

## **An important message from Fenton Community High School District 100 Superintendent, Kathie Pierce**

I am sure that you are aware that the General Assembly is experiencing major problems with balancing its budget and paying its bills in a timely fashion. Sadly, as the legislature delays addressing its budget woes, the financial impact on Illinois school districts becomes more pronounced. According to Crain's Chicago Business, Illinois now has the dubious honor of ranking number one among the nation's 50 states in terms of indebtedness.

The situation is compounded by the creation of new programs approved by the General Assembly and signed by the governor without adequate funding. We now have over 100 unfunded or underfunded mandates that have been imposed on districts by the General Assembly. In addition, those in power have expanded the problem by borrowing money from one budget area, such as pension funds, and not repaying it later. These practices worsen Illinois' financial situation.

The **net effect** for District 100 is as follows:

### *Fiscal Year 2009*

- Average # of days delay in receiving state funding – 63
- Average amount in arrears - \$211,500

### *Fiscal Year 2010*

- Average # of days delay in receiving state funding – 41
- Average amount in arrears - \$415,386

### *Potential State reductions for Fiscal Year 2011 could be as follows:*

- Elimination of all non-mandated categoricals - \$127,181
- Reduction in mandated categoricals - \$139,365
- Elimination of Alternative & Flat General State Aid – \$459,336

The **cumulative impact** of past money owed and paid late, not paid at all, and/or of future reductions may accumulate to a total loss of State Funding of **approximately \$1.7 million for District 100 over three fiscal years**. This situation will not end soon. There is little indication from the General Assembly or the senior leadership in Springfield that they have any real idea of how to effectively solve this budget situation.

Local property tax payers support the major share of the District's annual budget. The State's contribution to our revenue is supposed to be \$1.6 million this year. Considering the tax dollars (income & sales) that this community sends to Springfield, it is shameful to be shorted even more.

Our Board of Education is committed, seemingly unlike the State, to operate with a balanced budget. We feel it violates the public trust to spend more than our revenue permits. During these tough financial times, the Board intends to protect the long term financial health of the District. To that end, in Fiscal Year 2011, budgets cuts in excess of \$330,000 are planned.

Finally, we have made concerted efforts with local legislators to address our concerns and engage their support in helping us. They are acutely aware of our needs and those of other school districts. It appears, though, that the issues that plague this state are a direct result of the actions, or lack thereof, of the most senior leadership in the General Assembly and the Governor. **If you are concerned about these matters, please contact the General Assembly or Governor's offices and share your concerns.**