

Dist. 205 Board of Education
July 31, 2006
6:40 pm – 8:40 pm

No Lindberg or Spaeth; Carlquist at 7:45 pm
Thrall by speaker phone
Public: 4 Staff: 4 Press: 1
Observer: J. Dorner

President DeRonne called the meeting to order and led the Pledge of Allegiance.

Public Comment: One individual who had signed up to speak chose not to address the Board. The second community member stated that she was speaking for Jefferson School PTA. She read a list of almost \$9500 of donations to the school over the course of the last school year. Included in these gifts were toner cartridges, books, a computer printer, and money for software licenses. She hopes that with the passage of the referendum, these donations will not be necessary to sustain the educational integrity of the school.

Budget Workshop:

Pat Palmere, Assistant Superintendent for Finance, reviewed the worksheets that were issued to Board members and those in attendance.

'05-'06 Budget Summary: Due to the timing of the March referenda approving a \$0.30 educational fund rate increase, half of the increase was realized in the June tax distribution. This increased the Ed Fund revenue by \$2.5 million. The '05-'06 budget was approved with a \$1,951,613 deficit in the operating funds. The addition of the rate increase in the Ed Fund and careful monitoring of expenditures produced a \$489,562 surplus. This "surplus" will be added to the reserves. Since the Board had to obtain tax anticipation warrants this past spring to pay bills, the reserves need to be built back up. This will take 3-4 years and tax anticipation warrants will be needed for these years. Surpluses will be budgeted in these years to build reserves to a minimum 30% fund balances to alleviate the spring borrowing.

2006-2007 Budget Summary: The budget increase over last year's expenditures is an 8.59% increase. The referendum added funds for supplies, staff development, library books, music instruments, technology and additional staffing. If the referendum increases were removed from this budget, the increase would be 4.8%. The total budget, including Bond and Interest, is \$90,487,749. Property taxes are 83.6% of the District's revenue. The State provides 6.8% and the Federal Government supplies 2.2% of the District's funding. The remaining 7.4% is from other local sources (food service, interest, student fees).

2006-2007 Educational Fund Budget: The Ed fund is 76.6% of appropriations of the total budget. Salaries and benefits account for 85% of the Ed Fund appropriations. This year, all Principal and Assistant Principal salaries are included in the Education Fund. In the past, some of their salaries had been included in the Transportation and Operation and Maintenance Funds. The Tort Fund, which was in the Education Fund was eliminated and absorbed within other funds. Teachers will increase this year by at least 7. Over the last 4 years teachers has increased by 54 and aides have increased by 34. These increases are due to increasing enrollment and special education needs. The teacher tuition reimbursement will be analyzed to see if it needs to be increased. The staff development line item increased by over \$200,000 (promised in the referendum campaign). The Board discussed this as possibly being a teacher benefit. The natural gas line item was moved from the Operations and Maintenance Fund to the Education Fund per the last task force recommendations.

The remainder of the Budget will be discussed at another special meeting on Wednesday, Aug. 2nd.

Board Communications: None

The Board voted to return to closed session for the purpose of actual or potential litigation and collective negotiations.