

Dear Aviston Taxpayer,

The Aviston Elementary School Board is writing you to communicate the status of the school's financial situation. As you know, the board pursued a tax referendum in 2015 (NOV'16 election) and 2016 (APR'17 election). This December 2017 is the deadline to determine our needed tax levy going into 2018, and we feel it is important to explain why the board has decided not to pursue a tax increase for the upcoming year.

Over the past couple of years, the board has provided a list of Q&A's that were available on the school's website, and were discussed at the town halls. These Q&A's covered the specific details around the decision to put a tax referendum on the ballot. The decision to pursue a tax increase was based on reduced financial funding from the State of Illinois over the course of the 5 previous years resulting in over \$500,000 loss to the school; with an unclear path moving forward. Even with many cuts and cost savings within the school, we were unable to balance the budget. The State of Illinois school funding reductions got to the point where the legislature could not provide a clear path to full funding, or any sign of an agreement. Unfortunately, the debate on taxes and how to fund schools in the State of Illinois took multiple directions but never an approved plan. With the financial balance sheet of the school, year over year, showing a steady decline, the board approved the referendums. Worst case projections showed a negative balance in the education fund as early as 2019.

We are happy to report some good news about the funding and the projections. Although this update does not eliminate all the financial concerns, it does provide a better outlook on our projections. The need for further funding, through a tax referendum, is at a minimum, delayed. With the state of Illinois providing better funding in 2017, and in addition to a new school funding formula (Evidence Based Funding) signed into law by the Governor, we can now see a better path forward with a small possibility of increased funding. Although the formula is not 100% clear at the time of this letter, it does guarantee no further reductions in funding.

The Board and Administration continue to look at ways to reduce costs or increase revenue while providing a solid education for our students. Below is a list of cost savings or revenue generating measures we have taken since June 2017:

- Teachers agree to pay freeze for 2017/2018 school year
- Staff of school agree to pay freeze for 2017/2018 school year
- Reduction in custodial staff
- Increased fees on school registration
- Increased fees on sports and other extra-curricular activities
- Increased support from PTCC and Sports Boosters for their respective programs
- Increased Pre-school program fees
- Reduced 1.5 aides

In addition to the above measures, a couple of revenue surprises are helping the funding situation

- Federal funding of Title IV (first time AGS has received this funding)
- State of Illinois funding for The State Orphanage Act

Ultimately, the school board is focused on supporting a high performing school while maintaining fiscal responsibility for the taxpayers. Prior decisions to pursue a tax increase were not taken lightly and

neither is the decision to not seek a referendum in March 2018. We hope this letter provides some transparency to the tax payers on the school's decision making, efforts being taken by all stakeholders of the school, and where we stand financially today.

As the newly created Evidence Based Funding program develops, it will allow us to be able to project our revenue from the State of Illinois with higher confidence. We will continue to provide clarity around the school's finances either through letters such as this, or through our school board meeting notes. As a reminder, the school board meeting notes and schedules, which are open to the public, are posted on the school's website @ <http://avistonk-8.org/school-board/>.

In addition to this letter, you will find an Illinois State Report Card illustrating the school's overall performance for education and finances.

Sincerely,

Aviston School Board