

Don White

From: Don White [dwhite@pekin.net]
Sent: Tuesday, February 01, 2005 7:27 AM
To: 'message@pekin.net'
Subject: FY06 Budget & Board Actions

As you may already know, District 108 will be facing yet another fiscal year where revenue is not predicted to match expenses. Based on current estimates, District 108 will need to either increase revenue or reduce expenses by another \$1.3 million in the 2006 fiscal year. While this is bad news, there has been some good budget news over the past six months. Specifically, the district has received some delayed state payments that we did not anticipate and we have learned that the Poverty Grant reductions will be phased in so that the cuts in this grant will be substantially less than first estimated. The realities of the revenue shortfall and increased expenses were recently addressed when the Board of Education approved my recommendations for fiscal year 2006. These recommendations included:

1. Increase textbook fees by 100%
2. Increase meal prices
3. Increased Extra/Co-Curricular fees by 100% (with a cap per student)
4. Charge full costs for non-district strings/band students
5. Reduce scheduled administrator salary increases
6. Reduce administrator benefits (administrators begin paying portion of health insurance premiums)
7. Attrition (salary savings by replacing retirees with less expensive employees)
8. Eliminate Lead Reading Recovery teaching position
9. Eliminate Reading Recovery training expenses
10. Reduce Professional Development School expenses
11. Seek additional grants/foundation revenue (may need to increase some clerical time to help coordinate this work – estimated cost = \$3,300)
12. Use approximately \$521,346 in reserves (from delayed payments and good news from Poverty Grant mentioned above)
13. Not placing any referendum questions on the April 5 ballot (This is possible because of the “good news” about the delayed state payments and Poverty Grant.)

The revenue increases (increased fees) will generate approximately \$433,838. The reductions listed above will save approximately \$377,809. The revenue increases, reductions, and added expenses (\$3,300) are estimated to be \$808,347. This means that we will need to use approximately \$521,346 in reserves mentioned above.

This brings the five year total to well over \$5 million in budget changes that are having a negative impact on the district's ability to provide services to students and materials and professional development to teachers. Please note that these recommendations and the subsequent Board action do not result in a long term solution to District 108's budget woes. Instead, this is only a short term solution as we have still not reinstated what I call our “mission critical” expenses (textbooks, technology, and professional development). I will be recommending the reinstatement of these “mission critical” expenses for the 2007 budget year.

You can learn more about my recommendations and other related information by visiting the district web site at http://www.pekin.net/pekin108/superintendents_office/presentations/index.html.

Please let me know if you have questions and/or a need for further information.

Don

You can choose to dream or you can dream and do something about it. I prefer the latter.

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