



WESLACO INDEPENDENT SCHOOL DISTRICT

319 W. Fourth Street
Weslaco, TX 78599-0266

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BOARD OF TRUSTEES

Meeting:	Special Meeting
Place:	WISD Board Room
Location:	319 W. Fourth Street
Date:	August 26, 2019
Time:	6:16 PM

MINUTES

- I. The meeting was called to order by Isidoro Nieto, Board President.
- II. A quorum was established. The following board members were present:

Isidoro Nieto, President
Andrew Gonzalez, Secretary
Armando Cuellar, Trustee
Patrick Kennedy, Trustee
Erasmio Lopez, Trustee
Dr. Jaime Rodriguez, Trustee

Dr. Richard Rivera was absent.

- III. Discussion and Possible Action for the Board to Consider Transferring Surplus Funds from the District's General Fund to the Debt Service Fund

The Superintendent recommended that the Board find that there exist surplus funds in the District's General Fund (Fund 199) in the amount of \$2,000,000 not otherwise designated for a specific purpose, which are available to be transferred to the District's Debt Service Fund (Fund 599), in order to pay debt service obligations arising in the 2019-2020 budget year, as permitted by Section 45.105(c) of the Texas Education Code; and, accordingly, to authorize a transfer, in the amount of \$2,000,000 to be made from Fund 199 to Fund 599 effective on August 28, 2019. Further, the Board determines that paying debt service on existing school district bonds is a purpose necessary in the conduct of the school district.

The Tax Ratification Election (TRE) held in November 2011, ratified the tax rate approved by the Board on August 30, 2011. For the Fiscal Year 2018-2019, the tax rate approved was \$1.1597 with an M&O tax rate of \$1.1397 and I&S tax rate of \$0.02.

The District's 2019-2020 proposed M&O tax rate is \$1.0487 and the proposed I&S tax rate is \$0.02. The 2018-2019 budget includes sufficient, otherwise unallocated General Fund funds to cover the required \$2,000,000 transfer necessary for bond principal and interest payments becoming due during the 2019-2020 budget year.

Dr. Jaime Rodriguez made the motion to transfer surplus funds from the District's General Fund to the Debt Service Fund as recommended. Andrew Gonzalez seconded the motion and it passed unanimously.

IV. Discussion and Possible Action for the Board to Consider Approval of the Final Amended Budgets for the General Fund and Debt Service Fund for Fiscal Year 2018-2019

The Official Adopted Budget with all the amendments must be filed with TEA through PEIMS (Public Education Information Management System). Budget amendments are mandated by the state for budgeted funds reallocated from one function level to another. A school district must amend the official budget before exceeding a functional expenditure category. This must be done before the end of the fiscal year, which is August 31, 2019, to make sure all of the functional expenditures levels are in legal compliance with the TEA Financial Accountability System Resource Guide. The Final Amended Budget will appear in the Annual Audit Financial and Compliance Report.

Increases and decreases in revenues and expenditures have been allocated in the 2018-2019 fiscal year budgets for the General Fund and the Debts Service fund to cover any additional revenues and expenditures that could be recorded as the books are closed for the fiscal year.

The amended Local Maintenance Fund budget shows:

- An increase of \$1,364,000 in local revenues in the general budget.
- An accrual of State Foundation and State TRS On-Behalf revenues in the general fund of \$3,340,664.
- An increase of \$613,900 in federal revenues related to indirect cost from federal grants and SHARS
- An increase of \$1,058,000 in budgeted expenditures in various functions – as a precautionary measure
- Staff is conservatively projecting a net budget surplus of \$4,483,553.
- The District will have an additional budget surplus amount once the fiscal year is closed, all qualifying invoices are paid, and all final adjustments are posted in the records.
- The 2018-2019 fiscal and compliance audit will reveal the true budget surplus.

The amended Debt Service Fund budget shows:

- A transfer-in from the general fund (local maintenance fund) of surplus funds in the amount of \$2,000,000 for the payment of bond debt.

Mr. Lopez thanked Mr. Andres Sanchez, Assistant Superintendent of Business and Finance, and his staff for presenting a balanced budget. He said that a Public Hearing was held prior to this meeting, which allowed Mr. Sanchez to explain the upcoming budget, and afforded the public an opportunity to address the Board with any questions or concerns.

Patrick Kennedy made the motion to approve the 2018-2019 Fiscal Year final amended budgets for the General Fund and the Debt Service Fund as recommended. Dr. Jaime Rodriguez seconded the motion and it passed unanimously.

V. Discussion and Possible Action for the Board to Consider Approval of the Weslaco ISD Compensation Plan for Fiscal Year 2019-2020

The Superintendent recommended that the Board approve the WISD Compensation Plan for fiscal year 2019-2020.

The Compensation Plan was provided to the Board for their review prior to this meeting. The Compensation Plan includes changes from last year's compensation plan.

Patrick Kennedy made the motion to approve the Weslaco ISD Compensation Plan for fiscal year 2019-2020 as presented. Andrew Gonzalez seconded the motion.

Mr. Erasmo Lopez thanked the State for providing funds to school districts, which allowed WISD to give all employees a good raise. He felt that everyone received a well-deserved raise. Thus, he challenged the teachers, staff, and all employees to work on bringing students back to WISD. He said, "We need to keep our school growing, and if we get stagnant, then we're in trouble. That happens in every society. Our population has to be growing to be successful." He thanked everyone for their commitment to the district.

Board President Isidoro Nieto commented, "With pay raises come expectations from all principals and all teachers. We did very well this year. Hopefully next year we can say we did outstanding, but we continue to improve in every area. There are some areas we need to improve on, but overall every school did very well.

The Board voted unanimously in favor of the motion made by Patrick Kennedy and Andrew Gonzales to approve the Weslaco ISD Compensation Plan for fiscal year 2019-2020 as presented.

VI. Discussion and Possible Action for the Board to Consider Approval to Adopt the District's General Fund and Debt Service Fund Budgets for Fiscal Year 2019-2020

The Texas Education Code and Board Policy CE require all education agencies to prepare a budget of anticipated revenues and expenditures on or before August 20th. The Budget is to be approved by the District's Board of Trustees by August 31st or earlier. The Texas Education Agency (TEA) requires that the General Fund and the Debt Service Fund be included in the Official District Budget.

The Superintendent recommended that the Board adopt the District's General Fund and Debt Service Fund Budgets for fiscal year 2019-2020 as presented, which is a balanced budget.

The proposed 2019-2020 General Fund Budget is a Balanced Budget.

- General Fund – Projected Revenues: \$183,844,750
- Projected Expenditures: \$183,844,750

A public hearing was held at 5:30 p.m. before this meeting to discuss the approval of the proposed budget and tax rate at which time the public had the opportunity to ask questions or make comments about the budget and proposed tax rate. Three budget workshops were held on July 1, July 29, and August 5, 2019 to inform the Board and Administration about the proposed budget for fiscal year 2019-2020.

Pay Raises for District Employees for Fiscal Year 2019-2020 as follows:

- Classroom Teachers, Librarians, Counselors, and Nurses - Total:\$5,139,599
 - \$3,400 (1-5 years of experience) on a 187-day contract
 - \$3,600 (6 -12 years of experience) on a 187-day contract
 - \$3,800 (13-19 years of experience) on a 187-day contract
 - \$4,000 (20 years + experience) on a 187-day contract
- Counselors and several CTE Ag Farm teachers' compensation would be adjusted for their longer-term contracts.

- Paraprofessional, Manual Trades, Technical Trades Staff, and Bus Drivers – Total: \$2,162,622
 - 7% from the Mid-point per Employee Category Ranges of pay raises
- Administrators – Total: \$980,947
 - 5% from the Mid-point per Employee Category to be paid from Local Funds

TOTAL PAY RAISES FOR ALL DISTRICT STAFF: \$8,283,167

Highlights included in the Proposed 2019-2020 Budget are as follows:

- The Budget reflects an amount allocated to the campuses based on the actual ADA for the 2018-2019 school year:
 - > Elementary Schools: \$120
 - > Middle Schools: \$135
 - > High Schools: \$200
- The General Fund budget includes contingency accounts by functions as shown below:

Function	Description	Budget	Function	Description	Budget
11	Instruction	\$780,597	35	Food Service	\$ 0
12	Media Services	50,000	36	Co-Curricular, Extra-Curricular	300,000
13	Staff Development	45,000	41	General Administration	205,000
21	Instructional Administration	20,000	51	Maintenance & Operations	100,000
23	Campus Administration	20,000	52	Safety & Security	25,000
31	Counseling	20,000	53	Data Processing	25,000
32	Social Services	20,000	61	Ancillary Services	30,000
33	Health	40,000	95	Payments to Juvenile Alternative Ed	0
34	Transportation	0	99	Other Intergovernmental Charges	0
				TOTAL CONTINGENCY BALANCES	1,680,575

- Administration is conservatively projecting a net budget surplus of \$4,483,553
- The General Funds' Undesignated/Unassigned Fund Balance by \$4,000,000 from \$18,000,000 to \$22,000,000.
- Compensation Plan for Fiscal Year 2018-2019
- Current Tax Collections are projected on a 92% tax collection rate. Collection goal is 94%.
- Delinquent Tax Collections are projected on a 20% tax collection rate. Collection goal is 27%.
- Administration includes two (2) additional Resource Officers for a total of eight (8) Resource Officers to assist with safety & security of students and staff.
- 49 staff vacancies are included in the budget.
- WHS Band's allocation is \$207,310 (including funds for Central MS and B. Garza MS)
- WEHS Band's allocation is \$138,770 (including funds for Mary Hoge MS and Cuellar MS).
- A budget allocation is included for the Choir Program at both high schools and all middle schools besides Band, Orchestra and Mariachi.
- A budget allocation of \$50,000 is included for each high school band for musical instruments.
- Fine Arts Allocation for Schools: HS – Theatre Arts, Dance & Visual Arts, MS – Theater Arts, Dance & Visual Arts, and ES – Music & Visual Arts
- State Compensatory Education Budget includes enough funds to provide for accelerated instruction of students that are At-Risk of dropping out of school.

- No transfer to Debt Service Fund to pay bond debt has been included.
- No transfer to Construction Fund for facilities has been included.

Patrick Kennedy made the motion to adopt the District's General Fund and Debt Service Fund Budgets for fiscal year 2019-2020. Dr. Jaime Rodriguez seconded the motion and it passed unanimously.

VII. Discussion and Possible Action for the Board to Consider Approval of a Resolution Adopting the 2019-2020 Total Tax Rate of \$1.0687 on Each \$100 of Assessed Taxable Property Value with a Maintenance & Operations (M&O) Tax Rate of \$1.0487 and an Interest and Sinking (I&S) Tax Rate of \$0.02

The Superintendent recommended that the Board approve a resolution adopting a total tax rate of \$1.0687 for fiscal year 2019-2020 on each hundred dollars of assessed taxable property value with an M&O Tax Rate at \$1.0487 and an I&S Tax Rate at \$0.02.

The 2019-2020 tax rate needs to be approved by the Board and adopted by resolution before current tax bills can be prepared and mailed out to the taxpayers. The Hidalgo County Tax Assessor/Collector has complied with all the requirements of the "Truth in Taxation" laws, and the 2019-2020 fiscal year budget has been approved.

Mr. Andres Sanchez, Assistant Superintendent for Business and Finance, provided information that is included on the resolution adopted by the Board.

>Tax Rate will raise less taxes for Maintenance and Operations and Debt Service on an average residence valued at \$88,936 in 2018-2019 and valued at \$89,554 in 2019-2020 by approximately \$51.58

The statement above compares two different average values of a home between 2018-2019 (\$88,936) and 2019-2020 (\$89,554). Once the taxpayer takes a \$25,000 homestead exemption on their property taxes, this rate will save the citizens about \$52.00.

Dr. Jaime Rodriguez made the motion to approve a resolution adopting a total tax rate of \$1.0687 for fiscal year 2019-2020 on each hundred dollars of assessed taxable property value with an M&O Tax Rate at \$1.0487 and an I&S Tax Rate at \$0.02. Andrew Gonzalez seconded the motion.

Questions from the Board:

>Erasmus Lopez mentioned that in past years, Port Isabel and South Padre Island have been lower than Weslaco ISD. He wanted to know which school districts had the lowest tax rate.

- According to Mr. Sanchez, these school districts have a lower tax rate because they have additional funds for their royalties.

- WISD has one of the lowest tax rate.

In the future, school districts who want to raise the M&O tax rate must conduct an audit to evaluate if there is a need to increase the tax rate. If justified, this will also require a special election for approval of the tax rate increase.

Mr. Lopez requested an update showing a tax rate comparison for the surrounding school districts. He would like the public to see that Weslaco ISD is maintaining the tax rate as low as possible.

The Board voted unanimously in favor of the motion made by Dr. Jaime Rodriguez and seconded by Andrew Gonzalez to approve a resolution adopting a total tax rate of \$1.0687 for fiscal year 2019-2020 on each hundred dollars of assessed taxable property value with an M&O Tax Rate at \$1.0487 and an I&S Tax Rate at \$0.02.

Patrick Kennedy left the meeting at 6:47 p.m.

VIII. Closed Meeting to Discuss:

School attorney Greg Kerr recommended that the Board change the order of the day to hear the Level III grievance first. The board members took a five-minute break.

C. Conduct Level Three Grievance(s) Requested by M. Moreno Pursuant to Weslaco ISD Policy DGBA (Local)

First Grievance:

The Board convened in closed meeting at 6:47 p.m. to hear the Level III Grievance. The Board deliberated in closed meeting at 7:41 p.m.

Second Grievance:

The Board convened in closed meeting at 7:54 p.m. to hear the Level III Grievance. The Board deliberated in closed meeting at 8:33 p.m.

A. Personnel Matters (Tex. Gov't Code 551.074)

1. Employment of Personnel
2. Resignations
3. Deliberation Regarding the Appointment, Employment, Evaluation, Reassignment, Duties, Discipline, or Dismissal of a Public Officer or Employee (Tex. Gov't Code 551.074 and 551.071)

B. Deliberation Regarding Acquisition of Real Property (Tx. Gov't Code 551.072)

C. Conduct Level Three Grievance(s) Requested by M. Moreno Pursuant to Weslaco ISD Policy DGBA (Local)

D. Consultation with Attorney Regarding: a) Pending or Contemplated Litigation: b) a Settlement Offer: or c) a Matter in Which the Duty of the Attorney to the Weslaco ISD under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas Clearly Conflicts with Chapter 551 of the Texas Government Code (Tex. Gov't. Code 551.071)

IX. Reconvene in Open Meeting

A. Possible Action, If Necessary, on Items Discussed in Closed Meeting

The Board returned to open meeting at 9:20 p.m. to take action on the following items:

1. Discussion and Possible Action on New Employment

The Superintendent recommended that the Board approve the contracts for certified professional personnel as presented.

New Employment		
Name	Position	Location
1. Blandina Elizondo	Teacher Family & Consumer Sciences	Weslaco High School
2. Yram Leal	Orchestra Teacher	Weslaco High School
3. Mayra A. Pulido	Health Science Teacher	Weslaco East High School

Dr. Jaime Rodriguez made the motion to approve the contracts of certified professional personnel as presented. Andrew Gonzalez seconded the motion and it passed unanimously.

2. Discussion and Possible Action on Resignations

Resignations		
Name	Position/Location	Effective Date/Reason
1. Michelle Medelez	Teacher Gonzalez Elementary School	Mrs. Medelez is resigning to join her husband who is in the Marine Corps and stationed in Lancaster, PA, effective August 13, 2019.

Dr. Jaime Rodriguez made the motion to approve the resignations of certified professional personnel as presented. Andrew Gonzalez seconded the motion and it passed unanimously.

3. Discussion and Possible Action on Acquisition of Real Property

Non-action item.

B. Possible Action on Level Three Grievance(s) Requested by M. Moreno Pursuant to Weslaco ISD Policy DGBA (Local)

Andrew Gonzalez made the motion to authorize the Superintendent and legal counsel to take action as discussed in closed session. Dr. Jaime Rodriguez seconded the motion and it passed unanimously.

X. Adjournment

The meeting adjourned at 9:21 p.m.