

**Annual Financial Report for
the year ended:**

June 30, 2018

Using the GASB 34 Model

- Government-Wide Statements –Economic Resources Measurement Focus (report *all* assets and deferred outflows and *all* related liabilities and deferred inflows)
- Fund Financial Statements –Current Financial Resources Measurement Focus (report financial assets and certain near-term liabilities)

NOTE: ECISD implemented GASB 34 beginning 2001-02

MAJOR DIFFERENCES

Item	Treatment in Fund Statements	Treatment in Govt-Wide Statements
Financial Assets	Reported	Reported
Capital Assets	Not Reported	Reported
Liabilities that are due & payable	Reported	Reported
Liabilities that are <i>not</i> due & payable	Not Reported	Reported
Capital Outlay	Reported	Not Reported
Depreciation	Not Reported	Reported
Receipt of debt proceeds	Reported	Not Reported
Debt Service principal payments	Reported	Not Reported
Bond premiums, and discounts	Recognized as incurred	Deferred & amortized
Revenue Recognition	When measurable & available	When earned (even if not available)
Internal Service Funds	Not reported	Reported

Fund Balance vs. Net Position

- Fund Balance – unassigned fund balance is intended to serve as a measure of expendable available financial resources *rather than as a measure of economic health*
- Net Position – is intended to serve as a measure of “net worth” *rather than as a measure of expendable available financial resources*

Measures of Financial Health (Improving vs. Deteriorating)

- *Changes in Average Daily Attendance*
- *Changes in the District's Property Tax Base*
- *Condition of the District's Facilities*
- *Increases or Decreases in the District's Net Position*

General Fund

Statement of Revenue, Expenditures, and Changes in Fund Balance

Changes in fund balance are summarized below:

	2016-2017	2017-2018	Change
Revenue	\$219.24	\$248.94	\$29.70
Expenditures	\$239.14	\$232.92	(\$6.22)
Other Sources	\$3.49	\$1.87	(\$1.62)
Other Uses	\$0.66	\$0.31	(\$0.35)
Total	(\$17.07)	\$17.58	\$34.65

NOTE: See Exhibits C-3, G-1 for detail.

General Fund

Statement of Revenue, Expenditures, and Changes in Fund Balance

- Revenue increases are mainly due to an increase in property tax collections of \$6.35 million, an increase in state funding of \$23.58 million and a decrease of \$240,000 in miscellaneous revenue.
- Expenditure decreases are mainly due to decreases in payroll expenses of \$4.49 million as a result of vacancies; increases in contracted services of \$1.19 million due to increases in tax appraisal fees, legal fees, and utilities; decreases in teaching materials and furniture/equipment of \$1.98 million due to purchases made in prior year; decreases in travel and in miscellaneous expense, offset by an increase in liability insurance and fees totaling \$90,000, an increase in interest expense of \$230,000 for the tax anticipation note, and a decrease in capital outlay of \$1.24 million due to purchases made in prior year.
- Other sources decreased by \$1.62 million due to closing of capital project funds in prior year.
- Other uses decreased by \$356,000 due to closing of capital project funds in prior year.

Fund Balance

(General Fund Only)

(Millions)

Fiscal Year	2013-14	2014-15	2015-16	2016-17	2017-18
Total	84.3	54.0	38.3	21.3	38.9
Reserved					
Nonspendable	0.1	0.1	0.1	0.1	0.1
Designated					
Committed	33.7	15.3	2.2	1.7	14.8
Assigned	3.1	4.1	4.9	4.9	7.7
Unreserved					
Unassigned	47.4	34.5	31.1	14.7	16.3

General Fund-Committed

■ Construction	\$13,085,000
■ Self Insurance	\$1,000,000
■ Campus Discretionary	\$728,176

Net Position

(Government-Wide Financial Statements)
(Millions)

Fiscal Year	2013-14	2014-15	2015-16	2016-17	2017-18
Total	242.8	212.9	178.5	156.6	6.1
Invested in Capital Assets - Net of Debt	93.6	73.8	88.0	138.2	136.0
Restricted	0.1	0.1	10.6	2.6	13.3
Unrestricted Net Position	149.2	139.0	79.9	15.8	(143.2)

Net Position

(Government-Wide Financial Statements)

(Millions)

- Current and other assets increased approximately \$16.9 million primarily due to an increase in investments.
- Net capital assets decreased approximately \$12.3 million because of equipment disposals and current year depreciation.
- Deferred outflows, net pension liability, net post-employment liability, and deferred inflows decreased a total of \$158.9 million due to assignment of pension liability and other post-employment benefits liability from the Teacher Retirement System.
- Other liabilities increased approximately \$3.8 million as a result of payment of long-term debt and insurance recovery funds received.

Net Position

(Internal Service Funds)

(Millions)

Fiscal Year	2013-14	2014-15	2015-16	2016-17	2017-18
Worker's Comp Fund	4.149	4.127	4.293	3.539	3.500
Medical Trust Fund	8.379	7.424	7.628	6.380	7.765
Chancellor Killion Housing	0.000	0.000	3.736	3.623	3.586

Scope of Financial Reporting Model

Basic Financial Statements

Financial Statements	Notes to the Financial Statements
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Within scope
of
independent
audit

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Required Supplementary Information

Outside the
scope of
audit

Audit Results

- Unmodified Opinion –Financial Statements
- Management Letter Comments

QUESTIONS