BOARD OF EDUCATION
CITY OF CHICAGO
FY-20 AMENDED BUDGET HEARING
held on
November 12, 2019

STENOGRAPHIC REPORT OF PROCEEDINGS
had in the above-entitled matter at 42 West Madison
Street, Garden Level Board Room, Chicago, Illinois,
commencing at 4:03 p.m., MR. MIGUEL DEL VALLE,
preiding.

BOARD MEMBERS:

MR. MIGUEL DEL VALLE, President
MR. SENDHIL REVULURI, Vice President
MS. AMY ROME
MR. LUCINO SOTELO
MR. DWAYNE TRUSS

ABSENT:

MS. LUISIANA MELENDEZ
MS. ELIZABETH TODD-BRELAND

Reported By: Anna M. Morales, CSR, RMR
License No.: 084-002854

McCorkle Litigation Services, Inc.
Chicago, Illinois (312) 263-0052
ALSO PRESENT:

MS. LaTANYA McDADE, Chief Education Officer

MR. JOSEPH MORIARTY, General Counsel

MR. ARNIE RIVERA, Chief Operating Officer

MS. ESTELA G. BELTRAN, Secretary to the Board
(whereupon, the following
proceedings commenced at
4:03 o'clock p.m.)

SECRETARY BELTRAN: Thank you, Mr. President. 04:03:26
Before we begin the first budget hearing, I would 04:03:26
like to read a brief safety announcement. 04:03:29
Welcome to the first FY-2020 amended 04:03:31
budget hearing. Before we start the hearing, I 04:03:34
would like to share a few safety points and notes. 04:03:36
Please note that the primary exit and entrance to 04:03:38
this room is the door which you used to enter this 04:03:41
afternoon. The main entrance is the door to your 04:03:43
right. If you are leaving the room, please use 04:03:46
this door. The restrooms are just outside the 04:03:48
entrance door to your immediate left. 04:03:51
During the hearing, we ask that you keep 04:03:53
all aisles and exits clear. If you need any 04:03:54
assistance during the hearing, please wave the 04:03:57
attention of one of our security officers. And 04:03:59
thank you for joining us today. 04:04:01

PRESIDENT DEL VALLE: Good afternoon, ladies 04:04:07
and gentlemen. Welcome. I am Miguel del Valle. 04:04:10
On behalf of my fellow Board members, thank you for 04:04:12
coming today. 04:04:14
The purpose of this hearing is to comply with the School Code provisions regarding the FY-20 amended budget.

Madam Secretary, please state for the record the notice procedure for this hearing.

SECRETARY BELTRAN: Thank you, Mr. President.

Notice of this public hearing was published in the Chicago Sun-Times, a newspaper of general circulation in the City of Chicago, and posted at the board room, principal office, and 42 West Madison Street lobby on November 6, 2019.

Notice was also posted on the cpsboe.org web site on November 6, 2019.

I will now read into the record the public notice as published: Notice, public hearings, FY-20 Amended Budget for the 2019-2020 fiscal year, Chicago Board of Education, commonly known as Chicago Public Schools.

To whom it may concern: Public notice is hereby given by the Chicago Board of Education that it has prepared an FY-20 amended budget for the 2019-2020 fiscal year in tentative form and that five copies thereof available for public inspection have been filed and are now on file in the office.
of the Board of Education of the City of Chicago, commonly known as Chicago Public Schools, One North Dearborn Street, Suite 950, Chicago, Illinois, 60602, and available at www.cps.edu\budget and that said Board of Education will hold two public hearings upon said amended budget on the 12th day of November, 2019, Chicago Public Schools Loop office, 42 West Madison Street, Garden Level Board Room, Chicago, Illinois, 60602; the first hearing time, 4 p.m. to 6 p.m. with a registration of 3 p.m. to 4 p.m. And the second hearing, Chicago Public Schools Loop office, 42 West Madison Street, Garden Level Board Room, Chicago, Illinois, 60602, with the hearing time 6:30 p.m. to 8:30 p.m., and the registration taking place from 5:30 p.m. to 6:30 p.m.

Dated at Chicago, Illinois, November 6, 2019, Chicago Board of Education, by Miguel del Valle, President, and attested by the Secretary, Estela G. Beltran.

Mr. President, I would also like to note for the record the members that are present here with us for the first hearing.

Member Rome?
MEMBER ROME: Here.

SECRETARY BELTRAN: Vice President Revuluri?

VICE PRESIDENT REVULURI: Here.

SECRETARY BELTRAN: Member Truss?

MEMBER TRUSS: Here.

SECRETARY BELTRAN: Member Sotelo?

MEMBER SOTELO: Here.

SECRETARY BELTRAN: President del Valle?

PRESIDENT DEL VALLE: Here. 04:06:40

SECRETARY BELTRAN: We have five members present. There is a quorum. 04:06:42

I would like to recognize Joseph Moriarty, our General Counsel; LaTanya McDade, our Chief Education Officer; and Arnie Rivera, our Chief Operating Officer. Thank you. 04:06:43

PRESIDENT DEL VALLE: Thank you. We'll begin with the FY-20 amended budget presentation. 04:06:52

Heather Wendell, please proceed. 04:06:54

MS. WENDELL: Good afternoon, Board President, members of the Board. I'll be reviewing the FY-20 amended budget. 04:07:31

So we're doing today a budget hearing on the FY-20 amended budget. As you'll recall, we passed an initial budget in August of this year. 04:07:39

04:07:41

04:07:44
So our FY-20 original budget which was approved at the August 28th Board meeting included 6.2 billion of operating expenses in a total budget of 7.7 billion. This budget included major investments to support the district's continued academic progress through key investments, and all of these investments are still present as part of this amended budget moving forward.

There are critical building improvements for more than 300 schools across the city. It was our largest ever capital investment related to pre-K. It was our largest ever expansion of quality academic programming including IB, STEM, fine and performing arts.

There was $10 million to support the first year of the district's multi-year commitment related to nurses, social workers, and case managers. Those positions stand in the amended budget as well. And then $12 million of support for English language learners at more than 100 schools.

This original '20 budget also included assumptions around the contract related to the Chicago Teachers Union and the Service Employers.
International Union, so the CT and the SEIU contracts which were still under negotiation at the time that we passed the original budget in August. We now have tentative agreements with both the CTU and the SEIU. And these five-year, they're five-year agreements, they build on the commitments that we included in the August budget that was passed on the 28th of August. The term of both of these are five-year agreements. There are base compensation increases that are 16 years (sic) of cost-of-living adjustment over the five years of the contract. Again, framing this within the FY-20 budget, there is a 3 percent increase in FY-20 which is 5 percent over what was -- I'm sorry, .5 percent over what was in the original budget. Staffing increases that are a part of this five-year contract include 209 additional social workers, one would be assigned in every school; 250 additional nursing positions, one assigned at every school; and 180 additional case managers, for 280 by the end of the contract. All three of these were part of what was announced in July with that initial 2020 investment being part of the August 28th budget commitment.
Additionally, by the end of the five-year term, there are 120 equity positions that will be placed by FY-23 in highest needs schools. There are also English language learner program teachers, so ELPTs. We're going to lower the thresholds on those, and there will be additional teaching positions that will go into schools related to that increment adjustment.

Students in temporary living situations will receive full-time community representatives in schools where there's 75 or more. And there are also stipend positions for schools with lower ratios. And we are maintaining at least all of our current clinician staffing levels.

So, again, that's a view to the five-year commitments within the contract.

Other major investments in these tentative agreements include 35 million annually from 21 to 24 to reduce class size through the district. 5 million annually to support sports programming. 5 million annually for veteran teachers. There are also restructured wage scales for CTU and SEIU support staff to help recruit and retain employees; and investments in pipeline and tuition.
reimbursement programs.

Now the frame of the five-year contract and the assumptions that we baked into the August 28th budget, obviously we're coming back for an amended budget on having those tentative agreements. So Slide 3 gave an overview of the five-year commitments in total; but what the budget piece here we'll vote on and what we're presenting here is specific to the pieces that are in the FY-20 amended budget.

And so as a result of these agreements, we'll be presenting both here at the hearings today and then for approval on the 20th the items that are related to the amended FY-20 budget.

So really the amended budget includes on Slide 4 here several material changes related to the budget that was approved in August. So, again, the driver, a primary driver for the amended budget are related to the contract costs.

So we have $48 million in additional expenses related to the CTU and SEIU contracts.

Again, those are costs to be incurred this year in FY-20. There's a $68 million reduction in expense due to the instructional days during the work
stoppage. There are $60 million in reduction revenue loss to the city subsidy to support staff pension costs. So this is related to the MEABF, and there's more discussion on a subsequent slide that will go into a little more detail on these items.

$66 million in increase TIF surplus which is additional revenue above the 97 million that was part of our original August 28th approved budget. And then finally, we anticipate $26 million in reduced short-term borrowing coming into FY-20.

So looking at each of these line items a little bit more closely, the $48 million in increased labor costs is tied mainly to wage increases. So breaking this down by the two tentative agreements, the $33 million of increased expense in the 2020 amended budget related to CTU reflects a $15 million investment for wages and benefits. This is primarily due to the 3 percent cost-of-living adjustment.

Again, as you'll recall in the August 28th budget, we included a 2.5 percent wage increase. So the final contract is a 3 percent. So this is the incremental difference for that.
There's $11 million for restructured wage scale for teaching assistants, nurses, and other support staff. $5 million for substitute teacher incentives for hard-to-staff schools. Pipeline initiatives for nurses, social workers, and case managers; and 2 million for additional classroom size reduction.

So, again, thinking of the overall frame of the contract, these are investments on the CTU side that go into place this year, FY-20. So these are part of the expenses that are being contemplated for the Board meeting on the 20th as part of the amended budget.

Similarly, there are cost drivers related to the tentative agreement with SEIU. $15 million of increased expenses in the amended budget reflect the contract commitments there. $2 million is for the incremental cost of the 3 percent cost-of-living adjustment. So, again, above the 2.5 percent assumption that was in the original budget. And then $13 million for restructured wage scales and stipends for special education classroom assistants, security guards, custodians, and bus aides that are all part of the SEIU.
In addition to the contractual pieces that are being presented as part of this amended budget, there are two changes related to budgeting for the support staff pensions. So in FY-20, this will -- I'm sorry, the amended FY-20 budget will reflect two different pension pieces. These are two of the Municipal Employees Annuity and Benefit Funds, so the MEABF Pension Fund.

So the first one is that CPS will reimburse the city for $60 million which reflects the recent annual payments that the city has made to MEABF on behalf of CPS employees. So this represents within the amended budget a reduction in revenues, $60 million.

Also related to the pension, CPS will budget an additional 138 million in offsetting revenue and expense to reflect the city's additional payments towards CPS's portion of the MEABF unfunded liability. So the second one is a nonmaterial update that reflects on the budget side what the accounting treatment is of the additional payment made on CPS's behalf. So there's no additional incurred cost there. It's an acknowledgment of the 138 both on the revenue and
the expense side within the budget.

So the estimated total for FY-20 employee contributions to MEABF for CPS is 198 million. The material update here is the total covered by CPS that was previously covered by the city. That's the 60 million. It's included in the amended budget as a reduction in revenue which is the material update to the budget.

And then the total covered by the City of Chicago which is the 138 which is included in the amended budget as offsetting revenue and expense, and that's a nonmaterial update. But, in total, the 198 million reflects the estimated 2020 employer contribution to MEABF on behalf of -- as part of the about 15,000 CPS employees that are currently part of the MEABF.

Slide 8 provides an overall recap and summary of the changes within the amended budget. So, again, the difference between the FY-20 budget that was approved on August 28th and the amended budget is -- what is reflected here is 144 million of new operating revenues and expenses.

So the amended budget total, 7.84 billion which includes 6.32 billion in operating expenses.
which is the -- reflects the increase of 144 from the approval in August.
So the original FY-20 operating budget was 6.175. The amended budget would be 6.319. You'll see the various changes in expense and revenue starting at the top with the increase in the CTU cost on the expense side of 33 million; the related SEIU cost of 15 million; the change in the city's subsidy for the MEABF of 60 million; the increase in the TIF funding; the decreased expenses related to the days lost to the strike; and then, finally, the short-term debt reduction that was mentioned on the previous slide.
So those are the material changes that are part of the amended budget.
The last section is the nonmaterial change for the accounting treatment. Again, this is 138 million on the revenue side and 138 million on the expense side. So those two numbers cancel and net out for the total operating budget as amended will be the 6. -- I'm sorry, 6.32 billion. It's big numbers. Pardon me. So 6.319 is the final operation budget.
That concludes the presentation.
PRESIDENT DEL VALLE: Questions or comments? 04:18:12
MEMBER TRUSS: This isn't a question, more so a 04:18:18
concern. I was at the meeting with the west side 04:18:22
black elected officials and obviously, you know, 04:18:23
they think of it is as a -- great, that we -- 04:18:27
there's going to be an increasing number of 04:18:31
positions at the CPS.

But, again, I think I echoed this back in 04:18:34
August about the who in terms of the process of 04:18:36
replenishing like teachers, for instance, because 04:18:40
it was such, over the years, a devastating loss, 04:18:43
but just all teachers of color, Latinos also 04:18:47
included.

And yet, this may not be a question that 04:18:51
you can answer at this point, but it's just that 04:18:55
their concern is about the pipeline in terms of is 04:18:57
there action planned to go ahead and reach out to 04:19:00
like the historically black colleges and 04:19:03
universities, reach out to our schools about 04:19:05
expanding programs, grow your own pipelines? 04:19:11
Because, like I said, for the west side of Chicago, 04:19:13
we have no such thing as grow your own program. 04:19:15

And so -- and then also we have a pipeline 04:19:18
set up for some current support staff that maybe 04:19:22
move into teaching positions, et cetera, then is there a plan, for instance, like with the Safe Passage workers who will probably qualify for some of these support staff jobs to potentially engage them to be part of the pipeline, making sure the community is aware of that. You know, there's going to be some opportunities, however limited. Opportunities is opportunities. And it seems like we should really work hard to let the communities know about these different opportunities, especially those who may have degrees in like social work, that how can we assist people in community to potentially get the proper credentials.

MS. WENDELL: So I can say from the budget perspective, there's a commitment in here for the pipeline programs that -- and part of that was part of the FY-20 budget as well. I know that the town office has -- you know, was here present in August when some of the same concerns were raised around making sure that we are casting a wide net and being inclusive in the pipeline in the hiring process. I don't know if there --
PRESIDENT DEL VALLE: Matt is not here, right, but we'll ask Matt to address that question November 20th.

MEMBER TRUSS: Yes, because he's not here. But I wanted to make sure it's publicly. I wanted to share their sentiments.

PRESIDENT DEL VALLE: And he does have a response to that question. It's an important question. I agree. Unless anyone else from staff would like to add? If not, on November 20th, we'll make sure that --

MS. WENDELL: Yes. We can follow up with that for sure.

PRESIDENT DEL VALLE: -- the Board member's question is responded to.

MS. WENDELL: Yes.

PRESIDENT DEL VALLE: Any other questions or comments?

VICE PRESIDENT REVULURI: Heather, I appreciate this presentation and all the context you've given us previously. I'm still trying to understand this pension fund in addition to all the others. Can you give us a little more context on the MEABF? Who's in it from CPS? Who else is in it? And how
have the employer contributions for those other participants been treated before and how are they being treated going forward?

MS. WENDELL: Sure. So in terms of who is in it, within CPS, it is essentially the pension fund, with rare exception, for everyone who is not in the CTU. So it's largely the folks that are part of the SEIU and then anybody else who is in Central Office or city-wide units that are not part of the CTU.

On a broader scale, many of the sister agency units that again don't have their own pension fund, the city employees will be part of this pension fund as well.

The costs that we are talking about here and that have been -- that we both -- the ones that we are picking up for ourselves and the ones that are being covered by the city are specific to the costs associated with the CPS membership within that. So even though there are other city agencies and things, the costs reflected here are specific to that.

In terms of how the costs are structured --
VICE PRESIDENT REVULURI: Just to -- about how many people is that? How many CPS employees are covered by this pension?

MS. WENDELL: It's about 15,000 in current job titles.

VICE PRESIDENT REVULURI: Okay.

MS. WENDELL: And so in terms of the --

VICE PRESIDENT REVULURI: And then there's thousands of other city employees who are also part of this fund?

MS. WENDELL: Correct, and I don't have the number.

VICE PRESIDENT REVULURI: -- that are employed by other something agencies?

MS. WENDELL: Yes. And I don't have the number of how many total MEABF participants there are, but can take a note on that.

And then in terms of the -- I'm sorry, the last part of your question was?

VICE PRESIDENT REVULURI: The last part was just how -- you explained how the funding, the employer funding for the pension benefit is changing for the CPS employees. I'm wondering, how did employer funding for the nonCPS, the other city
employees covered by the fund worked before and how 

is that changing going forward?

MS. WENDELL: Yes. So that's a great question.

The $60 million that the city had previously
covered for ours that we now will be picking up the

cost actually pulls us in line with how the other
city agencies are treated. So it's a cost that
we'll be incurring that aligns us to the approach

that's taken elsewhere.

VICE PRESIDENT REVULURI: So the other agencies

who are employing these individuals, those

agencies' budgets contributed the employer portion?

MS. WENDELL: Correct. My understanding, yes,

that they have historically been paying for that;

and now with this budget, this amended budget, we

will be following the course of all the other city

agencies.

VICE PRESIDENT REVULURI: Got it. So this will

be an ongoing change?

MS. WENDELL: Correct. We expect it to be an

ongoing change.

VICE PRESIDENT REVULURI: Thank you.

PRESIDENT DEL VALLE: Could you along the same

line review, again, the $138 million accounting
treatment? Because those are not dollars that we actually receive.

MS. WENDELL: Correct. Correct. So the 138 million is the offsetting revenue expense that the city makes towards the portion that is representative of our CPS piece of the unfunded liability in the pension.

And so essentially what happens is the payment is made on our behalf or in-kind essentially is what it is. The funds don't actually come here. But in terms of an acknowledgment of resources that are part of our operating budget overall, accounting treats them as an expense and a revenue that is made in-kind or on or behalf.

So on the budgeting side, we will simply be acknowledging that expense in revenue, again, without any money actually changing hands, but to match the accounting treatment of it to show that those costs are paid on behalf of our organization.

PRESIDENT DEL VALLE: Is this the first time we do this?

MS. WENDELL: This is the first time that we are seeking this to be part of the -- yes.
PRESIDENT DEL VALLE: From this point on, it will be in our budget every year? 04:25:09

MS. WENDELL: Correct. Yes. One piece is that this particular cost experienced some significant growth this year which is part of the reason to pick it up now in this amended budget; and then, going forward, we would expect to see it. 04:25:12

PRESIDENT DEL VALLE: So even though there's no actual dollars going back and forth, the amount is going to change from year to year? 04:25:25

MS. WENDELL: Potentially, yes. There's been some growth this year, and then just in that, right now again, there's no dollars changing hand. 04:25:31

There's no additional incurred costs on our part; but the part that is being paid on our behalf has gone up significantly this year. So we're showing that as the expense and revenue, yes. 04:25:33

PRESIDENT DEL VALLE: Any anticipated growth in the normal costs that we're going to be picking up now, the 60 million within the next few years? 04:25:40

MS. WENDELL: So for now, we are -- as part of this, we're authorizing a one-year IGA that will cover the $60 million cost. And so we expect what we have been planning for, as of our understanding 04:25:42

04:25:44

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04:26:03

04:26:05

04:26:08
currently, is to plan for the $60 million moving forward.

PRESIDENT DEL VALLE: Okay. Any comments or questions?

VICE PRESIDENT REVULURI: Could you just say more about why it's 60 that's moving onto the CPS budget and 138 million that's not moving onto the CPS budget?

PRESIDENT DEL VALLE: It's an accounting.

VICE PRESIDENT REVULURI: Why those amounts? Or what is the significance of 60 million and 138 million?

MS. WENDELL: The $60 million represents essentially what we understand to be the historic level of the subsidy that we've received from the city. So we historically received the $60 million subsidy from them for this piece of the cost. So with us absorbing it, that's the incurred cost around the -- that pension piece. The 138 is the piece that the city would pay on behalf of the unfunded liability. So there's -- the difference there is that the unfunded liability is the portion that the pension is underfunded essentially.
And so that piece is done on behalf of --
where the $60 million -- again, for every other 
agency, their version of this, they've been paying 
it outright. So for us, we're just incurring this 
cost this year and anticipate to do so moving 
forward.

VICE PRESIDENT REVULURI: One more question.
So looking at your summary that you have up right 
now, you guided us on the first two lines with the 
compensation changes and other changes in the 
collective bargaining agreements, what the first 
two lines will look like in fiscal '21, '22, and so 
on.

For these other line items, what would you 
expect to be the amounts in future years?

MS. WENDELL: For?

VICE PRESIDENT REVULURI: For the other line 
items? So the 60 million you expect would be 
roughly the same in future years? And with 
increase in TIF funding, is that known? Is that 
uncertain or is it something else and so on for the 
rest?

MS. WENDELL: So I think -- again, the 
understanding on the MEABF subsidy, the 60 million
loss, is that we're doing the one-year IGA with an understanding that we will incur a version of that cost moving forward for each year.

And the increase in TIF funding, again, in the August 28th budget, we contemplated the $97 million in TIF funding. The increase that came in this year for the 66, I think it remains -- you know, right now, we know that that's what the commitment is for now, the TIF funding; and much of this obviously has some interplay with the city and things at this point.

So, you know, unless Arnie or others know anything, otherwise I would think, for now, we know what we're presenting on the 20th, and some of this will be, you know, still up for out year discussion.

PRESIDENT DEL VALLE: And it would depend what the city declares to be a TIF surplus.

MS. WENDELL: That's right.

VICE PRESIDENT REVULURI: So for future years, that amount is pretty uncertain?

PRESIDENT DEL VALLE: It varies.

MS. WENDELL: I mean, we've received a certain amount of TIF funding obviously historically, and
then we received the 97 in the August 28th budget
and then this 66 here; but I think the
understanding right now is the 66 would not
necessarily be present moving forward. But to your
point, there's a lot of moving parts with the TIF
surpluses.

PRESIDENT DEL VALLE: We'll certainly be
advocating for as large amount as possible. We
know we received 97 last year, right?

MS. WENDELL: 97 and what was approved in the
August 28th.

PRESIDENT DEL VALLE: And then 97, what we
approved. And then we received the extra 60,
66 actually, 60 which are applied to this pension
payment.

We would hope that for next year we would
be able to get a similar amount, but that's not
guaranteed because it depends on the size of the
TIF surplus, and that's not the Board of
Education's decisions. That's the city's decision.

MS. WENDELL: Right. Thank you for that.

PRESIDENT DEL VALLE: Are there no other
questions?

VICE PRESIDENT REVULURI: One last question.
PRESIDENT DEL VALLE: We have a couple more.

MEMBER TRUSS: In terms of -- I guess in terms of historical data, is there information that you could share with us or the public in terms of the historical amount of TIF surpluses that the CPS has received, I guess, in the past and hopes that there's a prediction for the future.

MS. WENDELL: Actually, we did. In the August 28th budget, there was a slide on that. I apologize that I don't know off the top of my head, but, definitely, yeah, obviously there's public precedent for that and we can share that.

MEMBER SOTELO: I think that was the source of the original 97 million.

MEMBER TRUSS: Yes, in terms of previous years helping that.

MR. SITKOWSKI: I could respond to the TIF surplus question. So the last five years, we've received roughly 88 to $97 million each year going back. So we've been -- going back to 2016, we've been at that level of 90 to 100 million.

MEMBER SOTELO: Certainly going back to Sendhil's question, I certainly would hope that I would see the decrease expenses due to loss strikes
ever again. So I hope that's not a sustainable
one. That should be zero.

PRESIDENT DEL VALLE: Sendhil, do you have
another question?

VICE PRESIDENT REVULURI: My last question.
Just to verify, this is really helpful as sort of
that amendments to the previously passed budget.
I'm just trying to get the broader context, that
the short-term debt reduction here, it means that
we're borrowing less but we are still borrowing; is
that right?

MS. WENDELL: Correct.

VICE PRESIDENT REVULURI: Okay. And that's
borrowing to get through the current fiscal year
for less than one-year terms?

MS. WENDELL: Borrowing to get through the
fiscal year for -- what was the second question?

VICE PRESIDENT REVULURI: For less than
one-year terms. We're still borrowing to do that?

MS. WENDELL: Correct. Yes.

VICE PRESIDENT REVULURI: Okay.

PRESIDENT DEL VALLE: Could you elaborate on
that? Why did we build this amount into the August
budget that we approved? What has changed that
allowed us to increase -- to add another amount to
the savings and short-term borrowing costs?

MS. WENDELL: So essentially on the revenue and
expense columns here, you know, we are passing a --
presenting a balanced budget. And so as part of
the changes related to both the work stoppage and
then the contract cost, also with the TIF surplus
and the subsidy happening, the remaining
$26 million allows us the opportunity in this
amended budget to utilize that to essentially
borrow $26 million less for this year.

In August, the financial picture was
slightly different around the assumptions for the
contract and things. And so that budget was
balanced in August based on those known
assumptions.

Here, with the contract piece and the
other ins and outs, we have the opportunity to take
the 26 million and use that in a way that wasn't
present in the August budget.

PRESIDENT DEL VALLE: And we have, again,
before us a balanced budget?

MS. WENDELL: I'm sorry?

PRESIDENT DEL VALLE: We have a balanced
MS. WENDELL: We have a balanced budget, yes.

MEMBER SOTELO: The way I understood the first budget we approved, we were basically balancing it with our ability to take on debt, right? And now we're basically reducing that portion given where we're at, right?

PRESIDENT DEL VALLE: Okay. If there are no other questions or comments, we'll -- thank you, Heather. Thank you very much.

MS. WENDELL: Thank you.

PRESIDENT DEL VALLE: We'll proceed with today's public comments segment. Roberta Salas.

SECRETARY BELTRAN: Mr. President, before we proceed, I just want to read the public comment directions into the record.

PRESIDENT DEL VALLE: Please do.

SECRETARY BELTRAN: Thank you very much. For the record, I would like to note that registration for the first FY-20 amended budget public hearing was held between the hours of 3 p.m. and 4 p.m. Individuals who registered to speak will have two minutes to comment, and I will call the speakers in the order of registration.
This hearing will conclude after the last person who has signed in to speak has spoken or at 6 p.m., whichever occurs first. When called, please state your name. And I will proceed by calling the first speaker. And as you referenced, Mr. President, we only have one speaker who registered, and we have Roberta Salas, please.

MS. SALAS: Hi. Thanks for having me. My name is Roberto Salas. I'm a parent rep on the LSC at Murphy Elementary. I'm also a parent of a student at Admunsden High School. For full disclosure, I'm also on the board of an organization called Raise Your Hand. So I'm a public school advocate.

The reason that I'm here really is to make a comment -- first of all, I want to thank you for making the additional investment in our public schools. And I know that you've made an agreement on the make-up days, that you've come to an agreement where you're kind of splitting the difference on the make-up days.

I just have two requests on that. One is that you hold these schools harmless on the school quality rating for attendance on those days because, as you know, probably there's going to be
a lot of missing students on those days. And I ask that they become excused absences for students that will not be there on those days.

I don't really have an issue with the days that you've chosen. I know that you had to be thoughtful about what they are. But as school representatives, we're concerned about how it's going to affect our rating because of the attendance percentage that's required on the quality rating. Thank you.

PRESIDENT DEL VALLE: Thank you.

SECRETARY BELTRAN: Thank you, Ms. Salas.

PRESIDENT DEL VALLE: We will have the make-up days on the agenda for the November 20th meeting, and so there will be more information and discussion on that.

For today, we're dealing with the amended budget, but I thank you for your comments on the make-up days.

SECRETARY BELTRAN: So Mr. President, this concludes the public comment segment.

PRESIDENT DEL VALLE: That's it. All right.

Board members, anymore comments or questions regarding the amended budget?
If not, this concludes the first FY-20 amended budget hearing.

(Whereupon, the Budget Hearing adjourned at 4:37 o'clock p.m.)
STATE OF ILLINOIS

)  SS:

COUNTY OF W I L L  


ANNA M. MORALES, as an Officer of the Court, says that she is a shorthand reporter doing business in the State of Illinois; that she reported in shorthand the proceedings of said Budget Hearing, and that the foregoing is a true and correct transcript of her shorthand notes so taken as aforesaid, and contains the proceedings given at said Budget Hearing.

IN TESTIMONY WHEREOF: I have hereunto set my verified digital signature this 18th day of November 2019.

[Signature]

Illinois Certified Shorthand Reporter