

COMPREHENSIVE ANNUAL FINANCE REPORT HIGHLIGHTS

The District received a clean unqualified opinion from the auditors. The auditors made no adjusting entries or corrections to the final general ledger.

Below is a recap of key elements in the report:

Pages 3 – 14	The auditors stated that the comprehensive Management Discussion and Analysis (MD&A) Section of the report is an excellent overview of the District’s finances.
Pages 8 & 9	Data on these two pages specifically focuses on the net assets and a comparison of the related expenses with the prior year. The narrative provides an overview of events that resulted in the \$27.4M increase in net assets.
Page 24 & 25	Exhibit C-3, Statement of Revenues, Expenditures, and Changes in Fund Balance reflect an increase in fund balance for the General Fund of \$14.7M, an increase in Debt Service of \$2.3M and a decrease in the Capital Projects Fund of \$16.1M. Prior year adjustments relate to accrued wages, interest income and the reporting of revenue and fund balance for certain local special revenue funds. The net effect of these prior year adjustments is a decrease to combined fund balance of (\$740,551). Out of the combined fund balances, \$125.9M, constitutes unreserved and undesignated fund balance available for the general operations of the District.
Page 60	The Food Service Fund (240) remained basically constant for the year. The Food Service Fund saw an increase in all categories of revenue, when combined with increased salaries and food cost, resulted in a slight increase to fund balance. The increase was offset by a prior year adjustment that related to accrued wages which resulted in a net decrease to fund balance of (\$33,848).
Page 64	Continued plan changes and premium adjustments have stabilized the Health Benefits Fund resulting in a positive change in Net Assets for the year of \$3.3M.
Page 65	The Workers’ Compensation Fund continues to have a strong Net Assets ending balance of \$6.7M. The District budgeted to draw down this fund and supplement the General Operating budget with a \$2M transfer in 2006-2007, however; the transfer was not needed.
Page 75	TEA requires the calculation of the Fund Balance and Cash Flow Calculation Worksheet. For TEA purposes, the District ending General Fund Balance is not excessive. However, the amount indicated on line 4 indicates the level of funds required to ensure the District has sufficient cash flow for operating purposes prior to receipt of current year property taxes.
Page 110-111	As part of the required Single Audit of federal programs, the Schedule of Findings and Questioned Costs in section III indicate no findings or questioned cost for federal awards.

