

PLANO COMMUNITY UNIT SCHOOL DISTRICT NO. 88
Minutes of Special Board Meeting
Board of Education

The Board of Education of Plano Community Unit School District No. 88 met in special session on Monday, December 3, 2007 at 5:00 p.m. at the Plano School District Administration Office.

I CALL TO ORDER

The following members were present: Appel, Blair, Moody and Porter. Member Heller arrived at 5:20 p.m. Also present were Superintendent Walker and Assistant Superintendent Patterson.

Present from the City Council were Mayor Bill Roberts, Attorney Tom Grant, Tom Karpus, City Clerk Deanna Brown, City Treasurer Janet Goehst, and Aldermen Shari Riddle, Chuck Jones, Dee LeCuyer, Dave Limon and Bob Hausler.

Media representatives Lisa Welz (Record) and Frank Vailvilas (Valley Free Press) were present.

II JOINT MEETING WITH PLANO CITY COUNCIL TO DISCUSS FEE PROPOSAL

President Porter welcomed the City Council members. He expressed the Board's appreciation for their working partnership.

Those present discussed the following topics from the Transition Fee and Land/Cash Fee Proposal dated December 3, 2007.

Growth creates a cash flow problem for the school district

- Property taxes are not received until one or most often two years after the district incurs the costs of growth

Increases in EAV do not create the same increase in property tax revenue

- Tax caps (PTELL) limit the increase in tax revenue to the increase in CPI (2.5%) or 5% (whichever is less)
- Tax caps (PTELL) often cause tax rates to go down when EAV increases. The past three years tax rates have gone down from 5.673 to 5.4227 to 5.4084
- An increase in EAV significantly reduces the amount of State Aid the district receives

Cost of growth associated with annexed developments

Growth costs include the cost of building

- \$14,042 per Elementary Student
 - Emily G. Johns Elementary
 - Elementary School on Rock Creek Rd.
- \$28,000 per High School Student
 - Renovated and Expanded Plano High School

Growth costs also include the salaries and benefits of new staff members

- Salaries and benefits this year will increase approximately \$1,872,200 for new staff members in the education and transportation budgets.

Growth costs also include the purchase of additional textbooks and materials and other operational costs, which added with salaries and benefits determine the operating costs per student as follows:

- Plano \$7,518 per student compared to State average of \$9,488 per student
- This does **not** include capital expenses or bond payments

II JOINT MEETING WITH PLANO CITY COUNCIL TO DISCUSS FEE PROPOSAL (cont.)

Growth has impacted the District's Financial Profile

- The district's Financial Profile score has gone down the past three years from 3.00 to 2.80 due to limited fund reserves and limited debt capacity.
- This year's bond payment (including interest) will be \$2,325,738
- Over the past four years (discounting raises and inflation) the districts educational expenses have increased \$6,150,101

Proposed Developer Fees will help...

- create fairness by recognizing the size of homes
- reduce district's future indebtedness
- lessen the amount of money sought by a referendum
- relieve the future tax burden on current residents
- protect the quality of education provided Plano Schools

Mayor Roberts asked about the dates of the district's fiscal year and questioned the delay in tax receipts. Superintendent Walker answered July 1 to June 30 and explained the one to two year delay in the receipt of property taxes.

City attorney, Tom Grant, expressed concern that the Fee Proposal was a departure from the current flat fee. He suggested that he and the district's attorney meet to discuss the legal rationale for developer fees. Tom Karpus suggested that the attorney reviewing the City's ordinances also be included in this meeting. Superintendent Walker suggested that December 11 may be a possible date, but the attorneys would have to check their schedules.

President Porter thanked everyone for their attendance. He shared that the district would like to host the City Council in the future to celebrate the opening of Emily G. Johns and the High School addition.

III EXECUTIVE SESSION

Heller moved, and Blair seconded the motion, to go into executive session at 6:00 p.m. to discuss the purchase or lease of real property for the use of the District, including meetings held for the purpose of discussing whether a particular parcel should be acquired (5 ILCS 120/2(c)(5)).

Voting aye: Heller, Blair, Appel, DeBolt, Moody and Porter.

Motion carried: 6 ayes, 0 nays, 1 absent.

Heller moved, and Blair seconded the motion, to come out of executive session at 6:50 p.m.

Voting aye: Heller, Blair, Appel, DeBolt, Moody and Porter.

Motion carried: 6 ayes, 0 nays, 1 absent.

IV ADJOURNMENT

Heller moved, and Blair seconded the motion, to adjourn the meeting at 6:51 p.m.

Voting aye: Heller, Blair, Appel, DeBolt, Moody and Porter.

Motion carried: 6 ayes, 0 nays.

James Porter, President
Board of Education

Kathryn Benoit, Secretary
Board of Education