

The State's Financial Crisis Threatens Burr Ridge School District 180

Recent press reports are filled with news stories on the State of Illinois dismal financial situation. Currently, the State 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, including ours, becomes more significant.

On February 8th of this year, the State owed our district \$440,000. Thanks to recently received federal stimulus dollars, the state made a payment to our district and, as of today, owes the district \$240,000. Unfortunately, next year, the state will not receive these additional federal stimulus dollars and has no plan to replace those funds.

State funds are important to the continuation of educational programs at Burr Ridge CCSD 180, so we are increasingly concerned about what the loss of state funds will mean to our students.

Currently, the district faces significant losses in revenues if the State cannot meet their obligations. Potential losses to the district next year could be as follows:

- Elimination of all non-mandated categorical grants - \$172,000
- Elimination of Alternative & Flat General State Aid - \$717,000

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 \$2.6 million for District 180 over 3 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.

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. In fiscal year 2009, facing difficult financial times, the Board reduced teacher and support staff by \$1 million. Last year, the district sought and received voter support to avoid having to make further cuts. Unfortunately, with the State unwilling to meet its financial obligations, the district finds itself, once again, fighting to maintain vital educational programs.

Finally, the administration has 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, those offices would be a good place to start sharing your concerns. A sample letter is provided on the district's web site.