

*Judson Independent School District
Live Oak, Texas*



**Public Presentation
December 19, 2024**

**Annual Financial Management and Accountability Report
For the Fiscal Year Ending June 30, 2023.**

What is Schools FIRST:

- ❑ Schools FIRST is the Financial Integrity Rating System of Texas.
 - ❑ Senate Bill 218 of the 77th Legislature (2001) implemented FIRST. This law requires the financial health of every school district in Texas to be evaluated.
 - ❑ The primary goal of Schools FIRST is to achieve quality performance in the management of school district's financial resources, a goal made more significant due to the complexity of accounting associated with Texas School Finance Systems.
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- ❑ School districts are required to hold a public meeting to publicize the district's financial report and rating.

 - ❑ Schools FIRST accountability rating assigns one of four financial accountability ratings to Texas school districts
 - ❑ Superior Achievement
 - ❑ Above Standard
 - ❑ Meets Standard
 - ❑ Substandard Achievement

 - ❑ Districts with a Substandard Achievement rating must file a corrective plan with TEA.
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Judson Independent School
District Earns

Superior Achievement

Judson Independent School District

Responses to Base Indicators

The following 21 criteria were used by TEA to rate the school districts. The following are the responses to the questions used to assess the District's financial management condition.

The data used to determine this rating is from the 2022-2023 fiscal year.

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- 1) Was the complete annual financial report (AFR) and data submitted to the TEA within 30 days of the November 27 or January 28 deadline depending on the school district's fiscal year end date of June 30 or August 31, respectively?**

YES.

The report was approved by the Board of Trustees on 12/14/2023 and received by the Texas Education Agency (TEA) on 12/15/2023.

- 2) Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)**

YES.

When the Annual Financial Report is audited by independent auditors, they issue an opinion stating that the financial statements are fairly presented and free of material misstatements. The affirmation of this process is indicated by issuance of an unmodified opinion by the auditors. A modified opinion from the independent auditors generally means that we need to take some type of corrective action on reporting of the District assets or its internal controls.

3) Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)

YES.

The District has no disclosures in the Annual Financial Report concerning default on bonded indebtedness. On June 30, 2023, total bonded indebtedness was \$969,716,854. Bonded debt service requirements for this fiscal year was \$35,741,142. The District has a long-standing commitment to maintain its credit worthiness and has never defaulted on any debt.

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? (If the school district received a warrant hold and the warrant hold was not cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments and will fail critical indicator 4. If the school district was issued a warrant hold, the maximum points and highest rating that the school district may receive is 95 points, A = Superior Achievement, even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days.)

YES. Ceiling Passed.

All payments made on time to the Teachers Retirement System, Texas Workforce Commission, Internal Revenue Service, and other governmental agencies during the fiscal year ending June 30, 2023.

5) Was the total net position in the governmental activities column in the Statement of Net Position (net of accretion of interest for capital appreciation bonds, net pension liability, and other post-employment benefits) greater than zero? (If it is not, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement, unless the school district has an increase of students in membership over 5 years of 7 percent or more or 1,000 or more students in membership. If the school district has an increase of students in membership over 5 years of 7 percent or more or 1,000 or more students in membership, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)

YES. Ceiling Passed.

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- 6) Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)**

YES. Passed.

The District's 3-year average change was less than 25%.

- 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)?**

YES.

10 points is granted for the District having greater than 90 days.

8) Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? See ranges below in the Determination of Points section.

YES.

The District's current assets are 2.586 times the amount of current liabilities.

8 points is granted if the measure is between 2.50 and 3.00.

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? See ranges below in the Determination of Points section.

YES.

The District received 10 out of 10 points.

The District's cash on hand exceeds 165 days.

10) This indicator is not being evaluated.

11) Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's increase 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.)

YES.

10 points are granted for ratios greater than or equal to 0.60.

12) What is the correlation between future debt requirements and the district's assessed property value?

YES.

The District received 8 points.

The District's ratio was 4.0989 and 8 points are granted for ratios between 4 and 7.

13) Was the school district's administrative cost ratio equal to or less than the threshold ratio?

YES.

The District's administrative cost ratio is very low at 0.0613.

10 points are granted for ratio's less than or equal to 0.0855

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)? If the student enrollment did not decrease, the school district will automatically pass this indicator.

YES.

The District was awarded 10 points.

15) This indicator is not being evaluated.

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? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)**

YES. Passed.

The District's variance was .03%.

17) Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds and free from substantial doubt about the school district's ability to continue as a going concern? (The AICPA defines material weakness.) (If the school district fails indicator 17, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement.)

YES. Passed.

The District had no findings of material weaknesses in the audit.

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? (The AICPA defines material noncompliance.)

YES. Passed.

The District had no findings of material noncompliance in the audit.

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?

YES.

The District had the required postings on its website.

20) Did the school district's administration and school board members discuss any changes and/or impact to local, state, and federal funding at a board meeting within 120 days before the district adopted its budget?

YES. Ceiling passed.

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?

YES. Ceiling passed.



DISCLOSURES

Beginning with calendar year 2007, new reporting requirements are effective for the financial management report that will be available at the Schools FIRST public hearing. Per Title 19 Texas Administrative Code Chapter 109, Budgeting, Accounting, and Auditing, Subchapter AA, Commissioner's Rules

Superintendent's Employment Contract

The current contract for Dr. Milton “Rob” Fields, JISD Superintendent, is posted on the Judson website under the **Superintendent** section at

<https://judsonisdorg.finalsite.com/fs/resource-manager/view/b3fce932-ea0a-428a-9ce2-f0af7a12db6c>

Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2023

Description of Reimbursements	Superintendent Dr. Fields Dr. Ball	District 1 Ms. Kenoyer	District 2 Ms. Faulkner	District 3 Ms. Eaton
Meals	\$17/\$0	\$0	\$0	\$0
Lodging	\$634/\$0	\$377	\$0	\$0
Transportation	\$185/\$0	\$298	\$0	\$0
Motor Fuel	\$0/\$0	\$0	\$0	\$0
Other (Registration & Memberships)	\$2,220/\$4,079	\$2,486	\$2,486	\$2,026
Total	\$3,056/\$4,079	\$3,161	\$2,486	\$2,026

Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2023

Description of Reimbursements	District 4 Mr. Macias	District 5 Ms. Rodriguez	District 6 Ms. Stanford Ms. Paschall	District 7 Ms. Ryan Mr. Diaz
Meals	\$110	\$0	\$0/\$200	\$0/\$0
Lodging	\$733	\$0	\$0/\$565	\$0/\$0
Transportation	\$679	\$25	\$55/\$33	\$220/\$0
Motor Fuel	\$0	\$0	\$0/\$0	\$0/\$0
Other (Registration & Memberships)	\$3,454	\$2,054	\$150/\$2,626	\$150/\$3,001
Total	\$4,976	\$2,079	\$205/\$3,424	\$370/\$3,001

Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2023

- **None.**
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Gifts Received by the Executive Officer and Board Members (and First-Degree Relatives, if any) in Fiscal Year 2023

- Definition
 - \$250 or More in aggregate in Fiscal Year
 - Do not include travel related expenses paid by outside entity if for seminars, conferences, carrying out district business
 - **None Reported.**
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Business Transactions Between School District and Board Members for Fiscal Year 2023

- None.
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Questions
