

ED-RED and NWSSBO Joint Meeting

**Maine District #207 Administrative Offices – Board Room
1177 South Dee Road, Park Ridge**

Friday, December 2, 2016

1:30 – 3:00 pm

AGENDA

1. Call to Order
2. Introductions
3. Approval of Meeting Minutes (June 10, 2016)
4. New Business

5. Program: Teachers Retirement System Update

Special Guest: Rich Frankenfeld, Director of Outreach, TRS

In late June, the General Assembly approved and Governor Rauner signed a “Stopgap Budget”, which included 6-month appropriations for Human Services and Higher Education, and FY17 full year appropriations for K-12 education. At the same, the Chicago Public Schools received the authority to reinstate a tax on Chicago homeowners set at .383% to cover the school districts’ pension liabilities. In signing this legislation, Governor Rauner stated enactment was contingent upon “major” pension funding reform.

With the conclusion of 2016 fast approaching, all eyes are on Springfield to see if the Governor and Legislative Leaders can achieve a balanced budget for the remainder of FY17, and find agreement to fund FY18. Education groups in Illinois are watching closely as conversations continue on Education Funding Reform and the crafting of our State Accountability Plan under the Every Student Succeeds Act.

ED-RED invites you to join us on Friday afternoon as we welcome back Rich Frankenfeld from TRS for the latest in pension news, and our colleagues from the Northwest Suburban School Business Officials as we explore next steps around ESSA, School Funding Reform, and legislation anticipated during the January Lame Duck Session and under the 100th General Assembly.

This meeting has been approved for credit towards PD hours. Please pre-register on the IASBO website under “Events and Registrations” and make sure to sign in at the meeting. IEIN numbers are necessary for sign-in sheet.

No RSVP is required for this event.

6. Adjourn

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*Next Meetings:*

- **ED-RED Finance Legislation Meeting**, Friday, January 13, 2017, Maine Dist. #207 Offices, 1177 S. Dee Road, 1:30-3:00 pm
- **46<sup>th</sup> Annual Legislative Dinner**, Monday, January 30, 2017, Chicago Marriott O’Hare, 4:00-9:00 pm
- **ED-RED Member Meeting**, Tuesday, February 7, 2017, Via Webinar, TNT based on Session Calendar
- **ED-RED Finance Legislation Meeting**, Friday, March 3, 2017, Maine South High School, 1:30-3:00 pm

Minutes  
ED-RED Finance Legislation Meeting  
June 10, 2016  
1:30 - 3:00 pm

Members Present: Karen Roloff Elmhurst College, 63, Jordi Camps (34) Ray Coyne Oppenheimer, Chip Johnson Wight & Co., James Poskozim (62), John Pahlman (219), Lauren Hummel (211), Mike Scharringhausen (211) Mary Wherling (21), Carol Botwinski (23), Jim Fritts (NEIU), Mary Anne Brown (72)/NSERV, Joan Levy (Alum), Sarah Miller (ED-RED), Caryn Valadez (ED-RED)

There is motion to consolidate and approve minutes from March and April board meetings. Minutes have unanimous approval from the board.

**FY 2017 Board Budget:**

Proposal for the Board where ED-RED is discussing whether or not to maintain the same budget as the current year (2016). There are many changes occurring within the state around education this year. There will be the implementation of a package that works as a legislative tracking tool, known as Hanna, for ED-RED's use. Additionally, ED-RED is seeking interns for this summer and another potential expense is hiring a consultant focused on legislative strategies moving forward. The consultant expense is still under discussion.

There are currently negative numbers under the budget for ED-RED. It is a priority of ED-RED to increase the number of members and the number of sponsors at the Luncheon and Legislative Dinner.

**Update on Springfield:**

We have passed the May 31st Deadline, thus for any piece of legislation to move forward, from here on out, will require a supermajority in both chambers for passage (71 votes in the House and 36 votes in the Senate). This means that moving forward we will need bipartisan support.

ED-RED is pushing for a twelve-month budget. Which at the minimum will drive the same amount of dollars as this year and drive any additional dollars to the districts most in need. Proposals from ED-RED that have included a significant more revenue - seven hundred million (democrats) to one-two hundred million (republicans)

There is a budget grouping work that is bipartisan and bicameral working on a plan for a six-month budget for both higher education and human services, and a twelve-month budget for K-12. ED-RED is in conversations with the Governor's office, the legislative leaders, and our legislators here. We are encouraging everyone to please reach out to your legislators and push for a budget by June 30th, 2016. This week our Executive Board has met, we are very aware of the larger discussions.

ED-RED is supportive of enhancing revenues for education. ED-RED has seen various proposals that take a look at SB 2048 - House debt budget - that would maintain the current funding formula and as part as that formula would include a seven hundred-million-dollar equity grant. The grant would be distributed to all school districts. On the opposite side we have HB 2990 - Senate debt budget. They maintain the current funding formula for three years, freezing it at FY16 and only taking into account fluctuations based on your enrollment. The Senate budget contains significant increases that would assist CPS.

The battle at the moment is between Democrats and Republicans in terms of how much money they spend and secondly what kind of reforms are in the system in order to reform to address the current inefficiencies or the issues. The democrats keep pushing for additional revenue for the city of Chicago. On June 2 the CPS CEO came out to say that if they did not get appropriations from the state for FY 17 he will not open any of his school. They plan to make their six hundred and seventy-six-million-dollar pension payment and after that they will only have twenty-four million dollars in the bank.

Under both the House and Senate proposals CPS wins significantly. However, under the House version ED-RED schools will be most positively influenced and that is why ED-RED is supportive.

This year there will be one hundred and eighteen house members up for re-election and one-third of the Senate will also be up for re-election.

## **Sarah's Report**

### **Zoning Ordinances**

ED-RED has been working with Franczek Radelet to create our own statute since ED-RED did not approve of SB 36. ED-RED has put together a proposal. The proposal states that districts must go through the zoning process, but the municipalities must act within *reasonable* manner. ED-RED has been made aware of some of the districts having issues when dealing with the municipalities and maintaining safety regulations within the schools themselves (i.e. Riverside Brookfield had issues with building high fences around the school tennis courts due to a zoning restriction that limited fences to a maximum of 6 feet). The district and ED-RED disapprove of such relations because as a result it limits the educational experience of the students in each school. Due to the limitations a school would not build the tennis courts and that would impact the experience of the students at the schools - hindering the education of the students.

### **Student Residences**

The bill was approved by the General Assembly, and ED-RED was neutral on the legislation. The sponsor's main concern was to make sure that the hearing process was fair, while applying it to everyone attempting to enroll, not those currently enrolled.

### **Post Secondary Readiness Bill**

Majority of this bill is optional and it is composed of four different parts.

1. Establishing expectations for what readiness framework should look like.
2. High school coursework - ED-RED had a grouping work form to further understand this piece. It essentially forces community colleges to offer remedial classes so that students do not have to repeat coursework later on.
3. Career pathways and ensuring the students get credit after graduating. The seal on your diploma means, when accomplishing a career pathway, you get the endorsement on your diploma for future employment or community college.
4. Developing a pilot program for competency based high school graduation requirements. The districts must apply to be a part of this program, but it does give the state superintendent the right to wavy many requirements - waving some certifications requirements.

ED-RED did support the bill at the end.

## **Education Funding Reform:**

### Senate Bill 231

The Manar funding plan. The bill did pass the Senate, a measure that would consolidate the current funding lines not inclusive of any new revenues. Sitting in the House Executive Committee, we do not expect it to go anywhere. in the House.

### House Bill 828

The evidence based model, has come about due to a collaboration between ED-RED, LEND, LUDA, SCOPE, IASBO, IASA, ISAB. ED-RED is in support of the concept, but is concerned about the actual legislation. The premise is an evidence based element - twenty-seven different elements that look at a district to determine the district's accountability. It then requires the state to implement more money for the districts. As a result, it comes at a high price - an estimated five billion dollars. ED-RED has stated that it is implementable at any time, for an extensive period of time, and the five billion dollars do not have to be paid all in one year. Making it a better plan than the Manar plan.

### **Next Steps:**

#### FY 17

Our priority is funding and ensuring we have a budget in place - at the minimum the same budget as this year (2016).

#### Structural reform

Conversations of education funding reform are taking place. Currently, Senator Kimberly Lightford has taken the evidence based model under her wing and will continue talks. ED-RED is looking to coalesce around the model with all stakeholders and elected officials.

#### ESSA

There are two meetings scheduled for next week to continue the conversation after the twelve listening sessions from ISBE. From the perspective of ED-RED, it is the feeling that the hearings were not the most useful opportunities, but we hope that the upcoming meetings will allow ED-RED to push for more to be accomplished.

#### Municipal ordinances

A conversation to be continued, as well we expect more work to be done.

The meeting adjourned at 2:45 pm.

Minutes respectfully submitted by Arabed Hernandez.