



REGION 18 EDUCATION SERVICE CENTER

2811 La Force Boulevard, Midland, TX 79706

Notice: Of a Regular Meeting of the Board of Directors Thursday, February 13, 2025 at 11:30 AM, in the Technology Classroom 9/10, 2811 La Force Boulevard, Midland, TX 79706. The Board may retire to executive session at any time between the meeting's opening and adjournment for purposes of deliberating business as authorized in Texas Government Code, Title 5, Subchapter D, Sections 551.071-551.074 and 551.076. Action, if any, will be taken in open session. (Texas Government Code Chapter 551.102)

AGENDA

1. Call to Order
2. Invocation
3. Roll Call
4. Audience

5. Consider Appointment of Replacement for Place 2 Director

A vacancy on the Board of Directors at Place 2, created by the resignation of Mr. Marcus Ramage, shall be filled by appointment of a new member per Region 18 ESC Board Policy BBB(LEGAL) and (LOCAL). Attached is the resume of Mr. Ted Hogan to be considered for appointment to Place 2 of the Board of Directors.

6. Swear in Place 2 Director

7. Board of Directors Reorganization

BDA (LOCAL) policy states: A vacancy among the officers of the Board shall be filled by majority action of the Board; We currently have a vacancy for the position of Secretary. Board Members will elect the Secretary officer to serve the remainder of the predecessors' term, ending the 31st of May 2025.

BDA (LOCAL): At the first meeting of following the election, the board shall reorganize and elect a chair, vice chair, and secretary who shall be members of the board. This Board Meeting is scheduled for June 12, 2025.

8. Informational Items

- a) Report on Region 18 ESC Board of Directors Charter School Representative

- b) Designation of Texas Public Information Act Nonbusiness Days for 2025

The 88th Legislature amended the Texas Public Information Act (TPIA) to give governmental entities the ability to designate no more than 10 days in a calendar year (in addition to state and national holidays) as nonbusiness days for the purposes of the act. Attached is the Regulation of the Executive Director of Region 18 ESC designating TPIA "Nonbusiness days" for the calendar year 2025.

9. Director Reports

- a) Dr. Dewitt Smith - Executive Director/Chief Executive Officer

- b) Britt Hayes - Chief Financial Officer

- 1) Financial Statement

The Financial Report is shown in three sections. The first is the Financial Statement, which shows the budget to actual variances for both revenues and expenditures. The Statement of Position uses projected revenues and expenditures to estimate a fund balance at fiscal year-end, August 31, 2025. The third page is an investment report, which reflects investment balances, interest earned and shows a comparison of our interest rates to market trends.

- 2) TxCEE

- 3) Amanda Magallan - Associate Director of Federal Programs & Leadership
- c) Linda Jolly - Executive Advisor
- d) Ronnie Golson - Deputy Director of Superintendent Support, Technology & Information Services
 - 1) Jill Rivera - Associate Director of Instruction & School Support
 - 2) Casey Ritchie - Chief Technology Officer
 - 3) Chris Enriquez - Chief Instructional Technology & Analytics Officer

10. Consent Agenda

Region 18 is asking the Board to Approve the following items via Consent Agenda:

- a) Consider Approval of Minutes for December 12, 2024 Board Meeting
- b) Consider Approval of Budget Amendment #3
- c) Consider Approval of RFP: R18-2024-12-000047 - 2024-2025 Special Projects Manager/Senior Consultant

11. Action Items

- a) Consider Adoption of Resolution and Approval of Annual Investment Policy and Strategy Review CBF(LOCAL)

Annual Investment Policy Review

According to chapter 2256.005(f) in the Texas Government Code, Region 18 ESC must review its investment policy and investment strategies not less than annually.

Management believes that cash in excess of what is needed for daily operations should be invested in ways that first prioritize the protection of principal and liquidity, then maximize the yield. Region 18 ESC invests excess funds in the Texas Class Investment Pool. Our ESC policy allows Pools to invest in things such as:

- Obligations of the United States Government or its agencies and instrumentalities.
- Fully collateralized repurchase agreements and reverse repurchase agreements, secured by any obligation of the United States, its agencies or its instrumentalities.
- No-load money market mutual funds regulated by the Securities and Exchange Commission and rated AAA or equivalent by at least one nationally recognized statistical rating organization (NRSRO).
- Certificates of deposit issued by national or state banks or credit unions, including savings banks, provided that such bank or credit union is domiciled in Texas. The certificates of deposit must be guaranteed or insured by the Federal Deposit Insurance Company or the National Credit Union Share Insurance Fund. In addition, the certificates of deposit must be secured by obligations of the United States, its agencies or instrumentalities or as otherwise required by law.
- Commercial paper that matures in 270 days or less from the date of its issuance. The commercial paper must be rated at least A-1 or P-1 (or the equivalent thereof) by (1) two NRSROs or (2) one NRSRO and fully secured by an irrevocable letter of credit by a national or state bank.
- Guaranteed investment contracts from bond proceeds.

All investments must be made in accordance with the Public Funds Investment Act. For reasons mentioned above, safeguards are in place and Pools are considered a safe investment. Pools provide a competitive rate of return while offering next day withdrawals. They provide an ability to initiate and monitor investment transactions and balances electronically. And lastly, the pools are required to disclose available market trends and the pool manager's investment decisions and activities to participants on a monthly basis. In our opinion, an investment pool is the most prudent avenue to invest excess funds when the pool's interest rates exceed that of the depository bank.

In addition to the investment pools, Region 18 ESC also had accounts with Prosperity Bank, our depository bank through 2024-2025. These accounts are used for daily operations. The bank has agreed to collateralize these accounts at 110% of our ledger balance. Management feels our investments have met district objectives and meet all requirements of the Public Funds Investment Act. No changes to the CBF (legal) or to CBF (local) Investment Policies are recommended at this time.

Consideration: Interest Rates as of January 2025

- Prosperity Bank 0.35%
- Texas Class 4.51%
- TexPool 4.37%
- TexPool Prime 4.49%
- First Public 4.35%

CBF Legal

CBF Local

b) Consider Approval of Board Meeting Schedule for 2025-2026

Per Region 18 BE(LOCAL), regular meetings of the Board of Directors shall normally be held at least once every two months. Attached are proposed meeting dates for 2025-2026 for consideration and approval.

c) Consider Discussion and Approval of Date and Time for Special Called Board Meeting in March 2025

Further details for a Special Called Board Meeting in March 2025 to be discussed during the meeting.

12. Executive Session

a) Personnel

b) Consultation with Region 18 ESC general counsel to seek and receive legal advice regarding pending legal matters including, but not limited to, personnel matters and/or pending or contemplated litigation. (Closed Session under Tex. Gov't Code 551.071)

13. Adjourn Meeting

The next regular meeting of the Region 18 Board of Directors is scheduled for April 3, 2025.