



# SMSD

**Stafford Municipal School District**

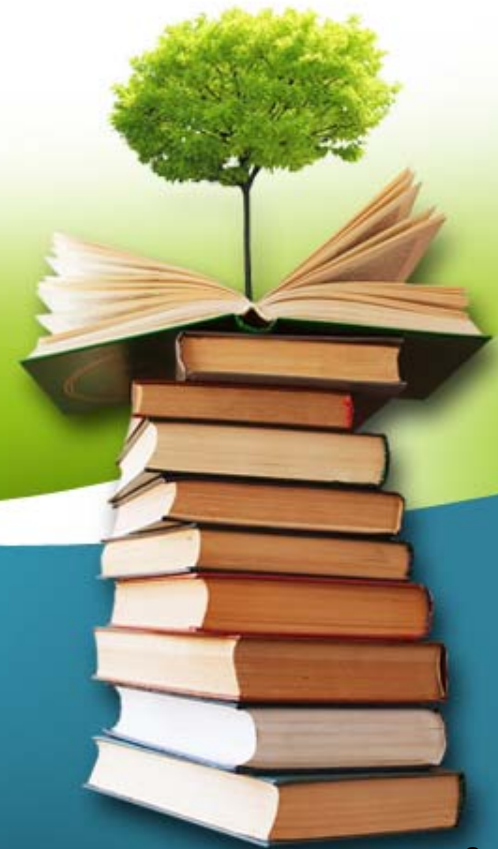
*"The Best Little School District in Texas"*

**HIGHLIGHTS**  
of  
**INTERIM FINANCIAL REPORT**  
June 30, 2019  
and  
**BUDGET AMENDMENT REPORT**  
August 12, 2019  
Board Meeting

Prepared by  
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Business Office



Posted on our website at  
<http://staffordmsd.org>



# INTERIM FINANCIAL REPORT (unaudited) GENERAL FUND Balance Sheet at June 30, 2019



## Stafford Municipal School District GENERAL FUND INTERIM BALANCE SHEET June 30, 2019

### ASSETS

Cash and Temporary Investments	\$ 19,368,908
Due from State	(2,069)
Current Year Taxes Receivable	944,331
Less: Allowance for Uncollectible Taxes	(9,443)
Due from Other Funds	25,063
Central Supply Inventory	-
Prepaid Rent	-
Prepaid Expenses	16,398

**Total Assets:** \$ 20,343,188

### LIABILITIES

Accounts Payable	\$ 19,407
Accrued Expenses	26,647
Accrued Wages	1,279,022
Due to Other Funds	(57,339)
Due to State	0
Deferred Revenue	934,888

**Total Liabilities:** \$ 2,202,625

### Fund Balance:

Beginning Fund Balance 9/1/17	\$ 12,912,427
Revenues and Other Resources	31,569,313
Expenditures and Other Uses	26,341,177

**Ending Fund Balance:** \$ 18,140,563

**Total Liabilities and Fund Balance:** \$ 20,343,188

**INTERIM FINANCIAL REPORT (unaudited)**  
**INTERIM CFO MESSAGE**  
**As of June 30, 2019**



**The audited General Fund balance at 9/1/18 is \$12,912,527  
 One million use of fund balance was budgeted for FY 18-19.**

Description	8-31 2018	Appropriated YTD	Estimated Balance
Non-Spendable	\$7,471	0	\$7,471
Restricted	0	0	0
Committed	2,158,230	0	2,158,230
Assigned	319,335	0	319,335
Unassigned	10,427,491	0	10,427,491
<b>Total Fund Balance</b>	<b>\$12,912,527</b>	<b>0</b>	<b>\$12,912,527</b>

# INTERIM FINANCIAL REPORT (unaudited) As of June 30, 2019

## Financial Ratios

- *Level One - Indicator of financial strength*
- *Level Two - Indicator of efficient leverage*



# INTERIM FINANCIAL REPORT (unaudited) As of June 30, 2019

## Indicator of Financial Strength

- Percent of Fund Balance to G/F Expenditures Ratio**

What is the percent of rainy fund balance?

Fund Balance \$ 12,912,527

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Total G/F Expenditures \$ 26,341,177

Goal : > 30% of G/F Exp.  
Benchmark: 10% to 29%  
Danger: Under 10%

- Working Capital Ratio**

What is the cash flow availability for the organization?

Total Current Assets  
Less Total Liabilities

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\$20,343,188 – \$2,202,625 = 18,140,563

Goal : >\$15,000,000  
Benchmark : \$10M to \$15M  
Danger : Under < \$10M

49%  
FY19

37%  
Budget

\$18.1m  
FY19

\$18m  
Budget



# INTERIM FINANCIAL REPORT (unaudited) As of June 30, 2019

## Indicator of Efficient Leverage Reserves

- Unassigned Fund Balance Ratio**

How much is available in reserves?

Unassigned Fund Balance \$10,427,491

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Total Fund Balances \$12,912,527

Goal : >75%  
Benchmark: 50% to 75%  
Danger: <50%

- Debt to Reserve Ratio**

What is the ability of SMSD to cover its debt payments?

Annual Principal and Interest Payments on Term Debt \$2,970,097 (\$4,1M pending)

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D/S F/Bal \$2,715,513

Goal : > 85% fund balance  
Benchmark : 10% to 84% of fund balance  
Danger : Under < 10%

81%  
FY19

81%  
Budget

109%  
FY19

38%  
Budget



# INTERIM FINANCIAL REPORT (unaudited)

## GENERAL, DEBT SERVICE FUND AND FOOD SERVICE FUND



### Revenues

Budget to Actual at June 30, 2019

Fund	Budget	Received/Billed	%
<b>General Fund</b>	\$ 31,857,321	\$ 31,569,313	99.10%
June is the end of the 10th month or <b>approximately</b> 83% of the fiscal year.			
<b>Child Nutrition Fund</b>	2,255,678	1,834,690	81.34%
June is the end of the 10th month or <b>approximately</b> 83% of the fiscal year.			
<b>Debt Service Fund</b>	6,653,810	6,900,334	103.71%
This fund has activity in February (interest payments) and in August (principal and interest payment).			
<b>Total as of the end of the month</b>	<b>\$40,766,809</b>	<b>\$40,304,337</b>	<b>98.87%</b>



# INTERIM FINANCIAL REPORT (unaudited) GENERAL, DEBT SERVICE FUND and FOOD SERVICE FUND



## Expenditures

Budget to Actual at June 30, 2019

Fund	Budget	Received/Billed	%
<b>General Fund</b>	\$ 32,572,668	\$ 26,341,177	80.87%
June is the end of the 10th month or <b>approximately</b> 83% of the fiscal year.			
<b>Child Nutrition Fund</b>	2,315,678	1,671,411	72.18%
June is the end of the 10th month or <b>approximately</b> 83% of the fiscal year.			
<b>Debt Service Fund</b>	6,653,810	2,970,097	44.64%
This fund has activity in February (interest payments) and in August (principal and interest payment).			
<b>Total as of the end of the month</b>	<b>\$41,542,156</b>	<b>\$30,982,685</b>	<b>74.58%</b>

# INTERIM FINANCIAL REPORT (unaudited) TAX COLLECTIONS Fiscal Year-To-Date at June 30, 2019(10 month/12 month)



## General Fund

TAX YEAR 2018 COLLECTION SUMMARY					
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET
<b>REVENUES:</b>					
Current Tax 5711 (ST)	\$25,528,463	\$27,896	\$26,067,344	(\$538,881)	102%
Delinquent Tax 5712 (ST)	100,000	14,418	218,995	(118,995)	219%
Penalty & Interest	100,000	3,808	164,281	(64,281)	164%
<b>Total General Fund</b>	<b>\$25,728,463</b>	<b>\$46,122</b>	<b>\$26,450,620</b>	<b>(\$722,157)</b>	<b>102.8%</b>

a) 2018 Tax Rate =  $\$1.055 + .27175 = \$1.32675 / \$100$  Property Assessment/Appraisal - --> Annual Tax on a  $\$149,459 - \$35,990 = \$113,469 / 100$  x  $\$1.32675 =$  Residential Property =  $\$ 1,505.144$  (net of 20% homestead exception.)

ST = State - used in funding template

# INTERIM FINANCIAL REPORT (unaudited) TAX COLLECTIONS Fiscal Year-To-Date at June 30, 2019 (10 month/12 month)



## Debt Service Fund

TAX YEAR 2018 COLLECTION SUMMARY						
DESCRIPTION	BUDGET	CURRENT MONTH	Y-T-D	BALANCE (OVER) / UNDER	Y-T-D % OF BUDGET	
<b>REVENUES:</b>						
Current Tax 5711 (ST)	\$6,586,310	\$7,197	\$6,693,705	(\$107,395)	102%	
Delinquent Tax 5712 (ST)	15,000	2,654	41,316	(26,316)	275%	
Penalty & Interest	15,000	985	37,707	(22,707)	251%	
<b>Total Debt Service</b>	<b>\$6,616,310</b>	<b>\$10,836</b>	<b>\$6,772,728</b>	<b>(\$156,418)</b>	<b>102.4%</b>	

ST = State - used in funding template

**INTERIM FINANCIAL REPORT (unaudited)**  
**DISBURSEMENTS – ALL FUNDS**  
**June 2019**



<b>DESCRIPTION</b>	<b>DISBURSEMENTS</b>	<b>AMOUNT</b>
All Funds	240 Checks	\$591,049

Notes:

(A) All Purchase Orders and Payment Authorizations are reviewed before disbursement.

(B) A report on CH Local expenditures (Check register) is included in the monthly report.

## INTERIM FINANCIAL REPORT (unaudited)

### Quarterly Report - Investments as of May 31, 2019

Investment Type	General Fund	Int and Sinking	Construction	Agency Funds	Total
TexPool Investment Pool	\$ 18,579,356	\$ 5,676,454	\$ -	\$ 27,504	\$ 24,283,314
Tex Star Investment Pool	1,881,708	608,513	91,895	-	2,582,116
Lone Star Investment Pool	1,496				1,496
Logic Investment Pool	1,028,132		47,034,351		48,062,484
Total	\$ 21,490,693	\$ 6,284,968	\$ 47,126,246	\$ 27,504	\$ 74,929,411



# INTERIM FINANCIAL REPORT (unaudited)

## Quarterly Report - Interest Earnings as of May 31, 2019

	General Operating Fund	Interest and Sinking Fund	Construction Fund	Agency/ Activity Funds	Total Interest
<b>Frost Bank</b>	\$ 10,204	\$ 954	\$ 552	\$ 264	\$ 11,974
<b>Lone Star Investment Pool</b>	9	-	-	-	9
<b>TexPool/TexStar/Logic</b>	147,292	35,594	318,127	167	501,180
	<b>\$ 157,505</b>	<b>\$ 36,548</b>	<b>\$ 318,679</b>	<b>\$ 431</b>	<b>513,163</b>



**HIGHLIGHTS  
Of  
BUDGET AMENDMENT REPORT  
August 12, 2019  
Board Meeting**

**(unaudited)**

**Amendment #3**



**General Fund = \$166,566**



# INTERIM FINANCIAL REPORT (unaudited)

## FY 2018-2019 BUDGET AMENDMENT REPORT

August 12, 2019

General Fund



Budget Description	Amended Budget 2018-2019	Proposed Adjustment	Amended Budget 2018-2019
Total adjusted revenues	\$31,857,321	\$288,876	\$ 32,146,197
Total adjusted appropriations	32,572,668	455,442	33,028,110
Difference		166,566	
Success Ed		12,000	
Security Costs FB		154,566	



# INTERIM FINANCIAL REPORT (unaudited)

## Business Office Update – Part One - Budget

Payroll Coordination and support with region 20 and independent consultant

Budget and Next Year Payroll module updated & accounts created

Budget Simulation and Budget Preparation completed

Budget Notice posting completed

Met with Principals and Dept Heads to review budget requests and analyze current levels of spending to determine the need for transfers and amendments



# INTERIM FINANCIAL REPORT (unaudited)

## Business Office Update – Part Two - TEA

TEA Staff Salary Submitted – April to July

Grant Response to Audit – and revised Grant Manual

Transportation Report Update



# INTERIM FINANCIAL REPORT (unaudited)

## Business Office Update – Part Three - Purchasing

Revised Contracted Services Contract template

Revised Vendor Packet and EDGAR Update for federal funds

Developed Workflow for federal funds audit response



# INTERIM FINANCIAL REPORT (unaudited)

## Business Office Update – Part Four – Finance and Accounting

Analyzed line items and Amendment needed

Analyzed Construction Payments and Report adjustment needed

Analyzed Architect Contract and Amendment needed

Analyzed Bond Payment Schedule

Bank Approvers updated

Software approvers updated

TEA access updated



# INTERIM FINANCIAL REPORT (unaudited)

## Business Office Update – Part Five – On Going matters

On Going - Monitoring and wire payments

On Going - Meetings with principals and dept heads for purchasing requests

On going - Approval of contracts and requisitions

On going - TEA template update and assessment of impact

On going – Prepared agenda items (12 in August)

On going – Acquired access to TRS reporting and wired payments

On Going – Analyze A-Payable payments and approvals

On Going – Signed Quarter Payroll IRS Report

On Going – Reviewed and approved Investment Transfers from Pool



# INTERIM FINANCIAL REPORT (unaudited)

I certify that the foregoing information is true and accurate to the best of my knowledge.

/s/ Jesus J. Amezcua, PhD, CPA, RTSBA Acting CFO –  
HCDE Consultant

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Q & A

