

Agenda of Special Meeting The Board of Trustees Midlothian ISD

A Special meeting of the Board of Trustees of Midlothian ISD will be held August 10, 2020, beginning at 5:30 PM.

The subjects to be discussed or considered, or upon which any formal action may be taken are listed on the agenda, which is attached to, and made a part of this Notice. Items do not have to be taken in the order shown on this meeting notice.

Due to health and safety concerns related to the COVID-19 coronavirus as well as scheduling of board members, this meeting will be conducted by videoconference or telephone call. At least a quorum of the Board will be participating by videoconference or telephone call in accordance with the provision of Sections 551.125 or 551.127 of the Texas Government Code that have not been suspended by order of the Governor issued on March 16, 2020. For those attending in person, social distancing guidelines will be followed. Members of the public may access this meeting in real time by clicking the [video conference link](#) and selecting the Board of Trustees Special Meeting for August 10, 2020.

The open portions of this meeting will be recorded and made available on the MISD website 24 hours following the meeting.

PUBLIC COMMENT - In accordance with the Open Meetings Act and Local District Policy, BED(LOCAL), members of the public wishing to address the Board during the public comment portion of a special meeting shall be limited to items on the agenda posted with notice of the meeting.

Individuals wishing to speak remotely or to be read into the record, should complete an online [Public Comment Form](#) for remote participation prior to 4:00 pm on August 10, 2020; in-person participants must sign in and complete a "Public Comment Participation Form" and present it to the Board President or designee by 5:20 p.m. on August 10, 2020. If a completed form for public comment is not received by the applicable deadline posted, the individual will not be able to participate in public comment at this meeting.

Whether in-person or virtual, speakers are limited to five minutes. In accordance with the Texas Open Meetings Act, Board Members will listen to the comments. The Board, through the presiding officer or Superintendent, can offer factual information, cite Board policy, or direct the administration to investigate items and report back to the Board, but shall not engage in a two-way dialogue with patrons.

1. FIRST ORDER OF BUSINESS

- A. Announcement by the presiding officer that a quorum of Board members is present, that the meeting has been duly called, and that notice of the meeting has been posted in accordance with the Texas Open Meetings Act, Texas Government Code Chapter 551

2. CLOSED SESSION as authorized by the Texas Open Meetings Act, Texas Government Code Chapter 551.
3. RECONVENE TO OPEN SESSION
4. PUBLIC COMMENT - In accordance with the Open Meetings Act and Local District Policy, BED(LOCAL), members of the public wishing to address the Board during the public comment portion of a SPECIAL MEETING shall be limited to items on the agenda posted with notice of the meeting.

Individuals wishing to speak remotely or to be read into the record, should complete an online Public Comment Form for remote participation prior to 4:00 pm; in-person participants must sign in and complete a "Public Comment Participation Form" and present it to the Board President or designee by 5:20 p.m.

Whether in person or virtual, speakers are limited to five minutes. In accordance with the Texas Open Meetings Act, Board Members will listen to the comments. The Board, through the presiding officer or Superintendent, can offer factual information, cite Board policy, or direct the administration to investigate items and report back to the Board, but shall not engage in a two-way dialogue with patrons.

5. INFORMATION ITEMS

- A. Consideration of the Adoption of the 2020-2021 Tax Rate
- B. Consider 2016 Bond Financial and Project Update

6. DISCUSSION/ACTION ITEMS

- A. Action, if any, on Items Discussed in Closed Session

7. ADJOURNMENT OF MEETING

If, during the course of the meeting covered by this Notice, the Board of Trustees should determine that a closed meeting or session of the Board of Trustees is required, then such closed meeting or session as authorized by the Texas Open Meetings Act, Texas Government Code 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 meeting or 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. |
| 551.073 | Discussing negotiated contracts for prospective gifts or donations. |
| 551.074 | Discussing personnel or to hear complaints against personnel. |
| 551.075 | To confer with employees of the school district to receive information or to ask questions. |
| 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. |
| 551.0821 | Discussing personally identifiable information about a public school student. |
| 551.083 | Considering the standards, guidelines, terms, or conditions the board will follow, or will instruct its representatives to follow, in consultation with representatives |

551.084 of employees groups.
Excluding witnesses from a hearing.

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

- (a) in the open meeting covered by the Notice upon the reconvening of the public meeting; or
- (b) at a subsequent public meeting of the School Board upon notice thereof; as the School Board shall determine.

Theda McGrew
Superintendent Administrative Assistant

Midlothian I.S.D. School Board Agenda Item Detail
L.A. Mills Administrative Complex Boardroom

Board Meeting Date:	August 10, 2020
Item:	Consideration of the Adoption of the 2020-2021 Tax Rates
Supporting Document(s):	Electronic: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Hard Copy: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Background Information:	<p style="text-align: center;">Information Only this Month</p> <p>The Board of Trustees annually sets the Maintenance and Operations (M&O) and the Interest and Sinking (I&S) tax rates. These tax revenues provide approximately 47.0% of the school district's operating revenues, as well as the funds needed to cover the annual debt service payments (i.e. school building bonds).</p> <p>The setting of the tax rate is accomplished by the approval of a Resolution to Adopt the 2020 Tax Rate.</p> <p>The District held a public hearing on June 15, 2020, to discuss the proposed budget and tax rate for the 2020-2021 fiscal year. Information used at that meeting was from the preliminary tax roll received from the Ellis County Appraisal District on April 30, 2020.</p> <p>The 2020 Certified Estimate of Taxable Values was received from ECAD on July 25, 2020, which showed an increase over the original estimated values. The revised calculations continue to show that the original proposed rate is well below the rollback rate of \$1.463477/\$100 of valuation.</p> <p>After receiving the July 25th values, the numbers were sent to TEA to calculate the Maximum Compress Rate for the Tier 1 portion of the total tax rate. This year TEA set this rate at \$.08401. MISD can add the Tier 2 rate to this as well as the tax rate needed to service the district's debt.</p> <p>The proposed rates have changed from the June meeting: \$0.8801 for the Maintenance and Operation rate and \$0.50 for the Interest and Sinking rate per \$100 of property value. Since the proposed tax rates are still well below the rollback rate posted at the June 2020 public meeting and the current rollback rate AND have not changed from the original public notice, no additional publications or public hearings are required.</p> <p>The discussion for this meeting will be to review the numbers and consider other options for the total tax rate to maximize the revenues available in light of increased costs due to COVID-19.</p>
Fiscal Impact/Budget Function Code:	Local funding for the General Fund and Debt Service Fund
Policy:	BAA (Legal), CCG (Legal), CE (Legal), CE (Local)

District Goal:	Facilitate the budget process and building designs through allocated district resources that foster flexible and innovate learning spaces.
Administration Recommended Option:	Information only this month.
Motion:	No motion needed – information only this month
Presenter:	Jim Norris



2020-2021 Tax Rate Presentation

Information Only
August 10, 2020

Tax Information



2020-2021 Budget Discussion

Disclaimer --

The information provided today is based on current conditions and current law. It is calculated using the Estimated Certified Values from the ECAD on 7/25/20. The information also includes the TEA calculation of the Maximum Compressed Rate for Tier 1.



2020-2021 Budget

Budget Meetings

November 18

Budget Calendar Set

January 8

Budget Assumptions

Feb 13-28

Campus/Department Meetings

March 13

Personnel Requests

April 1

First Draft Presentation

April 20

Second Draft Presentation

May 1

Third Draft Presentation

May 18

Fourth Draft Presentation

June 15

Final Budget Approval

August 10

Tax Rate Presentation

August 17

Tax Rate Approval



Setting the Tax Rate

The tax rate will be set by a board resolution in **August** since the TEA has released the Tier 1 rate to school districts. The tax rate is set with a motion, a second, and a single vote. There are not separate votes for each tax rate.



Tax Appraisals - April 30

- **Preliminary Certified Values - 4/30/20**
 - **\$5,776,414,028**
 - **11.29%** increase over prior year
 - **4.01%** TEA average increase in state
 - **Reduces the Tier 1 tax rate by ~6.13 cents**
 - **Subject to many revisions until July 25**

Tax Roll Growth - April 30

- New improvements added to the tax roll
 - \$309,373,874
 - 5.96% over prior year tax values
 - Homes, commercial, retail, etc.

Tax Appraisals - July 25

- **Estimated Certified Values - 7/25/20**
 - **\$5,883,215,176**
 - **13.79%** increase over prior year
 - **4.01%** TEA average increase in state
 - TEA set the Maximum Approved rate for Tier 1 at **84.01 cents**
 - Reduces the Tier 1 tax rate by **8.99 cents**

Tax Roll Growth - July 25

- New improvements added to the tax roll
 - \$584,440,953
 - 9.93% over prior year tax values
 - Homes, commercial, retail, etc.
 - Google Data Center

Tax Roll Growth - TIRZ

- TIRZ value on April 30 = \$581M
- TIRZ value on July 25 = \$755M
 - TIRZ value up **42.1%** from last year
 - Primarily the Google Facility
 - Benefit is to I&S Fund

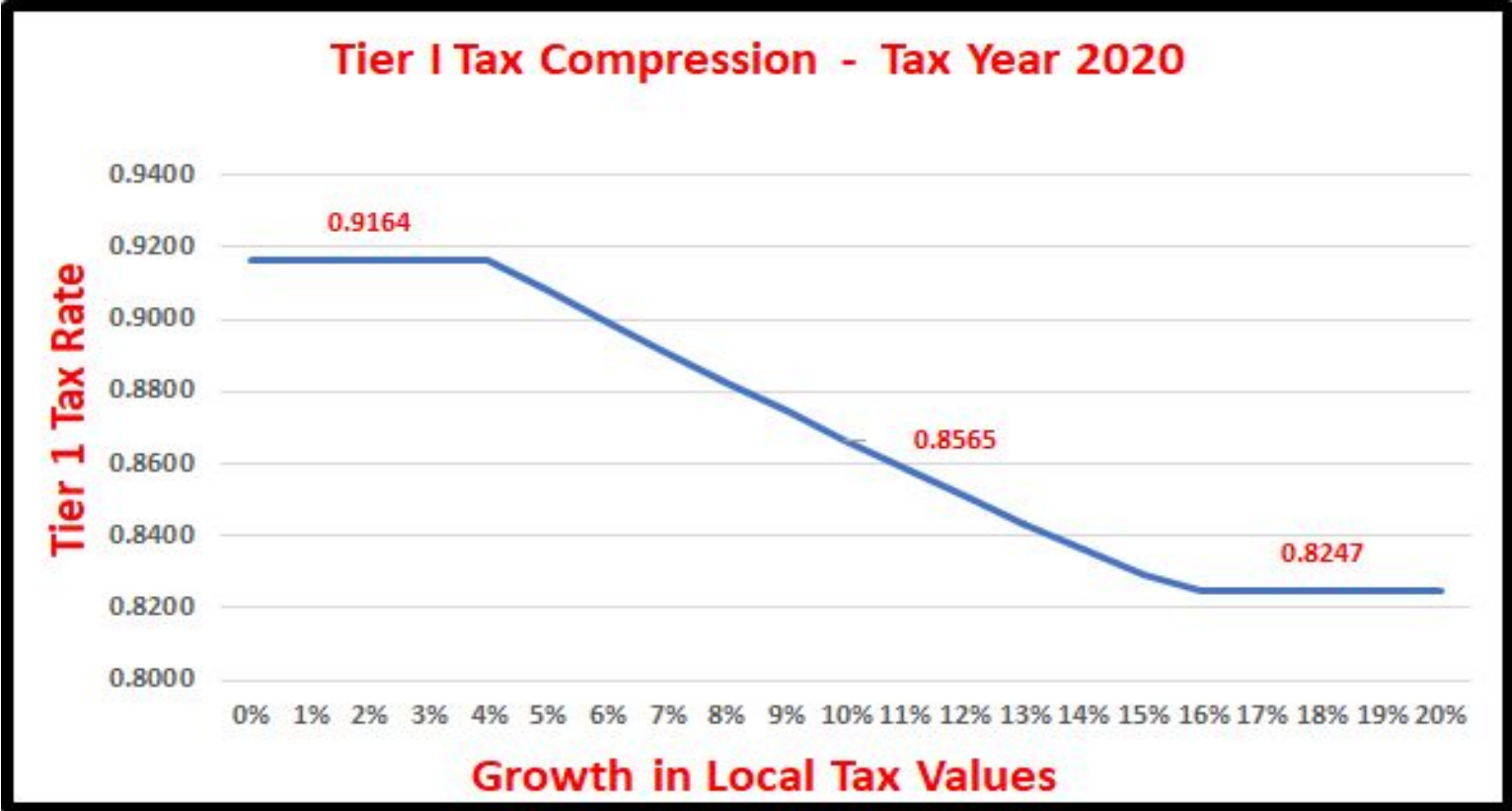
2020-2021 Budget -- Tax Information

Tax Rates and Tax Values

- For **FY 2020-2021**, a combination of compressed tax rate and a cap on property growth will be used
 - State property tax value growth set at **4.01%**
 - **Tier 1 tax rate** will be calculated by **TEA** after July 25 and before August 8



HB 3 Tax Compression - June



2020-2021 Budget -- Tax Information

Tax Rates and Tax Cap

2.5% Cap on Tier 1

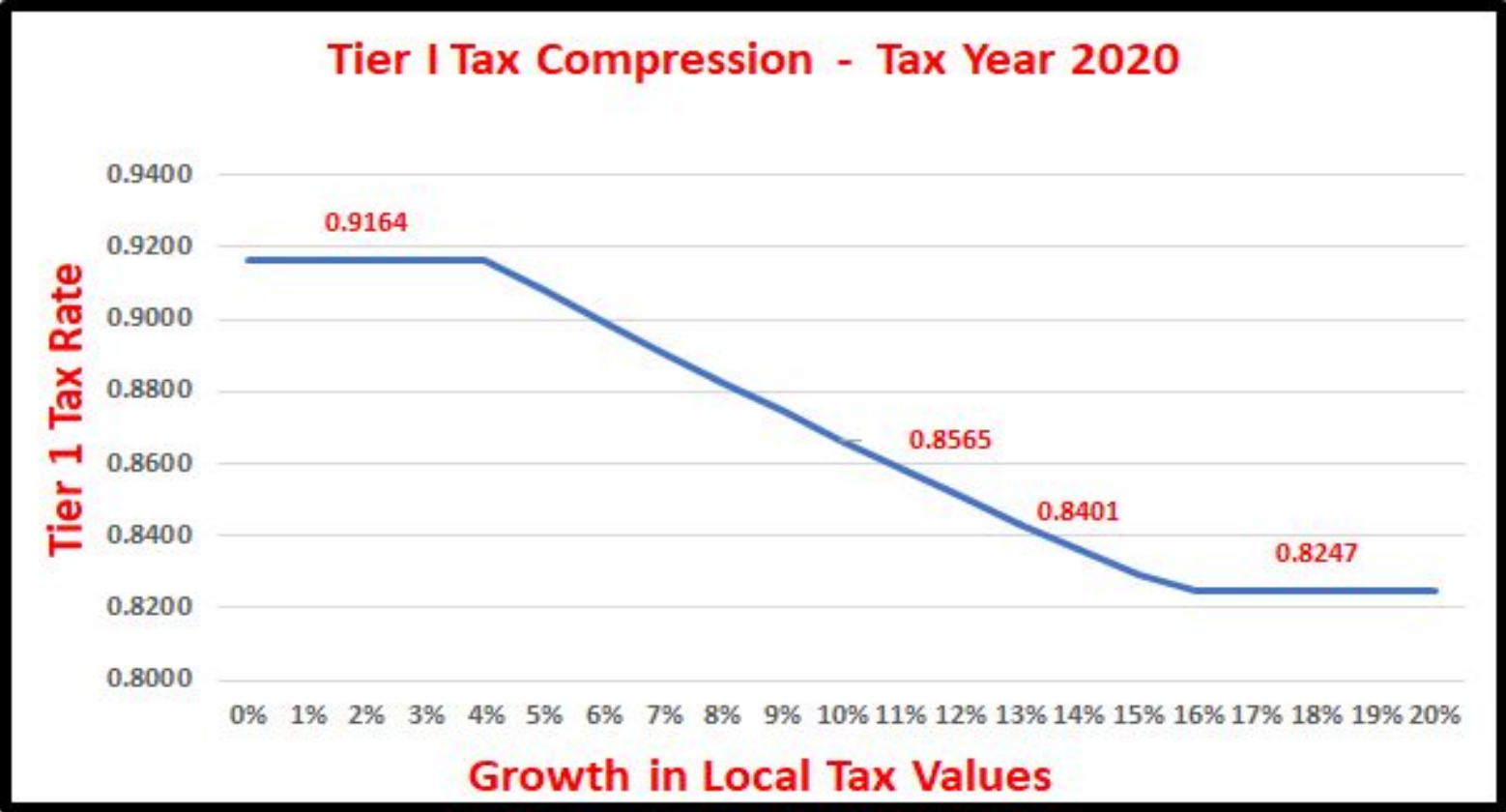
$$\$0.93 \times (1.025/1.0401) = \text{Tier 1 Maximum Rate}$$

$$\$0.93 \times (.98548) = \text{Tier 1 Maximum Rate}$$

$$\$0.9164 = \text{Tier 1 Maximum Rate}$$



HB 3 Tax Compression



2020-2021 Budget -- Tax Information

Tax Rates and Tax Cap

2.5% Cap on Tier 1

$$\$0.93 \times (1.025 / 1.1379) = \text{Tier 1 Maximum Rate}$$

$$\$0.93 \times (.900782) = \text{Tier 1 Maximum Rate}$$

$$\$0.8401 = \text{Tier 1 Maximum Rate}$$



2020-2021 Budget -- Tax Information

Each 1¢ in M&O tax rate

generates

\$495,064



2020-2021 Budget -- Tax Information

Each 1¢ in I&S tax rate

generates

\$569,812



Tier II State Funding

- A district's Tier II allotment provides for enrichment funding which is intended to supplement the basic funding provided by Tier I funds.
- Tier II focuses on taxpayer equity by ensuring that school districts receive a guaranteed amount of funding for each penny of tax effort for each student in their weighted average daily attendance (WADA).



First four 1¢ in Enrichment Rate

Generates

\$2,589,477

In state funding

2020-2021 Budget -- Tax Information

The additional 1¢ in Enrichment Rate

generates

\$605,765

In Tier 2 state funding



2020-2021 Budget -- Tax Information

MISD loses

\$605,765

in state funding

Without the additional enrichment penny!



2020-2021 Budget -- Tax Information

Projected Tax Rate - M&O and I&S At the June 15 Public Hearing

- M & O \$0.8965
- I & S \$0.5000

- Total \$1.3965

Currently \$1.47 / \$100 value



2020-2021 Budget -- Tax Information

New Projected Tax Rate - M&O and I&S

- M & O \$0.8801
- I & S \$0.5000

- Total \$1.3801

Currently \$1.47 / \$100 value



2020-2021 Budget -- Tax Information

Tax Rates/\$100 Valuation	2019-2020 Current	2020-2021 Budget	2020-2021 Budget	2020-2021 Budget	2020-2021 Budget
Versions		June	August #1	August #2	August #3
Tier 1 Rate	\$ 0.93	\$ 0.8565	\$ 0.8401	\$ 0.8401	\$ 0.8401
Tier 2 Rate Enrichment	\$ 0.04	\$ 0.0400	\$ 0.0400	\$ 0.0500	\$ 0.0500
Total O & M	\$ 0.97	\$ 0.8965	\$ 0.8801	\$ 0.8901	\$ 0.8901
I&S Rate	\$ 0.50	\$ 0.5000	\$ 0.5000	\$ 0.4900	\$ 0.4800
Total Tax Rate	\$ 1.47	\$ 1.3965	\$ 1.3801	\$ 1.3801	\$ 1.3701
Debt Repayment	\$ 3,552,731	\$ 2,293,302	\$ 2,866,584	\$ 2,313,302	\$ 1,740,017



2020-2021 Budget -- Tax Information

Benefits of August #1 Tax Rate

- Reduces tax rate for MISD stakeholders from June preliminary forecast
- Produces additional prepayment of debt



2020-2021 Budget -- Tax Information

Benefits of August #2 Tax Rate

- Maximizes the amount of state funds to MISD
- Produces an additional \$1.1M in Operating revenues
- Helps fund some of the unbudgeted COVID costs
- Gives a possibility for a supplement
- Reduces tax rate for MISD stakeholders
- Retains the same tax rate at August #1
- Decreases the expected draw from the fund balance
- Keeps a sizeable prepayment of debt



2020-2021 Budget -- Tax Information

Benefits of August #3 Tax Rate

- Maximizes the amount of state funds to MISD
- Produces an additional \$1.1M in Operating revenues
- Helps fund some of the unbudgeted COVID costs
- Gives a possibility for a supplement
- Further reduces tax rate for MISD stakeholders
- Decreases the expected draw from the fund balance
- Reduces but retains a sizeable prepayment of debt



2020-2021 Budget -- Tax Information

Recommendation

Adopt the August #2 Tax Rate

\$1.3801



2020-2021 Budget --

Questions?

Comments?

Concerns?





Midlothian I.S.D. School Board Agenda Item Detail
L.A. Mills Administrative Complex Boardroom

Board Meeting Date:	August 10, 2020	
Item:	Consideration of Amending the 2016 Bond Program Budget	
Supporting Document(s):	Electronic: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Hard Copy: Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Background Information:	<p style="text-align: center;">Information Only this Month</p> <p>In November 2016, MISD voters approved a \$268M bond program with a long list of important projects. Almost four years later, many of those projects are completed, some are nearing completion, some are in the planning stage, and only a few are yet to be started.</p> <p>It is time to pause and reflect where we are and what else remains to be accomplished. With the completion and near-completion of projects, a clearer picture of total project costs and any possible funds for other projects becomes available each month.</p> <p>The Finance and Construction Teams have been working to evaluate where we are today and what resources will be needed to complete the bond program as well as additional projects as funds are available.</p> <p>They are also looking at projects on the replacement schedule which might be funded with bond funds.</p> <p><u>But it is absolutely imperative that all projects listed in the bond election be completed in a timely manner.</u></p> <p>All projects are always brought to the board for approval before work proceeds so this merely gives administration a framework to work within when planning future facility improvements.</p> <p>The project needing immediate attention is the roof at Baxter. But there are other projects worthy of consideration as we try to improve and maintain all the MISD Facilities.</p> <p>A copy of the latest financial report for the 2016 Bond Program will be reviewed at the meeting.</p>	
Fiscal Impact/Budget Function Code:	To be determined.	
Policy:	CH (Local)	
District Goal:	Facilitate budget process and building designs through allocated district resources that foster flexible and innovative learning spaces.	
Administration Recommended Option:	Information only this month	
Motion:	No motion needed -- Information only this month	
Presenter:	Rola Fadel, Jim Norris	

Midlothian ISD
 Bond Expenditures Update
 As of July 31, 2020

Bond Election	Project	Original Budget	Revised Budget	Expenditures	Committed	Earned Interest	Available Funds
Nov 2016							
Fund 694	HVAC Replacement						
	Longbranch Elementary	\$ 1,300,000	\$ 1,690,354	\$ 1,690,354	\$ -	\$ -	(0)
	Mt. Peak Elementary	\$ 1,300,000	\$ 1,737,819	\$ 1,737,819	\$ -	\$ -	0
	MISD Auxiliary Facility	\$ 400,000	\$ 443,981	\$ 443,982	\$ -	\$ -	(0)
	Vitovsky Elementary		\$ 2,609,952	\$ 1,600,541	\$ 874,479	\$ -	134,933
	Irvin Elementary Rebuild	\$ 28,000,000	\$ 24,027,919	\$ 23,832,445	\$ 195,474	\$ -	0
	Land Purchase		\$ 919,956	\$ 919,956	\$ -	\$ -	-
	Technology Upgrades	\$ 18,000,000	\$ 18,000,000	\$ 14,213,314	\$ 1,047,196	\$ -	2,739,491
	Dieterich Middle School (MS #3)	\$ 67,000,000	\$ 58,999,766	\$ 50,219,549	\$ 6,554,809	\$ -	2,225,408
	Renovate MS Playing Fields						
	Frank Seale MS	\$ 2,000,000	\$ 1,904,176	\$ 1,904,176	\$ -	\$ -	(0.00)
	Walnut Grove MS	\$ 2,000,000	\$ 1,588,827	\$ 1,588,827	\$ -	\$ -	0.00
	MHS Baseball/Softball/Tennis/FH	\$ 6,000,000	\$ 12,613,843	\$ 12,613,843	\$ -	\$ -	-
	Land Purchase		\$ 919,956	\$ 919,956	\$ -	\$ -	-
	Roesler Fieldhouse / Fields	\$ 25,000,000	\$ 15,207,500	\$ 14,989,333	\$ 66,588	\$ -	151,579
	Renovations to Existing Campuses	\$ 10,000,000	\$ -	\$ -	\$ -	\$ -	-
	Baxter Elementary		\$ 1,067,118	\$ 1,067,118	\$ -	\$ -	-
	Longbranch Elementary		\$ 772,039	\$ 772,039	\$ -	\$ -	-
	Mt. Peak Elementary		\$ 774,701	\$ 774,701	\$ -	\$ -	-
	Vitovsky Elementary		\$ 768,532	\$ 766,564	\$ -	\$ -	1,967
	Miller Elementary		\$ 748,734	\$ 747,959	\$ -	\$ -	775
	Frank Seale Middle School		\$ 1,177,791	\$ 1,177,790	\$ -	\$ -	0
	Walnut Grove Middle School		\$ 1,180,991	\$ 1,175,699	\$ 3,764	\$ -	1,528
	Midlothian High School		\$ 2,393,953	\$ 2,041,599	\$ 352,354	\$ -	0.00
	Heritage High School		\$ 11,880	\$ 11,880	\$ -	\$ -	-
	MHS Auditorium		\$ 934,958	\$ 425,386	\$ 502,016	\$ -	7,556
	Roof Replacement						
	Longbranch Elementary	\$ 500,000	\$ 350,031	\$ 350,031	\$ -	\$ -	-
	Mt. Peak Elementary	\$ 500,000	\$ 350,031	\$ 350,031	\$ -	\$ -	-
	Vitovsky Elementary	\$ -	\$ 349,902	\$ 349,902	\$ -	\$ -	-
	MILE & Jenkins (Irvin Renovations)	\$ 2,000,000	\$ 5,400,000	\$ 4,868,219	\$ 531,781	\$ -	0.00
	Randall Hill Support Center (Jenkins)	\$ 1,000,000	\$ 2,000,000	\$ 53,404	\$ 27,738	\$ -	1,918,859
	Elementary #8	\$ 32,000,000	\$ 30,000,000	\$ 634	\$ 17,790	\$ -	29,981,576
	Multi-Purpose Stadium	\$ 3,000,000	\$ 3,000,000	\$ -	\$ -	\$ -	3,000,000
	Heritage HS Additions	\$ 68,000,000	\$ 63,659,470	\$ 2,981,883	\$ 53,914,130	\$ -	6,763,456
	Land - School Sites	\$ -	\$ 316,311	\$ 316,311	\$ -	\$ -	(0)
	Special Projects/Paid by Interest						
	Longbranch Elementary Parking		\$ 787,119.97	\$ 787,120	\$ -	\$ -	-
	Mt. Peak Elementary Parking		\$ 525,366.93	\$ 525,367	\$ -	\$ -	0
	Baxter Video Marquee		\$ 34,064.34	\$ 34,064	\$ -	\$ -	-
	Vitovsky Video Marquee		\$ 35,264.34	\$ 35,264	\$ -	\$ -	-
	MISD Stadium Concessions		\$ 62,287.30	\$ 62,287	\$ -	\$ -	-
	FSMS Bus Drive		\$ 180,993.69	\$ 180,994	\$ -	\$ -	-
	Unallocated	\$ -	\$ 12,079,509	\$ -	\$ -	\$ -	12,079,509
	Earned Interest	\$ -	\$ (1,625,097)	\$ -	\$ -	\$ 4,613,590	2,988,493
Total		\$ 268,000,000	\$ 268,000,000	\$ 146,530,340.77	\$ 64,088,119	\$ 4,613,590	\$ 61,995,130

Cash Recap	Sources	Expenditures	Earned Interest	Cash Balance	TexPool Balance
	2017-A Bonds	\$ 28,000,000			
	2017-B Bonds	\$ 40,000,000			
	2018 Bonds	\$ 80,000,000			
	2020 Bonds	\$ 120,000,000			
	Totals	\$ 268,000,000	\$ 146,530,341	\$ 4,613,589.89	\$ 126,083,249
					\$ 126,083,249

2016 Bond Program

Potential Future Projects

August 2020

1. Baxter Roof
2. MILE/ Jenkins Roof
3. Mills Roof
4. Hill Support Center Roof
5. Hill Support Center Parking/Drives
6. Vitovsky Parking - expanded
7. FSMS Atrium
8. MHS Arena
9. MHS HVAC
10. MHS Flooring
11. Longbranch Marquee - updated
12. Mt. Peak Marquee - updated
13. WGMS Tennis Courts - additions
14. WGMS Football Bleachers - expanded
15. FSMS Football Bleachers - expanded
16. Old Bus Barn – removal and clean up
17. Various painting
18. Various carpet/flooring
19. Old Irvin Gym ?