

April 13, 2020

Dear Mr. Tim Elliott, DuPage County Board Member District #4

Thank you and the entire DuPage County Board for your service to our communities. We appreciate you taking the time to seek feedback regarding the consideration of reducing penalties for late property tax payments. And thank you for your continued support of and advocacy for the public education system of DuPage County. We are pulling together to meet the challenges that have been presented to us and we remain committed to delivering the highest quality of education to our students, regardless of the circumstances. We are fortunate to have the resources, talent, and the support of our communities and we are confident that our students will be afforded every available opportunity within our reach.

It has come to our attention that The County Board is deliberating on a plan that would eliminate or reduce the penalties for late property tax payments in an effort to ease the burden of our taxpayers during this period of economic recession. Certainly, we recognize the importance of studying the potential benefits of all opportunities to protect the constituents who provide all public bodies the resources necessary to perform their essential functions up to and beyond expectations. We applaud and appreciate the impetus behind this dialogue and we are interested in supporting the deliberations with candor, insight, and a commitment to stewardship and **responsible financial practices**.

We would like to ask you to represent the following key facts during the discussion and know that many, if not all, of the superintendents and business officials of DuPage County are prepared to describe the impact of any measure on each school district so that the deliberations are informed by **reliable and actionable data**. The following are key and important facts:

- **Cash Flow and Concerns of Borrowing** - The notion of removing late penalties for taxpayers is necessarily an encouragement for taxpayers to delay making the expected payments. While this may have the immediate effect of relieving some of a short term burden, it does not address the reality that the payments must ultimately be made, and that the budgets of public school systems heavily rely on local property tax revenues. The challenge to public school districts in the face of a revenue delay is a matter of cash flow. The delayed revenue would lead several districts into a situation where some type of short-term borrowing would be the sole mechanism available to make payroll. The practice of borrowing to make payroll is an emergency measure that would initiate a chain of events where fewer dollars were allocated to classrooms and more dollars would be allocated to address debt service.
- **Mandate for Paying out Salaries/Benefits** - It is important to note that the remedies of furloughs and layoffs are not available to the public school districts of DuPage County. As you know, The Executive Order issued by Governor Pritzker prohibited public schools from releasing public school employees during this crisis as a matter of budget reduction while mandating the continued payment to third party contractors whose services will be needed upon the reopening of schools for in-person instruction. Additionally, each school district was charged with the duty of providing food to all students who request it during school days and to provide shelter to

unaccompanied minors who seek shelter in schools. We have embraced these responsibilities in addition to providing a rigorous and relevant education during this crisis.

- **Contending with Late Payments From State** - Public schools depend primarily upon local property taxes, evidenced based aid from the state of Illinois and the Federal Government to a lesser degree. We have already experienced a delay in some payments from the Illinois State Board of Education and we are genuinely concerned that this delay, combined with the potential delay of property taxes will exacerbate an increasingly tight financial position that public schools occupy.

It is understood that the County Board has a responsibility to all taxpayers and it is our belief that the public school system shares this mantle of responsibility for stewardship. We ask that during your deliberations that you take into consideration the reality that the responsibilities of our public schools have increased without relief during this public health emergency and the delay in tax payments to public schools will quickly result in the initiation of short-term borrowing which does have a debilitating impact on the efficiency of our system. It is not an exaggeration to note that educators could be crowded out of future budgets by the debt service necessitated by short-term borrowing to satisfy payroll in the coming months.

We appreciate and respect the efforts and authority of both the Regional Office of Education and the DuPage County Board. We humbly request that any deliberations include a thorough analysis of the systems effects of your decisions with regards to the financial health of our public school system. We are available for detailed discussion and we have the ability to produce accurate projections that may aid in your decision making process.

Respectfully submitted,

DuPage County Superintendents

Dr. James Stelter, Bensenville School District 2

Dr. John R. Langton, Addison School District 4

Dr. John W. Corbett, Wood Dale School District 7

Dr. John K. Butts, Medinah School District 11

Dr. Mary Henderson, Roselle School District 12

Dr. Jerry O'Shea, Marquardt District 15

Dr. Joseph R. Williams, Queen Bee School District 16

Dr. Jim Woell, Benjamin School District 25

Ms. Kristina Davis, West Chicago Elementary District 33

Dr. Matt Rich, Winfield District 34

Dr. Melissa Kaczkowski, Glen Ellyn School District 41

Dr. Theodore Stec, Lombard School District 44
Dr. Anthony Palmisano, District 45
Dr. Jake Chung, Salt Creek School District 48
Dr. Paul O'Malley, Butler School District 53
Dr. Kevin Russell, Downers Grove School District 58
Dr. Sean Nugent, Maercker School District 60
Dr. Robert Carlo, Darien School District 61
Dr. Victor Simon, Gower School District 62
Dr. Kerry Foderaro, Cass School District 63
Dr. Ray Lechner and Dr. Griff Powell, Center Cass School District 66
Dr. Patrick Broncato, Woodridge School District 68
Mrs. Tammy Prentiss, Hinsdale Township High School District 86
Dr. David Larson, Glenbard District 87
Dr. Scott J. Helton, DuPage High School District 88
Dr. Emily K. Tammaru, Community Consolidated School District 89
Dr. David H. Hill, Community Consolidated School District 93
Dr. Moses Cheng, Community High School District 94
Dr. Hank Thiele, Community High School District 99
Mr. James Ongtengco, Fenton Community High School District 100
Dr. Thomas Schneider, Community Consolidated District 180
Dr. Hector Garcia, Community Consolidated District 181
Mr. Kevin M. Carey, Community Unit School District 201
Dr. David Moyer, Elmhurst Community Unit School District 205