

ROCK FALLS ELEMENTARY SCHOOL DISTRICT #13
Rock Falls, Illinois

March, 2010

Dear District #13 Parents and Staff,

I am writing this letter to you to update you on our District's projected financial condition for the upcoming 2010-2011 school year. You have probably read newspaper articles or listened to radio or television news recently concerning the serious financial problems all school districts in Illinois are facing. School districts have been advised to plan for a significant reduction in state funding as a result of the State's poor financial condition.

There are many reasons that have led to the current poor financial condition of Illinois. It is becoming increasingly clear that the State is simply short of money to pay its bills, and this financial situation may get worse in the immediate future. Based upon information we have received from the Governor, the Illinois State Board of Education, legislators, and professional organizations, it is becoming apparent that state support for school districts for the 2010-2011 school year will be reduced significantly. Until the current legislative season ends, we will not know the exact amount of state support we stand to lose. Based upon state-provided information, I expect the amount District #13 will lose will be in the \$600,000 to \$800,000 range. For a number of reasons, the School Board must plan for expenditure reductions well in advance of the actual school year. The Rock Falls Elementary School District #13 Board of Education began discussions on such reductions at their March 10th meeting.

Our school district is lucky that this year will produce significant "natural" savings that are scheduled to occur before next year due to an unusually high number of teacher and administrator retirements. The Board has tentatively chosen not to replace two of the retirement vacancies (a fifth section of kindergarten and a Family Living position at the Middle School). The projected savings flowing from these known retirements is nearly \$400,000. The Board is considering approximately \$250,000 of additional cuts to make a total of \$650,000 in reductions. Board discussion about reductions will occur at the March 24th Board meeting at the Middle School starting at 7:00 p.m. A special Board meeting has been scheduled on April 7th at 7:00 p.m. at Merrill School for the Board to take action on these cuts. These meetings are open to the public.

The administration presented a tentative list of reductions for the Board's consideration at the March 10th meeting. The Board suggested some modifications to that list. The resulting list, which identifies the current list of reductions under consideration, follows. It needs to be pointed out that none of these reductions are viewed as positive in the school district. These items or alternative reductions are necessary due to the loss of state financial support for schools.

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| 1. Do not replace 2 teaching positions (eliminate band program and one section of 4 th grade) | \$ 95,668 |
| 2. Change 4 teacher aide positions from full-time to part-time | \$ 30,114 |
| 3. Limit Parents as Teachers Program to grant supported services | \$ 20,000 |

4. Reduce general instructional supply accounts by 15%	\$ 18,000
5. Eliminate Board and some instructional staff professional development activities	\$ 12,500
6. Eliminate field trips	\$ 7,725
7. Make Kids Club self-supporting	\$ 5,700
8. Reduce technology equipment budget	\$ 50,000
9. Increase athletic participation fees	\$ 2,500
10. Eliminate athletic invitational tournaments	<u>\$ 3,100</u>
Total projected savings	\$245,307

In lieu of some of the above cuts, the Board has suggested a salary freeze for all district employees. Such a freeze would save an estimated \$160,000. The majority of the salary raises are based upon the final year of an existing contract between the Board and the Teacher's Association. As such, any freeze to be applied to these salaries would be subject to re-opening contract talks on such reductions and an appropriate agreement between those two parties.

This information is being presented to make you aware of the steps the District is taking to meet the economic challenges we are facing as a result of the State's financial crisis. Please be aware that the actual level of state funding will likely not be finalized until this summer. If funding is approved higher than the level projected above, the Board will be poised to reinstate any program cuts accordingly. If the state reduction is higher than projected, the district will face continued financial problems in the immediate future.

Sincerely,

Jack H. Etnyre
Superintendent