

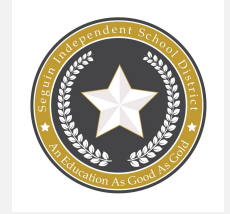


Seguin exceptional students to exceptional citizens
INDEPENDENT SCHOOL DISTRICT

**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

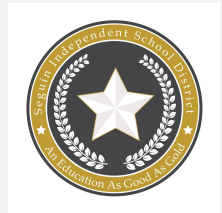
Pass or Fail



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



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



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





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





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

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 10/10



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

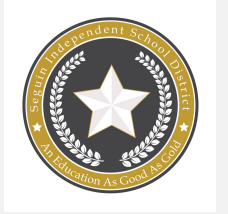
SISD scored 6 out of 10 points





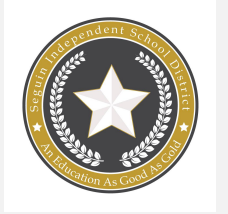
INDICATOR 12

- 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



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 – Score of 8 out of 10
- To get a 10 the ratio needs to be equal to or less than .1000



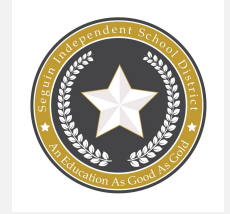
INDICATOR 14

- 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



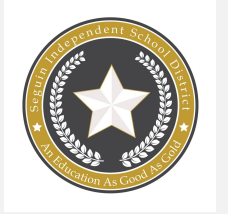
INDICATOR 15

- 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%



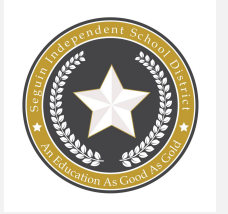
INDICATOR 17

- 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.



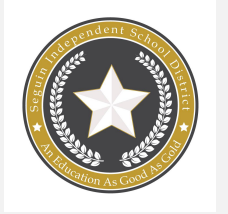
INDICATOR 18

- 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.



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.



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

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.
- SISD did not

Pass or Fail

2024 FIRST RATING

TOTAL SCORE OF 92

A for SUPERIOR ACHIEVEMENT



Seguin

exceptional students to exceptional citizens

INDEPENDENT SCHOOL DISTRICT