



## SANTA MARIA INDEPENDENT SCHOOL DISTRICT

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### Finance Facility Committee Meeting Monday, January 11, 2016 5:30 p.m.

#### Minutes

Notice is hereby given that a scheduled Special Meeting of the Board of Trustees of Santa Maria Independent School District was held on Monday, January 11, 2016 at 5:30 p.m. at the Santa Maria ISD Board Room, 11119 Military Hwy Santa Maria, Texas 78592.

The Santa Maria Independent School District offers reasonable accommodations for persons accessing its school facilities, as required by the Americans with Disabilities Act (ADA). If you require special accommodations, please contact Dalia Rodriguez, Administrative Assistant to the Superintendent of Schools at (956) 565-6308 for assistance.

#### CALL TO ORDER

Board President calls the meeting to order at 5:41 pm.

#### ESTABLISH QUORUM

#### Present:

Belinda Lugo, Board President  
Miguel Zavala, Board Secretary  
Consuelo De la Rosa, Board Member  
Adolfo Hinojosa, Board Member  
Oralia Ortiz, Board Member

Rambaldo Rivera, Jr., Board Vice-president arrived at 5:45 pm

#### Absent:

Noe Aleman, Board Member

#### Present from the District

Maria J. Chavez, Superintendent of Schools  
Enrique Cuellar, Business Manager  
Alyssa L. Romero, The Law Offices of Guerra & Farah, PLLC  
Dalia Rodriguez, Administrative Assistant to the Superintendent of Schools

The Subject(s) to be discussed by Finance Facility Committee are as follows:

1. Financial Advisor of IFA Bonds Options and Timelines, Dr. Miguel De los Santos, Estrada-Hinojosa  
Investment Bankers



Dr. Miguel De los Santos stated the last time he came before the board on December 17, 2015. He stated he told them he was going to try to get them more money and see what the tax rate would be. He brought a worksheet with what he had reported the last meeting that took place a week before Christmas and the amounts for taxes on 2016-2019. Numbers in black was the amounts he reported back in December, numbers in red is what he is reporting today. The amount you will be borrowing \$8,515,000 for twenty years and the one in red is for \$9,410,000.00 for thirty years almost a million dollar difference. If you look at the year 2016 the tax rate is 13.70 cents. For the year 2017 which is the year that is coming up, you will be having an election in May. First payment will be the end of the year, in August. And you would get your money in September. So 2017 is the year where you will have to tax yourself fully. You will be borrowing \$9,410,000 and your payment of \$480 is going to drop to \$278 because you have some bonds that are going away. They are going to be paid off. Current state aid is \$384 from the state and then you will put in \$163,000 and you will collect \$190,000. INS Tax rate is at 49.74 it will increase to 35.53 in 2019. The state doesn't help you the first two years. It will become EDA because after paying two years, the state will kick in to help. So what does this mean to the tax payer? Taxes for the 2016-2017 the actual dollars a person with a \$35,000 dollar with a homestead exemption of \$30,000 home will actually be \$35.53 more. People that have a \$60,000 home will pay \$124 and people with homes of \$90,000 will pay \$230 and people with a \$150,000 home will pay \$444 more than they are paying right. And the following year, in the year 2019 the tax rate has been reduced by 22.99 a person with a \$35,000 dollar home will pay with a 25,000 exemption will be paying on \$10,000. A person with a \$35,000 dollar with a homestead exemption of \$30,000 home will actually be \$10 more. People that have a \$60,000 home will pay \$43 and people with homes of \$90,000 will pay \$81.51 and people with a \$150,000 home will pay \$156.75 for the remainder of the bond. When we are dealing with a EDA, you need to help people understand that for two years it's going to be a burden and after that it's going to level off. IFA you were eligible for 2.6 million dollars only. For either one that we get whether it's the eight million or nine million it will be for two years of increase then it will decrease on the third year. Ms. De la Rosa inquired on a breakdown of the amount of houses in the \$90,000 and \$80,000 if Mr. Cuellar was able to get.

Ms. Chavez stated she thinks he is still working on that.

Dr. De los Santos stated the Tax Appraisal Department should have that information. We can do a PowerPoint presentation to show the community through PTA. To have them vote.

Ms. Chavez asked Dr. De los Santos to go over the availability in terms of use of the IFA and EDA.

Dr. De los Santos stated the IFA can only be used for instructional purposes even a gym or bleachers. You can justify that it's for physical education. EDA can be used for just about anything that's legal. It's more flexible.

Ms. Chavez stated if we could look at the timelines we are looking at.

You will have to call an election. You can't go past February 23, 2016. So between now and February 23 you will have to call a board meeting and make a decision on what amount and how many years. You will need to notify your bond council, Mr. Jesus "Chuy" Ramirez from San Juan. And he will prepare an order



for an election, and a resolution for the bonds. The advertising, he takes care of all of that. But it has to be done before February 23, 2016. If not you will not be able to have an election on May 9, 2016. If you don't have the election on May 9, 2016 then it will become an EDA.

If you have the election on May 9, 2016 then we will have the bonds sales in July, August and you will receive your funds in late August or September.

One of the things the boards will do if the election does pass, they will submit an application for TEA loans.

Ms. De la Rosa asked if they want to start early on the High School, can we borrow.

Dr. De los Santos said he was not sure.

Mr. Rivera stated it would be hard passing the election, than getting approved for the funds from IFA. We have always been approved.

Dr. De los Santos stated its just convincing the community to vote for the election. He stated one of the pluses you have is that you have facilities going up to show the community you are doing it for the children. Community wants to know how much is coming out of my pocket. If you would like for me to come back I would be happy to come back and visit with you again as many times as you need to discuss.

Ms. Chavez stated the conversation from here on now is a second part to this meeting is to finalize the needs assessment process, to be able to look at, is it just going to be the High school or is it going to be looking at tagging the athletic facilities as well. And if so, we can begin looking at the final in terms of what exactly are they committing too in terms of amount. I think that will determine if they will go for the lower of the two options you have given them.

Ms. Lugo stated the nine million is including both IFA and EDA right?

Dr. De los Santos stated both of them are. The only thing is that the nine million is a little bit higher so you are going to see higher tax.

## 2. Discussion on Facilities including 5<sup>th</sup> Grade Building Project

Mr. George Lazaro, stated the money could be used for the facilities here in Santa Maria ISD. The new high school behind the Jr. High, we would be rotating it to where the new High school would be facing the new improved River Rd. that the county has just paved. At the same time we could still keep our Cougar lane, and keep the visitor's parking. You could maybe consider to go with the nine point five million project, we could address some of the deficiencies the high school stadium has now. Some of the standards have changed in the past twenty years. Like the track needs to increase in size, they don't have a field house, classrooms that will provide training specifically for physical education. We don't have a visitor's facilities. To bring Santa Maria up to standards with other school districts of your size. This is the perfect opportunity to start evaluating that. We think that with that money, we could make this work. This is just one of the concepts. We could add a gymnasium to the high school also with classrooms to be able to incorporate the IFA factor. We could use up the EDA to be able to work up the high school but it would give you a premier facility that the community and students could be proud of. They are proud of what they have now. But this could be an opportunity to bring that to standards and to have it for the next twenty years. The only thing that I do need to point out and you all probably know is that when you end up going to most football games in the state of Texas, most football fields are set up on a north to south orientation. This one would have to be east to west because of the lay out of the piece of land. Facing It north to south always gives the home team the advantage of getting the shade. This will provide an equal advantage to both teams. This is just for presentation purposes so you can think about this.



High school plans are complete. We are ready to move forward with the USDA and I know you all had some decisions to make. I am going to try to get more answers on the USDA loans.

Ms. Lugo asked, so where are we exactly with the high school?

Mr. Lazaro stated the plans are complete. I am ready to formally go out and ask for bids I can at this point.

Ms. Chavez stated we are not ready at this point. We are looking at revisiting. What we are looking at this point is a funding option we have at the district level with the loan. The responsibility of payment comes out of my MNO side. Still have pending issues.

Mr. Lazaro stated they have met with the 5<sup>th</sup> grade contractor. He stated he needs thirty days due to rain. They will be meeting with Ms. Chavez two times a week, Monday and Thursday mornings.

Ms. De la Rosa asked if they can work weekends.

Mr. Lazaro said they can work weekends because there is calendar days not workdays. Subject to us knowing about it, subject to the owner knowing about it.

Ms. De la Rosa stated we have had some good weekends and there hasn't been anyone working out there.

Ms. Chavez stated right now there is a couple of pieces that we are trying to work through with the administration. I'm still pending a report from project management; this will give us a very specific about what days because if this includes weekends, we don't work weekends. In the standards it is three days per day, we can come back and look at how many days we are going to approve. All this began to flow on Friday, and it was kind of late because we were projecting an agenda to be posted for this meeting today. So there is still a lot of clarification. Because when we left for the holidays and I was at 14 days. We need to break down the dates.

Mr. Lazaro stated once Ms. Chavez and has done our homework we will come before the board for a final approval on the recommended days for the change order extending the time of completion.

Ms. Chavez stated in the packet there should be a summary of Districts investments on projects. We want to make sure that good weather days are being used. Mr. Martinez was here this morning and stated he assured that he is going to move this project forward weather permitting. We can look at as early as February.

**3. Discussion on Campus Academic and Student Development Programs**

Ms. Chavez stated we will like to revisit this item on the next agenda due to time of this meeting.

**4. Adjourned at 6:39 p.m.**



Regular Board Meeting of the Board of Trustees followed immediately.

**CALL TO ORDER**

Board President calls the meeting to order at 6:43 pm.

**ESTABLISH QUORUM**

**Present:**

Belinda Lugo, Board President  
Rambaldo Rivera, Jr., Board Vice-president  
Miguel Zavala, Board Secretary  
Consuelo De la Rosa, Board Member  
Adolfo Hinojosa, Board Member  
Oralia Ortiz, Board Member

**Absent:**

Noe Aleman, Board Member

**Present from the District**

Maria J. Chavez, Superintendent of Schools  
Enrique Cuellar, Business Manager  
Alyssa L. Romero, The Law Offices of Guerra & Farah, PLLC  
Dalia Rodriguez, Administrative Assistant to the Superintendent of Schools

**PLEDGE OF ALLEGIANCE**

**OPEN FORUM**

President asked if anyone signed up for open forum.

Ms. Rodriguez stated, no.

**SUPERINTENDENT'S REPORT**

Superintendent stated the Administration recommends the approval of the agenda with any modifications or deletions.

1. Presentation update of TGE 5<sup>th</sup> Grade Building Project by Mr. George Lazaro, Fulcrum Consulting Services

Ms. Chavez stated this presentation was addressed at the earlier Facility Committee.



2. Student Attendance/Enrollment

Ms. Chavez stated due to the time of this meeting our district wide overall percentage is at 97.19 attendance with a total of 712 students district wide. We started the week with the resignation of our Truancy officer, so we will continue staffing that position.

**Action Agenda**

**Travel**

3. Discussion and possible action to approve the travel of the Board members to attend the TASA Midwinter Conference, Sunday January 24-27, 2016, Austin, Texas

Motion made by Rambaldo Rivera, Jr., second by Miguel Zavala. Motion passed unanimously.

**Governance**

6. Discussion and report of SMISD Board of Trustees Committees for 2015

Will come back to this item on the next meeting agenda.

**Consent Agenda**

**Finance**

7. Approval of Check Payments since last report for December 01, 2015  
8. Approval of the Tax Collection Report for December 01, 2015 - December 31, 2015  
9. Approval of Monthly Investment Report for the period of December 01, 2015 - December 31, 2015  
10. Approval of Revenue and Expenditure Report ending December 31, 2015

Motion to approve consent agenda was made by Rambaldo Rivera, Jr., second by Consuelo de la Rosa. Motion passed unanimously.

President asked for a motion to go into executive session.

Motion made by Consuelo de la Rosa, second by Oralia Ortiz. Motion passed unanimously.

President stated it is now 6:48pm we will now be going into executive session



## Executive Session

Discussion under the authority of Section 551, Texas Government Code: If, during the course of the meeting covered by this Notice, the Board should determine that a closed session of the Board should be held or is required in relation to any item included in this Notice, then such closed session as authorized by Section 551.001 et. seq. of the Texas Government Code (the Open Government Act) will be held by the Board after the commencement in open session of the meeting covered by this Notice. Such closed session may concern any or all of the subjects and be conducted for any and all purposes permitted by Section 551.071 through and including Section 551.084 of the Texas Open Meetings Act, including, but not limited to, private consultation with the Board's attorney on any or all subjects or matters authorized by law.

- A. Section 551.071 – Consultation with Attorney on Any Permitted Subject including, But Not Limited to:
  - 1) Discussion with School Attorney in Items(s) Exempted under Attorney-Client Privilege
- B. Section 551.072 – Deliberation Regarding Real Property
- C. Section 551.073 – Deliberation Regarding Prospective Gift
- D. Section 551.074 – Personnel Matters, pursuant to Section 551.074 of the Texas Government Code and Attorney consultation pursuant to Section 551.071 of the Texas Government Code
  - 1) Discuss all Items as appropriate on Superintendent's personnel recommendations
- E. Section 551.076 – Deliberations on Security Devices or Security Audits
- F. Section 551.082 – School Children; School District Employees; Disciplinary Matters or Complaint
- G. Section 551.0821 – Personally Identifiable Information about Public School Student

## Reconvene in Open Session

President asked for a motion to reconvene in open session.

Motion made by Rambaldo Rivera, Jr., second by Oralía Ortiz. Motion passed unanimously.

President stated it is now 7:03pm and we are now back in open session.

- 1. Discussion and possible action on items discussed in Executive Session
  - a) Discuss all Items as appropriate on Superintendent's personnel recommendations

Motion made by Rambaldo Rivera, Jr., second by Oralía Ortiz. Motion passed unanimously.

President asked for a motion to adjourn the meeting.

Motion made by Consuelo de la Rosa, second by Rambaldo Rivera, Jr. Motion passed unanimously.

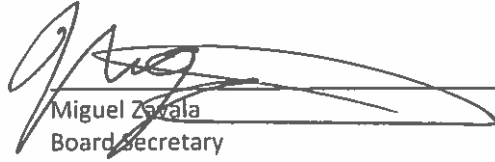
## Adjournment

President stated it is 7:04pm and this meeting is now adjourned.





Belinda Lugo  
Board President



Miguel Zavala  
Board Secretary

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This notice has been publicly posted at the administrative offices of the Santa Maria Independent School District, 11119 Military Rd., Cameron County, Santa Maria, Texas, at least seventy-two (72) hours in advance of the above mentioned meeting, as required by the following sections of the Texas Government Code: 551.071 through 551.084. During the regular school year, this notice is also posted in all schools in the District. The school district also posts its board meeting agendas on the District's internet web site ([www.smisd.net](http://www.smisd.net))

*Consent Agenda:* All matters listed under the Consent Agenda are considered to be routine by the Board of Trustees and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired on a specific item(s), that item will be removed from the Consent Agenda and considered separately.

*Maria J. Chavez, Superintendent of Schools*

**Board of Trustees**

*Adolfo Hinojosa, President*  
*Oralia "Lala" Ortiz, Vice-President*  
*Miguel Zavala, Secretary*  
*Noe Aleman, Member*  
*Consuelo De La Rosa, Member*  
*Belinda Lugo, Member*  
*Rambaldo "Ram" Rivera, Jr., Member*

