Agenda Topic: Decertification of Spring Lake Community Consolidated School District 606 (Tazewell County)

Materials: District Petition for Determination and Financial Analysis of the District

Staff Contact(s): Gary Ey
Nona Myers

Purpose of Agenda Item

To act on the decertification petition submitted by the Spring Lake CCSD 606 Board of Education pursuant to Section 1A-8 of the School Code.

Expected Outcome(s) of Agenda Item

To immediately decertify the district from the designation of being certified as in “financial difficulty.” This action was originally taken by the State Board of Education on March 18, 1993.

Background Information

Spring Lake CCSD 606, the district, was certified in 1993 because it met Section 1A-8 criteria for having two consecutive years showing an excess of expenditures and other financing uses over revenues and other financing sources and beginning fund balances on its Annual Financial Report for the aggregate total of the Educational, Operations and Maintenance, Transportation, and Working Cash Funds. Since that time, State Board of Education staff have provided technical assistance and helped guide this fiscally challenged district to a financial position of positive fund balances with no reliance on debt financing.

The district Board and administration have labored to maintain balanced budgets and eliminate prior deficits. The attached financial analysis provides an abbreviated overview on how this district moved from combined deficits of $75,000 with total revenue of $400,000 to a combined reserves of over $105,000 with a total revenue of $515,000. This petition provides assurances for financial stability in their future and demonstrates no further need for State Board oversight and multi-year plan approvals.
Analysis and Implications for Policy, Budget, Legislative Action and Communications

The message for this Board action item is to recognize the district for achieving financial stability and not requiring continued oversight by the State Board of Education.

Pros and Cons of Various Actions

The district Board of Education has petitioned for decertification in its resolution of January 10, 2002. The vote on that resolution was unanimous and they expect ISBE approval.

Superintendent’s Recommendation

Since the local board of education has petitioned for decertification and has met the criteria for decertification as set forth by the State Board of Education, immediate approval of this petition is recommended. The staff of ISBE will continue to offer technical assistance if required by the spring Lake CCSD 606 administration.

Next Steps

Continue to evaluate the ISBE financial watch, certification and intervention process and implement in FY 03 the new Financial Profile System.
### Financial Plan Timeline for Spring Lake CCSD #606

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<td>• Working Cash Bonds Sold</td>
<td>• Balances for the 4 operating funds continued positive through the 2000-01 school year</td>
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<td>• General State Aid declined due to 1990 Census impact</td>
<td>• Intergovernmental agreement between Spring Lake and South Pekin enabled district to lower its tuition fee, reduce debt, improve student services and maintain facilities</td>
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<td>• Student tuition expense to neighboring district increased due to rise in enrollment</td>
<td>• Superintendent - split time increased savings</td>
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<td>• Special Education cost increases were not anticipated</td>
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### Spring Lake CCSD #606 Profile

- Located in Manito, Illinois
- Enrollment - 63 students
- Staff – 5 teachers
- Attendance Rate 96%
- Average Class Size:
  - Kindergarten 10
  - First Grade 9
  - Third Grade 13
  - Sixth Grade 7
- Seventh & Eight Graders are tuitioned to South Pekin Grade School District #137
- FY 01 Revenue Sources:
  - State - $209,000
  - Local - $334,000
  - Federal - $5,500
Spring Lake CCSD #606
Combined Operating Fund Balances (FY94 - FY 02)