

Board Coffee May 3, 2014

Board members attending: Pamela Waggoner, President; Aaron Johnson, Vice President; Will Streit, Trustee
Community attendees

The Board President opened the meeting by mentioning that this is an informal format meeting intended to provide the community and the Board to engage in dialogue. This particular meeting was announced for a dialogue on budget and debt.

There was discussion on how board meetings are conducted.

Aaron noted that board meetings as for the conduct of business by the trustees in public so that the community can observe, and is distinguished from a get together informal chat such as this. Citizen comments are invited at Board meetings.

The next discussion was regarding bond. A patron commented that property values increasing provides a windfall to the district. Will addressed the difference between M&O and I&S, Aaron noted that excess revenue reverts to the state (under the target revenue system).

A patron suggested the Board tax less, all three trustees pointed out that if you tax less there are financial reductions from the state. There was some discussion about the current state of the finance lawsuit. There was a discussion of setting a flat fifty cent tax rate: the Board members pointed out the need to levy only that which can be paid out that year—cannot over levy and build up a kitty for the future. Transaction costs were mentioned. Refunding was discussed, with Aaron mentioning that there are no assurances on a go forward basis of what interest rates would be and whether circumstances would be ripe for refunding when bonds become callable.

We explained that due to rising property values, we might be able to meet our existing payment expectation at something lower than today - e.g. 45 cents versus today's 47. Inversely, we could raise the tax to 50 cents and use the difference to restructure or pay off some extra debt in a refunding. We asked the participants which they would prefer. The response from those participants that responded was go up to 50 cents. We explained that due to rising property values, we might be able to meet our existing payment expectation at something lower than today - e.g. 45 cents versus today's 47. Inversely, we could raise the tax to 50 cents and use the difference to restructure or pay off some extra debt in a refunding. We asked the participants which they would prefer. The response from those participants that responded was go up to 50 cents.

There was some conversation about the building sizes, and the spaces that we include in the buildings. Several patrons emphasized academics over extracurricular. Two patrons disagreed that extracurricular was not important.

Aaron explained the nature of a CAB versus a CIB and noted that they are neither good nor bad by their very nature: that both can be styled poorly or well. He noted that CABs afford more flexibility in structuring a debt schedule. Pam confirmed that the district CABs have always been issued with call provisions.

The Board discussed the fifty-cent test in relation to the ongoing demands of growth. Several patrons said the district should build larger buildings, and add on to the existing buildings. The Board pointed out that the Board had studied sizes in the past and had decided that the sizes we use for are most educationally sound, although that is always something that could be considered further. A patron stated that the district had lost actual physical capacity in one of its buildings (CPHS) by comparing information shared in a zoning committee meeting in 2002, versus the data used when expanding the buildings for science. Aaron pointed out that programs do move around that impact (functional) capacity.

Aaron stated that he is always interested in anything that reduces cost per seat. Board members also charged the percent of residential in Leander (79%) versus Plano (69%) and Round Rock.(60%).

There was discussion about coordinating with City Councils and that LISD should not take commercial property. Board members noted that properties are bought to build buildings for residents in neighborhoods that the cities approve for development. Will pointed out that if the district does not need land it owns, that it has agreed such parcels would be sold. There was discussion about the type of development that cities need.

Pam pointed out that the goal is opportunities for children. Further discussion ensued about academics only versus offering extracurricular as well.

A parent spoke up and said she was not in favor of larger schools, she encouraged even smaller high schools. Another patron qualified the other patron's statement with "if you can afford it". A third patron mentioned a campus that had two high schools operating on it. Another patron stated that if we step away from offering extracurricular that the community will "step up", such as Nitro swimming, the Cedar Park Center, and that we cannot be all things for all children. Another stated that only 30% of our high school space is classified as instructional. (No clarification was provided as to the definition of instructional or how the 30% was calculated).

Will said there is a "sweet spot" between offerings. A patron stated that we should be known for a winning IB team and world class academics, not winning football teams. This patron commented that most of the attendees at the coffee are getting older, and taxes, insurance, health insurance have all gone up in cost.

A patron stated that it was the "consensus in this group" (approximately 15 people) that they want to expand existing schools. (The parent who had spoken otherwise,

had left the meeting by now). He went on to say that if the district did not have the level of debt it does that no one would object to additional building.

The conversation then shifted to budget. A patron noted that the budget shown at the Thursday (preceding board coffee) board meeting was still \$15million off.

Some patrons spoke about contract negotiations as a way to reduce costs, but negotiating cost reductions for multi-year agreements.

There was discussion about the community's perceived acceptance of an additional tax levy to pay off debt sooner, or to purchase technology and buses without having to issue debt. A few spoke to this issue, with some favorability.

The discussion then turned to Assessment, with one parent saying that she wanted to see students "are up to where they were 15 years ago" and that students cannot write. (This person stated she is a sub in the district).

One patron stated that he wanted the meeting to end with an understanding that "we have an issue" with debt. Other community attendees commented on the capacity for future debt. There was continued discussion on property value growth and its impact on the I&S tax rate. Another patron said that things like AC units (air-conditioning) could be done from the M&O levy . Another patron stated that people would support a 50cent tax levy if debt were being paid done more quickly.

The Board then mentioned,, and provided a one-page screen shot, of the new "financial transparency webpage that is to be rolled out on May 6. A brief overview of the page's content was provided.

A patron suggested that Leander ISD set up a Facebook page. Another stated that there is already "a problem of people skipping Leander and going to Liberty Hill".

Aaron referred to the ten-year plan that is currently being updated. He also pointed out that the quality of the school district is what keeps property values up and attracts people to move here.

There was some conversation about floating locations for LISD board meetings versus televising from one location. That patron suggested using the Cedar Park City council chambers and moving the LISD board meeting day. Another patron suggested that the high school journalism program could be utilized.

The conversation then turned to curriculum. Concern re: use of common core and the "new math". Kahn Academy site apparently shows it can support Common Core that prompted a concern that Common Core was seeping into LISD. The Board made clear that Common Core has not been adopted by LISD, and likely the website was trying to market to Common Core states . Another referred to AVID, which, he

stated, advertises “Common Core is the What: we are the how”. A reference to the Boston Tea Party was made. A patron stated that no one at the board meeting reviewed the actual content that was presented. Another patron stated that the presentation was about mechanism. Aaron stated “TEKS is the content, in response to some apparent confusion about what actually constitutes content.

There was additional discussion about magnet schools. Three trustees all concurred that the Board has discussed this, however, cuts in state funding have obviated the ability to do that at this time.

Follow up Item: “What is the level of accessibility of the digital content (to community)? An I see what the students see?”

Discussion then switched to TRE and early schedule TRE. One patron did not like what one of the presenters said, that some of the statements sounded like the presenter was trying to emphasize ways to “game the system”.

WADA was the next subject of conversation. A patron stated that the state should not provide aid on the basis of WADA (weighted average daily attendance) and then ski week would not be a problem. Will commented that he was glad the board hung onto 176 instructional days after the Memorial Day discussion. Pam noted that a newspaper reported that the district made its decision based on financing, which was not the case: it was to keep students in school.

Follow up Item: Aaron asked if attendees would be interested in having input to calendar development. They all agreed they would like that.

A patron stated that “after STAAR, all we do is watch videos”. Aaron and Will both stated that their children have been coming home with more homework than they have had before, not less. Another patron said “that is a common thing to hear”. One parent of a graduated student attributed baseball and basketball as being what helped his learning disabled child to graduate, and that he does not want to cut extracurricular.

Towards the end of a meeting, a patron stated that “we just need to be more efficient in our administrative”. Have fewer programs and fewer people administratively”. Pam asked what specifically, what? The response was we should be as efficient as possible, at every board meeting we add people, and we should use software to avoid hiring people.

The need for a long-term plan for debt and construction was mentioned again by another patron.

Thanks were offered from several of the attendees for an open meeting that exceeded what their expectations had been. **A follow up meeting was proposed for mid June.**