Schools FIR$T
Financial Integrity Rating System of Texas

Eagle Pass ISD
2019 Report

October 8, 2019
Financial Integrity Rating System of Texas
Known as “Schools FIR$T”

• Sixteen (17) Year of Implementation

• Created by the Texas Legislature in 2001

• Designed to help improve management of school district’s financial resources by evaluating their Financial Performance

• Evaluates the financial health, stability, and condition of school districts in Texas

• Provides Financial Management Performance Rating of school districts for the Texas Education Agency (TEA)
# How Much Money Flows Through Texas Public School Business Offices?

<table>
<thead>
<tr>
<th></th>
<th>Amount*</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local</td>
<td>$14,942,058,462</td>
<td>42.63%</td>
</tr>
<tr>
<td>State</td>
<td>$12,309,158,320</td>
<td>35.12%</td>
</tr>
<tr>
<td>Federal</td>
<td>$ 2,418,773,992</td>
<td>6.90%</td>
</tr>
<tr>
<td>Financing -Bonds</td>
<td>$ 5,333,850,386</td>
<td>15.22%</td>
</tr>
<tr>
<td>Capital Leases</td>
<td>$ 47,149,266</td>
<td>0.13%</td>
</tr>
<tr>
<td>Total*</td>
<td>$35,050,990,426</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

* TEA Statistical Info: FY Ended August 31, 2001 (in billions)
Range of Public School Expenditures in 1,040 Districts

SMALLEST
Approx. $203,896

LARGEST
Approx. $1.9 Billion

17-18 EPISD*
$154.6 Million

*As per 2017-18 Annual Financial Report (Exhibit C-3)

Note: EPISD is the 181st Largest District (Approx. Top 10%) as of FY Ended August 31, 2004
EPISD Fact Sheet
2017-2018

- Total Enrollment * 14,582
- Campuses 24
- Total Staff * 2,013
- Teachers * 892.70 (Starting Salary: $42,571)
- Payroll Checks ** 59,355
- Governmental Fund Budgets 51
- Total G/L Accounts ** 14,000
- Purchase Orders Per Year ** 7,029
- Total Vendors** 8,500 (500 Local Vendors)

* 2017-2018 Texas Academic Performance Report (TAPR)
** Estimated
Defined

- Expands the Public Education Accountability System in Texas to include both Academic and Financial Reporting
- Comprised of indicators at the district level similar to the current Academic Performance Rating System (AEIS Report)
- Critical Indicators (#1, #2, #3, #4, #5)
- Solvency Indicators (#6, #7, #8, #9, #10, #11, #12)
- Financial Competence Indicator (#13, #14, #15) (Effective for 2015-2016 Financial Rating System)
Financial Accountability Rating System

- **SB 875, 76th Legislative Session**
- **TEA consulted with Comptroller of Public Accounts**
- **TEA forwarded a Proposal to Legislature in December, 2000**
- **SB 218 Requires Implementation of this System**
- **Amendment To System Published in Texas Register in 2004**
- **Legislative Leadership And Other Stakeholder Provide Feedback To Proposed Amendment**
- **Amendment Published in Texas Register Spring 2005**
- **Revisions To School FIRST To Be Official For Ratings in June 2008, June 2015, and October 2016**
Senate Bill 218

• Subchapter I. FINANCIAL ACCOUNTABILITY
  Added to Chapter 39, Texas Education Code

• Section 39.201. Definitions
• Section 39.202. Development and Implementation
• Section 39.203. Reporting
• Section 39.204. Rules
Goals

• Achieve improved performance in the management of school district’s financial resources
• Facilitate better uses of financial resources
• Demonstrate increased district financial performance
Objectives

• Assess the quality of financial management
• Publicly report the Rating
• Assure the maximum allocation possible for direct instructional purposes
• Implement a Rating System that fairly and equitably evaluates the quality of financial management decisions
Objectives (Continued)

Make a Financial Rating System that:

• Is **simple** and understandable
• Is **applicable** to all districts
• Is based on **quantifiable** data
• Allows for **self administration**
• Provides an **early warning**
• Is substantially within **district’s control**
• Is **zero burden** to districts
• Efficiency Measures
• Linkage To Academic Performance
• Transparency (Superintendent & School Board Disclosures)
Transparency

• Disclosures In Financial Management Report – 13th Year of Implementation

- Total value of the Superintendent’s contract to include salary, benefits, car allowance, credit card use, etc.
- Any outside employment by Superintendents
- Gifts received by Superintendents and Board Members that had an economic value of $250 or more in the aggregate in the fiscal year.
Transparency

- A summary schedule for the fiscal year of the dollar amount by board member for the aggregate amount of business transactions with the school district. This reporting requirement is not to duplicate the items disclosed in the summary schedule of reimbursements received by board members.
### Reimbursements Received by the Superintendent and Board Members

**For the Twelve-Month Period**  
**Ended August 31, 2018**

<table>
<thead>
<tr>
<th>Description of Reimbursements</th>
<th>Gilberto Gonzalez Superintendent</th>
<th>Gianna Purcell Board Member</th>
<th>Lupita Fuentes Board Member</th>
<th>Hector Alvarez Board Member</th>
<th>Hilda P. Martinez Board Member</th>
<th>Rudy Bowles Board Member</th>
<th>Jorge Barrena Board Member</th>
<th>Christopher Hiller Board Member</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meals</td>
<td>$ 515.32</td>
<td>$ 431.92</td>
<td>$ 22.52</td>
<td>$ 58.00</td>
<td>$ 56.00</td>
<td>$ 56.00</td>
<td>$ 190.00</td>
<td>$ 190.00</td>
</tr>
<tr>
<td>Lodging</td>
<td>$ 096.43</td>
<td>$ 450.92</td>
<td>$ 215.96</td>
<td>$ 647.89</td>
<td>$ 647.89</td>
<td>$ 647.89</td>
<td>$ 680.34</td>
<td>$ 895.30</td>
</tr>
<tr>
<td>Transportation</td>
<td>$ 250.35</td>
<td>$ 249.67</td>
<td>$ 205.87</td>
<td>$ 300.25</td>
<td>$ 305.25</td>
<td>$ 150.08</td>
<td>$ 312.74</td>
<td>$ 312.74</td>
</tr>
<tr>
<td>Motor Fuel</td>
<td>$ 000.00</td>
<td>$ 365.00</td>
<td>$ 365.00</td>
<td>$ 365.00</td>
<td>$ 365.00</td>
<td>$ 770.00</td>
<td>$ 710.00</td>
<td>$ 710.00</td>
</tr>
<tr>
<td>Registration Fees</td>
<td>$ 000.00</td>
<td>$ 365.00</td>
<td>$ 365.00</td>
<td>$ 365.00</td>
<td>$ 365.00</td>
<td>$ 770.00</td>
<td>$ 710.00</td>
<td>$ 710.00</td>
</tr>
<tr>
<td>Total</td>
<td><strong>$ 2,229.10</strong></td>
<td><strong>$ 1,078.89</strong></td>
<td><strong>$ 633.28</strong></td>
<td><strong>$ 1,354.75</strong></td>
<td><strong>$ 1,088.88</strong></td>
<td><strong>$ 1,334.40</strong></td>
<td><strong>$ 1,781.42</strong></td>
<td><strong>$ 2,070.04</strong></td>
</tr>
</tbody>
</table>

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 August 31, 2018

<table>
<thead>
<tr>
<th>Name(s) of Entity(ies)</th>
<th>Amount Received</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

Total $0.00

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 August 31, 2018

<p>| | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
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<th></th>
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<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gilberto Gonzalez</td>
<td>Christopher Miller</td>
<td>Jorge Barreto</td>
<td>Rudy Bowles</td>
<td>Hilda Martinez</td>
<td>Lupita Fuentes</td>
</tr>
<tr>
<td></td>
<td>Superintendent</td>
<td>Board Member</td>
<td>Board Member</td>
<td>Board Member</td>
<td>Board Member</td>
<td>Board Member</td>
</tr>
<tr>
<td>Total</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

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 August 31, 2018

<p>| | | | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Jorge Barreto</td>
<td>Christopher Miller</td>
<td>Rudy Bowles</td>
<td>Hilda Martinez</td>
<td>Lupita Fuentes</td>
<td>Hector Alvarez</td>
</tr>
<tr>
<td></td>
<td>Board Member</td>
<td>Board Member</td>
<td>Board Member</td>
<td>Board Member</td>
<td>Board Member</td>
<td>Board Member</td>
</tr>
<tr>
<td>Amounts</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

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.
EAGLE PASS INDEPENDENT SCHOOL DISTRICT
SUPERINTENDENT'S EMPLOYMENT CONTRACT

THE STATE OF TEXAS §
COUNTY OF MAVERICK §

THIS AGREEMENT is made and entered into by and between the Board of Trustees (the “Board”) of the EAGLE PASS INDEPENDENT SCHOOL DISTRICT (the “District”) and GILBERTO GONZALEZ (the “Superintendent”).

NOW, THEREFORE, the Board and the Superintendent, for and in consideration of the terms hereinafter established and pursuant to Section 11.201 of the Texas Education Code, have agreed, and do hereby agree as follows:

1. TERM

1.1 Employment. The Board, by and on behalf of the District, does hereby employ the Superintendent, and the Superintendent does hereby accept employment as Superintendent of Schools for the District for term of four (4) years and two (2) weeks, beginning on June 14, 2012, and ending on June 30, 2016. The District may, by action of the Board, and with the consent and approval of the Superintendent, extend the term of this Agreement as permitted by state law.

1.2 No Right of Tenure. The Board has not adopted any policy, rule, regulation, law, or practice providing for tenure. No right of tenure, contractual obligation, expectancy of continued employment, or claim of entitlement is created beyond the contract term.

2. EMPLOYMENT

2.1 Duties. The Superintendent shall faithfully perform the duties of the Superintendent of Schools for the District as prescribed by Section 11.201 of the Texas
Education Code and in the job description and as may be assigned by the Board, and shall comply with all Board directives, state and federal law, and District policy, rule, and regulations as they exist or may hereafter be adopted or amended.

The Superintendent shall perform the duties of the Superintendent of Schools for the District with reasonable care, skill, and expertise and in a thorough, prompt, and efficient manner. The Superintendent agrees to devote his time, skill, labor, and attention to performing his duties.

2.2 Professional Certification and Records. This Agreement is conditioned on the Superintendent providing the necessary certification and experience records, medical records, oath of office, and other records required for the personnel files or payroll purposes. Failure to provide necessary certification shall render this Agreement void. Any misrepresentation will be grounds for dismissal.

2.3 Reassignment. The Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent’s consent.

3. COMPENSATION

3.1 Salary. Commencing on June 14, 2012, the District shall provide the Superintendent with an annual salary in the sum of ONE HUNDRED FORTY THOUSAND DOLLARS ($140,000.00). This annual salary rate shall be paid to the Superintendent in installments consistent with the Board’s policies.

3.2 Salary Adjustments. At any time during the term of this Agreement, the Board may, in its discretion, review and adjust the salary of the Superintendent, but in no event shall the Superintendent be paid less than the salary set forth in Section 3.1 of this Agreement.
3.3 Other Benefits.

3.3.1 Expenses. The District shall pay or reimburse the Superintendent for reasonable expenses directly incurred by the Superintendent in the continuing performance of the Superintendent’s duties under this Agreement consistent in accordance with District policy and procedure, if any, in place for the reimbursement of expenses incurred by District administrative employees.

3.3.2 Professional Growth. The Superintendent shall devote the Superintendent’s time, attention, and energy to the direction, administration, and supervision of the District. The Board, however, encourages the continued professional growth of the Superintendent through the Superintendent’s reasonable attendance and participation in appropriate professional meetings at the local, regional, state, and national levels, as approved by the Board and not to exceed the budgeted amount per District fiscal year.

Reasonable and necessary professional dues for the Superintendent shall be borne by the District to a maximum of ONE THOUSAND DOLLARS ($1,000.00) per year.

3.3.3 Vacations, Holidays, and Sick Leave. The Superintendent may take the same number of days of vacation authorized by policies adopted by the Board for administrative employees on twelve-month contracts, the days to be in a single period or at different times, at the Superintendent’s option. The vacation days taken by the Superintendent will be taken at such time as he desires, taking into consideration the performance of the Superintendent’s duties as set forth in the Agreement. The Superintendent shall observe the same legal holidays as provided by Board policies for administrative employees on twelve-month contracts. The Superintendent is hereby granted the same number of illness benefits and leave as authorized by the Board policies for administrative employees on twelve-month contracts.
4. **VIEW OF PERFORMANCE**

4.1 **Time and Basis of Evaluation.** The Board shall formally evaluate and assess in writing the performance of the Superintendent at least once each year during the term of this Agreement.

4.2 **Evaluation Format and Procedure.** The evaluation format and procedure shall be in accordance with the Board’s policies and state and federal law.

5. **RENEWAL/NONRENEWAL**

5.1 **Renewal/Nonrenewal.** Renewal or nonrenewal shall be in accordance with Board policy and applicable law.

6. **TERMINATION OF EMPLOYMENT CONTRACT**

6.1 **Mutual Agreement.** This Agreement may be terminated by the mutual agreement of the Superintendent and the Board in writing, upon such terms and conditions as may be mutually agreed upon. After the Superintendent has returned the signed contract, the Superintendent will not be released from this Agreement without the written consent of the Board.

6.2 **Death, Retirement.** This Agreement shall be terminated upon the death of the Superintendent or upon the Superintendent’s retirement under the Teacher Retirement System of Texas.

6.3 **Dismissal for Good Cause.** The Board may dismiss the Superintendent at any time for good cause as determined by the Board.

6.4 **Consolidation.** A determination by the Board that a consolidation of the District with one or more other school districts requires that this Agreement with the Superintendent be terminated during the term shall constitute good cause for dismissal.
6.5 **Termination Procedure.** In the event that the Board terminates this Agreement for good cause, the Superintendent shall be afforded all rights set forth in the Board's policies and state and federal law.

7. **MISCELLANEOUS**

7.1 **Indemnity.** To the extent allowed by law, the District agrees to defend, hold harmless, and indemnify the Superintendent from any and all demands, claims, lawsuits, causes of action, and legal proceedings brought against the Superintendent in his official capacity as an agent and employee of the District or in his individual capacity provided the alleged incident forming the basis of the claim arose while the Superintendent was acting within the scope of his employment.

7.2 **Controlling Law.** This Agreement shall be governed by the laws of the State of Texas and is performable in Maverick County, Texas.

7.3 **Amendment.** This contract embodies the entire agreement between the parties and cannot be amended except by written agreement of the parties.

7.4 **Savings Clause.** In the event any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. All existing agreements and contracts, both verbal and written, between the parties hereto regarding the employment of the Superintendent have been superseded by this Agreement.

7.5 **Rejection.** This Agreement shall be considered rejected if not executed by the Superintendent and returned to the Board by February 1, 2004.
EAGLE PASS INDEPENDENT
SCHOOL DISTRICT

By: Lupito Torres
President, Board of Trustees
4/1/2012
Date

1420 Eldson Road
(Address)

Eagle Pass, TX 78852
(City, State, Zip Code)

SUPERINTENDENT

M. Mungia
(Signature)

04/02/2012
Date

Gilberto Gonzalez
(Print Name)

2007 Fox Borough
(Address)

Eagle Pass, TX 78852
(City, State, Zip Code)
ADDENDUM TO EAGLE PASS INDEPENDENT SCHOOL DISTRICT
SUPERINTENDENT’S EMPLOYMENT CONTRACT

This Addendum is made part of and included in the employment contract between the Board of Trustees of the Eagle Pass Independent School District (the “District”) and Gilberto Gonzalez (the “Superintendent”) dated September 9, 2013 (the “Contract”) as if fully set forth therein. Despite any language in the Contract to the contrary the terms of this Addendum shall control.

1. Term: The Term set out in Paragraph 1.1 of the Contract shall be extended one year ending on June 30, 2017.

2. Salary: Commencing as of the date of this Addendum, the District shall provide the Superintendent with an annual salary in the sum of ONE HUNDRED FORTY THREE THOUSAND ONE HUNDRED FIFTY AND NO/100 DOLLARS ($143,150.00).

All other Terms in the Contract shall remain in full force and effect as set out therein.

DATE: SEPTEMBER 9, 2013

EAGLE PASS INDEPENDENT
SCHOOL DISTRICT

By: 
President, Board of Trustees

1420 Eidsen Road
Eagle Pass, Texas 78852

SUPERINTENDENT

Signature

GILBERTO GONZALEZ

1695 Timber Valley
(Address)

Eagle Pass, TX 78852
(City, State, Zip Code)
ADDENDUM TO EAGLE PASS INDEPENDENT SCHOOL DISTRICT
SUPERINTENDENT'S EMPLOYMENT CONTRACT

This Addendum is made part of and included in the employment contract between the Board of Trustees of the Eagle Pass Independent School District (the “District”) and Gilberto Gonzalez (the “Superintendent”) dated April 2, 2012 (the “Contract”) as if fully set forth therein. Despite any language in the Contract to the contrary, the terms of this Addendum shall control.

1. Term: The Term set out in Paragraph 1.1 of the Contract shall be extended to end on June 30, 2018.

2. Salary: Commencing as of the date of this Addendum, the District shall provide the Superintendent with an annual salary in the sum of ONE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS ($150,000.00).

All other Terms in the Contract shall remain in full force and effect as set out therein.

DATE: SEPTEMBER 16, 2014

EAGLE PASS INDEPENDENT
SCHOOL DISTRICT
1420 Eldson Road
Eagle Pass, Texas 78852

By: [Signature]
President, Board of Trustees

SUPERINTENDENT

[Signature]
GILBERTO GONZALEZ

[Address]
Eagle Pass, TX 78852

[City, State, Zip Code]
ADDENDUM TO EAGLE PASS INDEPENDENT SCHOOL DISTRICT
SUPERINTENDENT’S EMPLOYMENT CONTRACT

This Addendum is made part of and included in the employment contract between the Board of Trustees of the Eagle Pass Independent School District (the “District”) and Gilberto Gonzalez (the “Superintendent”) dated April 2, 2012 (the “Contract”) as if fully set forth therein. Despite any language in the Contract to the contrary, the terms of this Addendum shall control.

1. Term: The Term set out in Paragraph 1.1 of the Contract shall be extended to end on June 30, 2019.
2. Salary: Commencing as of the date of this Addendum, the District shall provide the Superintendent with an annual salary in the sum of ONE HUNDRED SIXTY THOUSAND AND NO/100 DOLLARS ($160,000.00).

All other Terms in the Contract shall remain in full force and effect as set out therein.

DATE: SEPTEMBER 1, 2015

EAGLE PASS INDEPENDENT SCHOOL DISTRICT
1420 Eidson Road
Eagle Pass, Texas 78852

By: Lupita Antunez
President, Board of Trustees

SUPERINTENDENT

GILBERTO GONZALEZ

1695 Timber Valley
(Address)

Eagle Pass, TX 78852
(City, State, Zip Code)

PAYROLL DEPT

SEP 03 2015

RECEIVED
ADDENDUM TO EAGLE PASS INDEPENDENT SCHOOL DISTRICT
SUPERINTENDENT'S EMPLOYMENT CONTRACT

This Addendum is made part of and included in the employment contract between the Board of Trustees of the Eagle Pass Independent School District (the "District") and Gilberto Gonzalez (the "Superintendent") dated April 2, 2012 (the "Contract") as if fully set forth therein. Despite any language in the Contract to the contrary, the terms of this Addendum shall control.

1. Term: The Term set out in Paragraph 1.1 of the Contract shall be extended to end on June 30, 2020.

2. Salary: Commencing as of the date of this Addendum, the District shall provide the Superintendent with an annual salary in the sum of ONE HUNDRED SIXTY-FIVE THOUSAND AND NO/100 DOLLARS ($165,000.00), together with an automobile allowance of TWO THOUSAND AND NO/100 ($2,000.00) per annum for local travel.

All other Terms in the Contract shall remain in full force and effect as set out therein.

DATE: AUGUST 16, 2016

EAGLE PASS INDEPENDENT
SCHOOL DISTRICT
1420 Eidoson Road
Eagle Pass, Texas 78852

By: Lupita Acuña,
President, Board of Trustees

SUPERINTENDENT

GILBERTO GONZALEZ

1695 Timber Valley
(Address)

Eagle Pass, TX 78852
(City, State, Zip Code)

Secretary, Board of Trustees
ADDENDUM TO EAGLE PASS INDEPENDENT SCHOOL DISTRICT
SUPERINTENDENT’S EMPLOYMENT CONTRACT

This Addendum is made part of and included in the employment contract between the Board of Trustees of the Eagle Pass Independent School District (the “District”) and Gilberto Gonzalez (the “Superintendent”) dated April 2, 2012 (the “Contract”) as if fully set forth therein. Despite any language in the Contract to the contrary, the terms of this Addendum shall control.

1. Term: The Term set out in Paragraph 1.1 of the Contract shall be extended to end on June 30, 2021.

2. Salary: Commencing as of the date of this Addendum, the District shall provide the Superintendent with an annual salary in the sum of ONE HUNDRED NINETY THOUSAND AND NO/100 DOLARS ($190,000.00), together with an automobile allowance of TWO THOUSAND AND NO/100 ($2,000.00) per annum for local travel.

All other Terms in the Contract shall remain in full force and effect as set out therein.

DATE: AUGUST 31, 2017

EAGLE PASS INDEPENDENT
SCHOOL DISTRICT
1420 Eidson Road
Eagle Pass, Texas 78852

By
President, Board of Trustees

SUPERINTENDENT

GILBERTO GONZALEZ

(Address)

Eagle Pass, TX 78852

(City, State, Zip Code)
ADDENDUM TO EAGLE PASS INDEPENDENT SCHOOL DISTRICT
SUPERINTENDENT'S EMPLOYMENT CONTRACT

This Addendum is made part of and included in the employment contract between the Board of Trustees of the Eagle Pass Independent School District (the "District") and Gilberto Gonzalez (the "Superintendent") dated April 2, 2012 (the "Contract") as if fully set forth therein. Despite any language in the Contract to the contrary, the terms of this Addendum shall control.

1. Term: The Term set out in Paragraph 1.1 of the Contract shall be extended to end on June 30, 2022.

2. Salary: Commencing as of the date of this Addendum, the District shall provide the Superintendent with an annual salary in the sum of ONE HUNDRED NINETY-NINE THOUSAND FIVE HUNDRED AND NO/100 DOLLARS ($199,500.00), together with an automobile allowance of TWO THOUSAND AND NO/100 ($2,000.00) per annum for local travel.

All other Terms in the Contract shall remain in full force and effect as set out therein.

DATE: AUGUST 23, 2018

EAGLE PASS INDEPENDENT
SCHOOL DISTRICT
1200 Edison Road
Eagle Pass, Texas 78852

By: [Signature]
President, Board of Trustees

SECRETARY

[Signature]
Secretary, Board of Trustees

SUPERINTENDENT

[Signature]
GILBERTO GONZALEZ

1695 Timber Valley
(Address)

Eagle Pass, TX 78852
(City/State, Zip Code)
EAGLE PASS INDEPENDENT SCHOOL DISTRICT

SUPERINTENDENT'S EMPLOYMENT CONTRACT

THE STATE OF TEXAS

COUNTY OF MAVERICK

THIS AGREEMENT is made and entered into by and between the Board of Trustees (the “Board”) of the EAGLE PASS INDEPENDENT SCHOOL DISTRICT (the “District”) and SAMUEL MIJAROS (the “Superintendent”).

NOW, THEREFORE, the Board and the Superintendent, for and in consideration of the terms hereinafter established and pursuant to Section 11.201 of the Texas Education Code, have agreed and do hereby agree as follows:

1. TERM

1.1 Employment. The Board, by and on behalf of the District, does hereby employ the Superintendent, and the Superintendent does hereby accept employment as Superintendent of Schools for the District for a term of three (3) years, beginning on September 1, 2019, and ending on August 31, 2022. The District may, by action of the Board, and with the consent and approval of the Superintendent, extend the term of this agreement as permitted by state law.

1.2 No Right of Tenure. The Board has not adopted any policy, rule, regulation, law, or practice providing for tenure. No right of tenure, contractual obligation, expectancy of continued employment, or claim of entitlement is created beyond the contract term.

2. EMPLOYMENT

2.1 Duties. The Superintendent shall faithfully perform the duties of the Superintendent of Schools for the District as prescribed by Section 11.201 of the Texas Education Code and in the job description and as may be assigned by the Board and shall comply
with all Board directives, state and federal law, and District policy, rule, and regulations as they exist or may hereafter be adopted or amended.

The Superintendent shall perform the duties of the Superintendent of Schools for the District with reasonable care, skill, and expertise and in a thorough, prompt, and efficient manner. The Superintendent agrees to devote his time, skill, labor, and attention to performing his duties.

2.2 Professional Certification and Records. This agreement is conditioned on the Superintendent providing the necessary certification and experience records, medical records, oath of office, and other records required for the personnel files or payroll purposes. Failure to provide necessary certification shall render this agreement void. Any misrepresentation will be grounds for dismissal.

2.3 Reassignment. The Superintendent cannot be reassigned from the position of Superintendent to another position without the Superintendent’s consent.

3. COMPENSATION

3.1 Salary. Commencing on September 1, 2019, the District shall provide the Superintendent with an annual salary in the sum of ONE HUNDRED NINETY-SIX THOUSAND AND NO/100 DOLLARS ($196,000.00), together with an automobile allowance of TWO THOUSAND AND NO/100 DOLLARS ($2,000.00) per annum for local travel. This annual salary rate shall be paid to the Superintendent in installments consistent with the Board’s policies.

3.2 Salary Adjustments. At any time during the term of this agreement, the Board may, in its discretion, review and adjust the salary of the Superintendent, but in no event shall the Superintendent be paid less than the salary set forth in Section 3.1 of this agreement.
3.3 Other Benefits.

3.3.1 Expenses. The District shall pay or reimburse the Superintendent for reasonable expenses directly incurred by the Superintendent in the continuing performance of the Superintendent’s duties under this agreement consistent with District policy and procedure, if any, in place for the reimbursement of expenses incurred by District administrative employees.

3.3.2 Professional Growth. The Superintendent shall devote the Superintendent’s time, attention, and energy to the direction, administration, and supervision of the District. The Board, however, encourages the continued professional growth of the Superintendent through the Superintendent’s reasonable attendance and participation in appropriate professional meetings at the local, regional, state, and national levels, as approved by the Board and not to exceed the budgeted amount per District fiscal year.

Reasonable and necessary professional dues for the Superintendent shall be borne by the District to a maximum of ONE THOUSAND AND NO/100 DOLLARS ($1,000.00) per year.

3.3.3 Vacations, Holidays, and Sick Leave. The Superintendent may take the same number of days of vacation authorized by policies adopted by the Board for administrative employees on twelve-month contracts, the days to be in a single period or at different times, at the Superintendent’s option. The vacation days taken by the Superintendent will be taken at such time as he desires, taking into consideration the performance of the Superintendent’s duties as set forth in the agreement. The Superintendent shall observe the same legal holidays as provided by Board policies for administrative employees on twelve-month contracts. The Superintendent is hereby granted the same number of illness benefits and leave as authorized by the Board policies for administrative employees on twelve-month contracts.
4. VIEW OF PERFORMANCE

4.1 Time and Basis of Evaluation. The Board shall formally evaluate and assess in writing the performance of the Superintendent at least once each year during the term of this agreement.

4.2 Evaluation Format and Procedure. The evaluation format and procedure shall be in accordance with the Board’s policies and state and federal law.

5. RENEWAL/NONRENEWAL

5.1 Renewal/Nonrenewal. Renewal or nonrenewal shall be in accordance with Board policy and applicable law.

6. TERMINATION OF EMPLOYMENT CONTRACT

6.1 Mutual Agreement. This agreement may be terminated by the mutual agreement of the Superintendent and the Board in writing, upon such terms and conditions as may be mutually agreed upon. After the Superintendent has returned the signed contract, the Superintendent will not be released from this agreement without the written consent of the Board.

6.2 Death, Retirement. This agreement shall be terminated upon the death of the Superintendent or upon the Superintendent’s retirement under the Teacher Retirement System of Texas.

6.3 Dismissal for Good Cause. The Board may dismiss the Superintendent at any time for good cause as determined by the Board.

6.4 Consolidation. If the Board of Trustees determines that a consolidation of the District with one or more other school districts requires that this agreement be terminated, such determination shall constitute good cause for the termination of this agreement.
6.5 Termination Procedure. In the event that the Board terminates this agreement for good cause, the Superintendent shall be afforded all rights set forth in the Board's policies and state and federal law.

7. MISCELLANEOUS

7.1 Indemnity. To the extent allowed by law, the District agrees to defend, hold harmless, and indemnify the Superintendent from any and all demands, claims, lawsuits, causes of action, and legal proceedings brought against the Superintendent in his official capacity as an agent and employee of the District or in his individual capacity provided the alleged incident forming the basis of the claim arose while the Superintendent was acting within the scope of his employment.

7.2 Controlling Law. This agreement shall be governed by the laws of the State of Texas and is performable in Maverick County, Texas.

7.3 Amendment. This contract embodies the entire agreement between the parties and cannot be amended except by written agreement of the parties.

7.4 Savings Clause. In the event any one or more of the provisions contained in this agreement shall, for any reason, be held to be invalid, illegal, or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein. All existing agreements and contracts, both verbal and written, between the parties hereto regarding the employment of the Superintendent have been superseded by this agreement.

7.5 Rejection. This agreement shall be considered rejected if not executed by the Superintendent and returned to the Board by September 1, 2019.
EAGLE PASS INDEPENDENT SCHOOL DISTRICT

By: __________________________
President, Board of Trustees

Date: 7/30/19

587 MADISON STREET
(Address)

EAGLE PASS, TEXAS 78830
(City, State, Zip Code)

SUPERINTENDENT

__________________________
(Signature)

Date: 7/30/19

Manuel Najera
(Print Name)

2272 Willow Trail
(Address)

Eagle Pass, Texas 78852
(City, State, Zip Code)
ADDENDUM TO EAGLE PASS INDEPENDENT SCHOOL DISTRICT
SUPERINTENDENT’S EMPLOYMENT CONTRACT

This Addendum is made part of and included in the employment contract between the Board of Trustees of the Eagle Pass Independent School District (the “District”) and Samuel Mijares (the “Superintendent”) dated July 30, 2019 (the “Contract”), as if fully set forth therein. Despite any language in the Contract to the contrary, the terms of this Addendum shall control.

1. Term:

1.1 Employment. The Board, by and on behalf of the District, does hereby employ the Superintendent, and the Superintendent does hereby accept employment as Superintendent of Schools for the District for a term of three (3) years and ten (10) months, beginning on September 1, 2019, and ending on June 30, 2023. The District may, by action of the Board, and with the consent and approval of the Superintendent, extend the term of this agreement as permitted by state law.

All other Terms in the Contract shall remain in full force and effect as set out therein.

DATE: SEPTEMBER 10, 2019

EAGLE PASS INDEPENDENT
SCHOOL DISTRICT
1420 Eison Road
Eagle Pass, Texas 78852

Secretary, Board of Trustees

By:

President, Board of Trustees

SUPERINTENDENT

SAMUEL MIJARES

2377 MILLION TRAIL
(Address)

EAGLE PASS, TEXAS 78852
(City, State, Zip Code)
Data Sources

• Annual Financial Reports filed by school district

• Public Education Information Management System (PEIMS) Data
Sanctions

Substandard Achievement Rating may result in assignment of a Financial Monitor or Master to control district finances.
TEA Reports Require:

- Distribution of hard copy reports in transitional year of implementation

1st Year: FY 01-02  
2nd Year: FY 02-03  
3rd Year: FY 03-04  
4th Year: FY 04-05  
5th Year: FY 05-06  
6th Year: FY 06-07  
7th Year: FY 07-08  
8th Year: FY 08-09  
9th Year: FY 09-10  
10th Year: FY 10-11  
11th Year: FY 11-12  
12th Year: FY 12-13  
13th Year: FY 13-14  
14th Year: FY 14-15  
15th Year: FY 15-16  
16th Year: FY 16-17  
17th Year: FY 17-18

- Publication on TEA internet site during full implementation
- Public Notice Posting of Rating
- Public Meeting for discussion of Ratings
DATE: August 8, 2019  
SUBJECT: Preliminary School FIRST Ratings 2018-2019  
CATEGORY: Accreditation information  
NEXT STEPS: Share with appropriate staff

Your school district’s preliminary 2018–2019 School Financial Integrity Rating System of Texas (FIRST) rating is now available online. To access your district’s School FIRST rating:

- access the Texas Education Agency (TEA) website: http://tea.texas.gov;
- click the Finance and Grants webpage tab link: http://tea.texas.gov/Finance_and_Grants/;
- click the Financial Accountability link;
- click the School FIRST link; and
- click the School District FIRST Ratings link.

Basis for School FIRST Rating
Your district’s rating is based on an analysis of the district’s financial data for fiscal year 2018 (the fiscal period ended June 30, 2018, or August 31, 2018, depending on the ending date of your district’s fiscal year). We determined your district’s rating using the financial indicators specified in 19 Texas Administrative Code (TAC) §109.1001(e).

Please carefully review your district’s preliminary School FIRST rating and the data associated with each of the 15 indicators.

Opportunity for Appeal
If your district wishes to appeal an adverse issue it identifies in the preliminary rating, your district may submit a written appeal with supporting evidence to the TEA Financial Compliance Division. For the appeal to be considered, we must receive it by September 9, 2019. Send any appeal to the following address:

Texas Education Agency
Financial Compliance Division
1701 North Congress Avenue
Austin, TX 78701

Please see 19 TAC §109.1001(n) for the rules regarding the filing of an appeal. As stated in that section, we will consider only an appeal that would result in a change to your district’s rating. If no appeal is submitted by your district, the preliminary rating becomes final on the 31st day after the preliminary ratings are released (September 10, 2019).

Final School FIRST Rating and Required Reporting
We will issue final ratings to school districts after we have reviewed any submitted appeals. Final 2018–2019 School FIRST ratings are anticipated to be released in October 2019.

Within two months of the release of its final School FIRST rating, your district must announce and hold a public meeting to distribute a financial management report that explains the district’s
rating and its performance under each indicator for the current and previous year's ratings. The report also must provide the financial information described in 19 TAC §109.1001(q)(2). We encourage your district to include in the report additional information that will be beneficial to stakeholders, especially information explaining any special circumstances that may have affected the district's performance under one or more of the indicators.

The required newspaper notice to inform taxpayers of the meeting must be published no more than 30 days and no fewer than 10 days before the public meeting. Your district may combine the meeting with a scheduled regular meeting of the board of trustees.

For full requirements related to the report and meeting, see 19 TAC §109.1001(q). For a template that your district can use in developing its financial management report, see the TEA School FiRST web page.

Accreditation Status
Please note that the TEA considers a district’s School FiRST rating when assigning an accreditation status, as required by the accreditation status rules in 19 TAC §97.1055.

Contact for Further Information
If you have questions about your district’s School FiRST rating, please contact Robin Aldridge at (512) 463-3940 or by email at Robin.Aldridge@tea.texas.gov.
# Financial Integrity Rating System of Texas

## 2018-2019 Ratings Based on School Year 2017-2018 Data - District Status Detail

**Name:** EAGLE PASS ISD (159901)  
**Publication Level 1:** 8/7/2019 3:33:27 PM  
**Publication Level 2:** 8/8/2019 2:06:12 PM  
**Status:** Passed  
**Rating:** A = Superior  
**Last Updated:** 8/8/2019 2:06:12 PM  
**District Score:** 100  
**Passing Score:** 60

<table>
<thead>
<tr>
<th>#</th>
<th>Indicator Description</th>
<th>Updated</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Was the complete annual financial report (AFR) and data submitted to the TSE 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?</td>
<td>8/6/2019 12:00:38 AM</td>
<td>Yes</td>
</tr>
<tr>
<td>2</td>
<td>Review the AFR for an unmodified opinion and material weaknesses. The school district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds &quot;No&quot; to indicator 2.A. or to both indicators 2.A and 2.B.</td>
<td>8/6/2019 12:00:38 AM</td>
<td>Yes</td>
</tr>
<tr>
<td>2.A</td>
<td>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.)</td>
<td>8/6/2019 12:00:38 AM</td>
<td>Yes</td>
</tr>
<tr>
<td>2.B</td>
<td>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? (The AICPA defines material weakness.)</td>
<td>8/6/2019 12:00:39 AM</td>
<td>Yes</td>
</tr>
<tr>
<td>3</td>
<td>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 (a person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)</td>
<td>8/6/2019 12:00:39 AM</td>
<td>Yes</td>
</tr>
<tr>
<td>4</td>
<td>Did the school district make timely payments to the Texas Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS) and other agencies?</td>
<td>8/6/2019</td>
<td>Yes</td>
</tr>
</tbody>
</table>

https://teaprod.tea.state.tx.us/First/forms/District.aspx?year=2017&district=159901
<table>
<thead>
<tr>
<th>Service (IRS), and other government agencies?</th>
<th>12:00:39 AM</th>
</tr>
</thead>
<tbody>
<tr>
<td>This indicator is not being scored.</td>
<td>1 Multiplier Sum</td>
</tr>
<tr>
<td><strong>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)?</strong> (See ranges below.)</td>
<td>8/6/2019 12:00:40 AM</td>
</tr>
<tr>
<td><strong>Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?</strong> (See ranges below.)</td>
<td>8/6/2019 12:00:40 AM</td>
</tr>
<tr>
<td><strong>Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency?</strong> (If the school district’s change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.) (See ranges below.)</td>
<td>8/6/2019 12:00:41 AM</td>
</tr>
<tr>
<td><strong>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?</strong></td>
<td>8/6/2019 12:00:41 AM</td>
</tr>
<tr>
<td><strong>Was the debt service coverage ratio sufficient to meet the required debt service?</strong> (See ranges below.)</td>
<td>8/6/2019 12:00:42 AM</td>
</tr>
<tr>
<td><strong>Was the school district’s administrative cost ratio equal to or less than the threshold ratio?</strong> (See ranges below.)</td>
<td>8/6/2019 12:00:42 AM</td>
</tr>
<tr>
<td><strong>Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)?</strong> (If the student enrollment did not decrease, the school district will automatically pass this indicator)</td>
<td>8/6/2019 12:00:43 AM</td>
</tr>
<tr>
<td><strong>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 1 percent of all expenditures by function?</strong></td>
<td>8/6/2019 12:00:44 AM</td>
</tr>
<tr>
<td><strong>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?</strong> (The AICPA defines material noncompliance.)</td>
<td>8/6/2019 12:00:44 AM</td>
</tr>
<tr>
<td><strong>Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School</strong></td>
<td>8/6/2019 10</td>
</tr>
</tbody>
</table>

https://tealprod.tea.state.tx.us/First/forms/District.aspx?year=2017&district=155001
**DETERMINATION OF RATING**

A. Did the district answer 'No' to Indicators 1, 3, 4, or 2.A? If so, the school district's rating is **F for Substandard Achievement** regardless of points earned.

B. Determine the rating by the applicable number of points. (Indicators 6-15)

<table>
<thead>
<tr>
<th>Rating</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>A = Superior</td>
<td>90-100</td>
</tr>
<tr>
<td>B = Above Standard</td>
<td>60-69</td>
</tr>
<tr>
<td>C = Meets Standard</td>
<td>60-79</td>
</tr>
<tr>
<td>F = Substandard Achievement</td>
<td>&lt;60</td>
</tr>
</tbody>
</table>

No Rating = A school district receiving territory that annexes with a school district ordered by the commissioner under TEC 13.054, or consolidation under Subchapter H, Chapter 41. No rating will be issued for the school district receiving territory until the third year after the annexation/consolidation.
Overview of 15 Indicators
(Divided into Three Components)
FY 2017-2018

I. Critical Indicators *(Indicators #1-5)*: Yes/No

II. Solvency Indicators *(Indicator #6-12)*: 10 pts each

III. Financial Competence *(Indicator #13-15)*: 10 pts each
District Ratings

• Based on **15 Indicators**

• Ratings Function of Aggregate Number of People And Answers To Critical Indicators

• Ten Point Scale For all Indicators With Calculated Values

• Some Indicators Remain Pass/Fail

• Failing To Pass One Or More Critical Indicators Will Result In Automatic Failing Grade
District Ratings

• Based on **15 Indicators**

• Failure to pass any of the **First 5 (Five) Indicators** will result in **Automatic Failing**

**Indicator #1:** Annual Financial Report not filed within one Month after November 27 or January 28

**Indicator #2:** Unmodified Opinion and Material Weakness in Audit

**Indicator #3:** Default on Debt Agreements

**Indicator #4:** Timely Payments to Governmental Entities

**Indicator #5:** Statement of Net Position greater than zero (0)
District Ratings

• Based on 15 Indicators

• Failure to pass any of the First 5 (Five) Indicators will result in Automatic Failing

Indicator #1: Annual Financial Report not filed within one Month after November 27 or January 28
Indicator #2: Unmodified Opinion and Material Weakness in Audit
Indicator #3: Default on Debt Agreements
Indicator #4: Timely Payments to Governmental Entities
Indicator #5: Deficit Asset Balance
# District Ratings

<table>
<thead>
<tr>
<th>Rating</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>A = Superior</td>
<td>90-100</td>
</tr>
<tr>
<td>B = Above Standard</td>
<td>80-89</td>
</tr>
<tr>
<td>C = Meets Standard</td>
<td>60-79</td>
</tr>
<tr>
<td>F = Substandard Achievement</td>
<td>&lt; 60</td>
</tr>
</tbody>
</table>
## Rating Score

<table>
<thead>
<tr>
<th>School District</th>
<th>2018-2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eagle Pass ISD</td>
<td>100</td>
</tr>
<tr>
<td>Laredo ISD</td>
<td>100</td>
</tr>
<tr>
<td>Dallas ISD</td>
<td>98</td>
</tr>
<tr>
<td>Harlandale</td>
<td>98</td>
</tr>
<tr>
<td>Austin ISD</td>
<td>96</td>
</tr>
<tr>
<td>Judson ISD</td>
<td>94</td>
</tr>
<tr>
<td>San Felipe ISD</td>
<td>92</td>
</tr>
<tr>
<td>Houston ISD</td>
<td>90</td>
</tr>
<tr>
<td>Northeast ISD</td>
<td>90</td>
</tr>
<tr>
<td>Uvalde ISD</td>
<td>86</td>
</tr>
<tr>
<td>San Antonio ISD</td>
<td>80</td>
</tr>
</tbody>
</table>
### Rating Categories & Scores

<table>
<thead>
<tr>
<th>Rating Categories</th>
<th>2017-2018 Rating Score</th>
<th>2018-2019 Rating Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Superior</td>
<td>90-100</td>
<td>90-100</td>
</tr>
<tr>
<td>Above Standard</td>
<td>80-89</td>
<td>80-89</td>
</tr>
<tr>
<td>Meets Standard</td>
<td>60-79</td>
<td>60-79</td>
</tr>
<tr>
<td>Substandard</td>
<td>59 or less</td>
<td>59 or less</td>
</tr>
</tbody>
</table>

Achievement
Five Critical Indicators
(Required for a “Passing Rating”)

• Did you file Reports on Time?
• Did you receive a Clean Audit?
• Did you pay your Debt Payments?
• Did you timely pay the Government?
• Have you kept the District in Financial Compliance?
I. Critical Indicators

(Indicators #1-5)
Indicator 1

Did you file Reports on time?

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?

* Current Result: Yes

** Previous Score: Yes

Calculations:
* Date Audit Received 12-17-18 (Due Date: 02-28-19)
** Date Audit Received 12-18-17 (Due Date: 02-28-18)
Indicator 2

Did you receive a Clean Audit?

2. Review the AFR for an unmodified opinion and material weaknesses. The School district must pass 2.A to pass this indicator. The school district fails indicator number 2 if it responds “No” to indicator 2.A or to both indicators 2.A and 2.B.

2 A. 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.)

2 B. 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? (The AICPA defines material weakness.)

* Current Score: 2.A Yes 2.B Yes

Calculations:

** Previous Score: 2.A Yes 2.B Yes


Did you receive a Clean Audit?

- Illegal deficit spending
- Lack of internal controls
- Misappropriation of funds
- Co-mingling of Designated Purpose Funds
- Failure to meet Expenditure Requirements
- Improper securities by depository
Indicator 3

Did you pay your Debt Payments on time?

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 the 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.)

* Current Result: Yes

** Previous Score: Yes

Calculations:
* As per the Annual Financial Audit Report submitted to TEA for the year ended August 31, 2018
** As per the Annual Financial Audit Report submitted to TEA for the year ended August 31, 2017

Note: Additionally, the School District is required to provide other Additional Annual Financial Continuing Disclosure Requirements for All Bonds to other External Financial Rating and Monitoring Agencies.
Did you pay your Debt Payments?

• No defaults through 08-31-18

• Ability to pay over time

• I & S Revenues, not too much or too little
Indicator 4

Did you make timely governmental payments?

4. Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other governmental agencies?

*Current Result: Yes

**Previous Score: Yes

Calculations:
* As per the Annual Financial Audit Report submitted to TEA for the year ended August 31, 2018
**As per the Annual Financial Audit Report submitted to TEA for the year ended August 31, 2017
Indicator 5

Did your Assets Exceed your Liabilities?

4. 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, then the school district passes this indicator.)

* Current Result: Not Being Scored

** Previous Score: Yes

Calculations:
* Not Being Scored

(2017 Total Membership – 2013 Total Membership) ÷ 2013 Total Membership) = >Threshold For Five Year Percent Change in Students or (Total Unrestricted Net Position Balance + Accretion of Interest For Capital Appreciation Bonds + Net Pension Liability) > 0.

** Current: ((14,779 – 15,015) ÷ 15,015 = -0.0157 > = .07 or 7,498,090 + 0 + 29,727,307 = 37,225,397 > 0
II. Solvency Indicators

(Indicator #6-12)
Fund Balance Spending

• Is for nonrecurring cost.
• Is **not** for paying recurring costs such as payroll, utilities, etc.
• Should not be too low or too high.
Best Practice
Appropriate Level of Fund Balance in the General Fund

A primary indicator of the quality of financial management in a school district is the level of fund balance in the General Fund. Its importance is evidenced by the universal inclusion of fund balance-related indicators in evaluations by financial rating agencies. Each school district is unique and therefore various factors must be evaluated to determine what is the appropriate level of fund balance in the General Fund. The trend for fund balance in the General Fund provides insight into the level of consistency in following sound financial management practices by executive management and the board of trustees. However, fund balances will increase or decrease for reasons that are to a certain degree substantially beyond the control of local management and/or due to the inherent complexities of financial management in Texas school districts.

What factors should be considered?
Various financial management factors and needs should be considered by each school district to assess how much fund balance should be maintained in the General Fund, including:

- Cover short-term liquidity issues including:
  - the timing of collections of property taxes (this primary revenue source is delayed until on or about the month of January in each calendar year);
  - Delays in earned state aid cash flows, including overall delays in Foundation School Program state aid cash flows relative to earned amounts for average daily attendance; and
  - Delay in the August FSP payments which some Legislatures have used to balance the cash-basis budget for a biennium;
- Pay for one-time expenses for equipment and facilities when debt financing is not a preferred or viable option;
• Cover unanticipated costs for emergencies and other contingencies that vary from the original budget plan;
• Earn a higher bond rating, in order to achieve lower interest rates, lower long-term borrowing costs and decrease the number of years needed to pay-off a bond issue;
• Cover unanticipated changes to local revenue sources, including changes resulting from taxable property valuation protests by businesses that have local or global going-concern issues. This factor has increased importance after the 82nd legislature removed the FSP state aid hold harmless for significant decreases in local taxable property valuations;
• Cover uncertainties at the state-level involving the appropriation to be made by the legislature for public education, including the elimination of funding for specific programs or grants, and overall decreases in funding levels for the FSP, as observed in the 82nd Legislative session in 2011; and
• Generate interest earnings (although not significant in this era of low interest rates) that can be used to maintain or enhance programs, or support the operating budget.

What is fund Balance?
Fund balance is simply the difference between a fund’s assets (what we own) and its liabilities (what we owe). If you consider that each district fund (e.g. General Fund, Food Service Fund, or Title 1 Fund) is a self-balancing system of accounts represented by plusses and minuses, fund balance is the residual outcome of adding and subtracting these accounts from each other. Fund balance is one of many accounts that make up what is commonly referred to as the balance sheet.
What are the categories of fund balance?
There are five separate categories of fund balance. The categories are: (1) Nonspendable fund balance; (2) Restricted fund balance; (3) Committed fund balance; (4) Assigned fund balance; and (5) Unassigned fund balance. Unrestricted fund balance includes the last three categories, which comprise only those categories for which there are no constraints or for which any constraint on spending is imposed by the government itself. Accordingly, the unrestricted fund balance in the General Fund is the only category that is available to cover any legal expenditure in a school district.

What types of assets comprise fund balance?
The types of assets that comprise fund balance include: (1) Cash and cash equivalents; (2) Investments; (3) Delinquent property taxes receivable; (4) Accounts receivable; (5) Due from other funds; (5) Inventories; and (6) Other assets. Fund balance does not equal the amount of cash plus investments.

A point of confusion in some news articles and in discussions by stakeholders has been to state or imply that fund balance equals the amount of cash plus investments. Also, accounts receivable from governmental agencies are significant for some school districts. In some instances, the receivable balance may even exceed the grand total fund balance in the General Fund. Although cash and investments are reported under assets in the balance sheet, a portion of these assets are needed to pay current liabilities, including wages payable and accounts payable.

Another significant point of confusion is to discuss fund balance in the context of referring to the aggregate fund balance of all funds. Because the aggregate total fund balance of all fund types is not available for any legal expenditure, this characterization also serves to cause confusion when discussing this topic. The fund balances of funds other than the General Fund are associated with various types of restrictions for specific purposes, which if violated may result in financial penalties, regulatory investigations and/or lowered Texas Education Agency assigned accreditation ratings.
What is an appropriate level of fund balance for a school district in Texas?
The appropriate level of fund balance for a school district in Texas is a minimum of two-months of expenditures in the General Fund and up to four to five months for certain school districts that need higher levels of fund balance. School districts that require higher-levels of fund balance include higher property value school districts that receive relatively lower proportions of revenues from state aid sources in the General Fund. A school district’s board of trustees should adopt a resolution on commitments of fund balance, in accordance with GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions," and should also set a goal for the minimum fund balance in the General Fund as a percentage of or number of months of annual operating expenditures in the General Fund for the fiscal year.

What does the Government Finance Officers Association Recommend?
The Government Finance Officers Association (GFOA) best practices briefing paper on fund balance is another resource on this topic. The GFOA recommends, “at a minimum, that general-purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.” The GFOA also states that the determination of the adequacy of the “fund balance in the General Fund should be assessed based upon a government’s specific circumstances.”

Conclusion
The overall fast growing student enrollment in Texas demands the best possible financial ratings to benefit lowered long-term debt costs related to the facilities, equipment and technology in the public education infrastructure. A basic premise to this best practice is that a school district should not have to borrow funds to cover operating costs. An adequate fund balance helps a school district minimize various risks caused by uncontrollable factors and focus on the primary purpose of instructing students. Fund balance is not a one-size fit all school finance management issue for local school districts.

November 2012
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Payroll-30th</td>
<td>4,800,328</td>
<td>4,824,269</td>
<td>4,844,886</td>
<td>4,700,731</td>
<td>4,634,779</td>
<td>4,850,142</td>
<td>4,832,765</td>
<td>4,825,029</td>
<td>5,270,514</td>
<td>4,911,707</td>
<td>48,513,248</td>
</tr>
<tr>
<td>Total</td>
<td>9,414,088</td>
<td>9,642,479</td>
<td>9,680,091</td>
<td>9,510,930</td>
<td>9,516,057</td>
<td>9,558,621</td>
<td>9,682,098</td>
<td>9,671,855</td>
<td>10,110,693</td>
<td>9,861,886</td>
<td>96,648,517</td>
</tr>
<tr>
<td>Vendor Pmts</td>
<td>2,651,806</td>
<td>2,747,205</td>
<td>3,433,799</td>
<td>2,893,611</td>
<td>1,825,407</td>
<td>2,423,447</td>
<td>1,915,872</td>
<td>2,885,070</td>
<td>3,027,503</td>
<td>2,133,892</td>
<td>25,037,513</td>
</tr>
<tr>
<td>Total</td>
<td>2,651,806</td>
<td>2,747,205</td>
<td>3,433,799</td>
<td>2,893,611</td>
<td>1,825,407</td>
<td>2,423,447</td>
<td>1,915,872</td>
<td>2,885,070</td>
<td>3,027,503</td>
<td>2,133,892</td>
<td>25,037,513</td>
</tr>
<tr>
<td>Grand Total</td>
<td>12,065,894</td>
<td>12,389,684</td>
<td>13,123,890</td>
<td>12,422,541</td>
<td>11,321,454</td>
<td>12,072,048</td>
<td>11,517,273</td>
<td>12,585,926</td>
<td>13,049,803</td>
<td>12,064,779</td>
<td>122,566,131</td>
</tr>
</tbody>
</table>

**Total Expenditures** 122,566,131  
**Monthly Average** 122,566,131

<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll-15th</td>
<td>4,208,008</td>
<td>4,418,035</td>
<td>4,434,878</td>
<td>4,404,867</td>
<td>4,442,682</td>
<td>4,379,099</td>
<td>4,388,944</td>
<td>4,411,092</td>
<td>4,331,268</td>
<td>4,541,783</td>
<td>43,060,405</td>
</tr>
<tr>
<td>Total</td>
<td>8,617,057</td>
<td>8,818,928</td>
<td>8,854,061</td>
<td>8,695,521</td>
<td>8,678,888</td>
<td>8,795,685</td>
<td>8,791,677</td>
<td>8,798,292</td>
<td>9,276,980</td>
<td>9,044,985</td>
<td>87,368,506</td>
</tr>
<tr>
<td>Vendor Pmts</td>
<td>1,606,375</td>
<td>2,440,143</td>
<td>2,104,794</td>
<td>2,190,383</td>
<td>1,390,246</td>
<td>1,927,875</td>
<td>1,538,973</td>
<td>2,158,385</td>
<td>2,393,919</td>
<td>1,521,591</td>
<td>19,229,564</td>
</tr>
<tr>
<td>Total</td>
<td>1,606,375</td>
<td>2,440,143</td>
<td>2,104,794</td>
<td>2,190,383</td>
<td>1,390,246</td>
<td>1,927,875</td>
<td>1,538,973</td>
<td>2,158,385</td>
<td>2,393,919</td>
<td>1,521,591</td>
<td>19,229,564</td>
</tr>
<tr>
<td>Grand Total</td>
<td>10,223,432</td>
<td>11,259,071</td>
<td>10,954,855</td>
<td>10,685,904</td>
<td>10,069,231</td>
<td>10,722,560</td>
<td>10,318,967</td>
<td>10,958,670</td>
<td>11,640,897</td>
<td>10,566,496</td>
<td>107,598,070</td>
</tr>
</tbody>
</table>

**Total Expenditures** 107,598,070  
**Monthly Average** 107,498,069
### Eagle Pass Independent School District
#### 2019 Top 10 Taxpayers

<table>
<thead>
<tr>
<th>No.</th>
<th>Taxpayer Name</th>
<th>Industry</th>
<th>Local Funds (2019 Taxes Due)</th>
<th>%</th>
<th>State Funds (2019-2020)</th>
<th>%</th>
<th>Total</th>
<th>% Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>AEP Texas Central Co</td>
<td>Personal</td>
<td>$ (612,655)</td>
<td>61%</td>
<td>$ (396,054)</td>
<td>39%</td>
<td>$ (998,709)</td>
<td>100%</td>
</tr>
<tr>
<td>2</td>
<td>Fort Duncan Medical Center Lp</td>
<td>Real/Personal</td>
<td>$ (428,878)</td>
<td>62%</td>
<td>$ (261,910)</td>
<td>38%</td>
<td>$ (690,788)</td>
<td>100%</td>
</tr>
<tr>
<td>3</td>
<td>Kickapoo Traditional Tribe of Texas</td>
<td>Real/Personal</td>
<td>$ (327,237)</td>
<td>62%</td>
<td>$ (199,638)</td>
<td>38%</td>
<td>$ (527,075)</td>
<td>100%</td>
</tr>
<tr>
<td>4</td>
<td>ConocoPhillips Company</td>
<td>Mineral</td>
<td>$ (319,726)</td>
<td>62%</td>
<td>$ (193,027)</td>
<td>38%</td>
<td>$ (512,753)</td>
<td>100%</td>
</tr>
<tr>
<td>5</td>
<td>Union Pacific RR Company</td>
<td>Real/Personal</td>
<td>$ (319,077)</td>
<td>62%</td>
<td>$ (193,027)</td>
<td>38%</td>
<td>$ (512,104)</td>
<td>100%</td>
</tr>
<tr>
<td>6</td>
<td>Endeavor Natural Gas LP</td>
<td>Mineral</td>
<td>$ (309,370)</td>
<td>62%</td>
<td>$ (193,027)</td>
<td>38%</td>
<td>$ (502,397)</td>
<td>100%</td>
</tr>
<tr>
<td>7</td>
<td>Dos Republicas Coal Partners</td>
<td>Real/Personal</td>
<td>$ (238,218)</td>
<td>61%</td>
<td>$ (153,916)</td>
<td>39%</td>
<td>$ (392,134)</td>
<td>100%</td>
</tr>
<tr>
<td>8</td>
<td>Epic Y-Grade Pipeline</td>
<td>Personal</td>
<td>$ (233,789)</td>
<td>64%</td>
<td>$ (130,955)</td>
<td>36%</td>
<td>$ (364,744)</td>
<td>100%</td>
</tr>
<tr>
<td>9</td>
<td>Comanche Maverick Ranch Invmt.</td>
<td>Real</td>
<td>$ (233,662)</td>
<td>64%</td>
<td>$ (130,955)</td>
<td>36%</td>
<td>$ (364,617)</td>
<td>100%</td>
</tr>
<tr>
<td>10</td>
<td>Enterprise Asset Management Inc.</td>
<td>Real/Personal</td>
<td>$ (222,574)</td>
<td>63%</td>
<td>$ (130,955)</td>
<td>37%</td>
<td>$ (353,529)</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td><strong>GRAND TOTAL</strong></td>
<td></td>
<td><strong>$ (3,245,186)</strong></td>
<td>62%</td>
<td><strong>$ (1,973,664)</strong></td>
<td>38%</td>
<td><strong>$ (5,218,850)</strong></td>
<td>100%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No.</th>
<th>Bankruptcy Taxpayer</th>
<th>Year</th>
<th>Local Funds (2010 Taxes Due)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>TXCO Resources</td>
<td>2010</td>
<td>$ 362,142</td>
</tr>
</tbody>
</table>
FINANCIAL RESOURCES GOAL

Goal 6: The Eagle Pass Independent School District will maximize funding, prioritize expenditures, and allocate the necessary resources to meet the educational needs of all students.

Objective 6.1: The Eagle Pass Independent School District will sustain effective district financial stability within the District’s available resources.

Eagle Pass ISD has continued to maintain a high level of fiscal efficiency and financial stability through the use of the school district’s available resources.

The school district’s General Fund Balance has remained stable throughout the years with the same M&O Tax Rate of $1.04. The Tax Rate Collection Rate has been maintained at over 99%.
FISCAL YEAR
The District shall operate on a fiscal year beginning July 1 and ending June 30.

BUDGET PLANNING
Budget planning shall be an integral part of overall program planning so that the budget effectively reflects the District's programs and activities and provides the resources to implement them. In the budget planning process, general educational goals, specific program goals, and alternatives for achieving program goals shall be considered, as well as input from the District- and campus-level planning and decision-making committees. Budget planning and evaluation are continuous processes and shall be a part of each month's activities.

SCHEDULES
The Superintendent or designee shall supervise the development of a budget calendar and a specific plan for budget preparation. The budget calendar shall be adopted by the Board.

BUDGET MEETING
The annual public meeting to discuss the proposed budget and tax rate shall be conducted as follows:

1. The Board President shall request at the beginning of the meeting that all persons who desire to speak on the proposed budget and/or tax rate sign up on the sheet provided.
2. Prior to the beginning of the meeting, the Board may establish time limits for speakers.
3. Speakers shall confine their remarks to the appropriation of funds as contained in the proposed budget and/or the tax rate.
4. No officer or employee of the District shall be required to respond to questions from speakers at the meeting.

AUTHORIZED EXPENDITURES
The adopted budget provides authority to expend funds for the purposes indicated and in accordance with state law, Board policy, and the District's approved purchasing procedures. The expenditure of funds shall be under the direction of the Superintendent or designee who shall ensure that funds are expended in accordance with the adopted budget.

BUDGET AMENDMENTS
The Board shall amend the budget when a change is made increasing any one of the functional spending categories or increasing revenue object accounts and other resources.

FISCAL IMPACT
All proposed budget changes shall include a statement regarding the fiscal impact on the fund balance.

FUND BALANCE
The District believes that sound financial management principles require that sufficient funds be retained by the District to provide a stable financial base at all times. To retain this stable financial
base, the District needs to maintain a general fund balance sufficient to fund all cash flows of the District, to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature, and to provide funds for all existing encumbrances.

PURPOSE

The purpose of this policy is to specify the size and composition of the District’s financial reserves and to identify certain requirements for replenishing any fund balance reserves utilized.

COMPONENTS OF THE FUND BALANCE

The fund balance shall consist of the following components:

1. Nonspendable fund balance. The nonspendable fund balance consists of funds that cannot be spent since they fall into one of the following categories:
   a. Not in a spendable form (not expected to be converted to cash);
   b. Inventory;
   c. Prepaid expenditures;
   d. Long-term receivables and loans or property acquired for sale (unless proceeds are restricted, committed, or assigned);
   e. Legally or contractually required to be maintained intact (e.g., the principal of a permanent fund); or
   f. Encumbrances.

2. Restricted fund balance. The restricted fund balance consists of funds that have external constraints such as those imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

3. Committed fund balance. The committed fund balance consists of funds that may be used only for a specific purpose, pursuant to constraints imposed by formal action of the governmental entity’s highest level of decision-making authority (the Board). The purpose for the funds can be changed only by formal action (resolution) of the Board.

4. Assigned fund balance. The assigned fund balance consists of amounts constrained by the District’s intent that the funds be used for specific purposes, although the funds are neither restricted nor committed as described above. The assigned fund balance is designated by the Board or by the Board’s designees, the Superintendent, or the chief financial officer authorized to establish this classification.
5. Unassigned fund balance. The unassigned fund balance consists of all the remaining fund balance not classified as nonspendable, restricted, committed, or assigned.

6. Unassigned fund balance target. The District shall maintain an unassigned fund balance sufficiently adequate for fiscal cash liquidity purposes (i.e., fiscal reserve) that will provide for sufficient cash flow to minimize the potential of short-term tax anticipation borrowing. This amount shall be equal to not less than 20 percent of the combined budgeted expenditures of the District general fund, excluding Chapter 41 recapture expenditures. The District’s chief financial officer shall annually calculate and verify to the Board the District’s compliance with this policy.

FORMULA
In determining compliance, the following formula shall be used: the audited balance available in the unassigned fund balance of the District’s general fund for the most recently audited fiscal year, divided by the operating expenditures, excluding Chapter 41 recapture expenditures.

USE
The unassigned fund balance represents balances available for appropriation at the discretion of the Board. However, the Board shall make every reasonable effort to use these unassigned funds for the following purposes, listed in order of priority:

1. To increase committed fund balances as deemed necessary.
2. To increase assigned fund balances as deemed necessary.
3. To use as beginning cash balance in support of the annual budget.

The Board recognizes that any such funds should be appropriated for non-recurring expenditures as they represent prior year surpluses that may or may not materialize in subsequent fiscal years.

MONITORING AND REPORTING
The Superintendent and chief financial officer shall annually prepare a report documenting the status of the fund balance in accordance with this policy and shall present it to the Board in conjunction with the development of the annual budget.

REPLENISHMENT OF THE UNASSIGNED FUND BALANCE
In the event the unassigned fund balance amount falls below the 20 percent targeted level, the Board shall, within 24 months, adopt a plan to restore this balance to the target level. If restoration of the reserve cannot be accomplished with this period without severe hardship to the District, the Board shall establish a different time period.

EFFECTIVE DATE
This policy shall be effective as of the adoption date, October 26, 2015.

DATE ISSUED: 11/5/2015
LDU 2015.13
CE(LOCAL)-X
## PEER SCHOOL DISTRICTS  
### GENERAL FUND BALANCES  
#### 2017-18 SCHOOL YEAR

<table>
<thead>
<tr>
<th>PEER SCHOOL DISTRICTS</th>
<th>County District Number</th>
<th>17-18 AUDITED ADA</th>
<th>2017-18 AUDITED EXPENDITURES</th>
<th>17-18 EXP/ADA</th>
<th>17-18 AUDITED ENDING BAL.</th>
<th>17-18 BAL/ADA</th>
<th>GENERAL FUND BAL. %</th>
<th>17-18 M&amp;O BAL/ADA</th>
<th>18-19 M&amp;O M&amp;O Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Carrizo</td>
<td>064-903</td>
<td>2,031</td>
<td>53,096,160</td>
<td>26,143</td>
<td>22,290,115</td>
<td>10,975</td>
<td>42.0%</td>
<td>$1.06</td>
<td>$1.06</td>
</tr>
<tr>
<td>2. La Pryor</td>
<td>254-902</td>
<td>422</td>
<td>6,288,066</td>
<td>14,901</td>
<td>2,616,361</td>
<td>6,200</td>
<td>41.6%</td>
<td>$1.17</td>
<td>$1.17</td>
</tr>
<tr>
<td>3. Crystal City</td>
<td>254-901</td>
<td>1,774</td>
<td>20,564,876</td>
<td>11,592</td>
<td>7,478,167</td>
<td>4,215</td>
<td>36.4%</td>
<td>$1.17</td>
<td>$1.04</td>
</tr>
<tr>
<td>4. Harlandale</td>
<td>015-904</td>
<td>12,884</td>
<td>145,252,409</td>
<td>11,274</td>
<td>56,779,253</td>
<td>4,407</td>
<td>36.1%</td>
<td>$1.17</td>
<td>$1.17</td>
</tr>
<tr>
<td>5. Hondo</td>
<td>163-904</td>
<td>1,840</td>
<td>16,937,632</td>
<td>9,205</td>
<td>7,080,753</td>
<td>3,848</td>
<td>41.8%</td>
<td>$1.04</td>
<td>$1.04</td>
</tr>
<tr>
<td>6. Del Rio</td>
<td>233-901</td>
<td>9,665</td>
<td>89,862,487</td>
<td>9,296</td>
<td>31,326,205</td>
<td>3,241</td>
<td>34.9%</td>
<td>$1.04</td>
<td>$1.16</td>
</tr>
<tr>
<td>7. Laredo</td>
<td>240-901</td>
<td>21,757</td>
<td>230,728,948</td>
<td>10,605</td>
<td>69,640,445</td>
<td>3,201</td>
<td>30.2%</td>
<td>$1.04</td>
<td>$1.04</td>
</tr>
<tr>
<td>9. Uvalde</td>
<td>232-903</td>
<td>3,878</td>
<td>41,176,039</td>
<td>10,618</td>
<td>9,604,757</td>
<td>2,477</td>
<td>23.3%</td>
<td>$1.17</td>
<td>$1.08</td>
</tr>
<tr>
<td><strong>10. EPISD</strong> (159-901)</td>
<td><strong>13,327</strong></td>
<td><strong>133,053,037</strong></td>
<td><strong>9,466</strong></td>
<td><strong>18,769,091</strong></td>
<td><strong>1,408</strong></td>
<td><strong>14.1%</strong></td>
<td><strong>$1.17</strong></td>
<td><strong>$1.17</strong></td>
<td><strong>$1.17</strong></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
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<tr>
<td><strong>AVERAGE</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

*Includes M&O (Audited) Ending Fund Balance of $18,158,094

2018-19 Budget  
13,316  
145,441,718  
10,922  
16,430,991  
* 1,234  
11.30%  
-  
$1.17

Less Optimum Fund Bal.  
-  
-  
- (25,050,359)  
1,881  
17.22%  
-  
-

DIFERRENCE  
-  
-  
- ($8,619,368)  
-647  
-5.93%  
-  
$1.17

*Includes M&O (Audited) Ending Fund Balance of $16,430,991

2019-20 Proposed Budget  
13,316  
156,786,566  
11,774  
16,308,094  
* 1,225  
10.40%  
-  
$1.17

Less 2 Month's Reserve  
-  
-  
- (25,050,359)  
1,881  
15.98%  
-  
-

DIFERRENCE  
-  
-  
- ($8,742,265.0)  
-857  
-5.58%  
-  
$1.17

*Includes M&O (Audited) Ending Fund Balance of $16,308,094

**NOTE:** DATA FOR PEER SCHOOL DISTRICTS FROM ANNUAL FINANCIAL AUDIT REPORTS

72
# EAGLE PASS INDEPENDENT SCHOOL DISTRICT
## COMPARISON OF TAX RATES FOR LOCAL TAXING ENTITIES

<table>
<thead>
<tr>
<th></th>
<th>EPISD Tax Rate</th>
<th>City of Eagle Pass Tax Rate</th>
<th>Maverick County Tax Rate</th>
<th>Maverick County Hospital Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M&amp;O I&amp;S Total</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2004-05</td>
<td>1.2746</td>
<td>0.0773</td>
<td>1.3519</td>
<td>0.3145</td>
</tr>
<tr>
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<tr>
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<tr>
<td>2006-07</td>
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<td>0.3520</td>
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<tr>
<td>%Change</td>
<td>-5.55%</td>
<td>6.32%</td>
<td>-4.90%</td>
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<tr>
<td>2007-08*</td>
<td>1.1700</td>
<td>0.0762</td>
<td>1.2462</td>
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<tr>
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<td>-11.11%</td>
<td>145.44%</td>
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<td></td>
<td>8.92%</td>
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<td>0.00%</td>
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<td>-3.24%</td>
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<tr>
<td>2008-09</td>
<td>1.0401</td>
<td>0.1871</td>
<td>1.2272</td>
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<td>%Change</td>
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<tr>
<td>2009-10</td>
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<td>0.00%</td>
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<tr>
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<td></td>
<td></td>
<td>3.91%</td>
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<td>-9.20%</td>
<td>-1.03%</td>
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<tr>
<td>2010-11</td>
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<td>0.00%</td>
<td>14.29%</td>
<td>0.00%</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

* One Year Exception to Levy M&O Tax Rate @ $1.17 due to Tornado Disaster as per Tax Code

* One Year Exception to Levy M&O Tax Rate @ $1.17 due to Tornado Disaster as per Tax Code
### EAGLE PASS INDEPENDENT SCHOOL DISTRICT
### COMPARISON OF TAX RATES FOR LOCAL TAXING ENTITIES

<table>
<thead>
<tr>
<th></th>
<th>EPISD Tax Rate</th>
<th>City of Eagle Pass Tax Rate</th>
<th>Maverick County Tax Rate</th>
<th>Maverick County Hospital Tax Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M&amp;O</td>
<td>I&amp;S</td>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>2014-15</td>
<td>1.0401</td>
<td>0.1141</td>
<td>1.1542</td>
<td>0.5107</td>
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<tr>
<td>2015-16</td>
<td>1.0401</td>
<td>0.1219</td>
<td>1.1619</td>
<td>0.5460</td>
</tr>
<tr>
<td>% Change</td>
<td>0.00%</td>
<td>-6.78%</td>
<td>0.67%</td>
<td>6.91%</td>
</tr>
<tr>
<td>2015-16</td>
<td>1.0401</td>
<td>0.1219</td>
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<tr>
<td>2016-17</td>
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<td>0.1154</td>
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<td>0.5460</td>
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<td>0.00%</td>
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<td>-0.56%</td>
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<td>2016-17</td>
<td>1.0401</td>
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<tr>
<td>2017-18</td>
<td>1.1701</td>
<td>0.0104</td>
<td>1.1804</td>
<td>0.5425</td>
</tr>
<tr>
<td>% Change</td>
<td>12.50%</td>
<td>-91.00%</td>
<td>2.16%</td>
<td>-0.65%</td>
</tr>
<tr>
<td>2004-05</td>
<td>1.2746</td>
<td>0.0773</td>
<td>1.3519</td>
<td>0.3145</td>
</tr>
<tr>
<td>2017-18</td>
<td>1.1701</td>
<td>0.0104</td>
<td>1.1804</td>
<td>0.5425</td>
</tr>
<tr>
<td>14 Yr % Change</td>
<td>-8.20%</td>
<td>-86.57%</td>
<td>-12.68%</td>
<td>72.51%</td>
</tr>
<tr>
<td>2017-18</td>
<td>1.1701</td>
<td>0.0104</td>
<td>1.1804</td>
<td>0.5425</td>
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<tr>
<td>2018-19</td>
<td>1.1701</td>
<td>0.0908</td>
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<tr>
<td>% Change</td>
<td>0.00%</td>
<td>774.66%</td>
<td>6.81%</td>
<td>6.13%</td>
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<tr>
<td>2018-19</td>
<td>1.1701</td>
<td>0.0908</td>
<td>1.2608</td>
<td>0.5429</td>
</tr>
<tr>
<td>2019-20</td>
<td>1.0684</td>
<td>0.0933</td>
<td>1.1616</td>
<td>0.5407</td>
</tr>
<tr>
<td>% Change</td>
<td>-8.69%</td>
<td>2.71%</td>
<td>-7.87%</td>
<td>-0.40%</td>
</tr>
<tr>
<td>2004-05</td>
<td>1.2746</td>
<td>0.0773</td>
<td>1.3519</td>
<td>0.3145</td>
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<tr>
<td>2019-20</td>
<td>1.0684</td>
<td>0.0933</td>
<td>1.1616</td>
<td>0.5407</td>
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<tr>
<td>16 Yr % Change</td>
<td>-16.18%</td>
<td>20.63%</td>
<td>-14.07%</td>
<td>71.95%</td>
</tr>
</tbody>
</table>
NOTICE OF SPECIAL MEETING OF THE
EAGLE PASS INDEPENDENT SCHOOL DISTRICT

Notice is hereby given that on Monday, August 12, 2019, the Board of Trustees of the Eagle Pass Independent School District will hold a Special Meeting at 5:00 PM, at the District Service Center Austin Building, 887 Madison St., Eagle Pass, TX 78852. The subjects to be discussed are listed on the agenda, which is attached to and made a part of this notice.

If, during the course of the meeting covered by this Notice, the Board of Trustees should determine that a closed or executive meeting or session of the Board of Trustees is required, then such closed or executive meeting or session as authorized by the Texas Open Meetings Act, Texas Government Code Section 551.001 et seq., will be held by the School Board at the date, hour, and place given in this Notice or as soon after the commencement of the meeting covered by this Notice as the School Board may conveniently meet in such closed or executive meeting or session concerning any and all purposes permitted by the Act, including, but not limited to the following sections and purposes:

Texas Government Code Section:

551.071 Private consultation with the board's attorney.
551.072 Discussing purchase, exchange, lease, or value of real property.
551.073 Discussing negotiated contracts for prospective gifts or donations.
551.074 Discussing personnel or to hear complaints against personnel.
551.076 Considering the deployment, specific occasions for, or implementation of, security personnel or devices.
551.082 Considering discipline of a public school child, or complaint or charge against an employee by another employee.
551.083 Considering the standards, guidelines, terms, or conditions the board will follow, or will instruct its representatives to follow, in consultation with representatives of employee groups.
551.084 Excluding witnesses from a hearing.

Should any final action, final decision, or final vote be required in the opinion of the School Board with regard to any matter considered in such closed or executive meeting or session, then the final, action, final decision, or final vote shall be either:

(a) In the open meeting covered by the Notice upon the reconvening of the public meeting; or
(b) At a subsequent public meeting of the School Board upon notice thereof, as the School Board shall determine.

On this 8th of August 2019, the Notice was mailed to news media that had previously requested such Notice and a copy was posted on the bulletin board in the District Service Center at 5:00 PM.

Samuel Mijares, Superintendent of Schools
EAGLE PASS ISD  
587 Madison St.  
Eagle Pass, Texas 78852  

SPECIAL BOARD MEETING  
August 12, 2019  
5:00 PM  

I. CALL MEETING TO ORDER  

II. ROLL CALL  
Mr. Jorge Barrera, President / Mrs. Hilda P. Martinez, Vice-President / Dr. Hector Alvarez, Secretary / Ms. Genna Purcell, Trustee / Ms. Lupita Fuentes, Trustee / Mr. Christopher Hiller, Trustee / Mr. Victor E. Perry, Trustee / Mr. Gilberto Gonzalez, Superintendent / Mr. Richard Stiebner, Attorney  

III. 1ST BUDGET WORKSHOP  

1) Review Fund Budgets  

2) Review Estimated M & O Fund Balance  

3) Presentation on Superintendent’s annual recommended compensation plan including salary increases, stipends, and benefits.  

4) Review Projections of State Revenues and Impact of Tax Rate on State Revenues  

5) Review and discuss the District property values and the Funding lag  

6) Review Budget Assumptions  

7) Proposed Budget Workshop Schedule  

8) Review Additional Requests  

9) Other Budgetary Issues  

IV. DISTRICT REPORTS/PRESENTATIONS
1) Report on 2019 Certified Appraisal Roll from the Maverick County Appraisal District

2) Report on the Certification of the Estimated 2018/2019 Excess Debt Collections for the EPISO Interest and Sinking Fund

3) Review and discuss the 2019 Voter-Approval Tax Rate Worksheet

V. ACTION ITEMS

1) Consider and take appropriate action on the request to approve the proposed Tax Rate prior to its publication on the "NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE".

VI. CLOSED SESSION
Pursuant to Sections 551.071, 551.072, 551.074, 551.082, 551.083, and 551.084 Texas Government Code: PERSONNEL MATTERS: Under Section 551.074 Texas Government Code, to deliberate the appointments, employment, evaluations, reassignments, duties, discipline, or dismissal of public officers or employee; or to hear complaints or charges against an officer or employee:

1) The Board will consult with its attorney regarding legal issues relating to the Superintendent's annual compensation plan recommendation for the 2019-2020 to include wage and salary structures, stipends, benefits, incentives, salary schedules, and salary increases. TGC 551.071.

VII. OPEN SESSION
To take final action, make decisions or vote on matters on which the Board consulted with its attorney or on matters deliberated or heard in closed session. In the event that the Board did not go into Closed Session on any or all items listed for Closed Session (above), those items shall automatically be included as Action Items under this section of the Agenda, should the Board choose to take action.

1) Consider and take action on the Superintendent's annual compensation plan for the 2019-2020 to include wage and salary structures, stipends, benefits, incentives, salary schedules, and salary increases.

VIII. ADJOURNMENT
## AGENDA ITEM 5

### BOARD OF TRUSTEES

#### AGENDA

<table>
<thead>
<tr>
<th>Workshop</th>
<th>Regular</th>
<th>Special</th>
</tr>
</thead>
</table>

(A) Report Only

- **Recognition**

**Presenter(s):** Mr. Ismael Mijares, Deputy Supt. for Business & Finance

Briefly describe the subject of the report or recognition presentation.

**REVIEW AND DISCUSS THE DISTRICT PROPERTY VALUES AND THE FUNDING LAG.**

(B) **Action Item**

**Presenter(s):**

Briefly describe the action required.

(C) **Funding source:** Identify the source of funds if any are required.

(D) **Clarification:** Explain any question or issues that might be raised regarding this item.
BASIS FOR ESTIMATED REVENUES

Revenues for 2019-20 will be calculated using the following assumptions:

2. A 0% increase in ADA will be projected.
3. Tax rates will be used as follows.

<table>
<thead>
<tr>
<th>TAX RATE</th>
<th>AUDITED 2016-17</th>
<th>AUDITED 2017-18</th>
<th>BUDGETED 2018-19</th>
<th>PROJECTED 2019-20</th>
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</thead>
<tbody>
<tr>
<td>M &amp; O</td>
<td>1.04005</td>
<td>1.17005</td>
<td>1.17005</td>
<td>1.06835</td>
</tr>
<tr>
<td>I &amp; S</td>
<td>.11538</td>
<td>.01038</td>
<td>.09079</td>
<td>.09325</td>
</tr>
<tr>
<td>TOTAL</td>
<td>1.15543</td>
<td>1.18043</td>
<td>1.26084</td>
<td>1.16160</td>
</tr>
</tbody>
</table>

4. The 2019 district certified property values increased by 5.11%($118,159,400) from $2,312,430,314 to $2,430,589,714. These values are used to estimate local tax revenues.

5. The 2019 Comptroller Property Tax Division (CPTD) T2 property values increased by 9.78% ($225,233,247) from 2017: $2,303,440,565 to 2019: $2,528,673,812 (Estimated). These values are used to estimate state revenues.

6. The state funding lag is the difference between the 2019 district certified property value of $2,430,589,714 and the 2019 Comptroller Property Tax Division (CPTD) T2 property value of $2,528,673,812 (Estimated). The difference is an increase of 4.04% ($98,084,098). These values are used to estimate local/state revenues.

7. Other local revenues will be estimated using historical figures.

8. Federal Revenues will be projected based on the best information available and will be provided by the Federal Programs Director.
<table>
<thead>
<tr>
<th></th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Total General Fund Balance as of 8/31/18 (Exhibit C-1 object 3000 for the General Fund Only)</td>
<td>$18,769,051</td>
</tr>
<tr>
<td>2</td>
<td>Total Non-Spendable Fund Balance (from Exhibit C-1 - for the General Fund Only)</td>
<td>$379,477</td>
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<tr>
<td>3</td>
<td>Total Restricted Fund Balance (from Exhibit C-1 - for the General Fund Only)</td>
<td>488,060</td>
</tr>
<tr>
<td>4</td>
<td>Total Committed Fund Balance (from Exhibit C-1 - for the General Fund Only)</td>
<td>-</td>
</tr>
<tr>
<td>5</td>
<td>Total Assigned Fund Balance (from Exhibit C-1 - for the General Fund Only)</td>
<td>-</td>
</tr>
<tr>
<td>6</td>
<td>Estimated amount needed to cover full cash flow deficits in the General Fund (Net of borrowed funds and funds representing deferred revenues)</td>
<td>-</td>
</tr>
<tr>
<td>7</td>
<td>Estimate of two month's average cash disbursements during the fiscal year.</td>
<td>24,182,822</td>
</tr>
<tr>
<td>8</td>
<td>Estimate of delayed payments from state sources (§88c).</td>
<td>-</td>
</tr>
<tr>
<td>9</td>
<td>Estimate of underpayment from state sources equal to variance between Legislative Payment Estimate (LPE) and District Planning Estimate (DPE) or District’s calculated earned state aid amount.</td>
<td>-</td>
</tr>
<tr>
<td>10</td>
<td>Estimate of delayed payments from federal sources (§88a).</td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td>Estimate of expenditures to be reimbursed to General Fund from Capital Projects Fund (uses of General Fund cash after bond referendum and prior to issuance of bonds.)</td>
<td>-</td>
</tr>
<tr>
<td>12</td>
<td>Optimum Fund Balance and Cash Flow (Lines 2+3+4+5+6+7+8+9+10+11)</td>
<td>$25,050,359</td>
</tr>
<tr>
<td>13</td>
<td>Excess (Deficit) Unassigned Fund Balance (Line 1 minus Line 12)</td>
<td>$(6,281,308)</td>
</tr>
<tr>
<td></td>
<td>Description</td>
<td>Amount</td>
</tr>
<tr>
<td>---</td>
<td>-----------------------------------------------------------------------------</td>
<td>----------</td>
</tr>
<tr>
<td>1</td>
<td>Total General Fund Balance as of 8/31/17 (Exhibit C-1 object 3000 for the General Fund Only)</td>
<td>$ 17,603,417</td>
</tr>
<tr>
<td>2</td>
<td>Total Non-Spendable Fund Balance (from Exhibit C-1 - for the General Fund Only)</td>
<td>$ 417,255</td>
</tr>
<tr>
<td>3</td>
<td>Total Restricted Fund Balance (from Exhibit C-1 - for the General Fund Only)</td>
<td>$ 295,075</td>
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<tr>
<td>4</td>
<td>Total Committed Fund Balance (from Exhibit C-1 - for the General Fund Only)</td>
<td>-</td>
</tr>
<tr>
<td>5</td>
<td>Total Assigned Fund Balance (from Exhibit C-1 - for the General Fund Only)</td>
<td>-</td>
</tr>
<tr>
<td>6</td>
<td>Estimated amount needed to cover fall cash flow deficits in the General Fund (Net of borrowed funds and funds representing deferred revenues.)</td>
<td>-</td>
</tr>
<tr>
<td>7</td>
<td>Estimate of two month's average cash disbursements during the fiscal year.</td>
<td>$ 22,364,916</td>
</tr>
<tr>
<td>8</td>
<td>Estimate of delayed payments from state sources (58xx).</td>
<td>-</td>
</tr>
<tr>
<td>9</td>
<td>Estimate of underpayment from state sources equal to variance between Legislative Payment Estimate (LPE) and District Planning Estimate (DPE) or District's calculated earned state aid amount.</td>
<td>-</td>
</tr>
<tr>
<td>10</td>
<td>Estimate of delayed payments from federal sources (59xx)</td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td>Estimate of expenditures to be reimbursed to General Fund from Capital Projects Fund (uses of General Fund cash after bond referendum and prior to issuance of bonds)</td>
<td>-</td>
</tr>
<tr>
<td>12</td>
<td>Optimum Fund Balance and Cash Flow (Lines 2+3+4+5+6+7+8+9+10+11)</td>
<td>$ 23,077,246</td>
</tr>
<tr>
<td>13</td>
<td>Excess (Deficit) Unassigned Fund Balance (Line 1 minus Line 12)</td>
<td>$ (5,473,829)</td>
</tr>
</tbody>
</table>
TO: Gilberto Gonzalez, Superintendent  
FROM: Ismael Mijares, Deputy Superintendent for Business & Finance  
DATE: November 14, 2018  
SUBJECT: **PRELIMINARY ENDING FUND BALANCES AS OF AUGUST 31, 2018**  

The following are the Preliminary Ending Fund balances as of August 31, 2018. The Ending Fund Balances are Preliminary and may be subject to minor changes, due to the 2017-18 Annual Financial Audit currently being conducted.

<table>
<thead>
<tr>
<th>Code</th>
<th>Account Description</th>
<th>Balance</th>
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<tr>
<td>169</td>
<td>High School Allotment</td>
<td>$384,000.00</td>
</tr>
<tr>
<td>170</td>
<td>Middle Rio Grande Workforce - CCPS</td>
<td>$104,600.12</td>
</tr>
<tr>
<td>175</td>
<td>MAMA Patrol Safety Program</td>
<td>$122,895.73</td>
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<tr>
<td>159</td>
<td>Maintenance &amp; Operations (M&amp;O)</td>
<td>$18,158,065.10</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL GENERAL FUND ENDING FUND BALANCE</strong></td>
<td><strong>$18,769,050.95</strong></td>
</tr>
<tr>
<td>242</td>
<td>Summer Feeding Program</td>
<td>$8,937.32</td>
</tr>
<tr>
<td>397</td>
<td>Advance Placement</td>
<td>$49.44</td>
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<tr>
<td>461</td>
<td>Campus Activity</td>
<td>$55,711.75</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL SPECIAL REVENUE ENDING FUND BALANCE</strong></td>
<td><strong>$74,698.51</strong></td>
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<tr>
<td>518</td>
<td>Debt Service</td>
<td>$267,626.85</td>
</tr>
<tr>
<td>616</td>
<td>Construction Special Projects</td>
<td>$9,839,748.86</td>
</tr>
<tr>
<td>753</td>
<td>Workers Compensation</td>
<td>$1,029,390.59</td>
</tr>
<tr>
<td>775</td>
<td>Health/Dental Insurance</td>
<td>$3,336,933.74</td>
</tr>
<tr>
<td>776</td>
<td>Unemployment Compensation</td>
<td>$1,084,493.71</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL INTERNAL SERVICE ENDING FUND BALANCES</strong></td>
<td><strong>$5,450,816.03</strong></td>
</tr>
<tr>
<td>806</td>
<td>Scholarship</td>
<td>$26,561.96</td>
</tr>
<tr>
<td></td>
<td><strong>GRAND TOTAL ENDING FUND BALANCES:</strong></td>
<td><strong>$34,428,505.18</strong></td>
</tr>
</tbody>
</table>

The above 199 M & O Preliminary Ending Fund Balance as of 08-31-18 is $18,158,095.10. If you should have any questions, please let me know.

XC: Board Members

**Eagle Pass Independent School District**

1420 Faison Rd  •  Eagle Pass, Texas 78852  •  Tel. (830) 773-5181  •  www.eaglepassisd.net

An Equal Opportunity Employer
EAGLE PASS INDEPENDENT SCHOOL DISTRICT
199-M&O ESTIMATED FUND BALANCE
2019-20 Budget (August 26, 2019)

18-19 AUDITED BEGINNING FUND BAL. 09-01-18  $18,158,094

18-19 ESTIMATED EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES ($1,850,000)

18-19 EST. ENDING FUND BALANCE 08-31-19  $16,308,094

19-20 ESTIMATED EXCESS/(DEFICIENCY) OF REVENUES OVER EXPENDITURES  $0

19-20 EST. ENDING FUND BALANCE 08-31-20  $16,308,094

Budgetary Considerations for 2019-20 Budget:
1) Includes $2,362,625 for Additional Requests/Special Projects for 2019-20 by Campuses/Depts

NOTE:
As Per Board Policy CFA (Legal), TEA'S Review Process analyzes revenues and expenditures for the preceding year, the current year, and the following two years. If the Review Process conducted by TEA reveals a Projected Deficit for a so that TEA can evaluate the district's Current Budget Status. (M&O Tax Rate requires voter approval to exceed $1.04)
6. **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)?** See ranges below.

*Current Score: 10  
(MAXIMUM 10)  
**Previous Score: 10*

Calculations:

*$$((\text{Cash and Equivalents} + \text{Current Investments})/(\text{Total Expenditures} – \text{Facilities Acquisition and Construction}))\times 365$$*

$$= ((33,878,657 + 0) / (133,083,037 – 155,647)) \times 365 = 93.026$$

**$$((\text{Cash and Equivalents} + \text{Current Investments})/(\text{Total Expenditures} – \text{Facilities Acquisition and Construction}))\times 365$$**

$$= ((34,385,534 + 0) / (125,306,231 – 154,452)) \times 365 = 100.284$$
## Days Cash on Hand

<table>
<thead>
<tr>
<th>Points</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>&gt;=90</td>
</tr>
<tr>
<td>8</td>
<td>&lt;90&gt;=75</td>
</tr>
<tr>
<td>6</td>
<td>&lt;74&gt;=60</td>
</tr>
<tr>
<td>4</td>
<td>&lt;60&gt;=45</td>
</tr>
<tr>
<td>2</td>
<td>&lt;45&gt;=30</td>
</tr>
<tr>
<td>0</td>
<td>&lt;30</td>
</tr>
</tbody>
</table>
Indicator 7

Current Assets to Current Liabilities Ratio

7. Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? See ranges below.

*Current Score: 10  
(MAXIMUM 10)

**Previous Score: 8

Calculations:
* Current Assets / Current Liabilities
  (49,966,040 / 14,149,551) = 3.5313

** Current Assets / Current Liabilities
  (49,027,371 / 16,552,260) = 2.962
### Current Assets to Current Liabilities Ratio

<table>
<thead>
<tr>
<th>Points</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>( \geq 3.00 )</td>
</tr>
<tr>
<td>8</td>
<td>(&lt; 3.00 ) = 2.50</td>
</tr>
<tr>
<td>6</td>
<td>(&lt; 2.50 ) = 2.00</td>
</tr>
<tr>
<td>4</td>
<td>(&lt; 2.00 ) = 1.50</td>
</tr>
<tr>
<td>2</td>
<td>(&lt; 1.50 ) = 1.00</td>
</tr>
<tr>
<td>0</td>
<td>(&lt; 1.00 )</td>
</tr>
</tbody>
</table>


Indicator 8

Long-term Liabilities to Total Assets

8. 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 change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.) See ranges below.

*Current Score: 10
(MAXIMUM 10)

**Previous Score: 10

Calculations:
(Long Term Liabilities / Total Assets) <= 1 or (2018 Total Students – 2014 Total Students) / 2014 Totals Students >= Threshold for Five-Year Percent Change in Students
* Current: (48,727,650 / 129,766,560) = 0.3755 <= 1 or (14,520 – 15,033) / 15,033 = -0.0341 >= 0.07
**Previous: (50,483,514 / 129,523,134) = 0.3898 <= 1 or (14,779 – 15,015) / 15,015 = 0.0157 >= 0.07
## Long-term Liabilities to Total Assets

<table>
<thead>
<tr>
<th>Points</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>&lt;=0.60</td>
</tr>
<tr>
<td>8</td>
<td>&gt;0.60&lt;=0.70</td>
</tr>
<tr>
<td>6</td>
<td>&gt;0.70&lt;=0.80</td>
</tr>
<tr>
<td>4</td>
<td>&gt;0.80&lt;=0.90</td>
</tr>
<tr>
<td>2</td>
<td>&gt;0.90&lt;=1.00</td>
</tr>
<tr>
<td>0</td>
<td>&gt;1.00</td>
</tr>
</tbody>
</table>
Indicator 9

Expenditure Analysis

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?

*Current Score: 10
(MAXIMUM 10)

**Previous Score: 10

Calculations:
((Total Revenue / (Total Expenditures – Facilities Acquisition and Construction) – 1)) >= 0 or
((Cash and Equivalents + Current Investments) / (Total Expenditures – Facilities Acquisition and Construction) * 365 >= 60

* Current: ((142,358,845 / (133,083,037-155,647) -1)) = 0.071 >= 0 or (33,878,657 + 0) / (133,083,037-155,647) * 365 = 93.026 >= 60

**Previous: ((127,036,061 / (125,306,231-154,452) -1)) = 0.0151 > 0 or (34,385,534 + 0) / (125,306,231-154,452) * 365 = 100.284 >= 60
# Expenditure Analysis

<table>
<thead>
<tr>
<th>Points</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>$\geq 0%$</td>
</tr>
<tr>
<td>0</td>
<td>$&lt; 0%$</td>
</tr>
</tbody>
</table>
Indicator 10
Debt Service Coverage Ratio

10. Was the debt service coverage ratio sufficient to meet the required debt service? See ranges below.

*Current Score: 10 (MAXIMUM 10)
**Previous Score: 10

Calculations:
((Total Revenues – Total Expenditures + Debt Service (function codes 71, 72 and 73) + Fund Code 599 (Debt Service fund balance) + Function Code 81)) / Debt Service (function codes 71, 72 and 73)
* Current (145,091,556 – 137,334,587 + 4,251,550 + 267,627 + 155,647) / 4,251,550 = 2.9241
** Previous (133,196,201 – 130,990,631 + 5,684,400 + 1,786,465 + 154,452) / 5,684,400 = 1.7295
<table>
<thead>
<tr>
<th>Points</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>&gt;=1.20</td>
</tr>
<tr>
<td>8</td>
<td>&lt;1.20&gt;=1.15</td>
</tr>
<tr>
<td>6</td>
<td>&lt;1.15&gt;=1.10</td>
</tr>
<tr>
<td>4</td>
<td>&lt;1.10&gt;=1.05</td>
</tr>
<tr>
<td>2</td>
<td>&lt;1.05&gt;=1.00</td>
</tr>
<tr>
<td>0</td>
<td>&lt;1.00</td>
</tr>
</tbody>
</table>
Indicator 11

Is Administration Overstaffed?

11. **Was the school district’s administrative cost ratio equal to or less than the threshold ratio?** See ranges below.

*Current Score: 10  
(MAXIMUM 10)

**Previous Score: 10
<table>
<thead>
<tr>
<th>Standard</th>
<th>Enrollment ADA</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;=0.0855</td>
<td>&gt;10,000</td>
</tr>
<tr>
<td>&lt;=0.1000</td>
<td>5,000 to 9,999</td>
</tr>
<tr>
<td>&lt;=0.1151</td>
<td>1,000 to 4,999</td>
</tr>
<tr>
<td>&lt;=0.1311</td>
<td>500 to 999</td>
</tr>
<tr>
<td>&lt;=0.2404</td>
<td>&lt;500</td>
</tr>
<tr>
<td>&lt;=0.3364</td>
<td>Sparse</td>
</tr>
</tbody>
</table>
# State Standards for Administrative Cost Ratio: FY 2017-2018

<table>
<thead>
<tr>
<th>ADA Size</th>
<th>10 points</th>
<th>8 points</th>
</tr>
</thead>
<tbody>
<tr>
<td>10,000 and above</td>
<td>&lt;=0.0855</td>
<td>&gt;0.0855&lt;=0.1105</td>
</tr>
<tr>
<td>5,000 to 9,999</td>
<td>&lt;=0.1000</td>
<td>&gt;0.1000&lt;=0.1250</td>
</tr>
<tr>
<td>1,000 to 4,999</td>
<td>&lt;=0.1151</td>
<td>&gt;0.1151&lt;=0.1401</td>
</tr>
<tr>
<td>500 to 999</td>
<td>&lt;=0.1311</td>
<td>&gt;0.1311&lt;=0.1561</td>
</tr>
<tr>
<td>&lt;500</td>
<td>&lt;=0.2404</td>
<td>&gt;0.2404&lt;=0.2654</td>
</tr>
<tr>
<td>Sparse</td>
<td>&lt;=0.3364</td>
<td>&gt;0.3365&lt;=0.3614</td>
</tr>
</tbody>
</table>
### EPISD Administrative Cost Ratio

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Actual Cost Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 11</td>
<td>.0835</td>
</tr>
<tr>
<td>FY 10</td>
<td>.0844</td>
</tr>
<tr>
<td>FY 09</td>
<td>.0836</td>
</tr>
<tr>
<td>FY 08</td>
<td>.0836</td>
</tr>
<tr>
<td>FY 07</td>
<td>.0832</td>
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<tr>
<td>FY 06</td>
<td>.0864</td>
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<tr>
<td>FY 05</td>
<td>.0884</td>
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<tr>
<td>FY 04</td>
<td>.0904</td>
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<tr>
<td>FY 03</td>
<td>.0842</td>
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<tr>
<td>FY 02</td>
<td>.0766</td>
</tr>
<tr>
<td>FY 12</td>
<td>.0770</td>
</tr>
<tr>
<td>FY 13</td>
<td>.0787</td>
</tr>
<tr>
<td>FY 14</td>
<td>.08</td>
</tr>
<tr>
<td>FY 15</td>
<td>.0868</td>
</tr>
<tr>
<td>FY 16</td>
<td>.0837</td>
</tr>
<tr>
<td>FY 17</td>
<td>.0845</td>
</tr>
<tr>
<td>FY 18</td>
<td>.0844</td>
</tr>
</tbody>
</table>

**Calculation:**

Acceptable Administrative Cost Ratio > District Administrative Cost Ratio

*Current: .0855 > .0844

**Previous: .0855 > .0845
Indicator 12

Student to Staff Ratio

12. 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 the indicator.)

*Current Score: 10
MAXIMUM: 10

**Previous Score: 10

Calculations:

(2018 Total Enrollment / 2018 Number of FTE Staff) / (2016 Total Enrollment - 2016 Number of FTE Staff) – 1 > Threshold for Three-Year Percent Change in Ratio or (2018 Total Enrollment – 2016 Total Enrollment) > 0

*Current: (14,582 / 2,012.9866) / (15,093 / 2,111.4607) – 1 = 0.0134 > -0.15 or 14,582 -15,093 = -511 > 0

**Previous: (14,831 / 2,023.6133) / (15,076 / 2,078.6296) – 1 = -0.0105 > -0.15 or 14,831 -15,076 = -245 > 0
## Student Staff Ratio

<table>
<thead>
<tr>
<th>Points</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Yes</td>
</tr>
<tr>
<td>0</td>
<td>No</td>
</tr>
</tbody>
</table>
III. FINANCIAL COMPETENCE

(Indicators #13-15)
Indicator 13

Do your numbers match?

13. Did the comparisons 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?

* Current Score : 10
  (MAXIMUM 10)

** Previous Score: 10

* The difference was less than zero percent or 0%. (Standard 3%)

** The difference was less than zero percent or 0%. (Standard 3%)
## Comparison of PEIMS Data

<table>
<thead>
<tr>
<th>Points</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>&lt; 3%</td>
</tr>
<tr>
<td>0</td>
<td>&gt;= 3%</td>
</tr>
</tbody>
</table>
Indicator 14

Did you follow the rules?

14. 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.)

* Current Score : 10
(MAXIMUM 10)

** Previous Score: 10

* No Disclosure of Material Non-Compliance included in the 2017-18 Annual Financial Audit Report

** No Disclosure of Material Non-Compliance included in the 2016-17 Annual Financial Audit Report
Free of Material Non-compliance

<table>
<thead>
<tr>
<th>Points</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Yes</td>
</tr>
<tr>
<td>0</td>
<td>No</td>
</tr>
</tbody>
</table>
Did you Follow the Rules?

- Poor segregation of duties
- Records do not reconcile (such as PEIMS and Annual Financial Audit)
- Competitive bid violations
- Inaccurate and untimely reporting
- Fund balance deficit
- Expenditures exceed the budget
Have you kept the District in Financial Compliance?

• Check and balance system
• Internal controls intended to guarantee:
  – Proper recording of transactions
  – Legal compliance
  – Safeguard funds, property & assets against loss
Indicator 15

Foundation School Program (FSP)

15. **Did the school district not receive an adjusted repayment schedule for more than one fiscal year for an over allocation of Foundation School Program (FSP) funds as a result of a financial hardship?**

* Current Score : 10

(MAXIMUM 10)

**Previous Score: 10

Calculations:

* No, as per the Annual Financial Audit Report submitted to TEA for year ended August 31, 2018

**No, as per the Annual Financial Audit Report submitted to TEA for year ended August 31, 2017
## Adjustment Re-payment Schedule

<table>
<thead>
<tr>
<th>Points</th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>10</td>
<td>Yes</td>
</tr>
<tr>
<td>0</td>
<td>No</td>
</tr>
</tbody>
</table>
School District Rating Results

Current Score: 100
(MAXIMUM: 100)

Previous Score: 98
(MAXIMUM: 100)

Rating: Superior