

**ACTION ITEM: CONSIDER ACCEPTANCE OF INDEPENDENT
AUDITORS REPORT FOR 2017-2018**

BACKGROUND INFORMATION:

The firm of Weaver and Tidwell, L.L.P. has completed the required independent audit report for the year ending June 30, 2018. Representatives from Weaver will be in attendance to present the report and answer any questions.

The audit will show a combined fund balance in all governmental funds of \$18,516,837, which is \$36,199,314, less than last year's total of \$54,716,151. Included in this period's total change in fund balance is a decrease of \$27,212,592 in Capital Projects Fund resulting from new construction, \$3,409,794 decrease in Debt Service Fund to offset revenue shortage from I&S tax rate reduction, and \$5,391,145 decrease in General Operating Fund. The General Operating Fund balance will show a decrease in Restricted Fund Balance of \$4,585,364, which is due to the expenditure of the loan proceeds for the Energy Conservation upgrades, and a decrease of \$806,965 in Unassigned Fund Balance due to expenditures exceeding revenues during the 2018 fiscal year. \$13,201,816 of the General Fund balance, or 14% of the total general fund expenditures, is unassigned and available for use within the District's fund balance policies. The Child Nutrition fund balance decreased \$222,846 as required by TDA to maintain appropriate fund balance levels. The current Child Nutrition fund balance of \$966,741 is within acceptable levels.

RECOMMENDATION:

Approve as presented.

ACTION REQUIRED:

Record vote.

CONTACT PERSON:

Dr. D'Andre Weaver
Mrs. Deborah Cabrera
Mrs. Gisselle Rivera-Franco

ENCLOSURES:

Annual Financial Report – Delivered Under Separate Cover