

# Agenda of Public Hearing

## The Board of Trustees Seguin ISD

---

A Public Hearing of the Board of Trustees of Seguin ISD will be held December 17, 2024, beginning at 6:00 PM in the Board Room, 1221 E Kingsbury, Seguin, TX 78155.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

1. Call to Order
  - A. Establish Quorum
2. Overview of the Annual Financial Management Report regarding the District's 2023-2024 Financial Integrity Rating System of Texas (FIRST) ratings based on the district's school year 2022-2023 data. 2

The public is further invited to address questions or comments to the Staff and Board of Trustees at the Public Hearing.

3. Adjourn

**School FIRST Annual Financial Management Report**

**SEGUIN INDEPENDENT SCHOOL DISTRICT**

Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing Subchapter AA, Commissioner’s Rules Concerning Financial Accountability Rating System, Section 109.1001(q). Effective 8/1/2018.

The template has been established to help the districts in gathering their data and presenting it at their School FIRST hearing. The template may not be all inclusive.

**Superintendent’s Current Employment Contract**

A copy of the superintendent’s current employment contract at the time of the School FIRST hearing is to be provided. In lieu of publication in the annual School FIRST financial management report, the school district may chose to publish the superintendent’s employment contract on the school district’s Internet site. If published on the Internet, the contract is to remain accessible for twelve months.

**Reimbursements Received by the Superintendent and Board Members**

For the Twelve-Month Period  
Ended June 30, 2023

<u>Description of Reimbursements</u>	Superintendent	Board	Board	Board	Board	Board	Board	Board
		Member 1	Member 2	Member 3	Member 4	Member 5	Member 6	Member 7
Meals	\$ 887.00	\$ 151.00	\$ 184.05	\$ 95.00	\$ 110.00	\$ 20.00	\$ -	\$ 125.00
Lodging	\$ 4,641.22	\$ 528.74	\$ 885.34	\$ 264.37	\$ 793.11	\$ -	\$ -	\$ 1,264.37
Transportation	\$ 1,780.81	\$ 227.40	\$ 307.36	\$ 124.89	\$ 190.09	\$ 104.89	\$ -	\$ 188.40
Motor Fuel								
Other	\$ 2,870.00	\$ 375.00	\$ 600.00	\$ 375.00	\$ 325.00	\$ 325.00	\$ -	\$ 860.00
<b>Total</b>	<b>\$10,179.03</b>	<b>\$1,282.14</b>	<b>\$1,976.75</b>	<b>\$859.26</b>	<b>\$1,418.20</b>	<b>\$449.89</b>	<b>\$0.00</b>	<b>\$2,437.77</b>

All "reimbursements" expenses, regardless of the manner of payment, including direct pay, credit card, cash, and purchase order are to be reported. Items to be reported per category include:

Meals – Meals consumed out of town, and in-district meals at area restaurants (outside of board meetings, excludes catered board meeting meals).

Lodging - Hotel charges.

Transportation - Airfare, car rental (can include fuel on rental, taxis, mileage reimbursements, leased cars, parking and tolls).

Motor fuel – Gasoline.

Other: - Registration fees, telephone/cell phone, internet service, fax machine, and other reimbursements (or on-behalf of) to the superintendent and board member not defined above.

**Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services**

For the Twelve-Month Period  
Ended June 30, 2023

<u>Name(s) of Entity(ies)</u>	Amount Received
	\$
<b>Total</b>	<b>\$0.00</b>

Compensation does not include business revenues generated from a family business (farming, ranching, etc.) that has no relation to school district business.

**Gifts Received by Executive Officers and Board Members (and First Degree Relatives, if any) (gifts that had an economic value of \$250 or more in the aggregate in the fiscal year)**

For the Twelve-Month Period  
Ended June 30, 2023

Superintendent	Board	Board	Board	Board	Board	Board	Board
	Member 1	Member 2	Member 3	Member 4	Member 5	Member 6	Member 7
<b>Total</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

**Note** – An executive officer is defined as the superintendent, unless the board of trustees or the district administration names additional staff under this classification for local officials.

**Business Transactions Between School District and Board Members**

For the Twelve-Month Period  
Ended June 30, 2023

	Board	Board	Board	Board	Board	Board	Board
	Member 1	Member 2	Member 3	Member 4	Member 5	Member 6	Member 7
<b>Amounts</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>

**Note** - The summary amounts reported under this disclosure are not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.



**Seguin**

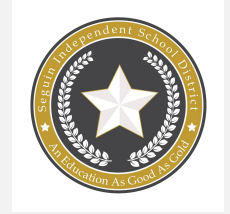
exceptional students to exceptional citizens

**INDEPENDENT SCHOOL DISTRICT**

**2024 FIRST RATING  
SEGUIN ISD  
BASED ON 2022-2023 DATA**

Financial Integrity Rating System of Texas





## FINANCIAL INTEGRITY RATING SYSTEM OF TEXAS

- The state's school financial accountability rating system, known as the School Financial Integrity Rating System of Texas (FIRST), ensures that Texas public schools are held accountable for the quality of their financial management practices and that they improve those practices. The system is designed to encourage Texas public schools to better manage their financial resources to provide the maximum allocation possible for direct instructional purposes.
- There are now 21 Indicators – These ratings are for the 22-23 school year.

## INDICATOR I

- Was the complete annual financial report and data submitted to TEA within 30 days of the deadline?
- Due on 12/27/2023 – Received by TEA on 11/17/23

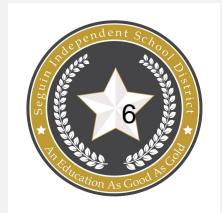
Pass or Fail - Automatic F



## INDICATOR 2

- Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?
  - Unmodified Opinion– The opinion expressed by the auditor when the auditor concludes that the financial statements are presented fairly, in all material respects in accordance with the applicable financial reporting framework.
- Seguin ISD did receive an unmodified opinion

Pass or Fail - Automatic F



## INDICATOR 3

- Was the school district in compliance with the payment terms of all debt agreements at fiscal year end?
- Seguin ISD was in compliance.

Pass or Fail - Automatic F



## INDICATOR 4

- Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?
- Seguin ISD did make timely payments to all agencies.

Pass or Fail - Loss of 5 points

Seguin received all 5 points.





## INDICATOR 5

- Was the total unrestricted net position balance (Net of the accretion of interest for capital appreciation bonds) in the governmental activities column in the Statement of Net Position greater than zero? (If the school district's change of students in membership over 5 years was 7 percent or more or 1,000 or more students in membership then the school district passes this indicator.)
- If this one is failed the district cannot score higher than an 89 (B – Above Standard Achievement)
- Net position was greater than zero
- Seguin had a decrease in students from 18-19 to 22-23 of 146 students



## INDICATOR 6

- Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25% decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures?
  - If this one is failed the district cannot score higher than an 89 (B – Above Standard Achievement)

2022-2021 Assigned and Unassigned Fund Balances – \$30,872,224

2022-2023 Assigned and Unassigned Fund Balances - \$34,495,713

75 days of operational expenditures - \$7,088,160

Not a decrease and we did have 75 days of expenditures on hand

## INDICATOR 7

- Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)?
- 2022-2023 Cash and equivalents - \$37,945,576
- 2022-2023 Total expenditures - \$72,058,983
- 2022-2023 Facilities Acquisition and Construction - \$372,883
- $37,945,576 / 71,686,100 * 365 = 193$
- SO – SISD can fund itself with its cash for 193 days
- To get a perfect score you must have at least 90 days of cash on hand
- Seguin received 10 out of 10 points.





## INDICATOR 8

- Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?
- SISD 22-23 current assets - \$120,315,281
- SISD 22-23 current liabilities - \$23,777,564
- Assets divided by liabilities = 5.06 – must be greater than 3 to score a 10
- So, SISD has 5 times as many assets as liabilities at the end of fiscal year 2023
- Seguin received 10 out of 10 points.

## INDICATOR 9

- Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days?
- SISD 22-23 Total Revenue - \$70,707,848
- SISD 22-23 Total Expenditures - \$72,058,983
- SISD 22-23 Facilities Acquisition and Construction - \$372,883
- $(70,707,848 / 71,686,100) - 1 = -.013$
- If not district needs to have at least 60 days cash on hand (193)
- SISD meets second so gets a score of 10 out of 10 points.



## INDICATOR 10

- Did the school district average less than a 10% variance when comparing budgeted revenues to actual revenues for the last 3 fiscal years?
- Not being evaluated this year



## INDICATOR 11

- Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency?
- SISD 22-23 Long term liabilities - \$208,717,002
- SISD 22-23 Total Assets - \$279,219,936
- $\$208,717,002 / \$279,219,936 = .7475$
- Must be less than or equal to .60 to score a 10

SISD scored 6 out of 10 points





## INDICATOR 12

- What is the correlation between future debt requirements and the district's assessed property value?
- SISD 22-23 Total Local and Intermediate Revenue - \$19,227,097
- SISD 22-23 Total Revenue - \$20,160,775
- SISD 22-23 Long Term Liabilities - \$208,717,002
- Assessed Property Value - \$4,954,010,065
- $(19,227,097 / 20,160,775) * 208,717,002 * 100 / 4,954,010,065 = 4.0818$
- Must be less than or equal to 4 to get full points
- Does the district have enough property value in 22-23 to support 22-23 debt
- Seguin received 8 out of ten points.



## INDICATOR 13

- Was the school district's administrative cost ratio equal to or less than the threshold ratio?
- SISD 22-23 administrative cost ratio - .1132
- To get a 10 the ratio needs to be equal to or less than .1000
- Seguin scored 8 out of 10 points.



## INDICATOR 14

- Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)?
- SISD's student to staff ratio has decreased by .0147%
- TEA making sure we are staffing appropriately
- Seguin scored 10 out of 10 points.



## INDICATOR 15

- Was the school district's *ADA* within the allotted range of the district's biennial pupil projections submitted to TEA? For our school size we must be within 20% to score a 10 - we only submit pupil projections every two years.
- Not being scored this year



## INDICATOR 16

- Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?
- SISD had a 0% difference – must be less than 3%
- Pass or Fail - Ceiling Indicator
- Seguin passed this indicator.



## INDICATOR 17

- Did the external independent auditor report that the AFR was free on any instance(s) of material weaknesses in internal control over financial reporting and compliance for local, state, or federal funds?
- If you fail this indicator you cannot get better than a C rating
- Auditors reported no material noncompliance.
- Pass or Fail - Ceiling indicator
- Seguin passed this indicator.



## INDICATOR 18

- Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?
- Auditors reported no material noncompliance.
- Seguin scored 10 out of 10 points.



## INDICATOR 19

- Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?
- SISD had all required financial postings for 22-23.
- Seguin scored 5 out of 5 points.



## INDICATOR 20

- Did the school board members discuss the district's property values at a board meeting within 120 days before the district adopted its budget?
- If this indicator is failed the district cannot score better than a B.
- Pass or Fail - Ceiling Indicator
- Seguin passed this indicator.

## INDICATOR 21

- Did the school district receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds because of a financial hardship.
- Pass or Fail - Ceiling Indicator
- Seguin passed this indicator.

2024 FIRST RATING

TOTAL SCORE OF 92

A for SUPERIOR ACHIEVEMENT



Seguin

exceptional students to exceptional citizens<sup>26</sup>  
INDEPENDENT SCHOOL DISTRICT