



Dr. Andre comments for March 13, 2017, Edwardsville District 7 School Board Meeting

by Dr. Lynda C. Andre
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Responses to Referendum List



I want to thank the many parents and citizens who took the time to respond to recent Superintendent's Comments with questions, comments, and offers to volunteer. The staff and I are in the process of meeting with each citizen or providing answers to emailed questions.

I also want to thank the Board of Education for their hard work on the difficult task of developing the first of three rounds of reductions that must be implemented if Proposition E fails. For volunteers who serve as school board members, the nature of this work is disappointing and disheartening but necessary.

As we have discussed publicly for more than a year, District 7 must balance the Education Fund budget by June 2019 in order to avoid possible state oversight. As difficult as this process has been, it would be far worse to lose control over local financial decisions.

Over the last two weeks, I have been asked about the referendum list. On February 27, 2017, the District 7 Board of Education unanimously approved a resolution ensuring that if Proposition E fails, the referendum list of reductions will be implemented for the 2017-18 school year. This action was taken in order to fully inform parents and citizens of the impact of failed referendum instead of determining reductions after April 4th.

Focus on Finance

Focus on Finance will resume this week with video segments narrated by District 7 parent Dr. Michelle Meckfessel, CPA and Assistant Professor in the Department of Business Administration at the University of Missouri – St. Louis. The next two segments will address the After-Tax Impact of Prop E and the Impact of Prop E on Property Values.

Fact Sheet on Madison County School Facility Sales Tax

We have also been asked about the Madison County School Facility Sales Tax. While the District 7 Board of Education did not take a formal position to approve or oppose this tax, the administration has developed a fact sheet outlining the way the tax works and its impact on District 7's financial crisis. This document is attached to this email and will be posted on the District 7 website under Proposition E Facts. [Madison County Sales Tax Fact Sheet](#)

Financial Update

Last week, the District received its preliminary 2016 Equalized Assessed Valuation (EAV - property tax revenues) for the 2017-2018 school year. Due to the assessment of township multipliers, the District's EAV growth rate estimated at 1.9% in December 2016 has now increased to over 6%. As a result of the EAV change, the District could receive an additional \$700,000 in revenue in the Education Fund above what was projected for the 2017-2018 school year. In addition, the District's estimated tax rate for the 2017-2018 school year will drop from \$4.22 to between \$4.10 and \$4.14.

As discussed in the past, it is important to remember that under the current General State Aid (GSA) funding formula in the State of Illinois, when a District's EAV increases in one year, the District will see a corresponding decrease in GSA the next year. All of the 2017-2018 increased Education Fund tax revenues resulting from the EAV adjustment (due to the township multipliers) will be eliminated through the reduction of GSA in 2018-2019. The only way for the additional revenue received in the Education Fund for 2017-2018 to be sustainable is if the District experiences a similar growth rate in EAV in the 2018-2019 school year.

It is important to remember that the District projected a \$3 to \$3.5 million budget deficit next year even with an EAV growth rate of 3%.

Even with the additional Education Fund tax revenues, the District will still face an over \$2.5 million budget deficit next year and will be entering next school year with approximately \$6.7 million of Education Fund debt (negative operating fund balance).

Student Successes

In addition to the students who received the Do the Right Thing award last night, I want to congratulate the many athletic teams and performing arts groups who have also enjoyed an outstanding year:

EHS fall 2016 athletic teams:

- 3 Sectional Championships
- 8 Regional Championships
- 12 Conference Championships
- 25-0 season for Ice Hockey
- 3 Individual State Champions
- 2nd place in state finish, one pending
- 105 student-athletes selected for All-Conference teams to date

EHS band received 1st place in four major competitions and earned 3 Grand Champion awards in fall 2016.

EHS orchestra students were selected to perform the opening piece at the ILMEA Convention in 2016.

Two EHS drama students were selected to participate in the All-State productions as part of the 2017 Illinois High School Theatre Festival.

Lincoln Middle School:

- 7th grade volleyball team qualified for state competition
- 8th grade volleyball team won the regional title
- 8th grade team took 1st place at Jr. Olympiad

Liberty Middle School:

- 8th grade boys baseball regional champions
- 8th grade boys basketball conference champions
- 7th grade girls basketball – state champions

- 8th grade girls basketball conference and regional champions

We are proud of our student-athletes and student-performers – they represent their schools, their communities, and their families extremely well.

Congratulations on an exciting fall and winter season!