

Fall 2013

Dear Kinnikinnick Community,

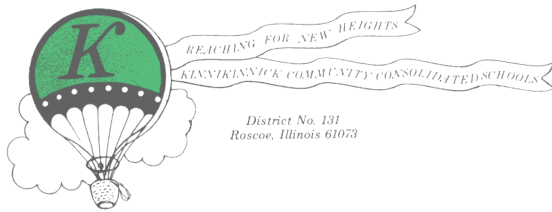
This is a critical time for the Kinnikinnick District. Our dismal financial position led the School Board to create a Steering Committee of teachers, administrators, leaders, community members, and School Board members to examine our district's financial projections and recommend a course of action. The committee met over the summer to discuss what has become Kinnikinnick's only two options: 1) to cut expenditures or 2) to raise revenue. The recommendation from the committee was to explore a tax rate referendum in the spring of 2014.

The Kinnikinnick School Board is now and has always been fiscally responsible with the taxpayers' money. The District prides itself in providing our students with an excellent education, which is evidenced in our record of stellar achievement scores. Nevertheless, when the economic climate began to change for the worse, cuts had to be made, but until recently we were able to stay within the parameters of our budget.

The Kinnikinnick School District has always had the reputation of being the bright shiny apple that stands for a high quality education. However, each of the budgetary bites into the apple takes us closer and closer to our core purpose of providing a top-notch education for our students. This runs contrary to everything we have always stood for as a school district and a community. We have much to lose if we start biting into the core.

The School Board will continue to explore the two options listed above and will communicate their findings to the community. Knowing the year ahead will be filled with tough decisions, I am reaching out to encourage you to read the attached fact sheet concerning the decisions we are faced with, ask questions, and attend Board meetings to hear the discussion regarding the education of our children. Our students are the future and we have an obligation to provide them with the very best education we can offer.

Your partner in education,
Keli Freedlund
Superintendent



KINNIKINNICK CCSD #131 FINANCES & REFERENDUM FACT SHEET

- The Kinnikinnick C.C.S.D. has spent on average \$460, 627 out of the District reserves each year for the past five years to educate the children in the district. For the 2013-2014 school year, we are projecting a million dollar budget deficit. At this rate, we will deplete our savings in the 2016-2017 school year and will be forced to make drastic cuts to balance the budget or generate additional funds to cover the district's expenses.
- Although the district has operated conservatively and has been fiscally responsible with the taxpayers' money, the following factors are continuing to have devastating effects on our financial solvency and threaten to erode the high quality education which has defined Kinnikinnick:
 - State funding (General State Aid) has been reduced for the past three years resulting in a loss of \$882, 130.
 - State funding for transporting our students to and from school (which is required by the state) has been reduced by 42%.
 - Federal contributions to the No Child Left Behind programs have been reduced by \$97,420 in the past four years.
 - Since 2008, **a total of \$2,901,937 of federal and state revenues have been cut** that help pay for the programs that positively impact our students' education in the district. These programs include the textbook loan program, the Preschool for All grant, the Reading Improvement grant and the School Safety Block Grant.
- Over the years, Kinnikinnick CCSD #131 has attempted to tackle these financial challenges by:
 - cutting the district expenditures since 2002 while trying to minimally impact the education of our students.
 - enacting a hard freeze agreed upon by district employees on all district salaries for the 2011-12 and 2013-14 school years bringing the salary expenditures back to the 2009 budgeted levels.
 - operating efficiently with the lowest operating cost per student compared to other large elementary K-8 districts while producing similar achievement scores.
- The Board of Education is currently researching a referendum question to present to the community on the March 18, 2014 ballot to maintain the quality of education for our students and the Kinnikinnick community. Considerations that led the Board to this decision:
 - Kinnikinnick's current tax rate generates the lowest combined elementary and high school tax revenue in the region (11th out of 11).
 - Kinnikinnick hasn't passed a tax rate referendum since 1998. Two of the other three feeder schools to Hononegah have passed referendums since 1998 to increase local revenue for their schools.
 - If the referendum fails, class sizes will approach 30-35 students per class (depending on grade), and the District must consider eliminating programming not required by the State of Illinois.