



Steven M. Baule, ED.D., PH.D.
Superintendent of Schools
North Boone Community Unit School District #200
6248 North Boone School Road
Poplar Grove, IL 61065
Voice: 815-765-3322
Fax 815-765-2053
BauleS@nbcusd.org

March 15, 2011

Dear Parents and Community Members:

I am writing to put in context some of the budget decisions that the Board of Education will have to be making over the next couple of months. As you may have heard, the funding situation for schools and most other governmental entities in Illinois is somewhat unpredictable at present. Although the state did increase the income tax rate in January, those dollars won't raise enough in the short term to pay off what the state already owes to local governments, health care providers and schools. Governor Quinn has asked for over \$8 billion in new bonds, but the legislature isn't interested in more borrowing at present. The district received much of last year's state funding this year. The state is currently about six months behind in paying its bills.

This leaves school districts in a difficult position. We are effectively required by law to plan our staffing and programs by the end of March or early April, but we have no concrete idea what level of funding that we will receive from the state, which makes up about 40% of our budget. If state or other funding sources increase, the Board can bring back programs over the summer.

Without any additional reductions in spending and if we receive the same amount of money from the state as we were promised this year, the Board will need to cut approximately \$352,000 to balance our budget. If we see a 5% reduction in state funding, which is a fairly conservative estimate based on recent conversations with state lawmakers, the Board will need to reduce costs or increase revenues by about \$650,000. The Board has asked me to develop a budget based upon this assumption of 5% reduced state funding. Without significant reductions, the district will run out of reserve funds during the 2015-2016 school year.

The number one priority of the Board and the district's administrative team is to provide all of the children in the district with a safe and effective educational experience. We are looking into a number of ways to try to reduce the district's expenses and eliminate programs which don't have a direct positive impact on student learning. Last year, the Board made approximately \$1.2 million in cuts. As enrollment dropped last year, that process was aided by the ability to reduce some classroom staff. This year, North Boone's enrollment is actually up slightly.

Since last summer, I have been working with the district's administrators and others to try to reduce the cost of running the district. We have found ways to reduce our energy consumption and some of our administrative costs. In January, I asked all of the staff to provide their suggestions for cost containment. By the end of the month, I received slightly over 100 ideas. The administrative team reviewed them and will recommend several of those suggestions to the Board in the next months. Many of those suggestions focused on reducing the district's energy and transportation costs. Energy cost reductions may save the district as much as \$35,000 next year.

We have scrutinized our staffing levels and are reducing staffing where we can do so without having a negative impact on student programming. Some of this is based on the fact that it was difficult for North Boone to recruit

part time teachers in the past; in the current environment, it is no longer as difficult. We have chosen not to offer courses that fewer than 20 NBHS students requested. Students request between 6 and 8 courses each plus usually a few alternates. In general, any course that will not be offered received less than half of one percent of the student requests. More tightly scheduling our art, physical education and music staff should realize more than \$100,000 in savings.

The district formed a transportation committee including coaches, teachers and parents to review our current program. The committee's recommendations for reductions were made at the February 28, 2011 Board meeting. This is an area where we know state reimbursement is going to decrease. Some of our bus routes are based upon safety surveys done in 1999. In many cases, those surveys no longer accurately reflect the situation on the ground. For instance, State St in Poplar Grove now has sidewalks and is wider than it was in 1999. Because of this, we will be reconfiguring several bus routes to try to be more efficient. Some students who are currently transported may be asked to walk if they are close to their elementary school. We may also be asking for modest fees in cases where we pick up or drop off children somewhere besides their home.

Another committee worked on a set of recommendations for student activities and extra-curricular programs. They are recommending that the Board doesn't eliminate any sports or clubs, but does raise student fees and rental rates to better offset the actual costs of the programs. A third committee was asked to review the current status of our athletic fields and stadium and make recommendations to the Board about how to go about keeping those spaces in good condition.

We are reaching out to other local governmental agencies to try to work together where we can to be more efficient and save the tax payers money. We are offering to include the Villages in our bid process for supplies and fuel, for instance. School district staff have been working with the Village of Poplar Grove to look for specific ways to collaborate in order to lower the costs of our two organizations to the tax payers. We have also offered to do some maintenance of township vehicles in order to save the townships money and generate some revenue for the district at the same time.

It is important to add that a number of staff and community members have helped to raise money or donate time and materials to assist the district in coping with this difficult economic environment. On behalf of the Board, I would like to once again thank those volunteers and donors who have helped North Boone this year. If you have constructive suggestions for how the district can reduce expenses or increase revenue, please let me know.

Sincerely,

Steve Baule

Steven M. Baule, Ph.D.
Superintendent