,192.52	2,545,456.95	1,549,245.09

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
08/01/2023	Beginning Balance			3,888,996.69	
08/02/2023	Contribution	4,490.93			7493945
08/03/2023	Contribution	29,234.31			7499853
08/04/2023	Contribution	12,466.01			7505818
08/07/2023	Contribution	18,610.27			7511812
08/08/2023	Contribution	6,072.12			7517714
08/09/2023	Contribution	1,713.79			7523676
08/10/2023	Contribution	3,749.43			7529707
08/11/2023	Contribution	394.58			7535699
08/14/2023	Contribution	1,037.44			7541804
08/14/2023	Withdrawal		77,209.38		7499961
08/14/2023	Withdrawal		235,831.25		7499962
08/14/2023	Withdrawal		318,775.00		7499964



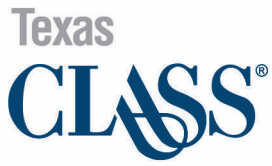
Account Number: [REDACTED]

DEBT SERVICE RESERVE

Transaction Activity (Continued)

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
08/14/2023	Withdrawal		289,159.38		7499965
08/14/2023	Withdrawal		734,993.75		7499967
08/14/2023	Withdrawal		214,075.00		7505343
08/14/2023	Withdrawal		42,850.00		7505765
08/14/2023	Withdrawal		98,693.75		7505766
08/14/2023	Withdrawal		90,571.88		7505767
08/14/2023	Withdrawal		363,150.00		7505768
08/16/2023	Contribution	2,114.29			7553738
08/18/2023	Contribution	7,100.58			7565949
08/22/2023	Contribution	26,300.96			7578078
08/25/2023	Contribution	313.27			7596145
08/31/2023	Contribution	135.91			7620320
08/31/2023	Income Dividend Reinvestment	11,823.90			
08/31/2023	Ending Balance			1,549,245.09	





Account Statement

August 31, 2023

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Account Number: [REDACTED]

GENERAL FUND

Account Summary

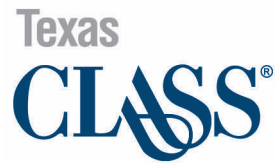
Average Monthly Yield: 5.4752%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Texas CLASS	24,926.35	0.00	0.00	116.19	830.28	24,987.66	25,042.54

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
08/01/2023	Beginning Balance			24,926.35	
08/31/2023	Income Dividend Reinvestment	116.19			
08/31/2023	Ending Balance			25,042.54	





Texas CLASS

Texas CLASS

Date	Dividend Rate	Daily Yield
08/01/2023	0.000149273	5.4485%
08/02/2023	0.000149387	5.4526%
08/03/2023	0.000149520	5.4574%
08/04/2023	0.000449100	5.4640%
08/05/2023	0.000000000	5.4640%
08/06/2023	0.000000000	5.4640%
08/07/2023	0.000149825	5.4686%
08/08/2023	0.000149734	5.4653%
08/09/2023	0.000149847	5.4693%
08/10/2023	0.000149846	5.4694%
08/11/2023	0.000449496	5.4689%
08/12/2023	0.000000000	5.4689%
08/13/2023	0.000000000	5.4689%
08/14/2023	0.000150225	5.4832%
08/15/2023	0.000150178	5.4815%
08/16/2023	0.000150324	5.4868%
08/17/2023	0.000150366	5.4884%
08/18/2023	0.000450405	5.4799%
08/19/2023	0.000000000	5.4799%
08/20/2023	0.000000000	5.4799%
08/21/2023	0.000150334	5.4872%
08/22/2023	0.000150261	5.4847%
08/23/2023	0.000150273	5.4850%
08/24/2023	0.000150265	5.4847%
08/25/2023	0.000450411	5.4800%
08/26/2023	0.000000000	5.4800%
08/27/2023	0.000000000	5.4800%
08/28/2023	0.000149978	5.4742%
08/29/2023	0.000150265	5.4847%
08/30/2023	0.000150416	5.4902%
08/31/2023	0.000150478	5.4924%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**





Participant #: [REDACTED]

Lone Star™ August 2023
Investment Pool **Monthly Statement**

Statement Period: 08/01/2023 to 08/31/2023

Jennifer DuPlessis
Lovejoy ISD
259 Country Club Road
Allen, Texas 75002
[REDACTED]

Summary of Portfolio Holdings

Account	Fund	Number of Shares	Price Per Share	Account Balance	% Port.
Construction 2021	Government Overnight Fund	2,037,193.80	1.00	2,037,193.80	99.05%
Totals:				2,037,193.80	

Account	Fund	Number of Shares	Price Per Share	Account Balance	% Port.
General Fund	Government Overnight Fund	19,637.79	1.00	19,637.79	0.95%
Totals:				19,637.79	

Totals

Fund	Yield	Share Quantity	Price Per Share	Fund Balance (USD)	% Port.
Corporate Overnight Fund	0.00 %	0.00	1.00	0.00	0.00 %
Government Overnight Fund	5.30 %	2,056,831.59	1.00	2,056,831.59	100.00 %
Corporate Overnight Plus Fund	0.00 %	0.00	1.00	0.00	0.00 %
Total Value:				2,056,831.59	100.00 %

Portfolio Transactions

Construction 2021 - Government Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
08/01/2023	Starting Balance	2,100,314.94			2,100,314.94
08/07/2023	Withdrawal	2,028,004.94	-72,310.00	1.00	-72,310.00
08/31/2023	Interest	2,037,193.80	9,188.86	1.00	9,188.86
08/31/2023	Ending Balance	2,037,193.80			2,037,193.80

General Fund - Government Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
08/01/2023	Starting Balance	19,549.82			19,549.82
08/31/2023	Interest	19,637.79	87.97	1.00	87.97
08/31/2023	Ending Balance	19,637.79			19,637.79



Important Information about this statement

Please review this statement carefully, it is the official record of your account with Lone Star Investment Pool and First Public, LLC. If you disagree with any transaction, or if there are any errors or omissions in this statement please notify us promptly in writing, but no later than 10 business days after receipt of this statement. Trades pending settlement will not appear on this statement. All such trades will appear in the next monthly statement. The yield for the period is an annualized rate that reflects the relationship between the average amount of income earned and the average daily balance for the account. Please notify First Public promptly and in writing of any changes of address or phone number. Times of transactions will be furnished upon written request. The Lone Star Investment Pool Information Statement should be read carefully before investing. Investors should consider the investment objectives, risks, charges and expenses associated with municipal fund securities before investing. All transactions are no load. No remuneration has, or will be, paid to any entity in connection with this transaction. An investor may obtain an Information Statement by contacting First Public at the address and phone number identified above. An investment in Lone Star investment Pool is not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency and although Lone Star Investment Pool seeks to preserve the value of the investment at a fixed share price, it is possible to lose money by investing in municipal fund securities.

TexPool Participant Services
 1001 Texas Avenue, Suite 1150
 Houston, TX 77002



LOVEJOY ISD
 GENERAL FUND
 ATTN KATIE KORDEL
 259 COUNTRY CLUB RD
 ALLEN TX 75002-7643

Participant Statement

Statement Period 09/01/2023 - 09/30/2023

Customer Service 1-866-TEX-POOL
Location ID [REDACTED]
Investor ID [REDACTED]

TexPool Update

Keep up to date with the latest market talk from our portfolio managers and strategists by visiting the Insights page of TexPool.com.

TexPool Summary

Pool Name	Beginning Balance	Total Deposits	Total Withdrawals	Total Interest	Current Balance	Average Balance
Texas Local Government Investment Pool	\$14,581,011.96	\$51,895.34	\$1,500,000.00	\$59,523.10	\$13,192,430.40	\$13,613,705.33
Total Dollar Value	\$14,581,011.96	\$51,895.34	\$1,500,000.00	\$59,523.10	\$13,192,430.40	

Portfolio Value

Pool Name	Pool/Account	Market Value (09/01/2023)	Share Price (09/30/2023)	Shares Owned (09/30/2023)	Market Value (09/30/2023)
Texas Local Government Investment Pool	[REDACTED]	\$14,581,011.96	\$1.00	13,192,430.400	\$13,192,430.40
Total Dollar Value		\$14,581,011.96			\$13,192,430.40

Interest Summary

Pool Name	Pool/Account	Month-to-Date Interest	Year-to-Date Interest
Texas Local Government Investment Pool	[REDACTED]	\$59,523.10	\$785,570.81
Total		\$59,523.10	\$785,570.81

Transaction Detail

Texas Local Government Investment Pool

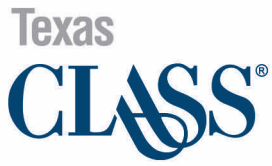
Participant: LOVEJOY ISD

Pool/Account: [REDACTED]

Transaction Date	Settlement Date	Transaction Description	Transaction Dollar Amount	Share Price	Shares This Transaction	Shares Owned
09/01/2023	09/01/2023	BEGINNING BALANCE	\$14,581,011.96	\$1.00		14,581,011.960
09/01/2023	09/01/2023	DIRECT DEPOSIT	\$549.35	\$1.00	549.350	14,581,561.310
09/07/2023	09/07/2023	DIRECT DEPOSIT	\$306.47	\$1.00	306.470	14,581,867.780
09/08/2023	09/08/2023	DIRECT DEPOSIT	\$988.39	\$1.00	988.390	14,582,856.170
09/11/2023	09/11/2023	DIRECT DEPOSIT	\$229.62	\$1.00	229.620	14,583,085.790
09/11/2023	09/11/2023	WITHDRAWAL	\$1,500,000.00-	\$1.00	1,500,000.000-	13,083,085.790
09/14/2023	09/14/2023	DIRECT DEPOSIT	\$45,328.75	\$1.00	45,328.750	13,128,414.540

TexPool Participant Statement

09/18/2023	09/18/2023	DIRECT DEPOSIT	\$1,612.37	\$1.00	1,612.370	13,130,026.910
09/21/2023	09/21/2023	DIRECT DEPOSIT	\$1,486.15	\$1.00	1,486.150	13,131,513.060
09/27/2023	09/27/2023	DIRECT DEPOSIT	\$24.40	\$1.00	24.400	13,131,537.460
09/28/2023	09/28/2023					
09/29/2023	09/29/2023	DIRECT DEPOSIT	\$24.58	\$1.00	24.580	13,132,907.300
09/29/2023	09/29/2023	MONTHLY POSTING	\$59,523.10	\$1.00	59,523.100	13,192,430.400
Account Value as of 09/30/2023			\$13,192,430.40	\$1.00		13,192,430.400



Summary Statement

September 30, 2023

Page 1 of 4

Investor ID: [REDACTED]

0000207-0001385 PDF 574827

Lovejoy I.S.D.
259 Country Club Road
Allen, TX 75002

Texas CLASS

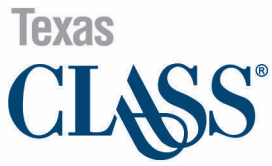
Texas CLASS

Average Monthly Yield: 5.5213%

		Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
[REDACTED]	DEBT SERVICE RESERVE	1,549,245.09	24,639.41	0.00	7,107.48	177,300.00	1,566,650.27	1,580,991.98
[REDACTED]	GENERAL FUND	25,042.54	0.00	0.00	113.89	944.17	25,103.27	25,156.43
[REDACTED]	CONSTRUCTION 2004	0.00	0.00	0.00	0.00	207.36	0.00	0.00
TOTAL		1,574,287.63	24,639.41	0.00	7,221.37	178,451.53	1,591,753.54	1,606,148.41

Tel: (800) 707-6242





Account Statement

September 30, 2023

Page 2 of 4

Account Number: [REDACTED]

DEBT SERVICE RESERVE

Account Summary

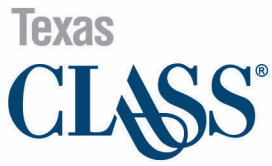
Average Monthly Yield: 5.5213%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Texas CLASS	1,549,245.09	24,639.41	0.00	7,107.48	177,300.00	1,566,650.27	1,580,991.98

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
09/01/2023	Beginning Balance			1,549,245.09	
09/01/2023	Contribution	291.31			7626360
09/07/2023	Contribution	162.50			7645591
09/08/2023	Contribution	524.12			7651621
09/11/2023	Contribution	121.77			7657681
09/14/2023	Contribution	21,255.07			7675802
09/18/2023	Contribution	802.17			7687960
09/21/2023	Contribution	788.09			7706093
09/27/2023	Contribution	12.50			7730486
09/28/2023	Contribution	669.28			7736657
09/29/2023	Contribution	12.60			7742796
09/30/2023	Income Dividend Reinvestment	7,107.48			
09/30/2023	Ending Balance			1,580,991.98	





Account Statement

September 30, 2023

Page 3 of 4

Account Number: [REDACTED]

GENERAL FUND

Account Summary

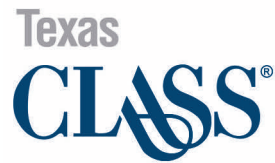
Average Monthly Yield: 5.5213%

	Beginning Balance	Contributions	Withdrawals	Income Earned	Income Earned YTD	Average Daily Balance	Month End Balance
Texas CLASS	25,042.54	0.00	0.00	113.89	944.17	25,103.27	25,156.43

Transaction Activity

Transaction Date	Transaction Description	Contributions	Withdrawals	Balance	Transaction Number
09/01/2023	Beginning Balance			25,042.54	
09/30/2023	Income Dividend Reinvestment	113.89			
09/30/2023	Ending Balance			25,156.43	





Texas CLASS

Texas CLASS

Date	Dividend Rate	Daily Yield
09/01/2023	0.000602748	5.5001%
09/02/2023	0.000000000	5.5001%
09/03/2023	0.000000000	5.5001%
09/04/2023	0.000000000	5.5001%
09/05/2023	0.000150746	5.5022%
09/06/2023	0.000150840	5.5057%
09/07/2023	0.000150725	5.5015%
09/08/2023	0.000452541	5.5059%
09/09/2023	0.000000000	5.5059%
09/10/2023	0.000000000	5.5059%
09/11/2023	0.000150861	5.5065%
09/12/2023	0.000151027	5.5126%
09/13/2023	0.000151037	5.5129%
09/14/2023	0.000151322	5.5232%
09/15/2023	0.000453990	5.5235%
09/16/2023	0.000000000	5.5235%
09/17/2023	0.000000000	5.5235%
09/18/2023	0.000151648	5.5352%
09/19/2023	0.000151674	5.5361%
09/20/2023	0.000151559	5.5319%
09/21/2023	0.000151628	5.5345%
09/22/2023	0.000455025	5.5361%
09/23/2023	0.000000000	5.5361%
09/24/2023	0.000000000	5.5361%
09/25/2023	0.000151761	5.5392%
09/26/2023	0.000151868	5.5432%
09/27/2023	0.000151881	5.5437%
09/28/2023	0.000151841	5.5422%
09/29/2023	0.000303330	5.5358%
09/30/2023	0.000000000	5.5358%

Performance results are shown net of all fees and expenses and reflect the reinvestment of dividends and other earnings. Many factors affect performance including changes in market conditions and interest rates and in response to other economic, political, or financial developments. Investment involves risk including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. **Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.**



Participant #: [REDACTED]

Lone Star™ September 2023
Investment Pool Monthly Statement

Statement Period: 09/01/2023 to 09/30/2023

Jennifer DuPlessis
Lovejoy ISD
259 Country Club Road
Allen, Texas 75002
[REDACTED]

Summary of Portfolio Holdings

Account	Fund	Number of Shares	Price Per Share	Account Balance	% Port.
Construction 2021	Government Overnight Fund	1,870,697.56	1.00	1,870,697.56	98.96%
Totals:				1,870,697.56	

Account	Fund	Number of Shares	Price Per Share	Account Balance	% Port.
General Fund	Government Overnight Fund	19,723.60	1.00	19,723.60	1.04%
Totals:				19,723.60	

Totals

Fund	Yield	Share Quantity	Price Per Share	Fund Balance (USD)	% Port.
Corporate Overnight Fund	0.00 %	0.00	1.00	0.00	0.00 %
Government Overnight Fund	5.32 %	1,890,421.16	1.00	1,890,421.16	100.00 %
Corporate Overnight Plus Fund	0.00 %	0.00	1.00	0.00	0.00 %
Total Value:				1,890,421.16	100.00 %

Portfolio Transactions

Construction 2021 - Government Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
09/01/2023	Starting Balance	2,037,193.80			2,037,193.80
09/07/2023	Withdrawal	1,862,406.80	-174,787.00	1.00	-174,787.00
09/29/2023	Interest	1,870,697.56	8,290.76	1.00	8,290.76
09/30/2023	Ending Balance	1,870,697.56			1,870,697.56

General Fund - Government Overnight Fund

Settle Date	Trade Type	Share Balance	Number of Shares	Price/Share	Amount (USD)
09/01/2023	Starting Balance	19,637.79			19,637.79
09/29/2023	Interest	19,723.60	85.81	1.00	85.81
09/30/2023	Ending Balance	19,723.60			19,723.60

Important Information about this statement

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10.E. Consider Approval of the 2023 Certified Tax Roll
Presenter: Thomas Willman, Chief Financial Officer



LOVEJOY
INDEPENDENT SCHOOL DISTRICT
EST. 1917

Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	2023 Certified Tax Roll
Presented For	X Board Action Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Thomas Willman, Chief Financial Officer

Executive Summary

Each year, the Board of Trustees receives a copy of the Tax Roll Summary from the Tax Assessor Collector. The 2023 Tax Roll provided reflects the increase in the homestead exemption to \$100,000. The 2023 Tax Roll is submitted to the Board in accordance with Texas Property Tax Code Section 26.09. The official minutes of this meeting will serve as documentation for approval of the 2023 Tax Roll that follows.

Fiscal Implications

As stated by Kenneth L. Maun in the attached letter, this is a formality in the Texas Property Tax Code and fulfills the requirements of the law for us to continue tax collections in full compliance. There are no additional fiscal implications.

Administrator Recommendation

It is of the recommendation of the Administration that the Board of Trustees approves the 2023 Certified Tax Roll.

District Priority

Priority 3: Lovejoy ISD will prioritize community, connection, and communication.

Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.



KENNETH L. MAUN
TAX ASSESSOR COLLECTOR
COLLIN COUNTY
2300 Bloomdale Road, Suite 2366
P.O. Box 8006
McKinney, TX 75070-8006
(972) 547-5020
Fax: (214) 491-4808
Email: kmaun@collincountytexas.gov

October 16, 2023

Katie Kordel, Superintendent
Lovejoy Independent School District
259 Country Club Road
Allen, TX 75002

Dear Ms. Kordel

Attached is the 2023 Tax Roll Summary for Lovejoy Independent School District.

Submission of the 2023 Tax Roll to your governing body for approval, in accordance with *Texas Property Tax Code*, Section 26.09, will constitute the 2023 Tax Roll for Lovejoy Independent School District.

Please provide my office a copy of your ordinance approving the Tax Roll at your earliest convenience. While this is a formality in the Texas Property Tax Code, we do want to fulfill the requirements of the law and do appreciate your cooperation.

If you have any questions, please contact me.

Sincerely,

A handwritten signature in blue ink that reads "Ken Maun".

Kenneth L. Maun
Tax Assessor Collector

KLM:jd

Enclosure

cc: Thomas Willman

2023 TAX ROLL SUMMARY

65 - LOVEJOY ISD

	Amount	Count
NUMBER OF ACCOUNTS		6,491
MARKET VALUES		
ROLLCODE: PERSONAL		
Personal	\$48,135,901	
ROLLCODE: REAL		
Agriculture	\$133,474,403	
Improvement	\$3,446,187,014	
Improvement Non-Home Site	\$198,560,333	
Land	\$1,756,546,292	
Land Ag Land	\$140,784	
Land Non-Home Site	\$93,181,704	
TOTAL MARKET VALUE	\$5,676,226,431	
DEFERRALS		
Ag	\$133,474,403	199
TOTAL DEFERRALS	\$133,474,403	
EXEMPTIONS		
Absolute Exemption , XN , XN	\$17,150	1
Autos , XO , PPV , XO , PPV	\$19,197,778	94
Cap Adjustment , XT , XT	\$731,598,438	4,329
Disabled	\$510,000	52
Disabled Veteran	\$41,390,255	179
Homestead	\$471,903,917	4,770
Miscellaneous , XV , XV	\$219,251,908	245
Nominal Value	\$51,559	74
Over 65	\$26,148,959	1,910
Private Schools , XJ , XJ	\$10,256,840	1
Solar/Wind	\$7,784	5
Surviving Spouse Disabled Person	\$0	1
TOTAL EXEMPTIONS	\$1,520,334,588	
GRAND TOTAL FOR DEFERRALS AND EXEMPTIONS	\$1,653,808,991	
TOTAL MARKET VALUE	\$5,676,226,431	
TAXABLE VALUE	\$4,022,417,440	
TAX RATE	1.2575	
ROLLCODE: PERSONAL		
Levy	\$362,096.02	360
ROLLCODE: REAL		
Levy	\$44,107,587.98	6,131
TOTAL LEVY	\$44,469,684.00	
LEVY LOST DUE TO FROZEN	\$6,112,215.41	
OTHER LOST LEVY	\$0.00	
TOTAL LOST LEVY	\$6,112,215.41	

2023 TAX ROLL SUMMARY

65 - LOVEJOY ISD

Calculation Analysis

	Calc Levy	- Tax Amount	=	Diff.	Market Value	Exemption	Taxable Value
Frozen	11,418,322.44	5,297,640.08		6,120,682.36	1,401,662,314	493,644,640	908,017,674
DV100 (Excl. Frozen)	4,733.16	4,733.16		0.00	28,407,296	24,085,692	4,321,604
Prorated (Excl. Frozen)	0.00	0.00		0.00	0	0	0
Other	39,823,745.53	39,823,745.53		0.00	4,317,818,327	1,154,865,278	3,162,953,049
Total	51,246,801.13	45,126,118.77		6,120,682.36	5,747,887,937	1,672,595,610	4,075,292,327
DV100 (Incl. Frozen)	1,848.95	1,848.95		0.00	21,193,835	13,688,189	7,505,646
Prorated (Incl. Frozen)	0.00	0.00		0.00	0	0	0

11. Celebration of Learning

Presenter: Dr. Laurie Tinsley, Assistant Superintendent of Curriculum and Instruction



LOVEJOY
INDEPENDENT SCHOOL DISTRICT
EST. 1917

Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Celebration of Learning
Presented For	Board Action X Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Dr. Laurie Tinsley, Assistant Superintendent of Curriculum and Instruction



Executive Summary

This is an opportunity for Lovejoy ISD teachers and administrators to share and celebrate learning that is occurring in LISD classrooms each day. For the month of October, we are spotlighting the work of Professional Learning Communities in action. District and campus leaders will share how teachers and staff are engaging and working in collaborative teams to achieve high levels of learning for students.

Fiscal Implications

No fiscal implications.

Administrator Recommendation

No administrator recommendation.

District Priority

Priority 1: Lovejoy ISD students will live our Legacy of Excellence by learning at high levels and graduating life ready.

Priority 2: Lovejoy ISD will value employees as our greatest asset in serving students.

Priority 3: Lovejoy ISD will prioritize community, connection, and communication.

Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.

CELEBRATION OF LEARNING

Professional Learning Communities in Action

Dr. Laurie Tinsley

Assistant Superintendent of Curriculum and Instruction

Erin Perkins

Director of Elementary Education and Early Childhood

Holly Haynes

Principal, Puster Elementary

Wendy Craft

Principal, Hart Elementary

October 30, 2023

Board Meeting



LOVEJOY

INDEPENDENT SCHOOL DISTRICT

EST. 1917

Lovejoy ISD

CELEBRATION OF LEARNING

Professional Learning
Communities in Action

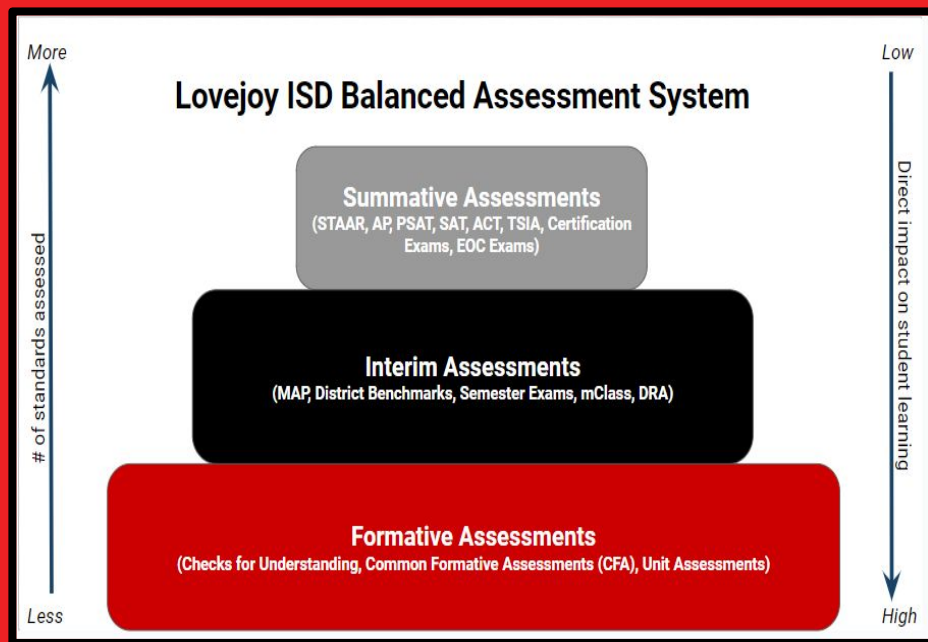


Professional Learning Communities

A Focus on
Learning

Collaboration
and
Collective
Responsibility

A **Results**
Orientation



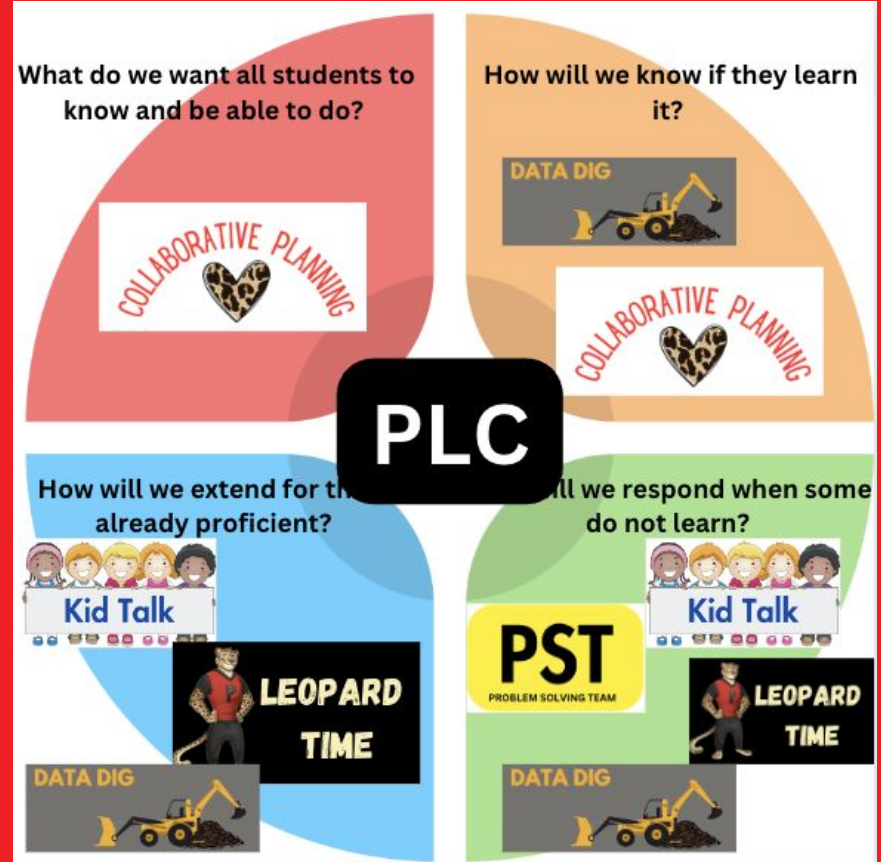
Professional Learning Communities In Action

“Talking is not doing. Planning is not doing. Goal setting is not doing. Training is not doing. Even directing resources to support a plan is not doing. It is not until people are doing differently that any organization can expect different results...”

Dufour, et al.



Poster Elementary



COLLABORATIVE LEARNING TEAMS

@ HART ELEMENTARY

INTENTIONAL CONVERSATIONS

that give us immediate results



STUDENTS

Data Analysis

Kid Talks to set goals
& create action plans

Planning
Leopard
Time

TEACHERS

Best instructional
practices

Coaching
Cycle



NEXT



Lab Sites



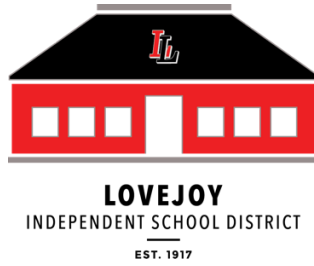
LOVEJOY
INDEPENDENT SCHOOL DISTRICT

EST. 1917

Thank You

12. Presentation: 2023 Fine Arts Festival

Presenter: Kevin Parker, Executive Director of Student Services



Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	2023 Fine Arts Festival
Presented For	Board Action X Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Kevin Parker, Executive Director of Student Services

Executive Summary

Historically the LISD Fine Arts Festival has been held on the first Saturday in December. For 2023, the format will move to a 7-night event. Each program will have an evening where they will showcase their students starting with beginning classes all the way to varsity level groups. The holiday theme will remain in place. After speaking with principals, program directors, and booster clubs from each program, we feel we can increase community engagement with the festival along with showcasing the excellence in each program.

Fiscal Implications

No fiscal implications.

Administrator Recommendation

No administrator recommendation.

District Priority

Priority 1: Lovejoy ISD students will live our Legacy of Excellence by learning at high levels and graduating life ready.

Priority 2: Lovejoy ISD will value employees as our greatest asset in serving students.

Priority 3: Lovejoy ISD will prioritize community, connection, and

communication.

Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.

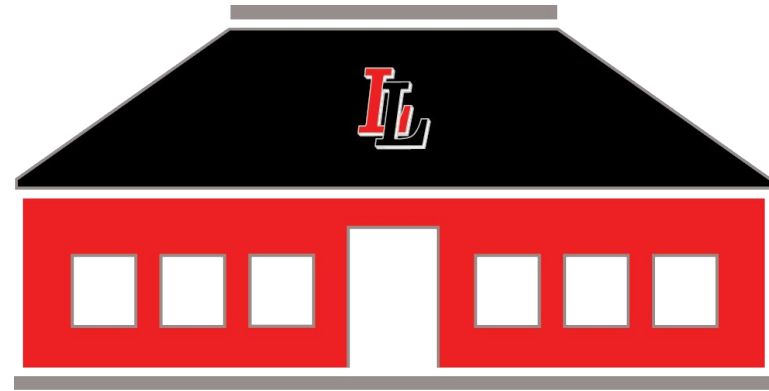
2023 Fine Arts Festival

Kevin Parker

Executive Director of Student Services

October 30, 2023

Board Meeting



LOVEJOY
INDEPENDENT SCHOOL DISTRICT

EST. 1917

Fine Arts Festival 2023

Discussions with Stakeholders

- Principals, Boosters and Program Directors
 - Expressed desire to increase community involvement
 - Better showcase the excellence in each program
- Challenges with current format
 - Scheduling so parents can watch all performances with their children
 - Scheduling with other school events on that specific day
- Feedback and discussion produced a format where each program would have a night where their students would be highlighted
 - Beginners to varsity level
 - Maintain the holiday theme

What Does the Festival Look Like Moving Forward?

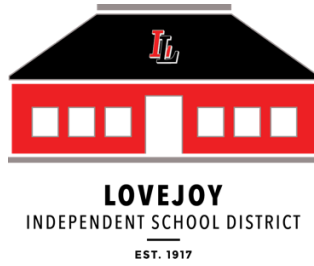
- Program Alignment
 - All levels of Band, Choir, Orchestra, Cheer, Dance, and Theater perform on their respective nights
 - Visual Arts gallery open from Nov. 27-Dec. 1 to show K-12 art progression in LISD
 - Gallery Night on Nov. 30 will host a reception in the LHS Art Gallery
 - Elementary Music Showcase on Dec. 4
- Who is our target audience?
 - We want to utilize this event to build interest with our elementary school students
 - Bring in Heritage Ranch audience to celebrate the holiday season with us

2023 Fine Arts Festival Schedule



THANK YOU

13. Consider and Act on the 2022-2023 Independent Audit and Annual Financial Report
Presenter: Thomas Willman, Chief Financial Officer



Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	2022-2023 Independent Audit and Annual Financial Report
Presented For	X Board Action Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Thomas Willman, Chief Financial Officer

Executive Summary

As required by the Texas Education Code and Board Policy CFC Legal, and monitored by the Texas Education Agency, each public school district must engage independent auditors on an annual basis to perform an independent review of District financials and procedures and audit the accuracy of fiscal information provided. The independent auditors engaged are to provide an opinion on the District's financial reporting and compliance for the Board of Trustees.

The Board engaged Hankins, Eastup, Deaton, Tonn, Seay, and Scarborough P.C. to audit the 2022-2023 fiscal year for Lovejoy ISD. The firm is located in Denton, Texas. The extensive field work was completed in August and September. Carl Deaton, CPA, will deliver the audit report to the board. The report includes an unmodified opinion, meaning that they provide reasonable assurance of no material issues or issues of internal control in financial statements.

The Chief Financial Officer reviewed the final draft of the audit during an exit interview with Carl Deaton. While no material inaccuracies were found, procedures are analyzed during the audit and recommendations to consider procedural improvements regarding implementation of reissuing stale dated checks, monitoring and tracking of donations, and applying indirect cost to the Student Nutrition program consistent with other Federal Programs. These are not items written into the audit report, but

areas discussed in the audit process for optimizing our financial approach and to include in future monitoring and adjustments.

The primary increases in revenue in 22-23 were due to an increase in federal revenue from one-time grants (approximately \$1.1M). There was an increase in tax collections that was offset by the decrease in state aid (approximately \$2.2m). The only area in which the district exceeded the maximum threshold allowed by TEA within the expenditure budget was in regard to recapture, which resulted in a 24% budget overage for this required expenditure (see Exhibit C-5, p. 27). This was a result of additional unanimated tax collection for both delinquent and current taxes for the month of July and August.

The beginning General Fund Balance as of July 1, 2022 for Lovejoy ISD was \$11,339,900. Including the restricted Student Nutrition Fund Balance of \$469,530, which was moved to the General Fund in 2021-2022, the ending General Fund Balance was \$16,636,243. The majority of this increase was due the following:

- one-time special funding via grants,
- vacant positions, and
- savings from staffing reductions.

The ending General Fund balance without Student Nutrition equates to 158 days of operating expenditures. The District experiences a significant amount of fluctuation in monthly cash flow due to reliance on local tax collections for funding, so should be considering a Fund Balance target at 120 days or more, particularly as our enrollment is declining and funding will be reduced further.

The official electronic copy of the Annual Financial Report is attached and a bound copy will be provided to Board members at the meeting.

Fiscal Implications

Although there are no direct fiscal implications of the action to approve the audit and annual financial report, this fiscal status snapshot has ongoing impact on the District and future planning for financial sustainability. Sustainable fiscal stewardship is essential to the future of Lovejoy ISD.

Administrator Recommendation

The 2022-2023 Independent Audit and Annual Financial Report are presented by the auditor for consideration of approval by the Board.

District Priority

Priority 3: Lovejoy ISD will prioritize community, connection, and communication.

Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.

CERTIFICATE OF BOARD

Lovejoy Independent School District
Name of School District

Collin
County

043-919
Co. - Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) _____ approved _____ disapproved for the year ended June 30, 2023, at a meeting of the Board of Trustees of such school district on the _____ day of October, 2023.

Signature of Board Secretary

Signature of Board President

LOVEJOY INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT FOR THE
YEAR ENDED JUNE 30, 2023

LOVEJOY INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2023

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CERTIFICATE OF BOARD

Lovejoy Independent School District
Name of School District

Collin
County

043-919
Co. - Dist. Number

We, the undersigned, certify that the attached annual financial reports of the above-named school district were reviewed and (check one) _____ approved _____ disapproved for the year ended June 30, 2023, at a meeting of the Board of Trustees of such school district on the _____ day of October, 2023.

Signature of Board Secretary

Signature of Board President

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Members:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC
ACCOUNTANTS
TEXAS SOCIETY OF CERTIFIED
PUBLIC ACCOUNTANTS

**HANKINS, EASTUP, DEATON,
TONN, SEAY & SCARBOROUGH**

A Limited Liability Company

CERTIFIED PUBLIC ACCOUNTANTS

902 NORTH LOCUST
P.O. BOX 977
DENTON, TX 76202-0977

TEL. (940) 387-8563
FAX (940) 383-4746

Independent Auditor's Report

Lovejoy Independent School District
Allen, Texas

Opinion

We have audited the accompanying financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Lovejoy Independent School District as of and for the year ended June 30, 2023 and the related notes to the financial statements, which collectively comprise Lovejoy Independent School District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of Lovejoy Independent School District as of June 30, 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We have audited the discretely presented component unit financial statements of the Foundation for Lovejoy Schools, Inc. (the "Foundation") as of and for the year ended June 30, 2023, and the related notes to the financial statements. The Foundation's audited financial information has been incorporated into the District's financial statements. Our opinion dated August 30, 2023 on the Foundation's financial statements may be found in separately-issued financial statements for the Foundation.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 through 14 and the Teacher Retirement System schedules on page 64 through 72 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 7, 2023 on our consideration of Lovejoy Independent School District's internal control over financial reporting and on our tests of the compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Lovejoy Independent School District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Lovejoy Independent School District's internal control over financial reporting and compliance.

Hankins, Eastup, Deaton, Tonn, Seay & Scarborough

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

Denton, Texas
October 7, 2023

**LOVEJOY INDEPENDENT SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2023
(UNAUDITED)**

As management of Lovejoy Independent School District, we offer readers of the District's financial statement this narrative overview and analysis of the financial activities of the District for the year ended June 30, 2023. Please read this narrative in conjunction with the independent auditors' report on page 5, and the District's Basic Financial Statements that begin on page 17.

FINANCIAL HIGHLIGHTS

- The liabilities and deferred inflows of Lovejoy Independent School District exceeded its assets and deferred outflows at the close of the most recent fiscal year resulting in a negative net position of \$8,206,022.
- The District's total net position increased by \$13,454,717 during the fiscal year from the result of current year operations.
- As of the close of the current fiscal period, the District's governmental funds reported combined ending fund balances of \$24,711,118, an increase of \$3,607,154 for the year. Over 65% of this total amount (\$16,079,045) is unassigned and available for use within the District's commitments and policies.
- At the end of the current fiscal period, unassigned fund balance for the general fund of \$16,079,045 was 38.8% of the total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 17 and 19). These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters. They reflect the flow of total economic resources in a manner similar to the financial reports of a business enterprise.

Fund financial statements (starting on page 20) report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. The remaining statements, fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or custodian for the benefit of those outside of the District. The District has no component units for which it is financially accountable.

The notes to the financial statements (starting on page 31) provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

The combining statements for nonmajor funds contain even more information about the District's individual funds. The section labeled Federal Awards Section contains data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

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

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

These two statements report the District's net position and changes in it. The District's net position provides one measure of the District's financial health, or financial position. Over time, increases or decreases in the District's net position are one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the District, however, you should consider nonfinancial factors as well, such as changes in the District's average daily attendance or its property tax base and the condition of the District's facilities.

All of the District's basic services are reported as governmental activities, including the instruction, counseling, co-curricular activities, food services, transportation, maintenance, community services, and general administration. Property taxes, tuition, fees, and state and federal grants finance most of these activities.

Reporting the District's Most Significant Funds

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives.

The fund financial statements begin on page 20 and provide detailed information about the most significant funds—not the District as a whole. Laws and contracts require the District to establish some funds, such as grants received under the No Child Left Behind Act from the U.S. Department of Education. The District's administration establishes many other funds to help it control and manage money for particular purposes (like campus activities).

All of the funds of the District can be divided into two categories: governmental funds and 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 of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government'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 government'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 twenty-two governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, debt service fund, and capital projects fund, each of which are considered to be major funds. Data from the other fifteen governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report. The District adopts an annual appropriated budget for its general fund, debt service fund and food service fund. A budgetary comparison schedule has been provided to demonstrate compliance with these budgets. The basic governmental fund financial statements can be found on pages 20 through 27 of this report.
- Fiduciary funds.** *Fiduciary funds* are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the District's own programs. The District is the custodian, or *fiduciary*, for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary fund net position that can be found on pages 28 and 29. These activities are excluded from the District's government-wide financial statements because the District cannot use these assets to finance its operations.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following analysis presents both current and prior year data and discuss significant changes in the accounts. Our analysis focuses on the net position (Table I) and changes in net position (Table II) of the District's governmental activities.

Governmental Activities

Net Position. The net position of the District's governmental activities at June 30, 2023 was an \$8,206,022 deficit. Investment in capital assets (e.g. land, building, furniture, vehicles and equipment) less any related debt used to acquire those assets that is still outstanding was a deficit of \$22,078 at June 30, 2023. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the District's investment in its capital assets are 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 governmental activities net position (\$5,035,950) represents resources that are subject to external restrictions on how they may be used. There was no unrestricted net position at June 30, 2023.

Changes in Net Position. The District's total revenues of its governmental activities were \$71,489,608. A significant portion, approximately 72.4%, of the revenue comes from property taxes. Another 5.0% comes from state aid - formula grants while only 7.1% relates to charges for services. This reflects a \$5,564,604 increase in revenues from 2021-2022. The total revenues were used to fund the cost of all programs and services in the amount of \$58,034,891, and to pay down the District's debt. This reflects a \$2,840,682 increase in expenditures from 2021-2022, or approximately 5.15%.

Governmental Activities. Funding for governmental activities is by specific program revenue or through general revenues such as property taxes, state aid and investment earnings. Program revenues directly attributable to specific activities funded some of the governmental activities costs. These program revenues amounted to \$15,168,920 (grant revenues, tuition and facility leasing, for example). The remaining cost of governmental activities not directly funded by program revenues was \$42,865,971, which were primarily funded by property taxes in the amount of \$51,738,239 and state revenue of \$3,586,172.

**Table I
NET POSITION**

	Governmental Activities June 30, 2022	Governmental Activities June 30, 2023	Difference
Current and other assets	\$ 26,318,834	\$ 32,364,915	\$ 6,046,081
Capital assets	<u>140,263,406</u>	<u>135,485,435</u>	<u>(4,777,971)</u>
Total assets	<u>166,582,240</u>	<u>167,850,350</u>	<u>1,268,110</u>
Deferred outflows of resources	<u>15,522,662</u>	<u>19,149,649</u>	<u>3,626,987</u>
Total assets and deferred outflows of resources	<u>182,104,902</u>	<u>186,999,999</u>	<u>4,895,097</u>
Long-term liabilities	<u>177,775,550</u>	<u>165,723,158</u>	<u>(12,052,392)</u>
Other liabilities	<u>6,587,946</u>	<u>8,619,868</u>	<u>2,031,922</u>
Total liabilities	<u>184,363,496</u>	<u>174,343,026</u>	<u>(10,020,470)</u>
Deferred inflows of resources	<u>19,402,145</u>	<u>20,862,995</u>	<u>1,460,850</u>
Total liabilities and deferred inflows of resources	<u>203,765,641</u>	<u>195,206,021</u>	<u>(8,559,620)</u>
Net Position:			
Net investments in capital assets	(12,196,638)	(22,078)	12,174,560
Restricted	4,522,111	5,035,950	513,839
Unrestricted	<u>(13,986,212)</u>	<u>(13,219,894)</u>	<u>766,318</u>
Total Net Position	<u><u>\$(21,660,739)</u></u>	<u><u>\$ (8,206,022)</u></u>	<u><u>\$ 13,454,717</u></u>

Table II
CHANGES IN NET POSITION

	Governmental Activities Year Ended June 30, 2022	Governmental Activities Year Ended June 30, 2023	Difference
Revenues:			
Program Revenues:			
Charges for services	\$ 3,350,802	\$ 5,039,708	\$ 1,688,906
Operating grants and contributions	9,243,915	10,129,212	885,297
General Revenues:			
Maintenance and operations taxes	31,201,949	33,844,367	2,642,418
Debt service taxes	15,533,145	17,893,872	2,360,727
State aid	5,952,105	3,586,172	(2,365,933)
Investment earnings	53,068	996,277	943,209
Miscellaneous	590,020	-	(590,020)
Total Revenue	65,925,004	71,489,608	5,564,604
Expenses:			
Instruction, curriculum and media services	28,572,795	28,920,147	347,352
Instructional and school leadership	3,039,572	2,972,524	(67,048)
Student support services	3,623,606	3,909,732	286,126
Child nutrition	1,984,435	1,891,776	(92,659)
Cocurricular activities	3,657,323	4,191,270	533,947
General administration	2,361,654	2,382,455	20,801
Plant maintenance, security and data processing	6,997,292	5,732,984	(1,264,308)
Community services	949,388	742,888	(206,500)
Debt services	3,318,356	5,261,372	1,943,016
Intergovernmental charges	689,788	2,029,743	1,339,955
Total Expenses	55,194,209	58,034,891	2,840,682
Increase (Decrease) in Net Position	10,730,795	13,454,717	2,723,922
Net Position - beginning of period	(32,423,361)	(21,660,739)	10,762,622
Transfers in (out)	31,827	-	(31,827)
Net Position - end of period	\$(21,660,739)	\$ (8,206,022)	\$ 13,454,717

THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, bond covenants, and segregation for particular purposes.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$24,711,118, an increase of \$3,607,154. Approximately 79% of this total amount (\$19,587,500) constitutes *committed, assigned and unassigned fund balance*, which is available for spending at the District's discretion. The remainder of fund balance is *nonspendable or restricted* to indicate that it is not available for new spending because it is already restricted to pay debt service (\$4,566,420), or food service (\$469,530), or already spent on prepayments (\$87,668).

The general fund is the primary operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the general fund was \$16,079,045, while the total fund balance was \$16,636,243. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to the total fund expenditures. Total fund balance represents 38.85% of the total general fund expenditures and unassigned fund balance represents 40.20% of the total general fund expenditures.

The fund balance of the District's general fund increased by \$5,296,343 during the current fiscal year, compared to a \$2,824,958 increase in the previous year. Key factors related to this change are as follows:

- A \$2,423,144 increase in property tax revenues combined with a \$2,223,271 decrease in the Federal revenues contributed to a \$1,199,599 overall increase in total revenues. Expenditures decreased \$1,376,687 or 3.22% compared to the prior year.

The debt service fund has a total fund balance of \$4,566,420, all of which is reserved for the payment of debt service. The net increase in fund balance during the period in the debt service fund was \$44,309, compared to a \$4,699,406 decrease in the previous year. Tax revenues were \$2,270,750 higher than the previous year and debt service expenditures were \$2,390,025 lower.

Other changes in fund balances should also be noted. The fund balance in the capital projects fund decreased by \$1,899,323 due primarily to \$2,023,617 spent on construction-related costs. Although these and other capital expenditures reduce available fund balances, they create new assets for the District as reported in the Statement of Net Position and discussed in Note 5 to the financial statements.

Over the course of the year, the Board of Trustees revised the District's budget four times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts we estimated in June, 2022). The second category includes changes that the Board made during the year to reflect new information regarding revenue sources and expenditure needs. The principal amendment in this case was an increase in the anticipated amount of State funding to be received. The third category involves amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

The District's General Fund balance of \$16,636,243 reported on page 20 differs from the General Fund's budgetary fund balance of \$16,142,759 reported in the budgetary comparison schedule on page 27. For the year ended June 30, 2023, actual general fund expenditures on a budgetary basis were \$41,381,593, below the final budget expenditures of \$41,426,299. Actual revenue on a budgetary basis was \$46,616,456 compared to the budget of \$46,196,795.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2023, the District had \$135,485,435 (net of accumulated depreciation) invested in a broad range of capital assets, including facilities and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents a net decrease of \$4,777,971, or 3.41%, below last year.

This fiscal year's major additions included:

Athletic & CDC renovations	\$ 365,174
Two vehicles	95,337
Playground structure	<u>109,632</u>
TOTAL	<u>\$ 570,143</u>

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

Debt Administration

At year-end, the District had \$145,470,675 in bonds outstanding (including accreted interest on bonds and premiums on bond issuances) versus \$159,128,982 last year—a decrease of 8.58%. No new debt was incurred during the current fiscal year. The District's underlying rating for unlimited tax bonds is "AA" by S&P, and "AA-" by Fitch but is considered AAA as a result of guarantees of the Texas Permanent School Fund.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10% of its total assessed valuation. The current debt limitation for the District is \$355,491,510, which is in excess of the District's outstanding general obligation debt.

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Lovejoy ISD Board of Trustees held eight budget-related workshops from November 2022 - June 2023 to review, strategize, and make decisions to adopt a surplus budget for the 2023-2024 school year. Several measures were taken during FY23 to provide for a surplus in the general fund and to plan for a balanced budget in FY24. Due to the continued year-over-year decline in enrollment, the District responded by scaling staff at the schools accordingly to reduce costs to match the revenue decline. A program restructure was conducted through a formal Reduction in Force (RIF) and reorganization of positions. Zero-based budgeting was also implemented for the second year in a row, which allowed for a reduction in campus and departmental non-personnel budgets.

The 88th Legislative Session was held from January 10, 2023, to May 29, 2023. Several bills were filed during the first session addressing school district funding and increasing the basic allotment. The 88th Legislative Session ended in May 2023 without an increase to the basic allotment. A second special session was held in June 2023. The session ended with legislation providing tax relief and reducing the maintenance and operations (M&O) tax rate. The tax rate was reduced from \$1.4429 (inclusive of the \$0.50 Interest & Sinking) to \$1.2575. This resulted in lower local tax revenue and higher state aid revenue. Lovejoy ISD was able to adopt a balanced budget for 2023-2024 without the increase in the basic allotment. Lovejoy ISD will face challenges going forward without an increase in the basic allotment during the third legislative session.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for funds the District receives. If you have questions about this report or need additional financial information, contact the District's business office, at Lovejoy Independent School District, 259 Country Club Road, Allen, Texas 75002, (469) 742-8000.

BASIC FINANCIAL STATEMENTS

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LOVEJOY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2023

EXHIBIT A-1

Data Control Codes	1 Primary Government	4 Component Unit
	Governmental Activities	Foundation for Lovejoy Schools, Inc.
ASSETS		
1110	\$ 2,015,299	\$ 827,273
1120	27,625,859	391,264
1220	1,388,207	-
1230	(13,882)	-
1240	1,181,069	-
1300	80,695	-
1410	87,668	1,514
Capital Assets:		
1510	6,053,893	-
1520	124,414,299	-
1530	2,731,574	-
1540	2,163,048	-
1580	122,621	-
1000	<u>167,850,350</u>	<u>1,220,051</u>
DEFERRED OUTFLOWS OF RESOURCES		
1701	7,871,934	-
1705	8,949,333	-
1706	2,328,382	-
1700	<u>19,149,649</u>	<u>-</u>
LIABILITIES		
2110	309,038	566,630
2150	(4,047)	-
2160	3,215,930	-
2180	1,728,467	-
2200	2,025,874	-
2300	1,344,606	15,505
Noncurrent Liabilities:		
2501	8,783,307	-
Due in More than One Year:		
2502	136,687,368	-
2540	13,164,908	-
2545	7,087,575	-
2000	<u>174,343,026</u>	<u>582,135</u>
DEFERRED INFLOWS OF RESOURCES		
2605	6,716,990	-
2606	14,146,005	-
2600	<u>20,862,995</u>	<u>-</u>
NET POSITION		
3200	(22,078)	-
Restricted:		
3820	469,530	-
3850	4,566,420	-
3890	-	64,911
3900	(13,219,894)	573,005
3000	<u>\$ (8,206,022)</u>	<u>\$ 637,916</u>

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

LOVEJOY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes	1	Program Revenues	
		3	4
	Expenses	Charges for Services	Operating Grants and Contributions
Primary Government:			
GOVERNMENTAL ACTIVITIES:			
11 Instruction	\$ 26,369,881	\$ 2,201,258	\$ 3,263,698
12 Instructional Resources and Media Services	540,684	-	50,754
13 Curriculum and Instructional Staff Development	1,989,582	-	982,934
21 Instructional Leadership	269,938	-	31,343
23 School Leadership	2,702,586	-	186,333
31 Guidance, Counseling, and Evaluation Services	2,081,772	-	227,673
32 Social Work Services	79,604	-	100,699
33 Health Services	515,351	240,301	39,328
34 Student (Pupil) Transportation	1,233,005	-	714,362
35 Food Services	1,891,776	1,742,926	240,723
36 Extracurricular Activities	4,191,270	264,036	2,532,452
41 General Administration	2,382,455	375,485	375,987
51 Facilities Maintenance and Operations	4,386,055	215,702	102,778
52 Security and Monitoring Services	648,248	-	387,716
53 Data Processing Services	718,681	-	20,661
61 Community Services	742,888	-	556,847
72 Debt Service - Interest on Long-Term Debt	5,249,572	-	314,924
73 Debt Service - Bond Issuance Cost and Fees	11,800	-	-
91 Contracted Instructional Services Between Schools	1,674,263	-	-
93 Payments Related to Shared Services Arrangements	18,046	-	-
99 Other Intergovernmental Charges	337,434	-	-
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 58,034,891	\$ 5,039,708	\$ 10,129,212
Component Unit:			
1C Nonmajor Component Unit	\$ 1,050,414	\$ -	\$ -
[TC] TOTAL COMPONENT UNIT:	\$ 1,050,414	\$ -	\$ -

Data Control Codes	General Revenues:
	Taxes:
MT	Property Taxes, Levied for General Purposes
DT	Property Taxes, Levied for Debt Service
SF	State Aid - Formula Grants
IE	Investment Earnings
MI	Miscellaneous Local and Intermediate Revenue
FR	Gifts and Bequests
TR	Total General Revenues and Transfers
CN	Change in Net Position
NB	Net Position - Beginning
NE	Net Position - Ending

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

Net (Expense) Revenue and Changes in Net Position	
6	9
Primary Government Governmental Activities	Component Unit Foundation for Lovejoy
\$ (20,904,925)	\$ -
(489,930)	-
(1,006,648)	-
(238,595)	-
(2,516,253)	-
(1,854,099)	-
21,095	-
(235,722)	-
(518,643)	-
91,873	-
(1,394,782)	-
(1,630,983)	-
(4,067,575)	-
(260,532)	-
(698,020)	-
(186,041)	-
(4,934,648)	-
(11,800)	-
(1,674,263)	-
(18,046)	-
(337,434)	-
<u>(42,865,971)</u>	<u>-</u>
-	(1,050,414)
<u>-</u>	<u>(1,050,414)</u>
33,844,367	-
17,893,872	-
3,586,172	-
996,277	20,893
-	705,773
-	364,064
<u>56,320,688</u>	<u>1,090,730</u>
13,454,717	40,316
(21,660,739)	597,600
<u>\$ (8,206,022)</u>	<u>\$ 637,916</u>

LOVEJOY INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
ASSETS			
1110 Cash and Cash Equivalents	\$ (134,753)	\$ 626,326	\$ -
1120 Investments - Current	21,727,406	3,807,225	2,091,228
1220 Property Taxes - Delinquent	927,609	460,598	-
1230 Allowance for Uncollectible Taxes	(9,276)	(4,606)	-
1240 Due from Other Governments	929,623	-	-
1260 Due from Other Funds	325,655	-	-
1300 Inventories	5,345	-	-
1410 Prepayments	87,668	-	-
1000 Total Assets	<u>\$ 23,859,277</u>	<u>\$ 4,889,543</u>	<u>\$ 2,091,228</u>
LIABILITIES			
2110 Accounts Payable	\$ 300,328	\$ 500	\$ -
2150 Payroll Deductions and Withholdings Payable	(4,047)	-	-
2160 Accrued Wages Payable	3,152,044	-	-
2170 Due to Other Funds	-	-	-
2180 Due to Other Governments	1,678,301	36,257	-
2200 Accrued Expenditures	169,695	-	-
2300 Unearned Revenue	1,332,044	-	-
2000 Total Liabilities	<u>6,628,365</u>	<u>36,757</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	594,669	286,366	-
2600 Total Deferred Inflows of Resources	<u>594,669</u>	<u>286,366</u>	<u>-</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3430 Prepaid Items	87,668	-	-
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	469,530	-	-
3480 Retirement of Long-Term Debt	-	4,566,420	-
Committed Fund Balance:			
3510 Construction	-	-	2,091,228
3545 Other Committed Fund Balance	-	-	-
3600 Unassigned Fund Balance	16,079,045	-	-
3000 Total Fund Balances	<u>16,636,243</u>	<u>4,566,420</u>	<u>2,091,228</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 23,859,277</u>	<u>\$ 4,889,543</u>	<u>\$ 2,091,228</u>

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

Other Funds	Total Governmental Funds
\$ 1,523,726	\$ 2,015,299
-	27,625,859
-	1,388,207
-	(13,882)
251,446	1,181,069
-	325,655
75,350	80,695
-	87,668
<u>\$ 1,850,522</u>	<u>\$ 32,690,570</u>
\$ 8,210	\$ 309,038
-	(4,047)
63,886	3,215,930
325,655	325,655
13,909	1,728,467
9,073	178,768
12,562	1,344,606
<u>433,295</u>	<u>7,098,417</u>
-	881,035
<u>-</u>	<u>881,035</u>
-	87,668
-	469,530
-	4,566,420
-	2,091,228
1,417,227	1,417,227
-	16,079,045
<u>1,417,227</u>	<u>24,711,118</u>
<u>\$ 1,850,522</u>	<u>\$ 32,690,570</u>

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LOVEJOY INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
JUNE 30, 2023

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$	24,711,118
1 Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the fund financial statements.		200,437,255
2 Accumulated depreciation is not reported in the fund financial statements.		(64,951,820)
3 Bonds payable are not reported in the fund financial statements.		(133,285,000)
4 Bond premiums and discounts are not recognized in the fund financial statements.		(12,185,675)
5 Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.		(1,847,106)
6 Included in the items related to debt is the recognition of the District's proportionate share of the net pension liability required by GASB 68 in the amount of \$13,164,908, a Deferred Resource Inflow related to TRS in the amount of \$6,716,990, and a Deferred Resource Outflow related to TRS in the amount of \$8,949,333. This amounted to a decrease in Net Position in the amount of \$10,932,565.		(10,932,565)
7 Included in the items related to debt is the recognition of the District's proportionate share of the net Other Post-Employment Benefit (OPEB) liability required by GASB 75 in the amount of \$7,087,575, a Deferred Resource Inflow related to TRS OPEB in the amount of \$14,146,005, and a Deferred Resource Outflow related to TRS OPEB in the amount of \$2,328,382. This amounted to a net decrease in Net Position in the amount of \$18,905,198.		(18,905,198)
8 Property tax revenue reported as unavailable revenue in the fund financial statements was recognized as revenue in the government-wide financial statements.		881,035
9 Deferred charge on bond refundings is not recognized in the fund financial statements.		7,871,934
19 Net Position of Governmental Activities	\$	<u><u>(8,206,022)</u></u>

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

LOVEJOY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes	10 General Fund	50 Debt Service Fund	60 Capital Projects
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 39,323,905	\$ 18,006,414	\$ 124,294
5800 State Program Revenues	6,103,536	313,464	-
5900 Federal Program Revenues	1,189,015	-	-
5020 Total Revenues	<u>46,616,456</u>	<u>18,319,878</u>	<u>124,294</u>
EXPENDITURES:			
Current:			
0011 Instruction	21,393,820	-	593,820
0012 Instructional Resources and Media Services	468,167	-	-
0013 Curriculum and Instructional Staff Development	955,090	-	-
0021 Instructional Leadership	238,671	-	-
0023 School Leadership	2,341,452	-	-
0031 Guidance, Counseling, and Evaluation Services	1,561,562	-	204,358
0032 Social Work Services	-	-	-
0033 Health Services	450,590	-	-
0034 Student (Pupil) Transportation	1,113,023	-	-
0035 Food Services	1,785,397	-	78,061
0036 Extracurricular Activities	1,655,984	-	-
0041 General Administration	1,834,591	-	30,981
0051 Facilities Maintenance and Operations	3,941,726	-	208,155
0052 Security and Monitoring Services	299,040	-	-
0053 Data Processing Services	655,142	-	749
0061 Community Services	654,450	-	-
Debt Service:			
0071 Principal on Long-Term Liabilities	-	12,820,000	-
0072 Interest on Long-Term Liabilities	-	5,443,769	-
0073 Bond Issuance Cost and Fees	-	11,800	-
Capital Outlay:			
0081 Facilities Acquisition and Construction	3,145	-	907,493
Intergovernmental:			
0091 Contracted Instructional Services Between Schools	1,674,263	-	-
0093 Payments to Fiscal Agent/Member Districts of SSA	18,046	-	-
0099 Other Intergovernmental Charges	337,434	-	-
6030 Total Expenditures	<u>41,381,593</u>	<u>18,275,569</u>	<u>2,023,617</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>5,234,863</u>	<u>44,309</u>	<u>(1,899,323)</u>
OTHER FINANCING SOURCES (USES):			
7912 Sale of Real and Personal Property	32,334	-	-
7915 Transfers In	29,170	-	-
8911 Transfers Out (Use)	(24)	-	-
7080 Total Other Financing Sources (Uses)	<u>61,480</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balances	5,296,343	44,309	(1,899,323)
0100 Fund Balance - September 1 (Beginning)	<u>11,339,900</u>	<u>4,522,111</u>	<u>3,990,551</u>
3000 Fund Balance - June 30 (Ending)	<u>\$ 16,636,243</u>	<u>\$ 4,566,420</u>	<u>\$ 2,091,228</u>

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

	Other Funds	Total Governmental Funds
\$	3,281,494	\$ 60,736,107
	668,250	7,085,250
	1,625,486	2,814,501
	5,575,230	70,635,858
	1,378,453	23,366,093
	17,672	485,839
	831,761	1,786,851
	2,947	241,618
	14,373	2,355,825
	89,997	1,855,917
	83,644	83,644
	-	450,590
	-	1,113,023
	-	1,863,458
	2,337,440	3,993,424
	261,814	2,127,386
	4,957	4,154,838
	356,583	655,623
	-	655,891
	618	655,068
	-	12,820,000
	-	5,443,769
	-	11,800
	-	910,638
	-	1,674,263
	-	18,046
	-	337,434
	5,380,259	67,061,038
	194,971	3,574,820
	-	32,334
	22,413	51,583
	(51,559)	(51,583)
	(29,146)	32,334
	165,825	3,607,154
	1,251,402	21,103,964
\$	1,417,227	\$ 24,711,118

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2023

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$	3,607,154
Current year capital asset additions are expenditures in the fund financial statements, but they are shown as increases in capital assets in the government-wide financial statements. The net effect of reclassifying the current year capital asset additions is to increase net position.		1,188,038
Depreciation is not recognized as an expense in governmental funds since it does not require the use of current financial resources. The net effect of the current year's depreciation is to decrease net position in the government-wide financial statements.		(5,863,849)
Interest is accrued on outstanding debt in the government-wide financial statements, whereas in the fund financial statements interest expenditures are reported when due.		194,307
Revenues from property taxes are considered unavailable in the fund financial statements until they are considered available to finance current expenditures, but such revenues are recognized when assessed, net of an allowance for uncollectable amounts, in the government-wide financial statements.		212,698
The implementation of GASB 68 required that certain expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of 8/31/2022 caused the change in the ending net position to increase in the amount of \$930,889. Contributions made before the measurement but during the 2023 FY were also de-expended and recorded as a reduction in the net pension liability for the District. This also caused an increase in the change in net position in the amount of \$165,587. These contributions were replaced with the District's pension expense for the year of \$1,176,314, which caused a decrease in the change in net position. The impact of all of these is to decrease net position by \$79,838.		(79,838)
The implementation of GASB 75 required that certain expenditures be de-expended and recorded as deferred resource outflows. TRS OPEB contributions made after the measurement date of 8/31/2022 but during the current fiscal year caused the ending net position to increase in the amount of \$201,803. These contributions were replaced with the District's OPEB expense for the year, which was \$(1,276,874) and caused an increase in net position. The impact of both of these is to increase net position by \$1,478,477.		1,478,477
Current year amortization of the premium/discount on bonds payable is not recorded in the fund financial statements, but is shown as a reduction in long-term debt in the government-wide financial statements.		838,307
Current year principal payments on bonds payable are expenditures in the fund financial statements, but are shown as reductions in long-term debt in the government-wide financial statements.		12,820,000
Current year amortization of deferred charge on bond refunding is not recorded in the fund financial statements, but is shown as a reduction of the deferred loss in the government-wide financial statements.		(838,417)
The basis of capital asset dispositions do not affect the fund financial statements but are shown as a reduction of capital assets in the government-wide financial statements.		(102,160)
Change in Net Position of Governmental Activities	\$	13,454,717

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

LOVEJOY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 39,168,967	\$ 38,832,763	\$ 39,323,905	\$ 491,142
5800 State Program Revenues	5,513,019	5,920,740	6,103,536	182,796
5900 Federal Program Revenues	676,900	1,443,292	1,189,015	(254,277)
5020 Total Revenues	45,358,886	46,196,795	46,616,456	419,661
EXPENDITURES:				
Current:				
0011 Instruction	22,259,385	21,530,408	21,393,820	136,588
0012 Instructional Resources and Media Services	572,831	467,508	468,167	(659)
0013 Curriculum and Instructional Staff Development	1,416,701	1,034,073	955,090	78,983
0021 Instructional Leadership	245,048	242,199	238,671	3,528
0023 School Leadership	2,413,261	2,346,838	2,341,452	5,386
0031 Guidance, Counseling, and Evaluation Services	1,764,956	1,587,901	1,561,562	26,339
0033 Health Services	428,562	450,710	450,590	120
0034 Student (Pupil) Transportation	1,198,455	1,144,281	1,113,023	31,258
0035 Food Services	1,927,023	1,739,993	1,785,397	(45,404)
0036 Extracurricular Activities	1,708,020	1,617,861	1,655,984	(38,123)
0041 General Administration	1,717,167	1,822,847	1,834,591	(11,744)
0051 Facilities Maintenance and Operations	4,049,862	4,068,241	3,941,726	126,515
0052 Security and Monitoring Services	634,191	294,748	299,040	(4,292)
0053 Data Processing Services	702,546	661,790	655,142	6,648
0061 Community Services	843,028	708,623	654,450	54,173
Capital Outlay:				
0081 Facilities Acquisition and Construction	-	3,145	3,145	-
Intergovernmental:				
0091 Contracted Instructional Services Between Schools	1,014,579	1,349,437	1,674,263	(324,826)
0093 Payments to Fiscal Agent/Member Districts of SSA	42,000	18,046	18,046	-
0095 Payments to Juvenile Justice Alternative Ed. Prg.	5,000	150	-	150
0099 Other Intergovernmental Charges	337,500	337,500	337,434	66
6030 Total Expenditures	43,280,115	41,426,299	41,381,593	44,706
1100 Excess of Revenues Over Expenditures	2,078,771	4,770,496	5,234,863	464,367
OTHER FINANCING SOURCES (USES):				
7912 Sale of Real and Personal Property	-	32,363	32,334	(29)
7915 Transfers In	-	-	29,170	29,170
8911 Transfers Out (Use)	-	-	(24)	(24)
7080 Total Other Financing Sources (Uses)	-	32,363	61,480	29,117
1200 Net Change in Fund Balances	2,078,771	4,802,859	5,296,343	493,484
0100 Fund Balance - September 1 (Beginning)	11,339,900	11,339,900	11,339,900	-
3000 Fund Balance - June 30 (Ending)	\$ 13,418,671	\$ 16,142,759	\$ 16,636,243	\$ 493,484

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

LOVEJOY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2023

	Private Purpose Trust Fund	Custodial Fund
ASSETS		
Cash and Cash Equivalents	\$ 1,487	\$ 534
Total Assets	<u>1,487</u>	<u>\$ 534</u>
LIABILITIES		
Due to Student Groups	<u>1,487</u>	<u>534</u>
Total Liabilities	<u>1,487</u>	<u>534</u>

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

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

	Private Purpose Trust Fund	Custodial Fund
ADDITIONS:		
Received from Student Groups	\$ -	\$ -
Total Additions	<u>-</u>	<u>-</u>
Change in Fiduciary Net Position	-	-
Total Net Position - September 1 (Beginning)	<u>-</u>	<u>534</u>
Total Net Position - August 31 (Ending)	<u>\$ -</u>	<u>\$ 534</u>

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

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LOVEJOY INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. REPORTING ENTITY

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

For financial reporting purposes, in conformance with governmental accounting standards, the District includes all funds of the District, as well as any component units for which the District is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either (1) the ability to impose will by the District, or (2) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the District. In accordance with GASB Statement No. 61, The Financial Reporting Entity: Omnibus, the District has determined that the Foundation for Lovejoy Schools, Inc. ("FLS") should be included in the District's financial statements and reported as a discretely presented component unit.

The discretely presented component unit is reported in a separate column in the financial statements to emphasize it as legally separate from the District. FLS is a nonprofit organization with the purpose of providing financial support to the District, teachers, and students. FLS is governed by a 17-member Board of Directors, who represent a cross section of the community served by the District. All voting members are independent of the District; however, District administrators serve as ex-officio Board members. The accounting and reporting policies relating to the component unit included in the financial statements conform to the generally accepted accounting principles applicable to state and local governments. A copy of the complete separately audited financial statements as of and for the year ended June 30, 2023 can be obtained from Foundation for Lovejoy Schools, Inc., 259 Country Club Road, Allen, Texas 75002.

B. BASIS OF PRESENTATION

The government-wide financial statements (the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements, except that interfund services provided and used are not eliminated in the process of consolidation. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Fund Financial Statements:

The District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

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

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

Additionally, the District reports the following fund types:

1. **Special Revenue Funds** - The District accounts for resources restricted to, or designated for, specific purposes by the District or a grantor in a special revenue fund. Most Federal and some State financial assistance is accounted for in a Special Revenue Fund, and sometimes unused balances must be returned to the grantor at the close of specified project periods. For many funds in this fund type, project accounting is employed to maintain integrity for the various sources of funds.
2. **Private Purpose Trust Funds** - The District accounts for donations for which the donor has stipulated that both the principal and the income may be used for purposes that benefit parties outside the District. The District uses this fund to account for scholarship funds.

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3. **Custodial Funds** - Custodial Funds are custodial in nature and account for activities of student and employee groups. Custodial Funds use the accrual basis of accounting to recognize assets and liabilities. The Custodial Funds exist with the explicit approval of, and are subject to revocation by, the Board.

Activities accounted for in the Special Revenue Funds are:

ESEA I, A Improving Basic Programs - funds granted to serve students needing reading and math assistance
IDEA-Part B Formula - funds granted for children with disabilities
IDEA-Part B Preschool - funds granted for preschool children
Career and Technical-Basic Grant – funds granted for career and technical education to develop new and/or improved marketable skills for paid and unpaid employment
ESEA II, A Training and Recruiting - funds for training to improve teacher and principal quality
Medicaid Admin Claim (MAC) - fund for administrative costs related to Medicaid services
ESSER III TCLAS ARP Act – funds granted through the Federal American Rescue Plan to provide for emergency Relief related to the COVID-19 pandemic
ESSER Supplemental - funds granted through the CARES Act to help the District operate and instruct students during the pandemic
IDEA-B Formula ARP Act – funds granted through the Federal American Rescue Plan for educational programs for children with disabilities
ELC Reopening Schools - funds granted to help schools reopen from the pandemic and keep schools open safely for in-person instruction
Advanced Placement Incentives - funds granted under the Texas Advanced Placement Award incentive program
State Instructional Materials - funds granted for textbook and technology needs
Silent Panic Alert – funds granted by the State to purchase silent panic alert technology for campuses as a measure of school safety
Strong Foundations – funds granted by the State to develop a strong institutional framework in math or literacy
Safet and Security – funds granted by the State for additional safety and security equipment
Dyslexia – funds granted by the State for treating dyslexia and related disorders
SSA-Autism Grant – funds granted by the State for serving students who have an autism spectrum disorder or a related disorder
Ready to Read - funds received from State license plate program for reading initiatives
Campus Activity Funds - accounts for funds raised by a campus for the benefit of that campus
Grants/Donations - accounts for the expenditure of grants and donations received by the District
School Store - accounts for the operating activity of a school store on two campuses
Concessions Operations - accounts for the concessions activity of the child nutrition dept.
Catering Operations - accounts for the catering activity of the child nutrition dept.

C. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

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

The government-wide statements are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets, deferred outflows of resources and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized at the time the liability is incurred. Custodial funds have no measurement focus.

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

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

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

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

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

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first when appropriate, then unrestricted resources as they are needed.

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

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

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 NOTES TO THE BASIC FINANCIAL STATEMENTS
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D. BUDGETARY CONTROL

The Board adopts an “appropriated budget” on a basis consistent with GAAP for the general fund, debt service fund and food service fund. At a minimum, the District is required to present the original and the final amended budgets for revenues and expenditures compared to actual revenues and expenditures for these three funds. Many of the special revenue funds and the capital project fund adopt project-length budgets which do not correspond to the District’s fiscal year.

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

- Prior to June 20th the District prepares a budget based on the modified zero-based budgeting concept for the next succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.
- After one or more budget workshops with the Board, a meeting is called for the purpose of adopting the proposed budget. At least ten days but not more than 30 days public notice of the meeting is required.
- Prior to July 1st the Board legally adopts the budget for the general fund, debt service fund and food service fund.
- After the budget for the above listed funds is approved, any amendment that causes an increase or decrease in a fund or functional spending category or total revenue or other resources object category requires Board approval prior to the fact. These amendments are presented to the Board at its regular monthly meeting and are reflected in the official minutes. Because the District has a policy of careful budgetary control, some budgetary amendments were necessary throughout the year.
- Expenditure budgets are controlled at the expenditure functional and object level by the appropriate budget manager (principal, department director or divisional administrator). Budget managers may authorize transfers within functional and organizational categories that do not affect the total functional and organizational appropriation. All budget appropriations lapse at year-end.

Over the course of the year, the Board of Trustees revised the District’s budget at times. These budget amendments fall into three categories. The first category includes amendments and supplemental appropriations that were approved shortly after the beginning of the year and reflect the actual beginning balances (versus the amounts we estimated in June, 2022). The second category includes changes that the Board made during the year to reflect new information regarding revenue sources and expenditure needs. The third category involves amendments moving funds from programs that did not need all the resources originally appropriated to them to programs with resource needs.

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

	June 30, 2023
	<u>Fund Balance</u>
Appropriated Budget Funds	\$ -
Nonappropriated Budget Funds	<u>1,417,227</u>
All Special Revenue Funds	<u>\$1,417,227</u>

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E. ENCUMBRANCE ACCOUNTING

The District employs encumbrance accounting, whereby encumbrances for goods or purchased services are documented by purchase orders and contracts. An encumbrance represents a commitment of Board appropriation related to unperformed contracts for goods and services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period, only a commitment to expend resources. Appropriations lapse at June 30 and encumbrances outstanding at that time are either canceled or appropriately provided for in the subsequent year's budget.

F. CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the accompanying financial statements is comprised of demand accounts and imprest funds. The District maintains a demand account on an imprest basis through which most obligations are paid. Checking account balances for most governmental fund expenditures are pooled into one demand account.

Investments in the accompanying financial statements is comprised of investments in state investment pools. The District has no investments at year-end that require adjustment to fair value.

G. INVENTORIES

The consumption method is used to account for inventories of food products, school supplies and athletic equipment. Under this method, these items are carried in an inventory account of the respective fund at cost, using the first-in, first-out method of accounting and are subsequently charged to expenditures when consumed. In the Child Nutrition Fund, reported inventories have been shown as nonspendable fund balance to indicate that they are unavailable as current expendable financial resources.

H. INTERFUND RECEIVABLES AND PAYABLES

During the course of normal operations, the District has numerous transactions between funds. The most significant are short-term interfund loans, due to the fact that checking account balances for most governmental funds are pooled into one demand account.

I. CAPITAL ASSETS

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

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

Buildings and Building Improvements	39 Years
Vehicle	5 Years
Buses	15 Years
Other Equipment	3-7 Years

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J. COMPENSATED ABSENCES

Vacations are to be taken within the same year they are earned, and any unused days at the end of the calendar year are forfeited. Therefore, no liability for unused vacation leave has been accrued in the accompanying financial statements. Employees of the District are entitled to sick leave based on category/class of employment. Sick leave is allowed to be accumulated but does not vest. Therefore, a liability for unused sick leave has not been recorded in the accompanying financial statements.

K. NET POSITION

Net position represents the difference between assets, deferred outflows, deferred inflows and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciations, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

L. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Accretion is an adjustment of the difference between the price of a bond issued at an original discount and the par value of the bond. For the governmental activities debt, the accreted value is recognized as it accrues by fiscal year.

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

M. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

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

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

Deferred outflows of resources for refunding - Reported in the government-wide statement of net position, the deferred charge on bond refundings results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The amount of deferred outflows reported in the governmental activities for the deferred charge on bond refundings at June 30, 2023 was \$7,871,934.

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Deferred outflows of resources for pension - Reported in the government-wide financial statement of net position, this deferred outflow results from pension plan contributions made after the measurement date of the net pension liability and the results of differences between expected and actual actuarial experiences. The deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the next fiscal year. The other pension related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with pensions through the pension plan which is currently approximately 5.7052 years.

A deferred outflow for pension expense results from payments made to the TRS pension plan by the District after the plan's measurement date. The amount of deferred outflows reported in the governmental activities for deferred pension expenses at June 30, 2023 was \$8,949,333.

Deferred outflows of resources for OPEB- Reported in the government-wide financial statement of net position, this deferred outflow results from OPEB plan contributions made after the measurement date of the net OPEB liability and the results of differences between expected and actual investment earnings and changes in proportionate share. The deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. The other OPEB related deferred outflows will be amortized over the expected remaining service lives of all employees (active and inactive employees) that are provided with OPEB through the OPEB plan which is currently approximately 9.2179 years. The amount of deferred outflows reported in the governmental activities for deferred OPEB expense at June 30, 2023 was \$2,328,382.

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

Deferred inflows of resources for unavailable revenues - Reported only in the governmental funds balance sheet, unavailable revenues from property taxes arise under the modified accrual basis of accounting. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District reported property taxes that are unavailable as deferred inflows of resources in the fund financial statements. The amount of deferred inflows of resources reported in the governmental funds at June 30, 2023 was \$881,035.

Deferred inflows of resources for pension - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between projected and actual earnings on pension plan investments. These amounts will be amortized over a closed five year period. In fiscal year 2023, the District reported deferred inflows of resources for pensions in the governmental activities in the amount of \$6,716,990.

Deferred inflows of resources for OPEB - Reported in the government-wide financial statement of net position, these deferred inflows result primarily from differences between expected and actual experience and from changes in assumptions. These amounts will be amortized over the average expected remaining service life (AERSL) of all members (9.2179 years for the 2022 measurement year). In fiscal year 2023, the District reported deferred inflows of resources for OPEB in the governmental activities in the amount of \$14,146,005.

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N. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the year ended June 30, 2023, Lovejoy ISD participated in the TASB Risk Management Fund's (the Fund's) Property Casualty Program.

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

The Fund purchases stop-loss coverage for protection against catastrophic and larger than anticipated claims for the Property Casualty Program. The terms and limits of the stop-loss program vary by line of coverage. The Fund uses the services of an independent actuary to determine the adequacy of reserves and fully funds those reserves.

Based on information provided by TASB for the year ended June 30, 2023, Lovejoy ISD will have no additional liability beyond the contractual obligations for payment of contributions. There were no significant reductions in coverage in the past fiscal year.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2022, are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin.

O. SUBSEQUENT EVENTS

Management has reviewed events subsequent to June 30, 2023 through October 7, 2023, which is the date the financial statements were available to be issued. No subsequent events were identified that are required to be disclosed in the financial statements.

P. ESTIMATES

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

Q. DATA CONTROL CODES

The Data Control Codes refer to the account code structure prescribed by the Texas Education Agency (the "Agency") in their Resource Guide. The Agency requires school districts to display these codes in the financial statements filed with the Agency in order to insure accuracy in building a Statewide data base for policy development and funding plans.

NOTE 2. FUND BALANCE AND NET POSITION

Net position on the government-wide *Statement of Net Position* includes the following:

Net Investment in Capital Assets reports the difference between capital assets, net of accumulated depreciation, and the outstanding balance of debt, excluding unspent bond proceeds that is directly attributable to the acquisition, construction or improvement of those capital assets.

Restricted for Federal and State Grant Programs is the component of net position restricted to be spent for specific purposes prescribed by federal and state granting agencies.

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Restricted for Debt Service is the component of net position that is restricted for payment of debt service by constraints established by the bond covenants.

Unrestricted Net Position is the residual difference between assets, deferred outflows, liabilities and deferred inflows that is not invested in capital assets or restricted for specific purposes.

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

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

- Nonspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) are legally or contractually required to be maintained intact. The District has classified inventories as being nonspendable as these items are not expected to be converted to cash.
- Restricted: This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Debt service resources are to be used for future servicing of the District's bonded debt and are restricted through debt covenants. Capital projects fund resources are to be used for future construction and renovation projects and are restricted through bond orders and constitutional law. Food service resources are to be used in the food service program.
- Committed: This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the District's Board of Trustees. The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This can also be done through adoption and amendment of the budget. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Board of Trustees have committed resources as of June 30, 2023 for campus activities and other various purposes.
- Assigned: This classification includes amounts that are constrained by the District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board of Trustees delegating this responsibility to other individuals in the District. Under the District's adopted policy, only the Board of Trustees may assign amounts for specific purposes. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. The District has assigned no fund balance as of June 30, 2023.
- Unassigned: This classification includes all amounts not included in other spendable classifications, including the residual fund balance for the General Fund.

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

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The Board of Trustees has no formal fund balance policy that expresses an intent to maintain a level of assigned and unassigned fund balance in the General Fund but operates under a guideline of attempting to maintain a balance equal to 25 percent of the fund's operating expenditures.

The details of the fund balances are included in the Governmental Funds Balance Sheet and are described below:

General Fund

The General Fund has unassigned fund balance of \$16,079,045 at June 30, 2023. \$87,668 is considered nonspendable fund balance as it consists of prepaid costs at June 30, 2023. Food service funds of \$469,530 are shown as restricted for that purpose.

Other Major Funds

The Debt Service Fund has restricted funds of \$4,566,420 at June 30, 2023 consisting primarily of property tax collections that are restricted for debt service payments on bonded debt. The Capital Projects Fund has a fund balance of \$2,091,228 at June 30, 2023 consisting primarily of unspent bond proceeds.

Other Funds

The fund balance of \$785,787 of the Campus Activity Fund (a special revenue fund) is shown as committed due to Board policy committing those funds to campus activities. The fund balance of \$631,440 of the Grants/Donations Fund (all special revenue funds) is shown as committed due to similar Board policy.

NOTE 3. DEPOSITS AND INVESTMENTS

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

1. Cash Deposits:

At June 30, 2023, the carrying amount of the District's deposits checking accounts and interest-bearing savings accounts was \$2,017,170 and the bank balance was \$2,092,962. The District's cash deposits at June 30, 2023 were entirely covered by FDIC insurance or by pledged collateral held by the District's agent bank in the District's name.

2. Investments:

The Public Funds Investment Act (Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires the District to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, (9) and bid solicitation preferences for certificates of deposit. Statutes authorize the District to invest in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market savings accounts, (5) repurchase agreements, (6) bankers acceptances, (7) Mutual Funds, (8) Investment pools, (9) guaranteed investment contracts, (10) and common trust funds. The Act also requires the District to have independent auditors perform test procedures related to investment

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practices as provided by the Act. The District is in substantial compliance with the requirements of the Act and with local policies.

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

- a. **Custodial Credit Risk – Deposits:** In the case of deposits, this is the risk that, in the event of a bank failure, the District’s deposits may not be returned to it. As of June 30, 2023, the District’s cash balances totaled \$2,092,962. This entire amount was either collateralized with a surety bond held by the District’s financial institution’s agent in the District’s name or covered by FDIC insurance. Thus, the District’s deposits are not exposed to custodial credit risk.
- b. **Custodial Credit Risk - Investments:** For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At June 30, 2023, the District held all of its investments in three public funds investment pools (TexPool, Texas Class and Lone Star). Investments in external investment pools are considered unclassified as to custodial credit risk because they are not evidenced by securities that exist in physical or book entry form.
- c. **Credit Risk -** This is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligations. The rating of securities by nationally recognized rating agencies is designed to give an indication of credit risk. The credit quality rating for TexPool at year-end was AAAM (Standard & Poor’s), and the credit quality rating for Texas Class and Lone Star was AAAF (Standard & Poor’s).
- d. **Interest Rate Risk -** This is the risk that changes in interest rates will adversely affect the fair value of an investment. The District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to less than one year from the time of purchase. The weighted average maturity for the TexPool, Texas Class and Lone Star investments is less than 60 days.
- e. **Foreign Currency Risk -** This is the risk that exchange rates will adversely affect the fair value of an investment. At June 30, 2023, the District was not exposed to foreign currency risk.
- f. **Concentration of Credit Risk -** This is the risk of loss attributed to the magnitude of the District’s investment in a single issuer (i.e., lack of diversification). Concentration risk is defined as positions of 5 percent or more in the securities of a single issuer. Investment pools are excluded from the 5 percent disclosure requirement.

Public funds investment pools in Texas (“Pools”) are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code, and are subject to the provisions of the Public Funds Investment Act (the “Act”), Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: 1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; 2) maintain a continuous rating of no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating service; and 3) maintain the market value of its underlying investment portfolio within one half of one percent of the value of its shares.

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

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The District's investments at June 30, 2023, are shown below:

Name	Fair Value
Lone Star	\$ 2,110,690
TexPool	21,683,127
Texas Class	<u>3,832,042</u>
Total	<u>\$27,625,859</u>

Fair Value Measurements

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

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

The District's investments in public funds investment pools are not required to be measured at fair value but are measured at amortized cost.

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance July 1	Additions/ Completions	Retirement/ Adjustments	Balance June 30
Governmental Activities:				
Capital assets not being depreciated				
Land	\$ 6,053,893	\$ -	\$ -	\$ 6,053,893
Construction in progress	<u>2,387,357</u>	<u>863</u>	<u>(2,265,599)</u>	<u>122,621</u>
Total capital assets not being depreciated	<u>8,441,250</u>	<u>863</u>	<u>(2,265,599)</u>	<u>6,176,514</u>
Capital assets, being depreciated				
Buildings and improvements	180,412,157	2,630,773	-	183,042,930
Furniture and equipment	6,481,677	726,664	-	7,208,341
Vehicles	<u>4,881,833</u>	<u>95,337</u>	<u>(967,700)</u>	<u>4,009,470</u>
Total capital assets being depreciated	<u>191,775,667</u>	<u>3,452,774</u>	<u>(967,700)</u>	<u>194,260,741</u>
Less accumulated depreciation for:				
Buildings and improvements	(53,646,563)	(4,982,068)	-	(58,628,631)
Furniture and equipment	(3,816,581)	(660,186)	-	(4,476,767)
Vehicles	<u>(2,490,367)</u>	<u>(221,595)</u>	<u>865,540</u>	<u>(1,846,422)</u>
Total accumulated depreciation	<u>(59,953,511)</u>	<u>(5,863,849)</u>	<u>865,540</u>	<u>(64,951,820)</u>
Total capital assets, being depreciated, net	<u>131,822,156</u>	<u>(2,411,075)</u>	<u>(102,160)</u>	<u>129,308,921</u>
Governmental activities capital assets, net	<u>\$ 140,263,406</u>	<u>\$ (2,410,212)</u>	<u>\$ (2,367,759)</u>	<u>\$ 135,485,435</u>

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Depreciation expense was charged as direct expense to programs of the District as follows:

Governmental activities:	
Instruction	\$3,523,070
Instructional Resources & Media Services	62,681
Curriculum & Instructional Staff Development	238,538
Instructional Leadership	35,046
School Leadership	387,492
Guidance, Counseling & Evaluation Services	258,466
Health Services	74,076
Student Transportation	145,778
Food Services	146,845
Cocurricular/Extracurricular Activities	222,847
General Administration	282,113
Plant Maintenance and Operations	321,117
Data Processing Services	67,684
Community Services	<u>98,096</u>
Total depreciation expense-Governmental activities	<u>\$5,863,849</u>

Land and construction in progress are not depreciated.

NOTE 5. LONG-TERM DEBT

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

Long-term debt of the District consists of ten series of general obligation bonds and premiums/discounts on bond issuances. All long-term debt represents transactions in the District's governmental activities.

The following is a summary of the changes in the District's Long-term Debt for the year ended June 30, 2023:

Description	Interest Rate Payable	Amount Original Issue	Amounts Outstanding 7/1/2022	Additions	Refunded/ Retired	Amounts Outstanding 6/30/2023	Due Within One Year
Bonded Indebtedness:							
2013 Refunding	2.16%	\$ 9,100,000	\$ 8,855,000	\$ -	\$ 3,785,000	\$ 5,070,000	\$ 1,260,000
2014 Bldg/Refunding	2.00-5.00%	21,775,000	10,925,000	-	730,000	10,195,000	170,000
2015 Refunding	3.00-5.00%	23,435,000	18,410,000	-	905,000	17,505,000	1,215,000
2015 Building	1.50-4.00%	17,770,000	14,900,000	-	420,000	14,480,000	430,000
2016 Refunding	3.125-5.00%	41,540,000	37,865,000	-	1,200,000	36,665,000	1,115,000
2017 Building	3.00-5.00%	13,950,000	10,250,000	-	355,000	9,895,000	370,000
2018 Bldg/Refunding	3.00%	6,740,000	2,905,000	-	65,000	2,840,000	150,000
2019 Building	3.00%	9,535,000	7,125,000	-	445,000	6,680,000	450,000
2019 Refunding	2.125-5.00%	7,230,000	7,055,000	-	-	7,055,000	-
2021 Bldg/Refunding	2.00-5.00%	30,320,000	<u>27,815,000</u>	<u>-</u>	<u>4,915,000</u>	<u>22,900,000</u>	<u>2,785,000</u>
Total Bonded Indebtedness			<u>146,105,000</u>	<u>-</u>	<u>12,820,000</u>	<u>133,285,000</u>	<u>7,945,000</u>
Premiums/Discounts on Bond Issuance			<u>13,023,982</u>	<u>-</u>	<u>838,307</u>	<u>12,185,675</u>	<u>838,307</u>
Total Other Obligations			<u>13,023,982</u>	<u>-</u>	<u>838,307</u>	<u>12,185,675</u>	<u>838,307</u>
Total Obligations of District			<u>\$ 159,128,982</u>	<u>\$ -</u>	<u>\$ 13,658,307</u>	<u>\$ 145,470,675</u>	<u>\$ 8,783,307</u>

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The District issues general obligation bonds for the governmental activities to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the District. Current principal and interest requirements are payable solely from future revenues of the Debt Service Fund which consists principally of property taxes collected by the District and interest earnings. Certain outstanding bonds may be redeemed at their par value prior to their normal maturity dates in accordance with the terms of the related bond indentures. The District has never defaulted on any principal or interest payment.

There are a number of limitations and restrictions contained in the various general obligation bonds indentures. The District is in compliance with all significant limitations and restrictions at June 30, 2023.

NOTE 6. DEBT SERVICE REQUIREMENTS - BONDS

Debt service requirements to maturity are as follows:

Year Ended <u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2024	\$ 7,945,000	\$ 4,925,618	\$ 12,870,618
2025	6,185,000	4,569,794	10,754,794
2026	6,445,000	4,302,419	10,747,419
2027	6,425,000	4,047,981	10,472,981
2028	5,510,000	3,787,563	9,297,563
2029-2033	35,225,000	15,720,863	50,945,863
2034-2038	41,145,000	8,855,250	50,000,250
2039-2043	19,650,000	3,059,750	22,709,750
2044-2045	<u>4,755,000</u>	<u>286,200</u>	<u>5,041,200</u>
Total	<u>\$133,285,000</u>	<u>\$49,555,438</u>	<u>\$182,840,438</u>

NOTE 7. DEFEASED BONDS OUTSTANDING

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

Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements. Although defeased, the refunded debt from those earlier issues will not be actually retired until the call dates have come due or until maturity if they are not callable issues. On June 30, 2023, there were no outstanding defeased bonds.

NOTE 8. PROPERTY TAXES

The Texas Legislature in 1979 adopted a comprehensive Property Tax Code which established an appraisal district and an appraisal review board in each county in the State of Texas. Collin County Appraisal District (CCAD) is responsible for the appraisal of property for all taxing units in Collin County, including the District. Under the terms of a contract for appraisal services, the District paid CCAD \$337,434 in fiscal year 2023 for appraising property.

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The District levies its taxes on October 1 on the assessed (appraised) value listed as of the prior January 1 for all real and business personal property located in the District in conformity with Subtitle E, Texas Property Tax Code. CCAD is required by law to assess property at 100% of its appraised value. Real property must be reappraised at least every two years. Under certain circumstances taxpayers and taxing units, including the District, may challenge orders of the CCAD Review Board through various appeals and, if necessary, legal action. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by February 1 of the year following the October 1 levy date. The assessed value of the property tax roll upon which the levy for the 2022-23 fiscal year was based was \$3,554,915,102. Taxes are delinquent if not paid by June 30. Delinquent taxes are subject to both penalty and interest charges at the rate of 1.5% per month of delinquency, plus 15 % delinquent collection fees for attorney costs.

The tax rates assessed for the year ended June 30, 2023, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$0.9429 and \$0.050 per \$100 valuation, respectively, for a total of \$1.4429 per \$100 valuation.

Current tax collections for the year ended June 30, 2023 were 98.64% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting taxes. Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of June 30, 2023, property taxes receivable, net of estimated uncollectible taxes, totaled \$594,669 and \$286,366 for the General and Debt Service Funds, respectively.

Property taxes are recorded as receivables and unavailable revenues at the time the taxes are assessed. Revenues are recognized as the related ad valorem taxes become available. Available means collected within the current period or expected to be collected soon enough thereafter to be used to pay current liabilities. Taxes not expected to be collected within sixty days of the fiscal year ending are recorded as unavailable revenues and are recognized when they become available. Taxes collected prior to the levy date to which they apply are recorded as unavailable revenues and recognized as revenue of the period to which they apply.

NOTE 9. DEFINED BENEFIT PENSION PLAN

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

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

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

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Benefits Provided. TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3 percent (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity except for members who are grandfathered, the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic post-employment benefit changes; including automatic COLAs. Ad hoc post-employment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as noted in the Plan description above.

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

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

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

	<u>Contribution Rates</u>	
	<u>2022</u>	<u>2023</u>
Member	8.0%	8.0%
Non-Employer Contributing Entity (State)	7.75%	8.0%
Employers	7.75%	8.0%
Lovejoy ISD FY2023 Employer Contributions		\$ 1,096,476
Lovejoy ISD FY2023 Member Contributions		\$ 2,358,998
Lovejoy ISD FY2023 NECE On-Behalf Contributions		\$ 1,713,030

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

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

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.

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- When any part or all of an employee's salary is paid by federal funding source or a privately sponsored source, from non-educational and general, or local funds.
- All public schools must contribute 1.7 percent of the member's salary beginning in fiscal year 2022, gradually increasing to 2 percent in fiscal year 2025.

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

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

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

Valuation Date	August 31, 2021 rolled forward to August 31, 2022
Actuarial Cost Method	Individual Entry Age Normal
Asset Valuation Method	Fair Value
Single Discount Rate	7.00%
Long-term expected Investment Rate of Return	7.00%
Municipal Bond Rate as of August 2022	3.91%
Inflation	2.30%
Salary Increases Including Inflation	2.95% to 8.95%
Benefit Changes During the Year	None
Ad hoc Post Employment Benefit Changes	None

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

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

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the Systems target asset allocation as of August 31, 2021 are summarized below:

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Asset Class	Target Allocation ¹	Long-Term Expected Arithmetic Real Rate of Return ²	Expected Contribution To Long-Term Portfolio Returns
Global Equity			
U.S.	18%	4.6%	1.12%
Non-U.S. Developed	13%	4.9%	0.90%
Emerging Markets	9%	5.4%	0.75%
Private Equity	14%	7.7%	1.55%
Stable Value			
Government Bonds	16%	1.0%	0.22%
Absolute Return ⁴	0%	3.7%	0.00%
Stable Value Hedge Funds	5%	3.4%	0.18%
Real Return			
Real Estate	15%	4.1%	0.94%
Energy, Natural Resources	6%	5.1%	0.37%
Commodities	0%	3.6%	0.00%
Risk Parity			
Risk Parity	8%	4.6%	0.43%
Leverage			
Cash	2%	3.0%	0.01%
Asset Allocation Leverage	-6%	3.6%	-0.05%
Inflation Expectation	-		2.70%
Volatility Drag ³	-		-0.93%
Total	<u>100%</u>		<u>8.19%</u>

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

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
Lovejoy ISD's proportionate share of the net pension liability:	\$20,479,605	\$13,164,908	\$7,236,002

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2023, Lovejoy Independent School District reported a liability of \$13,164,908 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to Lovejoy Independent School District. The amount recognized by Lovejoy Independent School District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with Lovejoy Independent School District were as follows:

District's Proportionate share of the collective net pension liability	\$13,164,908
State's proportionate share that is associated with the District	<u>21,794,206</u>
Total	<u>\$34,959,114</u>

¹ Target allocations are based on the FY22 policy model.

² Capital Market Assumptions come from Aon Hewitt (as of 08/31/2022).

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

⁴ Absolute Return includes credit sensitive investments.

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

At August 31, 2022 the employer's proportion of the collective net pension liability was 0.0221753041%, a decrease of 7.88% from its proportionate share of 0.240724530% at 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 percent to 7.00 percent.

For the year ended June 30, 2023, Lovejoy Independent School District recognized pension expense of \$2,083,279 and revenue of \$2,083,279 for support provided by the State.

At June 30, 2023, Lovejoy Independent School District reported its proportionate share of the TRS's deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (The amounts shown below will be the cumulative layers from the current and prior years combined.):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 190,890	\$ 287,020
Changes in actuarial assumptions	2,453,051	611,369
Difference between projected and actual investment earnings	5,115,095	3,814,444
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	259,408	2,004,157
Contributions paid to TRS subsequent to the measurement date	930,889	-
Total	\$8,949,333	\$6,716,990

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

Year ended June 30:	Pension Expense Amount
2024	\$ 448,373
2025	(29,797)
2026	(407,382)
2027	1,205,682
2028	84,578
Thereafter	-

NOTE 10. 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.

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 FOR THE YEAR ENDED JUNE 30, 2023

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

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

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

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

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

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

* or surviving spouse

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

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

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2023

	<u>Contribution Rates</u>	
	<u>2022</u>	<u>2023</u>
Active Employee	0.65%	0.65%
Non-Employer Contributing Entity (State)	1.25%	1.25%
Employers	0.75%	0.75%
Federal/private Funding remitted by Employers	1.25%	1.25%
Lovejoy ISD FY23 Employer Contributions		\$241,183
Lovejoy ISD FY23 Member Contributions		\$191,669
Lovejoy ISD FY23 NECE On-behalf Contributions		\$296,571

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.

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 of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017.

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

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

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

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2023

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%
Aging Factors	Based on specific plan experience
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claim costs
Projected Salary Increases	3.05% to 9.05%, including inflation
Election Rates	Normal Retirement: 65% participation prior to age 65 and 40% participation after age 65
Ad hoc post-employment benefit changes	None

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

The source of the municipal bond rate is the Fidelity “20-year Municipal GO AA Index” as of August 31, 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 Net OPEB Liability.

	1% Decrease in Discount Rate (2.91%)	Current Single Discount Rate (3.91%)	1% Increase in Discount Rate (4.91%)
District’s proportionate share of the Net OPEB Liability:	\$8,356,814	\$7,087,575	\$6,059,329

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

	1% Decrease in Healthcare Trend Rate	Current Single Healthcare Trend Rate	1% Increase in Healthcare Trend Rate
District’s proportionate share of the Net OPEB Liability:	\$5,840,194	\$7,087,575	\$8,704,645

LOVEJOY INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

OPEB Liabilities, OPEB Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs. At June 30, 2023, the District reported a liability of \$7,087,575 for its proportionate share of the TRS’s Net OPEB Liability. This liability reflects a reduction for State OPEB support provided to the District.

The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District’s Proportionate share of the collective Net OPEB Liability	\$ 7,087,575
State’s proportionate share that is associated with the District	<u>8,645,728</u>
Total	<u>\$15,733,303</u>

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

At August 31, 2022 the employer’s proportion of the collective Net OPEB Liability was 0.0296006228%, a decrease of 8.77% compared to the August 31, 2021 proportionate share of 0.0324467745%.

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

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

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

The amount of OPEB expense recognized by the District in the reporting period was \$(1,226,899).

At June 30, 2023, the District reported its proportionate share of the TRS’s deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual economic experience	\$ 394,044	\$ 5,904,586
Changes in actuarial assumptions	1,079,578	4,924,025
Difference between projected and actual investment earnings	21,189	77
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	631,768	3,317,317
Contributions paid to TRS subsequent to the measurement date	201,803	-
Total	\$2,328,382	\$14,146,005

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

LOVEJOY INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Year ended June 30:	OPEB Expense Amount
2024	\$ (2,044,713)
2025	(2,044,636)
2026	(1,744,077)
2027	(1,337,173)
2028	(1,579,846)
Thereafter	(3,268,981)

NOTE 11. MEDICARE PART D

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003, which was effective January 1, 2006, established prescription drug coverage for Medicare beneficiaries known as Medicare Part D. One of the provisions of Medicare D allows for the Texas Public School Retired Employee Group Insurance Program (TRS-Care) to receive retiree drug subsidy payments from the federal government to offset certain prescription drug expenditures for eligible TRS-Care participants. These on-behalf payments are recognized as equal revenues and expenditures/expenses by the District. For the year ended June 30, 2023, the contribution made on behalf of the District was \$149,247.

NOTE 12. WORKERS' COMPENSATION INSURANCE

During the year ended June 30, 2023, Lovejoy ISD met its statutory workers' compensation obligations through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Workers' Compensation Program is authorized by Chapter 504, Texas Labor Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties. The Fund provides statutory workers' compensation benefits to its members and their injured employees.

The Fund and its members are protected against higher than expected claims costs through the purchase of stop-loss coverage for any claim in excess of the Fund's self-insured retention of \$1.5 million. The Fund uses the services of an independent actuary to determine reserve adequacy and fully funds those reserves. As of August 31, 2022, the Fund carries a discounted reserve of \$105,247,921 for future development on reported claims and claims that have been incurred but not yet reported. For the year ended June 30, 2023, the Fund anticipates no additional liability to members beyond their contractual obligations for payment of contributions.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2022, are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin.

NOTE 13. HEALTH CARE COVERAGE

During the year ended June 30, 2023, employees of the District were covered by a health insurance plan (the plan). The District paid premiums of \$225 per month per employee to the plan and employees, at their option, authorized payroll withholdings to pay premiums for dependents' health insurance coverage. All premiums were paid to a licensed insurer. The plan was authorized by Article 3.51-2, Texas Insurance Code and was documented by contractual agreement.

The contract between the District and the licensed insurer is renewable September 1, 2023 and terms of coverage and premium costs are included in the contractual provisions.

Latest financial statements for Blue Cross Blue Shield are available for the year ended December 31, 2022, and are filed with the Texas State Board of Insurance, Austin, Texas, and are public records.

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 NOTES TO THE BASIC FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2023

NOTE 14. UNEMPLOYMENT COMPENSATION POOL

During the year ended June 30, 2023, Lovejoy ISD provided unemployment compensation coverage to its employees through participation in the TASB Risk Management Fund (the Fund). The Fund was created and is operated under the provisions of the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code. The Fund's Unemployment Compensation Program is authorized by Section 22.005 of the Texas Education Code and Chapter 172 of the Texas Local Government Code. All members participating in the Fund execute Interlocal Agreements that define the responsibilities of the parties.

The Fund meets its quarterly obligation to the Texas Workforce Commission. Expenses are accrued each month until the quarterly payments has been made. Expenses can be reasonably estimated; therefore, there is no need for specific or aggregate stop-loss coverage for Unemployment Compensation pool members.

The Fund engages the services of an independent auditor to conduct a financial audit after the close of each plan year on August 31. The audit is accepted by the Fund's Board of Trustees in February of the following year. The Fund's audited financial statements as of August 31, 2022 are available at the TASB offices and have been filed with the Texas Department of Insurance in Austin.

NOTE 15. DUE FROM OTHER GOVERNMENTS

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. Amounts due from federal, state and local governments as of June 30, 2023, are summarized below. All federal grants shown below are passed through the TEA and are reported on the combined financial statements as Due from Other Governments.

Fund	Local Entitlements	State Entitlements	Federal Grants	Total
General	\$ -	\$ 920,581	\$ 9,042	\$ 929,623
Debt Service	-	-	-	-
Special Revenue	-	103,066	148,380	251,446
Total	<u>\$ -</u>	<u>\$ 1,023,647</u>	<u>\$ 157,422</u>	<u>\$ 1,181,069</u>

NOTE 16. CONTINGENT LIABILITIES

The Tax Reform Act of 1986 imposed regulations on tax-exempt bond issues. Governmental bonds issued after August 31, 1986 are subject to the rebate provisions of the Tax Reform Act of 1986. The rebate applies to earnings from bond issue proceeds investments which exceed bond issue stated interest rates. The exact amount of liability, if any, will not be known until as long as five years from the bond issuance date. At June 30, 2023, the estimated rebate liability on outstanding bond series was \$0.

NOTE 17. LITIGATION AND CONTINGENCIES

The District is a party to various legal actions none of which is believed by administration to have a material effect on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying combined financial statements for such contingencies.

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

LOVEJOY INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

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

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

NOTE 18. REVENUES FROM LOCAL AND INTERMEDIATE SOURCES

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

	General Fund	Special Revenue Funds	Debt Service Fund	Capital Projects Fund	Total
Property taxes	\$ 33,640,874	\$ -	\$ 17,786,543	\$ -	\$ 51,427,417
Investment income	686,126	-	185,857	124,294	996,277
Food sales	1,742,926	-	-	-	1,742,926
Penalties, interest and other tax related income	64,110	-	34,014	-	98,124
Co-curricular student activities	264,111	1,920,817	-	-	2,184,928
Tuition and fees	2,640,305	-	-	-	2,640,305
Gifts and bequests	42,597	1,360,677	-	-	1,403,274
Facilities rentals	215,702	-	-	-	215,702
Other	27,154	-	-	-	27,154
Total	<u>\$ 39,323,905</u>	<u>\$ 3,281,494</u>	<u>\$ 18,006,414</u>	<u>\$ 124,294</u>	<u>\$ 60,736,107</u>

NOTE 19. UNEARNED REVENUE

Unearned revenue at year-end consisted of the following:

	General Fund	Special Revenue Fund	Debt Service Fund	Total
State Foundation Revenue	\$ 744,231	\$ -	\$ -	\$ 744,231
Tuition	457,808	-	-	457,808
Student Lunch Accounts	112,305	-	-	112,305
Season Football Tickets	17,700	-	-	17,700
Advanced Placement Incentives	-	12,378	-	12,378
Ready to Read	-	184	-	184
Total	<u>\$ 1,332,044</u>	<u>\$ 12,562</u>	<u>\$ -</u>	<u>\$ 1,344,606</u>

LOVEJOY INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 20. EXCESS OF EXPENDITURES OVER APPROPRIATIONS BY FUNCTION

The Texas Education Agency requires the budgets for the Governmental fund types to be filed with the Texas Education Agency. The budget should not be exceeded in any functional category under TEA requirements. Expenditures exceeded appropriations in four functional categories in the General Fund for the year ended June 30, 2023.

NOTE 21. SHARED SERVICE ARRANGEMENTS

The District participates in a shared services arrangement which provides a regional day school for the deaf to several member districts, and also participates in a shared services arrangement for juvenile justice alternative education services with several school districts. Although the District contributes to the shared services arrangement based on its participation, the District does not account for revenues or expenditures in this program and does not disclose them in these financial statements. The District neither has a joint ownership interest in fixed assets purchased by the fiscal agent, nor does the District have a net equity interest in the fiscal agent. The fiscal agent is neither accumulating significant resources nor fiscal exigencies that would give rise to a future additional benefit or burden to Lovejoy ISD. The fiscal agent manager is responsible for all financial activities of the shared services arrangement. During the year ended June 30, 2023, the District incurred no costs in the regional day school for the deaf or in the juvenile justice alternative education program.

NOTE 22. TAX ABATEMENTS

In accordance with GASB Statement No. 77, the District did not have any outstanding tax abatements for the year ended June 30, 2023.

NOTE 23. LEASES

In June 2017, GASB issued Statement No. 87 - Leases. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The initial adoption date was postponed to fiscal years beginning after June 15, 2021 (FY2022) by GASB Statement No. 95 - Postponement of the Effective Dates of Certain Authoritative Guidance, which was issued in May of 2020.

Per review of the agreements identified by the District as potential leases, the leases were determined to either not meet the definition of a lease or were immaterial to the financial statements.

NOTE 24. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

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

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

LOVEJOY INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

NOTE 25. COMPONENT UNIT DISCLOSURES

Organization and Nature of Activities

The Foundation for Lovejoy Schools, Inc. (Foundation) is a Texas nonprofit organization with the purpose of providing financial support to Lovejoy Independent School District teachers and students. This purpose is accomplished by the Foundation receiving and managing cash donations from individuals and organizations, and awarding scholarships and grants. The Foundation was incorporated as a Texas nonprofit corporation in 2003.

Basis of Presentation

The financial statements are prepared on an accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. Revenues and related assets are recognized when earned, and expenses are recognized when the obligation is incurred. They are presented in accordance with the provisions of Financial Accounting Standards Board (“FASB”) ASU No. 2016-14, “Not-For-Profit Entities”.

FASB ASU 2016-14 establishes standards for general-purpose external financial statements for nonprofit organizations, including a statement of financial position, a statement of activities, a statement of functional expense and a statement of cash flows. FASB ASU 2016-14 requires the classification of net assets and its revenues, expenses, gains and losses into three categories, if applicable, based on existence or absence of donor-imposed restrictions. The categories are “without donor restrictions” and “with donor restrictions”.

Accordingly, net assets of the Foundation's and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations. Included in this classification are net assets earmarked by the Board for future purposes, such as the Foundation’s board-designation for scholarships and grants.

Net assets subject to purpose restrictions – Net assets subject to donor-imposed stipulations that specify a use that is more specific than broad limits relating to purposes under which the Foundation operates.

Net assets not subject to appropriation or expenditure – Net assets subject to donor-imposed restrictions that must be maintained permanently by the Foundation. Generally, the donors of these assets permit the Foundation to use all or part of the income earned on any related investments for the specific donor purpose.

Public Support and Revenue

In the absence of a donor’s explicit stipulation or circumstances surrounding the receipt of a contribution that make clear the donor’s implicit restriction on use, contributions are reported as revenues or gains without donor restrictions, which increase net assets without donor restrictions. All donor-restricted contributions are reported as either net assets subject to purpose restrictions or net assets not subject to appropriation or expenditure, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), such restricted net assets are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

Contributions of donated noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair values in the period received. Although individuals volunteer their time and perform a variety of tasks that assist the Foundation, these services do not meet the criteria for recognition as donated services.

LOVEJOY INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Income Tax Status

The Foundation has received a letter of determination from the Internal Revenue Service advising that it qualifies as a non-profit corporation under Section 501(c)(3) of the Internal Revenue Code and, therefore, is not subject to income tax. The Foundation is not a private foundation within the meaning of section 509(a) of the Internal Revenue code.

Cash and Cash Equivalents

The Foundation considers all highly liquid investments, primarily checking and money market accounts, to be cash equivalents, as well as short-term investments with original maturities of three months or less. At June 30, 2023, the carrying amount of cash was \$827,273.

Investments

Investments consist of both domestic and foreign equity and fixed income mutual funds with readily determinable fair values and are measured at fair value. All non-cash contributions are recorded at fair value at the date of receipt. Stock is recorded at the average of the high and low selling price on the date received. Investments sold are recorded at the amount received on the trade date.

Investment income and realized gains and losses are reported as increases in unrestricted net assets unless the donor placed restrictions on the income's use. The change in fair value between years along with realized gains or losses are reflected in the statement of activities in the year of the change.

Investments are held in an investment brokerage account in the name of the Foundation, and are managed by the investment managers of the brokerage firm. No single investment exceeds five percent of the Foundation's net assets.

Investments as of June 30, 2023 are summarized as follows:

Cost	\$ 420,671
Unrealized Gain	<u>21,433</u>
Fair Value	<u>\$ 442,104</u>

The following table represents the Foundation's fair value hierarchy for its investments measured at fair value as of June 30, 2023:

	Quoted Prices for Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total
Mutual fund investments	\$ 254,099	\$ -	\$ 254,099
Corporate bonds	-	137,165	137,165
Total	\$ 254,099	\$ 137,165	\$ 391,264

LOVEJOY INDEPENDENT SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023

Restricted Net Position

During the year ended June 30, 2023, the Foundation had the following endowment related activities:

	Not Subject To Appropriation	Purpose Restrictions
Balance at Beginning of Year		
Endowed	\$ 60,665	\$ -
Purpose Restrictions	-	-
Fair Value	60,665	-
Contributions	-	5,500
Investment Income	4,246	-
	4,246	5,500
Release of Restrictions	-	(5,500)
Total Change	4,246	-
Balance at End of Year	\$ 64,911	\$ -

The restricted net position not subject to appropriation consists of a contribution from a donor who has specified that the funds be invested in perpetuity, with earnings from the investment available for scholarships or grants.

Net Assets Without Donor Restrictions

Net assets without donor restriction at June 30, 2023 includes \$336,389 designated by the Foundation for Board endowment.

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REQUIRED SUPPLEMENTARY INFORMATION

LOVEJOY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2023

	FY 2023 Plan Year 2022	FY 2022 Plan Year 2021	FY 2021 Plan Year 2020
District's Proportion of the Net Pension Liability (Asset)	0.0221753%	0.02407245%	0.02467467%
District's Proportionate Share of Net Pension Liability (Asset)	\$ 13,164,908	\$ 6,130,397	\$ 13,215,255
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	21,794,206	11,123,679	24,213,787
Total	<u>\$ 34,959,114</u>	<u>\$ 17,254,076</u>	<u>\$ 37,429,042</u>
District's Covered Payroll	\$ 29,688,815	\$ 30,839,273	\$ 33,389,335
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	44.34%	19.88%	39.58%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.62%	88.79%	75.54%

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

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

<u>FY 2020</u> <u>Plan Year 2019</u>	<u>FY 2019</u> <u>Plan Year 2018</u>	<u>FY 2018</u> <u>Plan Year 2017</u>	<u>FY 2017</u> <u>Plan Year 2016</u>	<u>FY 2016</u> <u>Plan Year 2015</u>	<u>FY 2015</u> <u>Plan Year 2014</u>
0.02964246%	0.02906351%	0.027638386%	0.026201154%	0.0268281%	0.0181979%
\$ 15,409,080	\$ 15,997,259	\$ 8,837,267	\$ 9,901,027	\$ 9,483,376	\$ 4,860,911
22,615,060	24,373,728	14,810,995	17,757,045	16,465,674	14,484,731
<u>\$ 38,024,140</u>	<u>\$ 40,370,987</u>	<u>\$ 23,648,262</u>	<u>\$ 27,658,072</u>	<u>\$ 25,949,050</u>	<u>\$ 19,345,642</u>
\$ 32,938,136	\$ 31,543,339	\$ 30,403,395	\$ 28,877,118	\$ 26,839,008	\$ 25,130,174
46.78%	50.72%	29.07%	34.29%	35.33%	19.34%
75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR PENSIONS
 TEACHER RETIREMENT SYSTEM OF TEXAS
 FOR FISCAL YEAR 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually Required Contribution	\$ 1,096,476	\$ 1,031,143	\$ 1,029,152
Contribution in Relation to the Contractually Required Contribution	(1,096,476)	(1,031,143)	(1,029,152)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 29,487,463	\$ 30,695,580	\$ 33,245,237
Contributions as a Percentage of Covered Payroll	3.72%	3.36%	3.10%

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

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

	2020	2019	2018	2017	2016	2015
\$	1,011,493	\$ 1,037,838	\$ 968,869	\$ 900,035	\$ 821,878	\$ 735,270
	(1,011,493)	(1,037,838)	(968,869)	(900,035)	(821,878)	(735,270)
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	33,277,029	\$ 32,658,470	\$ 31,447,998	\$ 30,159,743	\$ 28,664,041	\$ 26,839,008
	3.04%	3.18%	3.08%	2.98%	2.87%	2.74%

LOVEJOY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR THE YEAR ENDED JUNE 30, 2023

	FY 2023 Plan Year 2022	FY 2022 Plan Year 2021	FY 2021 Plan Year 2020
District's Proportion of the Net Liability (Asset) for Other Postemployment Benefits	0.02960062%	0.03244677%	0.03414765%
District's Proportionate Share of Net OPEB Liability (Asset)	\$ 7,087,575	\$ 12,516,171	\$ 12,981,064
State's Proportionate Share of the Net OPEB Liability (Asset) Associated with the District	8,645,728	16,768,880	17,443,438
Total	<u>\$ 15,733,303</u>	<u>\$ 29,285,051</u>	<u>\$ 30,424,502</u>
District's Covered Payroll	\$ 29,688,815	\$ 30,839,273	\$ 33,389,335
District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	23.87%	40.59%	38.88%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	11.52%	6.18%	4.99%

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

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

<u>FY 2020</u> <u>Plan Year 2019</u>	<u>FY 2019</u> <u>Plan Year 2018</u>	<u>FY 2018</u> <u>Plan Year 2017</u>
0.03650113%	0.03608849%	0.03431364%
\$ 17,261,832	\$ 18,019,313	\$ 14,921,715
22,937,114	28,166,916	24,917,669
<u>\$ 40,198,946</u>	<u>\$ 46,186,229</u>	<u>\$ 39,839,384</u>
\$ 32,938,136	\$ 31,543,339	\$ 30,403,395
52.41%	57.13%	49.08%
2.66%	1.57%	0.91%

LOVEJOY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF DISTRICT'S CONTRIBUTIONS FOR OTHER POSTEMPLOYMENT BENEFITS (OPEB)
TEACHER RETIREMENT SYSTEM OF TEXAS
FOR FISCAL YEAR 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually Required Contribution	\$ 241,183	\$ 244,565	\$ 254,335
Contribution in Relation to the Contractually Required Contribution	(241,183)	(244,565)	(254,335)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 29,487,463	\$ 30,695,580	\$ 33,245,237
Contributions as a Percentage of Covered Payroll	0.82%	0.80%	0.77%

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

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

	2020	2019	2018
\$	259,408	\$ 255,675	\$ 231,818
	(259,408)	(255,675)	(231,818)
\$	-	\$ -	\$ -
\$	33,277,029	\$ 32,658,470	\$ 31,447,998
	0.78%	0.78%	0.74%

LOVEJOY INDEPENDENT SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2023

PENSION LIABILITY:

Changes of benefit terms:

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

Changes of assumptions:

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

- The discount rate changed from 7.25 percent as of August 31, 2021 to 7.00 percent as of August 31, 2022. This change increased the total pension liability.

OPEB LIABILITY:

Changes of benefit terms:

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

Changes of assumptions:

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

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

COMBINING SCHEDULES

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2023

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
ASSETS			
1110 Cash and Cash Equivalents	\$ -	\$ 85,186	\$ -
1240 Due from Other Governments	-	-	-
1300 Inventories	-	-	-
1000 Total Assets	<u>\$ -</u>	<u>\$ 85,186</u>	<u>\$ -</u>
LIABILITIES			
2110 Accounts Payable	\$ -	\$ -	\$ -
2160 Accrued Wages Payable	-	63,356	-
2170 Due to Other Funds	-	-	-
2180 Due to Other Governments	-	12,768	-
2200 Accrued Expenditures	-	9,062	-
2300 Unearned Revenue	-	-	-
2000 Total Liabilities	<u>-</u>	<u>85,186</u>	<u>-</u>
FUND BALANCES			
Committed Fund Balance:			
3545 Other Committed Fund Balance	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 85,186</u>	<u>\$ -</u>

EXHIBIT H-1 (Cont'd)

244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	272 Medicaid Admin. Claim MAC	279 ESSER III TCLAS ARP Act	283 ESSER-SUPP	284 IDEA B Formula ARP Act	289 ELC Reopening Schools	397 Advanced Placement Incentives
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,378
-	5,850	-	6,046	103	136,381	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 5,850</u>	<u>\$ -</u>	<u>\$ 6,046</u>	<u>\$ 103</u>	<u>\$ 136,381</u>	<u>\$ -</u>	<u>\$ 12,378</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	5,850	-	6,046	103	136,381	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	12,378
<u>-</u>	<u>5,850</u>	<u>-</u>	<u>6,046</u>	<u>103</u>	<u>136,381</u>	<u>-</u>	<u>12,378</u>
-	-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ -</u>	<u>\$ 5,850</u>	<u>\$ -</u>	<u>\$ 6,046</u>	<u>\$ 103</u>	<u>\$ 136,381</u>	<u>\$ -</u>	<u>\$ 12,378</u>

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2023

Data Control Codes	410 State Instructional Materials	423 TCLAS -GR	424 Silent Panic Alert	425 Strong Foundations
ASSETS				
1110 Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -
1240 Due from Other Governments	-	7,419	5,625	-
1300 Inventories	-	-	-	-
1000 Total Assets	<u>\$ -</u>	<u>\$ 7,419</u>	<u>\$ 5,625</u>	<u>\$ -</u>
LIABILITIES				
2110 Accounts Payable	\$ -	\$ -	\$ -	\$ -
2160 Accrued Wages Payable	-	-	-	-
2170 Due to Other Funds	-	7,419	5,625	-
2180 Due to Other Governments	-	-	-	-
2200 Accrued Expenditures	-	-	-	-
2300 Unearned Revenue	-	-	-	-
2000 Total Liabilities	<u>-</u>	<u>7,419</u>	<u>5,625</u>	<u>-</u>
FUND BALANCES				
Committed Fund Balance:				
3545 Other Committed Fund Balance	-	-	-	-
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
4000 Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 7,419</u>	<u>\$ 5,625</u>	<u>\$ -</u>

EXHIBIT H-1 (Cont'd)

426 Safety and Security	428 Ready to Read	429 Dyslexia	459 SSA- Autism Grant	461 Campus Activity Funds	465 Grants/ Donations	495 School Store	497 Concessions Operations
\$ -	\$ 184	\$ -	\$ -	\$ 794,538	\$ 631,440	\$ -	\$ -
-	-	-	90,022	-	-	-	-
-	-	-	-	-	-	75,350	-
<u>\$ -</u>	<u>\$ 184</u>	<u>\$ -</u>	<u>\$ 90,022</u>	<u>\$ 794,538</u>	<u>\$ 631,440</u>	<u>\$ 75,350</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ -	\$ 8,210	\$ -	\$ -	\$ -
-	-	-	-	530	-	-	-
-	-	-	90,022	-	-	74,209	-
-	-	-	-	-	-	1,141	-
-	-	-	-	11	-	-	-
-	184	-	-	-	-	-	-
<u>-</u>	<u>184</u>	<u>-</u>	<u>90,022</u>	<u>8,751</u>	<u>-</u>	<u>75,350</u>	<u>-</u>
-	-	-	-	785,787	631,440	-	-
-	-	-	-	785,787	631,440	-	-
<u>\$ -</u>	<u>\$ 184</u>	<u>\$ -</u>	<u>\$ 90,022</u>	<u>\$ 794,538</u>	<u>\$ 631,440</u>	<u>\$ 75,350</u>	<u>\$ -</u>

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2023

Data Control Codes	498 Catering Operations	Total Nonmajor Governmental Funds
ASSETS		
1110 Cash and Cash Equivalents	\$ -	\$ 1,523,726
1240 Due from Other Governments	-	251,446
1300 Inventories	-	75,350
1000 Total Assets	<u>\$ -</u>	<u>\$ 1,850,522</u>
LIABILITIES		
2110 Accounts Payable	\$ -	\$ 8,210
2160 Accrued Wages Payable	-	63,886
2170 Due to Other Funds	-	325,655
2180 Due to Other Governments	-	13,909
2200 Accrued Expenditures	-	9,073
2300 Unearned Revenue	-	12,562
2000 Total Liabilities	<u>-</u>	<u>433,295</u>
FUND BALANCES		
Committed Fund Balance:		
3545 Other Committed Fund Balance	-	1,417,227
3000 Total Fund Balances	<u>-</u>	<u>1,417,227</u>
4000 Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 1,850,522</u>

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LOVEJOY INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA - Part B Formula	225 IDEA - Part B Preschool
REVENUES:			
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -
5800 State Program Revenues	-	-	-
5900 Federal Program Revenues	41,314	538,240	1,294
5020 Total Revenues	<u>41,314</u>	<u>538,240</u>	<u>1,294</u>
EXPENDITURES:			
Current:			
0011 Instruction	41,314	357,443	1,294
0012 Instructional Resources and Media Services	-	-	-
0013 Curriculum and Instructional Staff Development	-	7,156	-
0021 Instructional Leadership	-	-	-
0023 School Leadership	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	89,997	-
0032 Social Work Services	-	83,644	-
0036 Extracurricular Activities	-	-	-
0041 General Administration	-	-	-
0051 Facilities Maintenance and Operations	-	-	-
0052 Security and Monitoring Services	-	-	-
0061 Community Services	-	-	-
6030 Total Expenditures	<u>41,314</u>	<u>538,240</u>	<u>1,294</u>
1100 Excess of Revenues Over Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES):			
7915 Transfers In	-	-	-
8911 Transfers Out (Use)	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	-
0100 Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

244 Career and Technical - Basic Grant	255 ESEA II,A Training and Recruiting	272 Medicaid Admin. Claim MAC	279 ESSER III TCLAS ARP Act	283 ESSER-SUPP	284 IDEA B Formula ARP Act	289 ELC Reopening Schools	397 Advanced Placement Incentives
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
24,127	26,844	2,947	66,579	781,141	136,381	6,619	-
<u>24,127</u>	<u>26,844</u>	<u>2,947</u>	<u>66,579</u>	<u>781,141</u>	<u>136,381</u>	<u>6,619</u>	<u>-</u>
24,127	6,994	-	66,579	105,141	-	1,662	-
-	-	-	-	11,520	-	-	-
-	19,850	-	-	524,658	136,381	-	-
-	-	2,947	-	-	-	-	-
-	-	-	-	537	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	139,285	-	-	-
-	-	-	-	-	-	4,957	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>24,127</u>	<u>26,844</u>	<u>2,947</u>	<u>66,579</u>	<u>781,141</u>	<u>136,381</u>	<u>6,619</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes	410 State Instructional Materials	423 TCLAS -GR	424 Silent Panic Alert	425 Strong Foundations
REVENUES:				
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ -
5800 State Program Revenues	108,762	7,419	5,625	61,360
5900 Federal Program Revenues	-	-	-	-
5020 Total Revenues	<u>108,762</u>	<u>7,419</u>	<u>5,625</u>	<u>61,360</u>
EXPENDITURES:				
Current:				
0011 Instruction	108,762	7,419	-	61,360
0012 Instructional Resources and Media Services	-	-	-	-
0013 Curriculum and Instructional Staff Development	-	-	-	-
0021 Instructional Leadership	-	-	-	-
0023 School Leadership	-	-	-	-
0031 Guidance, Counseling, and Evaluation Services	-	-	-	-
0032 Social Work Services	-	-	-	-
0036 Extracurricular Activities	-	-	-	-
0041 General Administration	-	-	-	-
0051 Facilities Maintenance and Operations	-	-	-	-
0052 Security and Monitoring Services	-	-	5,625	-
0061 Community Services	-	-	-	-
6030 Total Expenditures	<u>108,762</u>	<u>7,419</u>	<u>5,625</u>	<u>61,360</u>
1100 Excess of Revenues Over Expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES):				
7915 Transfers In	-	-	-	-
8911 Transfers Out (Use)	-	-	-	-
7080 Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
1200 Net Change in Fund Balance	-	-	-	-
0100 Fund Balance - September 1 (Beginning)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
3000 Fund Balance - August 31 (Ending)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

426 Safety and Security	428 Ready to Read	429 Dyslexia	459 SSA- Autism Grant	461 Campus Activity Funds	465 Grants/ Donations	495 School Store	497 Concessions Operations
\$ -	\$ -	\$ -	\$ -	\$ 1,681,227	\$ 1,360,677	\$ 239,590	\$ -
255,466	-	136,071	90,022	3,525	-	-	-
-	-	-	-	-	-	-	-
255,466	-	136,071	90,022	1,684,752	1,360,677	239,590	-
-	-	136,071	18,772	11,537	429,978	-	-
-	-	-	-	-	6,152	-	-
-	-	-	71,250	-	72,466	-	-
-	-	-	-	-	-	-	-
-	-	-	-	13,836	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,597,577	532,239	207,624	-
-	-	-	-	4,305	118,224	-	-
-	-	-	-	-	-	-	-
255,466	-	-	-	-	95,492	-	-
-	-	-	-	-	618	-	-
255,466	-	136,071	90,022	1,627,255	1,255,169	207,624	-
-	-	-	-	57,497	105,508	31,966	-
-	-	-	-	22,413	-	-	-
-	-	-	-	-	-	(31,966)	(17,317)
-	-	-	-	22,413	-	(31,966)	(17,317)
-	-	-	-	79,910	105,508	-	(17,317)
-	-	-	-	705,877	525,932	-	17,317
\$ -	\$ -	\$ -	\$ -	\$ 785,787	\$ 631,440	\$ -	\$ -

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes	498 Catering Operations	Total Nonmajor Governmental Funds
REVENUES:		
5700 Total Local and Intermediate Sources	\$ -	\$ 3,281,494
5800 State Program Revenues	-	668,250
5900 Federal Program Revenues	-	1,625,486
5020 Total Revenues	-	5,575,230
EXPENDITURES:		
Current:		
0011 Instruction	-	1,378,453
0012 Instructional Resources and Media Services	-	17,672
0013 Curriculum and Instructional Staff Development	-	831,761
0021 Instructional Leadership	-	2,947
0023 School Leadership	-	14,373
0031 Guidance, Counseling, and Evaluation Services	-	89,997
0032 Social Work Services	-	83,644
0036 Extracurricular Activities	-	2,337,440
0041 General Administration	-	261,814
0051 Facilities Maintenance and Operations	-	4,957
0052 Security and Monitoring Services	-	356,583
0061 Community Services	-	618
6030 Total Expenditures	-	5,380,259
1100 Excess of Revenues Over Expenditures	-	194,971
OTHER FINANCING SOURCES (USES):		
7915 Transfers In	-	22,413
8911 Transfers Out (Use)	(2,276)	(51,559)
7080 Total Other Financing Sources (Uses)	(2,276)	(29,146)
1200 Net Change in Fund Balance	(2,276)	165,825
0100 Fund Balance - September 1 (Beginning)	2,276	1,251,402
3000 Fund Balance - August 31 (Ending)	\$ -	\$ 1,417,227

REQUIRED T.E.A. SCHEDULES

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FISCAL YEAR ENDED JUNE 30, 2023

Last 10 Years	(1)	(2)	(3)
	Tax Rates		Assessed/Appraised Value for School Tax Purposes
	Maintenance	Debt Service	
2014 and prior years	Various	Various	\$ Various
2015	1.060000	0.500000	1,837,430,448
2016	1.060000	0.500000	1,974,616,410
2017	1.170000	0.500000	2,155,176,826
2018	1.170000	0.500000	2,373,340,778
2019	1.170000	0.500000	2,590,912,275
2020	1.068350	0.500000	2,792,293,047
2021	1.054700	0.500000	2,882,157,522
2022	1.005000	0.500000	3,092,143,854
2023 (School year under audit)	0.942900	0.500000	3,554,915,102
1000 TOTALS			
8000 Total Taxes Refunded Under Section 26.115, Tax Code			

(10) Beginning Balance 7/1/2022	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2023
\$ 54,192	\$ -	\$ -	\$ -	\$ (1,266)	\$ 52,926
27,653	-	-	-	-	27,653
38,657	-	-	-	-	38,657
39,925	-	(1)	-	-	39,926
42,456	-	(210)	(90)	(326)	42,430
56,340	-	(636)	(272)	16,594	73,842
75,745	-	45,746	21,409	109,883	118,473
85,838	-	34,498	16,354	101,073	136,059
591,657	-	350,088	174,174	91,159	158,554
-	51,293,870	33,062,066	17,532,117	-	699,687
<u>\$ 1,012,463</u>	<u>\$ 51,293,870</u>	<u>\$ 33,491,551</u>	<u>\$ 17,743,692</u>	<u>\$ 317,117</u>	<u>\$ 1,388,207</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE - CHILD NUTRITION PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 1,731,143	\$ 1,872,491	\$ 1,758,812	\$ (113,679)
5800 State Program Revenues	84,527	14,115	14,115	-
5900 Federal Program Revenues	126,900	249,536	65,197	(184,339)
5020 Total Revenues	1,942,570	2,136,142	1,838,124	(298,018)
EXPENDITURES:				
Current:				
0035 Food Services	1,927,023	1,739,993	1,785,397	(45,404)
6030 Total Expenditures	1,927,023	1,739,993	1,785,397	(45,404)
1200 Net Change in Fund Balances	15,547	396,149	52,727	(343,422)
0100 Fund Balance - July 1 (Beginning)	417,447	417,447	417,447	-
3000 Fund Balance - June 30 (Ending)	\$ 432,994	\$ 813,596	\$ 470,174	\$ (343,422)

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE - DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2023

Data Control Codes	Budgeted Amounts		Actual Amounts (GAAP BASIS)	Variance With Final Budget Positive or (Negative)
	Original	Final		
REVENUES:				
5700 Total Local and Intermediate Sources	\$ 18,304,370	\$ 18,304,370	\$ 18,006,414	\$ (297,956)
5800 State Program Revenues	-	-	313,464	313,464
5020 Total Revenues	18,304,370	18,304,370	18,319,878	15,508
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Liabilities	12,860,601	12,860,601	12,820,000	40,601
0072 Interest on Long-Term Liabilities	5,443,769	5,443,769	5,443,769	-
0073 Bond Issuance Cost and Fees	-	8,300	11,800	(3,500)
6030 Total Expenditures	18,304,370	18,312,670	18,275,569	37,101
1200 Net Change in Fund Balances	-	(8,300)	44,309	52,609
0100 Fund Balance - July 1 (Beginning)	4,522,111	4,522,111	4,522,111	-
3000 Fund Balance - June 30 (Ending)	\$ 4,522,111	\$ 4,513,811	\$ 4,566,420	\$ 52,609

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 USE OF FUNDS REPORT - SELECT STATE ALLOTMENT PROGRAMS
 FOR THE YEAR ENDED JUNE 30, 2023

Section A: Compensatory Education Programs

AP1	Did your LEA expend any state compensatory education program state allotment funds during the district's fiscal year?	Yes
<hr/>		
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
<hr/>		
AP3	List the total state allotment funds received for state compensatory education programs during the district's fiscal year.	\$234,388
<hr/>		
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year.	\$240,954
<hr/>		

Section B: Bilingual Education Programs

AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
<hr/>		
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
<hr/>		
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$32,745
<hr/>		
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year.	\$16,892
<hr/>		

FEDERAL AWARDS SECTION

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**HANKINS, EASTUP, DEATON,
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A Limited Liability Company

CERTIFIED PUBLIC ACCOUNTANTS

902 NORTH LOCUST
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DENTON, TX 76202-0977
TEL. (940) 387-8563
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Trustees
Lovejoy Independent School District
Allen, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lovejoy Independent School District, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Lovejoy Independent School District's basic financial statements, and have issued our report dated October 7, 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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



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

October 7, 2023

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

To the Board of Trustees
Lovejoy Independent School District
Allen, Texas

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Lovejoy Independent School District's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Lovejoy Independent School District's major federal programs for the year ended June 30, 2023. Lovejoy Independent School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Lovejoy Independent School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

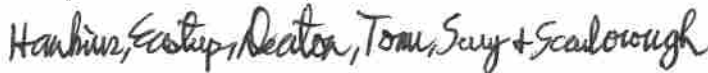
Report on Internal Control over Compliance

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

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

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

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



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

October 7, 2023

LOVEJOY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2023

I. Summary of Auditor's Results

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

84.425U	ESSER TCLAS ARP Act
84.425	Supplemental ESSER Funds
8. Dollar threshold used to distinguish between Type A and Type B programs: \$750,000.
9. Low risk auditee: Yes

II. Findings Related to the Financial Statements

None

III. Other Findings

None

LOVEJOY INDEPENDENT SCHOOL DISTRICT
STATUS OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2023

NONE

LOVEJOY INDEPENDENT SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023

(1)	(2)	(3)	(4)
FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	Federal Assistance Listing No.	Pass-Through Entity Identifying Number	Federal Expenditures
U.S. DEPARTMENT OF EDUCATION			
<u>Direct Programs</u>			
Impact Aid - P.L. 81.874 (Note A)	84.041	01-043919	\$ 1,460
Total Direct Programs			<u>1,460</u>
<u>Passed Through Texas Education Agency</u>			
ESEA, Title I, Part A - Improving Basic Programs	84.010A	23610101043919	41,514
*IDEA - Part B, Formula	84.027	226600010439196600	15,167
*IDEA - Part B, Formula	84.027	236600010439196600	547,854
*IDEA - Part B, Formula ARP	84.027X	225350020439195350	142,660
Total Assistance Listing Number 84.027			<u>705,681</u>
*IDEA - Part B, Preschool	84.173	236610010439196610	1,352
Total Special Education Cluster (IDEA)			<u>707,033</u>
Vocational Education - Basic Grant	84.048A	23420006043919	24,125
ESEA, Title II, Part A, Teacher Principal Training	84.367A	23694501043919	27,304
ESSER Relief Fund III - TCLAS ARP	84.425U	21528042043919	78,605
ESSER Relief Fund Supplemental	84.425U	21528043043919	922,231
Total Assistance Listing Number 84.425			<u>1,000,836</u>
Total Passed Through Texas Education Agency			<u>1,800,812</u>
TOTAL U.S. DEPARTMENT OF EDUCATION			<u>1,802,272</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<u>Direct Programs</u>			
Medicaid Administrative Claiming Program - MAC	93.778	01-043919	2,947
Total Direct Programs			<u>2,947</u>
<u>Passed Through Texas Workforce Commission</u>			
CRRSA Child Care Relief Funds	93.489		512,844
Total Passed Through Texas Workforce Commission			<u>512,844</u>
<u>Passed Through Texas Education Agency</u>			
ELC Reopening Schools	93.323	39352201	6,619
Total Passed Through Texas Education Agency			<u>6,619</u>
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>522,410</u>
U.S. DEPARTMENT OF AGRICULTURE			
<u>Passed Through the Texas Department of Agriculture</u>			
*National School Lunch Program - Cash Assistance	10.555	71302101	145,791
*National School Lunch Prog. - Non-Cash Assistance	10.555	71302101	60,792
Supply Chain Assistance	10.555	01-043919	42,935
Total Assistance Listing Number 10.555			<u>249,518</u>
Total Child Nutrition Cluster			<u>249,518</u>
Total Passed Through the Texas Department of Agriculture			<u>249,518</u>
TOTAL U.S. DEPARTMENT OF AGRICULTURE			<u>249,518</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 2,574,200</u>
*Clustered Programs			

See Accompanying Notes to the Schedule of Expenditures of Federal Awards

LOVEJOY INDEPENDENT SCHOOL DISTRICT
 NOTES ON ACCOUNTING POLICIES FOR FEDERAL AWARDS
 YEAR ENDED JUNE 30, 2023

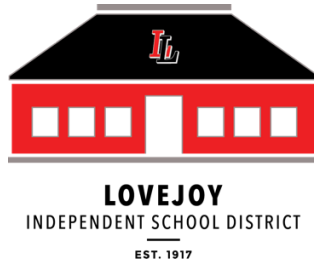
- For all Federal programs, the District uses the fund types specified in Texas Education Agency’s *Financial Accountability System Resource Guide*.
- **General Fund** – is used to account for among other things, resources related to the United States Department of Defense ROTC program and the United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

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

- The period of performance for federal grant funds for the purpose of liquidation of outstanding obligations made on or before the ending date of the federal project period extended 90 days beyond the federal project period ending date, in accordance with provisions in Section H, Period of Performance of Federal Funds, 3 CFR Section 200.343 (b).
- CFDA numbers for commodity assistance are the CFDA numbers of the programs under which USDA donated the commodities.
- Indirect cost reimbursement for federal programs for this fiscal year was received in the amount of \$369,214.
- Reconciliation Information:

Amount reported on the Schedule of Expenditures of Federal awards	\$2,574,200
SHARS Revenue reported in the General Fund	240,301
Tax Credit Revenue reported in the Debt Service Fund	-
Plus Revenue Received for COVID Funds for Prior Year Expenditures	-
Total Federal Program Revenue	<u>\$2,814,501</u>

14. Consider and Act on 2023-2024 Budget Amendment #1
Presenter: Thomas Willman, Chief Financial Officer



Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Consider and Act on 2023-2024 Budget Amendment #1
Presented For	X Board Action Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Thomas Willman, Chief Financial Officer

Executive Summary

Each June, the Board of Trustees adopts a general operating, student nutrition, and debt service fund budget based on the district's calculation of estimated revenue and expenditures. The expenditure budget is adopted at the "function" level, meaning that each major category of expenditure defined by the Texas Education Code is identified and funds are allocated between each function. Once adopted, the administration operates within that budget, although it is a working document. The administration has the authority to move funds from account to account, as long as no overall function total is exceeded. When it becomes necessary to increase or decrease a function, it requires Board approval.

We are requesting the first budget amendment for 2023-2024. This amendment will address any items that have been uncovered to date that were not addressed after final budget determinations were made during the summer and the budget was put into the finance system. This amendment includes the impact of the change to the TEA Student Attendance Accounting Handbook related to tuition as well as the additional decrease to the Maximum Compressed Rate (MCR) and the increase to the homestead exemption to \$100,000 resulting from the second special session. We will continue to review our revenue and expenditures compared with the original budget to recommend future amendments as needed.

Fiscal Implications

The fiscal implications of this action fulfill legal requirements and allow the administration to operate within the confines of the functional expenditures approved by the Board.

Administrator Recommendation

It is of the recommendation of the Administration that the Board of Trustees moves to approve the 2023-2024 Budget Amendment #1: Financial Implications of 2023-2024 Student Attendance Accounting Handbook on District Budget.

District Priority

Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.

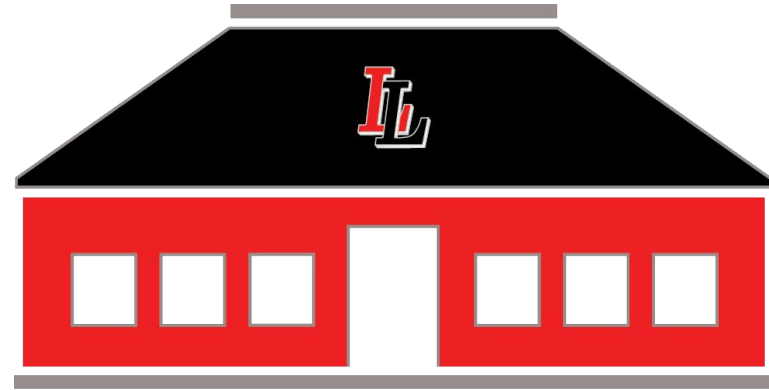
2023-2024: Budget Amendment #1

THOMAS WILLMAN

Chief Financial Officer

October 30, 2023

Board Meeting



LOVEJOY
INDEPENDENT SCHOOL DISTRICT

EST. 1917

2023-2024 Amended Budget #1



	1-Jan	1-Jul	1-Aug	1-Sep	1-Oct	1-Nov
	1,507.85	1,240.64	1,215.42	999.09	1,300.67	844.
	0.00	698.18	0.00	0.00	40.07	0.
	15.80	78.47	38.16	15.62	256.67	25.
	2.03	1,485.22	6,062.23	847.24	16,068.05	149.
	0.	677.87	503.91	1,094.97	5,620.51	2,560.
		0.00	510.01	3,142.38	9,779.24	14,693.
		0.00	670.64	1,259.50	4,294.85	7,473.
		33.58	39,386.87	17,368.02	34,414.47	0.
		0.00	0.00	0.00	0.00	0.
			19,577.90	11,799.74	14,874.16	53.01
			1,335.55	21.76	865.15	34.
			0.00	0.00	12,032.74	24.74
			0.00	0.00	4,387.73	18.44
				701.60	4,796.53	50.
				2,144.68	2,300.27	1.7.
				10,857.02		0.7.
				0.00		
				0.00		
				2.93		0.

2023-2024 Changes to the Adopted Budget

Item Description	Variance Amount
Tuition-Lovejoy Scholars	-\$1,007,100
Enrollment/Attendance	-\$582,229
Contingency Positions x4	\$255,020
One Time Grant revenue	\$256,422
Interest Earnings	\$125,000
Unfilled Positions through September	\$61,514
Delayed Start and Salary Differential	\$124,600
Contingency	\$100,361
Original Budgeted Surplus	\$422
Anticipated Deficit	-\$665,990

5-Year Financial Model –June 2023 Presentation

Projection as of 6/15/2023

	FINAL ACTUAL		PROJECTED BUDGETS		
	FY22	FY23	FY24	FY25	FY26
Student Enrollment	4,384	4,210	4,105	4,018	3,857
Increase/(Decrease)		(174)	(105)	(88)	(161)
Average Daily Attendance (ADA) (Actual, '21-'22 TPAR was 4,173)	4,099	4,020	3,922	3,839	3,685
Attendance Rate	94.4%	95.5%	95.5%	95.5%	95.5%
State Certified Property Value ("T2" value) @ \$40K Exemption	\$ 3,099,539,061	\$ 3,569,852,514	\$ 4,051,946,754	\$ 4,578,699,833	\$ 5,173,930,811
% Increase Property Value	7.6%	15.2%	13.5%	13.0%	13.0%
Maintenance & Operations (M&O) Tax Rate	\$ 1.0050	\$ 0.9429	\$ 0.9170	\$ 0.9016	\$ 0.8865
Interest & Sinking (I&S) Tax Rate	\$ 0.5000	\$ 0.5000	\$ 0.5000	\$ 0.5000	\$ 0.5000
Total Tax Rate	\$ 1.5050	\$ 1.4429	\$ 1.4170	\$ 1.4016	\$ 1.3865
Excess Revenue (Recapture)	\$ 349,644	\$ 1,349,437	\$ 5,313,827	\$ 9,835,759	\$ 14,910,639
Total Revenue/Other Resources	\$ 43,345,301	\$ 44,093,016	\$ 46,904,619	\$ 50,728,036	\$ 54,533,110
Total Expenditures/Other Uses	\$ 40,937,777	\$ 39,686,306	\$ 46,904,197	\$ 51,953,516	\$ 57,559,165
Net Surplus/(Deficit)	\$ 2,407,524	\$ 4,406,710	\$ 422	\$ (1,225,480)	\$ (3,026,055)
Beginning Fund Balance	\$ 8,514,942	\$ 10,922,466	\$ 15,329,176	\$ 15,329,598	\$ 14,104,118
Ending Fund Balance	\$ 10,922,466	\$ 15,329,176	\$ 15,329,598	\$ 14,104,118	\$ 11,078,063
Day of Operating Expenses in Fund Balance	103	149	125	104	73
Rev/Exp +/- to get to 75 Days of Op Ex in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ (283,322)
Rev/Exp +/- to get to 90 Days of Op Ex in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,555,599
Rev Inc/Exp dec to get to 120 Days of Op Ex in Fund Balance	\$ 1,820,920	\$ -	\$ -	\$ 2,240,546	\$ 7,100,153

5-Year Financial Model – 2022-23 Audited Amount + 2023-24 Amended Budget + Original Enrollment Projection for 24-25 and 25-26

Projection as of 10/30/2023	FINAL ACTUAL		PROJECTED BUDGETS		
	FY22	FY23	FY24	FY25	FY26
Student Enrollment	4,384	4,210	4,025	4,018	3,857
Increase/(Decrease)		(174)	(185)	(8)	(161)
Average Daily Attendance (ADA) (Actual, '21-'22 TPAR was 4,173)	4,099	4,020	3,850	3,842	3,689
Attendance Rate	94.4%	95.5%	95.6%	95.6%	95.6%
State Certified Property Value ("T2" value) @ \$40K Exemption	\$ 3,099,539,061	\$ 3,569,852,514	\$ 3,620,174,132	\$ 4,152,401,019	\$ 4,753,817,401
% Increase Property Value	7.6%	15.2%	1.4%	14.7%	14.5%
Maintenance & Operations (M&O) Tax Rate	\$ 1.0050	\$ 0.9429	\$ 0.7879	\$ 0.7186	\$ 0.7164
Interest & Sinking (I&S) Tax Rate	\$ 0.5000	\$ 0.5000	\$ 0.5000	\$ 0.5000	\$ 0.5000
Total Tax Rate	\$ 1.5050	\$ 1.4429	\$ 1.2879	\$ 1.2186	\$ 1.2164
Excess Revenue (Recapture)	\$ 349,644	\$ 1,349,437	\$ 761,513	\$ 1,073,876	\$ 2,422,943
Total Revenue/Other Resources	\$ 43,345,302	\$ 44,839,836	\$ 41,473,482	\$ 40,901,781	\$ 41,144,387
Total Expenditures/Other Uses	\$ 40,937,790	\$ 39,596,172	\$ 42,139,472	\$ 42,813,626	\$ 44,862,474
Net Surplus/(Deficit)	\$ 2,407,512	\$ 5,243,665	\$ (665,990)	\$ (1,911,845)	\$ (3,718,087)
Beginning Fund Balance	\$ 8,514,942	\$ 10,922,454	\$ 16,166,119	\$ 15,500,128	\$ 13,588,283
Ending Fund Balance	\$ 10,922,454	\$ 16,166,119	\$ 15,500,128	\$ 13,588,283	\$ 9,870,196
Day of Operating Expenses in Fund Balance	103	158	142	122	84
Rev/Exp +/- to get to 75 Days of Op Ex in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Rev/Exp +/- to get to 90 Days of Op Ex in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 642,557
Rev Inc/Exp dec to get to 120 Days of Op Ex in Fund Balance	\$ 1,820,936	\$ -	\$ -	\$ -	\$ 4,146,808

*FY23 additional Net Surplus increase is related to:

1. Decision to apply indirect costs towards the Student Nutrition surplus totaling \$184K.
2. Settleup of state aid through Property Value audits for Tax Year 2021 totaling \$151K.
3. Utilizing one time Federal Grants (ESSER and IDEA B ARP) = \$200K

5-Year Financial Model – 2022-23 Audited Amount + 2023-24 Amended Budget + Revised Enrollment Projections for 24-25 and 25-26

Projection as of 10/30/2023

	FINAL ACTUAL		PROJECTED BUDGETS		
	FY22	FY23	FY24	FY25	FY26
Student Enrollment	4,384	4,210	4,025	3,873	3,701
Increase/(Decrease)		(174)	(185)	(152)	(172)
Average Daily Attendance (ADA) (Actual, '21-'22 TPAR was 4,173)	4,099	4,020	3,850	3,704	3,540
Attendance Rate	94.4%	95.5%	95.6%	95.6%	95.6%
State Certified Property Value ("T2" value) @ \$40K Exemption	\$ 3,099,539,061	\$ 3,569,852,514	\$ 3,620,174,132	\$ 4,152,401,019	\$ 4,753,817,401
% Increase Property Value	7.6%	15.2%	1.4%	14.7%	14.5%
Maintenance & Operations (M&O) Tax Rate	\$ 1.0050	\$ 0.9429	\$ 0.7879	\$ 0.7186	\$ 0.7164
Interest & Sinking (I&S) Tax Rate	\$ 0.5000	\$ 0.5000	\$ 0.5000	\$ 0.5000	\$ 0.5000
Total Tax Rate	\$ 1.5050	\$ 1.4429	\$ 1.2879	\$ 1.2186	\$ 1.2164
Excess Revenue (Recapture)	\$ 349,644	\$ 1,349,437	\$ 761,513	\$ 1,111,548	\$ 3,291,500
Total Revenue/Other Resources	\$ 43,345,302	\$ 44,839,836	\$ 41,473,482	\$ 40,103,228	\$ 41,153,198
Total Expenditures/Other Uses	\$ 40,937,790	\$ 39,596,172	\$ 42,139,472	\$ 42,851,298	\$ 45,731,031
Net Surplus/(Deficit)	\$ 2,407,512	\$ 5,243,665	\$ (665,990)	\$ (2,748,070)	\$ (4,577,833)
Beginning Fund Balance	\$ 8,514,942	\$ 10,922,454	\$ 16,166,119	\$ 15,500,128	\$ 12,752,058
Ending Fund Balance	\$ 10,922,454	\$ 16,166,119	\$ 15,500,128	\$ 12,752,058	\$ 8,174,225
Day of Operating Expenses in Fund Balance	103	158	142	115	69
Rev/Exp +/- to get to 75 Days of Op Ex in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ (764,873)
Rev/Exp +/- to get to 90 Days of Op Ex in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ 2,552,693
Rev Inc/Exp dec to get to 120 Days of Op Ex in Fund Balance	\$ 1,820,936	\$ -	\$ -	\$ 611,293	\$ 6,128,332

*FY23 additional Net Surplus increase is related to:

1. Decision to apply indirect costs towards the Student Nutrition surplus totaling \$184K.
2. Settleup of state aid through Property Value audits for Tax Year 2021 totaling \$151K.
3. Utilizing one time Federal Grants (ESSER and IDEA B ARP) = \$200K



THANK YOU

LOVEJOY ISD
2023-2024 Budget Amendment #1
Summary of Revenues & Expenditures
General Funds
(Includes funds 183 & 199)

General Operating Revenue		
5700 - Revenues from Local and Intermediate Sources	32,927,153	
5800 - State Program Revenues*	7,908,113	
5900 - Federal Program Revenues	638,216	
7900 - Other Resources	0	
Total Revenue		\$ 41,473,482
11 - Instruction	\$ 22,646,285	
12 - Instructional Resources	\$ 450,011	
13 - Instructional Staff Development	\$ 1,434,946	
21 - Instructional Leadership	\$ 243,428	
23 - School Administration	\$ 2,516,022	
31 - Guidance & Counseling	\$ 1,749,543	
33 - Health Services	\$ 468,655	
34-Student Transportation	\$ 1,120,103	
35 - Student Nutrition	\$ -	
36 - Extra Curricular Activities	\$ 1,663,810	
41 - General Administration	\$ 1,834,311	
41 - Published Required Notices**	\$ 3,000	
41 - Lobbying***	\$ 59,967	
51 - Plant Maintenance & Operations	\$ 4,388,308	
52 - Security	\$ 865,075	
53 - Data Processing Services	\$ 863,558	
61 - Community Services	\$ 691,990	
81 - Construction	\$ -	
91 - Recapture	\$ 761,512	
93 - Shared Service Arrangements	\$ 14,000	
95 - JJAEP	\$ 250	
99 - Other Intergovernmental Charges	\$ 364,697	
Total All Functions		\$ 42,139,471
*Budget includes TRS/Medicare Part D On-behalf Revenue or Expenditures		
**Expenditures to publish all statutorily required public notices in the newspaper by the school district or their representatives.		
***Expenditures for "directly or indirectly influencing or attempting to influence the outcome of legislation or administrative action as those terms are defined in Section 305.002, Government Code.		
Difference in Estimated Revenues & Expenditures		\$ (665,989)

This proposed budget amendment, for the school year 2023-2024, was adopted at a meeting of the Board of School Trustees on October 30, 2023 as evidenced in the Official School Board Minutes. I certify that budget preparation and adoption is in accordance with Chapter 44 of the Texas Education Code.

	10/30/2023
President	Date
	10/30/2023
Secretary	Date

Lovejoy Independent School District
 General Funds (Funds 183 199 only)
 2023-2024 Proposed Budget Amendment #1
 For October 16, 2023

REVENUES

<u>Function/Description</u>	<u>June 2023 Board Approved Budget</u>	<u>Oct-23 Amendment #1</u>	<u>Amended Budget October 16, 2023</u>
5700 - Revenues from Local and Intermediate Sources	\$ 40,907,88	(7,980,727	\$ 32,927,15
5800 - State Program Revenues	\$ 5,615,30	2,292,80	\$ 7,908,11
5900 - Federal Program Revenues	\$ 381,43	256,78	\$ 638,21
7900 - Other Resources	-	-	-
Total Revenues	<u>\$46,904,61</u>	<u>(\$5,431,137</u>	<u>\$41,473,48</u>

EXPENDITURES

<u>Function/Description</u>	<u>June Board Approved Budget</u>	<u>Amendment #1</u>	<u>Amended Budget October 16, 2023</u>
11 - Instruction	\$ 22,791,46	(145,180	\$ 22,646,28
12 - Instructional Resources	\$ 445,67	4,33	\$ 450,01
13 - Instructional Staff Development	\$ 1,574,68	(139,740	\$ 1,434,94
21 - Instructional Leadership	\$ 243,01	418	\$ 243,42
23 - School Administration	\$ 2,516,48	(466)	\$ 2,516,02
31 - Guidance & Counseling	\$ 1,751,54	(2,000)	\$ 1,749,54
33 - Health Services	\$ 468,15	500	\$ 468,65
34-Student Transportation	\$ 1,139,08	(18,986)	\$ 1,120,10
35 - Student Nutrition	\$ -	-	\$ -
36 - Extra Curricular Activities	\$ 1,660,71	3,100	\$ 1,663,81
41 - General Administration	\$ 1,808,40	25,91	\$ 1,834,31
41 - Published Required Notices	\$ 3,00	-	\$ 3,00
41 - Lobbying	\$ 59,96	-	\$ 59,96
51 - Plant Maintenance & Operations	\$ 4,365,64	22,65	\$ 4,388,30
52 - Security	\$ 846,16	18,91	\$ 865,07
53 - Data Processing Services	\$ 844,83	18,72	\$ 863,55
61 - Community Services	\$ 692,59	(600)	\$ 691,99
81 - Construction	\$ -	-	\$ -
91 - Recapture	\$ 5,313,82	(4,552,315	\$ 761,51
93 - Shared Service Arrangements	\$ 14,00	-	\$ 14,00
95 - JJAEP	\$ 250	-	\$ 250
99 Other Governmental Charges	\$ 364,69	-	\$ 364,69
Total Expenditures	<u>\$ 46,904,197</u>	<u>\$(4,764,726)</u>	<u>\$ 42,139,471</u>
8911 Transfers Out	\$ -	-	\$ -

Budgeted Increase (Decrease) to Fund Balance \$422 (\$666,411) (\$665,989)

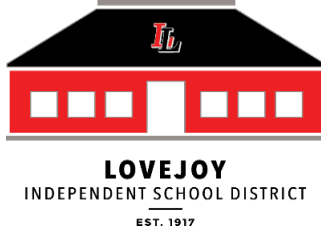
Lovejoy Independent School District
 General Funds (Funds 183 199 only)
 2023-2024 Proposed Budget Amendment #1
 For October 16, 2023

<u>Explanation/Justification</u>	<u>Amount</u>
5700 Local Revenue	
Decrease in local tax collection due to MCR reduction and Lovejoy scholar t	\$ (7,980,727)
5800 State Revenue:	
Increase in state aid resulting from the reduction to the MCR. T also includes a reduction due to enrollment gap. This also inclu the carry over from the Robotics JET grant of \$321K	\$ 2,292,806
5900 Federal Revenue	
the 4th and final payment of the Childcare Relief Fu	\$ 256,784
Total Revenue	\$ (5,431,137)
 Function 11 - Instruction:	
Decrease of \$441K due to contingency positions x4 plus del start and actual salary differential to original budget	\$ (145,180)
Carry over of \$321K of Robotics JET grant expendit	\$ (145,180)
Total Function 11	\$ (145,180)
 Function 12 - Instructional Resource	
	\$ 4,335
Total Function 12	\$ 4,335
 Function 13 - Instructional Staff Development	
Contingency Reductio	\$ (139,740)
Total Function 13	\$ (139,740)
 Function 21 - Instructional Leadership	
	\$ 418
Total Function 21	\$ 418
 Function 23 - School Leadership	
	\$ (466)
Total Function 23	\$ (466)
 Function 31 - Guidance/Counseling Services:	
	\$ (2,000)
Total Function 31	\$ (2,000)
 Function 33 - Nursing Services:	
	\$ 500
Total Function 33	\$ 500
 Function 34 - Transportation Services:	
Decrease in Auto Liability insurance compared to budget anc increase in General Liability in Func 41	\$ (18,986)
Total Function 33	\$ (18,986)

Lovejoy Independent School District
 General Funds (Funds 183 199 only)
 2023-2024 Proposed Budget Amendment #1
 For October 16, 2023

Function 35 - Food Services:		\$	-
	Total Function 35	<u>\$</u>	<u>-</u>
Function 36 - Cocurricular/Extracurricular:			
Staff supplemental pay increase; field trip decrease		\$	3,100
	Total Function 36	<u>\$</u>	<u>3,100</u>
Function 41 - Administration			
Increase in General Liability insurance		\$	25,911
	Total Function 41	<u>\$</u>	<u>25,911</u>
Function 51 - Plant Maintenance/Operations			
Facilities Rental Cost Increase offset by increase in rental revenue		\$	22,659
	Total Function 51	<u>\$</u>	<u>22,659</u>
Function 52 - Security/Monitoring Services			
Vector Safe Schools and 7th marshal Equipment (using contingency)		\$	18,913
	Total Function 52	<u>\$</u>	<u>18,913</u>
Function 53 - Technology Services:			
Powerschool increase and use of contingency		\$	18,725
	Total Function 53	<u>\$</u>	<u>18,725</u>
Function 61 - Community Service:			
		\$	(600)
	Total Function 61	<u>\$</u>	<u>(600)</u>
Function 91 - Recapture			
Decrease in recapture due decrease in tax collection resulting from the decrease in MCR		\$	(4,552,315)
	Total Function 91	<u>\$</u>	<u>(4,552,315)</u>
Function 93 - Shared Service Arrangements			
No longer need SSA and transfer funds for Instructional Software		\$	-
	Total Function 93	<u>\$</u>	<u>-</u>
Function 95 - Juvenile Justice Alternative Education Programs			
		\$	-
	Total Function 95	<u>\$</u>	<u>-</u>
Function 99 -Other Intergovernmental Charges			
		\$	-
	Total Function 99	<u>\$</u>	<u>-</u>
8911 - Transfers Out			
		\$	-
	Total Other Uses	<u>\$</u>	<u>-</u>
Total Expenditure/Other Uses		\$	(4,764,726)

15. Presentation: Board Legislative Subcommittee Update
Presenter: Barrett Owens, President



Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Board Legislative Subcommittee Update
Presented For	Board Action X Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Barrett Owens, Board President
Executive Summary	
Governor Abbott called a special session on school choice which began October 9, 2023. The Board Legislative Subcommittee will provide an update of the special session and the potential impact on Lovejoy ISD.	
Fiscal Implications	
No fiscal implications.	
Administrator Recommendation	
Information only. No administrator recommendation.	
District Priority	
Priority 1: Lovejoy ISD students will live our Legacy of Excellence by learning at high levels and graduating life ready.	
Priority 2: Lovejoy ISD will value employees as our greatest asset in serving students.	
Priority 3: Lovejoy ISD will prioritize community, connection, and communication.	
Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.	

Board Legislative Subcommittee Update

October 30, 2023

October Board Meeting



LOVEJOY
INDEPENDENT SCHOOL DISTRICT

EST. 1917

Legislative Subcommittee Update: October 2023

- Completed

- Authored and Adopted Board Legislative Priorities for the special session
- Authored and sent communication to Representative Noble and Senator Paxton
- Authored and sent communication to our Lovejoy Community

- Coming Up

- Continue monitoring special session bills for potential impact to Lovejoy ISD.
- Communication of key opportunities for our community to get involved.

Education Bill Tracker: Senate Bills

Bill	Purpose	Status
SB 1	<ul style="list-style-type: none">• Creates Education Savings Accounts (ie: Vouchers) and appropriates \$500M in taxpayer dollars for the program.• Provides \$8,000 per student to pay for private school tuition and related expenses such as uniforms and textbooks.• Program overseen by the Comptroller's office, and authorizes five educational assistance organizations to administer the program for up to \$40M in fees.• Uses taxpayer funds meant for public education for private schools, ultimately reduces funding for Texas public schools.	<p>The Senate Education Committee met on October 10 and heard and passed SB 1. Bill then passed the full Senate. .</p> <p>The House Public Education Committee has not scheduled a hearing at this time.</p>
SB 2	<ul style="list-style-type: none">• Public Education Funding: Increases the basic allotment by \$75 per student.• Provides one-time teacher retention bonuses of \$10,000 per teacher in districts with fewer than 5,000 students. [Funding for future salary increases is not provided]• Increases the School safety allotment from \$10 per student to \$20 per student, and the per-campus allotment from \$15,000 to \$30,000.	<p>Referred to Senate Finance on October 9th and was heard and voted out of committee (15-0) on October 9th. The bill was passed out of the Senate (30-1) with 5 amendments.</p> <p>The House Public Education Committee has not scheduled a hearing at this time.</p>
SB 29	<p>Public School Student Transfers: (1) Mandates inter-district transfer program for all Texas public school districts (2) Mandates acceptance criteria priority for transfer students (3) Prohibits charging tuition to help narrow the existing gap in state funding versus the actual cost of education.</p>	<p>Filed on October 6, 2023 in the Senate. Bill does not have a scheduled hearing at this time, however language may have been inserted into other bills such as SB 77.</p>

Education Bill Tracker: House Bills

Bill Number	Purpose	Status
HB 1	<p>House Education Funding Bill, including Education Savings Accounts:</p> <ul style="list-style-type: none">• Directs \$2B of additional funding to public schools in the form of a \$30 increase to the Basic Allotment in 23-24 and \$310 in 24-25. Beginning in 2026, the basic allotment would include an inflation adjustment based on the Texas Consumer Price Index.• One-time teacher retention bonus is for districts using the minimum salary schedule.• Moves special education funding from attendance to enrollment based and increases the allotment for special education transportation. Creates a new allotment of \$500 per special education evaluation.• Amount of voucher is calculated based on a percentage of public school funding, estimated at approximately \$7,420 per eligible student. Bill caps the program at 25,000 students in year 1, and adds 25,000 more students each year for 3 additional years. The ESA program would expire in 2027 unless reauthorized by the Legislature, but students in the program would continue to receive funds until they are no longer eligible to attend public school	<p>Has not been referred to committee. Will likely not receive a committee hearing in the House <i>unless</i> the Governor adds funding for public schools to the special session call.</p>

Our Elected Representatives

SENATE DISTRICT 8

Senator Angela Paxton

Capitol Office: 3E.2
Capitol Phone: 512-463-0108
Capitol Address: PO Box 12068, Capitol
Station, Austin TX 78711

Email: angela.paxton@senate.texas.gov



HOUSE DISTRICT 89

Representative Candy Noble

Capitol Office: E1.414
Capitol Phone: 512-463-0186
Capitol Address: PO Box 2910,
Austin TX 78768

Email: candy.noble@house.texas.gov



House Public Education Committee Members

Role	Texas House	Senate
Chair	Brad Buckley (R-Salado)	Brandon Creighton (R-Conroe)
Vice Chair	Alma Allen (D-Houston)	Donna Campbell (R-New Braunfels)
Committee Members	<ul style="list-style-type: none">● Steve Allison (R-San Antonio)● Charles Cunningham (R-Humble)● Harold Dutton (D-Houston)● Cody Harris (R-Palestine)● Brian Harrison (R-Frisco)● Cole Hefner (R-Mount Pleasant)● Gina Hinojosa (D-Austin)● Ken King (R-Canadian)● Oscar Longoria (D-Mission)● Matt Schaefer (R-Tyler)● James Talarico (D-Round Rock)	<ul style="list-style-type: none">● Paul Bettencourt (R-Houston)● Brian Birdwell (R-Granbury)● Peter Flores (R-Pleasanton)● Phil King (R-Weatherford)● Morgan LaMantia (D-S. Padre Island)● José Menéndez (D-San Antonio)● Mayes Middleton (R-Galveston)● Tan Parker (R-Flower Mound)● Angela Paxton (R-McKinney)● Drew Springer (R-Muenster)● Royce West (D-Dallas)

Herrero Amendment - April 2023

- Proposed Amendment was to prohibit use of Taxpayer funds for private education.
- The Texas House currently has 85 Republicans, 64 Democrats and 1 vacancy.
- Republicans - 61 No Votes, 24 Yes Votes (listed below)
- Democrats - 64 Yes Votes

Ernest Bailes District 18 San Jacinto 512-463-0570

Keith Bell District 4 Forney 512-463-0458

DeWayne Burns District 58 Cleburne 512-463-0538

Travis Clardy District 11 Nacogdoches 512-463-0592

Charlie Geren District 99 Lake Worth 512-463-0610

Justin Holland District 33 Rockwall 512-463-0484

Kyle Kacal District 12 Bryan 512-463-0412

Ken King District 88 Canadian 512-463-0736

John Kuempel District 44 Seguin 512-463-0602

Stan Lambert District 71 Abilene 512-463-0718

Brooks Landgraf District 81 Odessa 512-463-0546

Andrew Murr District 53 Kerrville 512-463-0536

Angelia Orr District 13 Hillsboro 512-463-0600

Four Price District 87 Amarillo 512-463-0470

John Raney District 14 Bryan 512-463-0698

Hugh Shine District 55 Belton 512-463-0630

Reggie Smith District 62 Sherman 512-463-0297

Trent Ashby District 9 Lufkin 512-463-0508

Drew Darby District 72 San Angelo 512-463-0331

Glenn Rogers District 60 Mineral Wells 512-463-0656

David Spiller District 68 Jacksboro 512-463-0526

Gary VanDeaver District 1 New Boston 512-463-0692



THANK YOU



LOVEJOY ISD LEGISLATIVE PRIORITIES

2023-2024 Special Sessions for Education

Kids Come First

One Heart, One Lovejoy

Best Today, Better Tomorrow

INCREASE THE BASIC ALLOTMENT, NO STRINGS ATTACHED

Increased school funding is crucial to pay, recruit, and retain quality educators.

★ **We must prioritize increasing per-student funding from outdated 2019 rates.**

Educator salaries are the largest component of our school district budget. Additional funds are critically needed to keep pace with record high inflation and to provide meaningful teacher compensation increases.

- ★ Our children deserve better: Texas ranks in the bottom 10 of all 50 states for public education funding, and underfunds special education programs by over \$2 Billion annually. Yet, the state has accumulated a historically large budget surplus, made up in part by taxes collected for education that were never distributed to schools. We need to fund our future by sending these surplus dollars to where it matters most, our local schools.
- ★ Lawmakers should listen to the experts: The Texas Teacher Vacancy Task Force recommended increasing the basic allotment to fund a significant increase in overall teacher compensation.
- ★ We need a more stable, lasting solution: The basic allotment should be adjusted up annually for inflation, providing a sustainable path for annual state funded teacher pay increases.
- ★ Don't tie an increase in the basic allotment to vouchers: Texas should fund our public schools to a quality level before diverting public dollars to other programs.

PRESERVE LOCAL DECISION MAKING FOR EACH COMMUNITY

Don't mandate "open" ISD borders or "one size fits all" inter-district student transfer programs.

- ★ **We must preserve freedom for locally made decisions** based on our individual community's needs while maintaining expectations for financial accountability. A vast, diverse state cannot answer every challenge with a state-mandated solution.
- ★ A state mandated student inter-district transfer program (aka "open school district borders") would place a financial burden on our local taxpayers to subsidize the education of students that live outside of our taxing jurisdiction and attendance zone.
- ★ Local school districts should have full independence to determine the size and structure of student transfer programs, and must have the ability to guarantee enrollment to the children of our teachers first as a critical tool to recruit and retain talent.

PROTECT THE SUSTAINABILITY OF PUBLIC EDUCATION FUNDING

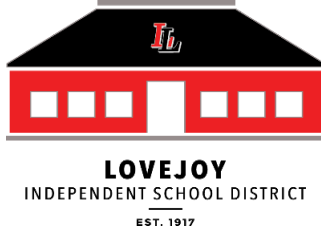
Fund our Public Schools first before considering an ESA / Voucher program.

- ★ **Public dollars should fund public schools.** Diversion of our tax dollars to other entities takes needed resources out of public school classrooms, hurts our ability to pay teachers, increases recapture, and reduces transparency for our taxpayers.
- ★ Education Savings Accounts (aka "vouchers") direct tax collections intended for local school districts over to other entities that are not publicly accountable for student performance, not required to provide special education services, and not required to provide visibility into their management of taxpayer resources. This is not good stewardship of our tax dollars.
- ★ All funds collected by the State through recapture should be used to fund traditional public education, and not to balance other lines of the state budget.



16. Discussion and Possible Action on a Resolution to Cast a Ballot for the Collin CAD Board of Directors

Presenter: Katie Kordel, Superintendent of Schools



Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Discussion and Possible Action on a Resolution to Cast a Ballot for the Collin CAD Board of Directors
Presented For	X Board Action Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Barrett Owens, Board President
Executive Summary	
<p>The Collin County Central Appraisal District (CAD) is governed by the Board of Directors of the Collin Central Appraisal District. The taxing entities that vote on the appraisal district's budget (county, city, school and special districts).</p> <p>The Lovejoy ISD Board of Trustees is allotted 66 votes by the Collin County CAD. The Board of Trustees may use their votes for up to five nominees listed on the attached ballot.</p>	
Fiscal Implications	
No fiscal implications.	
Administrator Recommendation	
It is of the recommendation of the Administration that the Board of Trustees cast their 66 votes for the Collin CAD Board of Directors and adopt the resolution.	
District Priority	
Priority 3: Lovejoy ISD will prioritize community, connection, and communication.	

RESOLUTION

A Resolution of the Lovejoy Independent School District

Voting _____
in as Board of Directors of the Collin Central Appraisal District.

WHEREAS, the Chief Appraiser of the Collin Central Appraisal District has been charged with the responsibility of conducting the election process to determine the membership of the Board of Directors of the Collin Central Appraisal District, according to the Texas Property Tax Code (TPTC) § 6.03; and

WHEREAS, each taxing unit, may vote by an official resolution one to five board nominees as a member of the Board of Directors; and

WHEREAS, the said taxing units, from among the votes received, cast their allocated number of votes by resolution to declare the five nominees who receive the largest cumulative vote totals to a one-year term on the Board of Directors.

THEREFORE, BE IT RESOLVED BY THE LOVEJOY INDEPENDENT SCHOOL DISTRICT:

SECTION 1. That the Board of Trustees of the Lovejoy ISD does hereby
nominate _____, who resides at _____
as a nominee to be a member of the Board of Directors of the Collin County Central Appraisal District.

SECTION 1a. That the Board of Trustees of the Lovejoy ISD does hereby
nominate _____, who resides at _____
as a nominee to be a member of the Board of Directors of the Collin County Central Appraisal District.

SECTION 1b. That the Board of Trustees of the Lovejoy ISD does hereby
nominate _____, who resides at _____
as a nominee to be a member of the Board of Directors of the Collin County Central Appraisal District.

SECTION 1c. That the Board of Trustees of the Lovejoy ISD does hereby
nominate _____, who resides at _____
as a nominee to be a member of the Board of Directors of the Collin County Central Appraisal District.

SECTION 1d. That the Board of Trustees of the Lovejoy ISD does hereby

nominate _____, who resides at _____
as a nominee to be a member of the Board of Directors of the Collin County Central Appraisal District.

SECTION 2. DULY RESOLVED AND ADOPTED by the lovejoy independent school district,
on this 30th day of October, 2023 :

APPROVED BY A VOTE OF ___ TO ___ ON _____, 2023.

Board President

Board Secretary

17. Presentation: Draft 2024-2025 District Calendar

Presenter: Dr. Laurie Tinsley, Assistant Superintendent of Curriculum and Instruction



LOVEJOY
INDEPENDENT SCHOOL DISTRICT
EST. 1917

Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Draft 2024-2025 District Calendar
Presented For	Board Action X Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	<p>Anna Koenig, Executive Director of Human Resources and Communications</p> <p>Dr. Laurie Tinsley, Assistant Superintendent of Curriculum and Instruction</p>
Executive Summary	
The draft 2024-2025 Lovejoy ISD district school calendar will be presented to the Board of Trustees for review.	
Fiscal Implications	
No fiscal implications.	
Administrator Recommendation	
Report/Review only.	
District Priority	
Priority 1: Lovejoy ISD students will live our Legacy of Excellence by learning at high levels and graduating life ready.	

Priority 2: Lovejoy ISD will value employees as our greatest asset in serving students.

Priority 3: Lovejoy ISD will prioritize community, connection, and communication.

Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.

Draft 2024-2025 District Calendar

Anna Koenig

Executive Director of Human Resources and
Communications

Laurie Tinsley, EdD

Assistant Superintendent of Curriculum and
Instruction

October 30, 2023

Board Meeting



LOVEJOY
INDEPENDENT SCHOOL DISTRICT

EST. 1917

Developing the School Calendar

- **75,600 Instructional Minutes**
- **45 Days Prior to the First Day of Instruction**
- **Establishing Priorities**
- **Balancing Semesters**
- **Feedback Opportunities**



Developing the School Calendar

- **Semesters Balanced 80/84**
- **August 8 First Day of School**
- **May 23 Last Day of School**
- **Student and Staff Holidays**
- **Professional Development Days**
- **Teacher Planning Days**



Student Attendance Account Handbook (SAAH)

- 2023-2024 SAAH was released on September 22, 2023.
- CTE Courses are required to be a minimum of 45 minutes long.
- Language was added to clarify the requirements for LEA-planned shortened schedules (pep rallies, early release, etc.).
- According to the new language, “each CTE course must be reviewed separately to determine the average minutes per day students attend that course.” To receive CTE weighted funding, courses must ensure that the average course length for the calendar year is at **least** 45 minutes.
- For LHS only, starting Nov. 9th through the end of the first semester, there will be no Leopard Time in order to make up the 65 minutes.



THANK YOU



2024-2025 LISD CALENDAR (DRAFT 10/30/23)

<p style="text-align: center;">JULY 2024</p> <table border="1"> <thead> <tr><th>S</th><th>M</th><th>T</th><th>W</th><th>T</th><th>F</th><th>S</th></tr> </thead> <tbody> <tr><td></td><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td></tr> <tr><td>7</td><td>8</td><td>9</td><td>10</td><td>11</td><td>12</td><td>13</td></tr> <tr><td>14</td><td>15</td><td>16</td><td>17</td><td>18</td><td>19</td><td>20</td></tr> <tr><td>21</td><td>22</td><td>23</td><td>24</td><td>25</td><td>26</td><td>27</td></tr> <tr><td>28</td><td>29</td><td>30</td><td>31</td><td></td><td></td><td></td></tr> </tbody> </table>	S	M	T	W	T	F	S		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31				<p style="text-align: center;">AUGUST 2024</p> <table border="1"> <thead> <tr><th>S</th><th>M</th><th>T</th><th>W</th><th>T</th><th>F</th><th>S</th></tr> </thead> <tbody> <tr><td></td><td></td><td></td><td></td><td>1</td><td>2</td><td>3</td></tr> <tr><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td><td>9</td><td>10</td></tr> <tr><td>11</td><td>12</td><td>13</td><td>14</td><td>15</td><td>16</td><td>17</td></tr> <tr><td>18</td><td>19</td><td>20</td><td>21</td><td>22</td><td>23</td><td>24</td></tr> <tr><td>25</td><td>26</td><td>27</td><td>28</td><td>29</td><td>30</td><td>31</td></tr> </tbody> </table>	S	M	T	W	T	F	S					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	<p style="text-align: center;">SEPTEMBER 2024</p> <table border="1"> <thead> <tr><th>S</th><th>M</th><th>T</th><th>W</th><th>T</th><th>F</th><th>S</th></tr> </thead> <tbody> <tr><td>1</td><td>2</td><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td></tr> <tr><td>8</td><td>9</td><td>10</td><td>11</td><td>12</td><td>13</td><td>14</td></tr> <tr><td>15</td><td>16</td><td>17</td><td>18</td><td>19</td><td>20</td><td>21</td></tr> <tr><td>22</td><td>23</td><td>24</td><td>25</td><td>26</td><td>27</td><td>28</td></tr> <tr><td>29</td><td>30</td><td></td><td></td><td></td><td></td><td></td></tr> </tbody> </table>	S	M	T	W	T	F	S	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30												
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29	30																																																																																																																																						

Important Dates - Fall		Important Dates - Spring		Calendar Key	
Aug 8	First Day of School	Jan 8	2nd Semester Begins	■	Staff / Student Holiday
Sept 2	Labor Day	Jan 20	Martin Luther King Day	■	Teacher Extended Planning
Oct 14-18	Fall Break	Jan 17	President's Day	■	Professional Development Day
Nov 25-29	Thanksgiving Break	Mar 17-21	Spring Break	■	Bad Weather Day
Dec 23-Jan 3	Winter Break	Apr 18	Spring Holiday	■	Staff Exchange Day
		May 24	Graduation	■	Graduation
					Grading Period Begins / Ends

18. Discussion and Possible Action on Senate Bill 763 Resolution

Presenter: Dr. Laurie Tinsley, Assistant Superintendent of Curriculum and Instruction



LOVEJOY
INDEPENDENT SCHOOL DISTRICT
EST. 1917

Lovejoy Independent School District Board of Trustees

Date of Meeting	October 30, 2023
Document Title	Discussion and Possible Action on Senate Bill 763 Resolution
Presented For	X Board Action Report/Review Only
Supporting Documents	None X Attached Provided Later
Administrator Responsible	Dr. Laurie Tinsley, Assistant Superintendent of Curriculum and Instruction

Executive Summary

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. The Administration will review the legislation and recommend a resolution for consideration.

Fiscal Implications

No fiscal implications.

Administrator Recommendation

The Administration recommends adoption of the attached resolution as presented.

District Priority

Priority 1: Lovejoy ISD students will live our Legacy of Excellence by learning at high levels and graduating life ready.

Priority 2: Lovejoy ISD will value employees as our greatest asset in serving students.

Priority 3: Lovejoy ISD will prioritize community, connection, and communication.

Priority 4: Lovejoy ISD will strategically plan for the safety and security of students and staff, financial sustainability, and effective operations.

**Resolution of the Lovejoy ISD Board of Trustees
to Employ or Accept as Volunteers Chaplains**

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;

NOW, THEREFORE, BE IT RESOLVED that the Board of Trustees of Lovejoy Independent School District hereby does not permit a District campus to employ or accept as a volunteer a chaplain to provide support, services, and programs for students at this time.

Adopted this 30th day of October, 2023, by the Board of Trustees.

Presiding officer's
signature:

Secretary's signature:

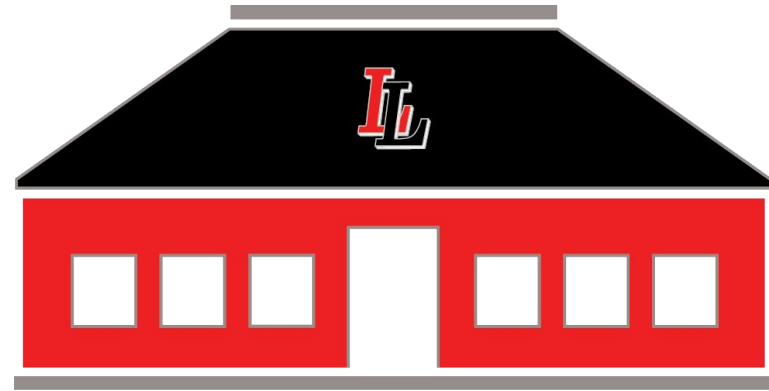
Discussion and Possible Action Senate Bill 763 - Resolution

Dr. LAURIE TINSLEY

Assistant Superintendent of Curriculum and
Instruction

OCTOBER 30, 2023

Board Meeting



LOVEJOY
INDEPENDENT SCHOOL DISTRICT

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Texas Education Code 23.001

Section 23.001 of the Texas Education Code permits school districts to employ or accept as a volunteer a chaplain to provide support, services, and programs for students as assigned by the Board of Trustees.

SENATE BILL 763

Chaplains on Campus

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.

RECOMMENDATION

Administration recommends consideration of the attached resolution to achieve compliance with Senate Bill 763.



THANK YOU

19. Cabinet Reports

Presenter: Executive Cabinet Members

19.A. Dr. Laurie Tinsley, Curriculum and Instruction - Deloitte, Courageous Principals

Presenter: Dr. Laurie Tinsley, Assistant Superintendent of Curriculum and Instruction

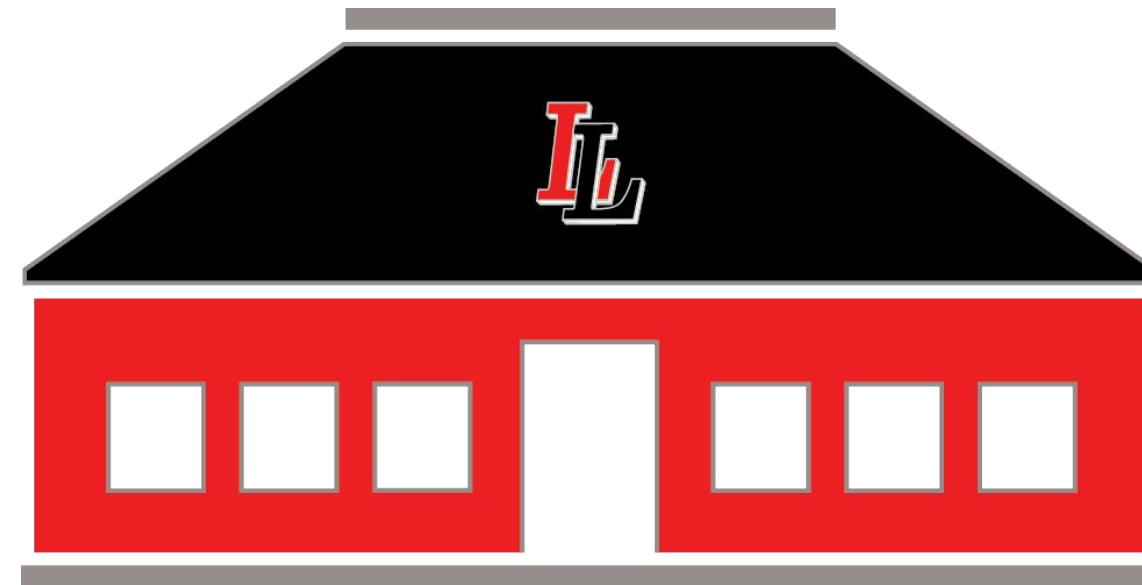
Curriculum and Instruction Cabinet Report

DR. LAURIE TINSLEY

Assistant Superintendent of Curriculum and Instruction

October 30, 2023

Board Meeting



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COURAGEOUS PRINCIPALS TRAINING

AWESOME
LEARNING!

Deloitte's Courageous Principals training programs are award-winning, school leadership development programs that equip K-12 leaders, superintendents, principals, and assistant principals, with the necessary skills to become more effective school leaders and ensure the students in our schools today can reach their full potential.

Principal leadership is a **significant factor driving high performance of students.**

School leaders are uniquely positioned to impact teacher performance and student outcomes.

The more effective principals are as leaders, the more **resourceful, instructive, and effective** our school systems can become.



THE COURAGEOUS PRINCIPALS TRAINING PROGRAM

Over the 2.5 day training, this leadership development program offers....

- An immersive and dynamic curriculum targeted for K-12 leaders;
- Lead by accomplished facilitators experienced in leadership and influencer techniques;
- Experimental and problem-based learning leveraging real- life principal challenges; and
- Expanded professional networks and team-based learning to share ideas and work together to develop collaborative strategies.

Levels Offered

Courageous Principals 1

Courageous Principals 2

27

Campus and
District Leaders



19.B. Thomas Willman, Finance - Finance Updates, Professional Learning, and Student Nutrition

Presenter: Thomas Willman, Chief Financial Officer

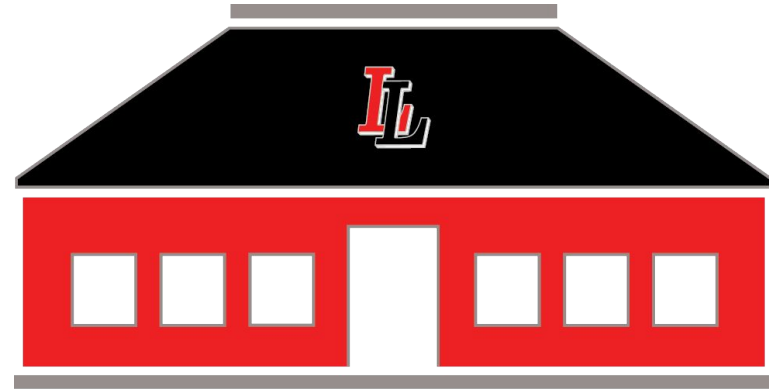
Finance Cabinet Report

THOMAS WILLMAN

Chief Financial Officer

October 30, 2023

Board Meeting



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INDEPENDENT SCHOOL DISTRICT

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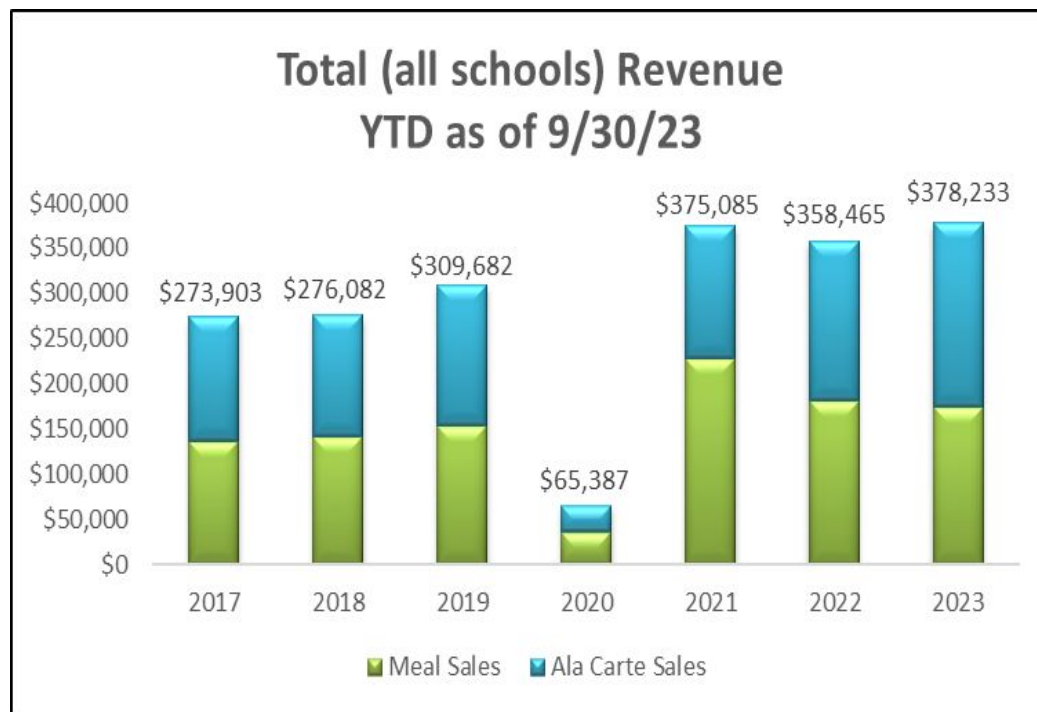
Finance Updates

- ❑ ~\$9,593 in base tax collections and \$58,017 in delinquent taxes in September for the General Fund and earned \$59K in interest revenue for the month.
- ❑ ~\$5,087 in base tax collections and \$27,886 in delinquent taxes in September for the Debt Service Fund and earned \$7K in interest revenue for the month.
- ❑ At the end of September we have 133 days cash on hand in the General Fund. This is an updated calculation reflecting the amended budget and the reduction of the recapture expense from the adopted budget.

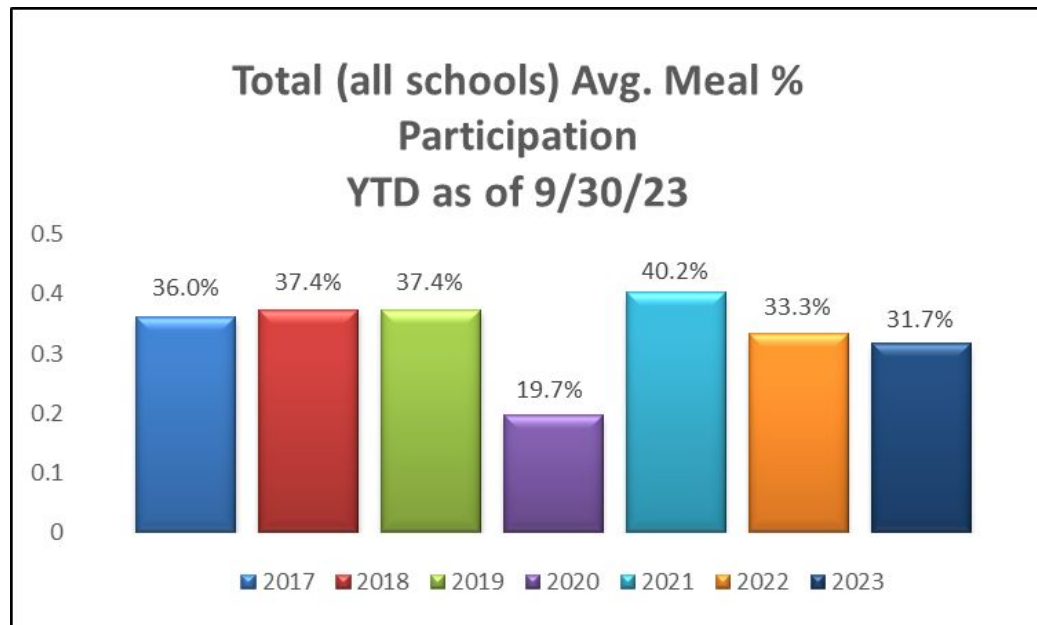
Professional Learning: 9/29/2023



Student Nutrition Updates



- Revenue generated through meal and ala carte sales are slightly higher in the current year through September 30 compared to the past two years.
 - This is largely due to ala carte sales.
 - Overall average meal participation is down slightly.



Student Nutrition- Puster's Old Dish Machine



Student Nutrition- Puster's New Dish Machine



Student Nutrition- Puster's New Deck Ovens & Steamer



Student Nutrition- LHS Old Dish Machine



Student Nutrition- LHS New Dish Machine



Student Nutrition- LHS New Deck Ovens & Ice Machine





THANK YOU

19.C. Anna Koenig, Human Resources and Communications - Guest Educator Training and Fill Rates Updates

Presenter: Anna Koenig, Executive Director of Human Resources and Communications

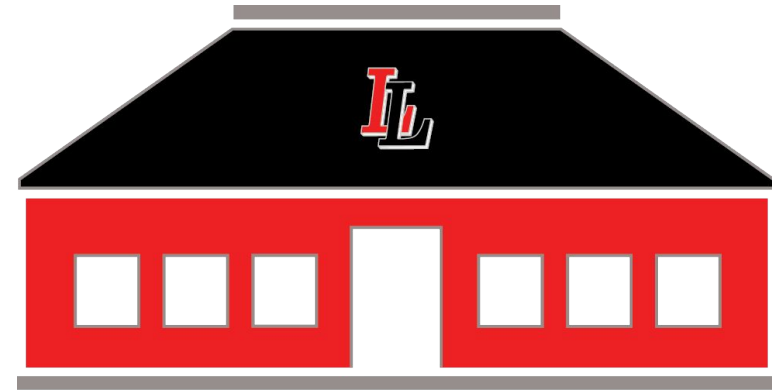
Human Resources and Communications Cabinet Report

ANNA KOENIG

Executive Director of Human Resources and
Communications

October 30, 2023

Board Meeting



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Number of LISD Guest Educators

School Year 2022-2023	101
Resignations/Retirements	32
New Hires for 2023-2024	3

School Year 2023-2024	115
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Guest Educator Training

Special Education	54
Stop the Bleed	22
In-Person Safety & Security	58



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Guest Educators Fill Rates

School Year	2022-2023	2023-2024
August	73%	77%
September	66%	73%
October	64%	82%



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Guest Educators Special Education Teacher Fill Rates

School Year	2022-2023	2023-2024
August	35%	65%
September	54%	69%
October	35%	68%



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THANK YOU

19.D. Kevin Parker, Student Services - Athletics and Fine Arts Updates
Presenter: Kevin Parker, Executive Director of Student Services

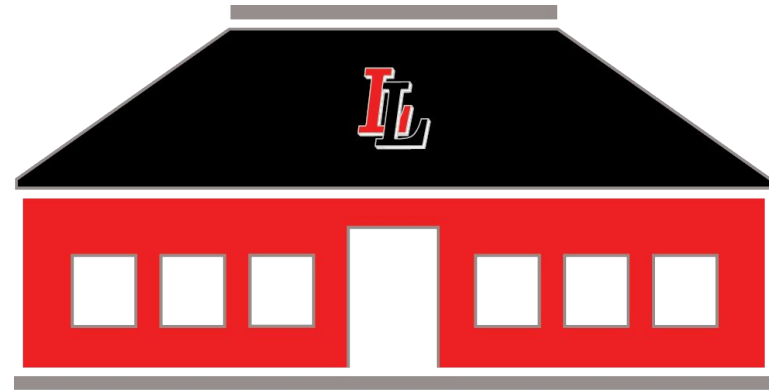
Student Services Cabinet Report

Kevin Parker

Executive Director of Student Services

October 30, 2023

Board Meeting



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INDEPENDENT SCHOOL DISTRICT

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Cabinet Report

Student Services

Athletics

- Boys and Girls XC are Regional Champions!
 - State Meet is Friday, November 3
 - Girls run at 8:30 AM
 - Boys run at 9:10 AM



Athletics

- Team Tennis advanced to the 3rd Round of the playoffs
- Volleyball begins its playoff run Tuesday, October 31
 - Will play against Lancaster HS @ Dallas Bryan Adams
 - Game time is 6:30 PM

Fine Arts

- Marching Band has wrapped up their season
- Bands of America performance on October 14
 - AA Champions
 - Awarded AA Outstanding Music and General Effect





THANK YOU

19.E. Kyle Pursifull, District Support Services - Maintenance and Operations, Safety and Security, and Custodial Updates

Presenter: Kyle Pursifull, Executive Director of District Support Services

District Support Services Cabinet Report

Kyle Pursifull

Executive Director of District Support Services

October 30, 2023

Board Meeting



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Maintenance

Facilities

Grounds

Custodial

Safety &
Security



Maintenance & Grounds

Alex Roman

Supervisor

Maintenance & Grounds Team Update



Maintenance & Grounds Team Update



Maintenance & Grounds Team Update



Maintenance & Grounds Team Update



Maintenance & Grounds Team Update



Custodial

Rigo Valdivia

Supervisor

Custodial Team Update



Custodial Team Update



Safety & Security

Casey Littlefield

Director

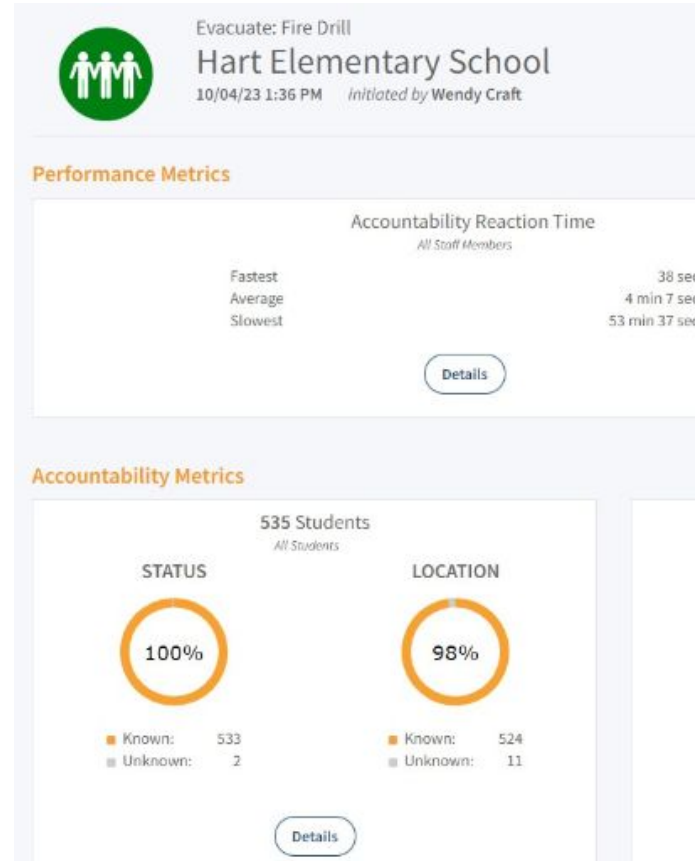
Local First Responders 2-way Radio Assessment



Safety and Security Team Update



Safety and Security Team Update



Safety and Security Team Update



Safety and Security Team Update





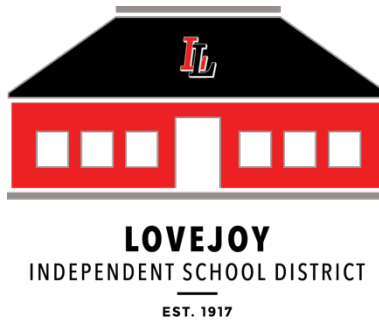
THANK YOU

20. Superintendent's Report

Presenter: Katie Kordel, Superintendent of Schools

21. Public Comments Related to Non-Agenda Items

Presenter: Rodricka Taylor, Coordinator for the Superintendent and Board Services



Public Comment Procedures

Regular Meetings

Submitting for Public Comment

Any individual seeking to speak during the public comment session of a regular board meeting must complete and submit the public comment card by no later than 15 minutes prior to the designated start time provided on the meeting notice.

Public comment cards must be completed in their entirety with accurate and truthful information and must designate whether the speaker is speaking on a specific agenda item. Failure to designate an agenda item relevant to the speaker's comments will result in the classification of the public comment as a non-agenda item comment, to be heard at a later time in the meeting.

The Board will provide speakers that submit a public comment card on an agenda item the opportunity to speak prior to the Board's consideration of the item in the order in which they were received.

Public comment cards are only applicable to the meeting in which they are completed and submitted by the established deadline.

Each individual gets one opportunity per meeting to share their comments with the Board of Trustees, not multiple opportunities per individual agenda items.

If a speaker is not present when his/her name is called, the speaker forfeits the opportunity to speak at that meeting.

The comments made by speakers at public comment reflect the opinions solely of the speaker and not the Board of Trustees as a governing body or the District.

Order of Agenda and Limitations

The Board reserves the right to change the order of the agenda items on the notice of meeting and / or defer agenda items until a later date.

Each speaker will be provided up to three minutes to address the Board of Trustees unless more than 10 speakers sign up to speak, in which case, the presiding officer reserves the right to reduce the time allotted to each speaker to no less than one minute per speaker. (Board Policy BED (LOCAL)).

If at any time, in the opinion of the presiding officer, the individual speaker is attempting to address a non-agenda item in the agenda item public comment period, the presiding officer or designee may stop the speaker and defer the speaker's comments to the appropriate portion of the meeting.

Public comments relating to non-agenda items will be deferred until the end of the meeting if time permits, unless otherwise noted by the Board of Trustees.

Disruptive Behavior

Disruptive behavior will not be tolerated in the meeting. If after the provision of a single warning, the disruptive behavior continues, the disruptive individual may be escorted out of the meeting by District officials and/or law enforcement.

It is a criminal offense for a person, with intent to prevent or disrupt a lawful meeting, to substantially obstruct or interfere with the ordinary conduct of a meeting by physical action or verbal utterance.

Conduct defined by Texas Penal Code §42.01 and Board Policies BED (LEGAL) and BED (LOCAL).

Failure to yield the podium at the conclusion of the time allotted to a speaker at public comment constitutes a disruption and will be addressed accordingly.

Comments made to the Board of Trustees by meeting attendees and/or speakers outside of the designated public comment periods during a meeting constitute a disruption.

Board's Response to Public Comment

Specific factual information or recitation of existing policy may be furnished in response to inquiries, but the Board shall not deliberate or decide regarding any subject that is not included on the agenda posted with notice of the meeting. The Board may also refer a speaker to a staff member in authority over the issue.

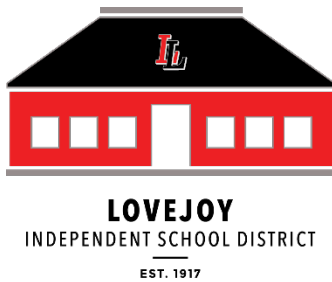
For specific complaints or concerns, speakers are encouraged to utilize the District's appropriate grievance procedures and policies set forth in Board Policies FNG (LOCAL), DGBA (LOCAL), and GF (LOCAL).

Special Meetings

The procedures outlined herein apply to special called Board meetings. However, comments at special called Board meetings are limited to agenda items only.

Statement of Non-Discrimination

The Board does not discriminate against speech on the basis of viewpoint.



School Board Public Comments Sign In October 30, 2023

The Board of Trustees encourages public comment. All public comment at a meeting other than a regularly scheduled meeting should be limited to agenda items posted for the meeting. By signing up to provide public comment at a Board meeting, you are acknowledging and accepting the procedures for public comment available online at lovejoyisd.net.

Any individual seeking to speak during the public comment session of a regular board meeting must complete and submit the public comment card by no later than 15 minutes prior to the designated start time provided on the meeting notice. Public comment cards must be completed in their entirety with accurate and truthful information and must designate whether the speaker is speaking on a specific agenda item. Failure to designate an agenda item relevant to the speaker's comments will result in the classification of the public comment as a non-agenda item comment, to be heard at a later time in the meeting. Public comment cards are only applicable to the meeting in which they are completed and submitted by the established deadline.

Each individual will have one opportunity per meeting to share their comments with the Board of Trustees, not multiple opportunities per individual agenda items. If a speaker is not present when his/her name is called, the speaker forfeits the opportunity to speak at that meeting. All speakers will be limited to no more than three minutes. The presiding officer reserves the right to reduce the number of minutes per speaker to no less than one minute per speaker in order to maintain effective meeting management. The speakers will be recognized in the order in which each person signs up. If there are more speakers than time allotted for public comment, the amount of time per speaker may be reduced, as determined appropriate by the Board of Trustees. If time does not allow for you to speak at public comment, the Board of Trustees may allot additional time for public comment or defer specific agenda items for review at a subsequent meeting in an effort to allow more public comment, as determined necessary by the Board. This public comment card will not be maintained from one meeting to the next and is only applicable to the meeting on the date in which it was submitted.

If you have a specific concern related to an employee of the District or a specific student issue, you are encouraged to utilize the District's grievance procedures provided in Board Policies DGBA (LOCAL), FNG (LOCAL), and GF (LOCAL) or applicable grievance process. Each grievance procedure allows for an individual to redress grievances with the Board of Trustees. All relevant policies are available online at lovejoyisd.net.

Disruptive behavior will not be tolerated in the meeting. If after the provision of a single warning, the disruptive behavior continues, the disruptive individual may be escorted out of the meeting by District officials and/or law enforcement. It is a criminal offense for a person, with intent to prevent or disrupt a lawful meeting, to substantially obstruct or interfere with the ordinary conduct of a meeting by physical action or verbal utterance.

The Board of Trustees appreciates your active participation in the school district.

***I wish to address the Board about a non-agenda item on the October 30, 2023 agenda.**

I wish to speak about agenda item #_____ which is titled:

***I wish to participate in the open forum by speaking about the following topic:**

First and Last Name:

Address:

Phone:

Organization and Campus(es) your student(s) attend (if applicable):

Printed Name & Signature (Acknowledging you have read the procedures above)

Print:

Signature:

Date:

22. Announcements

Presenter: Barrett Owens, President

23. Adjournment

Presenter: Barrett Owens, President