

GALESBURG DISTRICT 205

REVITALIZATION PLAN

JANUARY, 2017

SUMMARY OF CURRENT CONDITIONS

- ❖ The FY 2017 District Budget calls for deficit spending in the Operating Funds in the amount of \$1,200,000.
- ❖ This is the **Seventh** consecutive year in which the District is anticipating deficit spending and **Ninth year out of the last twelve** in which the District will have deficit spent.
- ❖ The District reserves in the Operating Funds (Education, Operations and Maintenance , Transportation and Working Cash) are approximately \$10,475,439 as of June 30, 2016.
- ❖ However the State of Illinois has not yet paid ANY Mandated Categorical reimbursements or Pre-K Grant money to District 205 in FY 2017. (Approximately \$1,400,000).
- ❖ There are significant concerns about the District's ability to pay for required Health Life Safety work due to the District's diminished bonding capacity.
- ❖ The District's Equalized Assessed Valuation (EAV) has remained relatively flat for the ten year period 2005-2015 (Average % of increase is 1.3% per year). However, the District EAV is expected to grow by approximately 3.5% in 2016.

CURRENT CONDITIONS

- ❖ The District's enrollment as evidenced by the Sixth Day Enrollment count has declined over 10% over the last eleven years (2005-2016). Teacher staffing levels have increased 11% in that same time period.
- ❖ Instructional Expenditure Per Student has increased 45% and Operating Expenditure Per Pupil has increased over 34% during the time period 2005 – 2016.
- ❖ The State of Illinois owes District 205 \$8.6 million dollars in pro-rated General State Aid from the past seven years.
- ❖ The District has lost \$1.8 million dollars in revenue from funds that have been diverted to the Galesburg TIF Fund.

CURRENT CONDITIONS

- ❖ Local property owners in District 205 have been asked to contribute more by way of the increased property tax levy that was passed by the Board in December, 2015 (\$775,000) and 2016 (\$1.7 million dollars of additional local tax money).
- ❖ It must also be noted that the average median household income in Galesburg for 2015 was \$39,976.
- ❖ The average teacher salary for 2016-2017 is \$58,331.

HOW TO ADDRESS THE PROBLEM

- ❖ The District 205 Board of Education approved a deficit reduction plan in January of 2016 that ultimately resulted in the reduction of approximately \$2,600,000 from the expenditure side of the FY 17 District Budget.
- ❖ The Board must continue to implement the District Revitalization Plan.
- ❖ The Board must continue to be vigilant in terms of monitoring staffing levels and expenditures.
- ❖ A balanced budget must continue to be the goal of not only the current District 205 Board of Education, but future Boards of Education as well.
- ❖ Historical financial data must continue to be collected and analyzed in order to monitor previously identified trends in spending, staffing, and enrollment.

THE CONTINUATION OF THE REVITALIZATION PLAN

- ❖ As a result of the continued review of the relevant data, the following things remain clear:
 - This process is more than just filling a significant hole in the District budget.
 - The Board needs to continue all attempts to “right size the District” to reflect current conditions.
 - The District can not continue to sustain the current level of positions, but must make every effort to keep the current level of programs.
 - We must make significant changes to how we deliver the critical services that our students, staff and stakeholders deserve and expect from us.
 - This process to “right size” the District will take several years to fully implement. Reductions must continue to be made to stabilize the spending side of the budget.

IMPLEMENTING THE PLAN

2015-2016

- January 5, 2016 – Presented list of positions to be considered for elimination by District 205 Board of Education.
- January 11, 2016 – District 205 Board of Education approved the list of reductions.
- February 6, 2016 – District 205 Board of Education approved Reduction in Force Resolutions for specific individuals.
- Impact Bargaining of the approved reductions occurred in July, 2016.

IMPLEMENTING THE PLAN

2016-2017

- January 9, 2017 - Present list of positions to be considered for reduction or revision by District 205 Board of Education.
- January 17, 2017 – District 205 Board of Education approves the list of reductions.
- February 6, 2017 – District 205 Board of Education approves Reduction in Force Resolutions for specific individuals.
- After Board of Education approval of Reduction Notices, Impact Bargaining of the reductions will begin.

SPECIFIC REDUCTIONS FOR 2017-2018

- ❖ Reorganization of Health Services Delivery
(-\$95,311)
 - ❖ Replace current three nurse positions with a District Health Coordinator and 8 Certified Nursing Assistants, one in each building.
- ❖ Staffing Right Sizing due to Continued Enrollment Decline (-\$450,000)
 - ❖ Reduce 10 Elementary Teaching Positions due to continued declining enrollment
- ❖ Reorganization of Outreach Workers (+\$39,400)
 - ❖ Replace three current Outreach Positions with five Assistant Principals, one in each elementary building

SPECIFIC REDUCTIONS FOR 2017-2018

- Reorganization of two GHS Security/ Administrative Support Positions (-\$20,756)
 - Replace current Head of Security and Attendance position with an Assistant Principal
- Reorganize the delivery of Specials classes at the elementary level (savings included in Library Services reductions)
- Reorganize Library Services K-12 (-\$231,161)
- Eliminate Summer Drivers Ed Program – Classroom and Behind the Wheel (-\$16,264)

SPECIFIC REDUCTIONS FOR 2017-2018

- Salary concessions from GEA, General Services Union and Exempt Staff (-\$1,200,000)
 - A hard salary freeze for FY 18 for all District 205 Employees (maintain every salary at FY 17 level)

Considerations behind this request:

- New salary and benefits money for all district staff for FY 17 was approximately an additional \$1.2 million dollars. A similar amount is anticipated for FY 18. The district is not taking in that much new money each year thereby forcing the continuation of deficit spending and/or additional cuts.
- The current salary schedule called for in the GEA contract is simply not sustainable. This years average raise was approximately 3.17% for bargaining unit members.

SPECIFIC REDUCTIONS FOR 2017-2018

Salary Concessions from GEA, General Services Union and Exempt Staff

- ❖ Historically, the Board of Education has provided salary increases in the 3% range in part as recognition of the hard work put in by District Staff members and the desire to attract quality educators to the District. There were significant reserves in the bank to cover small deficits if any occurred. The flow of revenue from the State was rarely in doubt.
- ❖ Currently, the District finds itself in a position where the reserves are no longer as sufficient and the flow of revenue from the State has never been more precarious than it appears to be currently.

STATE FUNDING DEPENDENT REDUCTION

- The Bright Futures Pre-K program staff will be reduced significantly due to the uncertainty of funding for FY 18.
- Funding Dollars currently at stake =
\$329,585

SPECIFIC REDUCTIONS FOR 2018-2019

- Reorganization of Reading Recovery and Title I Services in Grades K-5.
 - Restructure current Reading Recovery Teachers and have as their primary duties implementation of the District Title I program.
 - Create from the current Reading Recovery Teachers a cadre of five Instructional Coaches whose primary responsibilities will be to improve K-5 teachers teaching methods around the Districts' Six Pillars for Student Success.
 - This change allows for the expertise of our Reading Recovery teachers to be shared with significantly more students across the district.
 - Total to be saved: \$364,439

PROJECTED REDUCTION TOTALS

- For 2017-2018:
-\$1,974,124
- 2017-2018 State Funding Dependent:
-\$329,585
- For 2018-2019:
-\$364,439

GOING FORWARD

- ❖ The District Building Study must be moved forward. The two primary objectives for the study must be realized:
 - ❖ Determine whether or not the District could be operated more efficiently with fewer buildings given the fact that enrollment continues to decline.
 - ❖ Determine how to deliver our education product better and more efficiently with a different configuration of buildings or building usage.
 - ❖ We must ensure consistent delivery of the district curriculum
 - ❖ We must ensure consistent delivery of teaching methodology

Due to the ISBE Order to Effect repairs, the District will be spending \$26,000,000 to repair our existing buildings. The District has no choice but to spend this money. The District has some choice as to HOW it spends these dollars.

GOING FORWARD

- ❖ The study of how best to meet our student transportation needs must continue.
- ❖ District staffing patterns must continue to be monitored on an ongoing basis. Employee staffing must be kept in line with the District enrollment trends and available funding.
- ❖ Significant curriculum work must be conducted going forward:
 - The identification of the Essential Skills that every student must learn to Mastery must continue.
 - The Essential Skills must be aligned to the New Illinois Learning Standards.

GOING FORWARD

- Vertical and Horizontal articulation of the curriculum must be completed in order to ensure that all students are receiving the same education District wide.
- A continued emphasis on Professional Development for staff must become a District priority. The focus on Higher Order Thinking Skills, Differentiated Instruction, Student Engagement, Using Data to Inform Instruction, Technology Supported Learning and Balanced Assessment must be maintained and continuously emphasized.
- There must be an increased amount of time and attention spent on our students' Social and Emotional Learning needs.
- Rigor and relevance must be incorporated into our culture.
- Local Assessments must be developed and refined to ensure that all students are able to master required course content.

GOING FORWARD

- The Scantron Assessment Program must continue and be developed to the point that all teachers and administrators use the data that is generated by these assessments to inform instruction.
- The work on the Standards Based Grading System must continue.
 - The development of quarterly plans for grades K-5 Science and Social Studies must commence during the summer of 2017.
 - Time must be made available for committee work during the summer of 2017 to review and refine the quarterly plans for Math and Reading/Language Arts and the new K-5 Standards Based Report Cards implemented during the 2016-2017 school year.
- Research based, data driven School Improvement Plans are being developed by each building SIP team. These plans will drive decisions on staffing, curriculum, professional development and budget for each building and the District. These must continue to be developed.

GOING FORWARD

- ❖ The Block Schedule Study Committee will complete their work early in 2017 and submit a report to the Board of Education. The final report should be considered carefully by the Board of Education.
- ❖ GHS and GHSN students must leave District 205 College or Career and Life Ready.
- ❖ The District must continue the commitment to the use of technology as a teaching and learning tool from both a financial and educational perspective.
- ❖ A continued emphasis on building and strengthening lasting relationships with students and stakeholders must occur.

GOING FORWARD

In terms of District Finances:

- ❖ The Board of Education must make a firm commitment to operating with a balanced budget. Should revenue sources from the state diminish significantly in the future, the District will most assuredly need to undergo another, more significant, budget reduction process.

GOING FORWARD

- ❖ This plan allows us to accomplish three significant objectives:
 - Right size and revitalize the District and keep it that way relative to district enrollment and students needs.
 - Provide a legitimate opportunity to balance the District budget going forward.
 - Sustain all District Programs as resources will allow.

GOING FORWARD

- ❖ It has been suggested that we can't move from good to great while we are reducing the budget.
- ❖ I disagree. We can move from good to great **WHEN** we first get our fiscal house in order. Once we do that we will leverage our resources (time, people, money and space) to go from good to great.

FINAL THOUGHTS

- ❖ No one person or one group of people is responsible for the current financial shape of the district.
- ❖ The State of Illinois owes us \$8.6 million dollars over the last seven years in pro-rated General State Aid. We should be directing our collective anger at the state and not at each other.
- ❖ Our District enrollment has declined by approximately 10% over the last 11 years. Our staffing level must reflect that.

FINAL THOUGHTS

- ❖ This plan will require the cooperation of all the district unions for the full implementation of this plan to be successful.
- ❖ The District Revitalization Plan should be updated and reviewed by the Galesburg District 205 Board of Education in January of each year.