WESLACO INDEPENDENT SCHOOL DISTRICT
THE RIGHT CHOICE

Dr. Cris Valdez
Interim Superintendent of Schools

Board of Trustees
Armando Cuellar, Jr., *President* - Dr. Jaime Rodriguez, *Vice President* - Jesse Trevino, *Secretary*
Marcos De Los Santos - Andrew Gonzalez - Isidoro Nieto - Jaclyn Sustaita

319 W. Fourth Street / P.O. Box 266, Weslaco, TX 78599-0266 • 956-969-6503

BOARD OF TRUSTEES

Meeting:	Public Hearing
Place:	WISD Board Room/Virtual
Location:	319 W. Fourth Street
Date:	August 23, 2021
Time:	5:32 P.M.

THIS MEETING WAS POSTED ONLINE FOR AT LEAST 72 HOURS AS PERMITTED BY THE SUSPENDED PORTIONS OF THE TEXAS OPEN MEETINGS ACT AS APPROVED BY GOVERNOR ABBOTT. THE MEETING WAS LIVESTREAMED AT THE FOLLOWING WEB LINK: ***https://youtu.be/TeP8XNguWk8***

MINUTES

I. Call to Order

The meeting was called to order by Mr. Armando Cuellar, Board President.

II. Establishment of a Quorum

A quorum was established. The following board members were present.

Armando Cuellar, President
Jesse Trevino, Secretary
Andrew Gonzalez, Trustee
Isidoro Nieto, Trustee

Marcos De Los Santos joined the meeting at 5:33 p.m.
Dr. Jaime Rodriguez joined the meeting at 5:53 p.m.
Mrs. Jaclyn Sustaita was absent.

III. Public Hearing on Proposed 2021-2022 Budget and Tax Rate

Mr. Andres Sanchez, Assistant Superintendent for Business and Finance, presented on the Proposed Budget and Tax Rate for fiscal year 2021-2022.

The Public Hearing is a required meeting by the State. Notice of the Public Hearing was advertised on The Monitor newspaper on Friday, August 13, 2021.

>The 2021-2022 Budget will be a transition year to a 10-month fiscal year.

The Board approved to change the fiscal year from the cycle of September 1, 2021 through August 31, 2021, to July 1, 2021 through June 30, 2022. At the end of next year, the fiscal year will begin July 1, 2022.

Below are the Certified Property Values as of July 22, 2021. The budget is based on certified property values approved by the Hidalgo County Appraisal District.

FISCAL YEAR 2021-2022 PROPOSED BUDGET

Property Values Used to Calculate Tax Rate & Current Tax Revenues

- **2020-2021 Certified Property Values as of July 17, 2020: $2,615,319,836**
- **2021-2022 Certified Property Values as of July 22, 2021: $2,873,972,106**
  Increase of 9.89% over 2020-2021 values.
- **The final certified property values were utilized to calculate the M&O property tax rate that generates tax revenues for the district.**

Fiscal Year 2021-2022 Proposed Budget

Tax Rates (M&O) and I&S)

Fiscal Year	M & O	I & S	TOTAL
2018-2019	$ 1.13970	$ 0.02	$ 1.15970
2019-2020	$ 1.04871	$ 0.02	$ 1.06871
2020-2021	$ 0.99890	$ 0.02	$ 1.01890
2021-2022	$ 0.94070	$ 0.02	$ 0.96070
2021-2022	$ 0.94070	$ 0.04	$ 0.98070

>The proposed rate for 2021-2022 is $0.98070, 3 pennies less than last year.

Fiscal Year 2021-2022 Proposed Budget
Debt Service (Interest & Sinking) Fund to Pay Bonds

>The chart below shows a summary of the debt service fund. This fund is used to pay for bonds issued by the District in past years as approved by WISD taxpayers.

>The amount of bond payment at 6/30/22 is $3,143,425. The District will have a projected fund balance of $1,347,635 at the end of next year, with the transfer-in of surplus funds to the Debt Service Fund of $2,000,000 from the General Fund and the increase of two pennies from the I&S fund.

	$0.02 Tax Rate	$0.04 Tax Rate
Estimated Fund Balance at 8/31/2021 prior to transfer of surplus funds	$ 528,101	$ 528,101
Transfer of Surplus Funds from General Fund – Board approval 08/23/2021	2,000,000	2,000,000
Estimated Fund Balance as of August 31, 2021	$ 2,528,101	$ 2,528,101
REVENUES AND EXPENDITURES FOR FISCAL YEAR 2021-2022		
Estimated Revenues (Taxes & Penalties)	$ 517,663	$ 1,035,794
Estimated Revenues (State IFA Revenues)	468,433	925,165
Investment Interest Revenue	2,000	2,000
Projected Funds Available to Pay Bond Debt (Fund Balance Plus Revenues)	$ 3,516,197	$ 4,491,060
Payment of Bond Principal and Interest Requirements	$ (3,143,425)	$ (3,143,425)
Projected Fund Balance at 06/30/2022	$ 372,772	$ 1,347,635

Fiscal Year 2021-2022 Proposed Budget

Employee Insurance Benefits

- **No increase to employee contributions: Medical & Dental**
- **Employee $25,000 Life Insurance Benefit continues at no cost to employees.**
- **No anticipated increases to District budget for Medical Benefit Program.**

>The current budget being proposed does not include funds or transfers to the construction fund for facilities.

>The amount needed to repair all the roofs district-wide is $26.5 million.

•Since there are no funds in the budget for construction projects, the next alternative would be to do a Maintenance Tax Note.

Facility Needs Not Included in Proposed Budget

- **Roofs District-Wide (Details are enclosed below.)**
- **The proposed budget for fiscal year 2021-2022 does not include any funding for roofing projects or any other facility projects.**
- **A Maintenance Tax Note (Loan) could provide much needed funding to address the roofing needs of the district. We had the District's financial advisors and bond counsel present to the Board of Trustees during the August 11, 2021 board workshop to discuss the possible issuance of a maintenance tax note. Hopefully, the Board will consider approving a issuance of a maintenance tax note**
- **Our Students and Staff are in an unsafe environment.**
- **There are several HVAC projects needed for which we have applied for funding to the Texas Education Agency through the ESSER II & ESSER III federal grants.**

Facility Needs (Roofing Projects) Not Included in Proposed Budget

>The following charts includes the roofing projects for all schools and departments as discussed with the Board in previous meetings. Projects are listed in priority order.

>The estimated construction cost is over $25 million.

>Architect Fee: 6% (Staff will try to negotiate the fee)

No.	Facility (Priority Order)	Description	Approximate Area Sq. Ft.	Cost per Sq Ft	Estimated Construction Cost
1	Cleckler-Heald	Entire Campus	91,400	$ 17.00	$ 1,553,800.00
2	Rico Elementary	Entire Campus	94,400	$ 17.00	$ 1,604,800.00
3	Central Office	Entire Building	33,310	$ 17.00	$ 566,270.00
4	B. Garza Middle School	Entire Campus except Band Hall and Gym	45,000	$ 17.00	$ 765,000.00
5	Central Middle School	Cafeteria, Science Building, Field House & Old Gym	40,540	$ 17.00	$ 689,180.00
6	Margo Elementary	Center Section of Building	31,100	$ 17.00	$ 528,700.00

7	Mary Hoge Middle School	Entire Campus except Gym and Science Wing plus portable on Back	118,357	$ 17.00	$ 2,012,069.00
8	Weslaco High School	Main Campus Except Old Band Hall & I Wing plus Sepulveda Gym	261,871	$ 17.00	$ 4,451,807.00
9	Horton AEP	Entire Campus Except Cafeteria Bldg. which needs Assessment	34,721	$ 17.00	$ 590,257.00

No.	Facility (Priority Order)	Description	Approximate Area Sq. Ft.	Cost per Sq. Ft	Estimated Construction Cost
10	Silva Elementary	Not all areas	81,500	$ 17.00	$ 1,385,500.00
11	Gonzalez Elementary	Not all areas	81,092	$ 17.00	$ 1,378,564.00
12	CTE Early College (Louise Black)	Entire Campus Except Culinary Arts	62,037	$ 17.00	$ 1,054,629.00
13	KWES	Entire Building	3,200	$ 17.00	$ 54,400.00
14	Stephen F. Austin Complex	Entire Building	26,200	$ 17.00	$ 445,400.00
15	Cuellar Middle School	Old Field House	5,128	$ 17.00	$ 87,176.00
16	Old Library Services Building	Entire Building	5,360	$ 17.00	$ 91,120.00
17	Roosevelt Complex	Roosevelt Library & Nearby Restrooms	8,348	$ 17.00	$ 141,916.00
18	Energy Management	Entire Building plus portable building	6,456	$ 17.00	$ 109,752.00

Facility Needs (Roofing Projects) Not Included in Proposed Budget (Continued)

No.	Facility (Priority Order)	Description	Approximate Area Sq. Ft.	Cost per Sq. Ft	Estimated Construction Cost
19	Weslaco East High School	Science Building	18,763	$ 17.00	$ 318,971.00
20	Ybarra Elementary School	Entire Building (pending assessment)	94,400	$ 17.00	$ 1,604,800.00
21	Weslaco East High School	Original Building (pending assessment)	213,391	$ 17.00	$ 3,627,647.00
22	Other Buildings	Departments	??,???	$ 17.00	$ 2,000,000.00
		Totals			$25,061,758.00
		Architect Fees (Conservative 6%)			$ 1,503,705.00
		Total Cost of Roofing Projects including Architect Fees			$26,565,463.00

>Mr. De Los Santos wanted to know why Item 22 had an amount listed but did not have any information on the sq. ft.

•Mr. Sanchez replied that measurements for several departments and campuses were still pending; however, staff estimated the cost to be about $2 million. The cost could be less.

Fiscal Year 2021-2022 Proposed Budget
History of Maintenance Tax Notes at Weslaco ISD

Description	Amount of Issue	Outstanding Principal Balance	Items Acquired with Proceeds
Public Property Note Series 2014	$ 12,712,000	$ 6,827,000	Energy Conservation Project - HVAC Units & Controls at Multiple Schools
Maintenance Tax Note Series 2017	$ 15,020,000	$ 13,800,000	Multiple HVAC Projects (Margo, Silva, Gonzalez, Calvillo, Central, WEHS), Roofing (Airport, Cuellar & Garza Gyms/Band Halls, WHS Old Band Hall), Fencing District-Wide, Fire Alarms, Chromebooks, Renovation of WHS / WEHS Athletic Facilities, Replacement of Lackey Stadium Turf, School Buses, Tennis Courts Lights (WHS & WEHS), Tile Installation at Multiple Schools
Maintenance Tax Note Series 2018	$ 4,905,000	$ 4,585,000	Approximately 50 School Buses (after 2018 flood)
Public Property Finance Contract 2019 (TNB)	$ 1,304,339	$ 1,096,236	New Scoreboard at Lackey Stadium (refinanced)

Fiscal Year 2021-2022 Proposed Budget
History of Maintenance Tax Notes at Weslaco ISD (Continued)

>The Maintenance Tax Notes from 2001 through 2009 listed below have been paid.

Description	Amount of Issue	Outstanding Principal Balance	Items Acquired with Proceeds
Public Property Note Series 2001	$ 1,440,000	$ 0	HVAC Equipment
Public Property Note Series 2002	$ 3,770,000	$ 0	Furniture & Equipment, Athletic Equipment, Library Books, Computers & Software

Public Property Note Series 2004	**$ 270,000**	**$ 0**	**First Digital Scoreboard at Lackey Stadium**
Public Property Note Series 2006	**$ 1,030,000**	**$ 0**	**Furniture, Buses, Cameras for Buses, Band Instruments**
Public Property Note Series 2008	**$ 4,840,000**	**$ 0**	**Replacement of Bobby Lackey Stadium Seating, Stadium Press Box, Science Equipment**
Public Property Note Series 2009	**$ 1,935,000**	**$ 0**	**Replacement tracks at high school fields, press box equipment at Bobby Lackey, New Gym Floor, Vehicles for District Warehouse**

Fiscal Year 2021-2022 Proposed Budget
Comparison of Tax Rates

>Below are tax rates being considered or approved by other school districts.

•Weslaco ISD has the lowest tax rate.

Tax Rate	Weslaco ISD	La Joya ISD	McAllen ISD	Harlingen CISD	Mission CISD	PSJA ISD	Mercedes ISD	Donna ISD
M & O Tax Rate	$0.9407	$0.9920	$1.0486	$1.0082	$0.9719	$0.9659 $0.9976	$0.980 $1.012	$1.0203
I & S Tax Rate	$0.0400	$0.2742	$0.0890	$0.1480	$0.1712	$0.2191	$0.340	$0.1390
Total Tax Rate	$0.9807	$1.2662	$1.1376	$1.1562	$1.1431	$1.1850 $1.2167	$1.320 $1.352	$1.1593

Fiscal Year 2021-2022 Proposed Budget
Pay Raises for Fiscal Years 2016-17 through 2020-2021

>The chart below shows the pay raises for the past five (5) years.

Pay Raises	Fiscal Year 2016-2017	Fiscal Year 2017-2018	Fiscal Year 2018-2019	Fiscal Year 2019-2020	Fiscal Year 2020-2021
Teachers	**$1,000**	**$1,200**	**$700**	**$3,400 to $4,000**	**No Pay Raises**
Professionals	**2% of Mid-Point**	**2% of Mid-Point**	**$700**	**5% of Mid-Point**	**No Pay Raises**
Paraprofessionals Staff & Instructional Assistants	**4% of Mid-Point**	**5% of Mid-Point**	**$700**	**7% of Mid-Point**	**No Pay Raises**
Manual Trades & Technical Trades	**4% of Mid-Point**	**5% of Mid-Point**	**$700**	**7% of Mid-Point**	**No Pay Raises**
Bus Drivers	**4% of Mid-Point**	**5% of Mid-Point**	**$700**	**7% of Mid-Point**	**No Pay Raises**

In fiscal year 2020-2021, the Board approved two (2) one-time incentive payments in lieu of pay raises, $1,000 in December and $1,000 in June.

Fiscal Year 2021-2022 Proposed Budget
Weslaco ISD Proposed Pay Raises

>Below are the proposed pay raises for the different categories.

- The Board approved the pay raises on August 11, 2021 pending approval of the district's compensation plan.
- The pay raise is separate from the $3,000 stipend approved by the Board at a previous board meeting.
- Staff will present an item on the $3,000 stipend at the August 25 special meeting to discuss restrictions and to determine how the stipend will be paid to the employees.

Employee	Proposed Pay Raise
Teachers, Nurses & Librarians (based on a 187 day contract)	**$2,000.00**
Professionals (principals, administrators, other)	**2.74% actual pay from midpoint**
ParaProfessional Staff: office & teaching assistants	**3.74% actual pay from midpoint**
Manual, Technical Trades (Custodial, Energy Management, Food Service, Maintenance, Safety & Security and Transportation)	**3.74% actual pay from midpoint**

Fiscal Year 2021-2022 Proposed Budget
Pay Raises Being Considered or Approved by Other School Districts

Employee	Weslaco ISD	McAllen ISD	Harlingen CISD	La Joya ISD	San Benito CISD	Sharyland ISD	Mission CISD
Teachers	3.00%	$1,410	$1,500	2.50%	3.50%	2.00%	$1,450 (1-5) $1,550 (6-9) $2,050 (10+)
Professionals	2.74%	2.50%	2.50%	2.50%	3.50%	2.00%	2.50%
Para-Professionals	3.74%	2.50%	3.00%	2.50%	3.50%	2.00%	3.00%
Manual, Technical Trades	3.74%	2.50%	3.00%	2.50%	3.50%	2.00%	3.00%
ESSER III Grant	$3,000 Retention Stipend	$3,000 Retention Stipend in December	$2,500 stipend in December	$2,500 Stipend	$500 to $1,000 Stipend	TBD	$1,000 each August & December '21

>A survey was conducted on how employees preferred to receive the $3,000 stipend.
- 51% of employees selected the option of receiving a one-time stipend.

>The $3,000 stipend will be paid at the end of September.

Fiscal Year 2021-2022 Proposed Budget DRAFT
Staffing Vacancies Included in the Budget

1. New Teachers/Staff to Replace Teachers and Other Staff that Retired or Resigned
2. Seven Teachers for Gifted and Talented (G/T) Program (New-Vacancy)
3. Two Teachers for Dyslexia Program (New-Vacancy)
4. Extra Orchestra Teacher at Weslaco High School (New-Vacancy)
5. Need for a Second Director for Human Resources Department (New-Vacancy)
6. Receptionist for Business Office -- Reception, Accounts Payable, Mail (Old Position)
7. Construction Department Secretary (New-Vacancy)
8. Substitute Custodians - 19 (Funded with ESSER II) (New-Vacancy)
9. Security Guard for Safety & Security Office

Questions/Concerns Addressed by the Board:

- District has a need for bus drivers. Will the district be hiring more bus drivers? Bus routes are running late.
  - ›The district is 15 drivers short at this time.
  - ›20-25 bus drivers retired or resigned during the last school year. Drivers were only working six (6) hours per day because there were no classes or extra-curricular activities held due to the pandemic.

•How many students are riding the bus?
•Can the District consider bonuses to attract bus drivers?
›Staff will follow up on the possibility of providing bonuses.
›There is a shortage of bus drivers due to certification requirements.
›School districts are struggling in the state and region in hiring qualified bus drivers.

Fiscal Year 2021-2022 Proposed Budget
Staffing Vacancies Included in the Budget

The proposed 2021-2022 budget includes the following:

1. Vacancies listed above,
2. Requested Calendar Adjustments,
3. Recommended Reclassification of Positions,
4. Recommended Stipend Increases

›Below is the Budget Summary Page.
•The Board will be approving the Budget at the August 25 Special Meeting.
›The two funds that need to be approved are the General Fund and the Debt Service Fund.
›General Fund: Total Revenues: $177,119,387 - Total Expenditures: $172,874,591
•Includes expenditures from Function 11 to 99
›Budgeted Surplus: $4,244,796 (Due to change in Fiscal Year)

WESLACO INDEPENDENT SCHOOL DISTRICT
Official Budget
Budget Year 2021-2022

		10 General Fund	20/30 Special Revenue Fund* (Federal)	40 Special Revenue Fund* (State)	50 Debt Service Fund	60 Capital Projects Fund*	Memorandum Totals
5700	Local Revenue	$ 26,317,952	$ -	$ 200,800	$ 1,037,794	$ 5,500	$ 27,562,046
5800	State Revenue	136,389,916	-	-	925,165	-	137,315,081
5900	Federal Revenue	14,411,519	43,674,584	-	-	-	58,086,103
TOTAL REVENUES		**$ 177,119,387**	**$ 43,674,584**	**$ 200,800**	**$ 1,962,959**	**$ 5,500**	**$ 222,963,230**
11	Instruction	$ 96,548,615	$ 23,704,410	$ 31,150	$ -	$ -	$ 120,284,175
12	Instruc. Resour. & Media	2,080,733	1,836,563	-	-	-	3,917,296
13	Curriculum & Staff Dev.	6,320,638	2,206,476	-	-	-	8,527,114
21	Instructional Administration	1,731,854	790,731	-	-	-	2,522,585
23	School Administration	6,002,900	240,527	3,600	-	-	6,247,027
31	Guidance & Counseling	6,143,575	1,167,383	-	-	-	7,310,958
32	Social Work Services	956,824	331,557	-	-	-	1,288,381
33	Health Services	1,612,917	1,679,732	-	-	-	3,292,649
34	Pupil Transportation	4,661,679	199,494	-	-	-	4,861,173
35	Food Services	11,694,778	533,312	-	-	-	12,228,090
36	Cocurricular	5,886,178	67,277	165,800	-	-	6,119,255
41	General Administration	4,843,766	154,987	-	-	-	4,998,753
51	Plant Maint. & Operations	15,703,031	3,865,384	250	-	-	19,568,665
52	Security & Monitoring	2,780,999	122,943	-	-	-	2,903,942
53	Data Processing Services	2,304,303	63,650	-	-	-	2,367,953
61	Community Services	1,112,881	1,227,158	-	-	-	2,340,039
71	Debt Services	2,085,852	-	-	3,143,425	-	5,229,277
81	Facilities Acquis. & Constr.	-	5,483,000	-	-	-	5,483,000
95	Juvenile Alt. Ed.	100,000	-	-	-	-	100,000
99	Other Intergovernmental	303,068	-	-	-	-	303,068
TOTAL EXPENDITURES		**$ 172,874,591**	**$ 43,674,584**	**$ 200,800**	**$ 3,143,425**	**$ -**	**$ 219,893,400**
OTHER RESOURCES & USES							
7915	Transfers In	$ -	$ -	$ -	$ -	$ -	$ -
8911	Transfers Out	-	-	-	-	-	-
Total Other Resources & Uses		**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Excess (Deficiency) of Revenues & Other Resources Over Expenditures & Other Uses		$ 4,244,796	$ -	$ -	$ (1,180,466)	$ 5,500	$ 3,069,830
0100	Estimated Fund Balance September 1, 2021	52,100,000	-	238,152	2,585,721	2,686,764	57,610,637
0100	**Estimated Fund Balance August 31, 2022**	**$ 56,344,796**	**$ -**	**$ 238,152**	**$ 1,405,255**	**$ 2,692,264**	**$ 60,680,467**

*Special Revenue and Capital Project Funds are for Information Purposes Only

QUESTIONS/COMMENTS ADDRESSED BY THE BOARD:

- Mr. Trevino was not in favor of obtaining a loan to pay for roofing projects because it was too much money.
  - Suggested that staff set up a Prevention Maintenance Tax Fund to fix the roofs.
  - Preferred to address only the areas of buildings that need repairs rather than replacing the entire roof.
  - The district is not being proactive in putting money aside for future projects.
  - Why did staff not use the money received from the insurance back in 2018 for the damaged buses, to pay down the existing loan of the new buses?
    - Staff used the monies received to build up the fund balance.

The Board held a brief discussion on the following:
- Amount of money needed for the roofing projects
- Payment amount of the Maintenance Loan if approved
- Possibility of repairing sections of the roofs
- Need for an architect and cost of fees
- Amount of money to be maintained in the fund balance for the District's operations

The Board members questioned why the roofing projects had not been addressed in previous years up until now.

Mr. Sanchez explained that several years ago the district had separated the roofing projects in phases and tried to get approval through a bond issue; however, the bond did not pass. The district was able to get a Maintenance Tax Note and began Phase 1 of the roofing projects as well as many other projects. Only a few roofs were completed at that time because it was determined by the architect that extensive repairs were needed on some of the roofs. Therefore, the District was not able to proceed with all the roofing projects due to lack of funds.

Dr. Valdez recommended doing the roofing projects in phases and addressing the high priority projects first to prevent having unsafe roofs for students and staff.

The Board stressed the need for staff to take corrective measures on fixing reoccurring leaks.

Mr. Isidoro Nieto liked the idea of doing the projects in three phases by priority. Mr. Marcos De Los Santos will support the roofing projects as long as the Administration takes the lead on this project and does not deviate from the list presented.

2021-2022 BUDGET & TAX RATE APPROVAL TIMELINE	
May 10, 2021	Budget Workshop #1 Preliminary Budget Figures
June 21, 2021	Budget Workshop #2
July 8, 2021	Budget Discussion @ Special Board Meeting
August 11, 2021	Budget Workshop #3
August 13, 2021	Advertisement of Notice of Public Hearing in the Monitor
August 23, 2021	Public Hearing to Discuss 2021-2022 Proposed Budget and Tax Rate
August 25, 2021	Special Called Board Meeting to Approve the 2021-2022 Budget and Tax Rate

IV. Public Comments on Proposed 2021-2022 Budget and Tax Rate

The public had the opportunity to participate in public comments by registering no later than 4:45 p.m. at the following web link: ***https://www.wisd.us/superintendentboard/new-page***.

There were no public comments.

V. Adjournment

The Public Hearing adjourned at 6:30 p.m.