

Table of Contents

Acknowledgements & Disclaimer	i
Chapter One	
Purpose of the Study	1
Community Demographics	2
Participating Districts	2
Albers School District No. 63	3
Damiansville School District No. 62	4
Chapter Two	
District Report Cards	
1. Student and Teacher Demographics	5
2. Average Class Size	5
3. Illinois Standards Achievement Test (ISAT)	6
a. Grade Three	7
b. Grade Four	7
c. Grade Five	8
d. Grade Six	8
e. Grade Seven	9
f. Grade Eight	9
4. Adequate Yearly Progress	10
Chapter Three	
Enrollment	
1. History and Projections	11
a. Albers Five-Year History	11
b. Damiansville Five-Year History	12
2. Combined Enrollment By Grade	14
3. Projected Enrollments By Grade	14
4. Jr. High School Projected Enrollment	15
Chapter Four	
Facilities	
1. Albers School District	16
2. Damiansville School District	17
Chapter Five	
Curriculum	
1. State Requirements	18
2. Albers and Damiansville Courses Offerings	19
Chapter Six	
Athletics and Activities	
1. Memberships and Mascots	20
2. Extra-Curricular Activities	20
Chapter Seven	
Transportation	
1. Individual School District Information	21

2. Total Miles by District	22
3. Total Cost by District	22
4. Cost per Mile	22
5. Damiansville Fleet Information	22
Chapter Eight	
Finance	
1. Equalized Assessed Valuation	23
2. Equalized Assessed Valuation By District	24
3. Tax Rates By Districts	25
4. Tax Rate Limitations	26
5. Albers Tax Rates	27
6. Albers Fund Balances	28
7. Damiansville Tax Rates	29
8. Damiansville Fund Balances	29
9. Albers Receipts/Revenues	30
10. Damiansville Receipts/Revenues	30
11. Albers Expenditures By Fund	31
12. Damiansville Expenditures By Fund	31
13. District Operating Expense Per Pupil	32
14. Instructional Expenditures	33
15. Per Capita Tuition Charge	34
16. District Profiles	35
a. Albers Financial Profile	36
b. Damiansville Financial Profile	38
17. Five Year Budget Projections	40
Chapter Nine	
Financial Incentives	
1. State Aid Difference	42
2. Deficit Offset	42
3. Teacher Salary Difference	43
4. Certified Employee Pay	43
Consolidation/Annexation/Dissolution	43
1. State Aid Difference	44
2. Deficit Offset	45
3. Teacher Salary Difference	46
4. Certified Employee Pay	47
5. Total Incentive Payments	47
Chapter Ten	
Conclusions/Recommendations and Summary	
I. Conclusions	48
1. Buildings and Facilities	48
2. Transportation	49
3. Curriculum	50
4. Staffing & Personnel	50
5. Finance	51

II. Recommendations	52
1. Dissolution/Annexation	52
2. Consolidation	52
1. Building & Facilities	53
2. Transportation	53
3. Curriculum	54
4. Staffing & Personnel	54
5. Savings	55
3. Summary	56
Chapter Eleven	
What's Next?	
I. Dissolution/Annexation	57
1. Public Informational Meeting	58
2. Notice of Referendum	59
3. Sample Ballot	60
II. Consolidation	60
1. Committee of Ten	61
2. Notice of Referendum	62
3. Sample Ballot	63
4. Newly Elected School Board	63
III. Timelines for April 7, 2009 General Election	64
1. Consolidation	65
2. Dissolution/Annexation	66
GLOSSARY	67

The following Tables and Charts appear in the report.

Tables:

I	Community Demographics	2
II	Student and Teacher Demographics	5
III	Average Class Size	5
IV	Grade 3 Illinois ISAT Standards	7
V	Grade 4 Illinois ISAT Standards	7
VI	Grade 5 Illinois ISAT Standards	8
VII	Grade 6 Illinois ISAT Standards	8
VIII	Grade 7 Illinois ISAT Standards	9
IX	Grade 8 Illinois ISAT Standards	9
X	Albers Five-Year Enrollment History	11
XI	Damiansville Five-Year Enrollment History	12
XII	Combined Enrollment From 2004 to 2008	14
XIII	Projected Enrollment By Grade From 2009 to 2013	14
XIV	Combined Jr. High School Projections	15
XV	Extracurricular Activities	20
XVI	District Transportation Information	21
XVII	Transportation Miles By District	22
XVIII	Transportation Costs By District	22

XIX	Damiansville Fleet Information	22
XX	Equalized Assessed Valuation	23
XXI	Tax Rate Limitations	26
XXII	Albers Tax Rates From 2005 to 2007	27
XXIII	Albers Beginning Fund Balances	28
XXIV	Damiansville Tax Rates From 2005 to 2007	29
XXV	Damiansville Beginning Fund Balances	29
XXVI	Albers and Damiansville Receipts and Revenues	30
XXVII	Operating Expenditures From 2003 to 2006	32
XXVIII	Instructional Expenditures From 2003 to 2006	33
XXIX	Tuition Costs From 2005 to 2007	34
XXX	General State Aid Incentive	45
XXXI	Teacher Salary Difference	46
XXXII	Certified Staff Incentive	47
XXXIII	Total Incentive Payments	47

Charts:

I	Percent Meeting or Exceeding ISAT	10
II	Albers Enrollment from 2004 to 2008	12
III	Damiansville Enrollment from 2004 to 2008	13
IV	District Assessed Valuation	24
V	Total Tax Rates	25
VI	Albers Expenditures By Category FY07	31
VII	Damiansville Expenditures By Category FY07	31
VIII	Operating Expense Per Pupil From 2003 to 2006	32
IX	Instructional Cost Per Pupil From 2003 to 2006	34
X	Tuition Charges From 2005 to 2007	43

Acknowledgements

The consultants would like to thank superintendents Mrs. Sharon Harms and Mr. Mike Toebe for their assistance in coordinating this feasibility study.

The consultants would like to acknowledge the assistance of two individuals who were very instrumental in providing support for this study. Ms. Michelle Heninger, C.P.A., Principal Fiscal Consultant, Illinois State Board of Education, worked with the consultants on fiscal matters and Mrs. Keri Garrett, Superintendent, Regional Office of Education No. 13, provided guidance and encouragement to the consultants during the fact finding mission of this study.

Disclaimer

The recommendations contained in this report are the result of materials reviewed by the consultants. Financial incentives are calculated by the consultants based on information received from the participating superintendents and should be used as estimates. Actual incentives will be calculated by ISBE when reorganization becomes a reality for the districts involved. *The recommendations do not reflect any personal views held by the consultants but are based upon careful analysis of data provided.*

The consultants would like to acknowledge the members of the two school boards of education for their leadership and insight to support this study. Members are listed by school districts.

ALBERS DISTRICT #63

Thomas Broeckling, President
Greg Hass, Vice-President
Kristen Templin, Secretary
Sean Kennedy
Brenda Morris
Bob Netemeyer
Rex Schomaker

DAMIANSVILLE DISTRICT #62

Kelly Arentsen, President
Susan Lynch, Vice-President
Mikeal Caraker, Secretary
Kevin Arentsen
Donna Goebel
Phyllis Kassen
Jill Kassen

Chapter One

Introduction

This chapter contains the following:

- Purpose of the study
- Community Demographics
- Participating Districts

What greater or better gift can we offer the republic than to teach our youth?

--Cicero

PURPOSE OF THE STUDY

Albers School District No.63 and Damiansville School District No. 62 want to explore the advantages of school district reorganization options offered by the Illinois State Board of Education. These advantages can be either educational opportunities, financial incentives or a combination of both.

School district reorganization is the umbrella term which includes consolidation, combination, dissolution or detachment, annexation, unit district conversion, high school deactivation, and cooperative high school attendance centers.

Public Act 94-1019, enacted July 1, 2006, expands the reorganization options available to school districts. This new law consolidates Articles 7A, 11A, 11B and 11D of the School Code into a new Article 11E. This Article does not include reorganization types not creating a new district (Deactivation, Cooperative High School, Dissolution or Detachment). The new types created by the law are Optional Elementary Unit District, Combined High School and Unit District and Multi-Unit Conversion. However, because both Albers School District and Damiansville School District are elementary districts with students in grades kindergarten through eight, the reorganization options become limited.

This study will focus on two options available for elementary districts, **Dissolution/Annexation** and **Consolidation**. **Dissolution** is a form of reorganization where all of one school district is incorporated into one or more school districts thereby dissolving the original school district. A new district is not created, a new board is not elected, and the maximum tax rates for the annexing district are not changed. **Consolidation** is the merger of two or more existing districts to form or create a new district. A new school board is elected and new tax rates are established.

There are several financial incentives offered to school districts that reorganize. The four types of financial incentives offered by the state are: (1) State Aid Difference,

(2) Teacher Salary Difference, (3) Deficit Offset, and (4) \$4,000 per Certified Employee. These incentives will be explained in greater detail later in this study.

COMMUNITY DEMOGRAPHICS

Both districts are located in Clinton County Illinois which is considered a part of the St. Louis Metro Area. As of 2006, the estimated population of Clinton County was 36,633. This is a 3.1 percent increase over the 2000 census population of 35,535. The county seat is Carlyle and the county has a total area of 503 square miles of which 474 square miles is land and 29 square miles of water.

The following table shows comparisons between the two communities of Albers and Damiansville, Illinois. This data is from the 2006 year.

Table I
Community Comparison

People	Albers	Damiansville
Population	1,052	380
Population change	+19.82%	+3.26%
Median Age	34.7	35.6
Households	386	131
Household size	2.74	2.85
Male population	48.55%	49.25%
Female population	51.45%	50.75%
Married population	61.98%	64.56%

PARTICIPATING DISTRICTS

The two districts administrative offices are located about 3 miles apart. Albers School District No. 63 is located in Albers, Illinois and the Damiansville School District No. 62 is located in the village of Damiansville.

Albers School District No. 63.

The first settlers of Albers came from Hanover and Westphalia, Germany. In 1889 a Railroad Line known as the “Air Line” was formed and the railroad company built a small depot on the road to Damiansville and named it Damiansville Station. A few years later the name was changed to Albers Station after the name of F. H. Albers who donated the land for the depot.

Henry Tonnies was a catalyst in the early development of Albers or “Tonnies” as the town was called for a short time. In 1908, a new congregation of the Catholic Church was formed and a school was started. Henry Tonnies and his wife Elizabeth donated the land for both the church and the school. The building had two rooms with a capacity of 40 pupils to each room. The school was rented from the church

Albers School District’s 7.75 square miles is located in Clinton County and has a 2007 Equalized Assessed Valuation of \$18,757,644.00. One building houses their 170 students. The school building has a long term lease for one dollar a year from the St. Bernard’s Catholic Parish. The community passed a bond referendum to build a new gymnasium.

The staff consists of 13 full-time and 4 part-time teachers, 1 administrator and 4 full-time and 3 part-time non-certified personnel. The superintendent also serves as the school principal. Teachers are members of the Illinois Education Association (IEA) Union. The contract expires in August 2009. The non-certified employees are affiliated with the same union and the contract expires in August 2009 as well.

Albers is a member of the Kaskaskia Special Education Cooperative. The district transportation consists of two regular and one special education routes. The district contracts all bus services with Zee Express, Inc.

Albers has \$593,000.00 of outstanding bonds. If the district was in need and could persuade the voters to pass a referendum, they could issue \$799,277.00 in bonds.

Damiansville School District No. 62

Damiansville is one of the oldest villages in Clinton County. The first settlers came from Holland and Hanover, Germany in 1837. They called the settlement Dempster, which was the name of a town in their native land.

In 1860, the Reverend Bishop Damian Junker of Alton, Illinois secured 20 acres of land to form a new parish for the 50 catholic families in the area. The parish was named St. Damian in remembrance of its founder. In 1862 a post office was erected under the name of Damiansville. A one room school was erected and in 1865 a house was built for the teacher.

The 14.5 square miles of the Damiansville School District is located in Clinton County and has a 2007 Equalized Assessed Evaluation of \$12,269,205.00. Ten full-time and two part-time teachers provide instruction to the approximately 108 students. There are three full-time and 4 part-time non-certificated personnel. The superintendent also serves as the principal. The district rents the building for \$17,657.00 a year from the St. Damian's Parish who is responsible for the upkeep of the building. The school and church share the cost of the janitor.

Teachers are members of the Illinois Federation of Teachers (IFT) Union. The contract expires in August 2010. Non-certified employees do not belong to a union.

The district is a member of the Kaskaskia Special Education Cooperative. Damiansville runs two regular bus routes and one special education route.

The district has no outstanding bonds. If the district was in need and could persuade the voters to pass a referendum, they could issue \$784,186.00 in bonds.

Chapter Two

District Report Cards

This chapter contains the following:

- Student and Teacher Demographics
- Testing Information
- Adequate Yearly Progress

Training is everything. The peach was once a bitter almond; cauliflower is nothing but cabbage with a college education.

--Samuel L. Clemens (Mark Twain)

DISTRICT REPORT CARD INFORMATION

The consultants reviewed the 2007 School Report Card Data for each district. Student information, Instructional Setting, Teacher Information and School Academic Performance are compared. State averages are also included for comparison.

*Table II
Student and Teacher Demographics*

District	White	Black	Hispanic	Asian/Pacific Islander	Native American
Albers	94.2	0.0	5.2	0.0	0.0
Damiansville	89.0	0.0	11.0	0.0	0.0
State	54.9	19.6	19.3	3.8	0.2

District	Low Income	Limited English	Mobility	Attendance	Enrollment
Albers	13.3	5.2	5.7	97.2	173
Damiansville	17.8	0.0	11.1	97.4	118
State	40.9	7.2	15.2	93.7	2,077,856

District	Average Years Experience	Percent with B.A. Degrees	Percent with M.A. Degrees	Provisional Certificates	Classes taught by* Nonqualified Staff
Albers	7.8	68.2	31.8	0.0	0.0
Damiansville	13.2	100.0	0.0	10.0	0.0
State	12.9	47.6	52.3	1.5	3.2

*Data bases on preliminary NCLB definitions.

School districts are required to report class sizes in the following grades on the first school day in May. Schools that have a class size *higher* than the state average are highlighted.

*Table III
Average Class Size On The First Day In May*

Grade	K	1	2	3	4	5	6	7	8
Albers	16.0	19.0	20.0	15.0	19.0	23.0	18.0	17.0	26.0
Damiansville	9.0	14.0	9.0	10.0	8.0	9.0	14.0	14.0	11.0
State	20.9	21.0	21.3	21.8	22.5	22.8	22.6	21.8	21.9

Student and teacher comparisons indicated that the districts are similar in many ways. Most students are white, non-Hispanic as are the teaching staffs. Student

population seems to be declining slowly in both schools with each having a mobility rate of less than 15 percent. Albers has larger class sizes, in fact, grades five and eight are larger than the state average. Chronic absenteeism and attendance is not a problem in either district.

The teaching staff for both schools seems stable. A majority has acquired tenure status in both districts. Teachers in the Damiansville School District average 13.2 years of teaching experience compared to 7.8 years in Albers School District. None of the teaching staff at Damiansville have more than a Bachelor's Degree. Almost one-third of the teachers in the Albers School District have a Master's Degree or above.

The Illinois Standards Achievement Test (ISAT) is administered to students in grades 3 through 8. The Prairie State Achievement Examination (PSAE) is administered to students in grade 11. The Illinois Measure of Annual Growth in English (IMAGE) is administered to students in state approved transitional programs. The Illinois Alternate Assessment (IAA) is administered to students with disabilities when Individualized Education Programs (IEPs) indicate that participation in the ISAT or PSAE would not be appropriate.

The ISAT is divided into four levels of performance. The following charts represent the percent of students who scored in levels three (Meets) and four (Exceeds) in each district. *Due to rounding, the sum of the percentages in the four performance levels may not always equal 100.* The four performance levels are:

Level 1 – Academic Warning -- Student who demonstrates limited knowledge and skills in the subject. Because of major gaps in learning, students apply knowledge and skills ineffectively.

Level 2 – Below Standards – Student work demonstrates basic knowledge and skills in the subject. However, because of gaps in learning, students apply knowledge and skills in limited ways.

Level 3 -- Meets Standards – Student work demonstrates proficient knowledge and skills in subject. Students effectively apply knowledge and skills to solve problems.

Level 4 – Exceeds Standards – Student work demonstrates advanced knowledge and skills in subject. Students creatively apply knowledge and skills to solve problems and evaluate the results.

IN ORDER TO PROTECT STUDENTS' IDENTITIES, TEST DATA FOR GROUPS OF FEWER THAN TEN STUDENTS ARE NOT REPORTED. Grades four and five in Damiansville do not have test scores reported because of this factor.

The following data includes test scores for *all students* enrolled in the grade who took the examination. There is no desegregation of data. Special Education student scores are included.

Table IV shows district comparisons in subjects of the ISAT Performance for students in grade 3.

*Table IV
Percent Meeting or Exceeding
Illinois Standards*

Grade 3

	Reading	Mathematics
Albers	66.7	100
Damiansville	90	100
<i>State</i>	<i>72.9</i>	<i>86.7</i>

Students in Albers scored above the state average in Mathematics. Damiansville students scored above the state average in Reading and Mathematics.

Table V shows district comparisons in subjects of the ISAT Performance for students in grade 4.

*Table V
Percent Meeting or Exceeding
Illinois Standards*

Grade 4

	Reading	Mathematics	Science
Albers	94.4	100	100
Damiansville	NA	NA	NA
<i>State</i>	<i>73.7</i>	<i>86.4</i>	<i>79.7</i>

Damiansville did not have enough students to generate test scores. Albers students scored higher than the state average in all three tests.

Table VI shows district comparisons in subjects of the ISAT Performance for students in grade 5.

*Table VI
Percent Meeting or Exceeding
Illinois Standards*

Grade 5

	Reading	Mathematics
Albers	68.2	90.9
Damiansville	NA	NA
<i>State</i>	<i>69.7</i>	<i>82.5</i>

Students in Albers scored better than the state average in Mathematics. Damiansville did not have enough students to generate test scores.

Table VII shows district comparisons in subjects of the ISAT Performance for students in grade 6.

*Table VII
Percent Meeting or Exceeding
Illinois Standards*

Grade 6

	Reading	Mathematics
Albers	66.7	100
Damiansville	53.3	80.0
<i>State</i>	<i>73.4</i>	<i>81.4</i>

Students in Albers had scores in Mathematics above the state average. Damiansville students were very close to the state average in mathematics.

Table VIII shows district comparisons in subjects of the ISAT Performance for students in grade 7.

Table VIII
Percent Meeting or Exceeding
Illinois Standards

Grade 7

	Reading	Mathematics	Science
Albers	88.2	94.1	100
Damiansville	80.0	86.6	86.7
State	73.3	79.4	79.3

Students in both districts scored higher than the state average in all three subjects.

Table IX shows district comparisons in subjects of the ISAT Performance for students in grade 8.

Table IX
Percent Meeting or Exceeding
Illinois Standards

Grade 8

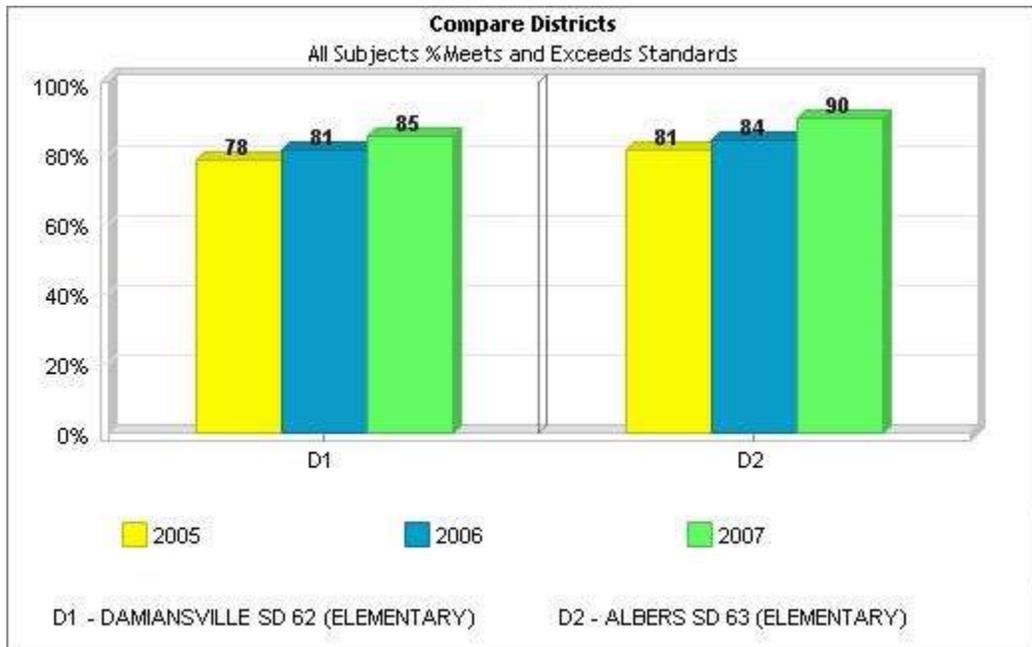
	Reading	Mathematics
Albers	96.2	96.2
Damiansville	90.9	100
State	81.7	81.3

Both school districts had students score higher than the state average in both subjects.

The following chart is taken from the Interactive Illinois Report Card and shows the percent of students in each district who scored at the Meets and Exceeds Levels in all subjects for the years 2005 through 2007.

Chart I shows that both school districts Illinois Standards Achievement Tests scores are at or above state average in all tests reported. Scores in both districts have been consistent the past three years.

Chart 1
Percent Meeting or Exceeding
Illinois Standards in All Subjects By District



Both districts, Albers and Damiansville, are making Adequate Yearly Progress in Reading and Mathematics. To do so, the following four conditions must be met:

1. At least 95% tested in reading and mathematics for every student group.
2. At least 55% meeting/exceeds standards in reading and mathematics for every group.
3. For schools not making AYP solely because the IEP group fails to have 55% meeting/exceeding standards, 14% may be added to this variable in accordance with the federal 2% flexibility provision.
4. At least 90% attendance rate for non-high schools and at least 72% graduation rate for high schools.

Chapter Three

Enrollment Information

This chapter contains the following:

- Enrollment History
- Enrollment Projections
- Combined Enrollment

We cannot always build the future for our youth, but we can build our youth for the future.

--Franklin Delano Roosevelt

ENROLLMENT HISTORY AND PROJECTIONS

Enrollment is an important aspect for any school district or Board of Education considering reorganization. It is useful to know what the district looks like today, in five years and beyond. There are also unknown external factors that can affect school enrollment – new businesses can open, old business can close, subdivisions can develop and unemployment can sky rocket. The cost of gasoline for a “bed room” commuter community is very significant for community growth. Distance between home and work becomes important.

Prekindergarten enrollment will not be included in this study because programs are funded by grants through the Illinois State Board of Education and students are not eligible for state aid. Some programs include pupils who are only three-years old. Also, state requirements have limitations on the number of students who can be in a class at one time. Albers has a tuition based Prekindergarten program.

The following Tables show the five-year enrollments for both districts. Enrollments are classified as Elementary (K-5) and junior high (6-8).

Table X

Albers School District Five-Year Enrollment History

Grade	FY04	FY05	FY06	FY07	FY08
K	23	13	18	15	15
1	18	18	15	16	15
2	16	17	19	19	18
3	21	16	17	21	21
4	12	18	21	17	16
5	30	15	18	18	17
Total Elementary	120	97	108	106	102
6	15	26	16	24	25
7	21	18	26	21	21
8	19	25	19	16	17
Total Junior High	55	69	61	61	63
Total District	175	166	169	167	165

Chart II
Albers Enrollment from FY2004 to FY2008

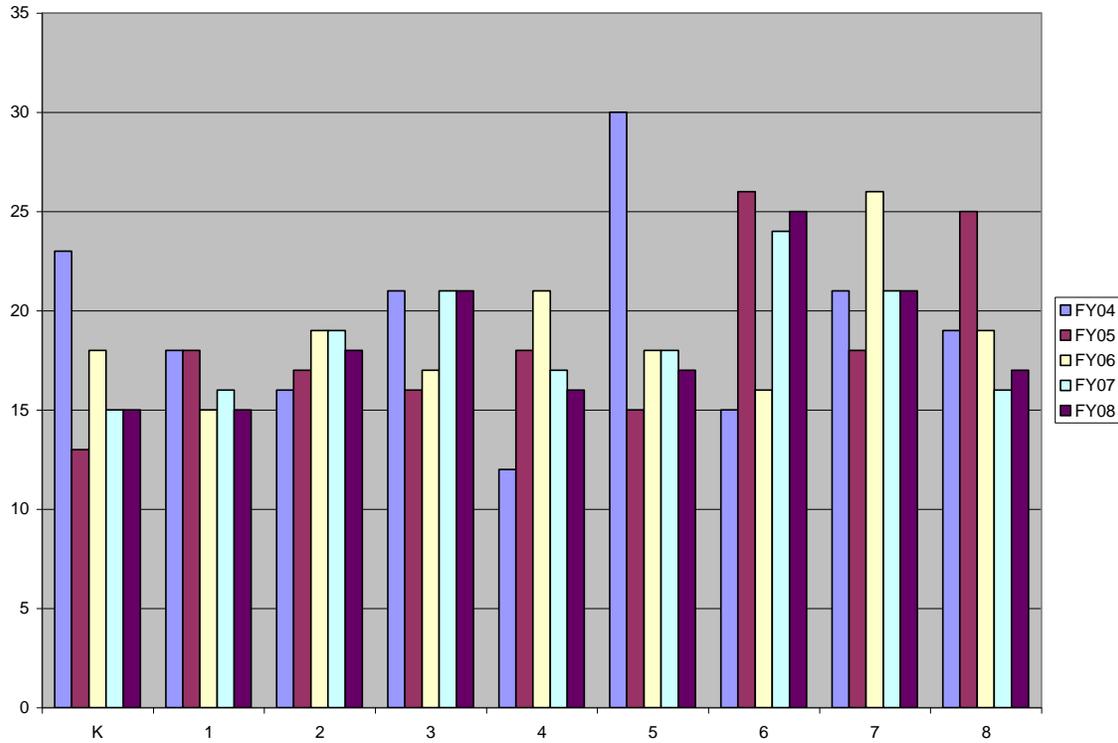
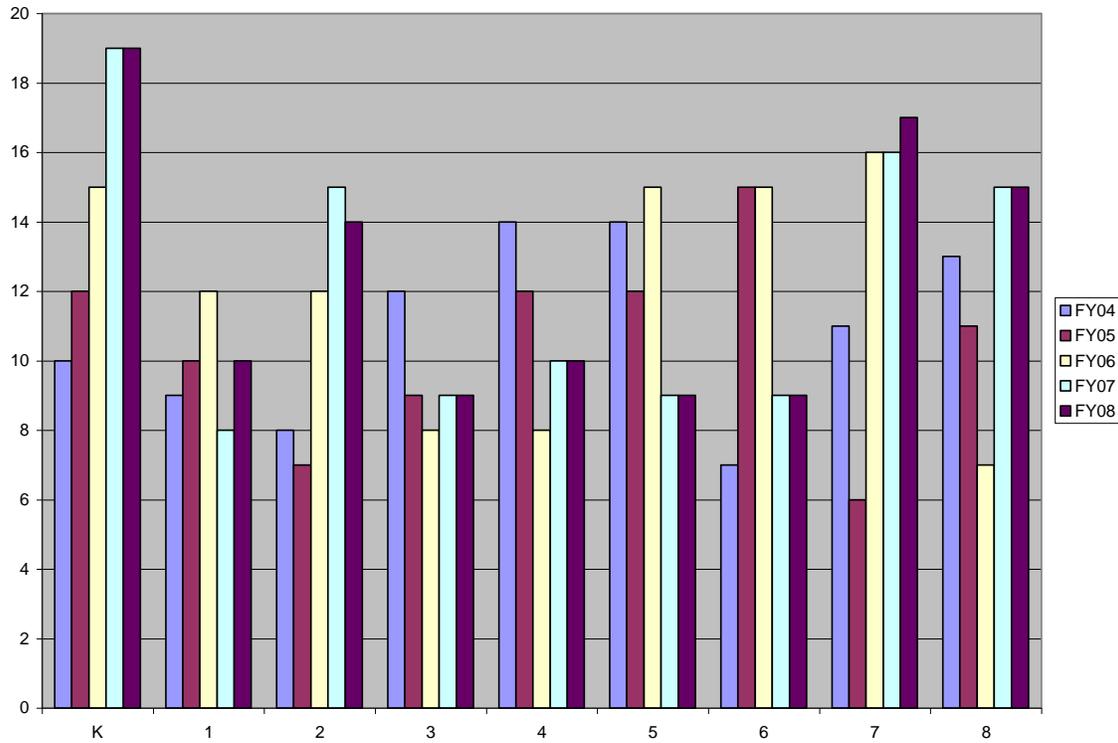


Table XI
Damiansville School District Five-Year Enrollment History

Grade	FY04	FY05	FY06	FY07	FY08
K	10	12	15	19	19
1	9	10	12	8	10
2	8	7	12	15	14
3	12	9	8	9	9
4	14	12	8	10	10
5	14	12	15	9	9
Total Elementary	67	62	70	70	71
6	7	15	15	9	9
7	11	6	16	16	17
8	13	11	7	15	15
Total Junior High	31	32	38	40	41
Total District	98	94	108	110	112

Chart III

Damiansville Enrollment from FY2004 to FY2008



Albers School District No. 63 has the largest enrollment with 165 students in grades K – 8. Enrollment has decreased by 10 students (175-165) or 2.8 percent in five years. Damiansville School District No. 62 gained 14 students during the same time. This amounted to an increase of 14.5 percent.

The previous two Charts show each of the districts enrollments in graph form. During the last three years, the Albers enrollment seems to have leveled off to the upper 160’s. Likewise, Damiansville has maintained an enrollment of just over 100 students the last three years.

Table XII shows the combined total enrollments of the two participating districts by grade the past five years.

Table XII

Combined Enrollment By Grade From 2004 to 2008

Grade	FY04	FY05	FY06	FY0	FY08
K	33	25	33	34	34
1	27	28	27	24	25
2	24	24	31	34	32
3	33	25	25	30	30
4	26	30	29	27	26
5	44	27	33	27	26
Total Elementary	187	159	178	176	173
6	22	41	31	33	34
7	32	24	42	37	38
8	32	36	26	31	32
Total Junior High	86	101	99	101	104
District Total	273	260	277	277	277

Projected enrollment data are compiled using cohort survival ratios, that is, taking the number of students in grade one and moving them to grade two next year. This was calculated for each year.

Table XIII

Projected Enrollment By Grade From 2009 to 2013

Grade	FY09	FY10	FY11	FY12	FY13
K	27	28	28	30	28
1	34	26	26	27	30
2	25	34	28	28	27
3	32	25	34	25	28
4	30	32	25	34	25
5	26	30	32	25	34
Total Elementary	174	175	173	169	172
6	23	26	30	32	25
7	34	23	26	30	32
8	38	27	23	26	30
Total Junior High	95	76	79	88	87
District Total	269	251	252	257	259

Projections show that the combined district would lose 10 students during the next five years. The 2009 enrollment would be the largest at 269 students. The following years show enrollment leveling off to 250 plus students.

The junior high would lose about 8 students the next five years. The following table shows the projected enrollment.

Table XIV

Junior High School Projected Enrollments From 2009-2013

Year	Albers	Damiansville	Total
FY09	63	32	95
FY10	58	25	83
FY11	54	25	79
FY12	55	33	88
FY13	54	33	87

In the current economic climate, it is very difficult to project future enrollment. Communities like Albers and Damiansville have been very attractive to families who wish to work in larger cities but live in a smaller community. The increase in the price of oil and the effect it has had on automobile usage could make living away from the work area more costly and therefore less desirable.

Chapter Four

Facilities

This chapter contains the following:

- District Facilities
- Buildings Information

In the Old World, the first things you see as you approach a great city are steeples; here you see, first, centers of intelligence.

--Thomas Henry Huxley

FACILITIES

ALBERS SCHOOL DISTRICT NO. 63

The elementary-junior high school was built in 1956 with an addition added in 1969. The one story masonry constructed facility has 11 classrooms and 30,000 square feet. Presently, approximately 170 students are enrolled in grades kindergarten through eight.

A new gymnasium was built in 2000 at a cost of \$848,200. The gymnasium capacity is 915 spectators.

The district recently employed Gallagher Bassett Services, Inc. of Itasca, Illinois to appraise the building and contents. According to the Certificate of Appraisal, the replacement value of the building is \$5,312,067.00. The insurable building contents are valued at \$1,123,318.00. The total replacement value of the building and contents is \$6,574,178.00.

All of the classrooms are located on one floor making the building handicapped assessable. The building is in compliance with the Illinois School Building Code and a small amount of asbestos pipe wrapping is being monitored.

Albers Elementary School is over 50 years old but appears to be a newer facility because of the excellent maintenance and care. The classrooms are well equipped with televisions, smart boards and computers. With the exception of Prekindergarten and Kindergarten classrooms, the rooms can accommodate more students than are currently enrolled in each grade. There is a great deal of storage space in each room as well as other storage in each hall of the building. There are rooms designated specifically for speech and counseling, music, library, and teacher's lounge. Several areas are currently not used as classrooms because they are not needed but could be converted into classrooms. The grounds are spacious and could easily accommodate modular classrooms if the need should arise.

DAMIANSVILLE SCHOOL DISTRICT NO. 62

The campus of Damiansville includes two modular classrooms, the original building, a gymnasium, a church cafeteria and a classroom that is also use as the concession area for ballgames. The church cafeteria is used for music.

The Damiansville School was built in 1940 of masonry construction with 11,304 square feet. There are 9 classrooms housing the 108 students in grades kindergarten through eight. The asbestosis located in the building is being monitored.

The Superintendent and his secretary/bookkeeper share an Office located in the 1940 building. Grade two is located next to the Superintendent's Office on the main level and grades five, six, seven and eight are located on the top floor of the building. Students must use the stairway to get to these rooms. A large room that is divided into the library, cafeteria and computer laboratory is located in the lower level of the original building. Student must use the stairway to get to these rooms. In front of the original building is the oldest modular classroom that contains kindergarten and first grade. There are no bathrooms in this building and pupils must use the restrooms in the 1940 building. Grades three and four are located in a modular classroom that is located several yards from the original building. This building contains bathrooms.

The Prekindergarten classroom and gymnasium are located several yards from the original building.

The total capital assets of the district are \$226,637.00. Because of the rental policy with the St. Damian Parish, the cost of the building is not included. This includes the value of school buses, food service and other equipment.

The grounds are very attractive and well cared for. The play area includes a large ball field and playground area with a variety of newer playground equipment.

Chapter Five

Curriculum

This chapter contains the following:

- State Requirements
- Current Course Offerings

The foundation of every state is the education of its youth.

--Diogenes

CURRICULUM

Curriculum improvement, financial advantages and increased student population are probably the three most important reasons why schools consider consolidation. Damiansville students would benefit from the more extensive Albers Junior High School curriculum.

Section 5/27 of the Illinois School Code and Section 1.430 of the Illinois Administrative Code set forth requirements for elementary schools. Subject to those requirements, the instructional program of a school district shall be determined by the board of education with involvement of parents, students, the professional staff, and the local community.

All elementary districts shall provide the following coordinated and supervised courses of study.

- Language Arts, Reading and other Communication Skills
- Science
- Mathematics
- Social Studies
- Music
- Art
- Health Education (one semester equivalent at the junior high level)
- Career Education – Awareness and Exploration
- Physical Education – Daily
- Safety Education – One hour per week
- Conservation of Natural Resources
- Effective methods for the prevention and avoidance of drug and substance abuse

School districts shall provide instruction in violence prevention and conflict resolution education for grades 4 and above. Also, districts shall provide instruction in relation to the prevention of abuse of anabolic steroids in grades 7 and above.

In addition, students shall have a unit of instruction studying the events of the history of women in America. Students in the seventh and eighth grades must also receive at least one hour of instruction or the equivalent per week, in the principles of representative government. No student shall receive certification of graduation without passing a satisfactory examination upon such subjects.

It should be noted that some of these required topics can be included in appropriate courses of study rather than creating a specific course for that topic.

Albers Elementary School is a pre-kindergarten through eighth grade school with pupils attending pre-kindergarten on a tuition basis. Grades Kindergarten through five are self-contained classrooms. These students participate in computer class, music class, and physical education. Fourth grade through eighth grade may join band. Sixth, seventh, and eighth grade are departmentalized for math, science, social studies, language arts and physical education. Sixth grade through eighth grade may join the chorus.

In Damiansville, Kindergarten through grade four are self-contained. Grades five through eight are departmentalized. A traditional curriculum of science, math, social studies, language arts and physical education are available to students. Elementary students have vocal music instruction.

Students in Damiansville will benefit from the Albers curriculum. Pre-Algebra, Algebra I, band and chorus will be available.

Chapter Six

Athletics and Activities

This chapter contains the following:

- Extracurricular Offerings
- Athletics

Winning isn't everything, but wanting to win is.

--Vince Lombardi

ATHLETICS AND ACTIVITIES

Extracurricular activities and sports are very important to students enrolled in the public school system. Both schools, Albers and Damiansville are members of the Southern Illinois Junior High School Athletic Association (SIJHSAA) and the Clinton County Athletic Conference.

The mascot for Albers Elementary School is a cougar and the schools colors are Royal Blue and White. Damiansville's school colors are Royal Blue and Gold. Their mascot is the Indian.

Albers School District, because of its size, has more extracurricular opportunities for boys and girls. In addition to the activities listed in the Table below, Albers has a Math and a Technology Club.

Table XV show the participation by activity of both schools.

Table XV
Extracurricular Activities

Activity	Albers	Damiansville
Girls Volleyball	Yes	Yes
Girls Basketball	Yes	No
Cheerleading	Yes	Yes
Boys Basketball	Yes	Yes
Band	Yes	No
Chorus	Yes	No
Scholar Bowl	Yes	Yes

Chapter Seven

Transportation

This chapter contains the following:

- General Information
- Total Miles
- Cost Information

When you come to a fork in the road; take it.

--Yogi Berra

TRANSPORTATION

Transportation is not the number one topic when school districts are considering consolidation, but it is extremely important. We are talking about the safety of children. It is imperative that the buses and other vehicles used to transport students be kept in good working condition and up-to-date.

Transportation concerns tend to center around the length of bus routes and the amount of time students spend on the bus. The consultants recommend that no student should be on a bus for more than one hour each way.

The Illinois State Board of Education reimburses the cost of transportation at about 80%. This percent usually varies and depends upon the ISBE budgeted amount for Transportation and the requests they receive from Illinois schools.

Albers contracts their transportation service with Zurliene Bus Service, Inc. while Damiansville operates its own transportation service.

Table XVI shows some general information regarding the participating school districts transportation departments.

Table XVI

Individual School District Information

General Information	Albers	Damiansville	Total
Square miles	7.75	14.5	22.25
Tax Rate	.1200	.1200	.1200
# Busses	Contract	3	3
Ave. # Transported	75	49	124
# Regular Routes	2	2	4
# Special Ed Routes	0	2	2

Table XVII shows the number of miles traveled during the previous year by individual districts and Table XVIII shows cost by district.

Table XVII

Transportation Miles By District

	Albers	Damiansville	Total
Regular miles	11827	16652	28479
Special Education Miles	104	23969	24073
Non Reimbursable Miles	1932	550	2482
Total Miles	13863	41171	55034

Table XVIII

Transportation Cost By District

	Albers	Damiansville	Total
Regular Cost	23138	13679	36817
Special Education Cost	8320	26126	34446
Non Reimbursable Cost	6318	1119	7437
Total Cost	37776	40924	78700

	Albers	Damiansville	Total
Cost Per Mile	2.72	.99	1.43

The reason transportation costs are low is because both districts transport high school students and are reimbursed by the high school district.

Table XIX shows fleet information for Damiansville School District.

Table XIX

Damiansville Fleet Information

Bus #	Year	Make	Capacity	Total Miles
1	2001	Chevrolet	29	75,331.0
2	2005	Freightliner	71	75,172.0
3	2009	International	71	0

Together the districts transport an average of 124 students and run 4 regular routes and 2 special education routes with a fleet of 3 buses. Damiansville buses have high mileage and should be of a concern. The 2001 Chevrolet is a Mid Bus and the 2009 bus will arrive this summer.

Chapter Eight

Finance

This chapter contains the following:

- Equalized Assessed Valuation (EAV)
- Tax Rates
- Fund Balances
- District Revenue & Expenditures
- Operating & Instruction Expenses
- District Profiles
- Five Year Budget Projection

If you think education is expensive, try ignorance.

--Derek Bok

FINANCE

Education in Illinois is financed through a combination of state, local and federal monies. State revenues provide for a variety of legislatively established programs. The majority of support for schools is derived through the General State Aid (GSA) Formula. State support also includes appropriations for categorical, special programs and grants for school reform and improvement initiatives.

Equalized Assessed Valuation (EAV) of property is the assessed value multiplied by the state equalization factor. This gives the value of the property upon which the tax rate is calculated after deducting homestead exemptions, if applicable. For farm acreage, farm buildings, and coal rights, the final assessed value is the equalized value. EAVs represent the taxable property base for schools as certified by the Illinois Department of Revenue.

The main source of local revenue is derived from property taxes. Illinois' current statewide education funding formula (GSA) incorporates average daily attendance (ADA) and equalized Assessed Valuation (EAV) when determining a school district's State aid. Scenarios where the EAV increases while the ADA figures decrease result in a likely decrease in State aid. This trend affects many downstate Illinois school districts.

Table XX
Equalized Assessed Valuation

County	Residential		Farm		Commercial		Industrial		R.R & Mineral	
Clinton	\$173,462	63.3%	\$44,762	16.3%	\$37,688	13.8%	\$11,798	4.3%	\$6,150	2.2%

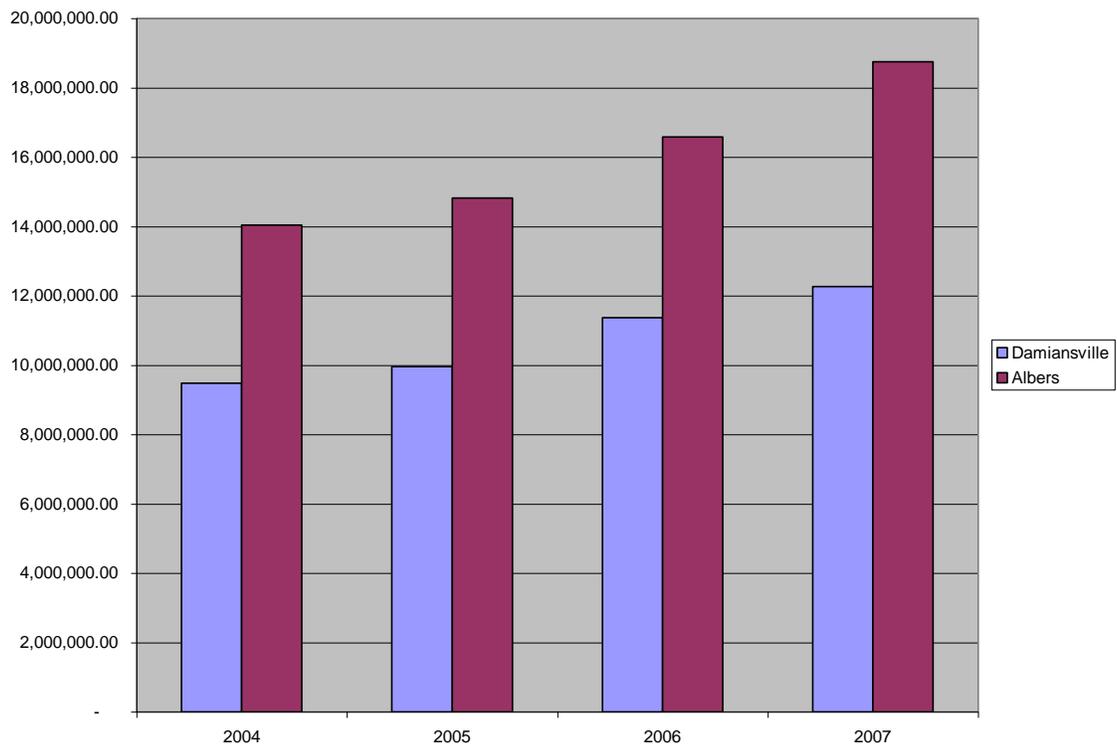
The above Table shows the 2001 school year percentage share of EAV for Clinton County by Class of Property, after exemptions, as determined by the Illinois Department of Revenue.

Because the county does not rely on farm land for a majority of their value (16.3%), the EAVs for both districts have been very steady for the past four years. The Equalized Assessed Valuation for the Damiansville School District has increased \$2,784,223.00 from 2004 to 2007. During the 2006 school year, the district showed a \$1,400,693.00 increase in land value. The EAV went from \$9,964,316.00 in 2005 to \$11,365,009.00 in 2006. The 2007 EAV of \$12,269,205.00 showed an increase of \$904,196.00 from the previous year.

Albers School District has seen a \$4,717,941.00 increase during the same period. The 2006 EAV showed a \$1,765,473.00 increase from the 2005 EAV. The 2007 EAV of \$18,757,644.00 was \$2,174,530.00 increase in land value.

Chart IV shows the EAVs (Equalized Assessed Valuation) of the two districts during the years of 2004 through 2007.

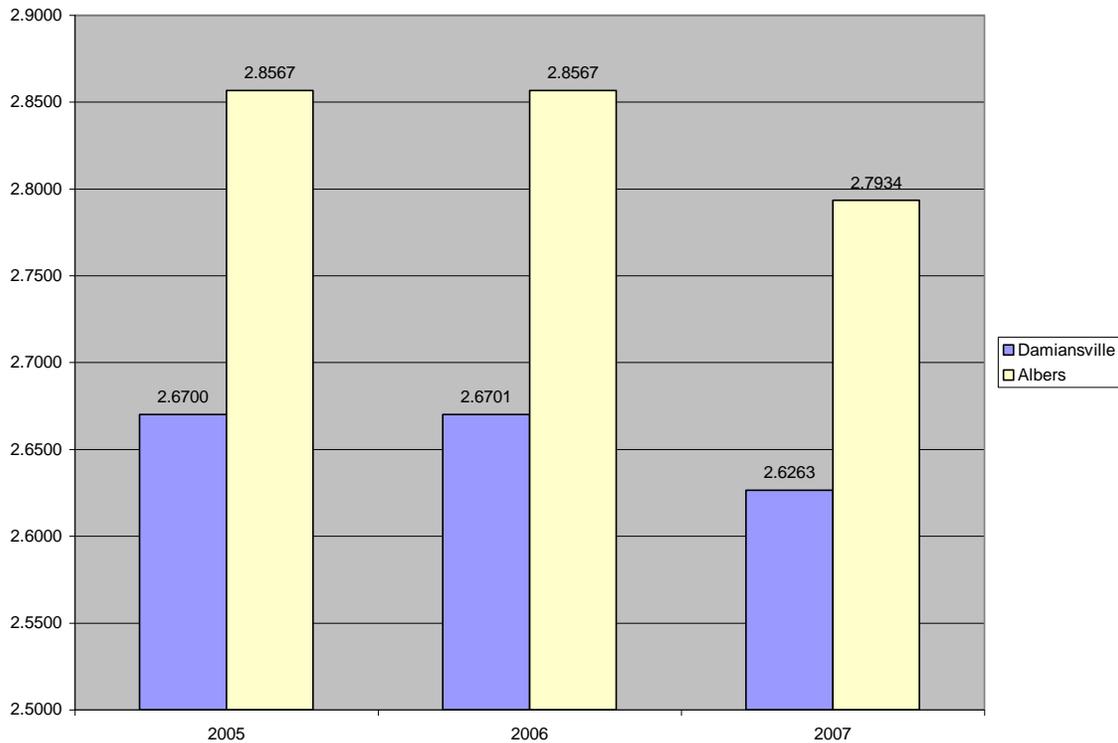
Chart IV
District Equalized Assessed Valuations



Federal financial support is provided through grants and reimbursements made to the state from the U.S. Department of Education and the U.S. Department of Agriculture. This money is granted to the Illinois State Board of Education and distributed to local school districts.

Taxes generate the largest amount of revenue from local sources. Tax rates for school districts are related to specific purposes. The following Chart shows the tax rates for both districts the last three years.

Chart V
Tax Rates



Districts have limitations placed on tax rates for each purpose. State law limits the rates to a permissive level and a maximum level. The permissive level is the rate allowed without a referendum and the maximum rate is the limit allowed with referendum approval.

Table XXI shows the permissive and maximum rates allowed *for elementary districts in Illinois*. It should be noted here that neither of the two districts are levying at the maximum rates.

Table XXI
Tax Rate Limitations for Illinois Elementary
and Secondary Districts Excluding Chicago School District No. 299

Purpose	Permissive Rate	Maximum Rate
Education	0.92 ^b	3.50 ^a
Operations & Maintenance	0.25 ^b	0.55
Transportation	0.12 ^c	As Needed
Municipal Retirement	As Needed	N/A
Social Security	As Needed	N/A
Capital Improvements	N/A	0.75 ^a
Rent	N/A	As Needed
Bond & Interest	N/A	As Needed
Tort Immunity	As Needed	N/A
Health Insurance	N/A	As Needed
Working Cash	0.05	N/A
Fire Prevention, Safety		
Energy Conservation and		
School Security	0.05 ^c	0.10
Special Education	0.04	0.80
Area Vocational Education	N/A	0.05
Tort Judgment Bonds	As Needed ^c	N/A
Leasing	0.05 ^d	0.10
Temporary Relocation	0.05	N/A

^a Coterminous dual districts forming a unit district may have a maximum rate of 6.0% for educational and 1.1% for operations and maintenance purposes.

^b Subject to backdoor referendum.

^c School Districts must consider receipts of Corporate Personal Property Replacement Funds.

^d Includes leasing of computer technology, or to secure the payment of any lease, lease-purchase agreement, or installment purchase agreement for computer technology.

^e Certain elementary school districts may levy at a rate not to exceed 0.2% subject to a back door referendum.

Although the two districts have some commonalities, each is uniquely different. That is, each have different tax rates, EAVs and spend a different amount for the education of each student. This section will show the differences of each district.

Albers School District No. 62

Albers is the larger of the two districts when comparing the enrollment and Equalized Assessed Valuation (EAV). The district's 2007 EAV is 18,757,644.00 million dollars.

The total tax rate for the 2007 fiscal year is \$2.79. This rate generated \$593,976.00 in tax revenues. Table XXII shows the Albers Tax Rate from 2005 to 2007. Tax Rates are payable the following school year in which they are levied. For example, a Tax Levy filed in December 2006 will be for the next school year starting July 2007. Tax money will be received during the 2007-2008 school year.

Table XXII
Albers Tax Rates 2005 to 2007

Fund	2005	2006	2007
Education	1.600	1.600	1.6000
Operations & Maintenance	.2500	.2500	.2500
Bond & Interest	.4123	.3878	.3313
Transportation	.1200	.1200	.1200
Municipal Retirement	.1296	.0697	.0608
Social Security	.1566	.1097	.1013
Working Cash	.0500	.0500	.0500
Tort Immunity	.0303	.1495	.1600
Special Education	.0200	.0200	.0200
Facility Leasing (Rent)	.0362	.0500	.0500
Life Safety	.0500	.0500	.0500
Total	2.8550	2.8567	2.7934

Table XXIII shows district estimated beginning fund balances for FY07 and FY08 School Years. Actual balances will be determined after funds have been examined by the school auditor.

Table XXIII
Albers Estimated Beginning Fund Balances

Fund	Fiscal Year 07	Fiscal Year 08
Education	455,546.00	472,229.00
Operation & Maintenance	71,074.00	73,074.00
Bond & Interest	1,162.00	2,173.00
Transportation	16,684.00	19,886.00
Municipal Retirement/SS	42,144.00	43,244.00
Working Cash	40,592.00	49,892.00
Fire/Safety	3,014.00	12,314.00
Site and Construction	0.00	0.00
Rent/Leasing	0.00	0.00
Total	630,216.00	672,812.00

The Albers School District had a total positive fund balance of \$672,812.00 in all funds for the beginning of the 2008 school year. According to the 2007 Financial Profile prepared by the Illinois State Board of Education, the district had enough cash on hand to operate 205 days. This reflects the number of days a school district would be able to pay their average bills without any additional revenue.

Damiansville School District No. 62

Damiansville is the smaller of the two districts when comparing the enrollment and Equalized Assessed Valuation (EAV). The district's 2007 EAV is \$12,269,205.00. This is a 6,488,439.00 million dollar difference from the Albers EAV.

The total tax rate for the 2007 fiscal year is \$2.6263. This rate generated \$322,226.00 in general operating revenues. Table XXIV shows the Damiansville Tax Rate from 2005 to 2007. The Tax Rates are payable the following school year in which they are levied.

Table XXIV

Damiansville Tax Rates from 2005 to 2007

Fund	2005	2006	2007
Education	1.7000	1.7000	1.6905
Operations & Maintenance	.2484	.2484	.2486
Bond & Interest	.0000	.0000	.0000
Transportation	.1200	.1200	.1194
Municipal Retirement	.1704	.1704	.1468
Social Security	.0652	.0626	.0199
Working Cash	.0281	.0282	.0279
Tort Immunity	.2405	.2405	.2348
Special Education	.0000	.0000	.0587
Life Safety	.0500	.0500	.0299
Rent/Leasing	.0500	.0500	.0498
Total	2.6726	2.6701	2.6263

Table XXV shows district beginning fund balances for FY07 and FY08 School Years.

Table XXV

Damiansville Beginning Fund Balances

Fund	Fiscal Year 07	Fiscal Year 08
Education	146,546.00	156,539.00
Operation & Maintenance	10,515.00	11,015.00
Bond & Interest	0.00	0.00
Transportation	75,566.00	84,364.00
Municipal Retirement/SS	32,605.00	48,705.00
Working Cash	3,945.00	7,345.00
Fire/Safety	17,988.00	17,988.00
Site and Construction	0.00	0.00
Rent/Leasing	0.00	0.00
Total	287,165.00	325,956.00

The Damiansville School District had a total positive fund balance of \$325,956.00 in all funds for the beginning of the 2008 school year. According to the 2007 Financial Profile prepared by the Illinois State Board of Education, the district had enough cash on

hand to operate 107 days. This reflects the number of days a school district would be able to pay their average bills without any additional revenue.

During fiscal year 2007, Albers School District received \$665,579.00 from state sources. This includes General State Aid entitlement. This was 49.8% of the district budget. Local sources provided 44.9% of revenue. This amounted to \$600,559.00. The federal government provided \$69,957.00 or 5.2% of the budget. The total budget was \$1,336,095.00 for FY07.

Table XXVI shows district comparisons for revenue received during the fiscal year 2007.

Table XXVI
2007 Receipts & Revenue

Source	Albers	Damiansville
<i>Local</i>	600,559.00	390,084.00
<i>State</i>	665,579.00	470,903.00
<i>Federal</i>	69,957.00	39,776.00
<i>Total</i>	1,336,095.00	900,763.00

According to the Annual Financial Report, both school districts receive more money from state sources than are raised locally. Albers School District received 49.8% of revenue from state sources compared to 44.9% from local sources. Federal money amounted to 5.2%.

More than half of the revenue received by the Damiansville School district comes from state sources. They received 52.3% from state sources compared to 43.3% raised locally. The Federal Government sent 4.4% of the budget.

The following two charts show the expenditures by fund for each district for the 2007 school year.

Chart VI
Albers Expenditure By Fund FY07

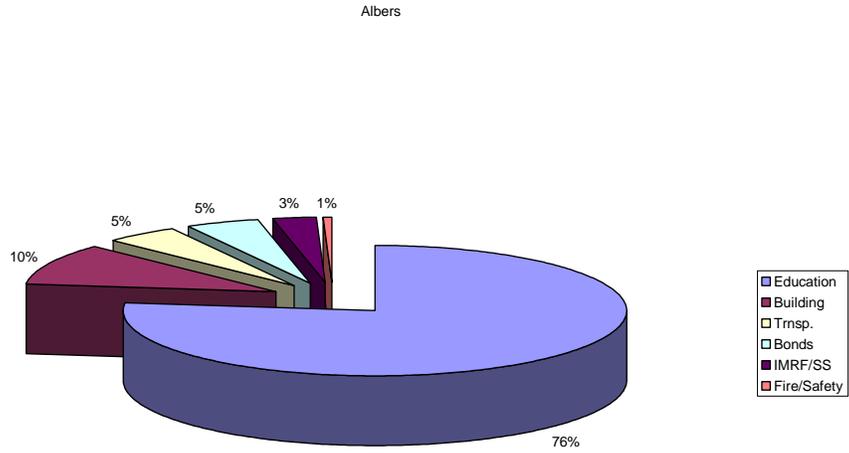
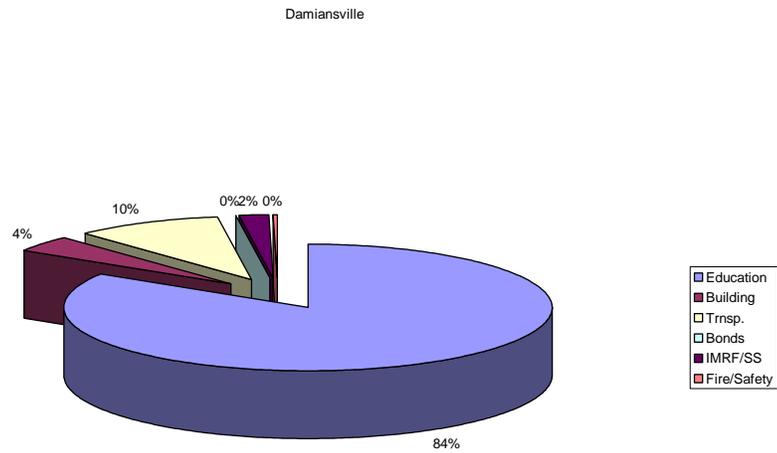


Chart VII
Damiansville Expenditure By Fund FY07



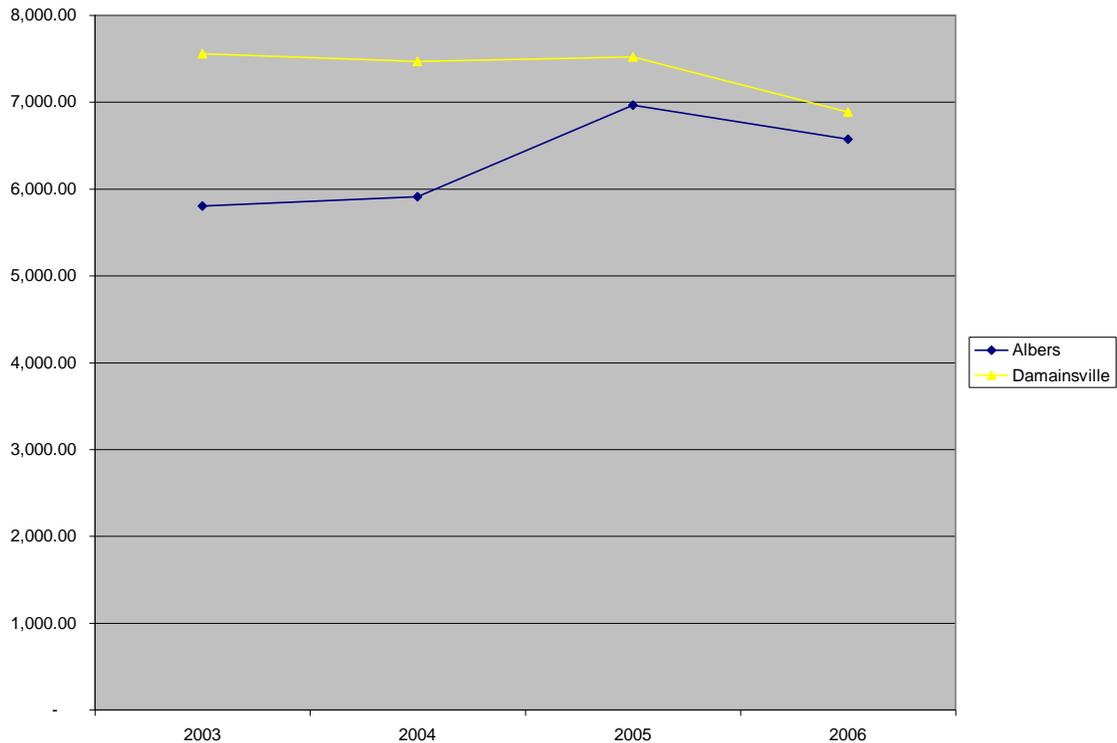
The following Table shows a comparison by district for per pupil Operating Expenditures from 2003 to 2006. This information is taken from the ISBE website.

Table XXVII
Operating Expenditures From 2003 to 2006

District	2003	2004	2005	2006
Albers	5803.00	5909.00	6963.00	6574.00
Damiansville	7559.00	7466.00	7520.00	6884.00

Chart VIII shows the Operating Expense Per Pupil from 2003 to 2006 for the Albers and Damiansville School Districts.

Chart VIII
Albers and Damiansville Districts
Operating Expense Per Pupil



The Operating Expense Per Pupil is determined by dividing the total cost (excluding summer school, adult education, bond principal retired and capital expenditures) of the school district by the ADA (Average Daily Attendance) for the regular school term.

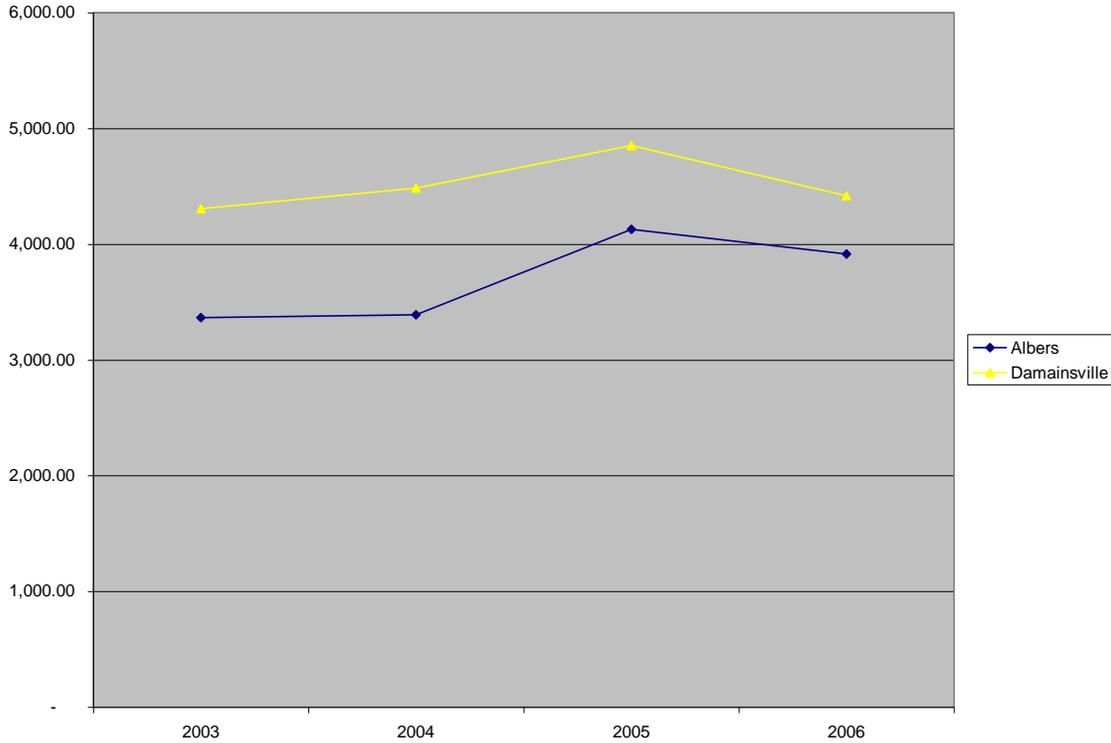
Instructional Expenditures are related to activities dealing with the teaching of pupils or the interaction between teachers and pupils. Teaching may be provided for pupils in a school classroom or in another location such as a home or hospital and may include other learning activities. It may also be provided through some other approved medium such as television, radio, telephone, or correspondence. Also included here are the activities of aides or assistants of any type (clerks, graders, teaching machines, etc.) which assist in the instruction process.

The following Table shows the instructional expenses for both districts for the years 2003 through 2006. Capital Outlay expenditures not included and are reported separately. The Instructional Expense Per Pupil is determined by dividing the total cost of instruction by the ADA (Average Daily Attendance) for the regular school term.

Table XXVIII
Instructional Expenditures From 2003 to 2006

District	2003	2004	2005	2006
Albers	3366.00	3391.00	4129.00	3915.00
Damiansville	4306.00	4484.00	4854.00	4420.00

Chart IX
Albers and Damiansville Districts
Instructional Expense Per Pupil



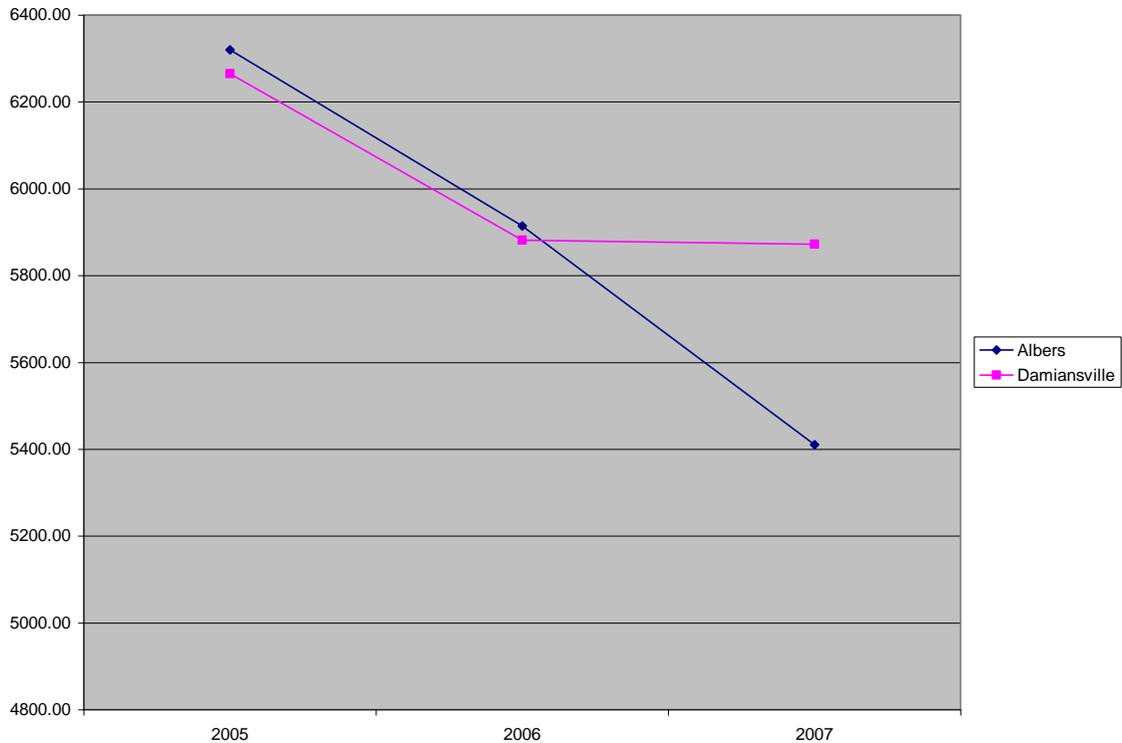
Another comparison that can be used to compare districts is the per capita tuition charge. This is the amount school districts must charge to a non-resident student as defined by state law. This is a complicated formula, like determining the operating expense; only federal funds are excluded in most cases. The following table compares per capita tuition charges for the years 2005 through 2007

Table XXIX

Tuition Cost

	2005	2006	2007
Albers	6,320.00	5,914.00	5,410.00
Damiansville	6,265.00	5,881.00	5,872.00

Chart X
Tuition Costs From 2005 to 2007



DISTRICT PROFILES

The following four pages show each districts financial profile for the years 2003 through 2007. This information is provide by ISBE and explains the following financial indicators:

- Fund Balance to Revenue Ratio
- Expenditure to Revenue Ratio
- Days Cash on Hand
- Percent of Short-Term Borrowing Maximum Remaining
- Percent of Long-Term Debt Margin Remaining
- Operating Funds Summary

It should be noted that the Operating Funds include the Educational, Operations and Maintenance and Transportation. The Working Cash Fund is included because

districts may transfer money from the Working Cash fund to any of the Operating Funds as a loan.

Albers School District Financial Profile downloaded from the ISBE Website. Page 1

Albers School District Financial Profile downloaded from the
ISBE Website. Page 2

Damiansville School District Financial Profile downloaded
from the ISBE Website. Page 1

Damiansville School District Financial Profile downloaded
from the ISBE Website. Page 2

FIVE YEAR BUDGET PROJECTIONS

The next page shows estimated tentative budgets for the new district for the school years 2009, 2010, 2011, 2012 and 2013. The Illinois State Board of Education (ISBE) requires new reorganization studies to include a five-year projected budget. The information contained in these budgets is based on the consultant's best guess regarding future financial information needed to complete a budget. Citizens interested in this section should contact the district superintendent.

Notes to the Five Year Budget Projections:

- 1). Damiansville does not have any outstanding bonds indebtedness.
- 2). Albers owes about \$593,000.00 in bond indebtedness.
- 3). Damiansville will need to replace gymnasium bleachers. This cost is not in budget.
- 4). Should portable classrooms be needed, the cost is not reflected in the budget.
- 5). The budget includes all existing personnel with a 2 to 3% increase in cost.
- 6). The budget does not reflect any increase or decrease in employees.

Chapter Nine

Financial Incentives

This chapter contains the following:

- State Aid Difference
- Deficit Offset
- Teacher Salary Difference
- Certified Employee Reimbursement

*Balancing the budget is like going to heaven.
Everybody wants to do it, but nobody wants to
do what you have to do to get there.*

--Phil Graham

FINANCIAL INCENTIVES FOR CONSOLIDATION

In 1983, the General Assembly established financial incentives for newly consolidated districts. Since that time, these incentives have been approved for other types of reorganizations. All other types of reorganization *may* qualify for these incentives except for high school deactivation.

The Illinois State Board of Education offers four types of financial incentives for certain types of school district reorganization. These incentives are as follows:

1. State Aid Difference
2. Deficit Offset
3. Teacher Salary Difference
4. Certified Employee Pay of \$4000.00

Each incentive is explained in greater detail in the following paragraphs. These incentives will be calculated based on the 2007 figures each district submitted to the consultants. *Final fiscal incentives will be calculated by the Illinois State Board of Education relative to the new district composition.*

1. *State Aid Difference*: If the general state aid is less for the newly reorganized district in the first year than the general state aid would have been that same year on the basis of previously existing districts, the state will make supplementary state aid payments equal to the difference for the first four years to the reorganized district.
2. *Deficit Offset*: Deficits are calculated by totaling the audited fund balances in the educational fund, the operations and maintenance fund, the transportation fund, and the working cash fund for each previously existing district. The state will make a single supplemental state aid payment to the reorganized district equal to

the difference between the largest and smallest deficit. A district with a positive fund balance will be considered to have a deficit of zero.

3. *Teacher Salary Difference*: If there is a difference between the sum of the salaries earned during the previous year by teachers of the new district and the sum of the salaries those teachers would have been paid if placed on the salary schedule of the previously existing district using the highest salary schedule, the state will make supplementary state aid payments equal to the difference for the first four years to the reorganized district.
4. *Certified Employee Pay of \$4000.00*: For up to three years, a reorganized district may receive a supplementary state aid payment equal to \$4000.00 for each certified employee who is employed by the district on a full-time basis for the school year.

The incentives for Dissolution/Annexation are the same as Consolidation. Therefore, the incentive amounts listed in this chapter refer to the above reorganization options. Remember, in Dissolution/Annexation, a new district is not created, a new board of education is not elected and the maximum tax rates for the annexing district are not changed.

CONSOLIDATION/ DISSOLUTION/ ANNEXATION

This new district would contain 21.75 square miles with a student population of 277. School directories received shows the district would employ 23 full time teachers, 2 administrators and 14 Educational Support Personnel.

The estimated EAV to be used for state aid purpose for the claim payable in the 2009 school year is \$31,026,849.00. A Foundation Level of \$5,734.00 is used for the

calculation. The three-year Average Daily Attendance (ADA) used for calculation of GSA for this annexation is 278.77.

The 2008 Department of Human Services Low Income count for this new district is 39 students. A two-year average of the low income count would be 31.33. This generates a Low Income Concentration of 0.1123. The 2004 Corporate Personal Property Replacement Tax received in 2005 is \$14,827.00 with a calculation rate of 0.0230. The 1998 Hold Harmless Base is \$617,712.00. The FY08 Poverty Grant is \$35,645.00.

State Aid Incentive

The GSA incentive is calculated for the first year during which the reorganization becomes effective. If the sum of the GSA for the individual districts prior to the reorganization is greater than the GSA for the combined district, a supplementary state aid payment equal to the difference will be made. Likewise, if after reorganization the GSA is greater, then the incentive is zero.

Information contained in paragraphs two and three are vital to state aid calculations. Using the above figures, *this consolidation would generate a state aid payment of \$976,478.00*. The Hold Harmless GSA would be zero. Before consolidation, the two district total state aid received would be \$988,623.00. Therefore, the new district would be reimbursed \$48,580.00 for four years. ($\$12,145.00 \times 4 = \$48,580.00$)

The following table shows the General State Aid calculations to be used. The actual amount to be received for the Poverty Grant is \$11,122.00. However, the FY03 Poverty Grant was \$35,645.00; the greater amount of the two will be used. Therefore, the new district will receive the FY03 amount.

The newly reorganized district does not qualify for any Hold Harmless State Aid.

Table XXX
General State Aid Incentive

Amount for Low Income	355.00
FY03 Poverty Grant (will be used)	35,645.00
General State Aid Entitlement	940,833.00
General State Aid Before Reorganization	988,623.00
General State Aid	976,478.00
Loss	12,145.00
Hold Harmless Base	617,712.00
Hold Harmless	0.00
Incentive Payment	12,145.00

Deficit Fund Balance Incentive

The Deficit Fund Balance Incentive is a one-time payment calculated by adding the fund balances of the Education, Operations & Maintenance, Transportation and Working Cash Funds. An additional calculation is made for Purchase Services, Supplies, and Capital Outlay of the aforementioned funds. If the current year's expenditures are greater than the three prior years' average expenditures, the Deficit Fund Balance Incentive will be reduced by that amount.

The calculations used for this purpose was based on the Annual Financial Report (AFR) for the year ending June 30, 2007. The three-year average calculation is based on the years ending June 30, 2005, June 30, 2006 and June 30, 2007.

Both districts had a positive combined fund balances for the year ending June 30, 2007. Therefore, the newly reorganized district does not qualify for this incentive.

Teacher Salary Difference Incentive

The Teacher Salary Difference Incentive payment is received for four years. This calculation is based on the Fall Public Certified Staff in full time equivalents with

pupil/staff ratios and Average Paid Salaries from the latest (FY07) ISBE Selected Teacher Characteristics, By School District. The calculation is equal to the difference of the sum of the salaries earned by each certified member in their original district and the sum of the salaries they would have been paid if placed on the highest salary schedule of the districts involved. These estimated incentives are based on average salaries. Actual incentives will be calculated by placing each certified member on the highest salary schedule based on education and years of experience.

Table XXI shows calculations used for this incentive by individual districts. Because the Damiansville’s School District’s Average Teacher Salary was the highest, it is used for the base salary. These figures are taken from the 2007 School District Report Card.

Table XXXI
Teacher Salary Incentive Difference

School	Full Time Teachers	Average Salary	Difference	Incentive
Albers	13	\$36,477.00	\$ 1,264.00	\$ 16,432.00
Damiansville	10	\$37,741.00	\$ 0.00	\$ 0.00
Total	23			\$ 16,432.00

Again, the Teacher Salary Incentive Difference would be paid for four years. Therefore, using the above information, the reorganized district would receive \$65,728.00 over a 4-year period. (\$16,432.00 X 4 = \$65,728.00)

\$4000 Certified Staff Incentive

The \$4000 Staff Incentive payment is made one, two or three years based on the reorganized district’s rank in EAV/Pupil and ADA. Payments start after the first year of reorganization and are flexible from year to year depending on the number of certified staff employed.

Based on EAV/Pupil and ADA, the newly reorganized district would receive payment for three years. Using the information obtained from district superintendents, the district would receive \$100,000.00 (25 X \$4000) each year for three years.

Again, the payment of \$4,000.00 *per certified staff* retained would be reduced if the number of teachers retained decreased. This staff incentive includes administrators whereas average salary only includes teachers. Thus the difference in the number of staff used to determine incentive money. Teacher salary incentives used 23 teachers and 25 were used for certified staff incentive. This includes the two administrators.

The following table shows the incentive the new district would receive for certified personnel.

Table XXXII
Certified Staff Incentive

School	Certified Staff	\$4000.00 Per Teacher	Incentive
Albers	14	\$56,000.00	\$ 56,000.00
Damiansville	11	\$44,000.00	\$ 44,000.00
Total	25		\$100,000.00

Table XXXIII shows the estimated Summary of Total Incentives Payments available to the reorganized district over four years.

Table XXXIII
Total Incentive Payments

Incentive	Year 1	Year 2	Year 3	Year 4	Total
GSA	\$ 12,145.00	\$ 12,145.00	\$ 12,145.00	\$ 12,145.00	\$ 48,580.00
Deficit Fund	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Certified Staff	\$ 0.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$300,000.00
Teacher Salary	\$ 16,432.00	\$ 16,432.00	\$ 16,432.00	\$ 16,432.00	\$ 65,728.00
<i>Total</i>	<i>\$ 28,57700</i>	<i>\$ 128,57700</i>	<i>\$ 128,57700</i>	<i>\$ 128,57700</i>	<i>\$414,308.00</i>

Chapter Ten

Conclusions/Recommendations and Summary

This chapter contains the following:

- Consolidations
 - Building and Facilities
 - Transportation
 - Curriculum
 - Staffing and Personnel
 - Finance
- Recommendations
 - Dissolution/Annexation
 - Consolidation
- Summary

Man cannot discover new oceans unless he has the courage to lose sight of the shore.

--Andre Gide

CONCLUSIONS/ RECOMMENDATIONS AND SUMMARY

The consultants appreciated the friendliness and the hospitality of both school districts administration and staff while this study was being prepared. Both communities are to be commended for participating in a venture that would ultimately improve the educational opportunities for children in their community. By strengthening the educational system, the community builds a better foundation for attracting new business, industry and new families.

CONCLUSIONS

After reviewing the information contained in the reorganization study, the consultants have arrived at conclusions in the areas of: 1) Buildings and Facilities, 2) Transportation, 3) Curriculum, 4) Staffing/ Personnel and 5) Finance. Our analysis is as follows:

1. BUILDING AND FACILITIES

The Albers Elementary School Building looks like a new building because of the excellent maintenance and care. All classrooms are located on one floor making it handicapped assessable. After touring the Albers building, the consultants made the following observations about the class size of each room.

Classroom	Albers Maximum Classroom Size	Albers & Damiansville 2009 Combined Enrollment
Kindergarten	20	27
First grade	24	34
Second grade	26	25
Third grade	30	32
Fourth grade	20	30
Fifth grade	22	26
Language Arts (tables)	25	Gr. 6 + Gr. 7 + Gr. 8 = 95
Math/Social Studies (tables)	24	Gr. 6 + Gr. 7 + Gr. 8 = 95
Science (tables)	32	Gr. 6 + Gr. 7 + Gr. 8 = 95
Computer lab	26	Gr. 6 + Gr. 7 + Gr. 8 = 95
Algebra/Geography (tables)	26	Gr. 6 + Gr. 7 + Gr. 8 = 95
LD Resource	20	Gr. 6 + Gr. 7 + Gr. 8 = 95

For the projected 2009 enrollment, there will be 23 students in grade six; 34 students in grade seven and 38 students in grade eight. These grades are departmentalized.

Albers classrooms in grades one through five could easily accommodate five more students and the Parrish room could be used for a classroom.

Damiansville Elementary school has three levels and no elevator making using the stairs for a handicapped individual in a wheelchair almost impossible to navigate. The best classroom is the newest modular classroom (Grades 4&5) because it contains restrooms and appears to be larger than the other. The Parish Center or building that contains the gymnasium and Prekindergarten classroom could also be utilized.

If Damiansville plans on utilizing the 1940 building, it is evident that a significant investment to upgrade the building will need to be made. The modular classroom that house kindergarten and first grade is nearing the end of its usefulness as a classroom.

Both buildings contain asbestos and have Management Plans.

2. TRANSPORTATION

Albers contracts their busing service with Zurliene Bus Services, Inc. while Damiansville owns their buses. Transportation would not be a problem because of the size of the district. The Albers School District owns no buses and all three of Damiansville buses have high mileage. This could become a problem in the future.

The consultants contacted Zurliene Bus Service, Inc to inquire about their interest in providing the transportation for the new district. Zurliene Bus Service, Inc. would be interested in providing transportation service to the new district. They would offer to purchase the buses owned by the Damiansville School District at a fair market price. This would be a smooth transition if the new district decided to use their services.

3. CURRICULUM

Albers has a strong junior high curriculum for a school of their size. Damiansville School has a more limited junior high curriculum due to their small size and declining enrollment. The junior high school course offerings could be expanded through reorganization. More classes provide a greater flexibility for students and teachers.

Damiansville starts departmentalization in grade five while Albers begins to departmentalize in grade six.

4. STAFFING & PERSONNEL

The consultants believe that one positive aspect of this reorganization lies in the school districts administration. Their compatibility to work together, their leadership, and their sincere concern for students will make this merger very easy.

Albers has six teachers for the departmentalized junior high of grades six through eight. This includes music and physical education classes. Not all of these teachers are full-time at the junior high. Three only teach two junior high classes and then spend time with other grades. For example, one staff member teaches Grade six Language Arts and also teaches Title I for kindergarten through grade six. The music teacher works with all elementary classes and has band and chorus at the junior high. The LD Resource teacher works with all elementary students.

Damiansville has five teachers for their grades five through eight. There is no junior high band or chorus. Special education services are received out of the district.

Section 24-12 of the Illinois School Code dictates how teachers of the two districts will be utilized in the merger. House Bill 1847 enacted January 1, 2008 explains that non-certificated personnel will be transferred to the new district through seniority.

5. FINANCE

Both districts have projected positive fund balances at the end of the current school year. Albers has about \$590,000.00 of outstanding bonds and Damiansville has no outstanding bonds. Together, both districts have a legal debt margin of \$1,583,463.00.

A summary of the four-year incentives for reorganization are as follows:

State Aide Difference	\$ 48,580.00
Deficit Offset	\$ 0.00
Teacher Salary Difference	\$ 65,728.00
Certified Employee Pay	<u>\$ 300,000.00</u>
Total	\$ 414,308.00

The citizens of the Albers School District will be responsible for paying off the outstanding bonds owed by the district prior to the reorganization.

RECOMMENDATIONS

The consultants believe that some form of reorganization will ultimately happen in future years with school districts in Clinton County Illinois. Declining enrollment and new state and federal mandates like the *No Child Left Behind Act* will create additional burdens on the small school district. In 1978, there were 1,011 public school districts in Illinois. This number has dropped to 874 in 2007, a loss of 137 school districts in 29 years.

As mentioned earlier, the financial incentives for Dissolution/Annexation and Consolidation are the same. The recommendations will focus on two options. The first option is Damiansville dissolving their district and annexating to the Albers School District. The second option is Albers and Damiansville Districts forming a new district through consolidation. Through Dissolution/Annexation the Damiansville District will merge or be added to the existing Albers School District. A new school board is not elected and the name of the district, tax rates, etc. do not change. In consolidation a new board is elected, new tax rates adopted and a new name will be chosen for the district.

1. DISSOLUTION/ANNEXATION

The consultants *do not* recommend this form of reorganization be used for these districts. The procedures regarding Dissolution/Annexation will be explained in the Chapter “What’s Next”. However, school board members know the feelings of their community better than the consultants regarding this form of reorganization. Communities react differently when it comes to losing their school district. Since the 1983-84 school year, there have been 52 consolidations and 56 annexations.

2. CONSOLIDATION

If the two districts wish to reorganize, the consultants believe that consolidation is the option of choice. Both school districts will participate in the “give and take” that needs to happen for successful mergers. The affected communities can have immediate input to their representation on the board of education, etc.

1. BUILDING & FACILITIES

Contingent to an acceptable agreement with the St. Damian Parish, the consultants recommend that the board of education keep pre-kindergarten, kindergarten and first grade in both towns. Damiansville can use the modular classroom that presently houses grades 3 and 4 for kindergarten and first grade. The pre-kindergarten can remain in the Parish Center or gymnasium building.

The kitchen facility should remain in Albers and food would be transported to Damiansville to feed the students and staff housed in the facility.

If no agreement is reached with the St. Damian Parish, the new district will need to purchase some modular classrooms to be placed on the Albers campus. The costs run from \$35.00 to \$100.00 per square foot. The range is so large because the price includes finishing: a basic classroom or office will usually fall on the low end of that scale, while a fancy retail outlet with lots of customization will be more expensive.

Steel buildings are less expensive, often because they are less finished on the inside. Very basic steel buildings can be put up for as little as \$16 to \$20 per square foot. More finished metal buildings are usually \$20 to \$30 per square foot, and extensively customized buildings with brick facades, unusual shapes, or complicated construction can reach \$40 per square foot.

Companies that produce modular buildings are located nearby in Marion, Illinois and St. Louis, Missouri.

2. TRANSPORTATION

The consultants recommend that the administration look into contracting bus service with Zurliene Bus, Inc. This company also transports students to the two high schools. This will help reduce the cost of transportation.

3. CURRICULUM

The consultants recommend that the new district start departmentalization in the fifth grade as Damiansville is currently doing. Departmentalization in fifth grade will provide more flexibility to the junior high curriculum and give teachers the opportunity to teach in their major area of study. Adding more students to the junior high could result in additional course offerings. These new offerings should include enrichment classes.

4. STAFFING & PERSONNEL

Both school districts have relatively small class numbers. The consultants recommend the following pupil teacher ratios.

Grade	Pupil-Teacher Ratio
Kindergarten – Grade One	18:1
Grade Two - Grade four	23:1
Grade five – Grade Eight	25:1

The above ratios do not include specialty teachers in the areas of Physical Education, Art, Music, Media Services, Special Education and Guidance. Together the combined staff, using existing personnel, totals 32 (23 teachers, 2 administrators and 7 non-certificated personnel). It is conceivable to reduce the number of certified staff by **three** teachers and **one** administrator. Most of this could be reached through attrition and teacher movement, i.e. teachers leaving the district for a variety of reasons.

The consultants recommend that the administrative staff be reduced by one. There would be a superintendent/principal. If three classes are held in Damiansville, a head teacher should be appointed and receive a stipend for this duty.

The consultants believe that **two** to **three** Educational Support Personnel positions (non-certificated) could also be eliminated. This would be a combination of office, transportation, kitchen and building personnel.

The consultants recognize that the Board of Education will have the final decision in matters of personnel.

5. SAVINGS

Efficiencies of scale will result. The reduction in teaching positions could save the district about \$120,000.00 in salaries and fringe benefits. Reducing the support personnel could save approximately \$40,000.00. Reducing the administrative staff could save the district about \$80,000.00

Some additional savings in building and transportation cost might be obtained if only the Parish Center and the third and fourth grade classroom in Damiansville are used and transportation is contracted to Zurliene Bus Service, Inc. Ordering supplies and materials in larger quantities could result in further savings.

The consultants are recommending a rate of \$2.65 for the Operating Funds for the consolidated district. This is the total of the rates in the Education, Operations & Maintenance, Transportation and Fire/Safety Funds. The new rate does not have to be implemented immediately but will provide a safe levy for future years. Included in the Educational Fund are the tax rates for (Illinois Municipal Retirement Fund (IMRF), Social Security, Tort Immunity Fund, and Special Education). These are levied separately but included in the Education Fund Totals. This tax rate would generate approximately \$822,211.00 in tax dollars.

The consultants strongly recommend that the Committee of Ten work closely with district superintendents to determine the final Operating Tax Rate. *The citizens of*

the Albers School District are responsible for the outstanding bond indebtedness. This will be added to their Tax Rate.

SUMMARY

Albers and Damiansville are fortunate to have strong knowledgeable administrators and efficient secretarial staffs. The consultants believe that regardless of the reorganization option that the districts eventually select, they should rely on the expertise of their administrators. Both administrators know the strengths of their staffs and are capable of dealing with problems resulting from change in routine.

The teachers and support staff at both schools have done an outstanding job. Test scores are high indicating an excellent quality of instruction. It is evident that both districts take great pride in and cares deeply about each of their students. Individually Albers and Damiansville are strong districts—together they would be even stronger.

When reorganization occurs the new school board must continue to consider long term plans realizing that modular classrooms have a limited period of use.

Chapter Eleven

What's Next?

This chapter contains the following:

- Dissolution/Annexation
- Consolidation
- Committee of Ten
- Newly Elected Board of Education
- Timelines for the General Election

Education is not a problem. Education is an opportunity!

--Lyndon B. Johnson

What's next?

BOARD DECISION

- a. Discontinue Process
- b. Pursue Reorganization

If the Boards of Education wish to proceed with any of the reorganization options, the following should happen:

1. Hold a joint meeting for both boards to insure understanding of all data.
2. Select an attorney to review all data and the law on the reorganization option.
3. Boards formally vote to approve or reject the reorganization option.
4. Appoint a Committee of Ten to continue the process if consolidation or annexation is chosen.

For the consolidation or annexation to happen, it must receive a majority of votes in **both** communities involved in the reorganization process. If the vote fails in one or more community, *the same petition, ballot, cannot be voted on again for two years.*

Dissolution/Annexation: (See glossary for definitions)

Article 7 of the Illinois School Code offers the Damiansville School District two options of dissolution, voluntary and by petition. Voluntary dissolution pertains to a school district with a population of less than 5,000 residents. The school board shall file with the Regional Board of Trustees a petition adopted by resolution of the board of education to dissolve the district and annex all of the territory to the Albers School District. This would be the easiest way if the board of education and community agree to dissolve the school district.

The second option is to file a petition signed by a majority of the registered voters of the district seeking such dissolution.

Both petitions shall request the submission of a proposition at a regular scheduled election for the purpose of voting for or against the annexation of the territory described in the petition to the school district proposing to annex that territory.

The petition shall be filed with and decided solely by the regional board of school trustees of the region in which the regional superintendent of schools has supervision of the school district being dissolved. *If within 45 days after giving notice of the hearing, the Regional Board of Trustees receives a petition signed by a majority of the registered voters of the district in opposition to the board's petition to dissolve, the procedure ends and dissolution stops.* The regional board of school trustees shall not act on the petition filed by a board of education

The regional board of school trustees shall have no authority to deny dissolution requested in a proper petition for dissolution. The Regional Board shall exercise its discretion on the issue of annexing the territory of a district being dissolved, giving consideration to but not being bound by the wishes expressed by the residents of the various school districts that may be affected by such annexation.

If a petition proposes the annexation of the entire territory of the district it must now go to referendum and pass in each affected district. Unlike consolidations, the petition does not go to the State Superintendent. Once the Regional Board of Trustees approves a petition, arrangements must be made to have the proposed annexation placed on the ballot at the next regularly scheduled election.

When a petition contains more than 10 signatures the petition shall designate a committee of Ten of the petitioners as attorney in fact for all petitioners, any 7 whom may make binding stipulations on behalf of all petitioners as to any questions with respect to the petition or hearing or joint hearing, and the regional board of trustees may accept such stipulation in lieu of evidence or proof of the matter stipulated.

No petition shall be adopted or signed under this subsection until the board of education or the petitioners, as the case may be, shall have given at least 10 days' notice to be published once in a newspaper having general circulation in the district and shall have conducted a public informational meeting to inform the residents of the district of the proposed dissolution and to answer questions concerning the proposed dissolution.

The notice shall state when the petition was filed, the description of the territory, the prayer of the petition and the return day on which the hearing will be held which shall not be more than 15 nor less than 10 days after the publication of the notice. (Notice below taken from the Illinois School Code)

<p style="text-align: center;">NOTICE OF REFERENDUM FOR ANNEXATION BY THE ALBERS COMMUNITY UNIT SCHOOL DISTRICT NO. 63 OF ALL TERRITORY OF THE DAMIANSVILLE COMMUNITY UNIT SCHOOL DISTRICT NO. 62</p> <p>Notice is hereby given that on (date), a referendum will be held in Clinton County for the purpose of voting for or against the proposition to annex all of the territory comprising Damiansville School District No. 62 of Clinton County, Illinois to Albers School District No. 63 of Clinton County, Illinois.</p> <p>The territory which now comprises all of the territory of Damiansville School District No. 62 of Clinton County, Illinois, which is proposed to be annexed to Albers School District No. 63 of Clinton County, Illinois, is described as follows: (Here describe such territory.)</p> <p>The territory which now comprises Albers Community Unit School District No. 63 of Clinton County, Illinois, which district it is proposed shall annex the territory above described in this Notice, is described as follows: (Here describe the territory.)</p> <p>The election is called and will be held pursuant to an order of the regional board of school trustees (or, State Superintendent of Education) dated on (insert date), which order states that the change of boundaries pursuant to the annexation granted or approved by the order shall be made if a majority of those voters in each of the affected school districts who vote on the proposition at the election vote in favor thereof.</p> <p>Dated: _____.</p> <p>Regional Board of School Trustees (or State Superintendent of Education)</p> <p>By _____</p>

At the hearing any resident of the territory described in the petition or any resident in any district affected by the proposed change of boundaries may appear in person or by an attorney in support of the petition or to object to the granting of the petition and may present evidence in support of his position.

The petitioners shall pay the expenses of publishing the notice and of any transcripts take at the hearing; and in case of an appeal, the appellants shall pay the costs of preparing the record for appeal.

If the proposition is approved by the regional board of trustees the proposition shall be placed on the ballot at the next regular scheduled election. The ballot shall be in substantially the following form:

Shall the following described territory comprising all of the territory of Damiansville School District No. 62 of Clinton County, Illinois, be annexed to and made a part of the Albers School District No. 63 of Clinton County, Illinois? (Here describe the territory)	YES	<input type="checkbox"/>
	NO	<input type="checkbox"/>

Citizens in both the Albers School District and the Damiansville School District shall have the opportunity to vote on the proposition. To be successful and pass, a majority of voters *in both school districts* must vote in favor of annexation.

Consolidation: (See glossary for definition)

A petition signed by both boards of education must be filed with the Regional Office of Education by a date specified by ISBE. The petition shall (1) request the submission of the proposition at a regularly scheduled election for the purpose of voting for or against the establishment of a combined elementary district in the territory; (2)

describe the territory; (3) set forth maximum tax rates for educational, operations and maintenance and the purchase and improvements of school grounds, pupil transportation, and any rates extended above the statutory permissive rate limitations for the proposed district shall be authorized to levy; and (4) designate a Committee of Ten.

Committee of Ten

The Committee of Ten is a committee of ten individuals appointed by the petitioners (usually school boards) to represent the school districts involved in the study. These individuals may be school board members, people who work in the school system, or any other resident voter of the involved districts.

This Committee is appointed to file the petition. It shall be the responsibility of the Committee of Ten to establish the new school district tax rates, articulate district boundaries and determine how board members are elected. This committee will have other specific duties prescribed by law.

It is suggested that the Committee of Ten form subcommittees to take a closer look at the proposed reorganization. Some of the areas that could be studied are: Curriculum, Finance, Transportation, Staffing & Personnel and Building Utilization.

The Committee of Ten shall act by majority vote of the membership. Any 7 of who may at any time, prior to the final decision of the Regional Superintendent amend the petition. The Committee of Ten may voluntarily dismiss their petition at any time before the final decision of the Regional Superintendent or State Superintendent of Education.

The consultants recommend that requirements of the Open Meetings Act be strictly followed for all committee meetings. Also, the consultants strongly recommend that the *Committee of Ten work closely with district superintendents to determine the Operating Tax Rate for the district being organized* and work with the administration and

school boards to develop a vision of the new district’s curriculum for the welfare of all students.

The Regional Superintendent of Schools will file the following notice in the appropriate news media for three consecutive weeks. No more than 15 days after the publication of the last notice, the Regional Superintendent of Schools will hold a Public Hearing. After 14 days, the Regional Superintendent will send his/her recommendation to the State Superintendent who will approve or deny the merits of the petition. The petition must be submitted to the proper election authority at least 61 days prior to the election. (Notice taken from the Illinois School Code)

**NOTICE OF REFERENDUM TO ESTABLISH
COMBINED SCHOOL DISTRICT**

NOTICE is hereby given that on (insert date), a referendum will be held in part of Clinton county for the purpose of voting for or against the proposition to establish a combined elementary district for the following described territory: (Here describe the territory, which, for territory currently included in an entire school district, may be a general reference to all of the territory included within that particular school district).

The election is called and will be held pursuant to an order of the Regional Superintendent dated on (insert date), which order states that if a majority of the voters in each of the affected school districts voting on the proposition at the referendum vote in favor thereof, the tax rates for various purposes of the proposed combined school district shall be (here specify the maximum tax rates for various purposes the proposed combined school district is authorized to levy and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Section 11E-80 of this Code).

Dated: _____.

Regional Superintendent of Schools: _____

The election of school board members can be held at the same time. If the petition does not request the election of the board members, and if the regional superintendent of

schools finds it to be in the best interest of the districts involved to elect school board members then that fact shall be included in the notice of referendum.

If the board of education election is not held at the same time, the Regional Superintendent of Schools shall order an election to be held at the next regularly scheduled election date for the purpose of electing a board of education for that district.

The petition shall be in substantially the following form:

Shall a combined elementary school district with authority to levy taxes at the rate (Here specify the maximum tax rates for various purposes the new district is authorized to levy and, if applicable, the specifications related to the Property Tax Extension Limitation Law, in accordance with Section 11E-80 of this Code), each upon all the taxable property of the district at the value thereof, as equalized or assessed by the Department of Revenue, be established?	YES	<input type="checkbox"/>
	NO	<input type="checkbox"/>

Newly Elected School Board

If a new school board is elected during the consolidation referendum, the newly formed district will begin *July 1 following the election*. The consultants recommend that the newly elected board of education work with the Regional Superintendent of Schools to develop a “plan of action” for the new district. With the approval of the districts from which the new district is formed, the newly elected board may do the following:

1. Establish the tax levy for the new district in lieu of the levies by the districts from which the new district is formed.

2. Conduct a search for the superintendent of the new district and enter into a contract with the person selected.
3. Bargain collectively with the representatives of the new district's employees.
4. Enter into agreements with depositories.
5. Conduct a search for administrators and other staff members.
6. Plan for a transition of the administration from the old school to the newly formed district.
7. Engage the services of attorneys, accountants and other consultants.
8. Issue bonds.
9. Expend the funds from the levy or any funds received from the districts for payroll or operating expenses.

Timelines For The April 7, 2009 General Election

The following two pages show the approximate timelines for the April 7, 2009 General Election that is to be used for the various reorganization options. Page 63 list the approximate dates to be used for Consolidation. Page 64 lists the approximate dates for Dissolution/Annexation. Timelines would have to be adjusted based on the actual dates of the filed petition, the published notices, and the local hearing. School boards should check with the ROE and/or ISBE to make sure petitions are filed correctly.

Timelines have not yet been developed for the February 2010 election (no November odd-numbered year election). An approximate timeline is submission of a petition to the local Regional Superintendent 6 months prior to the election date in order to meet other timelines.

Conversion & Formation of School Districts under Article 11E
Approximate Timelines for April 7, 2009 Consolidated Election

Week of October 13, 2008	Last week to file a petition under Article 11E with ROE and meet all other timelines.
October 20 – October 26, 2008	ROE publishes 1 st Public Hearing Notice.
October 27 – November 2, 2008	ROE publishes 2 nd Public Hearing Notice.
November 3 – November 9, 2008	ROE publishes 3 rd Public Hearing Notice.
Not more than 15 days after the last date of the publication of notice, the ROE holds the Public Hearing.	
November 18 – November 24, 2008	Public Hearing.
November 25 – December 8, 2008	Decision by ROE.
December 9 – December 10, 2008	Submit Hearing Documents to ISBE.
December 11 – December 31, 2008	Decision by State Superintendent.
January 1 – February 4, 2009	Time period to contest State Superintendent decision under Administrative Review Law.
February 5, 2009	Proposition submitted to election authority.
April 7, 2009	Consolidated Election

School District Dissolution/Annexation
Approximate Timelines for April 7, 2009 Consolidated Election

Week of November 3, 2008	Last week to file a petition with the Regional Board of School Trustees and meet all other timelines.
Week of November 10, 2008	ROE publishes Public Hearing Notice.
Not more than 15 days after the last date of the publication of notice, the ROE holds the Public Hearing.	
Between November 20 and December 1, 2008	Public Hearing based on date of published notice.
December 2 – December 31, 2008	Decision by Regional Board of Trustees based on December 1 Hearing date.
January 1 – February 4, 2009	Time period to contest Regional Board of Trustees decision under Administrative Review Law.
February 5, 2009	Proposition submitted to election authority.
April 7, 2009	Consolidated Election

Glossary
And
Bibliography

There are no problems we cannot solve together, and very few can we solve by ourselves.

--Lyndon B. Johnson

GLOSSARY

ANNEXATION: A type of school district reorganization where one district takes in an entire district (dissolution) or part of a school district (detachment).

ASSESSED VALUE: The value placed on property for tax purposes and used as a basis for division of the tax burden. This amount is subject to the state-issued equalization factor and the deduction of the homestead exemptions.

AVERAGE DAILY ATTENDANCE: The aggregate number of pupil days in attendance divided by the number of days in the regular school session. A pupil who attends school for five or more clock hours while school is in session constitutes one pupil day of attendance. The best three months average daily attendance of the prior year, or the average on the three prior years is used in calculating General State Aid (GSA) for the current school year.

CONSOLIDATION: A type of reorganization where two or more school district merge together to form a new school district.

CONTIGUOUS: Connected to, bordering or adjoining. For consolidation to occur, the districts must be contiguous.

DETACHMENT: A type of reorganization where a portion of one school district is incorporated into one or more other districts. Related to annexation.

DISSOLUTION: A type of reorganization where an entire school district is incorporated into one or more other school districts. Related to annexation.

EQUALIZED ASSESSED VALUATION: The assessed value multiplied by the state equalization factor, this gives the value of the property upon which the tax rate is calculated after deducting homestead exemptions, if applicable. For farm acreage, farm buildings, and coal rights, the final assessed value is the equalized value.

EXEMPTION: The removal of the assessed value or a portion of the assessed value from the tax base. There are two types of exemptions; homestead and non-homestead. An exemption may be for a portion of the EAV, such as a homestead exemption, or for the complete amount of the EAV, such as a church building used exclusively for religious purposes.

EXTENSION: The process in which the count clerk determines the tax rate needed to raise the revenue (levy) certified by each school district in the county. The actual dollar amount billed to the property taxpayers in the district.

FOUNDATION LEVEL: A figure established by the state representing the minimum level of per pupil financial support that should be available to provide for the basic education of each pupil in average daily attendance.

INSTRUCTION EXPENDITURES: Expenditures related to activities dealing with the teaching of pupils or the interaction between teachers and pupils. Teaching may be provided for pupils in a school classroom or in another location such as a home or hospital and may include other learning activities. It may also be provided through some other approved medium such as television, radio, telephone, or correspondence. Included here are the activities of aides or assistants of any type (clerks, graders, teaching machines, etc.) which assist in the instruction process. (Excluding Capital Outlay expenditures reported separately.)

INTERFUND LOANS: Loans between funds as authorized by the Illinois School Code.

LEVY: The amount of money a school district certifies to be raised from the property tax.

OPERATING EXPENSE PER PUPIL: The gross operating cost of a school district (excepting summer school, adult education, bond principal retired, and capital expenditures) divided by the average daily attendance for the regular school term.

OPERATING TAX RATE: A school district's total tax rate less the tax rates for bond and interest, rent, and vocational and junior colleges.

PER CAPITA TUITION CHARGE: The amount a local school district charges as tuition to nonresident students as defined by Sections 18-03 and 10-20.12a of the School Code. The per capita tuition charge is determined by totaling all expenses of a school district in its Educational, Operations and Maintenance, Bond and Interest, Transportation, Illinois Municipal Retirement / Social Security, and Rent funds for the preceding school year less expenditures not applicable to the regular K-12 program (such as adult education and summer school), less offsetting revenues from state sources , except those from the Common School Fund, less offsetting revenues from federal sources except those from federal Impaction Aid, less revenues from student and community services, plus a depreciation allowance and dividing this amount by the average daily attendance for the year. The average daily attendance during the regular school term is adjusted by the average daily attendance of pupils tuitioned in and tuitioned out of the district.

PROPERTY TAX EXTENSION LIMITATION LAW (PTELL): This law limits the increase in property tax extensions for non-home rule districts. Increases in property tax extensions are limited to the lesser of five percent or the increase in the consumer price index (CPI), for the year preceding the levy.

REORGANIZATION: The act or process affecting the boundaries and legal descriptions of more than one school district.

STATE REVENUES: Amounts received from the State for General State Aid, and other state programs including Transportation Aid, Bilingual Education, Gifted Education, etc.

TAX RATE: The amount of tax due stated in terms of a percentage of the tax base.

TAX-RATE-LIMIT: The maximum tax rate the county clerk may extend without referendum, but districts may increase tax rates, within limits, subject to voter approval.

TAX YEAR: This term refers to the year of assessment. Tax year 2000 refers to assessments based on property values as of January 1, 2000. These taxes are payable in calendar year 2001. Taxes are received in the following year which they were levied.

TOTAL TAX RATE: A school district's total tax rate consists of all funds levied, which may include: Education, Operations and Maintenance, Transportation, Working Cash, I.M.R.F., Liability Insurance, Special Education, Social Security, Bonds and Interest, and Fire Safety Bonds.

TRUTH IN TAXATION ACT: Legislation that provides procedures for public notice and public hearings on tax increases greater than 105% of the prior year's extension.

BIBLIOGRAPHY

1. Illinois State Board of Education, School Business Services, School District Reorganization Overview.
2. Illinois State Board of Education, Guidance Document, School District Reorganization. (Public Act 94-1019) July 28, 2006.
3. Illinois State Board of Education, Citizens' Guidance to School District Reorganization. July 31, 2006.
4. Illinois State Board of Education, Fall Housing Report, 2005, 2006, 2007, and 2008.
5. Illinois School District Annual Financial Report, 2005, 2006, and 2007. Albers and Damiansville School Districts.
6. Annual Statement of Affairs For Fiscal Year Ending June 30, 2005, 2006 and 2007. Albers and Damiansville School Districts.
7. Illinois State Board of Education, Facility Inventory, 2006.
8. Illinois State Board of Education, Pupil Transportation Claim & Reimbursement System, 2007, Albers and Damiansville School Districts.
9. 2007 Illinois District Report Card, Albers and Damiansville School Districts.
10. Illinois State Board of Education, I Learn, Albers and Damiansville Districts.
11. Illinois State Board of Education, School District Budget Form, 2007 and 2008, Albers and Damiansville School Districts.
12. Illinois Association of School Boards, 2006 Illinois School Code
13. Illinois State Board of Education End of the Year Report, 2005, 2006, and 2007
14. Internet Sources Used:
 - Interactive Illinois Report Card
 - Best Places
 - Google & Yahoo Search Engines
 - Center for Educational Statistics
 - U.S. Department of Education
 - National Center for Educational Statistics
 - U. S. Census Bureau
 - Illinois Home Town Locator
 - State of Illinois Homepage
 - E Podunk

Albers-Damiansville Projected Five Year Budget

Revenue	FY2009	FY2010	FY2011	FY2012	FY2013
Local	\$ 1,020,362.29	\$ 1,040,769.54	\$ 1,061,584.93	\$ 1,093,432.47	\$ 1,137,169.77
State	1,534,250.70	1,595,620.73	\$ 1,627,533.14	\$ 1,676,359.14	\$ 1,726,649.91
Federal	98,759.70	100,734.89	\$ 101,742.24	\$ 104,794.51	\$ 106,890.40
Total	\$ 2,653,372.69	\$ 2,737,125.16	\$ 2,790,860.31	\$ 2,874,586.12	\$ 2,970,710.08
Beginning Balance	\$ 1,023,768.00	\$ 1,039,447.00	\$ 1,149,837.73	\$ 1,245,967.62	\$ 1,362,021.51
Revenue/Receipts	2,139,579.00	2,203,766.37	2,269,879.36	2,360,674.54	2,431,494.77
Transfers/Loans	-	-	-	-	-
State Incentives	28,577.00	128,577.00	128,577.00	128,577.00	-
Total Revenue	\$ 3,191,924.00	\$ 3,371,790.37	\$ 3,548,294.09	\$ 3,735,219.15	\$ 3,793,516.28
Expenses	\$ 2,152,477.00	\$ 2,221,952.64	\$ 2,302,326.47	\$ 2,373,197.65	\$ 2,456,130.04
Ending Balance	\$ 1,039,447.00	\$ 1,149,837.73	\$ 1,245,967.62	\$ 1,362,021.51	\$ 1,337,386.24
Incentives					
State Aid Difference	\$ 12,145.00	\$ 12,145.00	\$ 12,145.00	\$ 12,145.00	0.00
Deficit Offset	0.00	0.00	0.00	0.00	0.00
Teacher Salary Difference	16,432.00	16,432.00	16,432.00	16,432.00	0.00
Certified Employee Pay	-	100,000.00	100,000.00	100,000.00	0.00
Total Incentives	\$ 28,577.00	\$ 128,577.00	\$ 128,577.00	\$ 128,577.00	0.00
Expenses					
Instructional	\$ 1,234,796.00	\$ 1,284,187.84	\$ 1,335,555.35	\$ 1,388,977.57	\$ 1,444,536.67
Support Services	819,250.00	852,020.00	\$ 886,100.80	\$ 912,683.82	949,191.18
Nonprogrammed Charges	63,431.00	50,744.80	\$ 45,670.32	\$ 36,536.26	27,402.19
Debt Services	35,000.00	35,000.00	\$ 35,000.00	35,000.00	35,000.00
Total	\$ 2,152,477.00	\$ 2,221,952.64	\$ 2,302,326.47	\$ 2,373,197.65	\$ 2,456,130.04