



The City of Alton Urges Protection of Revenues

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April 21, 2011 – The City of Alton urges the General Assembly and the Governor to prioritize the protection of revenues that are collected by the State of Illinois on behalf of local governments for use in funding social services, public safety, transportation and infrastructure.

The state is faced with a \$13 billion budget deficit. This budget deficit has been allowed to grow over several years while local governments have been reducing their budgets to align spending with lower revenue projections.

“Local governments have been responsible stewards of taxpayer revenue during the economic downturn,” said Mayor Tom Hoechst. We have found it necessary to make very difficult choices to balance our budgets and have done the best we can to preserve core services.”

Despite several years of hard decisions and painful sacrifice, local governments are in danger of losing even more scarce revenue. These losses would not come from natural revenue declines, but by an act of the General Assembly.

Policymakers in Springfield are discussing ideas to reduce the massive state budget deficit. Two proposals in particular advocate for reductions in state-collected local government revenues.

Some have called for \$300 million in cuts from revenue that is collected by the state on behalf of local governments. This kind of revenue diversion would amount to a loss of \$23.40 per municipal resident. The revenue loss for the City of Alton would be \$713,793.60.

“The loss of these critical revenues would jeopardize our ability to maintain current service levels,” said Mayor Tom Hoechst. We’ve already pushed the limit of our

comfort zone with the cuts we've had to endure. Losing any state-collected local government revenue could affect our ability to fund priorities like public safety, social services, and basic infrastructure. We've already eliminated any excess and we would really be talking about cutting core and essential community services. People would absolutely notice the cuts."