District 89 Responds to Budget and Enrollment Challenges

The declining national and state economy has significantly impacted school districts. Because the revenue Illinois schools receive is linked directly to the Consumer Price Index (CPI), the recent announcement that the new CPI is 0.1% has school districts facing challenges on how budgets will be balanced.

The low CPI is just one of many unfortunate circumstances that are creating a hardship for Illinois schools. The CPI and other factors tied to the economy have created a situation where District 89 has a projected $1.3 million budget deficit for the 2009-2010 school year.

At the same time that District 89 is determining how to best respond to this financial hardship, the District is dealing with a second significant issue; an ongoing decline in student enrollment that is creating disparity in class size and operational costs between buildings.

I would like to invite you to attend a community forum on Tuesday, April 14th at 7:00 PM at Glen Crest Middle School. Information about these factors, as well as possible solutions for addressing them, will be presented. Information about some possible new initiatives will also be shared. It is my hope that many District 89 residents attend this meeting.

District leaders have some difficult decisions ahead. Collectively as a community, we want to hear your input as decisions are made for the future planning of the District and our students.

I hope you will attend the community forum on April 14. Thank you for your continued support of our mission of Learning for Life.

Sincerely,

John S. Perdue, Ed.D.
Superintendent

HISTORY OF CPI

You’re Invited
District 89 Community Forum
Addressing the Challenges of Declining Enrollment & Fund Balances

Tuesday, April 14, 7:00 P.M.
Glen Crest Middle School
Learning Media Center
725 Sheehan Ave. Glen Ellyn
Declining Economy Impacts District 89 Budget

The educational system in Community Consolidated School District 89 is framed around three imperatives:

- High levels of student achievement
- High levels of satisfaction
- Effective use of resources

District 89 continually works to improve the educational program. To that end, over the last three years the District has cautiously spent into reserves to strengthen curriculum, meet the demands of unfunded state and federal mandates, implement new programs and strengthen technology. Additionally, because of a growing imbalance in class sizes between buildings, the District has added teachers to address class size and section issues.

However, a set of financial circumstances is now coming together which present significant budget challenges for District 89. These financial factors include:

- Reduction in the Consumer Price Index (CPI) to 0.1%, resulting in a loss of $1.2M over the next two fiscal years
- Loss of interest income revenue of approximately $300K per year
- Diminishing support from the state foundation level for schools
- Declining fund balances within the district budget
- Expectations for a continued weak economy

District 89, like other school districts, is in a situation where projected revenues do not fully support educational programs as well as expenses next year and beyond.

This includes:

- Budget reductions;
- Certified teaching staff; class size and sections; attrition
- Non-certified staff
- Overtime
- Delayed purchases
- Supplies, materials, etc.
- Professional development
- Contracted services
- Use of existing fund balance
- Use of early tax receipts

Responding to the Budget Shortfall

District 89 will use a three-fold approach over the next two years to address budget shortfalls. Administrators have begun drafting reduction ideas for each instructional level. Budget reductions will be implemented in a tiered approach, with priority given to those reductions that have minimal impact on student learning. The administrative team will review and prioritize possible budget reductions.

District 89 Fund Balance Projections

The District’s reserves are sufficient to absorb some of the financial impact of the current economic condition. However, long-range projections indicate financial difficulties as early as 2011-2012. The Board and administration have begun discussions about the possibility of a voted question in 2010 or 2011 to increase the operating tax rate. District 89 has not asked for an operating rate increase in 22 years, and the District 89 tax rate is the lowest of the six Glenbard elementary school districts. The chart below depicts the district’s diminishing fund balances over the next few years.
District 89 is experiencing a decrease in student enrollment of about 45 students per year, and the net effect has been a loss of about 450 students over the last decade. This loss of students presents a significant challenge, because while some areas of the District are experiencing a decline in enrollment, other areas are remaining steady or seeing small increases. This has resulted in a growing disparity in class sizes and operational costs among the four elementary buildings.

In September of 2008 a District 89 Enrollment Study Committee was created. The group reviewed enrollment trends and made tiered recommendations which address the issues of class size, operational costs, and the impact the situation is having on district finances. The Enrollment Study Committee presented their final report to the Board in January.

Based on the committee’s findings, the District will perform a census of District 89 students, ages 0-5, over the next few months. This data will be very relevant as future decisions are made regarding student housing. In light of the current economic state, the Board has also directed the administration to monitor class sizes and sections in accordance with existing policy, 600:35-R, Class Size. An administrative transfer procedure has been created, by which new students could be transferred from their home school if class size limits are reached to a different school where class sizes are smaller.

As a District, input from the stakeholders will be very important as key decisions are made that will affect the future of educational programs offered in District 89.

**HISTORICAL K-8 ENROLLMENT**

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Four schools from Community Consolidated School District 89 recently received the Academic Excellence Award from the Illinois State Board of Education.

Arbor View, Park View, and Westfield Elementary Schools and Glen Crest Middle School received the award, which is part of the State’s 2008 Illinois Honor Roll program. Last year Briar Glen Elementary School received the honor. The program recognizes those schools that have achieved and maintained academic excellence. To earn an Academic Excellence Award, at least 90% of a school’s students must meet or exceed state standards in both reading and mathematics for at least three consecutive years. In addition, the school must have made Adequate Yearly Progress (AYP) in 2007 and 2008. In order to make AYP, a school must have:

- At least 62.5% of a school’s students meeting or exceeding standards in both reading and mathematics;
- At least a 95% participation rate in state assessments for students in all subgroups
- An attendance rate of at least 90%

“In the last two years, every one of our schools has received this honor,” said Superintendent Dr. John S. Perdue. “It is a testament to the quality of the staff and students.”

2009-2010 School Calendar Revised

The District 89 Board of Education has approved an amended 2009-2010 calendar. The changes reflect a new school starting date of Tuesday, September 8, 2009 to allow for a full 12 weeks of summer construction work in all school buildings. In addition, Columbus Day, October 12, 2009 and Presidents’ Day, February 15, 2010 will be student attendance days instead of school holidays. These changes are proposed for just one year, and the traditional calendar will resume for the 2010-2011 school year. Additional information about the amended calendar is available on the home page of the District web site (www.ccsd89.org).