

Approved
SPECIAL JOINT MEETING
VILLAGE BOARD OF TRUSTEES
AND
CUSD #95 SCHOOL BOARD

Tuesday, March 20, 2007

The meeting was called to order by Acting Village President Tolomei at 7:40 pm.

Village Board Roll Call: Present were Acting Village President Tolomei, Trustees Bondi, Callahan, Gyarmaty, and McAvoy. Trustee Taylor was late. Also present was Village Administrator Dixon.

School Board Roll Call: Present were Superintendent Knutson, School Board President Robillard, Members Brown, Didier, Hussey, Kropf, Putbress and Tieman.

No public comments were presented from the public.

Superintendent Knutson read a prepared statement thanking the Board of Trustees for scheduling an open dialog in hopes a joint resolution can be reached on two points: 1) a positive response to resolve the unpaid tuition of new students generated in 2004 from the TIF area and 2) a commitment from the Village Board the School District will continue to receive funds in the future from new students generated from the TIF.

Both Boards agree the TIF is unclear, each with their own interpretation.

- 1) The School Board is seeking funds for seven students generated in the school year 2004. School Board President Robillard references a Village Board meeting dated October 2001, where Mayor Krischke promised the Village would pay TIF funds to the School District. In the year 2004 and early part of the TIF, money was not being generated since buildings were being town down and construction had not yet started. TIF laws say the Village is required to distribute funds when increment is generated in the TIF but payment of funds is discretionary when there is no increment in the TIF. In the year 2004, the TIF did not generate income to pay tuition to the school district for these seven new students.
- 2). Acting President Tolomei assured the School Board the TIF has built a solid financial start from the new development in the TIF district and will be able to reimburse the school for the remainder of the TIF for what the law requires. The Village is currently reimbursing the School District for tuition (tuition being cost minus state aid plus 10% for inflation) for new students generated in the TIF.

The discrepancy lies in that the School District feels any unpaid debt should be cumulative and be reimbursed in the following years when funds were available. However, any leftover revenue generated by the TIF at the end of the 23 years is split amongst all governing bodies. Acting President Tolomei stated this would be unfair since the Village needs to be accountable to all these entities to be sure everyone receives their fair share.

The School Board did agree the tuition fees for 2005 had been paid according to the law and the promise. The School Board also stated they are in favor of the TIF and redevelopment downtown.

The School Board questioned the possibility of a repeat as in 2004 and was more concerned what the consequences will be should the number of children exceed the 40% threshold.

School Board President Robillard had questions on the report received from Steve Friedman. Acting President Tolomei suggested a list of questions be submitted and the Village would address them.

(Trustee Taylor entered the meeting at 8:40 pm.)

Mr. Tiedman asked for assurances that the School Board will not be hurt by the TIF in the future. School Board President Robillard fees the District has already been hurt by \$77,000. The Village Board disagreed with those comments since they did receive impact fees for all new construction and will receive additional money in the future that will far exceed the \$77,000 from 2004. The additional money comes from the excess over the actual cost of students though the state formula and impact fees.

Both Boards did agree to move forward in the following manner:

- 1- Share forecast in December on whether payment in October will be an issue
- 2- A template be written that explains the calculations, formula, date of invoice and payment, etc.

MOTION was made by Trustee Bondi, seconded by Trustee Coleman, to adjourn the meeting. Voice vote, all in favor. MOTION CARRIED

Meeting adjourned at 8:55 pm.

Respectfully submitted: *Gloria M. Palmblad, Village Clerk*

Approved by: _____
Acting Village President John G. Tolomei

4/2/07