



NEWS

COMMUNITY CONSOLIDATED SCHOOL DISTRICT 64 Park Ridge-Niles

164 S. Prospect Avenue

Park Ridge, IL60068-4079

(847) 318-4300

FAX: (847) 318-4351

For information, contact:

Superintendent Philip Bender, 847-318-4300

Bernadette Tramm, Public Information Coordinator, 847-318-4343

FOR IMMEDIATE RELEASE

May 20, 2013

School District 64 Budget Process Gets Underway for 2013-14

The Park Ridge-Niles School District 64 Board of Education at a May 20 Committee-of-the-Whole meeting explored the first draft of a tentative budget for the 2013-14 school year.

Calling it a budget of “controlled growth,” the draft includes expenditures needed to continue fulfilling initiatives related to the 2007 referendum; provides for the implementation of the fourth year of activities scheduled under the District’s Strategic Plan and other District-wide priorities; and accommodates work on the District’s Facility Master Plan and 2013 capital projects at Carpenter, Field, Franklin and Lincoln schools, according to Business Manager Becky Allard.

Estimated operating fund revenues are expected to increase by only 0.7 percent to about \$70.4 million while expenditures will rise by 7.2 percent to almost \$73.9 million. “Without capital outlay, however, the budget-to-budget increase in annual expenditures would be only 3.9 percent,” Allard pointed out.

The estimated Operating Funds balance at the end of the fiscal year will decline from about \$44.2 million expected on June 30 this year to almost \$40.7 million in 2014 or a ratio of 59.2 percent. The Board’s policy is to maintain at least a 33 percent ratio, or about four months of operating expenses.

Discussing revenues, Allard noted that about 85 percent of District 64’s revenues are from local property taxes.

Due to funding formulas and pro-rations applied by the State, District 64 will receive only about 2 percent of its revenue in General State Aid. “In the current fiscal year, we received \$385 per student, compared to the \$6,119 set as the ‘foundation’ level by the State, and we expect this amount to decrease in 2013-14,” Allard reported.

Moving to expenditures, Allard noted that when capital outlay for facility projects is removed, salaries and benefits account for 83 percent of the Operating Fund budget in keeping with the “people-intensive” nature of schools.

Investments in student learning include work on implementing the District’s priority standards developed through its Strategic Plan and common core state standards with technology integrated into the instruction of the standards; new grades K-8 mathematics curriculum materials in conjunction with the new standards; professional development needed to support the transition and the new math resources; and technology hardware to maintain, refresh and provide additional resources for student learning.

– MORE –

DISTRICT 64/ ADD ONE

On the facilities side, Allard noted that the District 64 Board has already approved more than \$4.7 million on four capital projects for summer 2013, which are included in the 2013-14 budget.

The Board is considering additional capital projects of more than \$8 million at Field School for future years. Other maintenance work on the District's aging schools also lies ahead as described in the Facility Master Plan, she pointed out.

Allard shared a long-range projection that indicates the District's fund balance falling steeply if those cash reserves are used to pay for the work at Field School.

"The fund balance is expected to stay above the Board's policy level of 33 percent until 2016-17, thereby meeting the original referendum commitment of not returning to the community for 10 years, but it will not extend beyond," Allard said.

The summer 2013 projects include:

- Phase 2 of a two-year mechanical upgrade at Carpenter School that will install a new heating plant to replace the original boilers and complete the air conditioning of the building.
- New, more efficient boilers will be installed at Lincoln Middle School.
- Boilers will be replaced at Franklin School and the school's heating and air conditioning systems will be improved. The drinking water pipe system also will be replaced.
- At Field School, the north gym will be air-conditioned and other smaller projects will be completed.

The Board of Education will continue to analyze and discuss the draft budget through June, with a tentative budget expected to be adopted on July 8. The July 8 version will offer year-to-year comparisons to the District's actual 2012-13 financial performance; the tentative draft uses budget-to-budget data.

The budget will continue to be refined over the summer as new information becomes available.

Current plans call for a public hearing on the final District 64 budget on September 9, with approval of the final budget on September 23.

The draft budget is available on the District 64 website: www.d64.org; updates will be added as they become available.

#