



COMMISSION ON STATE EMERGENCY COMMUNICATIONS

THE AUTHORITY ON EMERGENCY COMMUNICATIONS IN TEXAS

333 Guadalupe Street, Suite 2-212 * Austin * Texas 78701-3942

September 27, 2019

Honorable Greg Abbott, Governor
Honorable Glen Hegar, Texas Comptroller
Ursula Parks, Director, Legislative Budget Board
Lisa Collier, CPA, First Assistant State Auditor

Ladies and Gentlemen:

We are pleased to submit the annual financial report of the Commission on State Emergency Communications for the year ended August 31, 2019, in compliance with Texas Government Code Annotated, Section 2101.011, and in accordance with the requirements established by the Texas Comptroller of Public Accounts.

Due to the statewide requirements embedded in Governmental Accounting Standards Board (GASB) 34, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements in this statement. The financial report will be considered for audit by the state auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report (CAFR)*; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

If you have any questions, please contact Ms. Jackie M. Doan, Grant Management Accountant at 512.305.6934.

Sincerely,

 Kelli Merriweather
Executive Director

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

Exhibit I - Combined Balance Sheet/Statement of Net Position - Governmental Funds
For Fiscal Year Ended August 31, 2019

	General Funds	Special Revenue Funds	Governmental Funds Total	Capital Assets Adjustments	Long-Term Liabilities Adjustments	Statement of Net Position
ASSETS						
Current Assets:						
Cash in State Treasury	\$138,107,852.31	\$10,663,786.22	\$148,771,638.53	\$ -	\$ -	\$148,771,638.53
Consumable Inventories	2,450.00	-	2,450.00	-	-	2,450.00
TOTAL CURRENT ASSETS	\$138,110,302.31	\$10,663,786.22	\$148,774,088.53	\$ -	\$ -	\$148,774,088.53
Non-Current Assets:						
Capital Assets (Note 2)						
Furniture and Equipment	\$ -	\$ -	\$ -	\$159,233.96	\$ -	\$159,233.96
Less: Accumulated Depreciation	-	-	-	(118,763.38)	-	(118,763.38)
TOTAL NON-CURRENT ASSETS	-	-	-	40,470.58	-	40,470.58
TOTAL ASSETS	\$138,110,302.31	\$10,663,786.22	\$148,774,088.53	\$40,470.58	\$ -	\$148,814,559.11
LIABILITIES AND FUND BALANCES						
Current Liabilities:						
Payables from:						
Accounts	\$511.58	\$ -	\$511.58	\$ -	\$ -	\$511.58
Payroll	202,606.79	-	202,606.79	-	-	202,606.79
Due to Other Agencies	484,164.62	-	484,164.62	-	-	484,164.62
Employees Compensable Leave (Note 5)	-	-	-	-	90,545.10	90,545.10
Total Current Liabilities	\$687,282.99	\$ -	\$687,282.99	\$ -	\$90,545.10	\$777,828.09
Non-Current Liabilities:						
Employees Compensable Leave (Note 5)	\$ -	\$ -	\$ -	\$ -	\$42,396.61	\$42,396.61
Total Non Current Liabilities	-	-	-	-	42,396.61	42,396.61
TOTAL LIABILITIES	\$687,282.99	\$ -	\$687,282.99	\$ -	\$132,941.71	\$820,224.70
FUND FINANCIAL STATEMENT						
Fund Balances (Deficits) Reserved For:						
Nonspendable - Inventory	\$2,450.00	\$ -	\$2,450.00	\$ -	\$ -	\$2,450.00
Restricted	-	1,111,313.42	1,111,313.42	-	-	1,111,313.42
Committed	186,667,603.68	9,552,472.80	196,220,076.48	-	-	196,220,076.48
Unassigned	(49,247,034.36)	-	(49,247,034.36)	-	-	(49,247,034.36)
TOTAL FUND BALANCE	\$137,423,019.32	\$10,663,786.22	\$148,086,805.54	\$ -	\$ -	\$148,086,805.54
TOTAL LIABILITIES AND FUND BALANCE	\$138,110,302.31	\$10,663,786.22	\$148,774,088.53			
Government-Wide Statement of Net Position						
Invested in Capital Assets, net of Related Debt				\$40,470.58	\$ -	\$40,470.58
Unrestricted				-	(132,941.71)	(132,941.71)
TOTAL NET POSITION				\$40,470.58	\$ (132,941.71)	\$147,994,334.41

The accompanying notes to the financial statements are an integral part of this statement.

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

EXHIBIT II - Combined Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities - Governmental Funds
For Fiscal Year Ended August 31, 2019

	General Funds	Special Revenue Funds	Governmental Funds Total	Capital Position Adjustments	Long-Term Liabilities Adjustments	Statement of Activities
REVENUES						
License, Fees and Permits	\$ 26,955,252.51	\$ 139,599,099.75	\$ 166,554,352.26	\$ -	\$ -	\$ 166,554,352.26
Federal Revenues	-	-	-	-	-	-
Interest	-	295,115.73	295,115.73	-	-	295,115.73
Other	-	5,022.77	5,022.77	-	-	5,022.77
Total Revenues	\$ 26,955,252.51	\$ 139,899,238.25	\$ 166,854,490.76	\$ -	\$ -	\$ 166,854,490.76
EXPENDITURES						
Salaries and Wages	\$ 1,650,881.96	\$ -	\$ 1,650,881.96	\$ -	\$ (2,432.83)	\$ 1,648,449.13
Payroll Related Costs	573,654.29	-	573,654.29	-	-	573,654.29
Professional Fees and Services	1,306,954.53	-	1,306,954.53	-	-	1,306,954.53
Travel	44,279.22	-	44,279.22	-	-	44,279.22
Materials and Supplies	661,313.90	-	661,313.90	-	-	661,313.90
Communications and Utilities	555,316.50	-	555,316.50	-	-	555,316.50
Repairs and Maintenance	220,969.21	-	220,969.21	-	-	220,969.21
Rental and Lease	7,712.01	-	7,712.01	-	-	7,712.01
Printing and Reproduction	1,478.67	-	1,478.67	-	-	1,478.67
State Grant Pass-Through Expenditures	3,558,495.54	-	3,558,495.54	-	-	3,558,495.54
Intergovernmental Payments	59,686,367.78	110,740,855.01	170,427,222.79	-	-	170,427,222.79
Due to Other Agencies	967,205.00	-	967,205.00	-	-	967,205.00
Other Expenditures	88,205.29	41.09	88,246.38	-	-	88,246.38
Capital Outlay	-	-	-	-	-	-
Depreciation Expense	-	-	-	27,994.78	-	27,994.78
Total Expenditures	\$ 69,322,833.90	\$ 110,740,896.10	\$ 180,063,730.00	\$ 27,994.78	\$ (2,432.83)	\$ 180,089,291.95
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	\$ (42,367,581.39)	\$ 29,158,342.15	\$ (13,209,239.24)	\$ (27,994.78)	\$ 2,432.83	\$ (13,234,801.19)
OTHER FINANCING SOURCES (USES):						
Operating Transfers In	\$ 238,615,703.00	\$ 9,665,150.17	\$ 248,280,853.17	\$ -	\$ -	\$ 248,280,853.17
Operating Transfers Out	(212,157,516.18)	(37,844,928.41)	(250,002,444.59)	(61,060.47)	-	(250,063,505.06)
Total Other Financing Sources (Uses):	\$ 26,458,186.82	\$ (28,179,778.24)	\$ (1,721,591.42)	\$ (61,060.47)	\$ -	\$ (1,782,651.89)
Net Change in Fund Balance/Net Position	\$ (15,909,394.57)	\$ 978,563.91	\$ (14,930,830.66)	\$ (89,055.25)	\$ 2,432.83	\$ (15,017,453.08)
Fund Financial Statement - Fund Balances						
FUND BALANCE - Beginning	\$ 153,332,413.89	\$ 9,685,222.31	\$ 163,017,636.20			\$ 163,017,636.20
Restatements	-	-	-	-	-	-
FUND BALANCE - September 1, 2018	\$ 153,332,413.89	\$ 9,685,222.31	\$ 163,017,636.20			\$ 163,017,636.20
FUND BALANCE - August 31, 2019	\$ 137,423,019.32	\$ 10,663,786.22	\$ 148,086,805.54			\$ 148,000,183.12
Government Wide Statement of Net Position						
Net Change in Net Position			\$ 148,086,805.54	\$ (89,055.25)	\$ 2,432.83	\$ (15,017,453.08)
Net Position, September 1, 2018			-	129,525.83	(135,374.54)	(5,848.71)
Restatements			-	-	-	-
Net Position as of August 31, 2019			\$ 148,086,805.54	\$ 40,470.58	\$ (132,941.71)	\$ 147,994,334.41

The accompanying notes to the financial statements are an integral part of this statement.

Commission on State Emergency Communications (477) - Unaudited

NOTE 1: Summary of Significant Accounting Policies

Entity

The Commission on State Emergency Communications (CSEC) is an agency of the State of Texas and its financial records comply with state statutes and regulations. This includes compliance with the Texas Comptroller of Public Accounts' *Reporting Requirements for State Agencies and Universities*.

The Commission on State Emergency Communications serves the state by:

- Statewide enhanced 9-1-1 emergency telephone service provided by local governments. Funding is provided through the 9-1-1 Service Fee and Equalization Surcharge. The agency serves as administrator for the Wireless Service Fee Trust Fund which is collected from wireless telecommunication providers in Texas, and distributed to jurisdictions providing 9-1-1 services in the state.
- Statewide Poison Control Center communication network serving six regional answer centers for responding to poisonings. Funding is provided through the Equalization Surcharge.

The CSEC includes within this report all components as determined by an analysis of their relationship to CSEC as listed below (if any).

Due to the statewide requirements embedded in GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, the Comptroller of Public Accounts does not require the accompanying annual financial report to comply with all the requirements of this statement. The financial report will be considered for audit by the State Auditor as part of the audit of the State of Texas *Comprehensive Annual Financial Report (CAFR)*; therefore, an opinion has not been expressed on the financial statements and related information contained in this report.

Blended Component Units

The CSEC does not have any blended component units.

Discretely Presented Component Units

The CSEC does not have any discretely presented component units.

Fund Structure

The accompanying financial statements are presented on the basis of funds, each of which is considered a separate accounting entity.

Governmental Fund Types & Government-wide Adjustment Fund Types

General Revenue Funds

The Equalization Surcharge Fund (Fund 5007) – This fund is established for the administration and implementation of statewide 9-1-1 service and the operations of regional poison control centers. Revenues are obtained from an equalization surcharge on telecommunication local exchange lines and wireless telecommunication connections.

Commission on State Emergency Communications (477) - Unaudited

NOTE 1: Summary of Significant Accounting Policies - Continued

The 9-1-1 Service Fee Fund (Fund 5050) – This fund is established for the administration and implementation of statewide 9-1-1 service. Revenues are obtained from 9-1-1 service fees on landline and wireless telecommunications.

Special Revenue Funds

The Wireless Service Fee Fund (Fund 0875) is a trust fund for collection of service fees from wireless telecommunication service providers. The agency is responsible for administration of the trust fund, which primarily consists of distributions to 9-1-1 Districts and transfers to State Treasury Fund 5050.

Capital Assets Adjustment Fund Type

The Capital Assets Adjustment Fund is used to convert governmental fund types' capital assets from modified accrual to full accrual.

Long Term Liabilities Adjustment Fund Type

Long-Term Liabilities Adjustment fund type is used to convert governmental fund types' debt from modified accrual to full accrual.

Basis of Accounting

The basis of accounting determines when revenues and expenditures or expenses are recognized in the accounts reported in the financial statements. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus.

Governmental fund types are accounted for using the modified accrual basis of accounting. Under the modified accrual basis, revenues are recognized in the period that they become both measurable and available to finance operations of the fiscal year or liquidate liabilities existing at fiscal year-end.

The State of Texas considers receivables collected within 60 days after year-end to be available and recognizes them as revenues of the current year for fund financial statements prepared on the modified basis of accrual. Expenditures and other uses of financial resources are recognized when the related liability is incurred.

Basis conversion adjustment fund types convert modified accrued basis to full accrued basis of accounting. The following activities are recognized in these fund types:

- Capital assets
- Accumulated depreciation
- Unpaid employee compensable leave
- The outstanding debt service principal and interest on long-term liabilities
- Capital leases
- Long-term claims and judgments
- Full accrual revenues and expenses
- Pension amounts in governmental activities

Commission on State Emergency Communications (477) - Unaudited

NOTE 1: Summary of Significant Accounting Policies - Continued

Budgets and Budgetary Accounting

The budget is prepared biennially and represents appropriations authorized by the legislature and approved by the Governor (the General Appropriations Act).

Unencumbered appropriations are generally subject to lapse 60 days after the fiscal year-end for which they were appropriated.

Assets, Liabilities, and Fund Balances/Net Assets

ASSETS

Cash and Cash Equivalents

Short-term highly liquid investments with an original maturity of three months or less are considered cash equivalents.

Restricted Assets

Restricted assets include monies or other resources restricted by legal or contractual requirements. These assets include proceeds of enterprise fund general obligation and revenue bonds and revenues set aside for statutory or contractual requirements.

Inventories

Inventories include both merchandise inventories on hand for sale and consumable inventories. Inventories are valued at cost, generally using the last-in, first-out method. The consumption method of accounting is used to account for inventories and prepaid items that appear in the governmental and proprietary fund types. The cost of these items is expensed when the items are consumed.

Capital Assets

Assets that meet the reporting threshold and useful life are capitalized. The capitalization threshold and the estimated useful life vary depending on the asset type. These assets are capitalized at cost or, if purchased, at appraised fair value as of the date of acquisition. Purchases of assets by governmental funds are reported as expenditures. Depreciation is reported on all "exhaustible" assets. "Inexhaustible" assets (such as works of art and historical treasures) are not depreciated. Road and highway infrastructure is depreciated over the estimate of average useful life of a grouping of assets using composite method. Other depreciable assets are depreciated over the estimated useful life of the asset using the straight-line method.

LIABILITIES

Accounts Payable

Accounts Payable represents the liability for the value of assets or services received at the balance sheet date for which payment is pending.

NOTE 1: Summary of Significant Accounting Policies - Continued

Employees Compensable Leave Balances

Employees' compensable leave balances represent the liability that become "due" upon the occurrence of relevant events such as resignations, retirements and uses of leave balances by covered employees. Liabilities are reported separately as either current or noncurrent in the statement of net position. These obligations are normally paid from the same funding source from which each employee's salary or wage compensation was paid.

Fund Balance/Net Position

"Fund balance" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the governmental fund statements. "Net position" is the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources on the government-wide, proprietary and fiduciary fund statements.

When both restricted and unrestricted resources are available for use, it is CSEC's policy to use unrestricted resources first, then restricted when they are needed. When only unrestricted resources are available, it is CSEC's policy to use committed resources first, then assigned resources and unassigned resources last.

Fund Balance Components

Fund balances for governmental funds are classified as nonspendable, restricted, committed, assigned or unassigned in the fund financial statements.

- **Nonspendable fund balance** includes amounts not available to be spent because they are either:
 - Not in spendable form
 - Legally or contractually required to be maintained intact.
- **Restricted fund balance** includes those resources that have constraints placed on their use through external parties - such as creditors, grantors, contributors, laws or regulations of other governments - or by law through constitutional provisions or enabling legislation.
- **Committed fund balance** can be used only for specific purposes pursuant to constraints imposed through legislation passed into law by a formal action of the Texas Legislature, the state's highest level of decision making authority.
- **Assigned fund balance** includes amounts constrained by the state's intent to be used for specific purposes, but the constraints do not meet the requirements to be reported as restricted or committed. Intent is expressed by either:
 - The Texas Legislature
 - A body (for example, a budget of finance committee) or official to which the governing body has delegated the authority to assign amounts to be used for a specific purpose.

Commission on State Emergency Communications (477) - Unaudited

- **Unassigned fund balance** is the residual classification for the general fund. This classification represents fund balance that was not assigned to other funds and was not restricted, committed or assigned to specific purposes within the general fund.

Net Investment in Capital Assets

Net investment in capital assets, consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bond, notes and other debt that are attributed to the acquisition, construction or improvement of those assets.

Restricted Net Position

Restricted net position results when constraints placed on net resources are either externally imposed by creditors, grantors, contributors and the like or imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position

Unrestricted net position consists of net resources that do not meet the definition of the two preceding categories. Unrestricted net position often has constraints on resources that are imposed by management but can be removed or modified.

Interfund Activities and Transactions

"The agency has the following types of transactions between funds:

1. **Transfers** – Legally required transfers that are reported when incurred as "transfers in" by the recipient fund and as "transfers out" by the disbursing fund.
2. **Reimbursements** - Reimbursements are repayments from funds responsible for expenditures or expenses to funds that made the actual payment. Reimbursements of expenditures made by one fund for another that are recorded as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund. Reimbursements are not displayed in the financial statements.

Commission on State Emergency Communications (477) - Unaudited

NOTE 2: Capital Assets

Revenue received from the sale of surplus property has been transferred to Unappropriated General Revenue in accordance with HB7, Sec. 20.

	Balance 09/01/2018	Adjustment s	Completed CIP	Inc- Int'gy Trans	Dec- Int'gy Trans	Additions	Deletions	Balance 8/31/2019
Depreciable Assets								
Furniture and Equipment	<u>\$269,709.21</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>(\$110,475.25)</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$159,233.96</u>
Total Capital Assets at Historical Cost:	\$269,709.21	\$0.00	\$0.00	\$0.00	(\$110,475.25)	\$0.00	\$0.00	\$159,233.96
Less: Accumulated Depreciation for:								
Furniture and Equipment	<u>(\$140,183.38)</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$49,414.78</u>	<u>(\$27,994.78)</u>	<u>\$0.00</u>	<u>(\$118,763.38)</u>
Total Accumulated Depreciation:	\$129,525.83	\$0.00	\$0.00	\$0.00	(\$61,060.47)	(\$27,994.78)	\$0.00	\$40,470.58
Capital Assets, Net	<u>\$129,525.83</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>\$0.00</u>	<u>(\$61,060.47)</u>	<u>(\$27,994.78)</u>	<u>\$0.00</u>	<u>\$40,470.58</u>

Commission on State Emergency Communications (477) - Unaudited

NOTE 5: Long Term Liabilities

Changes In Long-Term Liabilities

The following changes occurred in liabilities during the year ended August 31, 2019:

	<u>Balance</u> <u>9/1/2018</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>8/31/2019</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>	<u>Amounts</u> <u>Due</u> <u>Thereafter</u>
Governmental Activities						
Employees Compensable Leave	\$135,374.54	\$147,261.78	\$149,694.61	\$132,941.71	\$90,545.10	\$42,396.61
Total Governmental Activities	<u>\$135,374.54</u>	<u>\$147,261.78</u>	<u>\$149,694.61</u>	<u>\$132,941.71</u>	<u>\$90,545.10</u>	<u>\$42,396.61</u>

Employee's Compensable Leave

If a state employee had continuous employment with the state for at least six months, the state employee is entitled to be paid for all unused vacation time accrued in the event of the employee's resignation, dismissal or separation from state employment.

Expenditures for accumulated annual leave balances are recognized in the period paid or taken in governmental fund types. For these fund types, the liability for unpaid benefits is recorded in the statement of net position. Both an expense and a liability for business-type activities are recorded in the proprietary funds as the benefits accrue to employees. No liability is recorded for non-vesting employees accumulating rights to receive sick pay benefits. This obligation is usually paid from the same funding source(s) from which the employee's salary or wage compensation was paid.

Commission on State Emergency Communications (477) - Unaudited

NOTE 13: Continuance Subject to Review

Under the Texas Sunset Act, the Agency will be abolished effective September 1, 2023, unless continued in existence as provided by the Act. If abolished, the agency may continue until September 1, 2024 to close out its operations.

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

Exhibit A-1 - Combining Balance Sheet - All General and Consolidated Funds

For Fiscal Year Ended August 31, 2019

	Consolidated Accounts		Total
	Fund 1	Fund 2	
	5007	5050	
	U/F (5007)	U/F (5050)	
ASSETS			
Current Assets:			
Cash in State Treasury	\$ 44,170,166.88	\$ 93,937,685.43	\$ 138,107,852.31
Consumable Inventories	2,450.00	-	2,450.00
TOTAL CURRENT ASSETS	\$ 44,172,616.88	\$ 93,937,685.43	\$ 138,110,302.31
TOTAL ASSETS	\$ 44,172,616.88	\$ 93,937,685.43	\$ 138,110,302.31
LIABILITIES			
Current Liabilities:			
Payables:			
Accounts	\$ 511.58	\$ -	\$ 511.58
Payroll	49,093.99	153,512.80	202,606.79
Due to Other Agencies	484,164.62	-	484,164.62
TOTAL CURRENT LIABILITIES	\$ 533,770.19	\$ 153,512.80	\$ 687,282.99
Due to Other Agencies	\$ 533,770.19	\$ 153,512.80	\$ 687,282.99
FUND EQUITY			
Fund Balances (Deficits):			
Nonspendable - Inventories	\$ 2,450.00	\$ -	\$ 2,450.00
Committed	29,863,481.12	156,804,122.56	186,667,603.68
Unassigned	13,772,915.57	(63,019,949.93)	(49,247,034.36)
TOTAL FUND EQUITY	\$ 43,638,846.69	\$ 93,784,172.63	\$ 137,423,019.32
TOTAL LIABILITIES AND FUND EQUITY	\$ 44,172,616.88	\$ 93,937,685.43	\$ 138,110,302.31

The accompanying notes to the financial statements are an integral part of this statement.

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

Exhibit A-2 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - All General and Consolidated Funds

For Fiscal Year Ended August 31, 2019

	Consolidated Accounts		Totals
	Fund 1	Fund 2	
	5007	5050	
	U/F (5007)	U/F (5050)	
REVENUES			
License, Fees & Permits	\$ 19,609,274.96	\$ 7,345,977.55	\$ 26,955,252.51
Other	-	-	-
Total Revenues	\$ 19,609,274.96	\$ 7,345,977.55	\$ 26,955,252.51
EXPENDITURES			
Salaries and Wages	\$ 524,426.24	\$ 1,126,455.72	\$ 1,650,881.96
Payroll Related Costs	133,984.30	439,669.99	573,654.29
Professional Fees and Services	760,286.83	546,667.70	1,306,954.53
Travel	(110.48)	44,389.70	44,279.22
Materials and Supplies	410,951.96	250,361.94	661,313.90
Communications and Utilities	545,551.34	9,765.16	555,316.50
Repairs and Maintenance	213,423.43	7,545.78	220,969.21
Due to Other Agencies	4,043.93	3,668.08	7,712.01
Printing and Reproduction	66.75	1,411.92	1,478.67
State Grant Pass-Through Expenditures	3,558,495.54	-	3,558,495.54
Intergovernmental Payments	9,525,700.81	50,160,666.97	59,686,367.78
Public Assistance Payments	967,205.00	-	967,205.00
Other Expenditures	22,739.34	65,465.95	88,205.29
Capital Outlay	-	-	-
Total Expenditures	\$ 16,666,764.99	\$ 52,656,068.91	\$ 69,322,833.90
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	\$ 2,942,509.97	\$ (45,310,091.36)	\$ (42,367,581.39)
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	\$ 55,619,751.92	\$ 182,995,951.08	\$ 238,615,703.00
Operating Transfers Out	(57,341,343.34)	(154,816,172.84)	(212,157,516.18)
Total Other Financing Sources (Uses):	\$ (1,721,591.42)	\$ 28,179,778.24	\$ 26,458,186.82
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	\$ 1,220,918.55	\$ (17,130,313.12)	\$ (15,909,394.57)
FUND BALANCE - September 1, 2018	\$ 42,417,928.14	\$ 110,914,485.75	\$ 153,332,413.89
FUND BALANCE - August 31, 2019	\$ 43,638,846.69	\$ 93,784,172.63	\$ 137,423,019.32

The accompanying notes to the financial statements are an integral part of this statement.

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS
Exhibit B-1 - Combining Balance Sheet - Special Revenue Funds
For Fiscal Year Ended August 31, 2019

	Consolidated Accounts		Total
	Fund 1 0875 U/F (0875)	Fund 2 8875 U/F (0875)	
ASSETS			
Current Assets:			
Cash in State Treasury	\$ 7,990,477.84	\$ 2,673,308.38	\$ 10,663,786.22
TOTAL CURRENT ASSETS	<u>\$ 7,990,477.84</u>	<u>\$ 2,673,308.38</u>	<u>\$ 10,663,786.22</u>
TOTAL ASSETS	<u>\$ 7,990,477.84</u>	<u>\$ 2,673,308.38</u>	<u>\$ 10,663,786.22</u>
LIABILITIES			
Due to Other Agencies	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
FUND EQUITY			
Fund Balances (Deficits):			
Restricted	\$ 234,649.87	\$ 876,663.55	\$ 1,111,313.42
Committed	7,755,827.97	1,796,644.83	9,552,472.80
TOTAL FUND EQUITY	<u>\$ 7,990,477.84</u>	<u>\$ 2,673,308.38</u>	<u>\$ 10,663,786.22</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 7,990,477.84</u>	<u>\$ 2,673,308.38</u>	<u>\$ 10,663,786.22</u>

The accompanying notes to the financial statements are an integral part of this statement.

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS

Exhibit B-2 - Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Special Revenue Funds

For Fiscal Year Ended August 31, 2019

	Consolidated Accounts		
	Fund 1	Fund 2	Totals
	0875	8875	
	U/F (0875)	U/F (0875)	
REVENUES			
License, Fees & Permits	\$ 139,599,099.75	\$ -	\$ 139,599,099.75
Interest	-	295,115.73	295,115.73
Other Revenue	\$ 5,022.77	\$ -	\$ 5,022.77
Total Revenues	\$ 139,604,122.52	\$ 295,115.73	\$ 139,899,238.25
EXPENDITURES			
Intergovernmental Payments	\$ 110,740,855.01	\$ -	\$ 110,740,855.01
Other Expenditures	41.09	-	41.09
Total Expenditures	\$ 110,740,896.10	\$ -	\$ 110,740,896.10
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES	\$ 28,863,226.42	\$ 295,115.73	\$ 29,158,342.15
OTHER FINANCING SOURCES (USES):			
Operating Transfers In	\$ 9,665,150.17	\$ -	\$ 9,665,150.17
Operating Transfers Out	(37,844,928.41)	-	(37,844,928.41)
Total Other Financing Sources (Uses):	\$ (28,179,778.24)	\$ -	\$ (28,179,778.24)
EXCESS (DEFICIT) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	\$ 683,448.18	\$ 295,115.73	\$ 978,563.91
FUND BALANCE - September 1, 2018	\$ 7,307,029.66	\$ 2,378,192.65	\$ 9,685,222.31
FUND BALANCE - August 31, 2019	\$ 7,990,477.84	\$ 2,673,308.38	\$ 10,663,786.22

The accompanying notes to the financial statements are an integral part of this statement.

(Unaudited)

COMMISSION ON STATE EMERGENCY COMMUNICATIONS
Schedule 1B - Schedule of State Grant Pass Throughs From/To State Agencies
For Fiscal Year Ended August 31, 2019

<u>Pass Through To:</u>	<u>Grant ID</u>	<u>Agency Number</u>	<u>Amount</u>
Poison Control Centers	477.0001		
University of Texas Medical Branch at Galveston	4778005	723	\$1,159,436.00
Texas Tech University Health Science Center	4778004	739	\$765,882.69
University of Texas Health Science Center at San Antonio	4778006	745	\$1,383,176.85
Telemedicine Interagency Contract			
Texas Tech University Health Science Center	4778034	739	\$250,000.00
Total Pass Through to Other Agencies (Exh II)			<u>\$3,558,495.54</u>

The accompanying notes to the financial statements are an integral part of this statement.