



Downers Grove Grade School District 58

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PRESS RELEASE

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FOR IMMEDIATE RELEASE

District 58 board reviews balanced spending plan *Document includes \$800,000 in cost cutting measures*

District 58 administrative staff has spent the past few months working diligently to craft an essentially balanced operating budget for 2009-10 that supports the district's mission to provide quality educational programs and support services in safe, nurturing environments.

This has entailed identifying \$800,000 in reductions, none of which will have a direct impact on programs for students.

These budget reductions have been in the areas of supplies, equipment and purchased services.

They include moving toward more online publishing versus printed materials; trimming \$165,000 from the Operations and Maintenance project budget and \$100,000 from the technology budget; locking in gas and electric rates for a savings of approximately \$80,000; and negotiating a new transportation fuel escalator for a savings of approximately \$90,000.

District 58 has also added four half inservice days during the 2009-10 school year, which will save the district approximately \$20,000 on staff development costs. In addition, the district will realize a cost savings associated with the replacement of retiring staff members.

At this time, no staffing or program cuts are recommended for 2009-10.

The district's budget reductions have been designed in such a way as to preserve the services delivered directly to students. The 2009-10 spending plan also calls for District 58 to maintain a staffing pattern that preserves the same overall projected class size.

District-wide curriculum projects planned for 2010 include a K-8 language arts curriculum adoption; music curriculum revision; K-6 standards-based report card implementation; K-8 Response to Intervention implementation; and reinstatement of a federally-funded Title I program for disadvantaged students, for which \$140,000 has been included in the budget.

The district also plans to issue approximately \$10 million in Life Safety Bonds for projects including roof replacements at Belle Aire, El Sierra, Henry Puffer, Indian Trail, Kingsley and O'Neill. These projects are crucial, as District 58's mission statement includes providing children with safe places in which to learn.

The 2009-10 budget plan includes the establishment of a Site and Construction fund to accommodate the Life Safety Bond issue revenues and expenditures. This fund includes \$200,000 for architect design fees related to anticipated summer 2010 Life Safety work, as well as \$3.5 million for facilities projects including roof replacements at Indian Trail and O'Neill in summer 2009.

The economic realities affecting the country and state have trickled down to District 58, which is seeing decreased revenues due to a flat Consumer Price Index and extremely low interest rates on investments. The .1 percent CPI will result in a loss of approximately \$500,000 in fiscal year 2010 and another \$500,000 in fiscal year 2011.

The proposed 2009-10 budget, as it stands, includes \$55.6 in normal revenues, and \$55.65 in normal expenditures. Additionally, \$10 million in revenues and \$3.9 million in Life Safety-related expenditures are budgeted in the new Site and Construction Fund.

The current budget document does not contain any revenues or expenditures related to the American Recovery and Reinvestment Act (ARRA), commonly referred to as the federal stimulus package. It is anticipated that details about the program will become known this summer, and the document will be adjusted accordingly. All ARRA money must be allocated by 2011-12.

One plan for the ARRA funds is to add a self-contained special education classroom, which would result in an eventual cost savings by keeping students in District 58 schools for whom the district normally pays out-of-district tuition.

One of the District 58 board's goals is to maintain a fund balance of 8-12 percent of overall operating expenditures before the receipt of early taxes. This is to allow the district to remain solvent and continue business as usual in the event of an emergency or unforeseen circumstance. The 2009-10 budget meets that target goal.

Another consideration for the 2009-10 budget is that District 58, like other districts throughout the state, will be asked to contribute more during the next five years to the Illinois Municipal Retirement Fund, which is struggling due to low interest rates on investments. As a result, District 58 will shift some of its overall tax levy to IMRF and Social Security.

The School Board will review and formally approve the tentative budget in July. It is then posted for public review for 30 days, and the final budget is presented and reviewed at a board workshop in August. Following board approval of the final budget in September, the business office staff prepares the document for distribution to departments/schools and posting on the district's Web site.