

Referendum Information Presentation

March 2013

Welcome,

My name is Jason Lind, and I am the superintendent here at Millburn. Our plan is to have a brief presentation of the Board's rationale behind the referendum, and then give members of the audience an opportunity to ask questions.

The Board members with us today are

Bob Reding
Joe Pineau
Chris Stream
Diane Campbell
Jane Gattone
Scott Miller
Nichol Mangino

Our administrators with us are:

Elizabeth Keefe, Joanne Rathunde, Jake Jorgenson, Marybeth DeLaMar, and Stephen Johns

Cost/Benefit

Cost

- \$1 per day for the average \$300,000 home.
- \$114 per \$100,000 Market Value.

Benefit

- Lower class sizes by roughly 17%.
- Effective and efficient transition to Common Core Curriculum.
- Financial Stability.
- Maintain Fine Arts, Library Instruction, and Gifted Instructional Services.

We are holding this forum to help district taxpayers decide if it is in their best interests to pay about \$1 per day more in local property taxes in order to reduce class sizes by roughly 17%, provide the curriculum to support the state mandated core curriculum, and save specials such as band, sports, and other extracurricular activities. We are in the slowest economic recovery in US history. District taxpayers have lost their homes, are struggling to make mortgage payments, and are cutting all corners. Common wisdom is that we must be crazy to ask taxpayers to fund a referendum at this time. In fact, we are the ONLY district in our area to run a referendum. We hope that after our presentation that you will appreciate that if we don't shore up the revenue lost from the federal and state governments, our district risks losing the competitive edge that attracts families to move here – the unmatched, well-rounded education Millburn provides. A failure to increase revenues not only affects families with children in our schools. In the short run it has the potential to drop market value for everyone. In the long run it has the potential to no longer make Millburn the destination of choice for families seeking the best education for their children. Millburn is one of the most effective and efficient districts in our state. It should be the model of efficiency for all the other 868 districts if not for our poor financial situation. The PowerPoint presentation will make that case.



Drawing by Adrian Silgan

Class of '13

IT'S A JUNGLE OUT THERE!

SHORT TERM....

Our students need a well-rounded education that includes fine arts, technology, and the same opportunities as their peers from other districts to compete at the high school and college levels.

LONG TERM...

Employers want the best of the best. Fine Arts education is all about problem-solving, creativity, observation, and communication.....

GUESS WHO SURVIVES!

This presentation will not cover every aspect of our finances, or address every question that has surfaced. I expect that some people will have additional specific questions after the presentation. I will stay and answer questions until they are all addressed. If I can't answer them tonight, I will direct you to someone that can, or I will get back to you. I am not here to convince you to vote yes. I am here to present information. I will only ask that you trust, and then I invite you to verify.

We Will Demonstrate That...

- The Board ***listened*** to the public.
- The current trend is ***unsustainable***.
- The Millburn education has proven ***effective***.
- The Millburn operation is ***efficient***.
- The Millburn education is a ***wise investment***.
- You can ***trust*** your board and administration to be a wise custodian of your money.

We'll demonstrate that: ·

All the issues that caused the last referendum to fail have been addressed·

The current situation is unsustainable·

Millburn is one of the most effective districts·

Millburn is one of the most efficient districts·

Spending money on reducing class sizes, improving curriculum, and offering specials is a wise investment·

You can trust your board of education and administration to spend your money wisely

We will also spend some time addressing some myths that have been brought to our attention

The Board Listened to the Public

The amount of money was too much...

- The Board is asking for about \$850,000 per year vs. nearly \$2 million in 2010.
- The \$850,000 does not cover the \$1.3 million in lost revenue from state and federal sources.

The Board lacked credibility...

- The Board has adopted a balanced budget policy, and they have stuck to it.
- The Board made the reductions as stated, and more.
- The Board has become EXTREMELY transparent.

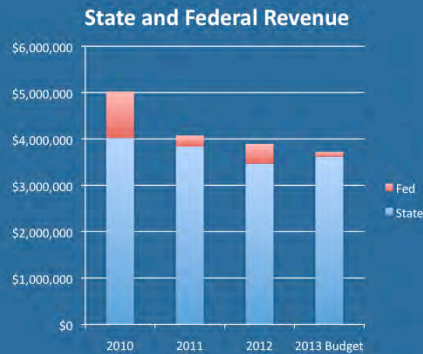
This slide reflects some of the feedback received after the last referendum.

The amount being asked for in this referendum is about half of what was asked last time. This amount will not cover the total loss of state and federal funding. By the time we receive the money, it will cover about half of yearly funding loss.

The specific list of cuts is posted on the website under referendum information. The cuts have totaled over 3.3 million so far.

Unsustainable

Continued loss of funding



Major Influences

- No Curriculum Adoption since 2007 in any subject
- Minimal building repairs and maintenance
- Wages will need to keep pace with market at some point
- Loss of instructional time due to high class sizes
- Cut over 50 staff

The Board expects a continued drop in state and federal funding. Local taxpayers have been asked to pick up the slack, but the current local effort does not offset the losses from government funding. We have lost 1.3 million and Governor Quinn's latest budget address would mean a loss of another \$500,000 for Millburn. The District for FY 14 will receive an additional \$250,000 from local taxes, but that will not cover the loss from the state. We are anticipating that this trend will continue. We can't wait for the state to solve the problem. We have handled the expense problem, and we are now facing a revenue problem.

Our goal is to provide a consistent educational experience for students from K-8th grade during their entire tenure.

Teachers will start looking for other jobs at some point. It has already happened. We also can't get so far under the market that we can never catch up. Schools are limited in what we can offer for increases.

Effective

Overall %				% Exceeds			
Reading	Average		Average	Reading	Average		Average
	3rd Grade		8th Grade		3rd Grade		8th Grade
Bannockburn	90.8	Bannockburn	99.3	Bannockburn	46.7	Lincolnshire	42.7
Deerfield	90.2	Millburn	97.7	Lake Forest	46.0	Bannockburn	34.7
Lincolnshire	90.2	Lincolnshire	97.5	Kildeer	45.7	Kildeer	26.3
Lake Forest	89.8	Deerfield	97.3	Lincolnshire	44.8	Lake Bluff	26.2
Kildeer	89.5	Kildeer	97.3	Deerfield	43.7	North Shore	26.2
Oak Grove	88.2	Libertyville	96.7	Libertyville	42.8	Libertyville	25.7
Libertyville	87.0	Lake Forest	96.0	North Shore	42.0	Deerfield	24.8
North Shore	87.0	Aptakisic	95.8	Lake Bluff	39.8	Aptakisic	22.5
Aptakisic	86.7	Emmons	95.3	Aptakisic	38.5	Lake Forest	21.0
Lake Bluff	82.7	Fremont	95.2	Rondout	37.2	Millburn	20.8
Fremont	81.3	Oak Grove	95.0	Hawthorn	35.5	Oak Grove	18.8
Millburn	81.2	North Shore	94.7	Oak Grove	35.5	Rondout	18.4
Rondout	80.8	Lake Bluff	93.7	Millburn	32.7	Fremont	18.0
Gurnee	79.7	Hawthorn	91.7	Mundelein	29.7	Hawthorn	16.5
Hawthorn	79.7	Rondout	91.4	Woodland	29.7	Emmons	14.2
Woodland	78.2	Mundelein	90.8	Fremont	29.0	Diamond Lake	13.7
Grayslake	77.7	Grayslake	90.5	Big Hollow	28.5	Gurnee	13.7
Mundelein	77.0	Gurnee	89.8	Gurnee	28.5	Grayslake	12.5
Winthrop Harbor	75.5	Fox Lake	89.3	Grayslake	28.3	Mundelein	12.5
Gavin	74.3	Winthrop Harbor	89.2	Emmons	25.3	Woodland	12.2
Antioch	74.2	Woodland	88.5	Winthrop Harbor	24.8	Antioch	9.7
Big Hollow	73.8	Antioch	87.3	Gavin	24.0	Lake Villa	9.0
Emmons	73.8	Grass Lake	87.3	Lake Villa	24.0	Big Hollow	8.8
Lake Villa	73.3	Lake Villa	87.3	Antioch	23.3	Winthrop Harbor	7.7
Diamond Lake	71.0	Diamond Lake	84.5	Diamond Lake	22.5	Fox Lake	7.2
Beach Park	68.5	Big Hollow	83.7	Beach Park	21.0	Grass Lake	7.2
Grass Lake	63.7	Gavin	81.5	Fox Lake	13.8	Gavin	6.0
Fox Lake	62.3	Beach Park	78.2	Grass Lake	11.7	Beach Park	4.3
Zion	55.3	Zion	73.0	Zion	9.0	Zion	2.8

The yellow does not allow you to read Millburn, and the names are too small to read. What is important on this page is the movement upward for Millburn. This answers the question of “value added” for the Millburn experience. We take students at a certain level in 3rd grade and move them significantly forward by the time they get to 8th grade. This is true for meets and exceeds.

Overall %				Exceeds %			
Math	Average		Average	Math	Average		Average
	3rd Grade		8th Grade		3rd Grade		8th Grade
Lincolnshire	98.5	Lincolnshire	97.7	Lincolnshire	78.0	Lincolnshire	73.3
Bannockburn	98.3	Kildeer	97.3	Bannockburn	70.2	Kildeer	66.0
Oak Grove	98.2	Deerfield	96.7	Kildeer	68.2	Bannockburn	59.7
Deerfield	97.5	Libertyville	96.5	Lake Forest	67.0	Deerfield	58.3
Kildeer	96.8	Milburn	96.3	Oak Grove	65.3	Lake Forest	57.8
Lake Forest	96.0	Winthrop Harbor	96.2	Aptakisic	65.2	Aptakisic	57.2
Aptakisic	95.8	Aptakisic	96.0	Deerfield	64.3	Libertyville	56.5
North Shore	95.3	Bannockburn	94.7	Libertyville	62.8	Rondout	54.4
Fremont	95.0	Lake Forest	94.7	North Shore	62.7	North Shore	53.7
Libertyville	94.8	Emmons	94.5	Lake Bluff	59.2	Milburn	53.3
Lake Bluff	92.7	Fremont	94.5	Hawthorn	55.2	Lake Bluff	52.2
Milburn	92.5	Oak Grove	93.8	Milburn	52.7	Hawthorn	52.0
Winthrop Harbor	92.5	Lake Bluff	93.0	Mundelein	51.3	Winthrop Harbor	50.0
Mundelein	91.5	Rondout	93.0	Rondout	50.7	Oak Grove	47.3
Woodland	91.5	North Shore	92.3	Woodland	50.3	Fremont	45.5
Rondout	90.8	Hawthorn	91.7	Fremont	48.0	Emmons	43.5
Grass Lake	90.0	Mundelein	90.8	Gurnee	45.7	Diamond Lake	42.3
Gurnee	89.8	Woodland	90.3	Grayslake	45.2	Woodland	42.2
Hawthorn	89.8	Diamond Lake	89.8	Lake Villa	43.0	Big Hollow	34.7
Diamond Lake	89.3	Fox Lake	89.8	Winthrop Harbor	43.0	Lake Villa	34.5
Grayslake	89.0	Lake Villa	89.2	Diamond Lake	42.7	Antioch	34.2
Lake Villa	88.7	Antioch	88.3	Gavin	41.3	Gurnee	33.3
Gavin	88.5	Gurnee	87.3	Antioch	39.5	Mundelein	31.5
Emmons	88.2	Grayslake	86.8	Big Hollow	39.3	Grayslake	29.8
Antioch	88	Grass Lake	84.7	Beach Park	37.7	Fox Lake	25.8
Big Hollow	86.2	Big Hollow	84.5	Fox Lake	30.8	Zion	22.5
Beach Park	84.3	Beach Park	81.0	Emmons	30.2	Grass Lake	22.2
Fox Lake	83.8	Zion	78.2	Grass Lake	24.2	Beach Park	16.5
Zion	73.8	Gavin	76.5	Zion	21.7	Gavin	12.3

This shows the same trend for math, but not quite as drastic. Our last curriculum adoption was in reading so we have emphasized reading in the last 6 years.



Our band program has been recognized as one of the top programs in the area. All you need to do is attend a concert to recognize the high quality. Our students will be performing music at a level 4.5 in the spring concert. This is a level reserved for quality HS programs. The art program disproportionately produces works that win awards in the Antioch art festival each year. Both our CC teams went to state this year. Over 40 athletes went to the state track meet last spring. Three students made participated in the state wrestling meet. We win a disproportionate share of conference titles in our athletic conference. Our vocal performance group has progressed significantly, and you can enjoy some music from Les Miz and some Disney show tunes next Tuesday. Millburn strives for excellence in EVERY endeavor.

Good Morning, My name is Dago Diaz, and I am the 8th grade boy's volleyball coach at Carl Sandburg Middle School in Mundelein. This has been a long school year for everyone with all of the worrying about state testing and funding, so I just wanted to pass along some good news. It was a great pleasure playing against the Millburn 8th grade boys' volleyball team. They provided an awesome challenge to my boys' team, and all the kids played their hearts out and left everything on the floor. It was so great to see them congratulate each other after amazing plays on the both sides, and they all seemed to have a lot of fun, competing at a high level and with extreme class. I know that this only could happen when a team is coached by a leader with great integrity, and I wanted to commend Coach Jazo for being such a great example to his team and leading them so well. It was such a fun experience, and one of the best coaching moments of my career because the Millburn team really impressed me with their talent, hunger, and character. One player in particular, number 41 or 42 (last name Garcia), played outstanding and showed a great deal of respect and class throughout the season. During a time in education when it's easy to get lost in the state mandates and pressure from the public, it's so nice to be a part of something that is rewarding and positive. Your boys' team and Coach Jazo are the perfect example of what it interscholastic athletics should be about. Thank you for your time. Sincerely, Dago Diaz 8th grade Boys' Volleyball Coach Carl Sandburg Middle School, Mundelein

Millburn continues to receive the Bright A+ award as a top 5% academically performing school district.



Drawing by Abby Old

Class of '13

DID YOU KNOW.....?

MILLBURN ARTISTS HAVE EARNED THE HIGHEST AWARDS FOR THE MIDDLE SCHOOL LEVEL AT THE ACHS ANNUAL ART FESTIVAL THREE OUT OF THE PAST 6 YEARS.

THE ART DEPARTMENT HAS GENERATED OVER 20K THROUGH THE ART TO REMEMBER PROGRAM, AND GENERATES MORE THAN HALF OF OUR EXISTING ART BUDGET.

MANY OF OUR ALUMNI GO ON TO PURSUE ART AS A CAREER.

MILLBURN ARTISTS ARE ALSO GAINING RECOGNITION FOR THEIR WORK IN OUTSIDE ARENAS SUCH AS 4H AND SCOUTS.

THE VAST MAJORITY OF NHS AND HIGH ACHIEVERS AT THE HIGH SCHOOL LEVEL ARE THOSE WITH FINE ART EDUCATION.

This is another slide that highlights the excellent art program.

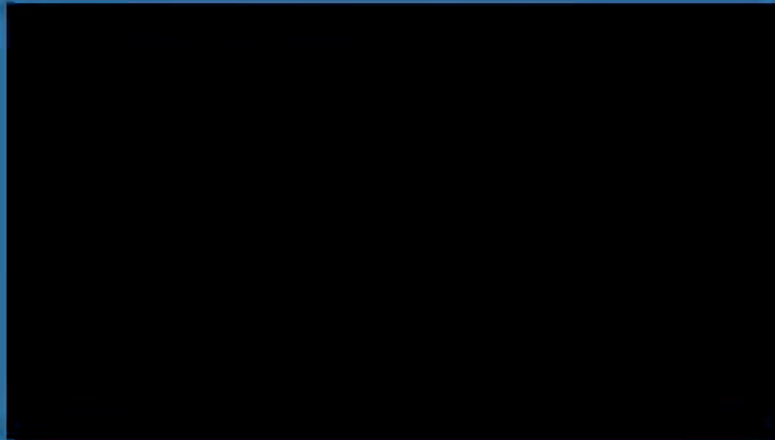
Efficient

School District	**Overall Performance Reading %	School District	**Overall Performance Math %	Total Revenue Per ADA	Operating Expenditure per ADA	Instructional Expenditure per ADA	% Spent on Instruction	
Bannockburn	90.3	Lincolnshire	97.7	Bannockburn	\$15,623 Roundout	\$25,359 Roundout	\$15,088 Oak Grove	58.6
Millburn	97.7	Kildeer	97.3	Kildeer	\$30,080 Bannockburn	\$19,961 Bannockburn	\$11,360 Millburn	55.5
Lincolnshire	97.5	Deerfield	96.7	Grass Lake	\$26,792 Lake Bluff	\$16,161 Lake Bluff	\$10,508 Diamond Lake	54.8
Deerfield	97.2	Crystal Lake	96.5	Lake Bluff	\$19,082 Aptakisic	\$15,473 North Shore	\$9,707 Roundout	54.4
Kildeer	97.3	Millburn	96.9	North Shore	\$18,085 North Shore	\$15,249 Aptakisic	\$8,952 Emmens	53
Libertyville	96.7	Winthrop Harbor	96.2	Lincolnshire	\$18,611 Lincolnshire	\$14,727 Oak Grove	\$8,328 Lake Bluff	52.9
Lake Forest	96.0	Aptakisic	96.0	Aptakisic	\$18,022 Grass Lake	\$14,700 Lincolnshire	\$8,625 Aptakisic	52
Aptakisic	95.8	Bannockburn	94.7	Kildeer	\$17,431 Lake Forest	\$14,572 Deerfield	\$8,548 Zion	51.9
Emmens	95.3	Lake Forest	94.7	Lake Forest	\$17,146 Oak Grove	\$13,519 Grass Lake	\$6,088 Kildeer	51.8
Freemont	95.2	Emmens	94.9	Deerfield	\$16,000 Deerfield	\$13,218 Lake Forest	\$8,029 Deerfield	51.5
Dak Grove	95.0	Freemont	94.5	Dak Grove	\$16,118 Hoffman	\$12,588 Kildeer	\$7,848 Lake Villa	51.2
North Shore	94.7	Dak Grove	93.8	Emmens	\$13,032 Emmens	\$12,493 Diamond Lake	\$7,388 North Shore	50.3
Lake Bluff	93.7	Lake Bluff	93.8	Hawthorn	\$14,468 Hawthorn	\$12,168 Emmens	\$7,317 Lincolnshire	50
Hawthorn	91.7	Roundout	93.0	Gurnee	\$14,291 Diamond Lake	\$11,918 Hawthorn	\$7,078 Woodland	49.8
Roundout	91.4	North Shore	92.3	Diamond Lake	\$13,063 Fox Lake	\$11,321 Zion	\$6,514 Hawthorn	49.7
Mundelein	90.8	Hawthorn	91.7	Libertyville	\$12,748 Gurnee	\$11,244 Griggs	\$6,219 Beach Park	48.9
Graylake	90.5	Hawthorn	90.8	Fox Lake	\$13,039 Woodland	\$10,540 Millburn	\$5,141 Antioch	47.7
Gurnee	89.9	Woodland	90.3	Freemont	\$13,580 Zion	\$10,981 Woodland	\$6,051 Graylake	47.7
Fox Lake	89.5	Diamond Lake	89.6	Gavin	\$13,528 Fremont	\$10,947 Graylake	\$6,031 Fremont	47.5
Winthrop Harbor	89.2	Fox Lake	89.8	Zion	\$13,361 Gavin	\$10,796 Libertyville	\$5,767 Lake Forest	47.1
Woodland	88.5	Lake Villa	89.2	Woodland	\$12,442 Graylake	\$10,522 Beach Park	\$5,703 Grass Lake	45.3
Antioch	87.3	Antioch	88.3	Graylake	\$12,359 Libertyville	\$10,333 Fremont	\$5,542 Libertyville	44.7
Grass Lake	87.3	Gurnee	87.3	Big Hollow	\$12,093 Beach Park	\$10,119 Fox Lake	\$5,358 Mundelein	43.9
Lake Villa	85.3	Graylake	86.8	Beach Park	\$12,215 Mundelein	\$10,058 Antioch	\$5,448 Winthrop Harbor	42
Diamond Lake	84.5	Grass Lake	86.7	Woodland	\$12,058 Winthrop Harbor	\$9,354 Winthrop Harbor	\$5,448 Gavin	42.9
Big Hollow	83.7	Big Hollow	84.5	Antioch	\$11,702 Millburn *	\$9,762 Gavin	\$5,428 Fox Lake	40.3
Gavin	81.5	Beach Park	81.8	Winthrop Harbor	\$11,551 Antioch	\$9,289 Lake Villa	\$5,138 Big Hollow	35.8
Beach Park	78.2	Zion	79.2	Millburn	\$10,666 Big Hollow	\$8,968 Mundelein	\$5,083 Gurnee	31.5
Zion	72.0	Gavin	76.6	Lake Villa	\$10,521 Lake Villa	\$8,782 Big Hollow	\$4,788 Bannockburn	29.6
Average	90.9	Average	90.9	Average	\$16,115 Average	\$12,007 Average	\$7,313 Average	47.63
Millburn	97.4	Millburn	96.2	Millburn	\$10,668 Millburn	\$9,766 Millburn	\$5,142 Millburn	55.5

*2012 Number 99,217

Millburn is efficient. What is important in this chart is the overall picture. I know the print is VERY small, but you can get the overall view. Millburn is the second highest in reading in the county. Millburn is second from the bottom in revenue. Millburn spends close to the median in instructional expenditures. Millburn spends the second highest percentage in the county on instruction. Millburn is spending money in the right area and getting a good return on investment.

Wise Investment



Education has never been more important. We live in a global economy, and one that is changing at a tremendous rate. The Common Core Standards are designed to meet the needs of a global economy, greater mobility, team building, problem solving, etc. The Common Core Standards emphasize depth vs. breadth. They emphasize deeper learning. In math, students will be asked for explanations, not just computations. In Language Arts the focus will shift more to non-fiction reading and writing.

This slide showed a video that can be accessed at You Tube by typing in “Did you know?”

This is a tremendous amount of work, and our teachers have taken the challenge head on. We have an elementary math committee that meets regularly, and they are looking at some very exciting materials that would help them structure their day without completely writing the entire curriculum each day. Materials that would provide a solid foundation from which to build would be excellent. Thankfully, the reading curriculum that was adopted in 2007 remains a good resource. Unfortunately, our current math program does not align as well to the common core. We will need to update this curriculum. Updating a curriculum for the K-5 grades can range up to \$150,000. In addition, the newer curriculum materials are best utilized with the online access. We will look to add projectors in each of our classrooms in order to utilize the technology that we already have. Installing projectors will take additional funds.

Smaller Class Size



This is an example of a PE class, but you will notice that smaller class sizes will allow for more participation. The same is true in EVERY classroom. How many times do you think each student will even touch the ball during one period?

Smaller Class Sizes



Smaller class sizes will allow greater flexibility for teaming. Teachers have needed to move to rows to accommodate more students. Smaller class sizes will allow the teacher to monitor the progress of each student on an individual basis. There will be the opportunity for 17% more contact with individual students. Teachers have had to take more work home to grade. This impacts their personal life, but we will need to lower class sizes in order to increase individual time with students. The major foundation of the middle school concept is building positive relationships with adults and other children. Smaller class sizes will allow more time for teachers to get to know each student as an individual.

Invest in Library Instruction



Information taken for Scholastic Library Publishing.

Summary: A substantial body of research since 1990 shows a positive relationship between school libraries and student achievement. The research studies show that school libraries can have a positive impact on student achievement -- whether such achievement is measured in terms of reading scores, literacy, or learning more generally. A school library program that is adequately staffed, resourced, and funded can lead to higher student achievement regardless of the socioeconomic or educational levels of the community.



“HOW DO I SEE MYSELF? HOW DO I
FEEL? HOW DO I WANT OTHERS TO
SEE ME?”

ART EDUCATION **INCREASES ABILITY TO COMMUNICATE**
AND EXPRESS IDEAS MORE CLEARLY.

ART EDUCATION **STIMULATES CREATIVITY.**

ART EDUCATION **IMPROVES OBSERVATION SKILLS** AND
FORCES STUDENTS TO ENVISION THINGS THEY CANNOT
YET SEE.

ART EDUCATION ALLOWS STUDENTS TO **WORK**
COOPERATIVELY.

ART EDUCATION OFFERS AN OPPORTUNITY TO
DECOMPRESS IN THE DAY.

ART EDUCATION PROVIDES AN EXPERIENCE WHERE
ALL STUDENTS CAN FIND SUCCESS.

ART EDUCATION HELPS STUDENTS **CREATE A SENSE OF**
IDENTITY.

Drawing by Alyssa Fuller Class of '13

A well rounded education is vital for the success of our students. We have already increased the class sizes of our specials even beyond the general education class sizes. We have diminished the supply budgets, and we have limited the exposure of students to these programs. We have produced exceptional quality. It takes years to build up good programs, and it would take years to rebuild after losing exceptional people even for one year.



Drawing by Sarah Gattone

Class of '13

"Imagination is more important than knowledge. For knowledge is limited to all we now know, while imagination embraces the entire world, and all there ever will be to know and understand."

Albert Einstein

THAT BEING SAID.....

RESEARCH HAS PROVEN THAT STUDENTS WHO HAVE FINE ARTS EDUCATION SIMPLY DO MUCH BETTER IN LIFE....

**BETTER GRADES*

**HIGHER SCORES ON STANDARDIZED TESTS IN MATH AND READING*

**HIGHER LEVEL OF COLLEGE ENROLLMENT AND ATTAINMENT*

**MORE CIVICALLY ENGAGED*

**HIGHER LEVELS OF VOLUNTEERING AND VOTING*

**GREATER INVOLVEMENT IN SCHOOL AND LOCAL GOVERNMENT*

The Millburn Leadership can be Trusted

The Board has...

- Hired an excellent business manager.
- Reduced a portion of the negative fund balance.
- Refinanced debt.
- Renegotiated external contracts.
- **BALANCED THE BUDGET.**

The Board has...

- Met with legislators to influence damaging legislation and raise awareness.
- Attended training on school finance.
- Worked with state officials on forecasting.

The ability for the community to trust its leadership is vital to the success of not just school, the entire community. Trust is very difficult to earn, especially in today's political and economic environment. I am asking for your trust, and I am inviting you to verify.

Millburn refinanced debt to save taxpayers \$300,000.

Millburn negotiated new bus leases to save \$69,000 per year.

You have a Board that is motivated to serve and willing to learn. Our Board members have been to training events, and conferences. They are very informed, and very aware of the issues impacting education.

Myths

- Hidden money.
- Too much money is spent on administrator and teacher salaries.
- All the money will go to salaries.
- The State will get our money and squander it.
- There are more expenses to cut and fees to raise.

We will also address common myths: ·

There is extra, hidden money·

Too much money is spent on administration or teacher salaries·

All the money will go to staff salary increases

Etc.

Hidden Money

We have many eyes on our budget.

- Independent Audit
- PMA Finances
- State Monitor
- Monthly Board Reports
- Standard and Poor's Credit Rating process
- Financial Advisory Committee
- Facilities and Finance Committee



There is no “hidden” money at Millburn. Millburn is extremely transparent. You can track budget to actual reports each month by following Board Agendas on our website. You can look at the business office link on our website to compare audits and annual financial reports. Millburn is watched by the state of Illinois. Since we are one of the 14 schools on the watch list, we have state financial consultant monitoring our budget and expenditures. We have an outside independent audit completed each year, and we have hired a private financial advisory company to help with projections and budgeting. We have given the business office a boost, and it shows in our improved financial position. We have also gone through a rigorous credit rating process when we refinanced our bonds last spring. Our finances have been under the microscope!

Too Much Money is Spent on...

Admin Salaries



Teacher Salaries

- Teacher salaries are in the average of the feeder schools in our area, and below average for the county.
- The Union does not control teacher salaries, the Board does.

I want to share a couple of statistics. Millburn spends less on administrative salaries in 2013 than it did in 2005. The national average executive salaries have not certainly not trended below inflation. Millburn administrators have had an increase in salary of 4% over 4 years or 1% per year.

The teachers are currently in the negotiations process with the Board. The process is moving forward as quickly as possible. The Board has actually had several special meetings on weekends to keep the process moving as swiftly as possible. The entire process has taken longer than anticipated because this is the first Union contract in Millburn's history. The referendum will still not put Millburn in a position to pay teachers what I think they deserve. It is not a matter of what they deserve; it is a function of what Millburn can afford. Our teachers understand our financial difficulties.

The State Will Just Waste Our Money

- 100% of local funding stays local.



No local money goes to the state. This is one positive aspect of local funding.

There are More Expenses to Cut – Fees to Increase



The first \$2 million in cuts was needed to balance the budget. The final \$1.3 million has had a significant impact on the student experience at Millburn. The Board is not asking to replace that \$1.3. They are asking for a portion of it. It will not get class sizes down to previous levels, but it will certainly get them closer to average. The administration will continue to look for efficiencies as we have been doing. However, there is a limit to some efficiencies. If we completely eliminated the gas, electric, and the entire operations and maintenance budget, we would still not make up the 1.3 million.

We have also increased our fees to the point that sports and most activities are completely funded by the participants. Our registration fees are also maxed out.

We have been smart about our cuts, we have pinched our pennies, and we are already a skeleton of what we used to be.

One Story



If you have been to a recent graduation, you may have heard this story, but it is a good one. An elderly carpenter...

An elderly carpenter was ready to retire. He told his employer-contractor of his plans to leave the house building business and live a more leisurely life with his wife enjoying his extended family.

He would miss the paycheck, but he needed to retire. They could get by. The contractor was sorry to see his good worker go and asked if he could build just one more house as a personal favor. The carpenter said yes, but in time it was easy to see that his heart was not in his work. He resorted to shoddy workmanship and used inferior materials. It was an unfortunate way to end his career.

When the carpenter finished his work and the builder came to inspect the house, the contractor handed the front-door key to the carpenter. "This is your house," he said, "my gift to you."

What a shock! What a shame! If he had only known he was building his own house, he would have done it all so differently. Now he had to live in the home he had built none too well.

So it is with us. We are building our own house. Unfortunately, We don't always take the long-term look at life. We are the carpenter. We are now building for the future. We are educating tomorrows' leaders today.

Cost/Benefit

Cost

- \$1 per day for the average \$300,000 home.
- \$114 per \$100,000 Market Value.

Benefit

- Lower class sizes by roughly 17%.
- Effective and efficient transition to Common Core Curriculum.
- Financial Stability.
- Maintain Fine Arts, Library Instruction, and Gifted Instructional Services.

We are holding this forum to help district taxpayers decide if it is in their best interests to pay about \$1 per day more in local property taxes in order to reduce class sizes by roughly 17%, provide the curriculum to support the state mandated core curriculum, and save specials such as band, sports, and other extracurricular activities. We are in the slowest economic recovery in US history. District taxpayers have lost their homes, are struggling to make mortgage payments, and are cutting all corners. Common wisdom is that we must be crazy to ask taxpayers to fund a referendum at this time. In fact, we are the ONLY district in our area to run a referendum. We hope that after our presentation that you will appreciate that if we don't shore up the revenue lost from the federal and state governments, our district risks losing the competitive edge that attracts families to move here – the unmatched, well-rounded education Millburn provides. A failure to increase revenues not only affects families with children in our schools. In the short run it has the potential to drop market value for everyone. In the long run it has the potential to no longer make Millburn the destination of choice for families seeking the best education for their children. Millburn is one of the most effective and efficient districts in our state. It should be the model of efficiency for all the other 868 districts if not for our poor financial situation. The PowerPoint presentation has made that case.

Millburn has shifted from an expenditure issue to a revenue issue. The next cuts will have an even greater impact on our students' educational experience.

We Demonstrated That...

- ✓ The Board ***listened*** to the public.
- ✓ The current trend is ***unsustainable***.
- ✓ The Millburn education has proven ***effective***.
- ✓ The Millburn operation is ***efficient***.
- ✓ The Millburn education is a ***wise investment***.
- ✓ You can ***trust*** your board and administration to be a wise custodian of your money.

We'll demonstrate that: ·

All the issues that caused the last referendum to fail have been addressed·

The current situation is unsustainable·

Millburn is one of the most effective districts·

Millburn is one of the most efficient districts·

Spending money on reducing class sizes, improving curriculum, and offering specials is a wise investment·

You can trust your board of education and administration to spend your money wisely

This presentation did not cover every aspect of our finances, or address every question that has surfaced. I expect that some people will have additional specific questions after the presentation. I will stay and answer questions until they are all addressed. If I can't answer them tonight, I will direct you to someone that can, or I will get back to you. I am not here to convince you to vote yes. I am here to present information. I will only ask that you trust, and then feel free to verify.

QUESTIONS?

- What did you hope to hear that has not been discussed?

We showed that: ·

All the issues that caused the last referendum to fail have been addressed·

The current situation is unsustainable·

Millburn is one of the most effective districts·

Millburn is one of the most efficient districts·

Spending money on reducing class sizes, improving curriculum, and offering specials is a wise investment·

You can trust your board of education and administration to spend your money wisely

Resources

millburn24.net

- PMA presentations – Board Tab

- Budget presentations – District/Business Office

- Annual Financial Reports – District/Business Office

isbe.net

- Financial Profile Scores

- Annual Financial Reports

iirc.niu.edu

- Comparisons to other districts

REDUCTIONS FOR THE 2009-10 SCHOOL YEAR		
FTE REDUCTIONS	DESCRIPTION	AMOUNT
14.1	CERTIFIED STAFF @ \$50,000 EACH	\$700,000
1.5	LIBRARY CLERKS	\$75,000
2	CLERICAL OFFICE STAFF	\$27,000
0.2	NURSE	\$7,000
1	COMPUTER TECH	\$50,000
3	TEACHER AIDES	\$150,000
	REDUCE NUMBER OF BUS SHUTTLE ROUTES	\$75,000
	REDUCE EXTRA-DUTY POSITIONS	\$10,000
	INCREASE CLASS SIZES FOR SPECIALS	\$10,000
	REDUCE SCHOOL SUPPLY BUDGETS	\$87,000
	DEVELOP LOCAL SPED PROGRAMS THUS REDUCING OUT-OF-DISTRICT TRAVEL COSTS	\$100,000
	ELIMINATE NEW TEXTBOOK ADOPTIONS	\$155,000
	REDUCE PAPER USAGE - INCREASED ELECTRONIC COMMUNICATION	\$3,000
21.6	TOTAL REDUCTIONS 2009-10	\$1,363,500
REDUCTIONS FOR THE 2010-11 SCHOOL YEAR		
1.7	CERTIFIED STAFF @ \$50,000 EACH	\$85,000
1.7	TOTAL REDUCTIONS 2010-11	\$85,000
REDUCTIONS FOR THE 2011-12 SCHOOL YEAR		
FTE REDUCTIONS	DESCRIPTION	AMOUNT
18.3	CERTIFIED STAFF @ \$55,000 EACH	\$1,006,500
	DISTRICT-WIDE SPIRITS (INSTEAD OF A TEAM AT EACH SCHOOL)	\$87,000
18.3	TOTAL REDUCTIONS 2011-12	\$1,093,500
REDUCTIONS/REVENUE INCREASES FOR THE 2012-13 SCHOOL YEAR		
FTE REDUCTIONS	DESCRIPTION	AMOUNT
10.3	CERTIFIED STAFF @ \$50,000 EACH	\$515,000
3	REGULAR BUS DRIVERS	\$45,000
1	ADMINISTRATOR	\$50,000
	THREE YEAR BUS LEASE (2011-12 - 1 YR LEASE) & 2 LESS BUSES	\$60,000
	INCREASED STUDENT FEES (INCREASE RANGES FROM 25% TO 100%)	\$100,000
14.3	TOTAL REDUCTIONS 2012-13	\$955,500
FTE REDUCTIONS	DESCRIPTION	AMOUNT
54.4	TOTAL REDUCTIONS/REVENUE INCREASES FY10 THROUGH FY13	\$3,368,844

This chart shows the overall cuts and increased fees that have impacted our current students. We have increased fees as much as possible to cover extra-curricular activities.



This is picture of current classrooms.

Illinois Does NOT Support Education

- *National report card on school funding fairness finds Illinois one of four states ranking poorly on all measures* CHICAGO, Oct. 12 / PRNewswire-USNewswire/ --
- *A national report card on education funding released today gives Illinois an "F" in an evaluation of the fairness of its funding distribution between low- and high-poverty school districts. The report ranks Illinois third from last on this measure with updated data showing that the state has now slipped even lower to second from last in funding distribution fairness. Illinois also scored low marks on the study's other measures.*



The full report can be found online by googling Illinois school funding. Illinois is one of the worst funded in education.

Millburn West/Middle?

- Projected Growth
- Three subdivisions planned
 - Ehrlenborn Farm
 - Tim Smith Property
 - Village Green
- Current enrollment
- Future enrollment?

The myth is that we should have never built West. The projections by professionals showed tremendous growth. There were three subdivisions planned since West opened. We would not be able to safely house 1500 students on the current campus. Our current enrollment and programming would not allow for us to be in one building. The extra space has allowed us to house SEDOL programs, and house our own special education programs. We have also been able to lease space to Red Apple which has provided a nice service for our parents. We have used the resources that we have.

Nonlinear Effects of School Quality on House Prices

Abbigail J. Chiodo, Rubén Hernández-Murillo, and Michael T. Owyang

We reexamine the relationship between quality of public schools and house prices and find it to be nonlinear. Unlike most studies in the literature, we find that the price premium parents must pay to buy a house in an area associated with a better school increases as school quality increases. This is true even after controlling for neighborhood characteristics, such as the racial composition of neighborhoods, which is also capitalized into house prices. In contrast to previous studies that use the boundary discontinuity approach, we find that the price premium from school quality remains substantially large, particularly for neighborhoods associated with high-quality schools.

(JEL C21, I20, R21) Federal Reserve Bank of St. Louis Review, May/June 2010, 92(3), pp. 185-204.

This is research that shows the direct impact of schools on property value. The research seems to hold true in Millburn's case since you can have direct comparisons with other school districts. A community member can choose to buy a similar model of house all within a short distance of each other in completely separate school districts. There is a premium that Millburn parents have paid to get into the school district over the years. Millburn does not offer the amenities of other communities. The only differential is the school district. The success of the school district has a direct impact on property value.

	Local Property Taxes %		Genera l State Aid %		EAV per pupil 10-11		Total Tax Rate 10- 11	Taxes Generated on a \$300,000 Home
FY 09/10		FY 09/10						
RONDOUT SD 72	92	ZION ESD 6	28.9	RONDOUT SD	\$2,108,725	ZION ESD 6	4.879	\$4,879
OAK GROVE SD 68	91.2	MILLBURN	17.6	LAKE FORES	\$1,332,066	GRASS LAKE	4.087	\$4,087
DEERFIELD SD 109	91	LAKE VILLA	17.5	BANNOCKBURN	\$1,301,475	GRAYS LAKE	3.941	\$3,941
BANNOCKBURN SD 106	89.8	GRAYS LAKE	16.2	LAKE BLUFF	\$780,481	BEACH PARK	3.804	\$3,804
GRASS LAKE SD 36	87.9	GAVIN SD 3	15.4	NORTH SHORE	\$666,463	MILLBURN	3.767	\$3,767
LAKE BLUFF ESD 65	87.7	BEACH PARK	14.9	LINCOLNSHIRE	\$656,712	GURNEE SD	3.548	\$3,548
FREMONT SD 79	87.7	MUNDELEIN	10.7	OAK GROVE	\$608,021	MUNDELEIN	3.511	\$3,511
APTAKISIC-TRIPP CCSD	86.4	WINTHROP	10.2	DEERFIELD	\$598,209	ANTIOCH CC	3.51	\$3,510
KILDEER COUNTRYSIDE	85.6	BIG HOLLOW	7.7	GRASS LAKE	\$579,248	WOODLAND	3.437	\$3,437
LIBERTYVILLE SD 70	84.4	DIAMOND LA	6.1	APTAKISIC-T	\$513,163	BIG HOLLOW	3.393	\$3,393
HAWTHORN CCSD 73	84.2	FOX LAKE G	3.8	KILDEER CO	\$472,274	WINTHROP	3.331	\$3,331
NORTH SHORE SD 112	83.7	ANTIOCH CC	3.6	FREMONT SD	\$457,137	DIAMOND LA	3.327	\$3,327
LINCOLNSHIRE-PRAIRIE	83.4	WOODLAND	3.3	LIBERTYVILLE	\$448,391	GAVIN SD 3	3.147	\$3,147
EMMONS SD 33	82.6	GURNEE SD	3.2	EMMONS SD	\$436,244	LAKE VILLA	3.127	\$3,127
LAKE FOREST SD 67	82.2	LIBERTYVILLE	2.7	HAWTHORN	\$396,227	KILDEER CO	3.086	\$3,086
GURNEE SD 56	81.1	HAWTHORN	2.5	FOX LAKE G	\$378,641	HAWTHORN	3.081	\$3,081
WOODLAND CCSD 50	78.9	EMMONS SD	2.5	GURNEE SD	\$312,949	APTAKISIC-T	3.051	\$3,051
BIG HOLLOW SD 38	77	KILDEER CO	1.8	DIAMOND LA	\$301,728	EMMONS SD	2.981	\$2,981
ANTIOCH CCSD 34	76.8	GRASS LAKE	1.5	WOODLAND	\$291,399	FOX LAKE G	2.689	\$2,689
DIAMOND LAKE SD 76	76.4	APTAKISIC-T	1.5	WINTHROP	\$277,366	BANNOCKBURN	2.671	\$2,671
FOX LAKE GSD 114	73.7	OAK GROVE	1.3	ANTIOCH CC	\$257,170	DEERFIELD	2.665	\$2,665
WINTHROP HARBOR SD	72.4	DEERFIELD	1.2	MUNDELEIN	\$247,014	FREMONT SD	2.663	\$2,663
MUNDELEIN ESD 75	69.8	NORTH SHORE	1.2	GRAYS LAKE	\$211,045	NORTH SHORE	2.437	\$2,437
GRAYS LAKE CCSD 46	63.8	LAKE BLUFF	1.1	BEACH PARK	\$203,921	LIBERTYVILLE	2.431	\$2,431
BEACH PARK CCSD 3	62.8	LAKE FORES	1.1	MILLBURN	\$194,252	OAK GROVE	2.389	\$2,389
MILLBURN	62.2	LINCOLNSHIRE	1	LAKE VILLA	\$165,099	LINCOLNSHIRE	2.378	\$2,378
GAVIN SD 37	62.2	RONDOUT SD	0.7	BIG HOLLOW	\$141,023	LAKE BLUFF	2.308	\$2,308
LAKE VILLA CCSD 41	59.5	BANNOCKBURN	0.7	GAVIN SD 3	\$139,654	RONDOUT SD	1.331	\$1,331
ZION ESD 6	39	FREMONT SD	0.4	ZION ESD 6	\$97,947	LAKE FORES	1.095	\$1,095

This chart explains the downside of Illinois funding. Millburn homeowners pay a much higher tax rate because there is relatively little commercial value to offset the homeowner. There is a direct correlation between the EAV per pupil and tax rate. In order to capture the same funds, Millburn must a much higher rate than other communities. This chart also shows that Millburn receives a higher amount of state funding to help offset this deficit. However, when state funding is reduced, Millburn takes a hit.

Recent Referendum History

- 2004 – Voters approved a \$.53 increase in the education fund rate along with approval to issue \$16 million in bonds to build a new school. The operational money was projected to last 5 years.
- 2010 – A \$.73 increase in the operational rate was voted down by a 2 to 1 margin. Voters were asked to replace the loss of state revenues with local revenues.