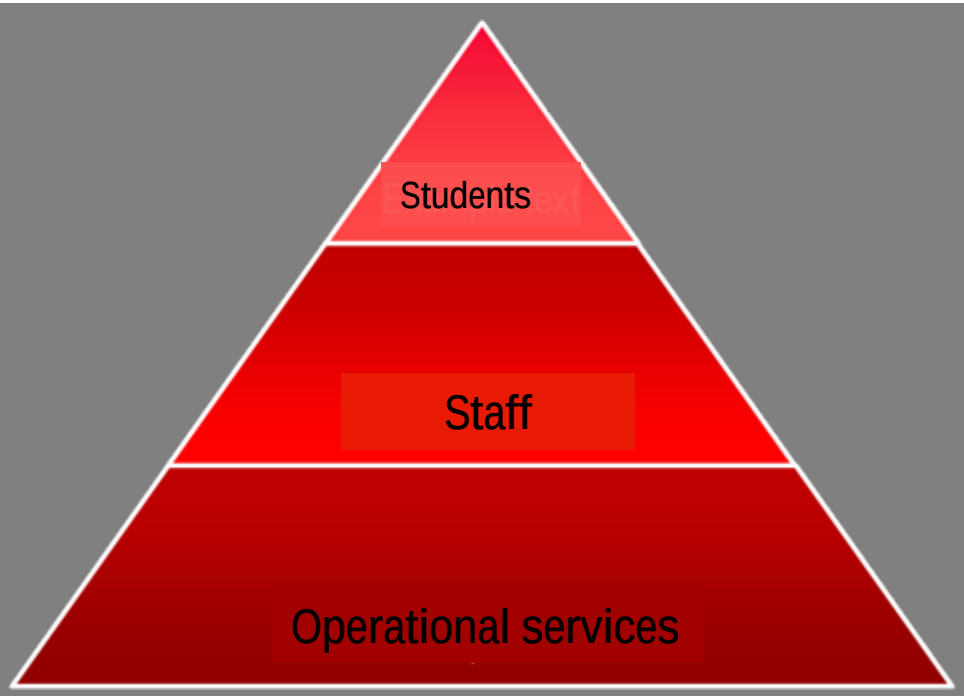
The Decision Pyramid

Principle #1:
Make every effort to increase revenue to close the revenue/ expenditure gap

Principle #2:
Reduce costs in operational services

Principle #3:

Reduce programs & staff (across all employee groups) affecting students last and, if possible, the least.



Our goal is to eliminate deficit spending in two operating budgets by 2014. We will accomplish this by conducting a thorough analysis of our current and future budgets, work with our financial planners, and solicit input from our stakeholders. Our final recommendations will be data-driven and guided by the following principles:

Principle #1: Make every effort to increase revenue and close the revenue/expenditure gap

- Increase average daily attendance (ADA). For every 1% increase, the district receives approximately $250,000 in additional revenue. Our current ADA is at 92%.
- A large TIF district [Tax Increment Finance] in University Park should be dissolving in December 2010 which could equal a $1.4 million increase to our district budget.
- The Center Point Intermodal development should yield extra revenue for our district.
- We have not realized the full revenue impact of the Kohl's Town Center in Crete.
- We are constantly looking for grants that will fund services for students.
- Raise $10-15 million in working cash.
- Continue to work with neighboring village officials in helping them to achieve their economic growth and expansion goals.

Principle #2: Reduce costs in operational services

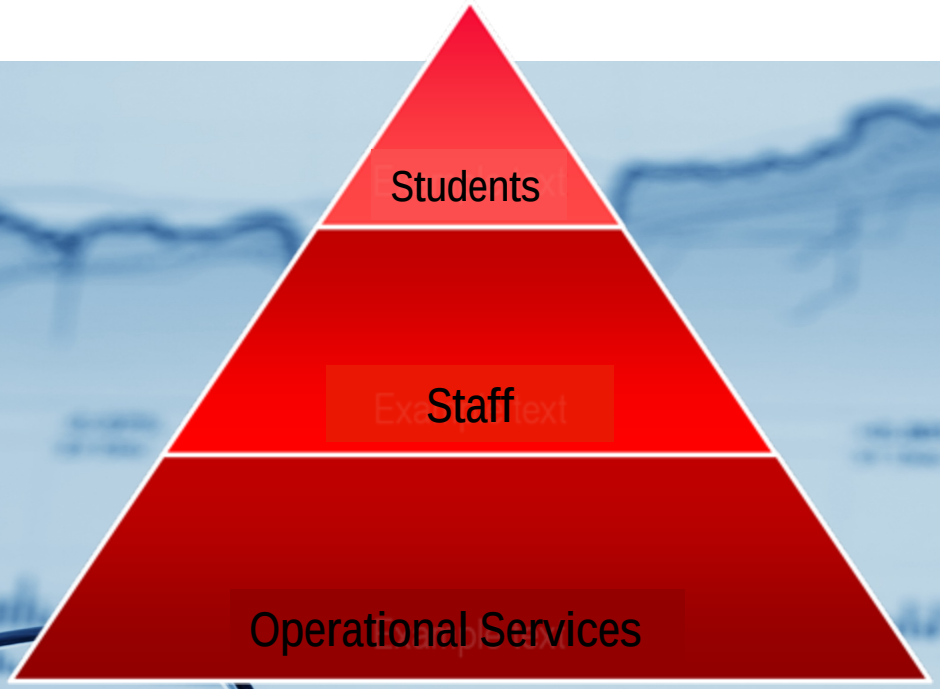
- Look to reduce supplies and services from department budgets
- Reduce part-time/temporary staff that do not affect student programming
- Implement a hiring freeze on all positions designated as non-critical
- Consolidate or combine employee workloads, programs or departments
- Ensure that cost control measures are enacted
- Reduce non-contractual benefit costs
- Reduce liability insurance costs by joining an insurance co-op
- Reduce attorney fees
- See to renegotiate contracts of employees if possible
- Continue to deploy & increase paperless solutions throughout the district
- Create a energy conservation policy and deploy the plan
- Continue the competitive bidding and purchasing process
- Consider debt restructuring where appropriate
- Explore early retirement options for employees

Principle #3: Reduce programs & staff (across all employee groups) affecting students last and, if possible, the least.

- **Administrative/Managerial positions**
- **Support services**
- **Electives**
- **Extracurricular programming**
- **Decommission or reconstitute a building**
- **Class size**

The Pyramid of Savings

STRATEGY: Minimize the impact of cuts on students



The District Administration will analyze departments, functions and programs; and compare itself to similar school districts to create internal & external data.

This data will help guide eventual decisions by the Board of Education and ensure the district is using its resources as efficiently as possible.