

**Dist. 205 Board of Education
Jan. 12, 2010**

All Board members present

About 3 hours long

Observer: J. Dorner

This was written after watching the meeting on line.

The Board was scheduled to go into closed session, but there was no closed session held. President Ostojic called the meeting to order and led the Pledge of Allegiance.

Recognition: The Board recognized:

- Terry Clarke, York wrestling and football coach, for being named to the Illinois Wrestling Coaches and Officials Association Hall of Fame and
- Amy Thompson, York Counselor for being named School Counselor Advocate of the Year by the Illinois School Counselor Association.

Dr. Krizic read a statement about the workshop topic of the financial outlook. She stated that “time spent looking backwards does not help with moving forward” and that tonight’s meeting was not about making cuts, it was determining the magnitude of the budget reductions and enhancements needed.

Public Comment: Three individuals spoke about specific line items that may be on the list of potential cuts. Amy Thompson, the Counselor recognized earlier in the meeting, spoke of the importance of keeping the Middle School Guidance Counselors and the Guidance Class in middle school. Another spoke of the possible elimination of the health aides.

Workshop Discussion:

Financial Outlook: Cost Reduction and Resource Allocation Strategies

Pat Masterton, Assistant Superintendent for Finance gave a presentation about the current economic conditions, fund balance outlook, cost reduction review process, revenue enhancement options, reduction options, and next steps.

Current Economic conditions, which affect the budget, include the 2008 CPI (Consumer Price Index) of 0.1%, with limited new property growth for the near future, and state budget deficits. The state currently owes the District \$2.1 million with grant reductions equal to \$261,000 to the District for fiscal year 2010.

The current 5-year forecast predicts that expenditures will exceed revenues beginning in the 2011 fiscal year, with fund balances declining below acceptable limits in FY 2012, when the District would have to issue tax anticipation warrants to meet expenses that same year.

There were about \$750,000 of cost reductions that took place this fiscal year (2009-10). The administration is suggesting new anticipated education fund expenditures for the following two years as:

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| • Middle school science adoption | \$185,000 |
| • Hire 0.5 Elementary Spanish teacher | \$35,000 |
| • Hire 8 ELL (English Lang. Learners) teachers | \$480,000 |
| • Hire additional Psychologist | \$80,000 |
| Total for FY11 | \$780,000 |

- Elementary school science adoption \$315,000
- Elementary Social Studies adoption \$350,000
- Hire another Psychologist \$80,000
- Add on FY11's staff additions \$595,000
- Total for FY12 \$1,340,000

FY11's projected deficit is \$708,139 + additional expenditures of \$780,000 = **\$1,488,139**

FY12's projected deficit is \$2,669,906 + additional expenditures of \$1,340,000 = **\$4,009,906**

The administration suggested about \$168,200 in revenue enhancements (adding additional fees, increasing rental fees for facility use, elimination of early registration discount).

The administration released a list of their recommended budget cuts at the end of the meeting. These can be found on BoardDocs (<http://www.elmhurst205.org/> go to BoardDocs under "Board of Education, "click here" to be redirected to BoardDocs, on the left side of the screen, click on the "+" in front of the 1/12/10 meeting, click on the "+" in front of workshop discussion, double click on Fiscal Outlook: Cost Reduction and Resource Allocation Plan. The spreadsheet pdf is the list.) This list adds up to \$2.9 million in reductions, including elimination of elementary Spanish, increasing class sizes in grades 3, 4 & 5 to 26, elimination of middle and elementary school clubs, slowing down of technology initiatives, reduction of staff in York's library, the middle school counselors, the elementary health aides (to be replaced by RNs!), and custodial, and elimination of early (band and orchestra at middle school) and late buses.

The Board had some difficulty understanding that the discussion was to be on the magnitude of budget cuts rather than the actual budget cuts. They were given further information that stated that if \$2.9 million was cut, it would appear that the District would not have to do any short-term borrowing for the next two years. They also were given a scenario of making two rounds of budget cuts (one in FY 11 and one in FY12).

The next steps are:

- The 5-year financial forecast will be updated based on the Dec. 2009 CPI (Consumer Price Index) **Note: The Dec 2009 CPI is the maximum amount by which the levy can be increased (or 5%, whichever is higher). An additional amount for "new growth" is also added to increase the levy. The Dec '09 CPI was 2.7% (released on Jan 15th). All recent scenarios used an estimated CPI of 1.5%. During the Board discussion, a Board member asked Ms. Masterton how any increase above the 1.5% figure would translate. She answered that every 0.1% increase in CPI would roughly equate to \$80,000 of revenue.**
- The Board will establish an expenditure reduction target at the Jan. 26, 2010 meeting.
- There will be a feedback mechanism available on line for all to make recommendations and suggestions.

By March 9, 2010, the Board will approve final expenditure reductions for 2010-2011.

Since this subject was a workshop topic, Mrs. Ostojic opened up the discussion to those who were present. About 7 people spoke about the process and specific line item reduction recommendations. Some spoke of their disappointment of being in the same place before the '05 referendum was

passed.

Superintendent's Agenda: The Board approved the Board norms that they agreed upon during their closed sessions of Board evaluations. They are:

- Board members will call/email the Board President with questions or concerns specific to the Board meetings. The Board President will then communicate with the Superintendent.
- Board members will call or email the Superintendent with questions or concerns related to the Board packet whenever possible on the Monday prior to Board meetings.
- When an individual Board member asks a question or requests information, most of the time the answer/information will be provided to all Board members, but it is up to the Superintendent's discretion which answers will not be shared with all Board members, and Board members may specifically request to either share or not share the information they request with the rest of the Board.
- The yearly agenda calendar which has been developed and is currently on the website will be shared with the Board at a future meeting and Board members will call the Board President to request an item be added to the agenda. "Items for future agendas" will be added to the end of the Board meeting agenda.
- Board members understand it is their obligation to express their opinion and respect others' opinions, and that once the vote is taken that they will abide by the will of the majority.
- Board members will contact the Superintendent prior to contacting any staff member unless the Board member is contacting staff as a parent.
- The only authority to direct action rests with the full Board sitting at the Board table during a duly called open meeting.

Upcoming Meetings:

A regularly scheduled School Board meeting is on the calendar for Jan. 26th, with a Committee of the Whole Policy meetings scheduled for Jan. 28th to discuss the Policy Manual.

Board Communications: Mrs. Hirsch notified the Board that the Policy Committee had met the night before and reviewed all PRESS (Policy Reference Education Subscription Service) for Sept., Nov., and Dec. Most of the changes were references or footnotes. She also announced the Committee of the Whole meeting to be held 1/28/10.