

Lake Station Schools Financial Status Frequently Asked Questions

Is Lake Station Schools broke?

No! Lake Station Schools like most public schools in Indiana are under funded by the state.

What does it mean to be underfunded?

The school district is not getting enough money from the state to keep up with increasing costs. NIPSCO, water and sewage, electricity, insurance, fuel, and costs to run the schools keep going up. The state is not giving schools enough money to keep up with the increasing costs.

How did the schools get to be underfunded?

It started back in 2008 when the state erased all of our local property tax support for the General Fund. The General Fund is used to pay for the operations of the school district. Then in December, 2009, the state cut \$300 million from state education funding. This means Lake Station started getting less money and it has continued over the years. This and

- ✓ Declining student enrollment
- ✓ Continued inadequate state funding for public schools
- ✓ Circuit breaker caps
- ✓ State paid school vouchers
- ✓ State funding of charter schools from money that once went to public schools

has now caught up with us to where we find ourselves in serious financial shape.

How is Lake Station Schools paying the cost increases?

The school district continues to spend money VERY CONSERVATIVELY. We tighten our belts. As staff members leave the school district some of those positions are not replaced. Salaries and wages for some employees have been frozen for six (6) years. We are dipping into our rainy day fund to help pay for the cost increases. But our savings account will soon be empty, and we will have to do more.

What else can the Lake Station Schools do to make sure there is money to pay the bills and run the schools?

The school district needs to continue to look for ways to save money and continue to be conservative in our spending. This may mean cutting programs, letting employees go, reducing some employees' hours and/or cutting health benefits for some employees, and possibly asking our community to support a referendum to bring money to the school district.

What can be done?

Enough money needs to come to Lake Station Schools, and all public schools, to keep up with increasing costs. Lake Station Schools needs to be properly funded. The state, that has a \$2 billion cash reserve, can afford to give more money to public schools rather than to charter schools and voucher programs if the governor, senators, and representatives choose to do so.

Is there anything I can do to help the schools?

Please contact our state representatives and senators asking them to give more money to public education. Our state senator is Earline Rogers s3@iga.in.gov and our state representative is Charlie Brown h3@iga.in.gov. Please contact them now before the legislative session ends!