

# **State of the School District**

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**Palos 118:**

**Meeting the Needs  
of All Students**

# A Long Tradition of Excellence



Overall Niche Grade

How are grades calculated?  
Data Sources



Academics



Diversity



Teachers



College Prep



Clubs & Activities



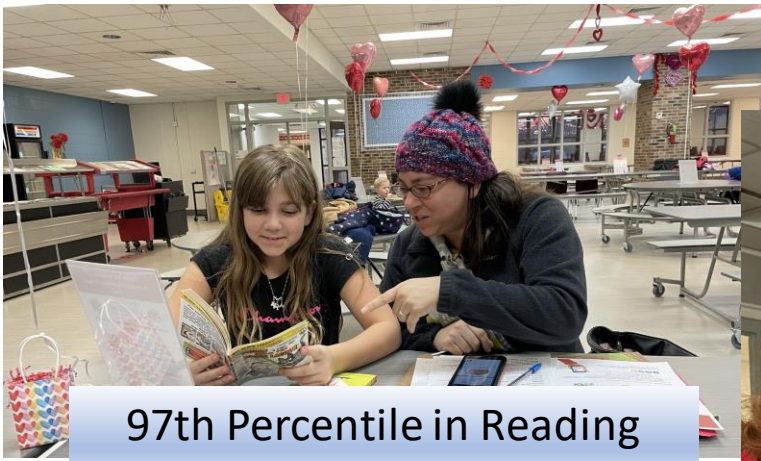
Administration



Board Governance Award



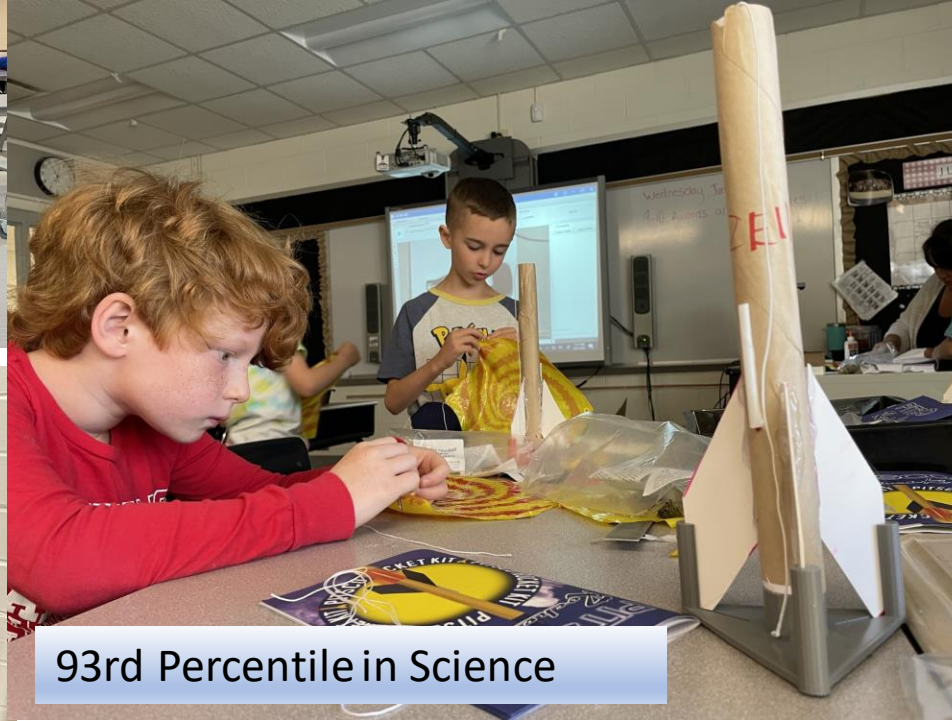




97th Percentile in Reading



93rd Percentile in Math



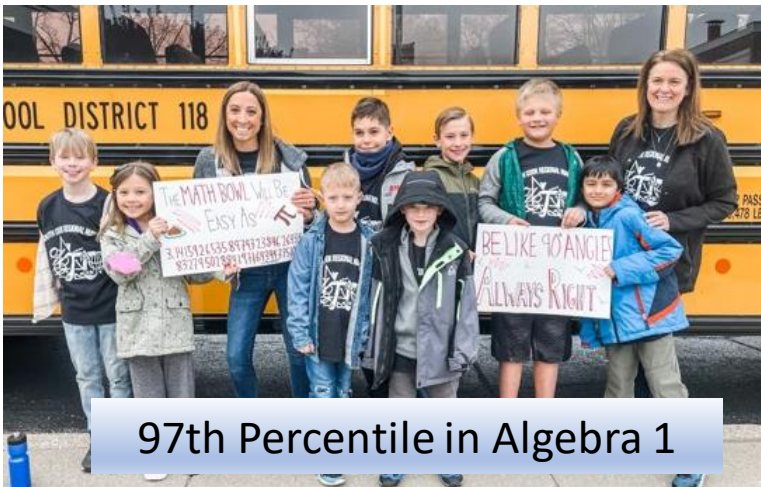
93rd Percentile in Science



Exemplary Rated MS



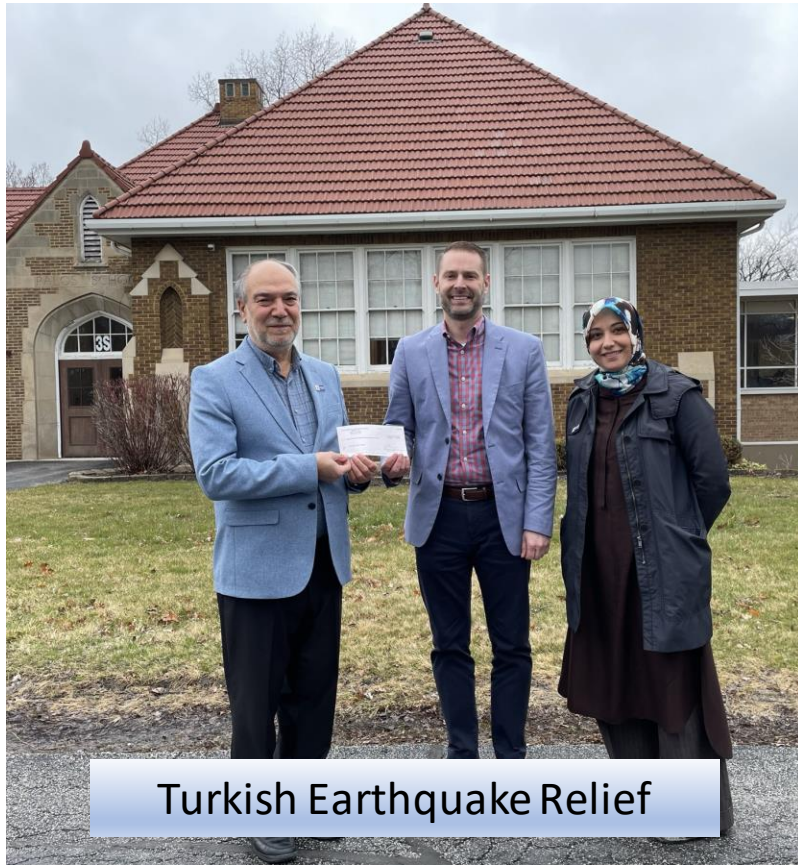
No Underperforming Subgroups



97th Percentile in Algebra 1

# Academically Prepared





Turkish Earthquake Relief



Capstone Students at Palos Park



Ukraine Relief



Ronald McDonald House Tab Drive



Mitten Drive

# Compassionate & Caring





Math Bowl Winners



South Drama Club



ALPS Toy Design Winners



Palos Heights Mayor for a Day



South Environmental Club

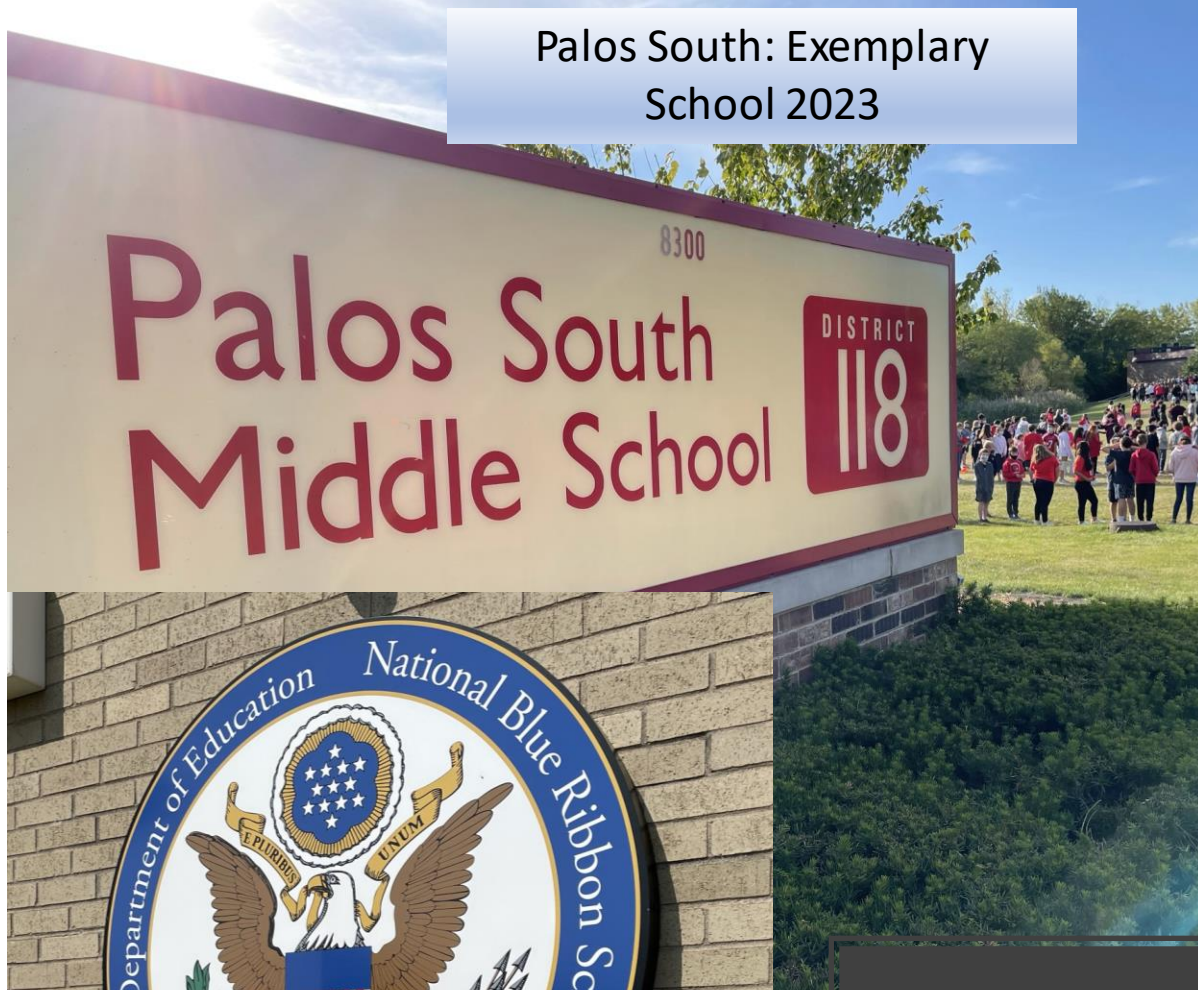


Palos West Bird Houses

# Involved & Engaged



Palos South: Exemplary  
School 2023



Palos West: Blue Ribbon School  
2022

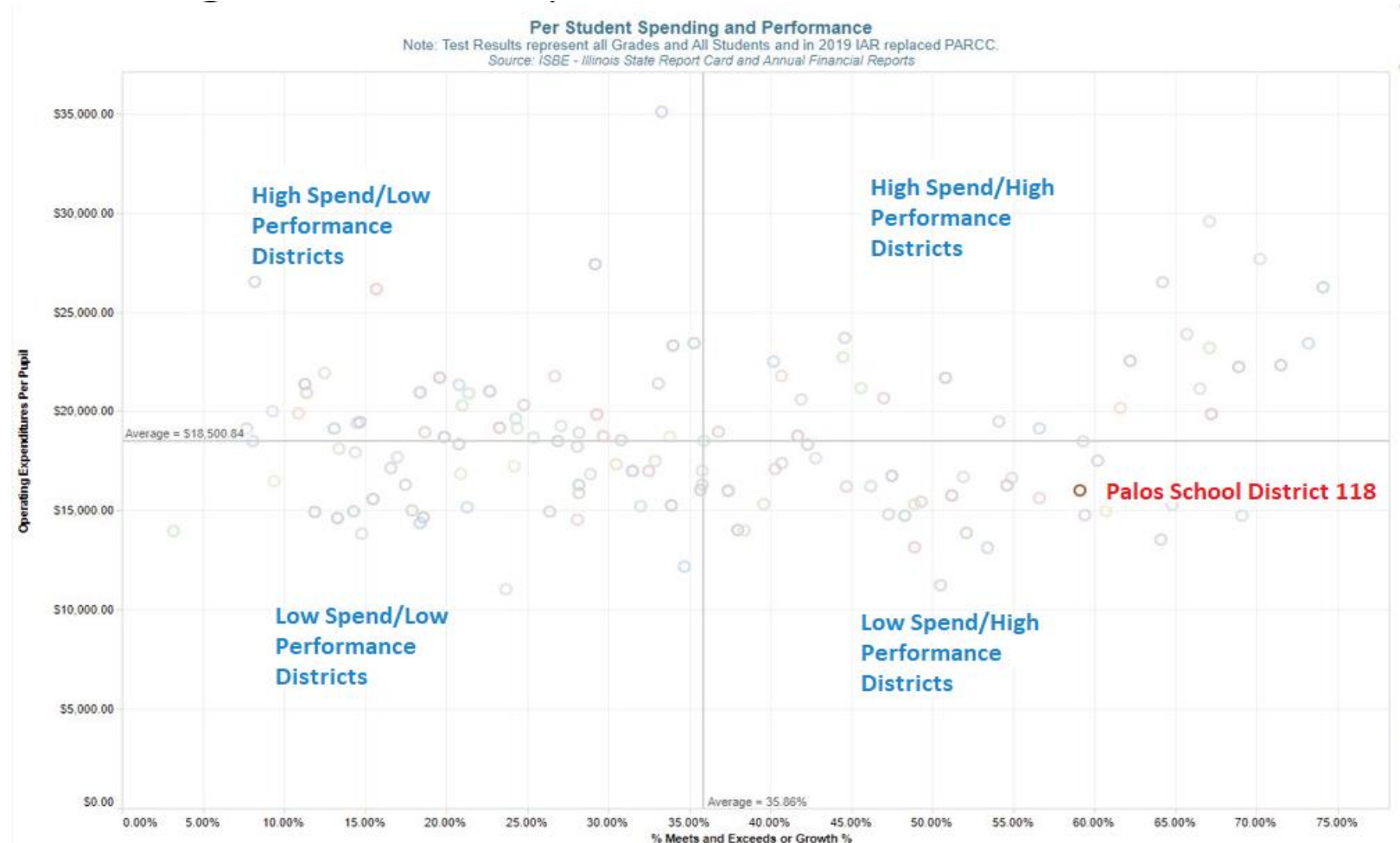


Palos East: Exemplary School  
2020

Schools Recognized for Excellence

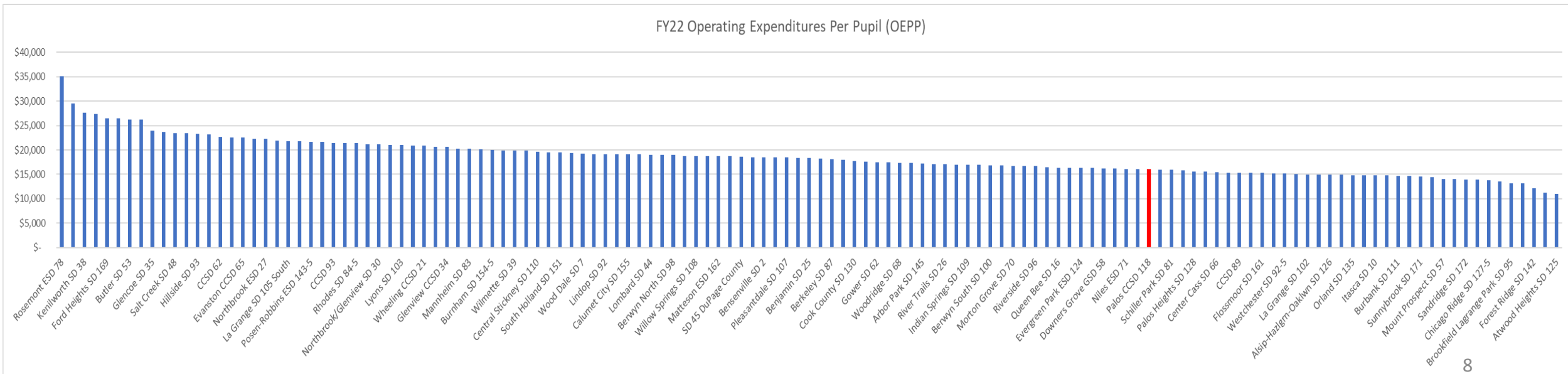
# Low Spending, High Achieving

One of the **highest performing** school districts with one of the **lowest costs per student** in Cook and DuPage Counties.



# Low Spending, High Achieving

- FY22 OEPP for Palos 118 was at the 28th percentile for Cook & DuPage elementary districts.
- This means that 72% of elementary districts in those counties spend more per pupil than Palos 118.

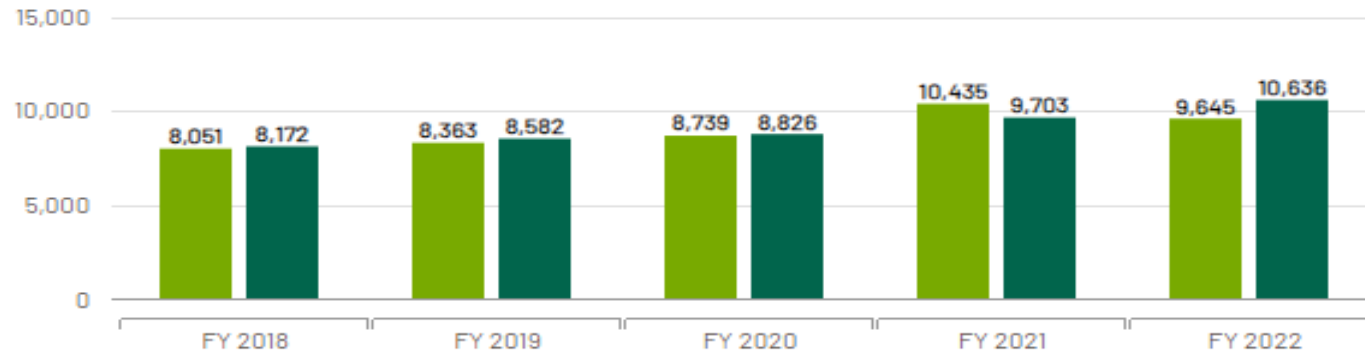




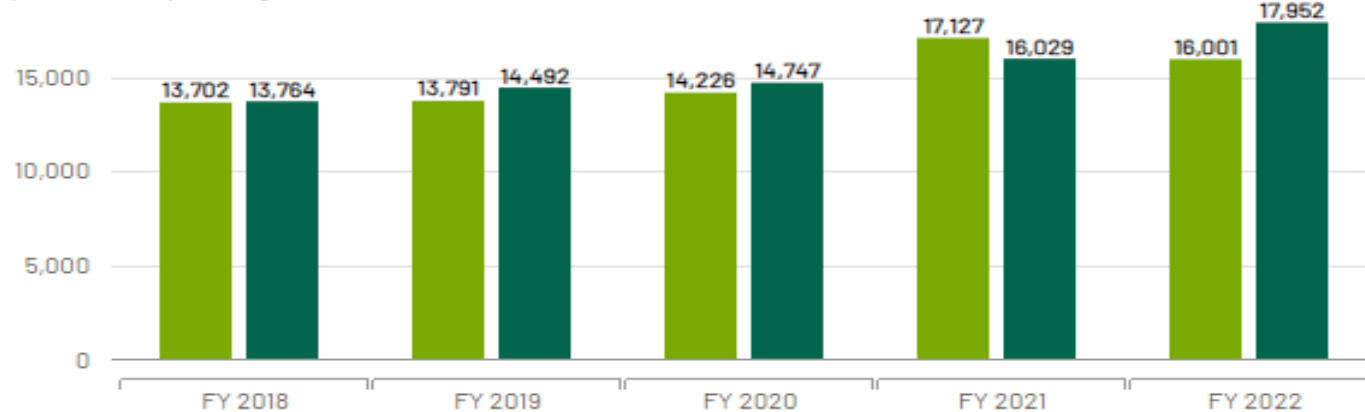
# Low Spending, High Achieving

■ District ■ State

Instructional Spending (\$)



Operational Spending (\$)

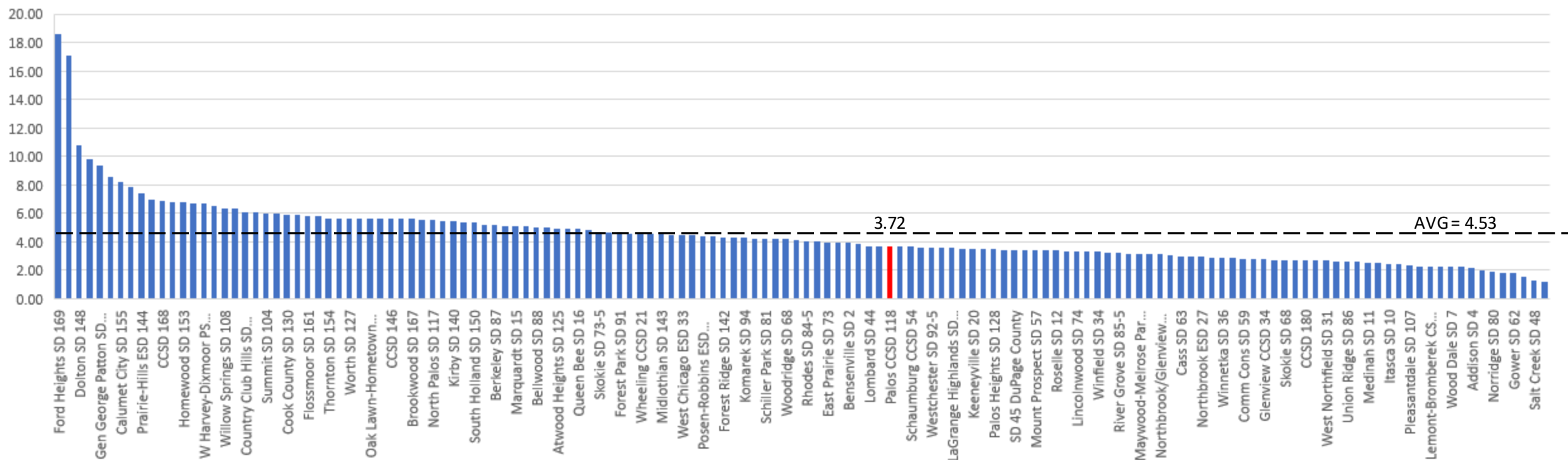


Palos 118 exceeded state averages in FY2021 when it kept schools open for in-person learning during the COVID-19 pandemic.

# Excellent Return on Investment

Palos 118 has one of the **lower tax rates** of all Cook and DuPage elementary school districts. (44<sup>th</sup> Percentile)

2022 Elementary Tax Rates - Cook and Dupage

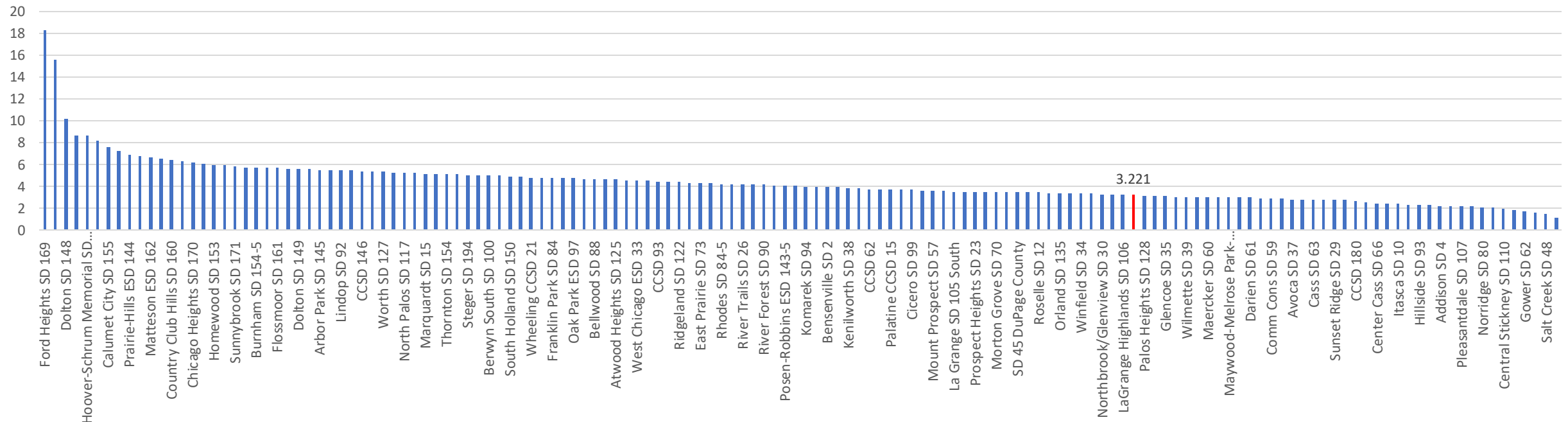




# Excellent Return on Investment

Palos 118 has one of the **lower tax rates** of all Cook and DuPage elementary school districts. (28<sup>th</sup> Percentile)

3 Year AVG Tax Rate\*  
Cook and DuPage Elementary Districts



\*3 Year AVG is presented to adjust for fluctuations due to triennial reassessments



# A Destination District for Families and Educators





# A Destination District for Families & Educators

- **86%** of Palos 118 families said they chose to live here because of the schools.
- **98%** said they would recommend the schools to family and friends.
- Highly qualified teachers: **73%** have advanced degrees
- Job satisfaction: **90%** retention rate

# Strong Schools, Strong Home Values

## Palos Park Housing Market Trends



What is the housing market like in Palos Park today?

In September 2023, Palos Park home prices were up 15.7% compared to last year, selling for a median price of \$504K. On average, homes in Palos Park sell after 56 days on the market compared to 64 days last year. There were 6 homes sold in September this year, down from 13 last year.

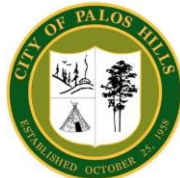
## Palos Heights Housing Market Trends



What is the housing market like in Palos Heights today?

In September 2023, Palos Heights home prices were up 31.8% compared to last year, selling for a median price of \$435K. On average, homes in Palos Heights sell after 64 days on the market compared to 55 days last year. There were 13 homes sold in September this year, down from 23 last year.

## Palos Hills Housing Market Trends



What is the housing market like in Palos Hills today?

In September 2023, Palos Hills home prices were up 2.0% compared to last year, selling for a median price of \$235K. On average, homes in Palos Hills sell after 46 days on the market compared to 49 days last year. There were 18 homes sold in September this year, down from 30 last year.



# Unfunded Mandates Are Threatening the Future Success of Palos 118



Illinois State Capital Building



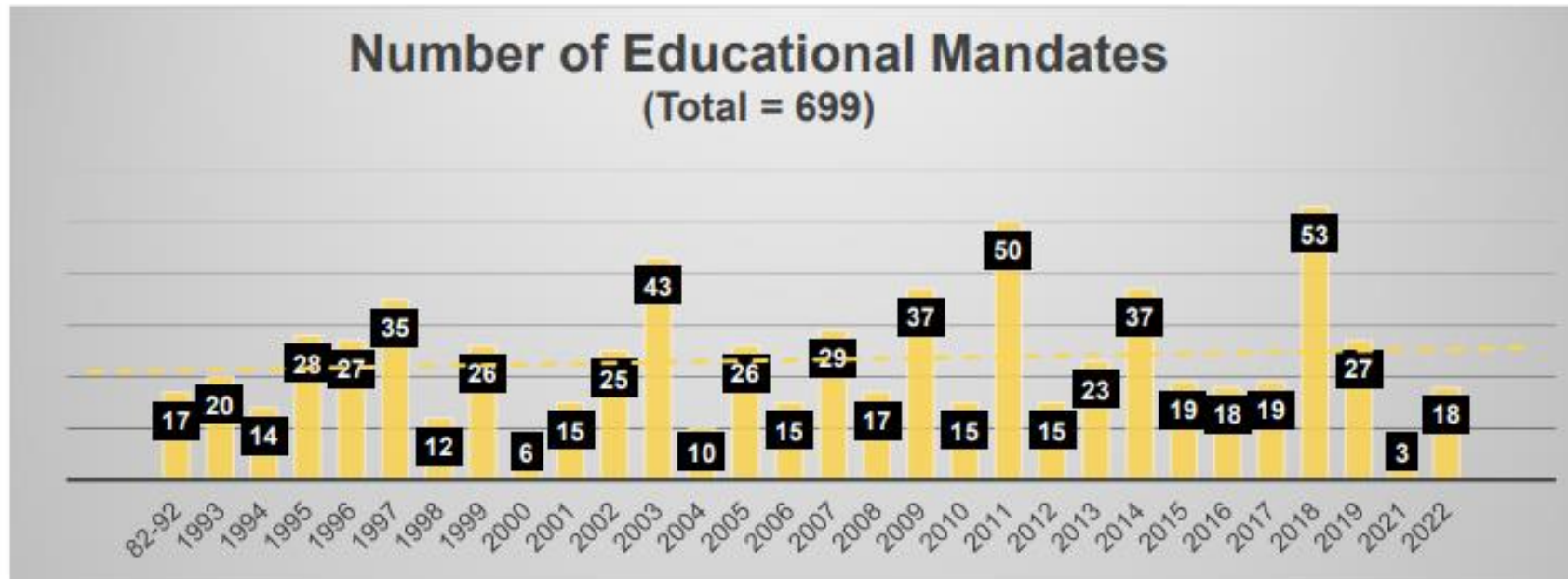
U.S. Capital Building

# What's An Unfunded Mandate?

- Programs and services local school districts are legally required to provide without sufficient state or federal funding to cover their costs.



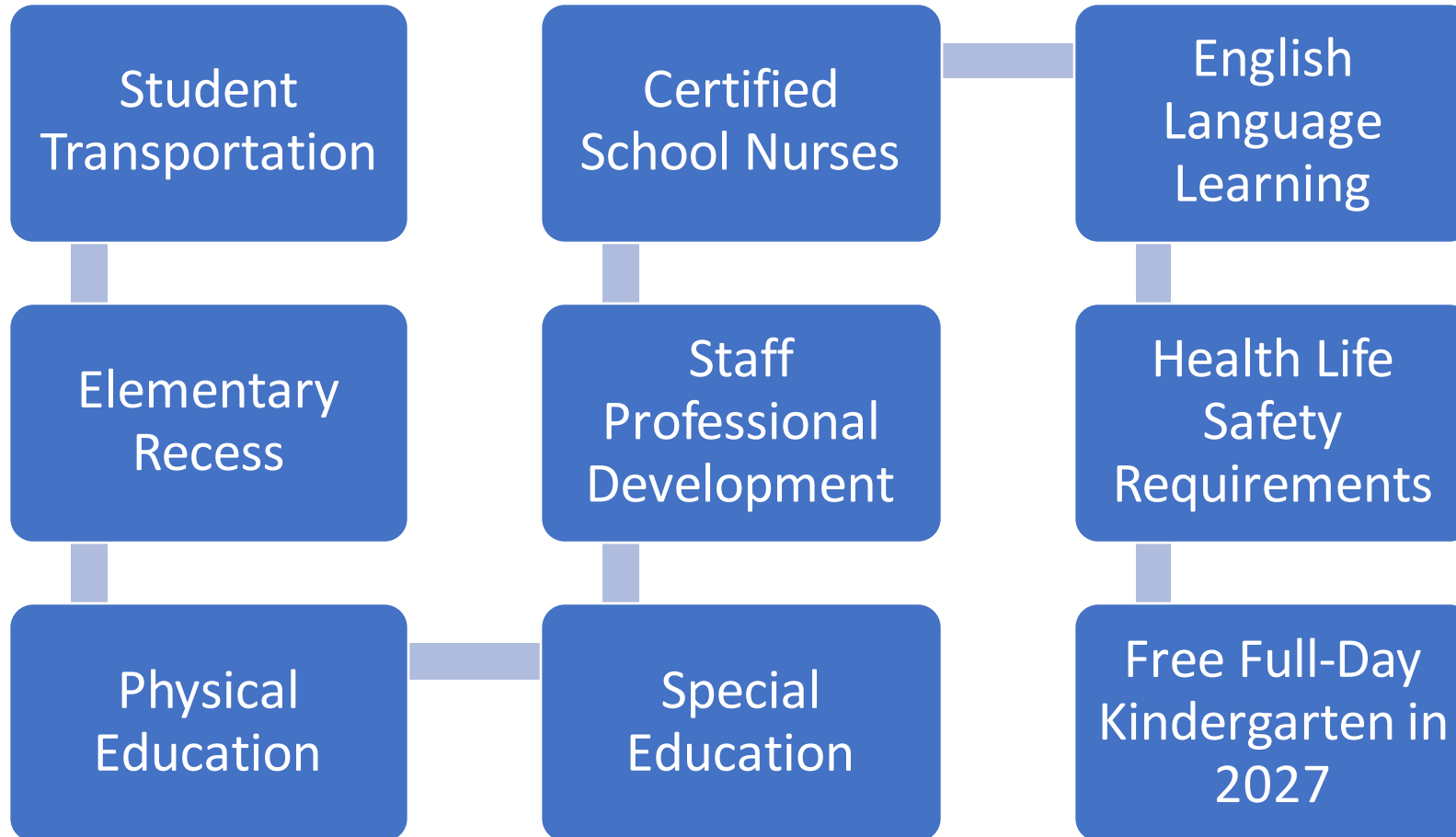
# Unfunded Mandates



\*Data source: [Illinois State Board of Education Educational Mandates Reports](#); 2020 omitted due to being a duplicate report of 2019. Realignment of reporting timeline initiated the duplicate report.

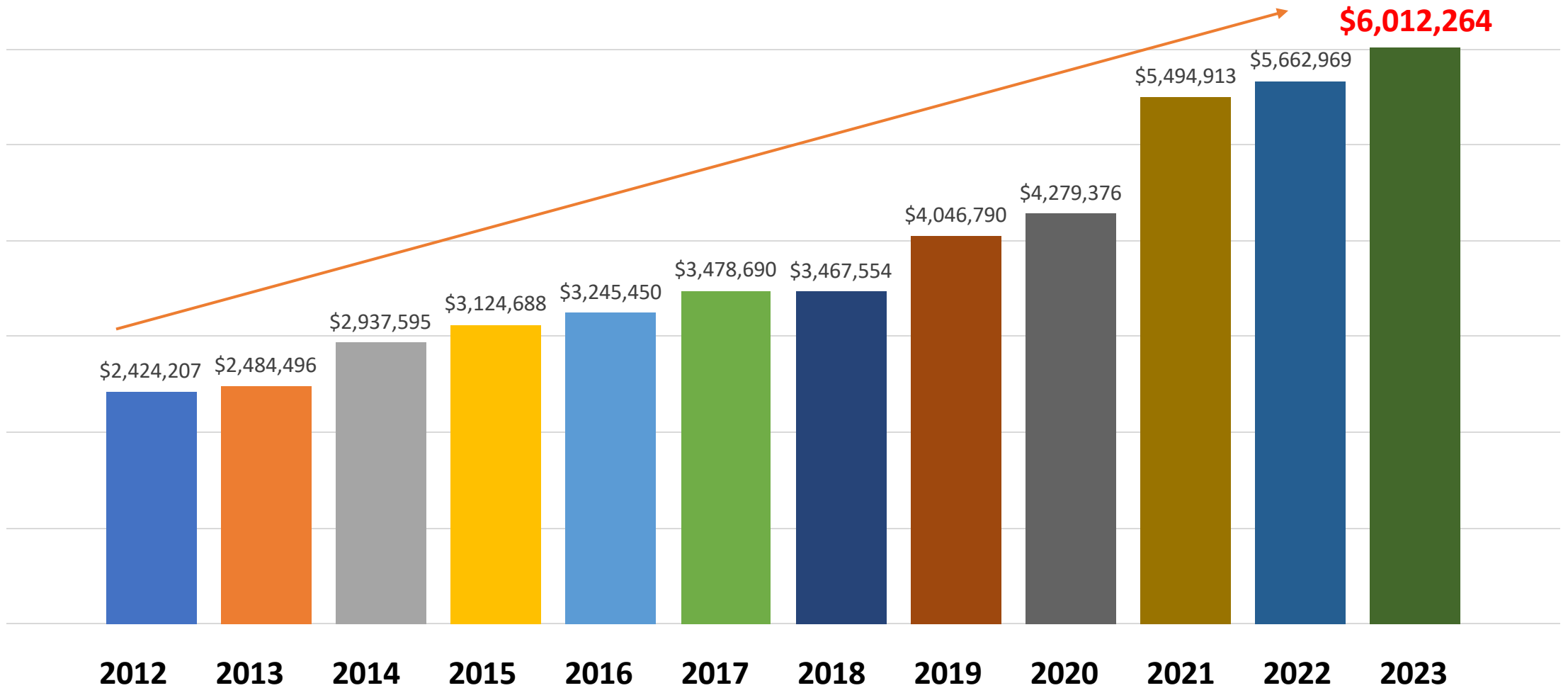
Since 1982, **699** educational mandates have been legislated in Illinois. Only 4 have been funded.

# School Mandate Examples



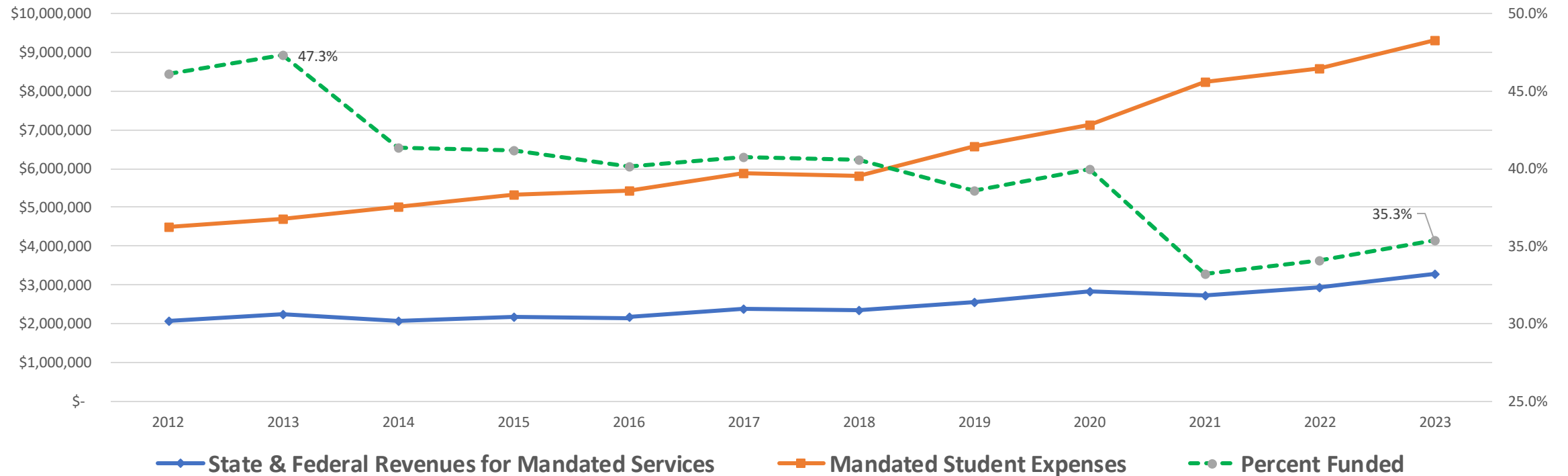


# Unfunded Amount of Two Largest Mandates by Year



# Unfunded Mandates

Mandated Service Expenses and Corresponding State and Federal Funding



Unfunded Amount	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
	\$2,424,207	\$2,484,496	\$2,937,595	\$3,124,688	\$3,245,450	\$3,478,690	\$3,467,554	\$4,046,790	\$4,279,376	\$5,494,913	\$5,662,969	\$6,012,264



# Increasing Mandates, Decreasing State and Federal Support by Percentage of Costs Covered

	2012	2023
Mandated Expenses*	\$4,497,881	\$9,298,658
State & Federal Funding	\$2,073,674	\$3,286,394
Unfunded Portion	\$2,424,207	\$6,012,264
% Mandated Expense Covered by State and Federal Sources	46%	35%

\*Two largest mandated service groups.

# Reliance on Local Support

District	FY24 Per Pupil Funding from State
NORTH PALOS SCHOOL DIST 117	\$ 6,254
TINLEY PARK COMM SCH DIST 146	\$ 2,289
KIRBY SCHOOL DIST 140	\$ 1,812
ORLAND SCHOOL DISTRICT 135	\$ 899
<b>PALOS COMM CONS SCHOOL DIST 118</b>	<b>\$ 891</b>
PALOS HEIGHTS SCHOOL DIST 128	\$ 878
CONSOLIDATED HIGH SCHOOL DISTRICT 230	\$ 1,136

**FY24 State Increase In EBF**

**\$350,000,000**

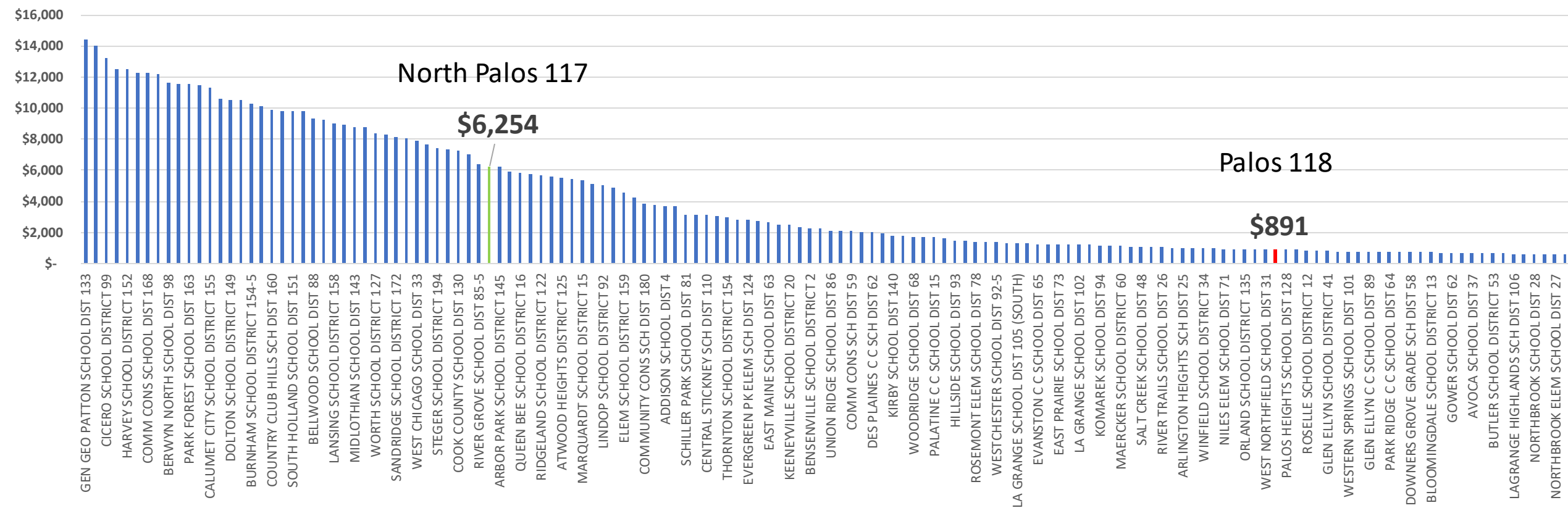
**FY24 Palos 118 Increase in EBF**

**\$34,000**

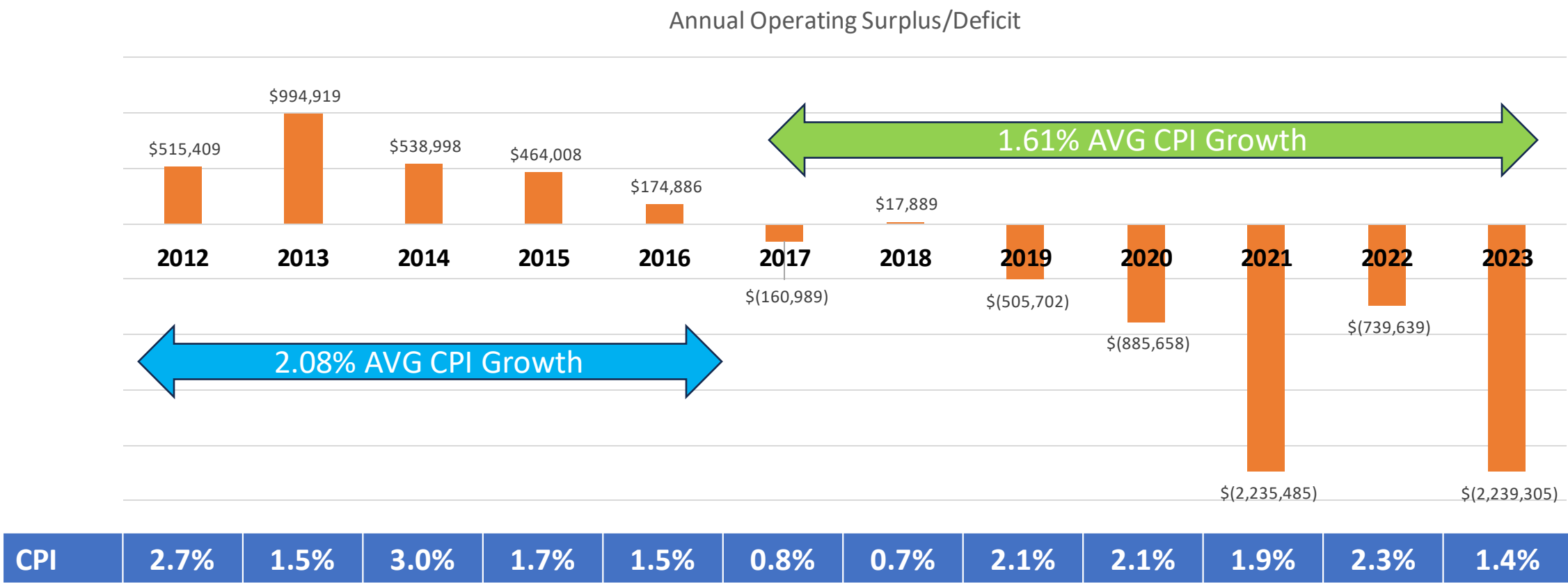


# Per Student State Funding for Cook & DuPage Elementary Districts

EBF/Per Pupil



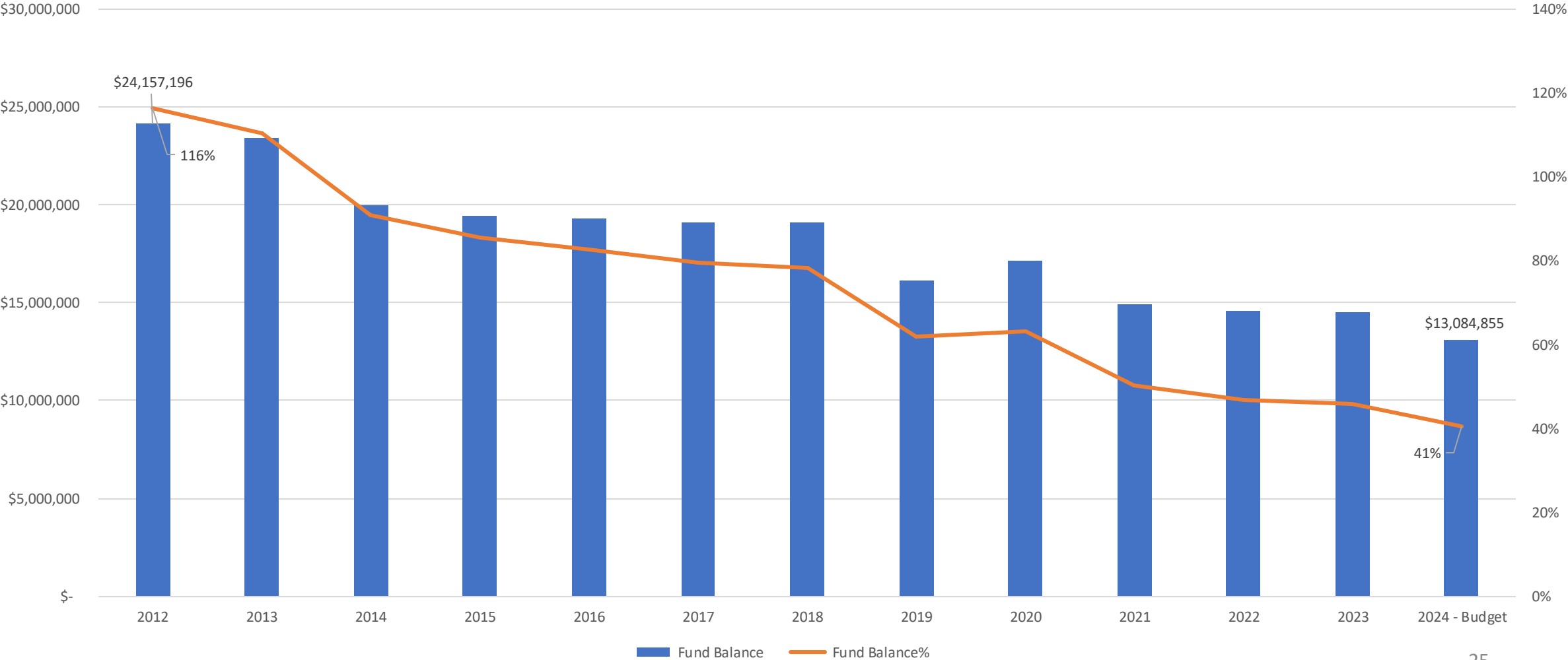
# Deficit Spending to Meet Student Needs



Under PTELL, periods of low inflation lead to decreased revenue growth and contribute to deficit spending.

# Challenges Ahead

Operating Fund Balance and % of Expenses

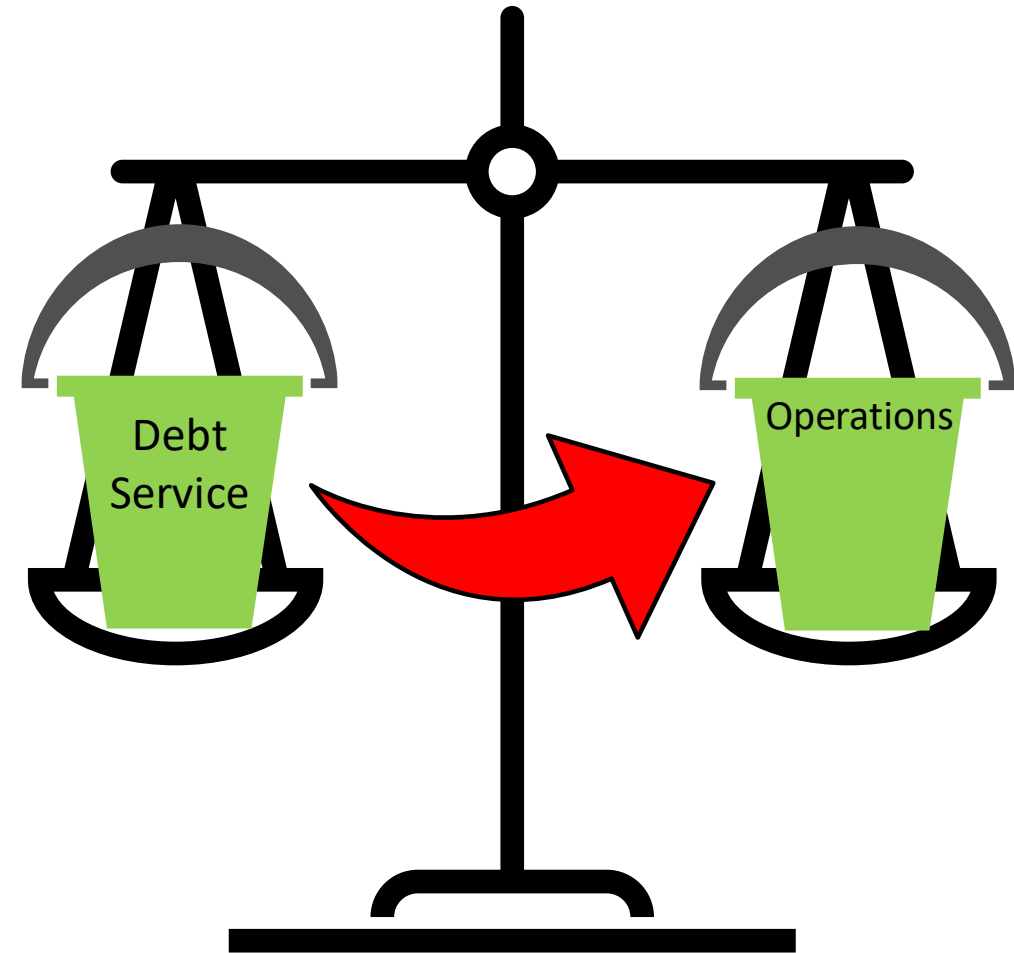




# 2024

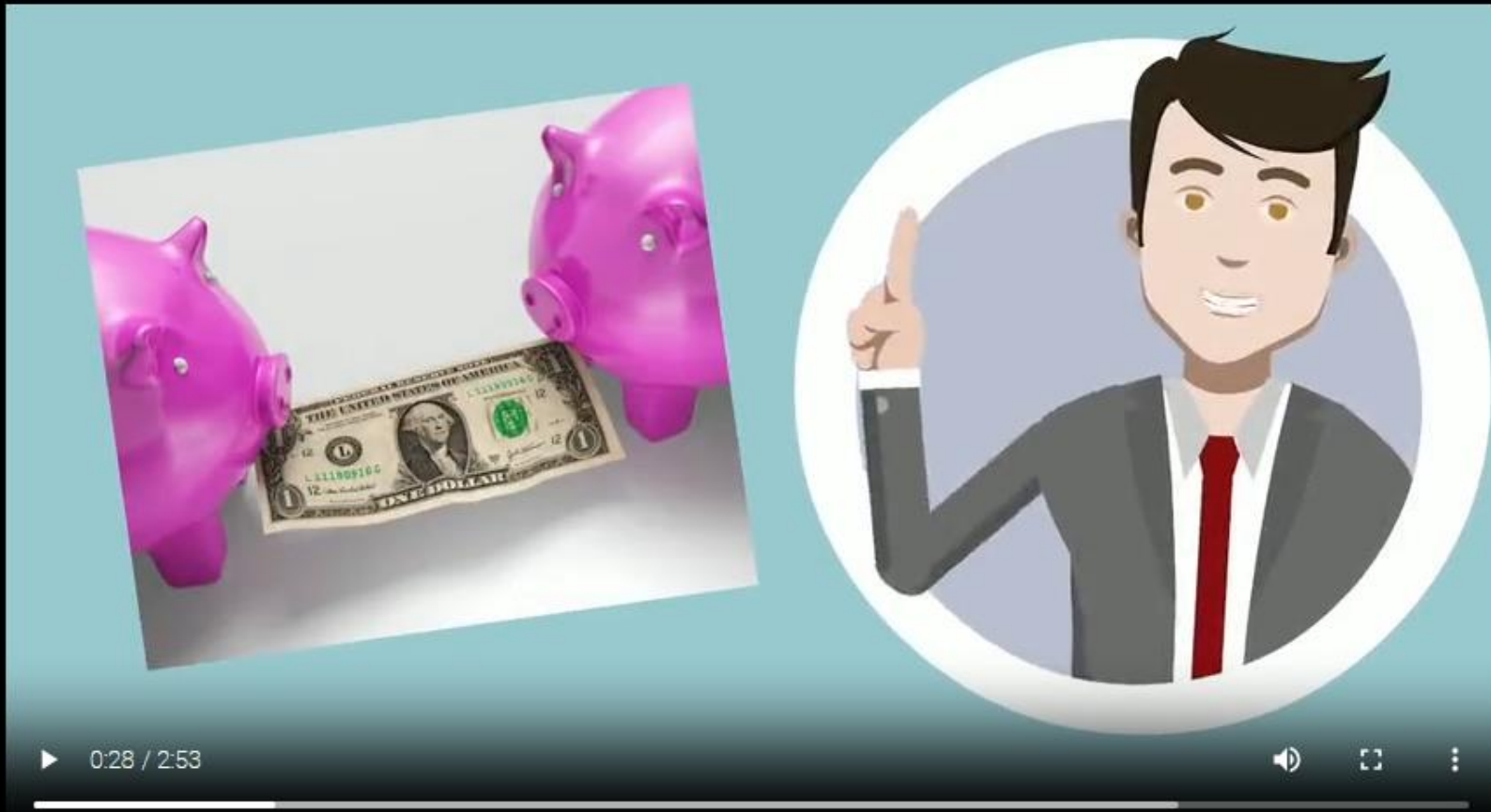
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A unique opportunity to address financial challenges without increasing or decreasing property taxes



# Recommendation:

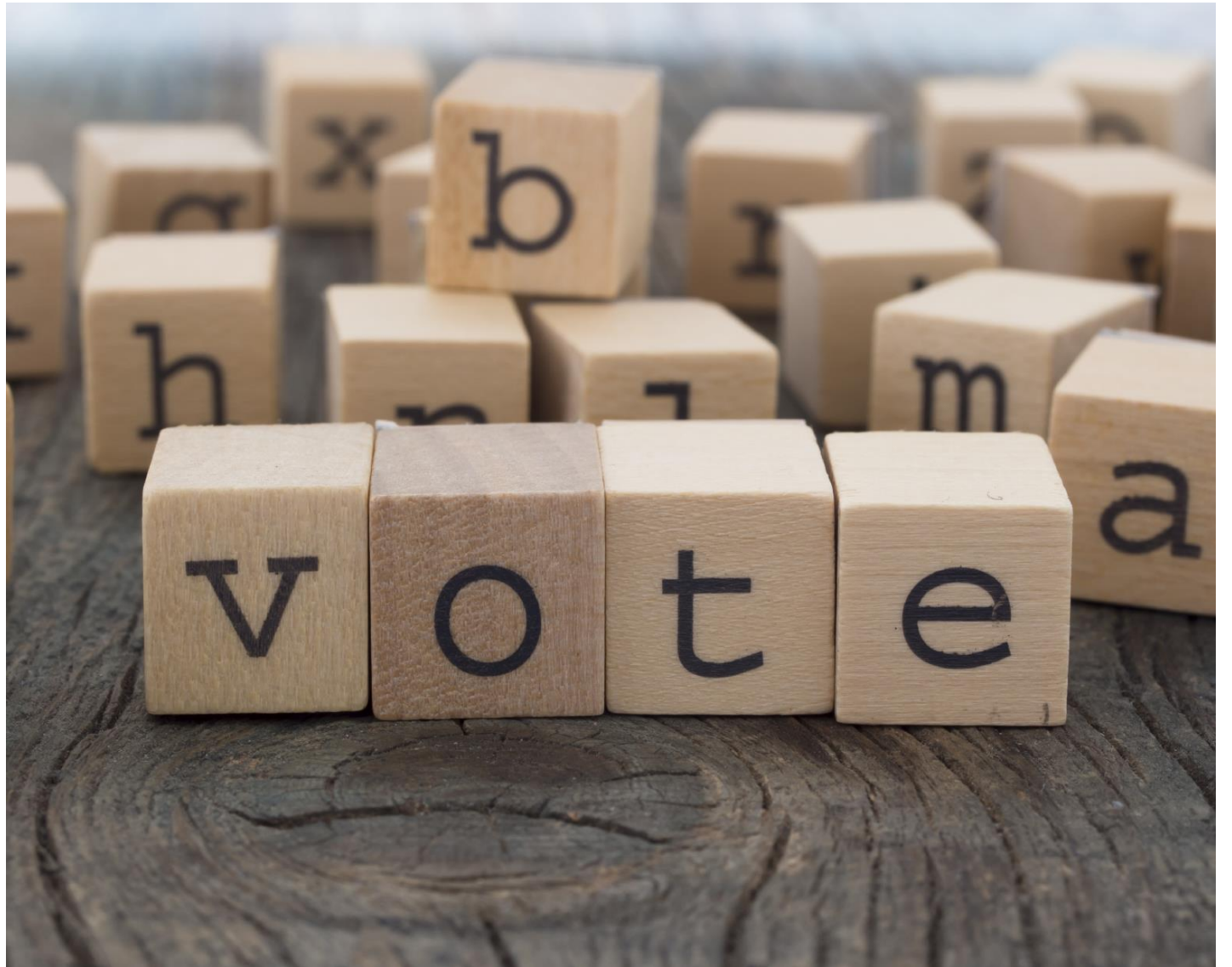
- The school district is scheduled to pay off all its outstanding debt in 2024 and will be **debt free**.
- With voter approval, the school district can **shift approximately \$4.35 million** in future property taxes no longer needed for debt service to its operating fund.
- The school district would **not be asking for more money**.
- This shift **will not increase or decrease** property taxes.



## Video



**With the  
voter  
approved  
shift**





# Use of Funds – Avoid Cuts

- ✓ Eliminate unsustainable operating budget deficits and avoid cuts to programs and services. (\$2.0M)
  - Retain existing programming like at-risk preschool, ALPS, fine arts, extracurricular activities and athletics.
  - Keep class sizes low in primary grades when students are learning to read.
  - Continue to attract young families that contribute to competitive housing market.

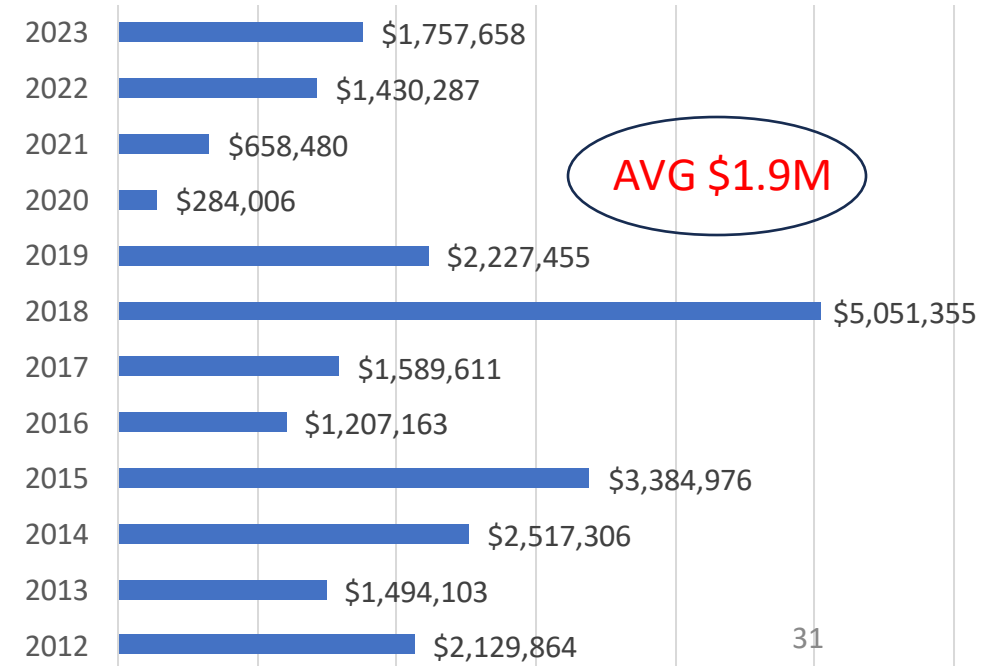




# Use of Funds – Maintain School Facilities

- ✓ End reliance on short-term borrowing. (\$2.0M)
  - Pay off all existing debt and eliminate future interest costs to taxpayers.
  - Generate enough local funding to maintain school facilities.

## Capital Projects Expense



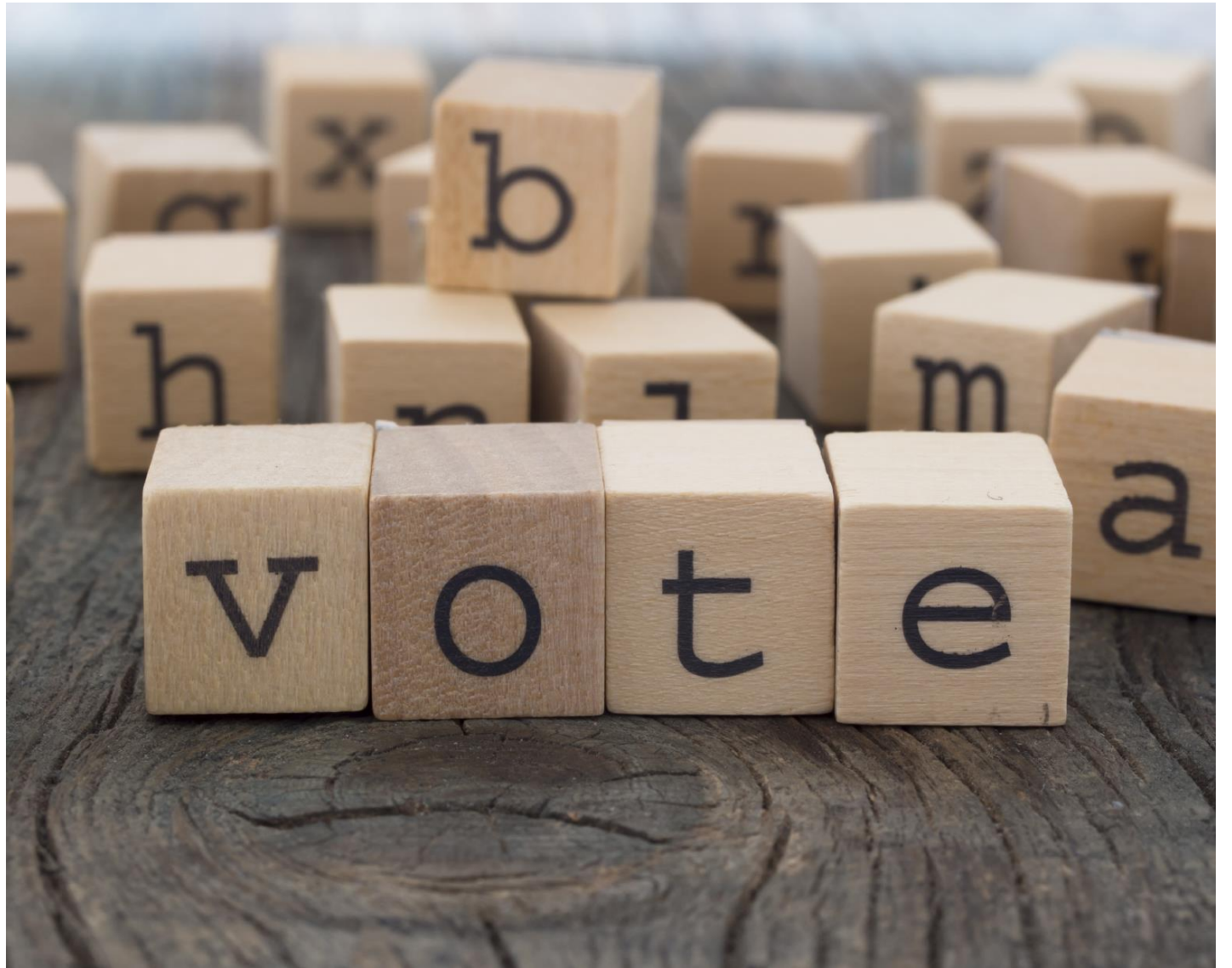


# Use of Funds – Provide Free Full Day Kindergarten

- ✓ Provide free full-day kindergarten for all. (\$350K)
  - Eliminate current tuition-based program in Fall 2024 (3 years prior to state mandate).
  - Provide funding source prior to state mandated full-day kindergarten beginning in school year 2027-2028.

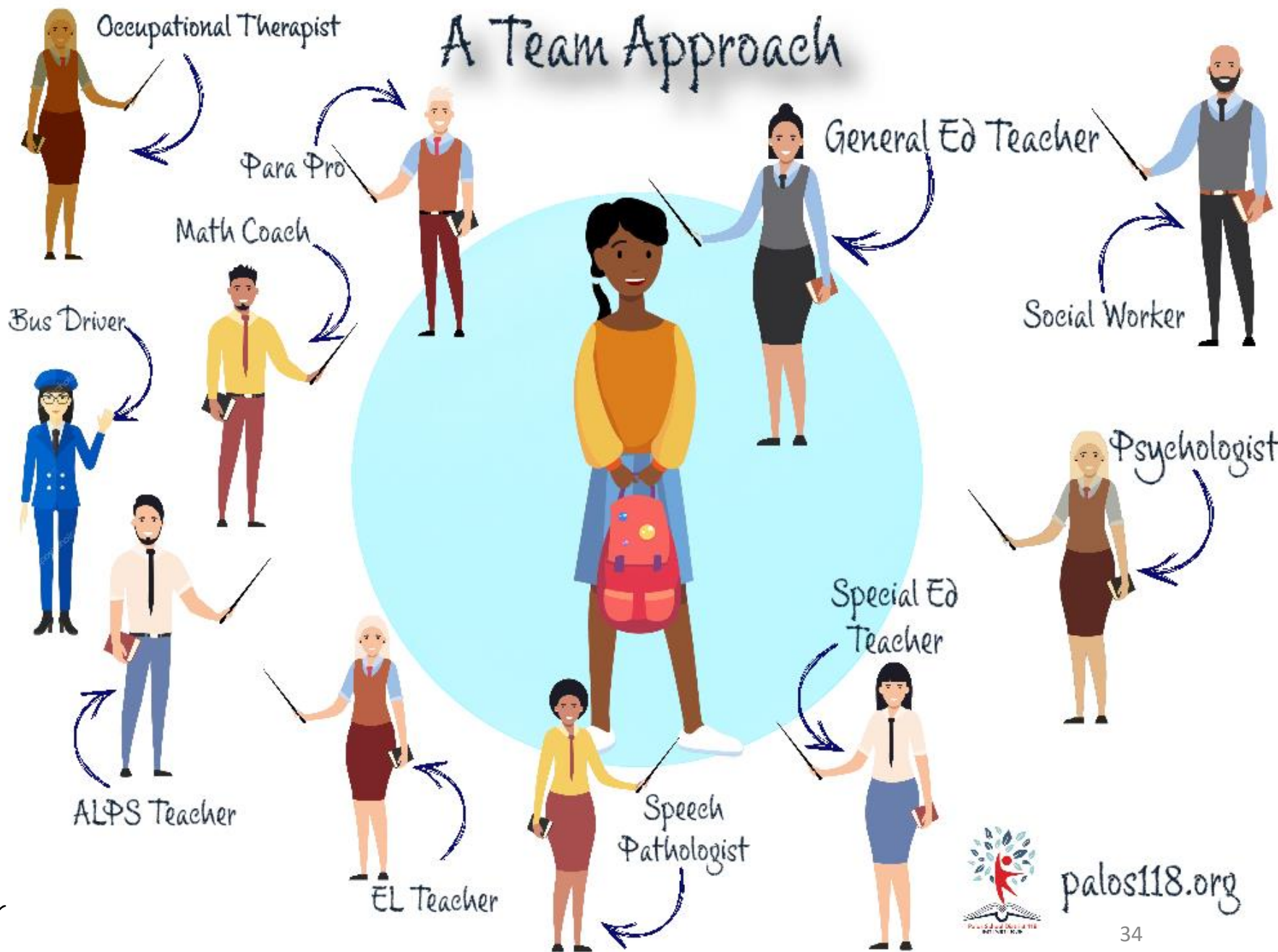


**Without  
the voter  
approved  
shift**





# Cut Programs & Services







## **Continued Reliance on Short-Term Borrowing**

- The school district will become more reliant on short-term borrowing to maintain its school facilities and to cover the shortfall in state and federal funding for mandates.
- Interest rates are rising, which will increase the cost of future borrowing and the amount of property taxes needed to pay principal and interest on new debt.

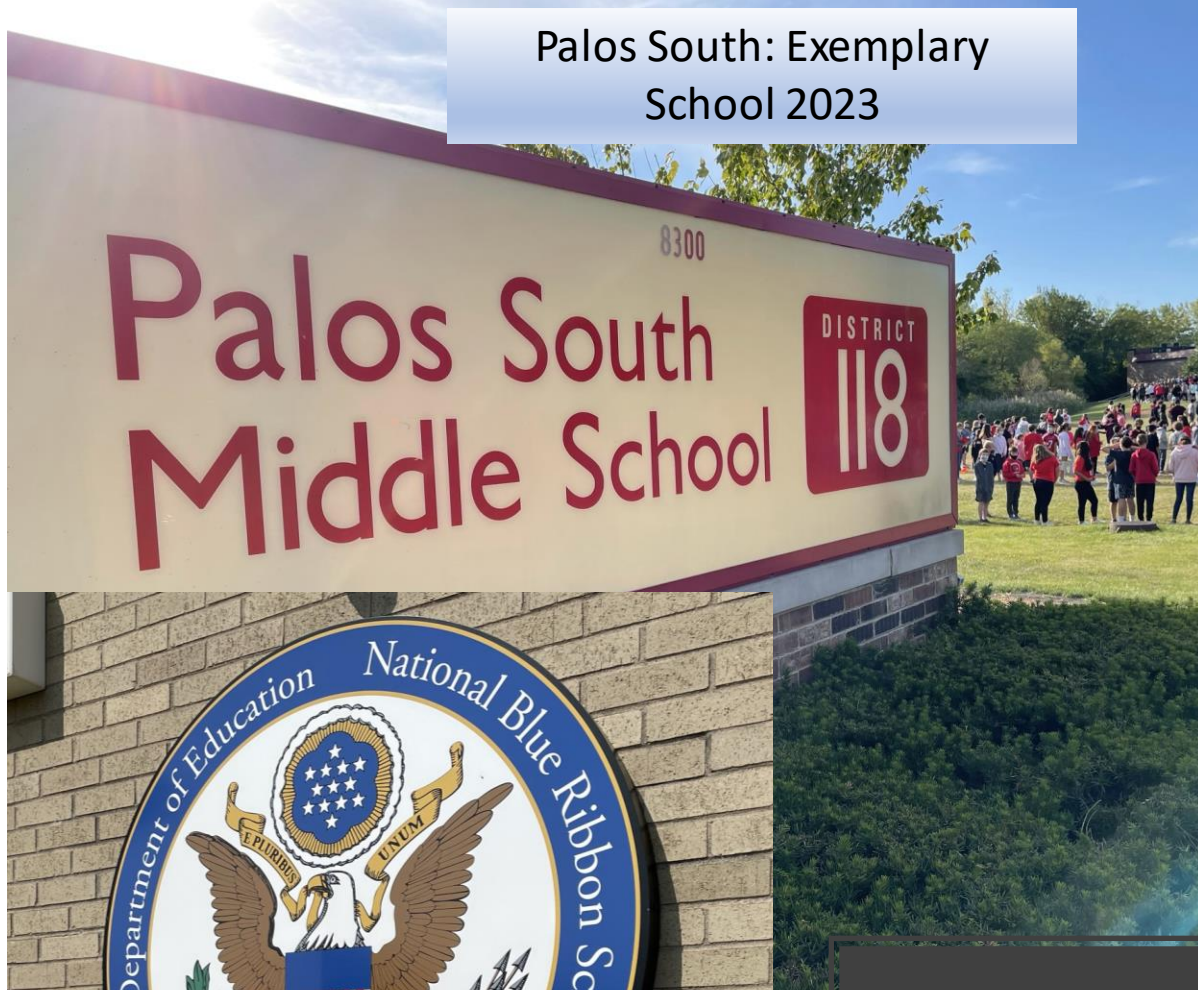
The background of the slide is a photograph of an empty classroom. It shows several rows of black plastic chairs with attached wooden desks, arranged on a light-colored wooden floor. The perspective is from a slightly elevated angle, looking down at the desks.

# **Delay Implementation of Free Full Day Kindergarten**

- The school district will have to continue with its current tuition based full-day kindergarten program.
- Prior to the 2027-2028 school year, the school district will be forced to apply for a financial hardship waiver to further delay implementation of free full-day kindergarten.



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School 2023



Palos West: Blue Ribbon School  
2022



Palos East: Exemplary School  
2020

Schools Recognized for Excellence



**Questions?**

**For more  
information:  
[www.palos118.org](http://www.palos118.org)**