

Edwardsville School Board votes to put tax increase on April ballot

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EDWARDSVILLE - The **Edwardsville Board of Education** voted unanimously to return a failed measure to the April 4, 2017 ballot at its Monday, Jan. 9, 2017 meeting.

Proposition E, as it was named, would increase the property taxes of homeowners in the **Edwardsville School District** from 2.15 percent of all taxable property as equalized

or assessed by the **Department of Revenue** to 2.70 percent. The district said the rate would be as much as a 55-cent increase, but assured it was needed due to the dire conditions the district is facing due to lack of state funding.

Those funding woes have caused the district's finances to fall in a whirlwind fashion since 2009, the district's business manager **Dave Courtney** said. During a presentation to the district's finance committee prior to Monday's board meeting, Courtney said its financial state was worse than what was anticipated during last year's push to put Proposition E on the ballot in August 2016.

"In some cases we are actually worse than we thought we would be by now," he said.

Edwardsville School District is on **Illinois's Financial Watch List** - a designation it has held since 2009. After using all its cash reserves in 2015, the district received a "**Certification of Financial Difficulty**" from the state. If conditions do not improve, Courtney and **Edwardsville Superintendent Dr. Lynda Andre** said the state may create a financial oversight board to directly control the district's finances.

To avoid this, Courtney recommended to the finance committee take \$5 million in tax anticipation warrants from a local bank. The district originally planned to borrow as much as \$2 million. Continued lack of state funding has caused the need for more money to be borrowed. Tax anticipation warrants borrow against future tax-based income coming into the district. Courtney said the district can borrow as much as 85 percent of taxes collected in one year - an amount no longer seeming insurmountable by Courtney or the board.

Because of these difficulties, the Edwardsville Board of Education decided to retry Proposition E. It was voted down by district residents 14,468 to 13,388. In former interviews, Andre said the district's most important goal was to share the need of the district with the taxpayers. Andre said she and several other district employees and representatives hosted as many as 80 informative meetings with the public to showcase the need of the district for increased revenue.

Without that revenue, she warned, the Edwardsville School District would have to forego updating textbooks and technology, which would give students graduating an advantage once reaching college, university or the start of their careers. That sentiment was echoed by board member **Dorothy Hummel** at Monday's finance committee meeting.

"I hope and pray taxpayers will vote for this, or drastic changes are coming to the Edwardsville School District," Hummel said.

Even if a second push for Proposition E does pass, Courtney warned the district still had several years before its financial situation would return to normal. He said it would be as late as 2022-2023 before the district may be able to place a single dollar into its cash reserves. He said an education fund tax increase would be required by June 2019, or else the state may take control of the district's finance committee.

State funding at the district continues to fail, however, regardless of any tax increase. Two of the usual four categorical payments from the state are reaching the district, and those are used for essential services such as transportation, early childhood education and special needs education. The district's finance committee also said the state is running six or seven months behind on its payments.

In a Dec. 20, 2016, email from Andre, she said the state owed the district \$1,302,835.64 from the 2015-16 school year, and \$1,439,807.09 from the 2016-17 school year, creating a total of \$2,742,642.73 owed by the state to the district.