



School District Reorganization

Property Tax Relief Task Force
Government Consolidation Sub-Committee

September 24, 2019



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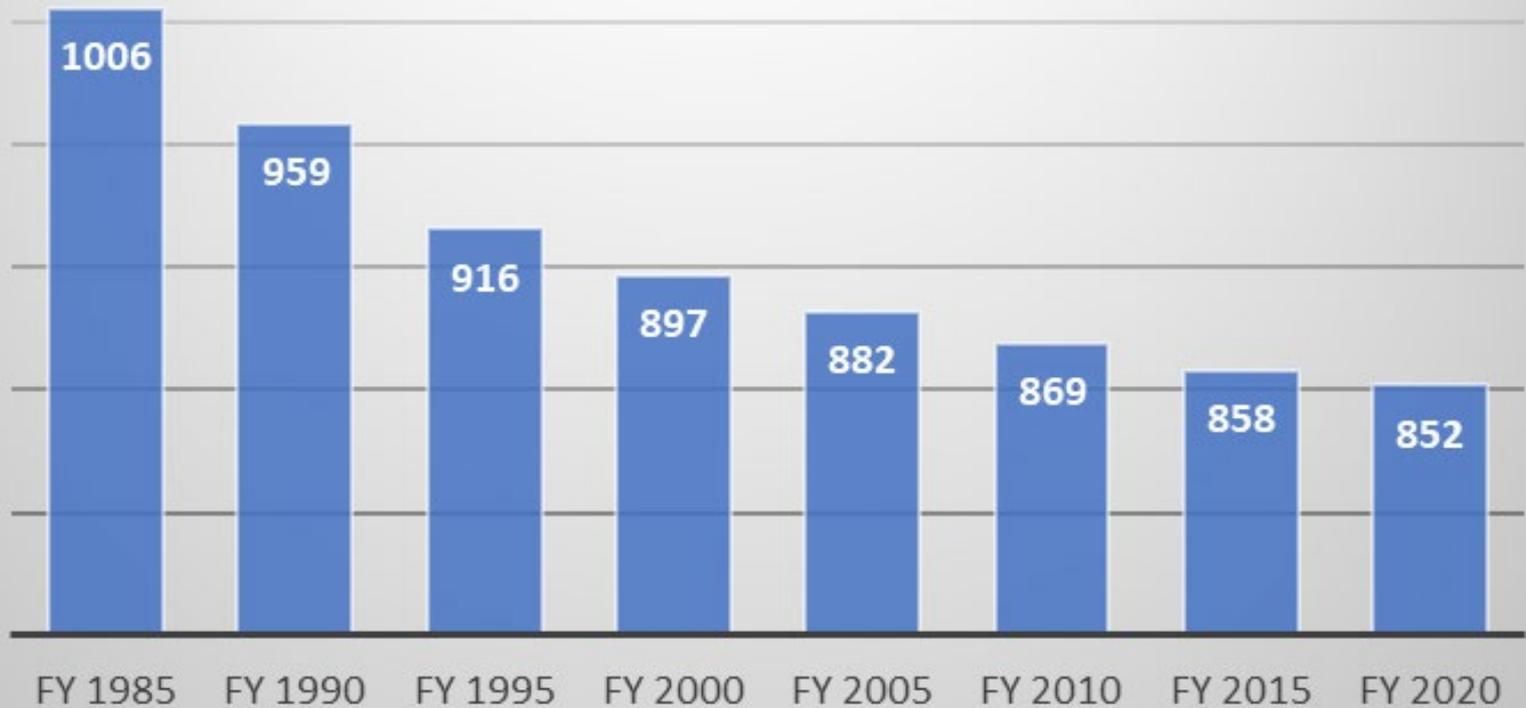


Previous Consolidation Studies

- Local Government Consolidation and Unfunded Mandates Task Force – 2015
- Classrooms First Commission – 2012
- Education Funding Advisory Board – 2002
- School District Reorganization Advisory Group – 1999
- Reorganization Task Force - 1989



Number of School Districts





Types of Reorganization

- Consolidation
- School District Conversion
- Dissolution-Annexation
- Detachment-Annexation
- Deactivation
- Cooperative High School



Work on Consolidation Petition

- School boards or citizens establish Committee of Ten
- Ten members; registered voters living within any district on petition; must sign petition
- Study district and complete petition
 - Best academic practices
 - Curriculum alignment
 - Finances and tax rates
 - Transportation
 - Building usage
 - Organization of new school board



Consolidation Petition Tax Rates

- Petition for Non-Property Tax Extension Limitation Law (PTELL) district must specify:
 - Educational, Operations and Maintenance, and Transportation rates
 - May also include any other rate to levy over permissive rate
- Petition for PTELL district must specify:
 - All rates the new district would be eligible to levy
 - Aggregate Extension Base
 - Debt Service Extension Base may be included on petition
 - After first year, Ed Rate unlimited in PTELL district as long as total tax rate within limiting rate
- Long-term bonded indebtedness remains taxed in the territory where the bonds originated, unless otherwise specified in petition



Consolidation Process

- School boards approve resolutions or citizens obtain petition signatures and petition completed
- File petition with regional superintendent or director of the Intermediate Service Center
- Publish notice for hearing
- Hold hearing
- Regional superintendent/director of Intermediate Service Center approves or denies petition
- State Superintendent reviews hearing documents and approves or denies petition
- If State Superintendent approves petition, question put on ballot
- Referendum vote – must pass by a majority of those voting in each district



ROE/ISC and ISBE Approval

- For a petition to be approved, school boards or petitioners must demonstrate:
 - Petition has all required elements, including board resolutions or required signatures, as applicable
 - Territory is contiguous
 - Evidence of proposed district's ability to meet the standards of recognition prescribed by ISBE
 - Proposed district would be financially sound
 - Proposed district is in the best interests of the schools of the area
 - Proposed district is in the best interests and educational welfare of the pupils of the area



Mandated Incentive Costs

Analysis completed for Classrooms First
Commission Final Report, July 2012

Incentives	All districts in dual systems *	Elementary feeder districts **
Salary Differential	1-year cost: \$783.5 million 4-year cost: \$3.1 billion	1-year cost: \$256.3 million 4-year cost: \$1 billion
\$4,000 per Certified Staff	1-year cost: 203.5 million 3-year cost: \$610.5 million (maximum)	1-year cost: \$138.7 million 3-year cost: \$416.1 million (maximum)

* Consolidation of dual districts into unit districts

** Consolidation of elementary feeder districts



Questions?