

Budget Workshop

Monday, August 24, 2026 6:00 PM

Board Room, 1209 Twelfth St, Palacios, TX 77465

Marcos Aparicio: Present
Karen Botbyl: Present
Carl Filip: Absent
Haley Garcia: Present
Rafael Garcia: Present
Dane Kubecka: Present
Fabian Marroquin: Present

1) **Call to Order**

1)A. Announcement by the chair as to the presence of a quorum, notice of meeting duly posted, and that the meeting has been called to order

2) **Ratification of Emergency Purchase and Installation of Replacement HVAC/Air Conditioning Unit at the FAB**

3) **Budget Workshop**

4) **Upcoming Meetings**

5) **Adjournment**

Board Secretary

Cannell Air Conditioning & Heating

PO Box 1238 El Campo, Texas 77437-1238; Phone: 979.543.6485 Fax: 979-543-6793

Email: david@cannellair.com ; Web: www.cannellair.com

TACLA50636C Regulated by the Texas Dept of Licensing and Regulation PO Box 12157, Austin TX 78711; 1.800.803.9202; <https://www.tdlr.texas.gov/>

Palacios ISD Auditorium

Quote

Install 2 Carrier 20 Ton 460V Condensers. The quote below includes expansion valves, A2L Sensors, Filter Driers, Refrigerant, Piping Modifications, and Crane
\$61,200

2 year labor and 5 year parts warranty

James Cannell

Your approval

Agenda Item:

Subject: Ratification of Emergency Purchase and Installation of Replacement HVAC/Air Conditioning Unit at the FAB.

Proposed Motion:

Recommended Action: Move to approve and ratify the emergency procurement and installation of a replacement HVAC unit from Cannell Air Conditioning and Heating for a total cost of \$61,200, utilizing the 2025 Bond Funds.

Background Information:

- **Facility Impact:** The main air conditioning unit serving the FAB experienced a sudden, catastrophic mechanical failure.
- **Immediate Risk:** The loss of climate control compromised the environment, threatening student and staff health, and risked damage to facility infrastructure.
- **Emergency Exception:** Due to the immediate threat to school operations and safety, the Superintendent authorized an emergency procurement to bypass standard competitive bidding timelines under Texas Education Code (TEC § 44.031(h))
- **Action Taken:** The replacement unit was immediately sourced, purchased, and installed to minimize facility downtime and restore safe environmental conditions.
- **Board Authority:** School Board Policy requires the Board of Trustees to formally ratify and emergency expenditures that circumvent standard procurement thresholds.
- **Fiscal Impact:** The total expenditure of \$61,200 was funded through the 2025 Bond.

Review FY 2025-2026 Budget vs. Actual Expenditures - [July Report](#)

FY 2026-2027 Budget Priorities

- 1. Balanced budget or as close to balanced as possible (reduction of deficit from prior year if one exists)
- 2. Look at insurance costs for potential cost savings - (approved in May with some realized savings due to premium reduction of \$111K)
- 3. Evaluate program effectiveness (will be used as needed to meet priority #1).
 - PISD Cabinet members are working on listing out programs and calculating per/student costs. We will also map out funding sources for programs.

Campus and department budget requests/revisions have been completed.

[Revenue - Changes 3-Year](#) (no changes)

[4 Year Comparison of Maintenance Costs](#) (no changes)

[Estimates for 2026-2027 Budget Second Draft](#) (big change, wrong direction)

[Scenarios](#) for Fall Stipend with a 1% increase of total salary considerations

[1% From Midpoint Analysis](#) 1% scenarios for a raise of 1% of the midpoint in each salary schedule

Reflected in Scenarios Document Linked Above

\$500 Fall Stipend = \$121,500

\$750 Fall Stipend = 182,250

\$1,000 Fall Stipend = \$243,000

1% raise for ALL employees = \$117,272.59

1% raise for Non-TRA Employees = \$64,933.34

Reflected in 1% Document Linked Above

1% raise for all employees from the midpoint of their salary schedule = \$110,514.46

1% raise for all Non-TRA employees from the midpoint of their salary schedule = \$58,234.37

Fund Balance Analysis

2021-2026 (2026 data not finalized, hope to have an update by Monday night)

2025-2026 Budget and Fund Balance Update

[2025-2026 YTD Revenue over Expenditure](#) and estimates closing the year.

Budget Timeline:

August 10, 2026 Review Draft Budget, consider feedback, prepare and necessary changes.

Special Budget Workshop on August 24, 2026, and Special Meeting on August 31st to finalize and adopt our tax rate and final budget for the 26-27 school year.

2022 Bond Interest Projects Update

- Roof on the Byte Cave - Complete
- Repairing and maintenance on buildings at bus barn, maintenance and byte cave-in progress

2025 Bond - Maintenance, Tech, and Transportation (This one does not have an interest update yet, will get that to the Board.)

- Bus camera addition
- Finalizing purchase of approved Special Education Suburban