
Glen Ellyn School District 41

OPERATIONAL COST IMPACT OF A 2007 \$40 MILLION BOND REFERENDUM

The following information isolates the impact of the proposed District 41 bond referendum on operating costs, such as salaries, purchased services, utilities and other ongoing expenses associated with running a building. *(To see the impact of the referendum on individual taxpayers, please see the link called "Tax Impact" on the D41 Web site.)*

The following graph shows three trend lines depicting operational cost scenarios:

Red Line: The current trend if no new space is added

Blue Line: The trend if Hadley is expanded to include grade 5 within a 5-6 wing (the scenario proposed by the referendum)

Pink Line: The trend if a stand-alone 5-6 school was built at Spalding (a scenario considered but not selected by the Board of Education)

These trends are based on the best cost assumptions D41 and its financial advisors can make at this time. Among the reasons for the difference in operational costs between the Hadley plan and the Spalding plan is that there would not be the same need for duplication of programs, services and busing at Hadley as there would at Spalding. Note that a building at Spalding would be operational in 2009, one year earlier than Hadley, because there are not the same constraints building on a vacant parcel as there are when adding on to a school.

Passage of the proposed referendum addresses the current **facilities** needs of D41. Regardless of whether D41 builds new space, projections show a likely need to ask for a tax rate increase for **operations** by 2013. If the current facilities referendum is passed, projections show that D41 would likely need the increase for operations in 2012, one year earlier than otherwise. The amount of the rate increase request would be determined at that time.

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Financial Planning Program

Aggregate (General, IMRF & Working Cash)

