

UNION COUNTY EDUCATIONAL SERVICES COMMISSION
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

ASSETS AND OTHER DEBITS:	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
Assets:				
Cash and cash equivalents	\$16,236,499.41	\$19,348.80	\$515,381.29	\$16,771,229.50
Accounts receivable:				
Local agency fees		1,312,301.71		1,312,301.71
Transportation fees - other lea's	9,397,362.50			9,397,362.50
Tuition fees - other lea's	4,272,212.83			4,272,212.83
State	29,226.72			29,226.72
Other	159,258.72			159,258.72
Interfund	1,192,303.79		7,159.00	1,199,462.79
Total assets	<u>31,286,863.97</u>	<u>1,331,650.51</u>	<u>522,540.29</u>	<u>33,141,054.77</u>
LIABILITIES AND FUND BALANCES:				
Liabilities:				
Accounts payable	5,670,445.88	166,078.96		5,836,524.84
Interfunds payable	25,277.48	1,164,570.55		1,189,848.03
Total liabilities	<u>5,695,723.36</u>	<u>1,331,650.51</u>		<u>7,027,373.87</u>
Fund balances:				0.00
Restricted for:				0.00
Capital projects fund			522,540.29	522,540.29
Assigned for subsequent years expenditures	2,500,000.00			2,500,000.00
Unassigned	23,091,140.61			23,091,140.61
Total fund balances	<u>25,591,140.61</u>		<u>522,540.29</u>	<u>26,113,680.90</u>
Total liabilities and fund balances	<u>\$31,286,863.97</u>	<u>\$1,331,650.51</u>	<u>\$522,540.29</u>	

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BALANCE SHEET
GOVERNMENTAL FUNDS
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Total Fund Balances (Brought Forward)		\$26,113,680.90
Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Cost of Assets	\$16,300,874.65	
Accumulated Depreciation	<u>(9,401,463.60)</u>	
		6,899,411.05
Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Net Pension Liability	(9,112,259.00)	
Compensated Absences	(536,847.40)	
Bonds Payable	<u>(885,000.00)</u>	
		(10,534,106.40)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.		
Pensions:		
Deferred Outflows		2,340,529.00
Deferred Inflows:		
Pension related		(3,765,347.00)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Accounts Payable - Pension Related	(535,299.00)	
Accrued Interest Payable	<u>(774.38)</u>	
		<u>(536,073.38)</u>
Net Position of Governmental Activities		\$20,518,094.17

UNION COUNTY EDUCATIONAL SERVICES COMMISSION
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:				
Local sources:				
Tuition	\$20,662,881.03			\$20,662,881.03
Transportation fees from other lea's	32,258,503.59			32,258,503.59
Local educational agency sources		\$4,226,131.26		4,226,131.26
Miscellaneous	766,560.89	23,214.01	\$6,713.41	796,488.31
Total revenues-local sources	53,687,945.51	4,249,345.27	6,713.41	57,944,004.19
State sources	2,931,148.31	137,974.00		3,069,122.31
Total revenues	56,619,093.82	4,387,319.27	6,713.41	61,013,126.50
	0.00			
EXPENDITURES:				
Current expense:				
Instruction:				0.00
Regular instruction	3,101,053.99	2,200,097.83		5,301,151.82
Special education instruction	4,301,312.00			4,301,312.00
Support services:				0.00
Student and instruction related services	1,788,845.00	1,671,472.64		3,460,317.64
General administrative services	977,403.00			977,403.00
School administrative services	1,101,625.00			1,101,625.00
Central services	670,238.04			670,238.04
Plant operations and maintenance	1,147,310.53			1,147,310.53
Student transportation services	31,872,064.55			31,872,064.55
Employee benefits	7,615,469.64	515,748.80		8,131,218.44
Capital outlay-lease purchase principal	511,800.00			511,800.00
Capital outlay	135,258.11			135,258.11
Special schools	713,629.00			713,629.00
Total expenditures	53,936,008.86	4,387,319.27		58,323,328.13
Excess (deficiency) of revenues over (under) expenditures	2,683,084.96		6,713.41	2,689,798.37
Other financing sources (uses):				
Operating transfers out	(37,000.00)			(37,000.00)
Total financing sources (uses):	(37,000.00)			(37,000.00)
Net change in fund balances	2,646,084.96		6,713.41	2,652,798.37
Fund balances, July 1,	22,945,055.65		515,826.88	23,460,882.53
Fund balances, June 30,	\$25,591,140.61		\$522,540.29	\$26,113,680.90

UNION COUNTY EDUCATIONAL SERVICES COMMISSION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

Total net change in fund balances - governmental funds (from B-2) \$2,652,798.37

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the period.

Depreciation expense		(\$367,292.12)
Capital outlays	\$135,258.11	135,258.11

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.

Proceeds from lease purchase

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 585,000.00

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is a increase in the reconciliation. 5,565.37

Commission pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

Commission pension contributions	491,918.00	
Less: Pension expense	(496,819.00)	(4,901.00)

In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). 27,702.83

Change in net position of governmental activities \$3,034,131.56

Recommendations

Administrative Practices and Procedures

None

Financial Planning, Accounting and Reporting

None

School Purchasing Programs

None

School Food Service

None

Student Body Activities

None

Application for State School Aid

None

Transportation

None

Capital Assets

2020-01 Recommendation: That the Commission maintain an accurate and detailed Capital Assets ledger.

Miscellaneous

None

Prior Year Audit Findings

None