

Downers Grove District 99 board passes annual budget

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DOWNERS GROVE – The Community High School District 99 Board of Education approved the district's fiscal year 2015-16 budget during its Sept. 21 board meeting.

Revenue for this year is expected to increase by 3.4 percent, while expenditures will increase by 0.6 percent.

After the payment made to the debt service, the surplus revenue will allow the district to increase its fund balance \$503,000 to \$2.6 million by the end of the year.

District Controller Mark Staehlin said the district's reserves are at the bottom of the target range and need to be built back

up during the next several years.

However, in giving a five-year financial outlook for the district, he said there are several variables that could put a further strain on the budget.

One variable is major renovations that may need to be paid for in the school's master facility plan, to be approved later this year.

State government decisions also could affect school districts' costs and revenues.

Two proposals, for which Staehlin showed the projected impact, are a two-year property tax freeze starting in 2016-17 and a shift in Teacher's Retirement System payments from the state to districts.

Staehlin said the district will pre-

pare the 2016-17 budget on the assumption that it may have to significantly reduce costs by evaluating the necessity of its programs.

"We are taking the approach that this is what we will have to be ready for," he said.

One of the ways the district hopes to save costs is by paying for a series of needed facility upgrades with School Fire Prevention and Safety Bonds, also called Life Safety Bonds.

The board took an initial step by approving \$5.2 million in maintenance projects during the meeting.

School districts can issue Life Safety Bonds in order to pay for maintenance projects needed to meet state building code requirements.

The projects, which include replacing the boiler at North High School, need to be approved by the Regional Office of Education and Illinois State Board of Education before they are eligible to be funded by the bonds.

Although the projects exceed \$5 million, the district will seek \$3.5 million in bonds.

Staehlin said the district is targeting the lesser amount because some of the projects may not be approved to be funded by the bonds and not all the projects need to be done immediately. The district would need to issue a debt service levy to pay for the annual principal and interest payments on the bonds.

The board will host a hearing on issuing the bonds during its Oct. 19 meeting.