

ECTOR COUNTY INDEPENDENT SCHOOL DISTRICT  
STATEMENT OF REVENUES AND EXPENDITURES AND APPLICATION OF FUNDS  
FOOD SERVICE FUND  
FOR THE PERIOD SEPTEMBER 1, 2004 THRU MARCH 31, 2005  
PRE CLOSE(UNAUDITED)

|   | <b>2004-05</b>      |                | <b>2003-04 COMPARISON</b> |                |
|---|---------------------|----------------|---------------------------|----------------|
| <b>Income</b>                           |                     | Percent        |                           | Percent        |
| <b>Food Sales</b>                       |                     |                |                           |                |
| Breakfast                               | \$ 17,048           |                | \$ 11,109                 |                |
| Lunch                                   | 745,803             |                | 773,036                   |                |
| Snackbar                                | 955,949             |                | 942,656                   |                |
| <b>Total Food Sales</b>                 | <b>\$ 1,718,800</b> | 23.73%         | <b>\$ 1,726,801</b>       | 24.57%         |
| <b>Other Sales</b>                      |                     |                |                           |                |
| Supplies                                | 5,255               |                | 3,759                     |                |
| Banquets/special events                 | 25,070              |                | 18,755                    |                |
| Equipment                               | 3,380               |                | 0                         |                |
|   | <b>33,705</b>       | <b>0.47%</b>   | <b>22,514</b>             | <b>0.32%</b>   |
| <b>Other Income</b>                     |                     |                |                           |                |
| Interest on Investments                 | 15,152              |                | 7,460                     |                |
| Miscellaneous                           | 3,532               |                | 0                         |                |
|   | <b>18,684</b>       | <b>0.26%</b>   | <b>7,460</b>              | <b>0.11%</b>   |
| <b>Revenue from State</b>               |                     |                |                           |                |
| National School Lunch Program           | 3,166,937           |                | 3,157,349                 |                |
| Special Breakfast Program               | 1,712,532           |                | 1,634,097                 |                |
| Commodities                             | 369,371             |                | 327,942                   |                |
| TRS On-Behalf-Of                        | 117,859             |                | 121,760                   |                |
| After School Snack Program              | 28,818              |                | 30,660                    |                |
| State Matching Funds                    | 76,742              |                | 0                         |                |
|   | <b>5,472,259</b>    | <b>75.55%</b>  | <b>5,271,808</b>          | <b>75.01%</b>  |
| <b>Total Income</b>                     | <b>7,243,448</b>    | <b>100.00%</b> | <b>7,028,583</b>          | <b>100.00%</b> |
| <b>Cost of Goods Sold</b>               |                     |                |                           |                |
| Inventory 09/01/04                      | 1,061,271           |                | 1,091,581                 |                |
| Add: Purchases of Food                  | 2,721,136           |                | 2,516,780                 |                |
| Total Purchases and Inventory           | 3,782,407           |                | 3,608,361                 |                |
| Less: Inventory 03/31/2005              | 1,044,904           |                | 1,080,138                 |                |
| <b>Cost of Food</b>                     | <b>2,737,503</b>    | <b>37.80%</b>  | <b>2,528,223</b>          | <b>36.00%</b>  |
| Add: Salaries of Food Service Personnel | 1,776,942           | 24.50%         | 1,769,984                 | 25.20%         |
| Stipends & Car Allowance                | 3,850               | 0.10%          | 3,500                     | 0.00%          |
| Medicare Tax                            | 21,315              | 0.30%          | 19,846                    | 0.30%          |
| Health Insurance                        | 435,867             | 6.00%          | 446,864                   | 6.40%          |
| Workman's Compensation Insurance        | 88,871              | 1.20%          | 87,659                    | 1.20%          |
| TRS On-Behalf-Of                        | 113,550             | 1.60%          | 117,838                   | 1.70%          |
| Federal Grant Teacher Retirement        | 116,653             | 1.60%          | 114,996                   | 1.60%          |
| Early Retirement / Sick Leave           | 4,534               | 0.10%          | 1,574                     | 0.00%          |
| Payroll Cost                            | <b>2,561,583</b>    | <b>35.40%</b>  | <b>2,562,261</b>          | <b>36.40%</b>  |
| <b>Total Cost of Goods Sold</b>         | <b>5,299,086</b>    | <b>73.20%</b>  | <b>5,090,484</b>          | <b>72.40%</b>  |
| <b>Gross Margin on Sales</b>            | <b>1,944,362</b>    | <b>26.80%</b>  | <b>1,938,099</b>          | <b>27.60%</b>  |

FOR THE PERIOD SEPTEMBER 1, 2004 THRU MARCH 31, 2005

PRE CLOSE(UNAUDITED)

|                             | 2004-05    |         | 2003-04 COMPARISON |         |
|-----------------------------|------------|---------|--------------------|---------|
|                             |            | Percent |                    | Percent |
| <b>Operating Expense</b>    |            |         |                    |         |
| Consultants                 | \$ 0       |         | \$ 130             |         |
| Armored Car Services        | 9,940      |         | 9,330              |         |
| Data Processing             | 0          |         | 0                  |         |
| Equipment Repair            | 7,886      |         | 9,225              |         |
| Equipment Rentals           | 25,927     |         | 22,431             |         |
| General Supplies            | 6,007      |         | 6,361              |         |
| Chemicals                   | 16,625     |         | 14,879             |         |
| Paper Products              | 182,541    |         | 96,380             |         |
| Office Supplies             | 27,975     |         | 7,535              |         |
| Utensils                    | 13,493     |         | 2,048              |         |
| Banquet                     | 0          |         | 0                  |         |
| Vehicle Expense             | 1,815      |         | 2,866              |         |
| Teaching Materials          | 0          |         | 0                  |         |
| Travel                      | 5,796      |         | 3,495              |         |
| Fees and Dues               | 1,646      |         | 2,389              |         |
| Bad Debts                   | 0          |         | 0                  |         |
| Shortages & Theft Losses    | 0          |         | 0                  |         |
| Laundry                     | 17,809     |         | 20,699             |         |
| Commodities Transportation  | 27,002     |         | 37,072             |         |
| Janitorial & Maintenance    | 388,510    |         | 388,487            |         |
| Utilities                   | 300,483    |         | 300,417            |         |
| Other                       | 0          |         | 0                  |         |
| Total Operating Expense     | 1,033,456  | 14.30%  | 923,744            | 13.10%  |
| <b>Net Operating Income</b> | 910,906    | 12.50%  | 1,014,355          | 14.50%  |
| Equipment < \$5,000         | 13,074     |         | 28,034             |         |
| Capital Outlay              | 0          |         | 0                  |         |
| <b>Net Profit (Loss)</b>    | \$ 897,832 |         | \$ 986,321         |         |

Increase (Decrease) in Working Capital

|                   | Beginning of<br>Period<br>09/01/2004 | End of<br>Period<br>03/31/2005 | Increase<br>(Decrease) |
|-------------------|--------------------------------------|--------------------------------|------------------------|
| Cash in Bank      | \$ 485,747                           | \$ 443,363                     | \$ -42,384             |
| Revolving Fund    | 13,445                               | 13,445                         | 0                      |
| Time Deposits     | 0                                    | 0                              | 0                      |
| Investments       | 1,240,788                            | 1,255,692                      | 14,904                 |
| Receivable        | 415,946                              | 588,757                        | 172,811                |
| Other             | 0                                    | 0                              | 0                      |
| Inventories       | 1,061,271                            | 1,044,904                      | -16,367                |
| Accounts Payable  | -265,909                             | -310,710                       | -44,802                |
| Interfund Payable | 1,027,858                            | 1,842,611                      | 814,753                |
| Deferred Revenue  | -293,940                             | -295,023                       | -1,083                 |
|                   |                                      |                                | \$ 897,832             |