



Ector County ISD

2020 - 2021

Annual Financial Report



Annual Financial and Compliance Report

Each year, a school district, charter school, or regional education service center (ESC) must:

1. Prepare its annual financial statements,
2. Have its annual financial statements audited by a licensed independent CPA firm, and
3. Submit the resulting audited annual financial and compliance report (AFR), and additional data to the Texas Education Agency (TEA) for review.

EDUCATION CODE

TITLE 2. PUBLIC EDUCATION

SUBTITLE I. SCHOOL FINANCE AND FISCAL MANAGEMENT

CHAPTER 44. FISCAL MANAGEMENT

SUBCHAPTER A. SCHOOL DISTRICT FISCAL MANAGEMENT

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2021

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Page number at bottom center of each page

Certificate of Board

CERTIFICATE OF BOARD

Ector County Independent School District
Name of School District

Ector
County

068901
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, 2021 at a meeting of the Board of Trustees of such school district on the _____ day of November, 2021.

Signature of Board Secretary

Signature of Board President

If the Board of Trustees disapproved of the auditor's report, the reason(s) for disapproving it is (are): (attach list as necessary)

Board of Trustees

Tammy Hawkins
Steve Brown
Carol Gregg
Delma Abalos
Nelson Minyard
Donna Smith
Chris Stanley

President
Vice President
Secretary
Member
Member
Member
Member

Auditors will review during their presentation

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of

Clean/Unmodified opinion

MANAGEMENT'S DISCUSSION AND ANALYSIS

In this section of the Annual Financial and Compliance Report, we, the managers of Ector County Independent School District, discuss and analyze the District's financial performance for the fiscal year ended June 30, 2021. Please read it in conjunction with the independent auditors' report beginning on page 1, and the District's Basic Financial Statements which begin on page 13.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities (on pages 13 through 16). 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 17) report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources, and supply the basis for tax levies and the appropriations budget. For proprietary activities, fund financial statements tell how goods or services of the District were sold to departments within the District or to external customers and how the sales revenues covered the expenses of the services. The remaining statements and fiduciary statements, provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the District.

The notes to the financial statements (starting on page 28) 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. These are not required by the Texas Education Agency (TEA). The sections labeled TEA Required Schedules and Federal Awards Section contain data used by monitoring or regulatory agencies for assurance that the District is using funds supplied in compliance with the terms of grants.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

**Table I
Ector County Independent School District
NET POSITION**

	Governmental Activities	
	2021	2020
Current and other assets	\$ 235,609,774	\$ 188,782,125
Capital assets	301,170,671	308,548,895
Total assets	536,780,445	497,331,020
Deferred charge on refunding	11,165,052	3,772,867
Deferred resource outflow for TRS	32,455,154	48,340,186
Deferred resource outflow for OPEB	16,266,836	17,801,991
Total deferred outflows of resources	59,887,042	69,915,044
Long-term liabilities	170,266,753	181,861,138
Net Pension liability	81,703,061	89,271,128
Net OPEB liability	95,940,818	119,423,267
Other liabilities	50,837,158	48,812,997
Total liabilities	398,747,790	439,368,530
Deferred resource inflow for TRS	19,620,085	17,603,340
Deferred resource inflow for TRS OPEB	74,762,626	56,822,244
Total deferred inflows of resources	94,382,711	74,425,584
Net position:		
Net Investment in Capital Assets	130,279,933	139,059,663
Restricted	37,871,917	21,750,764
Unrestricted	(64,614,864)	(107,358,477)
Total net position	\$ 103,536,986	\$ 53,451,950

Net position of the District's governmental activities increased approximately 94% from \$53,451,950 to \$103,536,986. Significant changes in net position from the prior year are explained as follows:

Total assets increased primarily because of an increase in investments and state funding receivables. The increase in investments was primarily due to increases in delinquent property tax revenues and state aid revenues. Net capital assets decreased primarily because of current year depreciation.



Data from B-1 schedule
Report page 17 and 18

Table II
Ector County Independent School District
CHANGES IN NET POSITION

	Governmental Activities	
	2021	2020
Revenues:		
Program revenues:		
Charges for services	\$ 5,250,332	\$ 8,471,736
Operating grants and contributions	110,252,587	70,985,968
General revenues:		
Property taxes, levied for general purposes	154,880,595	158,310,697
Property taxes, levied for debt service	15,866,453	16,218,582
State aid – formula grants	108,165,294	113,414,183
Grants and contributions not restricted	130,530	103,359
Investment earnings	258,906	1,785,879
Miscellaneous local and intermediate revenue	30,722,002	7,576,603
Total revenue	425,526,699	376,867,007
Expenses:		
Instruction, curriculum and media services	209,491,199	199,069,688
Instructional and school leadership	30,406,476	28,924,898
Student support services	25,514,911	24,319,296
Child nutrition	16,433,897	16,250,153
Co-curricular activities	7,490,884	7,490,121
General administration	9,240,929	8,324,236
Facilities maintenance, security and data processing	74,505,847	55,898,039
Community services	1,514,732	1,431,690
Debt service	1,206,546	5,405,040
Other Intergovernmental charges	1,852,865	1,682,785
Total expenses	377,658,286	348,795,946
Increase in net position	47,868,413	28,071,061
Net position - beginning	53,451,950	25,380,889
Prior period adjustment to net position	2,216,623	-
Net position - ending	\$ 103,536,986	\$ 53,451,950

Revenue
\$49m

Expenses
\$29m

From C-3 schedule
Report pages 20 & 21
Modified accrual basis

Table III
Ector County Independent School District
ADJUSTMENTS TO NET POSITION

Description	Fund Statements	CASB68	CASB75	All Other GASB 34	Entity Wide Statement
Revenues:					
Program revenues:					
Charges for services	\$ -	\$ -	\$ -	\$ 5,250,332	\$ 5,250,332
Operating grants and contributions	-	-	-	110,252,587	110,252,587
General revenues:					
Property taxes, levied for general purposes	154,880,595	-	-	-	154,880,595
Property taxes, levied for debt service	15,866,453	-	-	-	15,866,453
State aid – formula grants	214,652,658	6,212,301	(3,295,991)	(109,403,674)	108,165,294
Grants and contributions not restricted	-	-	-	130,530	130,530
Investment earnings	240,158	-	-	18,748	258,906
Miscellaneous local and intermediate revenue	36,687,877	-	-	(5,965,875)	30,722,002
Total Revenue	422,327,741	6,212,301	(3,295,991)	282,648	425,526,699
Expenses:					
Instruction, curriculum and media services	196,421,559	13,008,574	(4,767,155)	4,828,221	209,491,199
Instructional and school leadership	28,910,377	1,590,690	(632,518)	537,927	30,406,476
Student support services	24,900,131	1,345,262	(522,383)	(208,098)	25,514,912
Child nutrition	14,741,019	608,977	(191,981)	1,275,882	16,433,897
Co-curricular activities	5,240,545	183,305	(68,708)	2,135,742	7,490,884
General administration	8,980,906	428,734	(178,843)	10,132	9,240,929
Facilities maintenance, security and data processing	74,680,678	1,165,020	(509,243)	(830,608)	74,505,847
Community Services	1,474,039	-	-	40,693	1,514,732
Debt service	20,472,748	-	-	(19,266,203)	1,206,545
Facilities Acquisition and Construction	333,213	-	-	(333,213)	-
Other Intergovernmental Charges	1,852,865	-	-	-	1,852,865
Total Expenditures	378,008,080	18,330,562	(6,870,831)	(11,809,525)	377,658,286
Excess (Deficiency) of Revenues Over (Under)	44,319,661	(12,118,261)	3,574,840	12,092,173	47,868,413
Other Sources (Uses):					
Capital Related Debt Issued	65,085,000	-	-	(65,085,000)	-
Sale of Real and Personal Property	99,049	-	-	(99,049)	-
Transfers In	506,410	-	-	(506,410)	-
Premium or Discount on Issuance of Bonds	9,605,859	-	-	(9,605,859)	-
Transfers Out (Use)	(506,410)	-	-	506,410	-
Other (Uses)	(74,005,019)	-	-	74,005,019	-
Total Sources (Uses)	784,889	-	-	(784,889)	-
Change in Net Position	45,104,550	(12,118,261)	3,574,840	11,307,284	47,868,413
Net Position - Beginning as Previously Stated	112,458,732	(58,534,282)	(158,443,520)	157,971,020	53,451,950
Prior Period Adjustment	-	1,784,551	432,072	-	2,216,623
Net Position - Ending	\$ 157,563,282	\$ (68,867,992)	\$(154,436,608)	\$ 169,278,304	\$ 103,536,986

From B-1 schedule
Report pages 15 & 16
Accrual basis

Education Foundation

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

Data Control Codes	1 Primary Government	4 Component Unit
	Governmental Activities	Component Unit
ASSETS		
1110 Cash and Cash Equivalents	\$ 6,980,771	\$ 515,119
1120 Current Investments	157,025,356	6,132,555
1220 Property Taxes - Delinquent	20,348,196	-
1230 Allowance for Uncollectible Taxes	(13,272,873)	-
1240 Due from Other Governments	62,671,378	-
1290 Other Receivables, Net	59,304	5,614
1300 Inventories	482,571	-
1410 Prepayments	1,315,071	15,473
Capital Assets:		
1510 Land	12,111,272	-
1520 Buildings, Net	274,588,908	-
1530 Furniture and Equipment, Net	4,865,065	-
1540 Other Capital Assets, Net	9,309,871	-
1560 Library Books and Media, Net	13,142	-
1580 Construction in Progress	282,413	-
1000 Total Assets	536,780,445	6,668,761
DEFERRED OUTFLOWS OF RESOURCES		
1701 Deferred Charge for Refunding	11,165,052	-
1705 Deferred Outflow Related to TRS Pension	32,455,154	-
1706 Deferred Outflow Related to TRS OPEB	16,266,836	-
1700 Total Deferred Outflows of Resources	59,887,042	-

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2021

Data Control Codes	1 Primary Government	4 Component Unit
	Governmental Activities	Component Unit
LIABILITIES		
2110 Accounts Payable	6,407,393	109,755
2120 Short Term Debt Payable	15,031	41,363
2140 Interest Payable	2,076,278	-
2150 Payroll Deductions and Withholdings	4,010,083	-
2160 Accrued Wages Payable	13,853,036	-
2180 Due to Other Governments	19,794,862	-
2200 Accrued Expenses	4,438,054	44,276
2300 Unearned Revenue	242,421	-
Noncurrent Liabilities:		
2501 Due Within One Year: Loans, Note, Leases, etc.	9,221,341	-
Due in More than One Year:		
2502 Bonds, Notes, Leases, etc.	161,045,412	-
2540 Net Pension Liability (District's Share)	81,703,061	-
2545 Net OPEB Liability (District's Share)	95,940,818	-
2000 Total Liabilities	398,747,790	195,394
DEFERRED INFLOWS OF RESOURCES		
2605 Deferred Inflow Related to TRS Pension	19,620,085	-
2606 Deferred Inflow Related to TRS OPEB	74,762,626	-
2600 Total Deferred Inflows of Resources	94,382,711	-
NET POSITION		
3200 Net Investment in Capital Assets	130,279,933	-
3850 Restricted for Debt Service	15,524,454	-
3860 Restricted for Capital Projects	5,763,480	-
3870 Restricted for Campus Activities	844,064	-
3880 Restricted for Scholarships	75,542	347,213
3890 Restricted for Other Purposes	15,664,377	-
3900 Unrestricted	(64,614,864)	6,126,154
3000 Total Net Position	\$ 103,536,986	\$ 6,473,367

Basis of Accounting: Accrual

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	1	Program Revenues		Net (Expense) Revenue and Changes in Net Position	
		Expenses	3 Charges for Services	4 Operating Grants and Contributions	6 Primary Government Governmental Activities
Primary Government:					
GOVERNMENTAL ACTIVITIES:					
11 Instruction	\$ 196,058,732	\$ 1,424,340	\$ 42,206.9	\$ (152,427,418)	\$ -
12 Instructional Resources and Media Services	2,598,822	-	303.6	(2,295,189)	-
13 Curriculum and Instructional Staff Development	10,833,645	-	6,575.1	(4,258,498)	-
21 Instructional Leadership	6,459,358	-	867.0	(5,592,291)	-
23 School Leadership	23,947,118	-	3,564.5	(20,382,545)	-
31 Guidance, Counseling, and Evaluation Services	13,042,632	-	1,820.9	(11,221,643)	-
32 Social Work Services	1,026,836	-	233.4	(793,427)	-
33 Health Services	2,942,992	28,474	494.3	(2,420,196)	-
34 Student (Pupil) Transportation	8,502,451	-	644.5	(7,857,923)	-
35 Food Services	16,433,897	96,089	15,128.6	(1,209,117)	-
36 Extracurricular Activities	7,490,884	269,762	434.4	(6,786,672)	-
41 General Administration	0,240,070	3,402,407	11,406.5	5,568,010	-
51 Facilities Maintenance and Operations	49,043,931	29,260	18,283.3	(30,731,294)	-
52 Security and Monitoring Services	3,173,036	-	2,056.9	(1,116,078)	-
53 Data Processing Services	22,288,880	-	5,853.2	(16,435,677)	-
61 Community Services	1,514,732	-	378.7	(1,135,998)	-
72 Debt Service - Interest on Long-Term Debt	522,194	-	-	(522,194)	-
73 Debt Service - Bond Issuance Cost and Fees	684,352	-	-	(684,352)	-
99 Other Intergovernmental Charges	1,852,865	-	-	(1,852,865)	-
[TP] TOTAL PRIMARY GOVERNMENT:	\$ 377,658,286	\$ 5,250,332	\$ 110,252.5	(262,155,367)	-
Component Unit:					
1C Nonmajor Component Unit	\$ 980,020	\$ -	\$ -	-	(980,020)
[TC] TOTAL COMPONENT UNIT:	\$ 980,020	\$ -	\$ -	-	(980,020)
General Revenues:					
Taxes:					
MT Property Taxes, Levied for General Purposes				154,880,595	-
DT Property Taxes, Levied for Debt Service				15,866,453	-
SF State Aid - Formula Grants				108,165,294	-
GC Grants and Contributions not Restricted				130,530	-
IE Investment Earnings				258,906	453,486
MI Miscellaneous Local and Intermediate Revenue				30,722,002	3,785,394
TR Total General Revenues				310,023,780	4,238,880
CN Change in Net Position				47,868,413	3,258,860
NB Net Position - Beginning (Restated)				55,668,573	3,214,507
NE Net Position - Ending				\$ 103,536,986	\$ 6,473,367

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

Data Control Codes	10 General Fund	20 ESSER II CRRSA	40 Insurance Recovery Fund	50 Debt Service Fund	Other Funds	Total Governmental Funds
ASSETS						
1110 Cash and Cash Equivalents	\$ 4,775,749	\$ -	\$ -	\$ -	\$ -	\$ -
1120 Investments - Current	100,911,235	-	12,940,265	5,378	891,051	5,672,178
1220 Property Taxes - Delinquent	18,467,755	-	-	18,500,284	1,053,361	133,405,145
1230 Allowance for Uncollectible Taxes	(12,046,285)	-	-	1,880,441	-	20,348,196
1240 Due from Other Governments	36,923,242	20,792,045	-	(1,226,588)	-	(13,272,873)
1260 Due from Other Funds	23,989,206	-	3,218,965	-	4,956,091	62,671,378
1290 Other Receivables	59,304	-	-	-	6,673,865	33,882,036
1300 Inventories	25,907	-	-	-	-	59,304
1410 Prepayments	1,315,071	-	-	-	456,664	482,571
1000 Total Assets	\$ 174,421,184	\$ 20,792,045	\$ 16,159,230	\$ 19,159,515	\$ 14,031,032	\$ 244,563,006
LIABILITIES						
2110 Accounts Payable	\$ 3,697,209	\$ -	\$ 1,183,707	\$ -	\$ 697,143	\$ 5,578,059
2120 Short Term Debt Payable - Current	15,031	-	-	-	-	15,031
2150 Payroll Deductions and Withholdings Payable	3,924,407	-	-	-	85,676	4,010,083
2160 Accrued Wages Payable	13,028,510	-	-	-	824,526	13,853,036
2170 Due to Other Funds	6,489,748	20,792,045	-	1,537,544	5,021,681	33,841,018
2180 Due to Other Governments	19,788,852	-	-	6,010	-	19,794,862
2200 Accrued Expenditures	2,822,246	-	-	-	10,066	2,832,312
2000 Total Liabilities	49,766,003	20,792,045	1,183,707	1,543,554	6,639,092	79,924,401
DEFERRED INFLOWS OF RESOURCES						
2601 Unavailable Revenue - Property Taxes	6,421,470	-	-	653,853	-	7,075,323
2600 Total Deferred Inflows of Resources	6,421,470	-	-	653,853	-	7,075,323
FUND BALANCES						
Nonspendable Fund Balance:						
3410 Inventories	25,907	-	-	-	456,664	482,571
Restricted Fund Balance:						
3450 Federal or State Funds Grant Restriction	-	-	-	-	5,306,816	5,306,816
3480 Retirement of Long-Term Debt	-	-	-	16,962,108	-	16,962,108
3490 Other Restricted Fund Balance	-	-	-	-	487,826	487,826
Committed Fund Balance:						
3510 Construction	13,178,012	-	-	-	-	13,178,012
3530 Capital Expenditures for Equipment	8,679,067	-	-	-	-	8,679,067
3540 Self Insurance	1,000,000	-	-	-	-	1,000,000
3545 Other Committed Fund Balance	-	-	14,975,523	-	844,064	15,819,587
Assigned Fund Balance:						
3550 Construction	5,000,000	-	-	-	-	5,000,000
3570 Capital Expenditures for Equipment	1,000,000	-	-	-	-	1,000,000
3590 Other Assigned Fund Balance	18,342,236	-	-	-	-	18,342,236
3600 Unassigned Fund Balance	71,008,489	-	-	-	296,570	71,305,059
3000 Total Fund Balances	118,233,711	-	14,975,523	16,962,108	7,391,940	157,563,282
4000 Total Liabilities, Deferred Inflows & Fund Balances	\$ 174,421,184	\$ 20,792,045	\$ 16,159,230	\$ 19,159,515	\$ 14,031,032	\$ 244,563,006

Basis of Accounting: Modified Accrual

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Report Page 20 & 21
Exhibit C-3

Data Control Codes	10 General Fund	20 ESSER II CRRSA	40 Insurance Recovery Fund	50 Debt Service Fund	Other Funds	Total Governmental Funds
REVENUES:						
5700 Total Local and Intermediate Sources	\$ 159,942,235	\$ -	\$ 29,168,718	\$ 16,215,495	\$ 2,348,635	\$ 207,675,083
5800 State Program Revenues	134,157,478	-	-	216,569	2,438,835	136,812,882
5900 Federal Program Revenues	12,472,945	24,239,101	-	-	41,127,730	77,839,776
5020 Total Revenues	306,572,658	24,239,101	29,168,718	16,432,064	45,915,200	422,327,741
EXPENDITURES:						
Current:						
0011 Instruction	160,914,563	5,699,883	-	-	17,204,098	183,818,544
0012 Instructional Resources and Media Services	2,251,631	67,490	-	-	210	2,319,331
0013 Curriculum and Instructional Staff Development	4,617,279	103,077	-	-	5,563,328	10,283,684
0021 Instructional Leadership	5,929,180	162,892	-	-	111,614	6,203,686
0023 School Leadership	20,727,548	835,697	-	-	1,143,446	22,706,691
0031 Guidance, Counseling, and Evaluation Services	12,034,129	-	-	-	499,881	12,534,010
0032 Social Work Services	872,228	-	-	-	153,785	1,026,013
0033 Health Services	2,633,099	49,764	-	-	136,312	2,819,175
0034 Student (Pupil) Transportation	8,519,024	-	-	-	1,909	8,520,933
0035 Food Services	93,165	-	-	-	14,647,854	14,741,019
0036 Extracurricular Activities	5,193,294	18,740	-	-	28,511	5,240,545
0041 General Administration	8,566,554	-	-	-	414,352	8,980,906
0051 Facilities Maintenance and Operations	19,394,698	13,688,367	14,193,195	-	2,726,798	50,003,058
0052 Security and Monitoring Services	1,480,084	1,529,108	-	-	235,176	3,244,368
0053 Data Processing Services	16,840,096	2,084,083	-	-	2,509,073	21,433,252
0061 Community Services	1,345,375	-	-	-	128,664	1,474,039
Debt Service:						
0071 Principal on Long-Term Debt	2,585,409	-	-	11,350,000	-	13,935,409
0072 Interest on Long-Term Debt	140,730	-	-	5,712,257	-	5,852,987
0073 Bond Issuance Cost and Fees	-	-	-	684,352	-	684,352
Capital Outlay:						
0081 Facilities Acquisition and Construction	296,713	-	-	-	36,500	333,213
Intergovernmental:						
0099 Other Intergovernmental Charges	1,852,865	-	-	-	-	1,852,865
6030 Total Expenditures	276,287,664	24,239,101	14,193,195	17,746,609	45,541,511	378,008,080
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	30,284,994	-	14,975,523	(1,314,545)	373,689	44,319,661
OTHER FINANCING SOURCES (USES):						
7911 Capital Related Debt Issued	-	-	-	65,085,000	-	65,085,000
7912 Sale of Real and Personal Property	99,049	-	-	-	-	99,049
7915 Transfers In	-	-	-	-	506,410	506,410
7916 Premium or Discount on Issuance of Bonds	-	-	-	9,605,859	-	9,605,859
8911 Transfers Out (Use)	(506,410)	-	-	-	-	(506,410)
8949 Other (Uses)	-	-	-	(74,005,019)	-	(74,005,019)
7080 Total Other Financing Sources (Uses)	(407,361)	-	-	685,840	506,410	784,889
1200 Net Change in Fund Balances 0100 Fund	29,877,633	-	14,975,523	(628,705)	880,099	45,104,550
Balance - July 1 (Beginning Restated)	88,356,078	-	-	17,590,813	6,511,841	112,458,732
3000 Fund Balance - June 30 (Ending)	\$ 118,233,711	\$ -	\$ 14,975,523	\$ 16,962,108	\$ 7,391,940	\$ 157,563,282

Similar to what is provided in monthly board meetings

Printed in newspaper

Basis of Accounting: Modified Accrual

Proprietary/ Internal Service Funds

- These funds are established to account for any activity that provides services on a cost reimbursement basis within the district.
- Funds include the following:
 - **Housing Fund**
 - **Workers Compensation Fund**
 - **Medical Trust Fund**
- Net Position of nearly \$23 million
- Details of the funds can be found on
 - Combining Statements H-3 and H-4 and H-5
 - Report pages 85 and 86 and 87

Fiduciary/Custodial Funds

- These funds are established to account for any activity that are held in trust for others. They are managed by the ISD, but not owned by the ISD.
- Funds include the following:
 - **Student Activity Funds at the campuses**
- Assets and Liabilities are nearly \$1.1 million
- The District does not own these funds, but we take care of them
- Details of all the funds are **not** detailed in combining statements in the report

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

37 pages of notes and charts

Notes to the Financial Statements

Report pages 28-37

- I. Summary of significant accounting policies
 - A. Reporting Entity
 - B. Government wide fund financial statements
 - C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
 - D. Fund Accounting
 - E. Other Accounting Policies

- II. Stewardship, Compliance, and Accountability
 - A. Budgetary Data
 - B. Variances from Final Adopted Budget
 - C. Deficit Fund Equity

Notes to the Financial Statements

- III. Detailed Notes on all Funds and Account Groups
 - A. Deposits and Investments
 - B. Property Taxes
 - C. Delinquent Taxes Receivable
 - D. Inter-fund Balances and Transfers
 - E. Disaggregation of Receivables and Payables
 - F. Capital Asset Activity
 - G. Bonds Payable
 - H. Commitments under Operating Leases
 - I. Accumulated Unpaid Vacation and Sick Leave Benefits
 - J. Defined Benefit Pension Plan
 - K. Defined Other Post-Employment Plans
 - L. Risk Management

Notes to the Financial Statements

- III. Detailed Notes on all Funds and Account Groups
 - M. Changes in Long-Term Liabilities
 - N. Prior Period Adjustment
 - O. Due from State and Federal Agencies
 - P. Revenue from Local and Intermediate Sources
 - Q. Contingent Liabilities
 - R. Shared Service Arrangements
 - S. Construction Commitment
 - T. Arbitrage Compliance
 - U. Tax Abatements
 - V. Student Activity Funds
 - W. Subsequent Events

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2021

Report page 65

Final net
 Variances:

Revenue and
 expenditures lower
 due to ESSER II
 supplant notification
 after final budget
 amendments

(ESSER II is
 reported in
 Fund 281)

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	\$ 168,865,254	\$ 161,730,004	\$ 159,942,235	\$ (1,787,769)
5800 State Program Revenues	136,163,746	154,229,352	134,157,478	(20,071,874)
5900 Federal Program Revenues	2,100,000	8,683,172	12,472,945	3,789,773
5020 Total Revenues	307,129,000	324,642,528	306,572,658	(18,069,870)
EXPENDITURES:				
Current:				
0011 Instruction	184,054,708	180,840,646	160,914,563	19,926,083
0012 Instructional Resources and Media Services	2,665,093	2,494,182	2,251,631	242,551
0013 Curriculum and Instructional Staff Development	6,385,873	6,471,528	4,617,279	1,854,249
0021 Instructional Leadership	6,314,483	6,600,742	5,929,180	671,562
0023 School Leadership	20,325,522	23,734,871	20,727,548	3,007,323
0031 Guidance, Counseling, and Evaluation Services	11,231,935	13,164,707	12,034,129	1,130,578
0032 Social Work Services	919,660	1,270,114	872,228	397,886
0033 Health Services	2,638,775	2,929,376	2,633,099	296,277
0034 Student (Pupil) Transportation	10,017,309	10,066,848	8,519,024	1,547,824
0035 Food Services	86,512	118,966	93,165	25,801
0036 Extracurricular Activities	6,148,134	5,994,734	5,193,294	801,440
0041 General Administration	8,564,766	9,362,415	8,566,554	795,861
0051 Facilities Maintenance and Operations	33,584,867	51,352,440	19,394,698	31,957,742
0052 Security and Monitoring Services	3,256,239	3,188,672	1,480,084	1,708,588
0053 Data Processing Services	7,170,304	19,807,127	16,840,096	2,967,031
0061 Community Services	1,374,337	1,502,584	1,345,375	157,209
Debt Service:				
0071 Principal on Long-Term Debt	400,000	2,585,410	2,585,409	1
0072 Interest on Long-Term Debt	100,000	140,730	140,730	-
Capital Outlay:				
0081 Facilities Acquisition and Construction	15,000	840,706	296,713	543,993
Intergovernmental:				
0099 Other Intergovernmental Charges	1,875,483	1,920,483	1,852,865	67,618
6030 Total Expenditures	307,129,000	344,387,281	276,287,664	68,099,617
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(19,744,753)	30,284,994	50,029,747
OTHER FINANCING SOURCES (USES):				
7912 Sale of Real and Personal Property	-	99,000	99,049	49
8911 Transfers Out (Use)	-	(551,000)	(506,410)	44,590
7080 Total Other Financing Sources (Uses)	-	(452,000)	(407,361)	44,639
1200 Net Change in Fund Balances	-	(20,196,753)	29,877,633	50,074,386
0100 Fund Balance - July 1 (Beginning)	88,356,078	88,356,078	88,356,078	-
3000 Fund Balance - June 30 (Ending)	\$ 88,356,078	\$ 68,159,325	\$ 118,233,711	\$ 50,074,386

Combining Balance Sheet Nonmajor Governmental Funds

Report pages 73-78
Exhibit H-1

31 Funds

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA Part B Formula	225 IDEA Part B Preschool	240 National Breakfast and Lunch Program	Total Nonmajor Governmental Funds
ASSETS					
1110 Cash and Cash Equivalents	\$ 10,411	\$ -	\$ -	\$ 36,576	\$ 891,051
1120 Investments - Current	-	-	-	903,598	1,053,361
1240 Due from Other Governments	1,037,110	1,014,211	26,212	14,336	4,956,091
1260 Due from Other Funds	-	7,448	-	5,898,981	6,673,865
1300 Inventories	-	-	-	456,664	456,664
1000 Total Assets	<u>\$ 1,047,521</u>	<u>\$ 1,021,659</u>	<u>\$ 26,212</u>	<u>\$ 7,310,155</u>	<u>\$ 14,031,032</u>
LIABILITIES					
2110 Accounts Payable	\$ 86,007	\$ 207	\$ -	\$ 322,525	\$ 697,143
2150 Payroll Deductions and Withholdings Payable	22,557	33,875	661	2,604	85,676
2160 Accrued Wages Payable	218,758	355,867	11,153	58,143	824,526
2170 Due to Other Funds	720,199	631,710	14,398	1,153,337	5,021,681
2200 Accrued Expenditures	-	-	-	10,066	10,066
2000 Total Liabilities	<u>1,047,521</u>	<u>1,021,659</u>	<u>26,212</u>	<u>1,546,675</u>	<u>6,639,092</u>
FUND BALANCES					
Nonspendable Fund Balance:					
3410 Inventories	-	-	-	456,664	456,664
Restricted Fund Balance:					
3450 Federal or State Funds Grant Restriction	-	-	-	5,306,816	5,306,816
3490 Other Restricted Fund Balance	-	-	-	-	487,826
Committed Fund Balance:					
3545 Other Committed Fund Balance	-	-	-	-	844,064
3600 Unassigned Fund Balance	-	-	-	-	296,570
3000 Total Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,763,480</u>	<u>7,391,940</u>
4000 Total Liabilities and Fund Balances	<u>\$ 1,047,521</u>	<u>\$ 1,021,659</u>	<u>\$ 26,212</u>	<u>\$ 7,310,155</u>	<u>\$ 14,031,032</u>

Combining Statement of Revenues, Expenditures and Changes in Fund Balances Nonmajor Governmental Funds

Report pages 79-84
Exhibit H-2

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2021

Data Control Codes	211 ESEA I, A Improving Basic Program	224 IDEA Part B Formula	225 IDEA Part B Preschool	240 National Breakfast and Lunch Program	Total Nonmajor Governmental Funds
REVENUES:					
5700 Total Local and Intermediate Sources	\$ -	\$ -	\$ -	\$ 97,266	\$ 2,348,635
5800 State Program Revenues	-	-	-	388,914	2,438,835
5900 Federal Program Revenues	6,458,666	6,378,643	171,094	1,460,891	41,127,730
5020 Total Revenues	6,458,666	6,378,643	171,094	1,947,071	45,915,200
EXPENDITURES:					
Current:					
0011 Instruction	2,315,102	6,222,250	171,094	-	17,204,098
0012 Instructional Resources and Media Services	-	-	-	-	210
0013 Curriculum and Instructional Staff Development	3,646,468	-	-	-	5,563,328
0021 Instructional Leadership	49,664	-	-	-	111,614
0023 School Leadership	28,014	-	-	-	1,143,446
0031 Guidance, Counseling, and Evaluation Services	81,664	155,615	-	-	499,881
0032 Social Work Services	89,391	-	-	-	153,785
0033 Health Services	-	-	-	-	136,312
0034 Student (Pupil) Transportation	1,131	778	-	-	1,909
0035 Food Services	-	-	-	1,680,610	14,647,854
0036 Extracurricular Activities	-	-	-	-	28,511
0041 General Administration	-	-	-	-	414,352
0051 Facilities Maintenance and Operations	-	-	-	48,145	2,726,798
0052 Security and Monitoring Services	-	-	-	-	235,176
0053 Data Processing Services	143,488	-	-	-	2,509,073
0061 Community Services	103,744	-	-	-	128,664
Capital Outlay:					
0081 Facilities Acquisition and Construction	-	-	-	-	36,500
6030 Total Expenditures	6,458,666	6,378,643	171,094	1,728,755	45,541,511
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	218,316	373,689
OTHER FINANCING SOURCES (USES):					
7915 Transfers In	-	-	-	-	506,410
1200 Net Change in Fund Balance	-	-	-	218,316	880,099
0100 Fund Balance - July 1 (Beginning Restated)	-	-	-	5,545,164	6,511,841
3000 Fund Balance - June 30 (Ending)	\$ -	\$ -	\$ -	\$ 5,763,480	\$ 7,391,940

Total = column on Exhibit C-3 on page 21

EXHIBIT H-3

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF NET POSITION
 INTERNAL SERVICE FUNDS
 JUNE 30, 2021

	715 ECISD Housing Fund	771 Workers Compensation Fund	772 Medical Trust Fund	Total Internal Service Funds
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 300,818	\$ -	\$ 1,007,775	\$ 1,308,593
Investments - Current	-	7,505,190	16,115,021	23,620,211
Due from Other Funds	5,962	1,991,531	-	1,997,493
Total Current Assets	306,780	9,496,721	17,122,796	26,926,297
Noncurrent Assets:				
Capital Assets:				
Land	54,012	-	-	54,012
Buildings and Improvements	3,663,335	-	-	3,663,335
Depreciation on Buildings	(487,202)	-	-	(487,202)
Total Noncurrent Assets	3,230,145	-	-	3,230,145
Total Assets	3,536,925	9,496,721	17,122,796	30,156,442
LIABILITIES				
Current Liabilities:				
Accounts Payable	1,219	-	828,115	829,334
Due to Other Funds	10,952	2,027,559	-	2,038,511
Accrued Expenses	-	461,123	2,260,960	2,722,083
Total Current Liabilities	12,171	2,488,682	3,089,075	5,589,928
NonCurrent Liabilities:				
Other Long-Term Debt - Due in More than One Year	-	1,879,467	-	1,879,467
Total Noncurrent Liabilities	-	1,879,467	-	1,879,467
Total Liabilities	12,171	4,368,149	3,089,075	7,469,395
NET POSITION				
Unrestricted Net Position	3,524,754	5,128,572	14,033,721	22,687,047
Total Net Position	\$ 3,524,754	\$ 5,128,572	\$ 14,033,721	\$ 22,687,047

healthy

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 INTERNAL SERVICE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2021

	715 ECISD Housing Fund	771 Workers Compensation Fund	772 Medical Trust Fund	Total Internal Service Funds
OPERATING REVENUES:				
Employee and Employer Premiums	\$ -	\$ 1,019,854	\$ 27,608,936	\$ 28,628,790
Rent Revenue	349,115	-	-	349,115
Stop Loss Reimbursement	-	6,621	110,820	117,441
Total Operating Revenues	349,115	1,026,475	27,719,756	29,095,346
OPERATING EXPENSES:				
Claims and Prescriptions	-	421,749	25,792,128	26,213,877
Professional and Contracted Services	311,472	56,340	33,000	400,812
Supplies and Materials	41,935	-	-	41,935
Other Operating Costs	-	-	2,617,543	2,617,543
Depreciation Expense	87,004	-	-	87,004
Total Operating Expenses	440,411	478,089	28,442,671	29,361,171
Operating Income (Loss)	(91,296)	548,386	(722,915)	(265,825)
NONOPERATING REVENUES (EXPENSES):				
Earnings from Temporary Deposits & Investments	-	6,447	13,198	19,645
Total Nonoperating Revenues (Expenses)	-	6,447	13,198	19,645
Change in Net Position	(91,296)	554,833	(709,717)	(246,180)
Total Net Position - July 1 (Beginning)	3,616,050	4,573,739	14,743,438	22,933,227
Total Net Position - June 30 (Ending)	\$ 3,524,754	\$ 5,128,572	\$ 14,033,721	\$ 22,687,047

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF DELINQUENT TAXES RECEIVABLE
 FISCAL YEAR ENDED JUNE 30, 2021

Last 10 Years	(1) Tax Rates		(3) Assessed/Appraised Value for School Tax Purposes	(10) Beginning Balance 7/1/2020	(20) Current Year's Total Levy	(31) Maintenance Collections	(32) Debt Service Collections	(40) Entire Year's Adjustments	(50) Ending Balance 6/30/2021
	Maintenance	Debt Service							
2012 and prior years	Various	Various	\$ 9,565,177,000	\$ 3,014,556	\$ -	\$ 60,147	\$ 5,494	\$ (62,484)	\$ 2,886,431
2013	1.040000	0.079500	10,232,624,000	463,473	-	21,859	1,671	(444)	439,499
2014	1.040000	0.121000	11,598,844,880	663,534	-	38,422	4,470	(1,659)	618,983
2015	1.040000	0.121000	13,401,694,166	1,051,941	-	91,001	10,588	(3,274)	947,078
2016	1.040000	0.110000	14,256,078,650	1,037,826	-	50,450	5,336	(1,258)	980,782
2017	1.040000	0.110000	13,190,683,066	1,450,570	-	102,025	10,791	2,702	1,340,456
2018	1.040000	0.109600	11,855,872,243	1,740,612	-	276,837	29,174	(6,115)	1,428,486
2019	1.170000	0.109600	12,190,897,339	2,659,095	-	465,398	43,596	(201,269)	1,948,832
2020	1.068400	0.109600	15,070,399,797	6,381,038	-	2,338,614	239,848	(763,584)	3,038,992
2021 (School year under audit)	1.054700	0.123200	14,780,081,913	-	174,100,673	151,575,672	15,559,965	(246,379)	6,718,657
1000 TOTALS				\$ 18,462,645	\$ 174,100,673	\$ 155,020,425	\$ 15,910,933	\$ (1,283,764)	\$ 20,348,196

\$1.17792

98% collection

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - CHILD NUTRITION PROGRAM
 FOR THE YEAR ENDED JUNE 30, 2021

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	\$ 3,376,000	\$ 95,800	\$ 97,266	\$ 1,466
5800 State Program Revenues	370,000	320,000	388,914	68,914
5900 Federal Program Revenues	14,168,000	1,347,000	1,460,891	113,891
5020 Total Revenues	17,914,000	1,762,800	1,947,071	184,271
EXPENDITURES:				
Current:				
0035 Food Services	17,479,332	3,860,909	1,680,610	2,180,299
0051 Facilities Maintenance and Operations	434,668	48,439	48,145	294
6030 Total Expenditures	17,914,000	3,909,348	1,728,755	2,180,593
1200 Net Change in Fund Balances	-	(2,146,548)	218,316	2,364,864
0100 Fund Balance - July 1 (Beginning)	5,545,164	5,545,164	5,545,164	-
3000 Fund Balance - June 30 (Ending)	\$ 5,545,164	\$ 3,398,616	\$ 5,763,480	\$ 2,364,864

Final net
 Variances
 positive

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2021

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	\$ 17,173,495	\$ 15,973,495	\$ 16,215,495	\$ 242,000
5800 State Program Revenues	268,836	268,836	216,569	(52,267)
5020 Total Revenues	17,442,331	16,242,331	16,432,064	189,733
EXPENDITURES:				
Debt Service:				
0071 Principal on Long-Term Debt	6,115,000	11,350,000	11,350,000	-
0072 Interest on Long-Term Debt	6,934,994	5,712,257	5,712,257	-
0073 Bond Issuance Cost and Fees	9,800	320,209	684,352	(364,143)
6030 Total Expenditures	13,059,794	17,382,466	17,746,609	(364,143)
1100 Excess (Deficiency) of Revenues Over (Under) Expenditures	4,382,537	(1,140,135)	(1,314,545)	(174,410)
OTHER FINANCING SOURCES (USES):				
7911 Capital Related Debt Issued	-	65,085,000	65,085,000	-
7916 Premium or Discount on Issuance of Bonds	-	9,237,691	9,605,859	368,168
8949 Other (Uses)	-	(74,005,019)	(74,005,019)	-
7080 Total Other Financing Sources (Uses)	-	317,672	685,840	368,168
1200 Net Change in Fund Balances	4,382,537	(822,463)	(628,705)	193,758
0100 Fund Balance - July 1 (Beginning)	17,590,813	17,590,813	17,590,813	-
3000 Fund Balance - June 30 (Ending)	\$ 21,973,350	\$ 16,768,350	\$ 16,962,108	\$ 193,758

Final net
 Variances
 positive

**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
Ector County Independent School District
Odessa, 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

Auditors will review during their part of the presentation

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS REQUIRED
BY THE *UNIFORM GUIDANCE***

To the Board of Trustees
Ector County Independent School District
Houston, Texas

Report on Compliance for Each Major Federal Program

We have audited Ector County Independent School District (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of

EXHIBIT K-1

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2021

(1) FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM or CLUSTER TITLE	(2) Federal CFDA Number	(3) Pass-Through Entity Identifying Number	(4) Federal Expenditures
U.S. DEPARTMENT OF TREASURY			
<u>Passed Through Texas Department of Emergency Management</u>			
COVID 19 Coronavirus Relief Fund - County Match	21.019		\$ 270,523
COVID 19 Coronavirus Relief Fund -TEA NonCash	21.019	52202002	1,970,523
COVID 19 Coronavirus Relief Fund - TEA Match	21.019	52202002	850,000
COVID 19 Coronavirus Relief Fund - City Match	21.019		850,000
Coronavirus Relief Fund Texas COVID 19 Pandemic	21.019	2020-CF-21019	2,633,963
Total CFDA Number 21.019			<u>6,575,009</u>
Total Passed Through Texas Department of Emergency Management			<u>6,575,009</u>
TOTAL U.S. DEPARTMENT OF TREASURY			<u>6,575,009</u>

**Totals
nearly
\$70 million**



Ector County ISD

2020 - 2021

Annual Financial Report