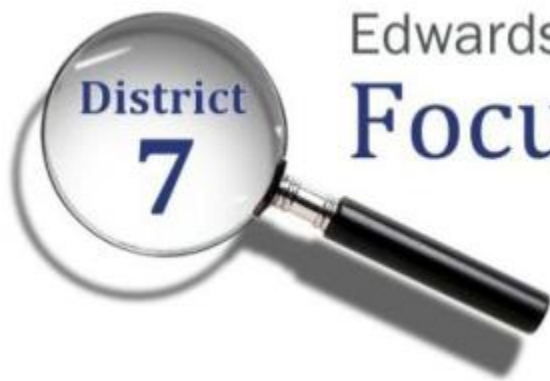


Focus on Finance: Frequently asked questions

by Lynda C. Andre, Superintendent of Edwardsville School District #7.
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Edwardsville Community Schools
Focus On Finance

Dear Parents,

This week's Focus on Finance refers to the Answers for Frequently Asked Questions.

Focus on Finance Frequently Asked Questions

- **Why did the District build the Jon Davis Wrestling Center and the Chuck Fruit Aquatic Center during the budget crisis? How is the maintenance of these buildings funded?**

District 7 is fortunate to have had a history of generous and benevolent citizens who want to provide students the best academic opportunities, fine arts programming, and

athletic facilities as possible. In the late 1970's, a group of business leaders formed the EGHM Foundation to support the Edwardsville School District in offering high quality programs, services, and facilities for its students. The entire Edwardsville High School Sports Complex is an example of their ongoing financial support, in conjunction with the volunteer efforts of hundreds of booster club parents, to provide our students with superior athletic facilities.

In 2009, the Mestamacher family funded the construction of the Jon Davis Wrestling Center which serves not only EHS wrestlers but also local wrestling organizations that serve youth in this community. Their restricted donation also included the establishment of an endowment that supports the ongoing maintenance needs of the building.

In 2014, the Fruit family made a \$4 million restricted donation that, in conjunction with donations from the EGHM Foundation and other private citizens, paid for the cost of constructing the Chuck Fruit Aquatic Center. Operational expenditures of the Chuck Fruit Aquatic Center are paid from the rental fees and contract agreements in place for use of the facility. As examples, the District has had an agreement in place with the YMCA for use of the aquatic center since its opening that has generated approximately \$50,000 annually. In addition, the District has hosted and sponsored several swim meets that generate approximately \$125,000 annually in fee revenues. Universities such as; Lindenwood University, McKendree University and SIU – Carbondale have rented time at the aquatic center.

- **What is the amount of funding the District is seeking with the upcoming referendum? Why is the referendum amount planned to include both the replacement of lost state funding and the academic, technology, and security needs of the school district?**

The District has outlined its need for additional revenue totaling \$6.9 million per year below:

- **\$2.7 million annually** to ensure that Education Fund revenues equal Education Fund expenditures by June 2019, as required by the Illinois State Board of Education
- **\$1.7 million annually** to eliminate the expected June 2017 Education Fund operating debt of \$6.7 million by June 2021 and begin the process of building cash reserves in 2022
- **\$1.5 million annually** to allocate sufficient funding to address increases in operational expenditures, such as:
 1. Personnel necessary to address enrollment
 2. Contractual costs related to salaries and benefits

3. Inflationary cost increases in food, software, and instructional materials and supplies
 - **1 million annually** to begin the process of addressing academic, technology, and security needs, including:
 1. Replacing aging textbooks in core academic areas
 2. Restoring the curriculum review cycle
 3. Upgrading building technology infrastructure to support student access to technology
 4. Restoring the technology replacement cycle
 5. Updating failing school security systems

The proposed Education Fund tax rate increase of \$0.55/\$100 of assessed valuation, if passed, would increase the District 7 Education Fund tax rate from \$2.15 to \$2.70 and the total school tax rate from \$4.22 to \$4.77, still one of the lowest in Madison and St. Clair Counties.

Under the proposed tax rate, the owner of a home valued at \$150,000 could expect to see a \$20.17 increase in property taxes each month or \$242.04 per year.

The Board of Education's decision to address the financial, academic, technology, and school security needs in one tax rate increase was made, in part, as a result of the impact this financial crisis has had on all areas of the District's operation and instructional programs. Many of the ongoing costs of supporting a high quality education program for more than 7,500 students have been deferred due to declining funding. Neither textbook replacements nor upgrading the technology infrastructure that supports the business operation, instructional and communication programs, can wait any longer for funding.