

**NOTICE OF SPECIAL MEETING OF THE BOARD OF TRUSTEES  
PORT ARANSAS INDEPENDENT SCHOOL DISTRICT  
Wednesday, August 25, 2021  
6:00 PM**

Notice is hereby given that a Special Meeting of the Board of Trustees of the Port Aransas Independent School District will be held on Wednesday, August 25, 2021 at 6:00 PM. The Board will meet in the Board Room of the Port Aransas Independent School District Administration Building  
100 S Station St  
Port Aransas, TX 78373.

I. CALL TO ORDER	3
A. Moment of Silence and Pledge of Allegiance	
II. COMMENTS	
A. Public Testimony	4
III. PUBLIC HEARING	
A. Discussion of Proposed 2021-2022 Budget.	7
B. Discussion of Proposed 2021-2022 Tax Rate.	8
IV. CONSENT AGENDA	10
A. Consider/Take Possible Action to Approve 2021-2022 Adult Meal Rates.	11
B. Consider/Take Possible Action to Approve Purchases over \$25,000.00.	13
V. DISCUSSION AND/OR ACTION ITEMS	
A. Consider/Take Possible Action to Approve Final Budget Amendment for the 2020-2021 School Year.	21
B. Consider/Take Possible Action to Approve Not-to-Exceed Year End Budget Amendment for the 2020-2021 School Year.	22
C. Consider/Take Possible Action on an Order Authorizing the Defeasance and Redemption of a Portion of the District's Outstanding Unlimited Tax School Building Bond, Series 2017A(PSF) and Approving all Others Instruments and Procedures Related Thereto.	23
D. Consider/Take Possible Action to Approve Employee Compensation Plan.	29
E. Consider/Take Possible Action to Approve the 2021-2022 Budget.	31
F. Consider/Take Possible Action to Approve the 2021-2022 Tax Rate.	32
VI. ADJOURN	35

If, during the course of the meeting covered by this Notice, the Board of Trustees should determine that a closed session of the Board of Trustees is required, then such closed session as authorized by the Texas Open Meetings, Act, Texas Government Coded 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 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.
- 771.073 Discussing negotiated contracts for prospective gifts or donations.
- 551.074 Discuss:
  - (1) To deliberate the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee; or
  - (2) To hear a complaint or charge against an officer or employee.
- 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 personnel.
- 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.

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 session, then the final action, final decision, or final vote shall be either:

- (a) in the open meeting covered by the Notice upon reconvening of the public meeting; or
- (b) at a subsequent public meeting of the School Board upon notice hereof, as the School Board shall determine pursuant to applicable laws and policies.

On this , this notice was posted on a bulletin board located at a place readily accessible and convenient to the public at the Port Aransas Independent School District Administration Building, 100 S. Station Street, Port Aransas, Texas.

Respectfully submitted,

---

Sharon McKinney, Superintendent

## **CALL TO ORDER**

### **Non-Action Item**

Board President, Deana Erdner will call meeting to order.

A. Moment of Silence and Pledge of Allegiance

## **PUBLIC TESTIMONY**

Members of the public who desire to address the board regarding an item on this agenda must comply with the following registration procedures.

Registration must be emailed to Rosalie Johnson at [rosalie@paisd.net](mailto:rosalie@paisd.net) no later than 5:00 pm, one hour prior to the start of the board meeting.

In the body of the email include the following: your first and last name, phone number and agenda item being addressed.

**Limit on  
Participation**

Audience participation at a Board meeting is limited to the portion of the meeting designated to receive public comment in accordance with this policy. At all other times during a Board meeting, the audience shall not enter into discussion or debate on matters being considered by the Board, unless requested by the presiding officer.

**Public Comment**

Regular Meetings

At regular Board meetings, the Board shall permit public comment, regardless of whether the topic is an item on the agenda posted with notice of the meeting.

Special Meetings

At all other Board meetings, public comment shall be limited to items on the agenda posted with notice of the meeting.

Procedures

Individuals who wish to participate during the portion of the meeting designated for public comment shall sign up with the presiding officer or designee before the meeting begins as specified in the Board's procedures on public comment and shall indicate the agenda item or topic on which they wish to address the Board.

Public comment shall occur at the beginning of the meeting.

Except as permitted by this policy and the Board's procedures on public comment, an individual's comments to the Board shall not exceed three minutes per meeting.

Meeting  
Management

When necessary for effective meeting management or to accommodate large numbers of individuals wishing to address the Board, the presiding officer may make adjustments to public comment procedures, including adjusting when public comment will occur during the meeting, reordering agenda items, deferring public comment on nonagenda items, continuing agenda items to a later meeting, providing expanded opportunity for public comment, or establishing an overall time limit for public comment and adjusting the time allotted to each speaker. However, no individual shall be given less than one minute to make comments.

Board's Response

Specific factual information or recitation of existing policy may be furnished in response to inquiries, but the Board shall not deliberate or decide regarding any subject that is not included on the agenda posted with notice of the meeting.

**Complaints and  
Concerns**

The presiding officer or designee shall determine whether an individual addressing the Board has attempted to solve a matter administratively through resolution channels established by policy. If not, the individual shall be referred to the appropriate policy to seek resolution:

- Employee complaints: DGBA
- Student or parent complaints: FNG

- Public complaints: GF

**Disruption**

The Board shall not tolerate disruption of the meeting by members of the audience. If, after at least one warning from the presiding officer, any individual continues to disrupt the meeting by his or her words or actions, the presiding officer may request assistance from law enforcement officials to have the individual removed from the meeting.

## PUBLIC HEARING

### PUBLIC DISCUSSION OF 2021-22 BUDGET

#### **NON-ACTION ITEM:**

Administration will present the proposed 2021-22 budget and the Board will hear public comments regarding the proposed budget.

Attached is the “Notice of Public Meeting to Discuss Budget and Proposed Tax Rate” that was published on August 12, 2021 in the South Jetty according to the Truth in Taxation notice requirements.

<b>RATIONALE:</b>	CE Legal and Local
<b>BUDGET:</b>	2021-22 Port Aransas ISD Proposed Budget
<b>RECOMMENDATION:</b>	Non-Action Item

## PUBLIC HEARING

### PUBLIC DISCUSSION OF 2021-2022 TAX RATE

#### **NON-ACTION ITEM:**

Administration will present the proposed 2021-2022 tax rate and the Board will hear public comments regarding the proposed tax rate.

The “Notice of Public Meeting to Discuss Budget and Proposed Tax Rate” was published in the South Jetty on August 12, 2021 according to the Texas Comptroller of Public Accounts Truth in Taxation requirements.

This publication reflects the maximum Maintenance & Operations (.8720/\$100 value) and Interest & Sinking (.06226/\$100 value) tax rates allowed by our board of trustees to adopt.

Maintenance & Operations .87200/ \$100 value

Interest & Sinking .06226/ \$100 value

**TOTAL 2021-22 Proposed Tax Rate .93426/ \$100 value**

Tax rate for 2020-21 .99470 / \$100 value

Decrease in Total Tax Rate from Prior Year (.060440/ \$100 value)

<b>RATIONALE:</b>	CE Legal and Local
<b>BUDGET:</b>	2021-22 Port Aransas ISD Proposed Tax Rate
<b>RECOMMENDATION:</b>	Non-Action Item

# NOTICE OF PUBLIC MEETING TO DISCUSS BUDGET AND PROPOSED TAX RATE

The Port Aransas ISD will hold a public meeting at 6:00PM, August 25, 2021 in Board Room, Port Aransas ISD Administration Building, 100 S. Station Port Aransas, Texas. **The purpose of this meeting is to discuss the school district's budget that will determine the tax rate that will be adopted. Public participation in the discussion is invited.**

The tax rate that is ultimately adopted at this meeting or at a separate meeting at a later date may not exceed the proposed rate shown below unless the district publishes a revised notice containing the same information and comparisons set out below and holds another public meeting to discuss the revised notice.

Maintenance Tax	\$0.872000/\$100 (proposed rate for maintenance and operations)
School Debt Service Tax	\$0.062260/\$100 (proposed rate to pay bonded indebtedness)
Approved by Local Voters	

### Comparison of Proposed Budget with Last Year's Budget

The applicable percentage increase or decrease (or difference) in the amount budgeted in the preceding fiscal year and the amount budgeted for the fiscal year that begins during the current tax year is indicated for each of the following expenditure categories.

Maintenance and operations	8.53 % increase
Debt Service	12.99 % increase
Total expenditures	8.81 % increase

### Total Appraised Value and Total Taxable Value (as calculated under Section 26.04, Tax Code)

	<u>Preceding Tax Year</u>	<u>Current Tax Year</u>
Total appraised value* of all property	\$4,670,303,886	\$4,175,799,263
Total appraised value* of new property**	\$79,216,354	\$83,679,516
Total taxable value*** of all property	\$2,790,387,824	\$3,225,574,016
Total taxable value*** of new property**	\$58,004,355	\$81,146,319

\*Appraised value is the amount shown on the appraisal roll and defined by Section 1.04(8), Tax Code.

\*\* "New property" is defined by Section 26.012(17), Tax Code.

\*\*\* "Taxable value" is defined by Section 1.04(10), Tax Code.

### Bonded Indebtedness

Total amount of outstanding and unpaid bonded indebtedness\* \$8,846,132

\*Outstanding principal.

### Comparison of Proposed Rates with Last Year's Rates

	<u>Maintenance &amp; Operations</u>	<u>Interest &amp; Sinking Fund*</u>	<u>Total</u>	<u>Local Revenue Per Student</u>	<u>State Revenue Per Student</u>
<b>Last Year's Rate</b>	\$0.932100	\$0.062600*	\$0.994700	\$16,471	\$493
<b>Rate to Maintain Same Level of Maintenance &amp; Operations Revenue &amp; Pay Debt Service</b>	\$0.812300	\$0.049860*	\$0.862160	\$18,336	\$394
<b>Proposed Rate</b>	\$0.872000	\$0.062260*	\$0.934260	\$18,140	\$394

\*The Interest & Sinking Fund tax revenue is used to pay for bonded indebtedness on construction, equipment, or both.

The bonds, and the tax rate necessary to pay those bonds, were approved by the voters of this district.

### Comparison of Proposed Levy with Last Year's Levy on Average Residence

	<u>Last Year</u>	<u>This Year</u>
Average Market Value of Residences	\$430,443	\$501,478
Average Taxable Value of Residences	\$373,914	\$327,672
Last Year's Rate Versus Proposed Rate per \$100 Value	\$0.994700	\$0.934260
Taxes Due on Average Residence	\$3,719.32	\$3,061.31
Increase (Decrease) in Taxes		\$-658.01

**Under state law, the dollar amount of school taxes imposed on the residence homestead of a person 65 years of age or older or of the surviving spouse of such a person, if the surviving spouse was 55 years of age or older when the person died, may not be increased above the amount paid in the first year after the person turned 65, regardless of changes in tax rate or property value.**

**Notice of Voter-Approval Rate: The highest tax rate the district can adopt before requiring voter approval at an election is \$0.934260. This election will be automatically held if the district adopts a rate in excess of the voter-approval rate of \$0.934260.**

### Fund Balances

The following estimated balances will remain at the end of the current fiscal year and are not encumbered with or by a corresponding debt obligation, less estimated funds necessary for operating the district before receipt of the first state aid payment.

Maintenance and Operations Fund Balance(s)	\$9,128,430
Interest & Sinking Fund Balance(s)	\$173,204

A school district may not increase the district's maintenance and operations tax rate to create a surplus in maintenance and operations tax revenue for the purpose of paying the district's debt service.

# CONSENT AGENDA

## Action Item:

Consent agenda shall include items of a routine and/or recurring nature grouped together under one action item. For each item listed as part of a consent agenda, the Board shall be furnished with background material. All such items shall be acted upon by one vote without separate discussion, unless a Board member requests that an item be withdrawn for individual consideration. The remaining items shall be adopted under a single motion and vote

**RATIONALE:** BE (LOCAL)

**BUDGET:** No Financial Impact

**RECOMMENDATION:** Accept the superintendent's recommendation to approve the consent agenda as presented.

## Consent

### **Consider/Take Possible Action to Approve**

#### **2021-2022 Adult Meal Rates**

**ACTION ITEM:**

Every year, the Port Aransas ISD Food Service Department is required to review the federal reimbursement meal rates to the rates being charged for adult meals. Purpose of the review is to verify that adult and non-qualifying student's meal rates are not supplementing the Federal reimbursement meal programs (Free or Reduced).

Attached are the NSLP Reimbursement Rates and the calculation used to test the current district charges. As presented, a minimum increase of 22-cents is required for Adult Lunch. To not be required to work with pennies at the register an increase of 25-cents is recommended/ required for the lunch meal rate. No adjustment is recommended for the breakfast meal rate.

<b>RATIONALE:</b>	COB (Legal) and FFA (Legal); Compliance with USDA program requirements
<b>BUDGET:</b>	The increase of adult meal costs will increase revenues for the Food Service Program
<b>RECOMMENDATION:</b>	Accept the superintendent's recommendation to approve the proposed 2021-2022 Adult meal rates.

**Port Aransas Independent School District**  
 Adult Meal Calculator Worksheet  
 Provided by the Texas Department of Agriculture

	Lunch	Breakfast
Free Reimbursement Rate	\$ 3.51	1.89
Severe Need Lunch Rate	\$ 0.02	0.38
Performance -Based Reimbursement	0.07	
USDA Foods	0.37	0.37
<b>Minimum Adult Charge</b>	<b><u>\$ 3.97</u></b>	<b><u>\$ 2.64</u></b>
Adult Charge for 2020-21	<u>\$ 3.75</u>	<u>\$ 2.75</u>
<b>Minimum Increase Required</b>	<b>(0.22)</b>	<i>no increase needed</i>

Adult Charge for 2020-21	3.75	2.75
<b>Proposed increase need to meet the Minimum Adult Charge</b>	<b>0.25</b>	<b>0</b>
Adult Meal Charges for 2021-2022	<u><u>\$ 4.00</u></u>	<u><u>2.75</u></u>

## CONSENT

### Approve Expenditures over \$25,000

**Action Item:**

The attached invoice contains expenditures/purchases for Port Aransas ISD which exceed \$25,000.

Invoice included:

Stridde, Callins & Associates, Inc. –

• Task Order No. 3–Admin & Middle School HVAC System Upgrades	\$17,015.00
• Task Order No. 2–HVAC BAS Systems Control Upgrades	9,542.50
• Task Order No. 2 & Task Order No. 3 – Reproduction Invoice	<u>304.91</u>
Total	<u>\$26,862.41</u>

If other costs are received prior to the board meeting on August 24, 2021 they will be added at the board meeting.

<b>RATIONALE:</b>	CH (Local)
<b>BUDGET:</b>	2021 Bond funds
<b>RECOMMENDATION:</b>	Accept the superintendent’s recommendation to approve expenditures/payments over \$25,000 as presented.



Stridde, Callins and Associates, Inc.  
 F6328  
 342 S. Navigation Blvd.  
 Corpus Christi, TX 78405-3615  
 Phone: (361) 883-9199

## Invoice 21049-2

July 31, 2021

Carol Sue Hipp - Executive Director of Business and Operations  
 Port Aransas I.S.D.  
 100 S. Station St.  
 Port Aransas, Texas 78373

Project Name: Master Services Contract 2021 - Task Order No. 3  
 Professional Engineering Services  
 SCA Project No. 2021049

14

Professional Engineering Services Provided for Admin and Middle School HVAC Upgrades through July 31, 2021

Project Billing Summary Audit

PO Not to Exceed:	\$ 39,875.00
Billed to Date:	\$ 7,042.50
Balance:	\$ 32,832.50
Current Billings Invoice:	\$ 17,015.00
Remaining PO Balance:	\$ 15,817.50

**Total Due This Invoice: \$ 17,015.00**

Thank you for this opportunity to be of service to **Port Aransas I.S.D.** Please see attached **Invoice No. 21049-2** for current due. Should you have any questions or concerns, please contact Patricia Garcia (SCA Business Manager) at (361) 883-9199.

Sincerely,

Jared Merdes, P.E., MBA, LEED AP

Enclosures: Invoice No. 21049-2



STRIDDE, CALLINS & ASSOCIATES, INC.

342 S. Navigation Blvd.  
 Corpus Christi, TX 78405  
 F-6328

# Invoice

Date	Invoice #
7/31/2021	21049-2

**Bill To**

Port Aransas Independent School District  
 Carol S Hipp, CPA  
 100 S. Station Street  
 Port Aransas, Texas 78373

P.O. No.	Due Date	Project/No.
Task Order 3	8/31/2021	21049-Task Order #3-HVAC Up...

PERSONNEL CL...	DESCRIPTION	HOURS	FEE DUE
	Professional Engineering Services Provided for MCCPS2021-Task Order No. 3 - Admin and Middle School HVAC Upgrades through July 31, 2021		
ENGINEER, P.E.		63.5	12,065.00
ENGINEER, E.I.T		17	1,530.00
DESIGNER		44	3,300.00
CLERICAL		2	120.00

Jared Merdes, P.E., MBA, LEED AP		<b>Total</b>	\$17,015.00
E-mail	P.GARCIA@SCAENGINEERING.COM	<b>Credit Applied</b>	\$0.00
		<b>Total Amount Due</b>	\$17,015.00



Stridde, Callins and Associates, Inc.  
 F6328  
 342 S. Navigation Blvd.  
 Corpus Christi, TX 78405-3615  
 Phone: (361) 883-9199

## Invoice 21048-2

July 31, 2021

Carol Sue Hipp - Executive Director of Business and Operations  
 Port Aransas I.S.D.  
 100 S. Station St.  
 Port Aransas, Texas 78373

Project Name: Master Services Contract 2021 - Task Order No. 2  
 Professional Engineering Services  
 SCA Project No. 2021048

16

Professional Engineering Services Provided for HVAC BAS System Upgrades Phase 1 through July 31, 2021

Project Billing Summary Audit

PO Not to Exceed:	\$ 42,000.00
Billed to Date:	\$ 4,640.00
Balance:	\$ 37,360.00
Current Billings Invoice:	\$ 9,542.50
Remaining PO Balance:	\$ 27,817.50

**Total Due This Invoice: \$ 9,542.50**

Thank you for this opportunity to be of service to **Port Aransas I.S.D.** Please see attached **Invoice No. 21048-2** for current due. Should you have any questions or concerns, please contact Patricia Garcia (SCA Business Manager) at (361) 883-9199.

Sincerely,

Jared Merdes, P.E., MBA, LEED AP

Enclosures: Invoice No. 21048-2



STRIDDE, CALLINS & ASSOCIATES, INC.

342 S. Navigation Blvd.  
Corpus Christi, TX 78405  
F-6328

# Invoice

Date	Invoice #
7/31/2021	21048-3

**Bill To**

Port Aransas Independent School District  
Carol S Hipp, CPA  
100 S. Station Street  
Port Aransas, Texas 78373

P.O. No.	Due Date	Project/No.
	8/31/2021	21048-Task Order #2 BAS

PERSONNEL CL...	DESCRIPTION	HOURS	FEE DUE
	Professional Engineering Services Provided for MCCPS2021-Task Order No. 2 HVAC BAS System Upgrades Phase 1 through July 31, 2021		
ENGINEER, P.E.		44.5	8,455.00
ENGINEER, E.I.T		2	180.00
DESIGNER		10.5	787.50
CLERICAL		2	120.00

Scott Stridde, P.E.	<b>Total</b>	\$9,542.50
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E-mail	P.GARCIA@SCAENGINEERING.COM	<b>Credit Applied</b>	\$0.00
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<b>Total Amount Due</b>	\$9,542.50
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STRIDDE, CALLINS & ASSOCIATES,  
 INC  
 342 S. Navigation Blvd.  
 Corpus Christi, TX 78405  
 F-6328

# Invoice

Date	Invoice #
7/31/2021	21049/21048

Bill To
Port Aransas Independent School District Carol S Hipp, CPA 100 S. Station Street Port Aransas, Texas 78373

Due Date	Project
8/31/2021	21049-Task Order #3-HVAC Upgrades 18

Item	Description	Rate	Amount
	Reproduction Invoice for Port Aransas I.S.D. Task Order No. 2 - HVAC Upgrades (SCA#21048) and Task Order No. 3 - BAS Upgrades (SCA#21049)		
	Print Job for PAISD Task Order 2 and Task Order 3	304.91	304.91

Jared Merdes, P.E., MBA, LEED AP	<b>Total</b>	\$304.91
	<b>Balance Due</b>	\$304.91

**Patty Garcia**

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**From:** PostNet TX162 <tx162@postnet.com>  
**Sent:** Thursday, July 01, 2021 9:19 AM  
**To:** Patty Garcia  
**Subject:** PostNet TX162 Receipt  
  
**Importance:** High

**PostNet TX162  
1605 US Hwy 181  
Portland, TX 78374  
361-777-0437**

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**Invoice#** 311999  
**Clerk** DAVID  
**Date** 07/01/2021 09:18 AM  
**Account** 040197643772  
Stridde Callins & Associates

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19

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<b>Description SKU#</b>	<b>Price</b>	<b>Qty</b>	<b>Ext. Price</b>
WF- Blueprint- 30"x42" 17BP3042	3.45	18	62.10
WF- Blueprint- 18"x24" - ARCH C 17BP1824 CUT TO 15X21	1.75	9	15.75
Print- B&W- 8.5 X 11 Single 220811	0.17	216	36.72
Print- B&W- 8.5 X 11 Single 220811	0.15	164	24.60
Print- B&W- 8.5 X 11 Single 220811	0.35	2	0.70
PINK COVERS PRINTED Spiral Binding 27SPIRAL	2.25	2	4.50
GBC BINDING PORT ARANSAS ISD-TASK ORDER NO.2 (SCA#21048)			
WF- Blueprint- 30"x42" 17BP3042	3.45	16	55.20
WF- Blueprint- 18"x24" - ARCH C 17BP1824 CUT TO 15X21	1.75	8	14.00
Print- B&W- 8.5 X 11 Single 220811	0.16	322	51.52
Print- B&W- 8.5 X 11 Single 220811	0.14	258	36.12

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Print- B&W- 8.5 X 11 Single 220811	0.35	2	0.70
PINK COVERS PRINTED			
Spiral Binding 27SPIRAL	1.50	2	3.00
GBC BINDING			
PORT ARANSAS ISD-TASK ORDER NO. 3 (SCA# 21049)			
ORDERED BY PATTY GARCIA			

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Sub-Total:      $304.91
Sale Tax:       $0.00
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Total:          $304.91
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CCard Charge:   $304.91

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\*\*\*\*\*5531

20

I agree to pay the above amount according to the card user agreement.  
(merchant agreement if credit voucher)

**To track shipments visit our website at:  
[www.postnet.com/tx162](http://www.postnet.com/tx162)**

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## DISCUSSION AND/OR ACTION ITEMS

### **Consider/Take Possible Action to Approve Year End Budget Amendment**

**ACTION ITEM:**

Prior to the beginning of every fiscal year (September 1) all public school districts are required to adopt a budget for the next operating school year. These budget amounts are determined after reviewing projected revenues, program needs and general usage of funds with the oversight of the Board of Trustees. A budget is a working document; actual expenses will always provide variances from budgeted funds. Throughout the year, program changes, emergencies, special federal funding, and other modifications require Administration to present budget amendments for approval to provide funding for differences

The 2020-2021 budget has only been amended once for the payment of extra duty pay (December payment).

At year end, administration reviews all actual expenses to determine reclassification by function. These variances are reviewed for accuracy and then brought to the board for funding or reclassification to meet legal expenditure requirements. Below are items that will be brought before the board to budget amendments:

- Increased tax collections and adjustments for all related revenue
  - State funding goes down when tax collections go up
  - Chapter 49 recapture expense goes up when tax collections go up
- Review of food service transfer needs
- Budget amendments represent reclassification to provide compliance with utilization of funds
- Miscellaneous reclass expenditures for better use of funds

A worksheet of final “sources and uses” of funds for the year end budget amendment will be distributed at the Board meeting.

<b>RATIONALE:</b>	BBAA (Legal), CE (Legal), CE (Local)
<b>BUDGET:</b>	Reclassifications by fund as needed.
<b>RECOMMENDATION:</b>	Accept the Superintendent’s recommendation to approve the end of year budget amendments as presented.

## DISCUSSION AND/OR ACTION ITEMS

### **Consider/Take Possible Action to Approve Not-to-Exceed Year End 2020-2021 Budget Amendment**

**ACTION ITEM:**

The prior action item includes all budget adjustments for known liabilities that need to be considered as of August 25, 2021. As the last few days of the fiscal year progresses through August 31, 2021, unknown expenditures sometime arise that will jeopardize the a reporting of a deficit in an individual function code in the General Fund, Debt Service Fund or Food Service Fund.

In order to insure that total fiscal year expenditures do not exceed each TEA function code, approval is requested to authorize the Superintendent and/or designee to made end-of year budget amendments for the legally adopted funds listed above not-to- exceed \$25,000.

<b>RATIONALE:</b>	CE(Legal), CE (Local)
<b>BUDGET:</b>	Reclassifications by fund as needed.
<b>RECOMMENDATION:</b>	Accept the Superintendent’s recommendation to approve the authorization for not-to-exceed year end budget amendment of \$25,000.

## DISCUSSION AND/OR ACTION ITEMS

### Discussion/Action to Defeasance and Redeem Portion of Outstanding Bonds, Series 2017A

**Action Item:**

As of August 31, 2021 the district has outstanding bonds of \$7,328,000 due through 2026. As stated in Section 45.001(2)(b) of the Education Code, the District may *“levy, pledge assess, and collect annual ad valorem taxes sufficient to pay the principal of and interest on the bonds as or before the principal and interest become due...”*. Currently the district plans to decrease the Interest and Sinking tax rate by .000034 cents (from .06260 to .06226) for the 2021 tax year. After the tax rate decrease, the projected taxes collection will meet all required debt payments and anticipate additional collection of tax revenue to provide funds to defease additional debt in the 2021-22 budget year. (See Attachment I)

At this time, the district is recommending defeasment of \$200,000 to \$300,000 due from 2023 through 2026 at an average interest charge of 1.56%. The actual amount of defeasment will depend on actual collections as of February 1, 2022. Early payment of bonded indebtedness will result in decreased interest expense.

Attached is the order authorizing the defeasance and redemption (which will take place after tax collections through February 2022).

<b>RATIONALE:</b>	Texas Education Code Section 45.001(2)(b)
<b>BUDGET:</b>	Use of Debt Service Fund – Collections of the 2021-22 tax revenue.
<b>RECOMMENDATION:</b>	Accept the superintendent’s recommendation to approve the order approving the defeasance and redemption of a portion of Series 2017A outstanding bonds.

**Port Aransas Independent School District**  
Preliminary Calculation of FY 2022 Defeasance Funds

FY 2021 I&S Tax Rate	\$	0.062260
Assumed Tax Collection Rate		97.47%
FY 2021 Adjusted Taxable Values	\$	3,214,578,289

<b>Projected Total I&amp;S Tax Revenues</b>	<b>\$</b>	<b>1,950,761</b>
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Less: Scheduled FY 2021 Debt Service:

Series 2013A	238,650	
Series 2015	446,050	
Series 2017A	519,748	
Series 2021	466,273	(1,670,721)

<b>AMOUNT AVAILABLE FOR DEFEASANCE</b>	<b>\$</b>	<b>280,040</b>
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**ORDER AUTHORIZING THE DEFEASANCE AND REDEMPTION OF A PORTION OF THE DISTRICT'S OUTSTANDING UNLIMITED TAX SCHOOL BUILDING BOND, SERIES 2017A (PSF) AND APPROVING ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO**

**THE STATE OF TEXAS** §  
**COUNTIES OF NUECES AND ARANSAS** §  
**PORT ARANSAS INDEPENDENT SCHOOL DISTRICT** §

WHEREAS, on September 5, 2017, the **PORT ARANSAS INDEPENDENT SCHOOL DISTRICT** (the "***District***") issued and delivered \$5,640,000 in principal amount of its *Port Aransas Independent School District Unlimited Tax School Building Bond, Series 2017A (PSF)* (the "***Bond***"), which was issued for the purpose of financing the construction, acquisition and equipment of school buildings in the District and the purchase of new school buses, and which is secured by an annual ad valorem tax levied by the District, without limit as to rate or amount, on all taxable property within the District; and

WHEREAS, the Bond was purchased, and is currently held, by *TIB The Independent BankersBank, N.A.* (the "***TIB***"); and

WHEREAS, in the order that authorized the issuance of the Bond, the District reserved the option to redeem the principal installment payments of the Bond on any date, as a whole or in part, at the redemption price of the principal amount of the Bond called for redemption, plus accrued interest thereon to the date fixed for redemption; and

WHEREAS, Section 45.001(a)(2), Texas Education Code, provides that the Board of trustees of the District "*may levy, pledge, assess, and collect annual ad valorem taxes sufficient to pay the principal of and interest on the bonds as or before the principal and interest become due, subject to Section 45.003*" (relating to the requirement for bonds to be approved at an election); and

WHEREAS, the Board of Trustees (the "***Board***") finds and determines that it is necessary and in the best interests of the District to defease and redeem a portion of the outstanding Bond with funds available for such purpose in accordance with the terms hereof; and

WHEREAS, the funds available to the District for such defeasement and redemption is, at the date of adoption of this Order, estimated to be between \$200,000 and \$300,000, and such amount will be known to the District after February 1, 2022, when current taxes become delinquent and the tax collections available for defeasance are ascertained; and

WHEREAS, to accomplish the purpose of this Order and to achieve the benefits described above, the Board has determined to authorize the Superintendent of Schools, the Business Manager and the President of the Board (each an "***Authorized Officer***"), any one or more of said officials, to determine the amount to be redeemed (the "***Redeemed Amount***") based on tax collections, but within the range specified in the immediately preceding paragraph; and

WHEREAS, it is officially found, determined and declared that the meeting at which this Order has been adopted was open to the public and public notice of the date, hour, place and subject of said meeting, including this Order, was given, all as required by the applicable provisions of Texas Government Code, Chapter 551;

NOW, THEREFORE, BE IT OREDRED BY THE BOARD OF TRUSTEES OF THE RUNGE INDEPENDENT SCHOOL DISTRICT:

Section 1. Findings.

The declarations, determinations and findings declared, made and found in the preamble to this Order are hereby adopted, restated and made a part of the operative provisions hereof.

Section 2. Defeasance and Redemption of Portion of Bond.

(a) The Redeemed Amount is ordered to be defeased on a date prior to August 31, 2022 (the conclusion of the District's 2022 fiscal year) selected by an Authorized Officer (the "**Redemption Date**"). The Redeemed Amount shall be deposited with TIB, who also serves as the Paying Agent/Registrar for the Bond, in accordance with the following Section, on or before the Redemption Date.

(b) The Redeemed Amount shall be paid on the Redemption Date and interest on the Redeemed Amount shall cease to accrue on the Redemption Date. Upon determining the Redeemed Amount to be called for redemption on the Redemption Date, notice (the "**Notice**") shall be delivered to TIB. Such delivery of the Notice shall complete the act of the District in calling for redemption such Redeemed Amount.

Section 3. Authorization of Actions.

(a) The Authorized Officers are hereby authorized and directed to (i) determine the Redeemed Amount based on tax collections, but within the range of \$200,000 and \$300,000, (ii) deliver the Notice to TIB, which Notice shall show the principal amounts and maturities, or portions thereof, to be redeemed.

(b) The Redeemed Amount shall be presented for redemption at TIB, and shall not bear interest after the Redemption Date.

(c) On or before the Redemption Date, the District shall deposit with TIB funds in an amount sufficient to provide for the redemption of the Redeemed Amount on the Redemption Date. Lawfully available funds of the District are hereby authorized and appropriated in the amounts necessary for such purpose.

(d) The Authorized Officers are hereby authorized and directed to take such actions and to execute and deliver such documents, orders and receipts, including without limitation material events notices with respect to the Redeemed Bonds, as necessary or appropriate to consummate the transactions authorized by this Order and to redeem the Redeemed Amount in accordance with the provisions and requirements of the order that authorized their issuance.

*[Remainder of this page intentionally left blank.]*

PASSED, APPROVED AND EFFECTIVE this August 25, 2021.

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President, Board of Trustees  
Port Aransas Independent School District

ATTEST:

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Secretary, Board of Trustees  
Port Aransas Independent School District

**CERTIFICATE FOR ORDER**

**THE STATE OF TEXAS  
COUNTIES OF NUECES AND ARANSAS  
PORT ARANSAS INDEPENDENT SCHOOL DISTRICT**

§  
§  
§

I, the undersigned Secretary of the Board of Trustees of the **PORT ARANSAS INDEPENDENT SCHOOL DISTRICT** (the "*District*"), hereby certify as follows:

1. The Board of Trustees of the District convened in Special Meeting on August 25, 2021, at the regular designated meeting place (the "*Meeting*"), and the roll was called of the duly constituted officers and members of the Board of Trustees, to wit:

- |   |                                    |
|---|------------------------------------|
| Deana Erdner, President (Trustee, Place 2)        | Kristi Littleton, Trustee, Place 3 |
| Daniel Johnson, Vice President (Trustee, Place 5) | Marc Hofhiens, Trustee, Place 6    |
| Cherrie Stunz, Secretary (Trustee, Place 4)       | Marnie Pate, Trustee, Place 7      |
| Leslie Mills, Trustee, Place 1                    |                                    |

and all of the officers and members of the Board of Trustees were present, except the following absentees: \_\_\_\_\_ . Whereupon, among other business, the following was transacted at the Meeting: a written

**ORDER AUTHORIZING THE DEFEASANCE AND REDEMPTION OF A PORTION OF THE DISTRICT'S OUTSTANDING UNLIMITED TAX SCHOOL BUILDING BOND, SERIES 2017A (PSF), AND APPROVING ALL OTHER INSTRUMENTS AND PROCEDURES RELATED THERETO**

(the "*Order*") was duly introduced for the consideration of the Board of Trustees. It was then duly moved and seconded that the Order be passed on second and final reading and, after due discussion, said motion carrying with it the adoption of the Order, prevailed and carried by the following vote:

AYES: \_\_\_\_\_ NOES: \_\_\_\_\_ ABSTENTIONS: \_\_\_\_\_

2. A true, full and correct copy of the Order adopted at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; the Order has been duly recorded in the Board of Trustee's minutes of the Meeting; the above and foregoing paragraph is a true, full and correct excerpt from the Board of Trustees's minutes of the Meeting pertaining to the passage of the Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board of Trustees as indicated therein; each of the officers and members of the Board of Trustees was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the Meeting, and that the Order would be introduced and considered for passage at the Meeting, and each of the officers and members consented, in advance, to the holding of the Meeting for such purpose, and that the Meeting was open to the public and public notice of the time, place and purpose of the Meeting was given, all as required by Chapter 551, Texas Government Code.

SIGNED AND SEALED the 25<sup>th</sup> day of August, 2021.

(SEAL)

\_\_\_\_\_  
Secretary, Board of Trustees

## DISCUSSION AND/OR ACTION ITEMS

### Approve Employee Compensation Plan

**Action Item:**

The Port Aransas ISD Annual Compensation Plan includes teacher salary scale and salary adjustments reflecting the salary increases as discussed during the budget planning and adoption process. The plan supports District goals for hiring and retaining highly qualified employees.

**Mid-Year Payments** - With the adoption of this Compensation Plan, the District formally recognized that additional payments made to all staff are a part of the compensation structure and are conducted with the intent to keep compensation levels competitive with the area market. For this reason, compensation provided to employees under this provision is to be considered compensable for retirement purposes. It is the intent of Port Aransas ISD Board of Trustees to provide approval of such payments, for all permanent employees, upon consideration of the District’s revenues and fund balances at the time plan for such payments are presented.

**Performance Pay**-For any funds received by Port Aransas ISD for a designated teacher under Teacher Incentive Allotment (TIA), 90% will be paid to the designated teacher. The remaining 10% will be used for administration expenses, and/or professional development. Should the district receive funding for a designated teacher who has resigned or retired, the district will forward payment to the resigned or retired teacher as soon as practicable. Currently, we have no staff members that qualify for performance pay.

The attached teacher salary schedule and following information is being presented for Board approval in order to incorporate these changes into the 2021-2022 proposed budget which will be adopted later in this meeting.

- Teacher Salary Scale – Annual Step Increase
  - The PAISD Teacher’s Salary Scale was established in excess of amounts provided under the HB3 compromise bill in the Texas 86<sup>th</sup> Legislative Session in 2019.
- Auxiliary (Paraprofessionals, Cafeteria, and Maintenance- 3% increase on midpoint)
- Administration – 1% increase on midpoint

<b>RATIONALE:</b>	Texas Education Code 21.402, 19, Texas Administrative Code 153.1021, and Board Policy DEA (Legal).
<b>BUDGET:</b>	The 2021-22 proposed budget
<b>RECOMMENDATION:</b>	Accept the superintendent’s recommendation to approve the proposed 2021-22 compensation plan which includes performance pay –Teacher Incentive Allotment and mid-year payments with board approval.

**Port Aransas I.S.D.**  
**Proposed Teacher Salary Schedule**  
**2021-2022**

<b>Year</b>	<b>2020-21 Salaries 10 Month</b>	<b>Daily Rate (187/Days)</b>
0	45,590	243.80
1	46,090	246.47
2	46,590	249.14
3	47,090	251.82
4	47,590	254.49
5	48,090	257.17
6	48,590	259.84
7	49,090	262.51
8	49,590	265.19
9	50,090	267.86
10	50,740	271.34
11	51,490	275.35
12	52,490	280.70
13	53,490	286.04
14	54,490	291.39
15	55,490	296.74
16	56,490	302.09
17	57,490	307.43
18	58,490	312.78
19	59,490	318.13
20	60,490	323.48
21	61,090	326.68
22	61,690	329.89
23	62,290	333.10
24	62,890	336.31
25	63,490	339.52
26	64,090	342.73
27	64,690	345.94
28	65,290	349.14
29	65,890	352.35
30	66,490	355.56

**Master's Degree Stipend \$2,000**

**This salary schedule is for the 2021-2022 school year only and does not represent salaries for future years. Salary advancement is based on the annual pay raise budget approved by the Board of Trustees each year.**

**DISCUSSION AND/OR ACTION ITEM**

**Consider/Take Possible Action to Approve the  
2021-2022 Budget**

**ACTION ITEM:**

The proposed 2021-2022 Port Aransas I.S.D. budget was presented and discussed with the Board at budget workshops held in June, July and August. The annual budget consists of three separate funds – General Fund, Food Service and Debt Service Funds. Each fund must be approved by the Board at the functional level. Subsequent amendments involving changes to functional levels must be duly approved by the Board as needed. The Board of Trustees of Port Aransas I.S.D. has conducted a Public Hearing to discuss the proposed budget and proposed tax rate for 2021-22 on August 25, 2021. All required publications and public hearings are in compliance with legislative requirement.

Schedules supporting first week enrollment and budget by major revenue and expenditure function category will be distributed at board meeting.

<b>RATIONALE:</b>	CE(Legal), CE(Local)
<b>BUDGET:</b>	Establish the financial operations budget for the school year 2021-22.
<b>RECOMMENDATION:</b>	<b>“I move to adopt the proposed Port Aransas ISD 2021-2022 budget by major revenue and expenditure function category for the General Fund, Debt Service Fund and Food Service Fund as presented.”</b>

## DISCUSSION AND/OR ACTION ITEM

### **Consider/Take Possible Action to Adopt Tax Rate for 2021-2022**

#### **ACTION ITEM:**

Before setting a tax rate, several requirements must be met. These requirements include publishing notice of public hearing on the budget and proposed tax rate, conducting the public hearing, adopting a budget and receiving approval from TEA to proceed with the tax rate adoption process after the district has submitted its intent to exercise Option 3 Purchase of Attendance Credit in order to equalize its wealth.

The budget for the 2021-22 fiscal year was adopted in the preceding action item. The Notice of Public Meeting to Discuss Budget and Proposed Tax Rate was published in the South Jetty on August 12, 2021. The district received approval from TEA on August 4, 2021 to proceed with the tax rate adoption.

After receiving the maximum compressed tax rate from TEA, the proposed tax rate for 2021-22 for the Port Aransas ISD is as follows:

*In summary, the Proposed Tax Rate is as follows:*

- M&O Rate                      \$0.87200
- Debt Service                      \$0.06226
- TOTAL                              \$0.93426

The Maintenance & Operations tax rate has been lowered from \$0.93210 to \$0.8720 a decrease of (\$0.0601) and the Debt Service rate has been lowered from \$0.06260 to \$0.06226 a decrease of (\$0.00034). This is a total tax rate decrease of (\$0.06044) which is a larger total decrease of (\$0.600) in the prior 2020-21 tax year.

The vote on the resolution to adopt the tax rate must be a recorded vote. In addition, the resolution setting the tax rate must be separate from the vote adopting the budget. The motion to adopt the resolution must be made as stated in the recommendation below.

<b>RATIONALE:</b>	CE (Legal), CE (Local), CCG (Legal)
<b>BUDGET:</b>	Fund the financial operations budget for the school year 2021-2022.
<b>RECOMMENDATION:</b>	<b>“I move that the property tax rate of \$0. 93426 be adopted for 2021. This tax rate will include \$0.87200 per \$100.00 value for the General Fund and \$.06226 per \$100.00 value for the Debt Service Fund.”</b>

## ORDINANCE TO SET TAX RATE

BE IT ORDAINED AND ORDERED BY THE Port Aransas Board of Trustees of the Port Aransas Independent School District for that:

We, the Board of Trustees, of Port Aransas ISD, having levied or adopted the tax rate of \$0.93426/\$100 valuation for this District for the tax year 2021, as follows:

\$0.8720 (including 5 Golden Pennies) for the purpose of Maintenance and Operations

\$0.06226 for the payment of principal and interest on the debt of Schoolhouse bonds

\$0.93426 TOTAL TAX RATE

The Tax Assessor-Collector is hereby authorized to assess and collect the taxes of the Port Aransas ISD with discounts (3%, 2% and 1%) allowed for early payment.

THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

APPROVED:

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Deana Erdner  
Board President

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Cherrie Stunz  
Board Secretary

# ADJOURNMENT

## Action Item

There being no further business, Board President will adjourn the meeting.