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## **Rockford D205 Budget Recommendations**

Committee members admit some of the recommendations may not be in the best interest of children. However, the committee, they say, was charged with bringing suggestions that will speak to fiscal responsibility.

### **Revenue Maximization Recommendations – Could save \$1 to \$4 Million**

- Pursue sponsorships
- Re-establish a charitable foundation to promote and coordinate private support
- Work with legislators and other districts to improve State and Federal support and reduce unfunded mandates
- Increase attendance
- Pursue grants to enhance infrastructure
- Review investment policy to maximize return on investment

### **Internal Efficiency Recommendations – Could save \$5 to \$16 million**

- Reduce overall administrative costs by 15%
- Maximize class size to contractual limits
- Consolidate schools
- Assess theme and alternative programs for efficiencies (Gifted etc.)
- Outsource non-instructional areas including but not limited to Food Services, transportation, athletics, building maintenance. Consider legacy savings that can be realized through workers compensation, pension contributions, and health care.

### **Fixed Administration & Staff Recommendations – Could save \$13 to \$31 million**

- Reduce health care costs
- Require all staff to contribute to pension plans
- Institute a Lane/Step freeze, address stipends
- Increase the length of the instructional day by adding back the 7th period and decreasing a planning period in secondary schools. This is good for the education of students and does not cost the taxpayers money.
- Increase kindergarten class sizes to eliminate incubation classrooms
- Implement half-day kindergarten, which meets state requirement. RPS offers all day kindergarten.



# FACTS ABOUT SCHOOL

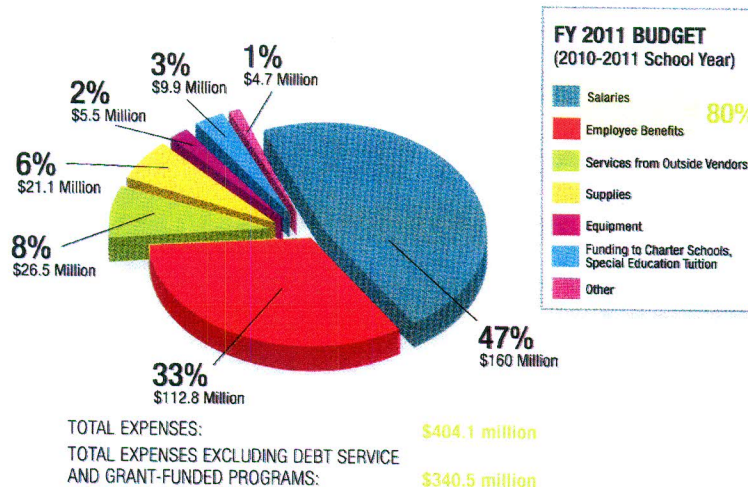
No different than any family or business, the Rockford School District is feeling the effect of the prolonged downturn in the national economy. The fact that economic conditions in Rockford are among the worst in Illinois – and that our state government is among the most financially unstable in America – only serves to make matters worse.

By belt-tightening in areas outside the classroom and dipping into cash reserves, drastic spending cuts have been avoided. The recession, however, has very likely produced a permanent shift in the economy that requires a long-term budget solution. If nothing changes, Rockford's public schools face a \$50 million shortfall next year (FY 2012) on top of an estimated \$41 million shortfall this year (FY 2011). The current fiscal year ends June 30, 2011.

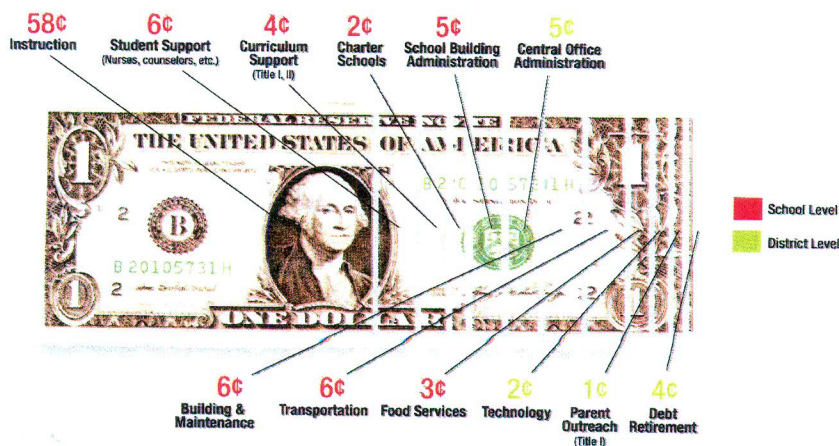
In the coming weeks and months, recommendations on how to better fund our schools will be making their way to the Board of Education. Regardless of what shape that discussion takes, some basic facts cannot be ignored.

## FACTS ABOUT THE COST OF EDUCATING OUR CHILDREN

**FACT: THE BIGGEST EXPENSE IN OPERATING ROCKFORD SCHOOLS IS PEOPLE, WITH SALARIES AND BENEFITS CONSUMING 80% OF THE BUDGET**



**FACT: 90 CENTS OF EVERY DOLLAR IS SPENT AT THE BUILDING LEVEL OR ON SERVICES THAT DIRECTLY SUPPORT STUDENTS**



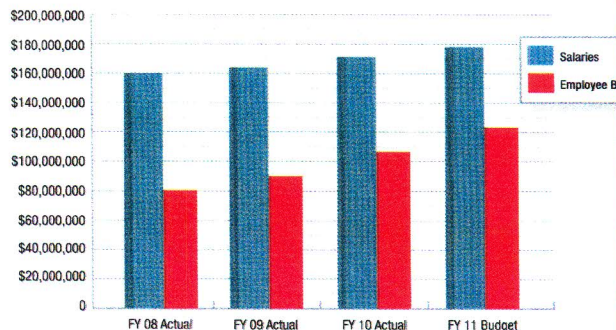


# SCHOOL FINANCE EVERYONE

## FACTS ABOUT LABOR COSTS AND HOW THEY COMPARE

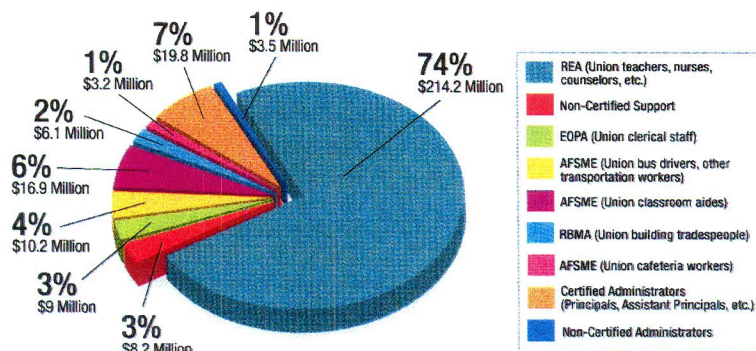
### FACT: A STEADY GROWTH IN EMPLOYEE WAGES AND BENEFITS IS THE PRIMARY FACTOR IN THE RISING COST OF EDUCATING OUR CHILDREN

- Number of full-time employees essentially unchanged over the reporting period.
- FY 2010 increase in Purchase Services reflects one-time federal stimulus funding.
- FY 2011 increase in Other Objects due to expansion of charter schools.



### FACT: MEMBERS OF THE TEACHERS UNION ACCOUNT FOR THREE-QUARTERS OF PAYROLL AND BENEFIT COSTS

SALARY & BENEFIT COST BY EMPLOYEE CLASSIFICATION/COLLECTIVE BARGAINING UNIT



### FACT: HEALTH CARE COSTS AVERAGE \$15,500 PER EMPLOYEE – MORE THAN MANY FOOD SERVICE WORKERS AND CLASSROOM AIDES EARN IN A YEAR

#### Monthly Contribution to PPO Health Plan

EMPLOYEE GROUP	AMOUNT
Administrative Staff	Single \$50 Family \$100
AFSCME - Bus Drivers, Food Service, Classroom Aides	Single \$23.75 Family \$43.75
EOPA - Clerical	Single \$25 Family \$89
RBMA - Building Trades, Facilities	Single \$45 Family \$104
REA - Teachers, Nurses, Counselors, Certified Staff	Single \$25 Family \$89

### FACT: TEACHER PAY IN ROCKFORD IS HIGHER THAN THE STATE AVERAGE WHILE ADMINISTRATORS EARN FAR LESS THAN THEIR COUNTERPARTS ACROSS ILLINOIS

#### FY 2010 Average Salary\*

TEACHER	ADMINISTRATOR
Elgin	Elgin \$111,856
Hononegah	STATE AVERAGE \$109,091
Rockford \$66,771	Springfield \$103,508
STATE AVERAGE \$63,296	Freeport \$101,612
Harlem	Harlem \$97,771
Springfield	Hononegah \$95,161
Winnebago	Winnebago \$92,313
Freeport	Rockford \$85,695

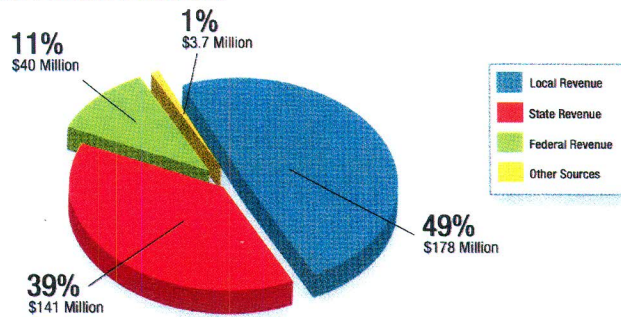
\* Source: Illinois School Report Cards. Excludes Benefits.



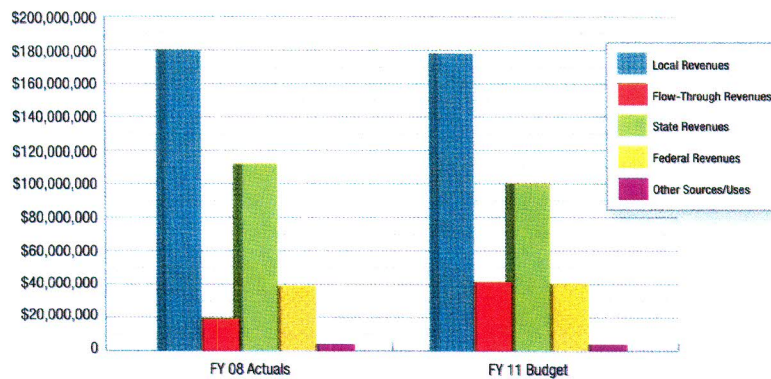
# NE SHOULD KNOW

## FACTS ABOUT HOW THE BILLS GET PAID

**FACT: LOCAL REVENUE IS DERIVED MOSTLY FROM PROPERTY TAXES. STATE REVENUE IS PAID BASED ON ENROLLMENT AND ATTENDANCE RATES. FEDERAL REVENUE IS LARGELY BASED ON STUDENT POVERTY LEVELS.**



**FACT: REVENUE FROM THE FEDERAL GOVERNMENT IS INCREASING, BUT NOT ENOUGH TO MAKE UP FOR DECLINES IN LOCAL AND STATE FUNDING**



**FACT: OVER 5 YEARS, REVENUES ARE EXPECTED TO ESSENTIALLY REMAIN FLAT WHILE EXPENSES WILL CONTINUE TO CLIMB UNLESS MAJOR SPENDING REFORMS OCCUR**

SPIKES IN FY 2010 REFLECT ONE-TIME RECEIPT OF FEDERAL ECONOMIC STIMULUS MONEY

