



UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

TOPIC: Approval of Independent Audit Report for the Year Ended August 31, 2020

SUBMITTED BY: Samuel D. Flores **OF:** Comptroller

APPROVED FOR TRANSMITTAL TO SCHOOL BOARD: _____

DATE ASSIGNED FOR BOARD CONSIDERATION: January 19, 2021

RECOMMENDATION:

It is recommended that the Board of Trustees approve the independent audit report for the year ended August 31, 2020, as presented by the independent audit firm of Cascos & Associates, PC.

RATIONALE:

The Board is required to have accounting documents and records audited annually by an independent auditor. The current audit report contains an "unmodified" opinion indicating the financial statements and all accompanying notes and information present fairly the financial position of the District. The audit firm will present preliminary audit findings at the Business Committee Meeting and will present the final audit report at the regularly scheduled board meeting of January 19, 2021.

BUDGETARY INFORMATION:

N/A

BOARD POLICY REFERENCE AND COMPLIANCE:

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**UNITED INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED
AUGUST 31, 2020**

Excerpt from Comprehensive Annual Financial Report

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UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
AUGUST 31, 2020

EXHIBIT A-1

Data Control Codes	Primary Government
	Governmental Activities
ASSETS	
1110 Cash and Cash Equivalents	\$ 132,467,738
1120 Current Investments	35,031,000
1220 Property Taxes - Delinquent	5,399,492
1230 Allowance for Uncollectible Taxes	(2,259,179)
1240 Due from Other Governments	29,650,837
1250 Accrued Interest	394,987
1290 Other Receivables, Net	278,386
1300 Inventories	2,176,393
Capital Assets:	
1510 Land	54,142,727
1520 Buildings, Net	472,140,087
1530 Furniture and Equipment, Net	23,387,770
1580 Construction in Progress	22,637,877
1000 Total Assets	775,448,115
DEFERRED OUTFLOWS OF RESOURCES	
1701 Deferred Charge for Refunding	15,002,830
1702 Deferred Outflow Related to Future Expenses	8,157,494
1705 Deferred Outflow Related to TRS Pension	70,061,050
1706 Deferred Outflow Related to TRS OPEB	32,251,050
1700 Total Deferred Outflows of Resources	125,472,424
LIABILITIES	
2110 Accounts Payable	15,095,990
2160 Accrued Wages Payable	13,631,077
2180 Due to Other Governments	13,033,405
2190 Due to Student Groups	79,427
2200 Accrued Expenses	2,252,212
2300 Unearned Revenue	493,462
2400 Payable from Restricted Assets	315,474
Noncurrent Liabilities:	
2501 Due Within One Year	31,138,437
2502 Due in More Than One Year	560,307,079
2540 Net Pension Liability (District's Share)	142,191,411
2545 Net OPEB Liability (District's Share)	173,952,257
2000 Total Liabilities	952,490,231
DEFERRED INFLOWS OF RESOURCES	
2605 Deferred Inflow Related to TRS Pension	28,351,974
2606 Deferred Inflow Related to TRS OPEB	75,254,330
2600 Total Deferred Inflows of Resources	103,606,304
NET POSITION	
3200 Net Investment in Capital Assets	77,231,135
3820 Restricted for Federal and State Programs	1,294,921
3850 Restricted for Debt Service	8,692,409
3860 Restricted for Capital Projects	88,692,397
3890 Restricted for Other Purposes	2,818,255
3900 Unrestricted	(333,905,116)
3000 Total Net Position	\$ (155,175,999)

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

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UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2020

EXHIBIT B-1

Data Control Codes	1	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		3	4	6
	Expenses	Charges for Services	Operating Grants and Contributions	Primary Gov. Governmental Activities
Primary Government:				
GOVERNMENTAL ACTIVITIES:				
11 Instruction	\$ 287,036,852	\$ 33,391	\$ 32,109,768	\$ (254,893,693)
12 Instructional Resources and Media Services	8,186,464	-	63,090	(8,123,374)
13 Curriculum and Instructional Staff Development	5,117,729	-	4,051,474	(1,066,255)
21 Instructional Leadership	11,710,528	-	2,308,844	(9,401,684)
23 School Leadership	32,448,955	-	342,067	(32,106,888)
31 Guidance, Counseling, and Evaluation Services	20,427,495	-	3,206,536	(17,220,959)
32 Social Work Services	3,731,133	-	-	(3,731,133)
33 Health Services	5,619,154	-	-	(5,619,154)
34 Student (Pupil) Transportation	21,086,901	-	-	(21,086,901)
35 Food Services	31,299,027	157,259	24,817,338	(6,324,430)
36 Extracurricular Activities	16,093,502	4,768,539	-	(11,324,963)
41 General Administration	14,769,355	143,526	37,446	(14,588,383)
51 Facilities Maintenance and Operations	46,406,283	-	3,123,653	(43,282,630)
52 Security and Monitoring Services	11,824,766	-	2,619	(11,822,147)
53 Data Processing Services	3,663,489	-	-	(3,663,489)
61 Community Services	866,776	-	531,418	(335,358)
72 Debt Service - Interest on Long-Term Debt	20,434,757	-	-	(20,434,757)
73 Debt Service - Bond Issuance Cost and Fees	1,405,377	-	-	(1,405,377)
95 Payments to Juvenile Justice Alternative Ed. Prg.	86,894	-	-	(86,894)
99 Other Intergovernmental Charges	2,185,671	-	-	(2,185,671)
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 544,401,108	\$ 5,102,715	\$ 70,594,253	(468,704,140)

Data Control Codes	General Revenues:	
	Taxes:	
MT	Property Taxes, Levied for General Purposes	181,841,415
DT	Property Taxes, Levied for Debt Service	42,923,071
SF	State Aid - Formula Grants	171,455,499
GC	Grants and Contributions not Restricted	45,272,376
IE	Investment Earnings	3,126,048
MI	Miscellaneous Local and Intermediate Revenue	2,694,745
TR	Total General Revenues	447,313,154
CN	Change in Net Position	(21,390,986)
NB	Net Position - Beginning	(133,785,013)
NE	Net Position - Ending	\$ (155,175,999)

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

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UNITED INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
AUGUST 31, 2020

Data Control Codes	10 General Fund	20 COVID-19 ESSER	50 Debt Service Fund
ASSETS			
1110 Cash and Cash Equivalents	\$ 67,863,279	\$ -	\$ 8,708,669
1120 Investments - Current	-	-	-
1220 Property Taxes - Delinquent	4,490,574	-	908,918
1230 Allowance for Uncollectible Taxes	(1,932,043)	-	(327,136)
1240 Due from Other Governments	11,875,079	14,104,661	274,217
1250 Accrued Interest	-	-	-
1260 Due from Other Funds	17,454,389	-	-
1290 Other Receivables	230,526	-	-
1300 Inventories	2,176,393	-	-
1000 Total Assets	<u>102,158,197</u>	<u>14,104,661</u>	<u>9,564,668</u>
DEFERRED OUTFLOWS OF RESOURCES			
1702 Deferred Outflow Related to Future Expenditures	8,157,494	-	-
1700 Total Deferred Outflows of Resources	<u>8,157,494</u>	<u>-</u>	<u>-</u>
1000A Total Assets and Deferred Resource Outflows	<u>\$ 110,315,691</u>	<u>\$ 14,104,661</u>	<u>\$ 9,564,668</u>
LIABILITIES			
2110 Accounts Payable	\$ 8,815,092	\$ 265,057	\$ -
2160 Accrued Wages Payable	12,813,555	-	-
2170 Due to Other Funds	709,983	13,839,604	-
2180 Due to Other Governments	12,742,928	-	290,477
2190 Due to Student Groups	-	-	-
2300 Unearned Revenue	430,506	-	-
2400 Payable from Restricted Assets	315,474	-	-
2000 Total Liabilities	<u>35,827,538</u>	<u>14,104,661</u>	<u>290,477</u>
DEFERRED INFLOWS OF RESOURCES			
2601 Unavailable Revenue - Property Taxes	2,903,329	-	581,782
2600 Total Deferred Inflows of Resources	<u>2,903,329</u>	<u>-</u>	<u>581,782</u>
FUND BALANCES			
Nonspendable Fund Balance:			
3410 Inventories	2,176,393	-	-
Restricted Fund Balance:			
3450 Federal or State Funds Grant Restriction	51,653	-	-
3470 Capital Acquisition and Contractual Obligation	1,930,384	-	-
3480 Retirement of Long-Term Debt	-	-	8,692,409
3490 Other Restricted Fund Balance	-	-	-
Committed Fund Balance:			
3510 Construction	5,902,331	-	-
Assigned Fund Balance:			
3580 Self-Insurance	125,000	-	-
3600 Unassigned Fund Balance	61,399,064	-	-
3000 Total Fund Balances	<u>71,584,824</u>	<u>-</u>	<u>8,692,409</u>
4000 Total Liabilities, Deferred Inflows & Fund Balances	<u>\$ 110,315,691</u>	<u>\$ 14,104,661</u>	<u>\$ 9,564,668</u>

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

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EXHIBIT C-1

60 Capital Projects	Other Funds	Total Governmental Funds
\$ 44,168,285	\$ 7,505,656	\$ 128,245,889
35,000,000	31,000	35,031,000
-	-	5,399,492
-	-	(2,259,179)
-	3,396,880	29,650,837
394,896	91	394,987
224,688	-	17,679,077
40,388	1,700	272,614
-	-	2,176,393
<u>79,828,257</u>	<u>10,935,327</u>	<u>216,591,110</u>
-	-	8,157,494
-	-	8,157,494
<u>\$ 79,828,257</u>	<u>\$ 10,935,327</u>	<u>\$ 224,748,604</u>
\$ 3,446,638	\$ 1,207,737	\$ 13,734,524
-	817,522	13,631,077
67,861	2,461,629	17,079,077
-	-	13,033,405
-	79,427	79,427
-	62,956	493,462
-	-	315,474
<u>3,514,499</u>	<u>4,629,271</u>	<u>58,366,446</u>
-	-	3,485,111
-	-	3,485,111
-	-	2,176,393
-	-	51,653
76,313,758	4,545,924	82,790,066
-	-	8,692,409
-	1,760,132	1,760,132
-	-	5,902,331
-	-	125,000
-	-	61,399,064
<u>76,313,758</u>	<u>6,306,056</u>	<u>162,897,047</u>
<u>\$ 79,828,257</u>	<u>\$ 10,935,327</u>	<u>\$ 224,748,604</u>

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UNITED INDEPENDENT SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE
STATEMENT OF NET POSITION
AUGUST 31, 2020

EXHIBIT C-2

Total Fund Balances - Governmental Funds	\$ 162,897,047
1 The District uses internal service funds to charge the costs of certain activities, such as self-insurance to appropriate functions in other funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. The net effect of this consolidation is to increase net position.	17,770
2 Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds. At the beginning of the year, the cost of these assets was \$942,786,195, the accumulated depreciation was (\$369,572,745), the deferred charge on refunding of \$2,445,950 and the OPEB beginning balance of (\$57,691,689). In addition, long-term liabilities, including bonds payable, Public Property Finance Contractual Obligations (PPFCO's), leases and Loan Star IV Program totaled (\$593,545,547) and other long-term liabilities of (\$5,363,589) are not due and payable in the current period, and, therefore are not reported as liabilities in the funds. The net effect of including the beginning balances for capital assets (net of depreciation) and long-term debt in the governmental activities is to (decrease) net position.	(80,941,425)
3 Current year capital outlays of \$27,358,189 (\$27,696,003 from facilities acquisition and construction with an adjustment of \$337,814 coming from the various other functions), long-term debt principal payments of \$20,782,529, amortization of premiums in the amount of \$4,844,869, the reductions of \$5,007,798 of other liabilities, the reduction on the Capital Appreciation Bonds of \$2,847,471, capital lease payment of \$2,199,148 and Loan Star payment \$858,505, the refunded General Obligation Bonds of \$125,625,000 and the Refunded Deferred Charge of \$14,837,422, are the expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of refunding General Obligation Bonds of \$124,980,000 and the premium of \$16,843,419, the Amortization of \$1,742,970, the retirement of capital assets of \$201,670, the accretion on Capital Appreciation Bonds of \$786,107, the accumulation of other benefits of \$5,677,174, and the 2020 PPFCO of \$6,415,000 in the financial statements should be as decreases in capital assets and increases in long-term debt in the government-wide financial statements. The net effect of including the 2020 capital outlays and debt principal payments is to increase net position.	47,714,591
4 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. The net position related to TRS included a deferred resource outflow in the amount of \$70,061,050, a deferred resource inflow in the amount of \$28,351,974, and a net pension liability in the amount of \$142,191,411. This resulted in an increase(decrease) in net position.	(100,482,335)
5 Included in the items related to debt is the recognition of the District's proportionate share of the net OPEB liability required by GASB 75. The net position related to TRS included a deferred resource outflow in the amount of \$32,251,050, a deferred resource inflow in the amount of \$75,254,330, and a net OPEB liability in the amount of \$173,952,257 (Beginning Balance in Paragraph 2 stated above of \$57,691,689 less ending net OPEB liability of \$216,955,537). This resulted in an increase(decrease) in net position.	(159,263,848)
6 The 2019 depreciation expense of \$28,241,064 net of adjustments/disposals of \$179,557 decreases accumulated depreciation. The net effect of the current year's depreciation is to (decrease) net position.	(28,061,507)
7 Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, eliminating interfund transactions, reclassifying the proceeds of bond sales as an increase in bonds payable, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.	2,943,709
19 Net Position of Governmental Activities	\$ (155,175,999)

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

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UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED AUGUST 31, 2020

Data Control Codes	10 General Fund	20 COVID-19 ESSER	50 Debt Service Fund
REVENUES:			
5700 Total Local and Intermediate Sources	\$ 184,190,355	\$ -	\$ 43,547,984
5800 State Program Revenues	192,062,233	-	439,870
5900 Federal Program Revenues	26,154,592	12,793,808	-
5020 Total Revenues	<u>402,407,180</u>	<u>12,793,808</u>	<u>43,987,854</u>
EXPENDITURES:			
Current:			
0011 Instruction	212,188,651	9,652,081	-
0012 Instructional Resources and Media Services	6,732,718	-	-
0013 Curriculum and Instructional Staff Development	383,683	-	-
0021 Instructional Leadership	8,094,469	60,078	-
0023 School Leadership	26,245,982	-	-
0031 Guidance, Counseling, and Evaluation Services	15,489,596	-	-
0032 Social Work Services	3,416,366	-	-
0033 Health Services	5,110,534	-	-
0034 Student (Pupil) Transportation	16,821,393	-	-
0035 Food Services	22,307,333	-	-
0036 Extracurricular Activities	13,159,739	-	-
0041 General Administration	13,518,631	-	-
0051 Facilities Maintenance and Operations	37,822,051	3,081,649	-
0052 Security and Monitoring Services	10,586,518	-	-
0053 Data Processing Services	3,287,969	-	-
0061 Community Services	274,109	-	-
Debt Service:			
0071 Principal on Long-Term Debt	5,982,204	-	20,705,000
0072 Interest on Long-Term Debt	1,055,930	-	21,695,068
0073 Bond Issuance Cost and Fees	-	-	1,343,755
Capital Outlay:			
0081 Facilities Acquisition and Construction	223,588	-	-
Intergovernmental:			
0095 Juvenile Justice Alternative Education Program	86,894	-	-
0099 Webb County Appraisal District	2,185,671	-	-
6030 Total Expenditures	<u>404,974,028</u>	<u>12,793,808</u>	<u>43,743,823</u>
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,566,848)</u>	<u>-</u>	<u>244,031</u>
OTHER FINANCING SOURCES (USES):			
7901 Refunding Bonds Issued	-	-	124,980,000
7914 Non-Current Loans	-	-	-
7915 Transfers In	-	-	-
7916 Premium or Discount on Issuance of Bonds	-	-	16,843,419
8911 Transfers Out (Use)	(6,098,707)	-	-
8940 Payment to Bond Refunding Escrow Agent (Use)	-	-	(140,462,422)
7080 Total Other Financing Sources (Uses)	<u>(6,098,707)</u>	<u>-</u>	<u>1,360,997</u>
1200 Net Change in Fund Balances	(8,665,556)	-	1,605,028
0100 Fund Balance - September 1 (Beginning)	80,250,380	-	7,087,381
3000 Fund Balance - August 31 (Ending)	<u>\$ 71,584,824</u>	<u>\$ -</u>	<u>\$ 8,692,409</u>

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

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EXHIBIT C-3

	60 Capital Projects	Other Funds	Total Governmental Funds
\$	5,388,707	\$ 2,727,725	\$ 235,854,771
	-	3,980,592	196,482,695
	-	34,411,768	73,360,168
	5,388,707	41,120,085	505,697,634
	-	24,187,850	246,028,581
	-	63,090	6,795,808
	-	4,051,474	4,435,157
	-	2,252,416	10,406,963
	-	2,751,955	28,997,937
	-	2,851,670	18,341,266
	-	-	3,416,366
	-	-	5,110,534
	-	63,200	16,884,593
	-	5,307,204	27,614,537
	-	-	13,159,739
	-	48,540	13,567,171
	-	42,004	40,945,704
	-	82,916	10,669,434
	-	-	3,287,969
	-	531,418	805,527
	-	-	26,687,204
	-	-	22,750,998
	-	61,622	1,405,377
	27,472,415	-	27,696,003
	-	-	86,894
	-	-	2,185,671
	27,472,415	42,295,359	531,279,434
	(22,083,708)	(1,175,274)	(25,581,799)
	-	-	124,980,000
	-	6,415,000	6,415,000
	6,098,707	-	6,098,707
	-	-	16,843,419
	-	-	(6,098,707)
	-	-	(140,462,422)
	6,098,707	6,415,000	7,775,997
	(15,985,001)	5,239,726	(17,805,803)
	92,298,759	1,066,330	180,702,850
\$	76,313,758	\$ 6,306,056	\$ 162,897,047

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UNITED 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 AUGUST 31, 2020

EXHIBIT C-4

Total Net Change in Fund Balances - Governmental Funds	\$ (17,805,803)
<p>The District uses internal service funds to charge the costs of certain activities, such as self-insurance to appropriate functions in other funds. The net income (loss) of internal service funds are reported with governmental activities. The net effect of this consolidation is to increase net position.</p>	(381,277)
<p>Current year capital outlays of \$27,358,189 (\$27,696,003 from facilities acquisition and construction with an adjustment of \$337,814 coming from the various other functions), long-term debt principal payments of \$20,782,529, amortization of premiums in the amount of \$4,844,869, the reductions of \$5,007,798 of other liabilities, and the reduction on the Capital Appreciation Bonds of \$2,847,471, capital lease payment of \$2,199,148 and Loan Star payment of \$858,505, and the refunded General Obligation Bonds of \$125,625,000 and the Refunded Deferred Charge of \$14,837,422 are expenditures in the fund financial statements, but they should be shown as increases in capital assets and reductions in long-term debt in the government-wide financial statements. The net effect of refunding General Obligation Bonds of \$124,980,000 and the premium of \$16,843,419, the Amortization of \$1,742,970 and the retirement of capital assets of \$201,670, the accretion on Capital Appreciation Bonds of \$786,107, the accumulation of other benefits of \$5,677,174 and the 2020 Public Property Financial Contractual Obligations (PPFCO) of \$6,415,000 in the financial statements should be as decreases in capital assets and increases in long-term debt in the government-wide financial statements. The net effect of including the 2020 capital outlays and debt principal payments is to increase net position.</p>	47,714,591
<p>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.</p>	(28,061,507)
<p>Various other reclassifications and eliminations are necessary to convert from the modified accrual basis of accounting to accrual basis of accounting. These include recognizing unavailable revenue from property taxes as revenue, adjusting current year revenue to show the revenue earned from the current year's tax levy, eliminating interfund transactions, reclassifying the proceeds of bond sales, and recognizing the liabilities associated with maturing long-term debt and interest. The net effect of these reclassifications and recognitions is to increase net position.</p>	(164,224)
<p>GASB 68 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$10,605,065. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net pension liability. This caused a decrease in net position totaling \$9,625,912. Finally, the proportionate share of the TRS pension expense on the plan as a whole had to be recorded. The net pension expense decreased the change in net position by \$20,022,074. The net result is an increase (decrease) in the change in net position.</p>	(19,042,921)
<p>GASB 75 required that certain plan expenditures be de-expended and recorded as deferred resource outflows. These contributions made after the measurement date of the plan caused the change in ending net position to increase by \$2,657,476. Contributions made before the measurement date and during the previous fiscal year were also expended and recorded as a reduction in net OPEB liability. This caused a decrease in net position totaling \$2,617,041. Finally, the proportionate share of the TRS OPEB expense on the plan as a whole had to be recorded. The net OPEB expense decreased the change in net position by \$3,690,277. The net result is an increase (decrease) in the change in net position.</p>	(3,649,845)
Change in Net Position of Governmental Activities	\$ (21,390,986)

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

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UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
AUGUST 31, 2020

EXHIBIT D-1

	Governmental Activities -
	Internal Service Fund
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 4,221,849
Other Receivables	5,772
Total Current Assets	<u>4,227,621</u>
Noncurrent Assets:	
Capital Assets:	
Furniture and Equipment	7,655
Depreciation on Furniture and Equipment	<u>(3,828)</u>
Total Noncurrent Assets	<u>3,827</u>
Total Assets	<u>4,231,448</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	1,361,466
Due to Other Funds	600,000
Accrued Expenses	<u>2,252,212</u>
Total Liabilities	<u>4,213,678</u>
NET POSITION	
Unrestricted Net Position	<u>17,770</u>
Total Net Position	<u>\$ 17,770</u>

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

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EXHIBIT D-2

UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2020

	Governmental Activities -
	Internal Service Fund
OPERATING REVENUES:	
Local and Intermediate Sources	\$ 42,570,587
Total Operating Revenues	<u>42,570,587</u>
OPERATING EXPENSES:	
Payroll Costs	60,357
Professional and Contracted Services	2,524,525
Supplies and Materials	1,717
Other Operating Costs	40,387,286
Depreciation Expense	<u>2,552</u>
Total Operating Expenses	<u>42,976,437</u>
Operating Income (Loss)	<u>(405,850)</u>
NONOPERATING REVENUES (EXPENSES):	
Earnings from Temporary Deposits & Investments	<u>24,573</u>
Total Nonoperating Revenues (Expenses)	<u>24,573</u>
Change in Net Position	(381,277)
Total Net Position - September 1 (Beginning)	<u>399,047</u>
Total Net Position - August 31 (Ending)	<u>\$ 17,770</u>

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

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EXHIBIT D-3

UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED AUGUST 31, 2020

	Governmental Activities -
	Internal Service Fund
<u>Cash Flows from Operating Activities:</u>	
Cash Received from User Charges	\$ 43,372,252
Cash Payments to Employees for Services	(60,357)
Cash Payments for Insurance Claims	(38,887,734)
Cash Payments for Suppliers	(1,717)
Cash Payments for Professional and Contracted Svc	(2,524,525)
Net Cash Provided by Operating Activities	1,897,919
<u>Cash Flows from Capital & Related Financing Activities:</u>	
Acquisition of Capital Assets	2,552
Net Cash Provided by Capital and Related Financing Activities	2,552
<u>Cash Flows from Investing Activities:</u>	
Interest and Dividends on Investments	24,573
Net Cash Provided by Investing Activities	24,573
Net Increase in Cash and Cash Equivalents	1,925,044
Cash and Cash Equivalents at Beginning of Year	2,296,805
Cash and Cash Equivalents at End of Year	\$ 4,221,849
<u>Reconciliation of Operating Income (Loss) to Net Cash</u>	
<u>Provided by Operating Activities:</u>	
Operating Income (Loss):	\$ (405,850)
Effect of Increases and Decreases in Current Assets and Liabilities:	
Decrease (increase) in Receivables	801,665
Increase (decrease) in Accounts Payable	1,264,303
Increase (decrease) in Accrued Expenses	(362,199)
Increase (decrease) in Due to Other Funds	600,000
Net Cash Provided by Operating Activities	\$ 1,897,919

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

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UNITED INDEPENDENT SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AUGUST 31, 2020

EXHIBIT E-1

	Agency Fund
<hr/>	
ASSETS	
Cash and Cash Equivalents	\$ 1,744,472
Other Receivables	640
Total Assets	<u>\$ 1,745,112</u>
 LIABILITIES	
Due to Student Groups	<u>\$ 1,745,112</u>
Total Liabilities	<u>\$ 1,745,112</u>

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