



Dist. 203 looks to tighten budget reins

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Naperville Unit District 203 is looking at delaying new foreign language programs, eliminating a handful of jobs and keeping funding allocations to individual schools flat to keep its budget balanced.

By making some of those changes, officials say they shouldn't need to ask voters for a tax increase in the next few years.

The district is looking at places to cut costs in light of learning inflation for 2008 was 0.1 percent, which will impact 2010 property tax bills. Increases in the district's property tax levy are limited to the rate of inflation, which is typically closer to 2.5 percent, according to Dave Zager, assistant superintendent for finance.

In addition, Zager said he expects state and most federal funding to be flat next school year, although there is potential for federal stimulus money for special education coming in at about \$2 million in each of two years.

Other factors affecting the district's finances are low interest rates, possible increases to pension fund contributions for noncertified staff and rising health insurance costs due to more employee family members joining the district's plan.

Zager's financial projections show if the district makes no changes to the way it operates, expenditures will exceed revenues in 2011-2012, two to three years sooner than previously expected.

"We'll go (into) our (10 percent) reserve ... the next year and by 2014 we'll be in the red," he said. "We'll have gone all the way down to where we'll have to borrow money to make the budget meet."

To address the potential shortfall, Zager and Superintendent Alan Leis have been looking at ways to cut operating costs.

The district had planned to roll out its Chinese immersion program in the fall and elementary foreign language program in 2010 but both are likely to be delayed, if not canceled.

The district also will look at how it staffs its schools, more strictly adhering to its policy on class size, which could result in five to 10 teachers losing their jobs. Zager said that figure is very preliminary.

The district also will likely keep its budget allocations to individual schools flat in the coming year.

The proposed changes would keep expenditures below revenues for an extra year. What happens in the future is subject to many unknowns, Zager said, such as inflation and interest rates.

Mark Mitrovich, who takes the helm as superintendent in July also has talked about looking at ways to increase revenue.

Zager does not expect the district to need a referendum to ask for a tax increase in the next three or four years.

"I think what Dr. Leis is saying, his commitment is in the near term we need to take action to balance our budget without depending on the taxpayer," Zager said. "Before I would have told you I don't even see it (a tax-increase referendum) on the horizon in the projection. Now what I would tell you is let's push it out as far as we can."