

Lake Travis Independent School District



2025–2026 Annual Financial Management Report

October 21, 2026

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Financial Integrity Rating System of Texas (FIRST)
Lake Travis Independent School District
2025-2026 Ratings based on School Year 2024-2025 Data

Executive Summary

Introduction

This is the 24th year of School FIRST (Financial Integrity Rating System of Texas), a financial accountability system for Texas school districts developed by the Texas Education Agency (TEA) in response to Senate Bill 875 of the 76th Texas Legislature in 1999. The primary goal of School FIRST is to achieve quality performance in the management of school district's financial resources, a goal made more significant due to the complexity of accounting associated with Texas' school finance system.

The School FIRST accountability rating system assigns a letter grade to each district. An A = Superior Rating, B = Above Standard, C = Meets Standard or F = Substandard Achievement. Districts that receive the "Substandard Achievement" ratings under School FIRST must file a corrective action plan with the Texas Education Agency.

Major Changes to the School FIRST System

The School FIRST Report has reinstated Indicator 10 which measures variances in budgeted revenues to actual revenues for the last three fiscal years. Indicator 13 measures the district's administrative cost ratio and is not being evaluated based on TEA guidance.

Reporting Requirements under the School FIRST System

Under School FIRST, every school district in Texas is required to prepare an annual financial management report that includes the following:

- A. The district's financial management performance rating provided by TEA based on its comparison with indicators established by the Commissioner of Education for the state's new Financial Accountability System.
- B. The district's financial management performance under each indicator for the current and previous years' financial accountability ratings;
- C. Additional information required by the Commissioner of Education. Under Chapter 109, the Commissioner requires certain disclosures, as follows:
 - 1. A copy of the superintendent's current employment contract. This must disclose all compensation and benefits paid to the superintendent.

2. A summary schedule for the fiscal year (12-month period) of total reimbursements received by the superintendent and each board member.
3. A summary schedule for the fiscal year of the dollar amount of compensation and/or fees received by the superintendent from another school district or any other outside entity in exchange for professional consulting and/or other personal services.
4. A summary schedule for the fiscal year of the total dollar amount by the executive officers and board members of gifts that had an economic value of \$250 or more in the aggregate in the fiscal year. This reporting requirement only applies to gifts received by the school district's executive officers and board members (and their immediate family as described by Government Code, Chapter 573, Subchapter B, as a person related to another person within the first degree by consanguinity or affinity) from an outside entity that received payments from the school district in the prior fiscal year, and gifts from competing vendors that were not awarded contracts in the prior fiscal year. This reporting requirement does not apply to reimbursement of travel-related expenses by an outside entity when the purpose of the travel is to investigate or explore matters directly related to the duties of an executive officer or board member, or matter related to attendance at education-related conferences and seminars whose primary purpose is to provide continuing education.
5. A summary schedule for the fiscal year of the dollar amount by board members 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.
6. Additional information that the district's board of trustees deems useful.

Publicizing the District's Financial Report and Rating

Within two months of receiving the final financial accountability rating school districts are required to distribute the financial management report to attendees at a public hearing for School FIRST. The board of trustees is to have the public hearing at a district facility.

Notice of the hearing, including date, time and location, must be provided to a newspaper of general circulation in the district prior to holding the public meeting. The notice may not be placed more than 30 days or less than 10 days prior to the public hearing. District staff should have copies of the report ready to hand out to attendees at the public hearing and to anyone that requests a copy after the meeting.



Financial Integrity Rating System of Texas

2025-2026 RATINGS BASED ON SCHOOL YEAR 2024-2025 DATA - DISTRICT STATUS DETAIL

Name: LAKE TRAVIS ISD(227913)		Publication Level 1: 8/6/2026 3:21:50 PM	
Status: Passed		Publication Level 2: 8/7/2026 3:50:39 PM	
Rating: A = Superior Achievement		Last Updated: 8/7/2026 3:50:39 PM	
District Score: 98		Passing Score: 70	
#	Indicator Description	Updated	Score
1	Was the complete annual financial report (AFR) and data submitted to the TEA on or before February 27, 2026?	6/4/2026 6:18:50 PM	Yes
2	Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)	6/4/2026 6:18:50 PM	Yes
3	Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? (If the school district was in default in a prior fiscal year, an exemption applies in following years if the school district is current on its forbearance or payment plan with the lender and the payments are made on schedule for the fiscal year being rated. Also exempted are technical defaults that are not related to monetary defaults. A technical default is a failure to uphold the terms of a debt covenant, contract, or master promissory note even though payments to the lender, trust, or sinking fund are current. A debt agreement is a legal agreement between a debtor (= person, company, etc. that owes money) and their creditors, which includes a plan for paying back the debt.)	6/4/2026 6:18:50 PM	Yes
4	Did the school district make timely payments to the Teachers Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies? (If the school district received a warrant hold and the warrant hold was not	6/4/2026 6:18:50 PM	Yes Ceiling Passed

	cleared within 30 days from the date the warrant hold was issued, the school district is considered to not have made timely payments and will fail critical indicator 4. If the school district was issued a warrant hold, the maximum points and highest rating that the school district may receive is 95 points, A = Superior Achievement, even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days.)		
			1 Multiplier Sum
5	Was the total net position in the governmental activities column in the Statement of Net Position (net of accretion of interest for capital appreciation bonds, net pension liability, and other post-employment benefits) greater than zero? (If it is not, the maximum points and highest rating that the school district may receive is 79 points, C = Meets Standard Achievement, unless the school district has an increase of students in membership over 5 years of 7 percent or more or 1,000 or more students in membership. If the school district has an increase of students in membership over 5 years of 7 percent or more or 1,000 or more students in membership, the maximum points and highest rating that the school district may receive is 89 point, B = Above Standard Achievement.)	6/4/2026 6:18:50 PM	Ceiling Passed
6	Was the average change in (assigned and unassigned) fund balances over 3 years less than a 25 percent decrease or did the current year's assigned and unassigned fund balances exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)	6/4/2026 6:18:50 PM	Ceiling Passed
7	Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)? See ranges below in the Determination of Points section.	6/4/2026 6:18:50 PM	10
8	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt? See ranges below in the Determination of Points section.	6/4/2026 6:18:50 PM	10

9	Did the school district's general fund revenues equal or exceed expenditures (excluding facilities acquisition and construction)? If not, was the school district's number of days of cash on hand greater than or equal to 60 days? See ranges below in the Determination of Points section.	6/4/2026 6:18:50 PM	10
10	Did the school district average less than a 10 percent variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years?	6/4/2026 6:18:50 PM	10
11	Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? If the school district's increase of students in membership over 5 years was 7 percent or more or 1,000 or more students in membership, then the school district passes this indicator.	6/4/2026 6:18:50 PM	8
12	What is the correlation between future debt requirements and the district's assessed property value?	6/4/2026 6:18:50 PM	10
13	This indicator is not being evaluated.		10
14	Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? If the student enrollment did not decrease, the school district will automatically pass this indicator.	6/4/2026 6:18:50 PM	10
15	Was the school district's actual average daily attendance (ADA) within the allotted range of the district's biennial ADA projection submitted to TEA by the school district? If the school district did not submit ADA projections to TEA, it must certify TEA's projections to pass this indicator. See ranges below in the Determination of Points section.	6/4/2026 6:18:50 PM	5
16	Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function? (If the school district fails indicator 16, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)	6/4/2026 6:18:50 PM	Ceiling Passed
17	Did the external independent auditor report that the AFR was free of any instance(s) of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.) (If the school district fails indicator 17, the maximum points and highest rating that the	6/4/2026 6:18:50 PM	Ceiling Passed

	school district may receive is 79 points, C = Meets Standard Achievement.)		
18	Did the external independent auditor indicate the AFR was free of any instance(s) of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)	6/4/2026 6:18:50 PM	10
19	Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?	6/4/2026 6:18:50 PM	5
20	Did the school district's administration and school board members discuss any changes and/or impact to local, state, and federal funding at a board meeting within 120 days before the district adopted its budget?	6/4/2026 6:18:50 PM	Ceiling Passed
21	Did the school district receive an adjusted repayment schedule for more than one fiscal year for an over-allocation of Foundation School Program (FSP) funds because of a financial hardship?	6/4/2026 6:18:50 PM	Ceiling Passed
			98 Weighted Sum
			1 Multiplier Sum
			(100 Ceiling)
			98 Score

DETERMINATION OF RATING

A.	Did the school district fail any of the critical indicators 1, 2, 3, or 4? 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.

A = Superior Achievement	90-100
B = Above Standard Achievement	80-89
C = Meets Standard Achievement	70-79
F = Substandard Achievement	<70
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. The school district receives an F if it scores below the minimum passing score, if it failed any critical indicator 1, 2, 3, or 4, if the AFR or the data were not both complete, or if either the AFR or the data were not submitted on time for FIRST analysis.	

CEILING INDICATORS

Did the school district meet the criteria for any of the following ceiling indicators 4, 6, 16, 17, 20 or 21? If so, the school district's applicable maximum points and rating are disclosed below. Please note, an F = Substandard Achievement Rating supersedes any rating earned as the result of the school district meeting the criteria of a ceiling indicator.		
Determination of rating based on meeting ceiling criteria.	Maximum Points	Maximum Rating
Indicator 4 (Timely Payments) - School district was issued a warrant hold.	95	A = Superior Achievement
Indicator 6 (Average Change in Fund Balance) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 16 (PEIMS to AFR) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 17 (Material Weaknesses) - Response to indicator is <i>No</i> .	79	C = Meets Standard Achievement
Indicator 20 (Property Values and Tax Discussion) - Response to indicator is <i>No</i> .	89	B = Above Standard Achievement
Indicator 21 (FSP Repayment Plan) - Response to indicator is <i>Yes</i> .	70	C = Meets Standard Achievement

**Lake Travis ISD's Financial Management Performance under each Indicator
for the 2025-2026 Rating**

Schools FIRST Rating Worksheet

	Indicator	How Ratings Are Assessed	LTISD Response	Score
1	Was the complete annual financial report (AFR) and data submitted to the TEA on or before February 27, 2026?	A simple indicator. Was the Annual Financial Report filed by the deadline? Note: The due date for the FY25 audit and data feed was revised due delay in new TEA Audit 2.0 system release. The change is only for the 2025-2026 rating year.	Lake Travis ISD's Annual Financial Report was filed with the Texas Education Agency on February 22, 2026.	Yes
2	Was there an unmodified opinion in the AFR on the financial statements as a whole? (The American Institute of Certified Public Accountants (AICPA) defines unmodified opinion. The external independent auditor determines if there was an unmodified opinion.)	A "modified" version of the auditor's opinion in your annual audit report means that you need to correct some of your reporting or financial controls. A district's goal, therefore, is to receive an "unmodified opinion" on its Annual Financial Report. This is a simple "Yes" or "No" indicator.	Lake Travis ISD received a "clean audit" unmodified opinion.	Yes

	Indicator	How Ratings Are Assessed	LTISD Response	Score
3	Was the school district in compliance with the payment terms of all debt agreements at fiscal year end? 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.	This indicator seeks to confirm that your district has timely paid all bills/obligations, including financing arrangements to pay for school construction, school buses, photocopiers, etc.	Lake Travis ISD has never defaulted on bonded indebtedness.	Yes
4	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	This indicator seeks to confirm the district fulfilled its obligation to the TRS, TWC and IRS to transfer payroll withholdings and to fulfill any additional payroll-related obligations required to be paid by the district.	Lake Travis ISD has always made timely payments to its governmental agencies.	Yes Ceiling Passed
5	Was the total net position balance in the governmental activities column in the Statement of Net Position (net of accretion of interest for capital appreciation bonds, net pension liability, and other post-employment benefits) greater than zero?	This indicator determines if the total net position in the governmental activities column of the Statement of Net Position as reported in the Annual Financial Report is greater than zero. A positive net position demonstrates financial solvency.	Lake Travis ISD has a total net position of \$178.6 million.	Ceiling Passed
6	Was the average change in (assigned and unassigned) fund balance over 3 years less than a 25% decrease or did the current year assigned and unassigned fund balance exceed 75 days of operational expenditures? (If the school district fails indicator 6, the maximum points and highest rating that the school district may receive is 89 points, B = Above Standard Achievement.)	This indicator measures the percentage change in general fund balance to see whether the fund balance is declining too quickly, and if it is declining, whether sufficient fund balance remains to operate for at least 75 days.	As of August 31, 2025, Lake Travis ISD had 98 days of fund balance on hand to cover its expenditures.	Ceiling Passed

	Indicator	How Ratings Are Assessed	LTISD Response	Score
7	Was the number of days of cash on hand and current investments in the general fund for the school district sufficient to cover operating expenditures (excluding facilities acquisition and construction)?	This indicator measures how many days after the end of the fiscal year the school district could have disbursed funds for its operating expenditures without receiving any new revenues. Did Lake Travis ISD meet or exceed the target amount in School FIRST of greater than or equal to 90 days?	As of August 31, 2025, Lake Travis ISD had 135 days of cash on hand to pay its obligations.	10
8	Was the measure of current assets to current liabilities ratio for the school district sufficient to cover short-term debt?	This indicator measures whether the school district had sufficient short-term assets at the end of the fiscal year to pay off its short-term liabilities. Did Lake Travis ISD meet or exceed the target ratio amount in School FIRST of greater than or equal to 3?	As of August 31, 2025, Lake Travis ISD had a current liabilities ratio of 8.5.	10
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?	This indicator measures the ability of the district to pay its obligations. To receive full credit for this indicator the district must have at least 60 days of cash on hand.	As of August 31, 2025, Lake Travis ISD had 135 days of cash on hand to pay its obligations.	10
10	Did the school district average less than a 10 percent variance (90% to 110%) when comparing budgeted revenues to actual revenues for the last 3 fiscal years?	This indicator measures how accurately the district forecast projected revenue by comparing budgeted revenue submitted through PEIMS in October of the fiscal year to actual revenue submitted after the close of the fiscal year.	Lake Travis ISD had an average variance of 1.44 percent when comparing budgeted revenues to actual revenues.	10

	Indicator	How Ratings Are Assessed	LTISD Response	Score
11	Was the ratio of long-term liabilities to total assets for the school district sufficient to support long-term solvency? (If the school district's change of students in membership over 5 years was 7 percent or more, then the school district passes this indicator.)	This indicator measures the ability of the district to sustain its solvency long-term. Fortunately, this indicator recognizes that high-growth districts incur additional operating costs to open new instructional campuses.	As of August 31, 2025, Lake Travis ISD had a 5-year change in student enrollment of 0.07% and debt ratio of 0.6841. For maximum of 10 points, a debt ratio must be under 0.60.	8
12	What is the correlation between future debt requirements and the district's assessed property value?	This indicator asks about the school district's ability to make debt principal and interest payments. Did you meet or exceed the target amount of less than 4.0 in School FIRST?	As of August 31, 2025, Lake Travis ISD had a debt to assessed property value ratio of 2.5.	10
13	Was the school district's administrative cost ratio equal to or less than the threshold ratio?	This indicator measures the percentage of their budget that school districts spent on administration. Did Lake Travis ISD exceed the cap in School FIRST for districts of our size?	This indicator is not being evaluated.	10

	Indicator	How Ratings Are Assessed	LTISD Response	Score
14	Did the school district not have a 15 percent decline in the students to staff ratio over 3 years (total enrollment to total staff)? (If the student enrollment did not decrease, the school district will automatically pass this indicator.)	If a decline in student enrollment is occurring, this indicator measures if the decline in total staff is in proportion to the declining enrollment over a 3-year period. If declining enrollment is occurring, the change in this ratio cannot exceed 15%.	Lake Travis ISD had a decrease in student enrollment of 391 and a decline of 11 percent in the students to staff ratio over 3 years.	10
15	Was the school district's ADA within the allotted range of the district's biennial pupil projection(s) submitted to TEA? If the district did not submit pupil projections to TEA, did it certify TEA's projections?	This indicator measures how well the district was able to project average daily attendance for the coming biennium for payment purposes. Projected ADA is compared to actual. Maximum points for this indicator is 5.	Lake Travis ISD actual ADA was less than projections. The allotted range of 7% or less received the maximum of 5 points.	5
16	Did the comparison of Public Education Information Management System (PEIMS) data to like information in the school district's AFR result in a total variance of less than 3 percent of all expenditures by function?	This indicator measures the quality of data reported to PEIMS and in your Annual Financial Report to make certain that the data reported in each case "matches up." If the difference in numbers reported in any fund type is 3 percent or more, your district "fails" this measure.	Lake Travis ISD had a zero percent variance between its' Annual Financial Report and the data submitted to PEIMS.	Ceiling Passed
17	Did the external independent auditor report that the AFR was free of any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds? (The AICPA defines material weakness.)	A clean audit of your Annual Financial Report would state that your district has no material weaknesses in internal controls. Any internal weaknesses create a risk of your district not being able to properly account for its use of public funds and should be immediately addressed.	Lake Travis ISD had a clean audit report.	Ceiling Passed

	Indicator	How Ratings Are Assessed	LTISD Response	Score
18	Did the external independent auditor indicate the AFR was free of any instances of material noncompliance for grants, contracts, and laws related to local, state, or federal funds? (The AICPA defines material noncompliance.)	This indicator measures whether the district is complying with laws, rules and regulations related to the expenditure of grant funds, contracts, and other state and federal funds.	Lake Travis ISD had no instances of material noncompliance reported in the audit.	10
19	Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?	This indicator measures whether the district is complying with legal requirements related to financial transparency by posting all required information. Maximum points for this indicator is 5.	Lake Travis ISD had all required financial postings.	5
20	Did the school district's administration and school board members discuss any changes and/or impact to local, state, and federal funding at a board meeting within 120 days before the district adopted its budget?	This indicator measures whether the administration and the board had the opportunity to consider the impact of changes in local, state, and federal funding.	Lake Travis ISD administration and school board members discussed funding sources during budget workshops.	Ceiling Passed
21	Did the school district receive an adjusted repayment schedule for more than one fiscal year for an overallocation of Foundation School Program (FSP) funds because of a financial hardship?	This indicator determines if the district has an adjusted repayment schedule for an overallocation of FSP funds.	Lake Travis ISD did not receive an adjusted repayment schedule.	Ceiling Passed

SUPERINTENDENT'S EMPLOYMENT CONTRACT

Contract posted to Lake Travis ISD website - <https://www.ltisdschools.org/leadership/superintendent/superintendents-contract>

Reimbursements Received by the Superintendent and Board Members for Fiscal Year 2025

For the Twelve-month Period Ended August 31, 2025											
Description of Reimbursements	Supt. Curtis Null (June 2025)	Supt. Paul Norton	Place 1 Phillip Davis	Place 2 Lauren White	Place 3 Erin Archer	Place 4 John Aouelle	Place 4 Jonathan Bove (May 2025)	Place 5 Kim Flasch	Place 5 Kris Woodcock	Place 6 Rob Aird	Place 7 Keely Cano
Meals	\$	\$ 75.00	\$ 75.00	\$ 150.00	\$ 150.00	\$ 75.00	\$	\$ 150.00	\$	\$	\$ 75.00
Lodging		1,461.81	229.35	1,478.73	664.92		727.75		920.75		229.35
Transportation		2,447.26		194.85			92.20		292.70	20.00	
Other	39.31	3,891.16	585.00	1,070.00	585.00		585.00		735.00		
Total	\$ 39.31	\$ 7,875.23	\$ 889.35	\$2,893.58	\$1,399.92	\$ 75.00	\$ 1,404.95	\$ 150.00	\$ 1,948.45	\$ 20.00	\$ 304.35

Outside Compensation and/or Fees Received by the Superintendent for Professional Consulting and/or Other Personal Services in Fiscal Year 2025

For the Twelve-Month Period Ended August 31, 2025

Name(s) of Entity(ies)	
-	\$ 0.00
Total	\$ 0.00

Gifts Received by Board Members and Executive Officers (and First Degree Relatives, if any) in Fiscal Year 2025
(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, 2025

Place 1 Phillip Davis	Place 2 Lauren White	Place 3 Erin Archer	Place 4 John Aouelle	Place 4 Jonathan Bove	Place 5 Kim Flasch	Place 5 Kris Woodcock	Place 6 Rob Aird	Place 7 Keely Cano
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Superintendent Curtis Null	Superintendent Paul Norton	CFO Pam Sanchez	Asst. Supt. Susan Fambrough	Asst. Supt. Stefani Vickery	Asst. Supt. Tasha Barker	Asst. Supt. Bethany Medford
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Business Transactions Between School District and Board Members for Fiscal Year 2025
For the Twelve-Month Period Ended August 31, 2025

Superintendent Curtis Null	Superintendent Paul Norton	Place 1 Phillip Davis	Place 2 Lauren White	Place 3 Erin Archer	Place 4 John Aouelle	Place 4 Jonathan Bove	Place 5 Kim Flasch	Place 5 Kris Woodcock	Place 6 Rob Aird	Place 7 Keely Cano
\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00