

El Paso Independent School District
Minutes of Board Finance Committee Meeting
March 5, 2002
5:00 p.m.
Education Center-Boeing

Present: Dr. Gene Finke, Board Vice President, Board Finance Committee
Chairperson
Mr. Dan Wever, Board President
Miss Leonor Garcia, Board Secretary
Mr. Joe Rosales, Board Member

Administration: Dr. Gilberto Anzaldua, Superintendent
Mr. William Goodman, Associate Superintendent, Finance
Ms. Sylvia Nieser, Director, Accounting Services
Mr. James Damm, E-Rate Consultant

Guests: Mr. Sal Mena, Jr., Board Member
Dr. Charles Roark, Board Member
Mr. Paul Braden, Delgado Acosta Braden & Jones PC
Ms. Julie Dahlberg, KPMG
Mr. Carl Gilbert, KPMG
Mr. Dan Roseveare, First Southwest Company
Mr. Hector Zavaleta, First Southwest Company

The meeting was called to order at 5:13 p.m. by Dr. Finke.

The topics discussed were as follows:

1. Update on (Governmental Accounting Standards Board) GASB 34 Process (Item #1, A.)
 - a. Background of GASB 34, a new finance reporting system for governmental agencies, and reviewed changes in new reporting system
 - b. Accounting for capital assets (calculating depreciation)
 - (1) Fixed Assets accounting
 - (2) two-week study of Facilities and Technology records to determine cost value of assets
 - (3) performance of complete inventory by outside firm or temporary employee at a cost of approximately \$100,000.00

2. Presentation by District's Administration, Bond Counsel, and Financial Advisors Regarding Strategic Plan for Addressing Capital Needs, and Making Recommendation to Board Finance Committee Regarding Implementation of Such Financing Plan (Item #1, B.)
 - a. 2002-05 Capital Improvement Program update
 - (1) 2002 School Renovation Program
 - (2) Funding method recommendation
 - (a) \$20,390,000 Maintenance Tax Notes
 - 1) school renovations and repairs
 - 2) 5.21 percent true interest cost

- (b) \$7,770,000.00 Lease Revenue Bonds
 - 1) new construction of one elementary school (E-7 Northwest Elementary)
 - 2) funding available by July 16, 2002
 - 3) 5.27 percent true interest cost
 - 4) debt service - \$12,803,271.00 over 20 years
- b. \$5,101,000.00 Unlimited Tax Refunding Bonds, Series 2002 (Existing General Obligation Bonds – Series 1992-A)
 - (1) Debt service cost savings
 - (2) 2003 General Obligation bond election - \$175 million
 - (a) \$50 million for refunding all outstanding Maintenance Tax Notes and Lease Revenue Bonds
 - (b) \$25 million for technology needs
 - (c) \$100 million for new schools, additions, and renovation of existing facilities
- c. Modular buildings as possible option for facilities needs
- d. Financing new elementary school through bank loan rather than Lease Revenue Bonds

Meeting Adjourned

The meeting was adjourned at 7:07 p.m.

Date Approved: May 28, 2002