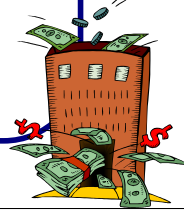


FY06 Budget Presentation

**Dr. Don White, Superintendent
Pekin Public Schools District 108
January 24, 2005**



- WARNINGS
 - I apologize in advance for “breaking the rules” of good presentations.
 - There is a lot of information to share and I will refer to and at times read from my notes to make sure I do not miss any important points.
 - This presentation will take longer than 15 minutes but I cannot cover all the details in a short period of time.
- I ask that you allow me to go through the entire presentation and provide the summary at the end prior to asking questions.
- I will do my best to share my thinking as I present the information but there will certainly be questions about whether I considered a specific reduction or revenue increase. Please hold these until the end of the presentation.

Presentation Agenda



- General Budget Notes
- FY06 Estimated Revenue
- FY06 Estimated Expenditures
- 3 Budget Scenarios
- Final Recommendation
- Scenario & Recommendation Summary
- Questions & Discussion



- These are estimates only.
- I will present three scenarios considered and then my recommendation.
 1. All three scenarios and my recommendation include revenue, reductions, and added expenses.
 2. One of the three scenarios results in a balanced budget where revenue equals expenditures. In other words, the scenario does not use any reserves or Working Cash.
 3. Scenarios 1 & 2 address some mission critical expenses that we have to address or I am fearful the organization will not continue to get current results. We must continue to move forward. Standing still is moving backward!
 4. As with past budget proposals, there are many items which will negatively impact our ability to respond to mandates and students needs.
 5. All three scenarios and my recommendation avoid the use of Working Cash funds as a solution to our revenue crisis.

Budget Notes...



- Four **budget changes** from last year to this year and during this year improved our **SHORT-TERM** projections:
 1. **Over \$1 million in budget cuts** were implemented.
 2. **Foundation Level increase** generated approximately \$268,482 in new revenue
 3. **Poverty Grant "Hold Harmless"** passed during the 11th hour by the general assembly which avoided a revenue loss of approximately \$459,887
 4. **One-time** special education payment of \$200,000
- This proposal **continues the budget reduction cycle** that has already resulted in **over \$4 million in cuts** over the 4 previous years.

- The Foundation Level increased by \$154 from \$4,810 to \$4,964.
 - District 108 only receives about half of this increase when the state aid formula is applied.
 - This has to do with the "local wealth" in D108.
 - Given that the state is projecting over a \$1 billion deficit for F06, it is quite possible that education funding will remain stable at best.
- The Poverty Grant was supposed to decrease by 1/3 of our \$1.3 million grant during FY05 and another 1/3 during FY06.
 - 1/3 of \$1.3 million would result in a Poverty Grant reduction of \$459,887 during FY05 and another 1/3 during FY06.
 - We received some good news from Senator Shaddid's staff on January 13.
 - The reductions in the Poverty Grant will be phased-in.
 - More information is provided later in this presentation.
- We learned on January 12 that we are scheduled to receive an additional one-time special education reimbursement in the amount of \$200,000.
- The net result is a projected June 30, 2005 Education Fund balance of \$1.5 million.
- Without the over \$1 million in reductions this year, we would not have the reserves projected for June 30, 2005.

- The following **criteria** were my guide as I prepared the information for this presentation:
 - Maintain **programs and services for students**
 - Be a **good steward of the Education Fund Reserves**
 - **Avoid the use of Working Cash Funds**
 - **Respond to community input** gathered during District 108 information meetings
 - Users of services should pay a greater portion of the costs (e.g., extra-curricular, meals, & textbooks).
 - Administrators should be treated similar to other employees and contribute to the costs of health insurance.
 - Non-district students should pay full costs for accessing district programs.

- Changes Since December 13, 2004 Presentation
 - **Poverty Grant Reductions** Will Be **Phased-In**
 - FY05 = 100% or \$1.3 million (“Hold Harmless”)
 - FY06 = 66% or \$892,723 not 33% or \$546,831
 - Net Result is \$345,892 in Revenue We Anticipated Losing
 - FY07 = 33% or \$546,831
 - More Information Has Been Learned About the **Impact of Increasing Meal Prices**
 - **One-Time** Special Education Reimbursement Payment From TMCSEA IDEA Grant – \$200,000
 - **Better Understanding of Costs** for Replacing AS400, Business, Human Resources, & Student Management Software
 - Need to Budget Additional \$200,000 for First Year (FY06)
- Senator Shaddid’s Office has informed us that the Poverty Grant reductions will be phased-in.
- Our Food Service Partner, ARAMARK, has provided additional information about the impact of dramatic meal price increases.
 - If dramatic increases are implemented, it is very likely that ARAMARK will have to increase the cost of selling meals to D108.
 - This means that the estimated profits by increasing meal prices will not be realized as we will also see an increase in what it costs us to purchase a meal from ARAMARK.
 - Given this information, my new recommendation is to only increase meal prices by 25 cents for Type A meals and by five cents for ala carte items.
- We learned that we will receive a one-time special education reimbursement of \$200,000 from the Tazewell-Mason County Special Education Association.
- We have known that we need to replace the AS400 and our business and student management software.
 - The AS400 support is very expensive and the hardware and software are outdated.
 - Renewing the support contract and risking the extension of the hardware is not warranted given the critical function of this hardware and software.
 - It will cost approximately \$200,000 the first year to replace the software and hardware. We are currently studying options to reduce this expense but will not have a solution until later this spring at the very earliest. We are planning for the worst and hoping for the best regarding this expense.

- There Have Been **Suggestions** That I Should Recommend:
 - **Cutting at Least One Administrator**
 - One Principal Covers Two Schools
 - An Assistant Principal Should Be Assigned to Cover a School
 - The **Elimination of the Professional Development School (PDS)**
 - Both of **These Suggestions Were Considered** But Are Not Part of My Recommendation for the Following Reasons...

- **Cut Administrator and/or Share Administrators Between Schools**
 - Sharing principals or not having a principal creates **unnecessary liabilities and a lack of proper supervision.**
 - I have spent years researching the impact of school leadership, specifically that of the principal.
 - The **research is very clear** – the principal is vital to the success of the school.
 - The **Principal & Assistant Principal Study** supports this research.
 - See document titled “D108 Administrative Responsibility Chart”
 - Comments from schools with a principal assigned to two schools reinforces the research
 - See document titled “SOAR Comments About Sharing Principals”
 - Negatively impacts ability to respond to needs of students, parents, and employees.



● **Professional Development School**

- Provides Mentor-Intern Team in Classroom
- **Onsite Professional Development** Experiences for Staff
- Promotion of **Best Practices** Through Partnership with ISU
- **Over \$200,000 in Grant Monies** Have Come From This Partnership
- Provides a **Training Year** for Potential Future Employees
 - If hired by D108, these teachers begin their career with a full year of D108 experience.

Grade	Fall Cohort	Spring Cohort	Total
K	8	2	10
1	3	4	7
2	6	3	9
3	3	6	9
4	3	0	3
5	5	1	6
6	1	1	2
Jr. High	1	1	2
Total	30	18	48

- A summary of the PDS Intern program and the student teachers from ISU and Bradley are included at the end of the document titled “FY06 Budget Reductions & Revenue v2.”
- Interns that become District 108 employees have already experienced the culture and processes of the district. Hiring a teacher that has been a District 108 employee is much like hiring a teacher with one year of experience.

- **Professional Development School**
 - Each Intern Spends a **Minimum of 874 Hours in the Classroom**
 - 48 Interns for 2004-05
 - 41,952 Hours in the Classroom
 - 1,048 40-Hour Weeks
 - Impact Since 1999
 - 182 Interns – 159,068 Hours of Service
 - Over 230 Classrooms & Teachers Assisted
 - Well Over 5,700 Children Positively Impacted
 - Interns Support the Local Economy
 - 12 Interns Have Rented or are Buying Homes/Apartments This Year
 - They live and shop in Pekin

- A summary of the PDS Intern program and the student teachers from ISU and Bradley are included at the end of the document titled “FY06 Budget Reductions & Revenue v2.”

School Year	# of Interns	Hours in Classrooms	Value (At 2004 Teacher Assistant Beginning Rate of Pay - \$8.46)
1999-00	21	18,354	\$155,350
2000-01	20	17,480	\$147,953
2001-02	18	15,732	\$133,157
2002-03	42	36,708	\$310,700
2003-04	33	28,842	\$244,122
2004-05	48	41,952	\$355,086
Total	182	159,068	\$1,346,368

- A summary of the PDS Intern program and the student teachers from ISU and Bradley are included at the end of the document titled “FY06 Budget Reductions & Revenue v2.”
- The following table reflects the number of sections in each grade level and the impact on student to teacher ratio of the intern program.

Grade	# of Sections / Teachers	# of Interns	# of Students	Student / Teacher Ratio w/o Interns	Student / Teacher Ratio w/ Interns
K	16	10	389	24.3	15.0
1	16	7	390	24.4	17.0
2	15	9	382	25.5	15.9
3	16	9	328	20.5	13.1
4	15	3	390	26.0	21.7
5	14	6	335	23.9	16.8
6	14	2	369	26.4	23.1
Jr. High	29	2	818	28.2	26.4

- **Professional Development School Waivers** – Fall 1999 to Fall 2004
 - A Total of 2,572 Semester Hours Eligible for Reimbursement as Part of the Negotiated Agreement
 - 1,834 of These Semester Hours Have Been Reimbursed
 - The Total Potential Cost to D108 = \$201,335
 - 696 ISU Waivers Have Been Used
 - The Total Expended by D108 = \$152,830
 - The **Amount Saved** by Having Access to the Professional Development School and Student Teacher Waivers = **\$46,825**
 - During 2004-05
 - ISU Per Semester Hour Tuition = \$145
 - D108 Will Have Access to 79 Waivers During 2004-05
 - The Total 2004-05 Waiver Value = \$11,455
-
- A summary of the PDS Intern program and the student teachers from ISU and Bradley are included at the end of the document titled “FY06 Budget Reductions & Revenue v2.”

- **If D108 were to discontinue the PDS Partnership**
 - I believe the number of traditional student teachers in D108 would return to the numbers we had prior to the PDS (10 to 12 in grades K to 8).
 - The traditional student teacher assignment process is a function of:
 - Student teacher requests.
 - A desire for the university to establish partnerships with many districts in their targeted region.
 - Providing the available student teachers with diverse experiences during their college years.
 - It is my understanding that most of the college students that selected to experience a Professional Development School internship will seek this opportunity in other PDS school districts.

Budget Notes (continued) . . .



- The information in this presentation is **short-term!**
- We **MUST solve the revenue side** of the District 108 budget **and reinstate "mission critical" expenditures.**
 - People are a given
 - Textbooks
 - Professional Development
 - Technology
- This presentation was put together prior to the completion of several studies being conducted this year.

- After the studies are completed, I will recommend a work session with the Board where we can present each of the studies and the corresponding ideas on how to make our district stronger and/or options that can be considered.
- It is quite possible that the findings in one or more of the studies will result in future savings and/or recommendations to the Board but that is not known at this time.
- It is also quite possible that the findings will result in recommendations to restructure some district positions and explore new responsibilities for certain employees.

FY06 Estimated Revenue



Revenue Item	FY05	FY06	Net Increase / Decrease
General State Aid	\$7,268,602	\$7,318,602	\$50,000
Poverty Grant	\$1,352,610	\$892,723	-\$459,887
Levy	\$10,430,385	\$10,736,144	\$305,759
CPPRT	\$2,582,907	\$2,592,907	\$10,000
Interest	\$48,000	\$53,000	\$5,000
State Grants	\$944,675	\$944,675	\$0
Federal Grants	\$1,369,988	\$1,369,988	\$0
Total	\$23,997,167	\$23,908,039	-\$89,128

- These estimates follow the conservative philosophy of “plan for the worst and hope for the best.”
- The state has projected another year of budget deficits.
- In the year beginning July 1, 2005, the General Assembly's Economic and Fiscal Commission expects state revenues to grow by \$325 million, but the pension systems alone will need \$600 million more in the next budget year than they did this year. (source: Champaign News Gazette – 12/11/04)
- I think it is safe to say that we cannot rely on increased state aid but I hope I am wrong.
- While HB750 offers hope, we are a long way from this becoming law.
- Please note that stable grant funding means that any increases have to be absorbed by other revenue. More than likely, this means local revenue.

FY06 Estimated Expenditures



Expenditure Item	FY05	FY06	Net Increase / Decrease
Salaries & Benefits	\$15,935,628	\$16,719,478	\$783,850
Purchased Services	\$2,331,427	\$2,743,427	\$412,000
Utilities/Insurance	\$940,277	\$968,434	\$28,157
Capital Outlay	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0
Tuition	\$551,936	\$568,494	\$16,558
Total	\$19,759,268	\$20,999,833	\$1,240,565

- The Salaries & Benefits increase is based on the negotiated agreement.
- Purchased services increases are based on known contracts with our partners.
- The utilities/insurance increases are based on historical data and the known agreements. (Health insurance was finalized through June 2006.)
- Tuition increases are estimated based on historical data.

Revenue vs. Expenditures Summary



	FY05	FY06	Net Increase / Decrease
Revenue	\$23,997,167	\$23,908,039	-\$89,128
Expenditures	\$19,759,268	\$20,999,833	\$1,240,565
		Total	\$1,329,693

Budget Reduction Scenario 1



Item	Revenue	Reduction	Expense
Technology Purchases / Replacement			\$200,000
Textbook Adoption			\$300,000
Professional Development			\$80,000
Board Professional Development and Expenses			\$15,000
Increase Textbook Fees by 100%	\$139,143		
Increase Meal Prices	\$178,600		
Administrator Salaries		\$30,077	
Administrator Benefits		\$25,794	
Sports, Strings (Suzuki), Band, & All Other Extra-Curricular Programs		\$400,000	
Attrition		\$230,000	
Lead Reading Recovery Teacher		\$31,004	

- Scenarios 1 & 2 include the reinstatement of “mission critical” expenses.”
 - Technology expenses allow for the reinstatement of the replacement cycle at 4 stations per classroom.
 - The textbook adoption continues the recent reinstatement of the approved cycle.
 - Professional development includes both employee and Board professional development but they are specified as two separate line items.
 - Much like not addressing our physical plants, not addressing the needs of our employees and leaders will have a long lasting, negative impact on our ability to meet the needs of the organization.
- All 3 scenarios and my recommendation include minimal salary increases for administrators and the two-year phase-in whereby administrators begin paying a portion of the health insurance premium.
 - The Cost of Living Adjustment for 2004 was 2.7%. The overall increase as recommended will be approximately 1.5%.
- I considered and investigated recommending reductions in the # of administrators but it is not recommended due to liability; limiting the ability of the administrator to respond to the needs of students, parents, and employees; inefficiencies from sharing administrators between schools; and increased responsibilities created by current and previous reductions.

Budget Reduction Scenario 1 (continued)



Item	Revenue	Reduction	Expense
Reading Recovery Training Expenses		\$31,000	
Jr. High Industrial Technology		\$64,933	
2 Int. Learning Center Asst. Positions		\$19,898	
2 Jr. High Office Clerk Positions		\$23,760	
4 Int. Connections Teachers		\$170,848	
Shutdown Selected Schools at End of Day (non PEAK Schools)		\$32,472	
Shutdown Selected Schools at End of Day (PEAK Schools)		\$72,178	
Professional Development School Reductions		\$29,934	
Seek Additional Grants/Foundation Revenue			\$3,300

- Several of these items were part of the “Aggressive Recommendation” presented last year.
- All three scenarios and my recommendation include adding some clerical time so that we reorganize our central office in a way that focuses on maximizing our ability to offer professional development and seek funding sources to support mission critical activities.

Budget Reduction Scenario 1 (continued)



	Revenue	Reductions	Expenses
Subtotals:	\$317,743	\$1,161,897	\$598,300
Subtotal Revenue + Reductions – Expenses:		\$881,341	
Use Education Fund Reserves:		\$448,352	
Total Revenue + Reductions – Expenses + Reserves:		\$1,329,693	
Remaining Reserves:		\$1,051,648	

- Each scenario and my recommendation include a summary similar to this one.

Budget Reduction Scenario 2



Item	Revenue	Reduction	Expense
Technology Purchases / Replacement			\$200,000
Textbook Adoption			\$300,000
Professional Development			\$80,000
Board Professional Development and Expenses			\$15,000
Increase Textbook Fees by 100%	\$139,143		
Increase Meal Prices	\$178,600		
Increase Extra-Curricular Fees by 100% (2005-06 Cap per student: K-6=\$250; 7-8=\$300)	\$97,895		
Charge Full Costs for Non-District Strings/Band Students	\$18,200		
Administrator Salaries		\$30,077	
Administrator Benefits		\$25,794	

- Scenario two has many of the same components as scenario 1.

Budget Reduction Scenario 2 (continued)



Item	Revenue	Reduction	Expense
Attrition		\$230,000	
Lead Reading Recovery Teacher		\$31,004	
Reading Recovery Training Expenses		\$31,000	
Professional Development School Reductions		\$29,934	
Seek Additional Grants/Foundation Revenue			\$3,300

Budget Reduction Scenario 2 (continued)



	Revenue	Reductions	Expenses
Subtotals:	\$433,838	\$377,809	\$598,300
Subtotal Revenue + Reductions – Expenses:	\$213,347		
Use Education Fund Reserves:	\$1,116,346		
Total Revenue + Reductions – Expenses + Reserves:	\$1,329,693		
Remaining Reserves:	\$383,654		

- Each scenario and my recommendation include a summary similar to this one.

Budget Reduction Scenario 3



Item	Revenue	Reduction	Expense
Increase Textbook Fees by 100%	\$139,143		
Increase Meal Prices	\$178,600		
Administrator Salaries		\$30,077	
Administrator Benefits		\$25,794	
Sports, Strings (Suzuki), Band, & All Other Extra-Curricular Programs		\$400,000	
Jr. High Industrial Technology		\$64,933	
2 Int. Learning Center Asst. Positions		\$19,898	
2 Jr. High Office Clerk Positions		\$23,760	
4 Int. Connections Teachers		\$170,848	
Attrition		\$230,000	

- Scenario 3 eliminates extra-curricular programs and the items not accepted as part of my “Aggressive Recommendation” from last year.

Budget Reduction Scenario 3 (continued)



Item	Revenue	Reduction	Expense
Lead Reading Recovery Teacher		\$31,004	
Reading Recovery Training Expenses		\$31,000	
Professional Development School Reductions		\$29,934	
Seek Additional Grants/Foundation Revenue			\$3,300

Budget Reduction Scenario 3 (continued)



	Revenue	Reductions	Expenses
Subtotals:	\$317,743	\$1,057,247	\$3,300
Subtotal Revenue + Reductions – Expenses:	\$1,371,691		
Use Education Fund Reserves:	(\$41,998)		
Total Revenue + Reductions – Expenses + Reserves:	\$1,329,693		
Remaining Reserves:	\$1,541,998		

- Each scenario and my recommendation include a summary similar to this one.

FY06 Budget Recommendation



Item	Revenue	Reduction	Expense
Increase Textbook Fees by 100%	\$139,143		
Increase Meal Prices	\$178,600		
Increase Extra-Curricular Fees by 100% (2005-06 Cap per student: K-6=\$250; 7-8=\$300)	\$97,895		
Charge Full Costs for Non-District Strings/Band Students	\$18,200		
Administrator Salaries		\$30,077	
Administrator Benefits		\$25,794	
Attrition		\$230,000	

- My recommendation was based on my desire to:
 - Be a good steward of Education Fund Reserves.
 - Avoid using Working Cash funds.
 - Maintain programs and services for students.
 - Respond to community input gathered during D108 information meetings. These include:
 - The users of these services should pay a greater portion of the costs.
 - Administrators should be treated similar to other employees and contribute to the costs of health insurance.
 - Non-district students should pay full costs for accessing district programs.
- Please understand that many of these reductions and the absence of restoring some previous reductions will have a negative impact on our ability to address mission critical issues.

FY06 Budget Recommendation (continued)



Item	Revenue	Reduction	Expense
Lead Reading Recovery Teacher		\$31,004	
Reading Recovery Training Expenses		\$31,000	
Professional Development School Reductions		\$29,934	
Seek Additional Grants/Foundation Revenue			\$3,300

Budget Reduction Recommendation (continued)



	Revenue	Reductions	Expenses
Subtotals:	\$433,838	\$377,809	\$3,300
Subtotal Revenue + Reductions – Expenses:	\$808,347		
Use Education Fund Reserves:	\$521,346		
Total Revenue + Reductions – Expenses + Reserves:	\$1,329,693		
Remaining Reserves:	\$978,654		

- Each scenario and my recommendation include a summary similar to this one.

FY06 Budget Scenarios & Recommendation Summary



- The next few slides give a **side-by-side comparison** of the 3 scenarios and the recommendation
- The spreadsheet titled "**FY06 Budget Reductions & Revenue v2**" includes this side-by-side comparison plus the details behind each scenario and the recommendation.
- This spreadsheet also includes "**Next Steps**" for the 3 scenarios and the recommendation.

FY06 Budget Scenarios & Recommendation Summary (continued)



Revenue Items			
Scenario 1	Scenario 2	Scenario 3	Recommendation
<ul style="list-style-type: none"> <input type="checkbox"/> Increase Textbook Fees <input type="checkbox"/> Increase Meal Prices 	<ul style="list-style-type: none"> <input type="checkbox"/> Increase Textbook Fees <input type="checkbox"/> Increase Meal Prices <input type="checkbox"/> Increase Extra-Curricular Fees by 100% w/ Cap <input type="checkbox"/> Charge Full Costs for Non-District Strings/Band Students 	<ul style="list-style-type: none"> <input type="checkbox"/> Increase Textbook Fees <input type="checkbox"/> Increase Meal Prices 	<ul style="list-style-type: none"> <input type="checkbox"/> Increase Textbook Fees <input type="checkbox"/> Increase Meal Prices <input type="checkbox"/> Increase Extra-Curricular Fees by 100% w/ Cap <input type="checkbox"/> Charge Full Costs for Non-District Strings/Band Students

FY06 Budget Scenarios & Recommendation Summary (continued)



<u>Personnel Items</u>			
Scenario 1	Scenario 2	Scenario 3	Recommendation
<ul style="list-style-type: none"> <input type="checkbox"/> Administrator Salaries @ 3% <input type="checkbox"/> Administrators Pay 7.5% of Health Care <input type="checkbox"/> Attrition <input type="checkbox"/> Eliminate Lead Reading Recovery Teacher <input type="checkbox"/> Eliminate Jr. High Industrial Technology <input type="checkbox"/> Eliminate 2 Int. Lrng Center Asst. Positions <input type="checkbox"/> Eliminate 2 Jr. High Office Clerk Positions <input type="checkbox"/> Eliminate 4 Int. Connections Teachers 	<ul style="list-style-type: none"> <input type="checkbox"/> Administrator Salaries @ 3% <input type="checkbox"/> Administrators Pay 7.5% of Health Care <input type="checkbox"/> Attrition <input type="checkbox"/> Eliminate Lead Reading Recovery Teacher 	<ul style="list-style-type: none"> <input type="checkbox"/> Administrator Salaries @ 3% <input type="checkbox"/> Administrators Pay 7.5% of Health Care <input type="checkbox"/> Attrition <input type="checkbox"/> Eliminate Lead Reading Recovery Teacher <input type="checkbox"/> Eliminate Jr. High Industrial Technology <input type="checkbox"/> Eliminate 2 Int. Lrng Center Asst. Positions <input type="checkbox"/> Eliminate 2 Jr. High Office Clerk Positions <input type="checkbox"/> Eliminate 4 Int. Connections Teachers 	<ul style="list-style-type: none"> <input type="checkbox"/> Administrator Salaries @ 3% <input type="checkbox"/> Administrators Pay 7.5% of Health Care <input type="checkbox"/> Attrition <input type="checkbox"/> Eliminate Lead Reading Recovery Teacher

FY06 Budget Scenarios & Recommendation Summary (continued)



<u>Extra & Co-Curricular Items</u>			
Scenario 1	Scenario 2	Scenario 3	Recommendation
<input type="checkbox"/> Eliminate Extra & Co-Curricular Programs		<input type="checkbox"/> Eliminate Extra & Co-Curricular Programs	

FY06 Budget Scenarios & Recommendation Summary (continued)



<u>Other Items</u>			
Scenario 1	Scenario 2	Scenario 3	Recommendation
<ul style="list-style-type: none"> <input type="checkbox"/> Eliminate Reading Recovery Training Expenses <input type="checkbox"/> Professional Development School Reductions <input type="checkbox"/> Shutdown Selected Schools at End of Day 	<ul style="list-style-type: none"> <input type="checkbox"/> Eliminate Reading Recovery Training Expenses <input type="checkbox"/> Professional Development School Reductions 	<ul style="list-style-type: none"> <input type="checkbox"/> Eliminate Reading Recovery Training Expenses <input type="checkbox"/> Professional Development School Reductions 	<ul style="list-style-type: none"> <input type="checkbox"/> Eliminate Reading Recovery Training Expenses <input type="checkbox"/> Professional Development School Reductions

FY06 Budget Scenarios & Recommendation Summary (continued)



Expense Items

Scenario 1	Scenario 2	Scenario 3	Recommendation
<ul style="list-style-type: none"> <input type="checkbox"/> Seek Additional Grants / Foundation Revenue <input type="checkbox"/> Technology Rotation / Replacement <input type="checkbox"/> Textbook Adoption <input type="checkbox"/> Professional Development <input type="checkbox"/> Board Professional Development and Expenses 	<ul style="list-style-type: none"> <input type="checkbox"/> Seek Additional Grants / Foundation Revenue <input type="checkbox"/> Technology Rotation / Replacement <input type="checkbox"/> Textbook Adoption <input type="checkbox"/> Professional Development <input type="checkbox"/> Board Professional Development and Expenses 	<ul style="list-style-type: none"> <input type="checkbox"/> Seek Additional Grants / Foundation Revenue 	<ul style="list-style-type: none"> <input type="checkbox"/> Seek Additional Grants / Foundation Revenue

FY06 Budget Scenarios & Recommendation Summary (continued)



	Scenario 1 Not a Balanced Budget	Scenario 2 Not a Balanced Budget	Scenario 3 Balanced Budget	Recommendation Not a Balanced Budget
Revenue	\$317,743	\$433,838	\$317,743	\$433,838
Reductions	\$1,161,897	\$377,809	\$1,057,247	\$377,809
Expenses	\$598,300	\$598,300	\$3,300	\$3,300
Reserves	\$448,352	\$1,116,346	(\$41,998)	\$521,346
Totals	\$1,329,693	\$1,329,693	\$1,329,693	\$1,329,693
Remaining Reserves	\$1,051,648	\$383,654	\$1,541,998	\$978,654

- This slide shows a summary of the revenue, reductions, expenses, and reserves used for the 3 scenarios and my recommendation.

FY06 Budget Scenarios & Recommendation Summary (continued)



- I realize that **I will be criticized** by some that believe one or more of the following:
 - The recommendation should result in a **balanced budget**.
 - All **employee groups** should be treated equally.
 - The **“mission critical”** expenditures should be reinstated.
- The recommendation is based on the **criteria** shared at the beginning of this presentation.
- The next slide shows a **matrix** contrasting the scenarios and recommendation **based on the criteria** used to develop the proposals.

FY06 Budget Scenarios & Recommendation Summary (continued)



Criteria	Scenario 1	Scenario 2	Scenario 3	Recommendation
Be a good steward of Education Fund reserves.	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Avoid use of Working Cash.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Maintain programs and services for students.		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Respond to community input gathered during D108 information meetings.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

- This slide shows a matrix contrasting the scenarios and recommendation based on the criteria used to develop the proposals.

Given This Information...



- The agenda for this meeting includes resolutions to place two referenda questions on the April 5, 2005 ballot.
- **If the Board accepts my recommendation or scenario 2**, I would also recommend that the agenda items placing referenda on the April 5 ballot be tabled.
 - This is possible because of the **budget changes** outlined earlier.
 - This gives us **time to consider the outcome of HB750 and/or other school funding initiatives**.
 - While **we will not be reinstating "mission critical" expenses** (textbooks, technology, and professional development), we will be able to maintain student services for another school year.
 - A year from now, I will recommend the reinstatement of "mission critical" expenses.
- **If the Board chooses scenarios 1 or 3**, I recommend the referenda be placed on the April 5 ballot.

FY06 Budget Scenarios & Recommendation Summary (continued)



Criteria	Scenario 1	Scenario 2	Scenario 3	Recommendation
Be a good steward of Education Fund reserves.	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Avoid use of Working Cash.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Maintain programs and services for students.		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Respond to community input gathered during D108 information meetings.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Place referenda on April 5 ballot.	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	

- This slide shows a matrix contrasting the scenarios and recommendation plus the placement of the referenda on the April 5 ballot.

FY06 Budget Presentation Questions & Discussion

**Pekin Public Schools District 108
January 24, 2005**