



Palos School District 118

REFERENDUM

GUIDE

FACTS ABOUT THE PALOS 118 REFERENDUM

At the **Tuesday, March 19, 2024** general primary election, residents of Palos Community Consolidated School District 118 will be asked to approve a referendum to allow the school district to shift approximately \$4.35 million in future property taxes from its debt service fund to its operating fund.

Key Points About the Referendum:

- The school district is not asking for more money
- Voting “yes” will not increase or decrease property taxes
- The school district will be debt free in 2024
- If approved, approximately \$4.35 million in future property taxes no longer needed to pay off debt will be shifted to the operating fund
- The proposed increase in the operating tax rate will be completely offset by a corresponding decrease in the debt service tax rate

Funds will be used to avoid cuts to current programs and services (\$2 million), fund capital improvements to the district’s aging school buildings (\$2 million) and pay for the state’s free full-day kindergarten unfunded mandate (\$350,000).

This proposed tax shift requires voter approval. To learn more about the referendum, please visit www.Palos118.org/referendum



Palos East
EXEMPLARY SCHOOL 2020



Palos West
BLUE RIBBON SCHOOL 2022



Palos South
EXEMPLARY SCHOOL 2023

FREQUENTLY AS

WHY IS THE SCHOOL DISTRICT ASKING FOR THIS TAX SHIFT?

Unfunded state and federal mandates continue to grow, placing a significant and unsustainable financial burden on the school district's budget. Palos 118 has been deficit spending since 2017 to pay for unfunded mandates, while maintaining current programs and services. The school district's cash reserves are reaching a level where this approach is no longer financially feasible.

WHAT'S A MANDATE?

Programs and services school districts are required to provide without sufficient funding to cover their costs. According to the Illinois Association of School Boards, since 1982 Illinois has passed 699 school mandates and has only fully funded 4.

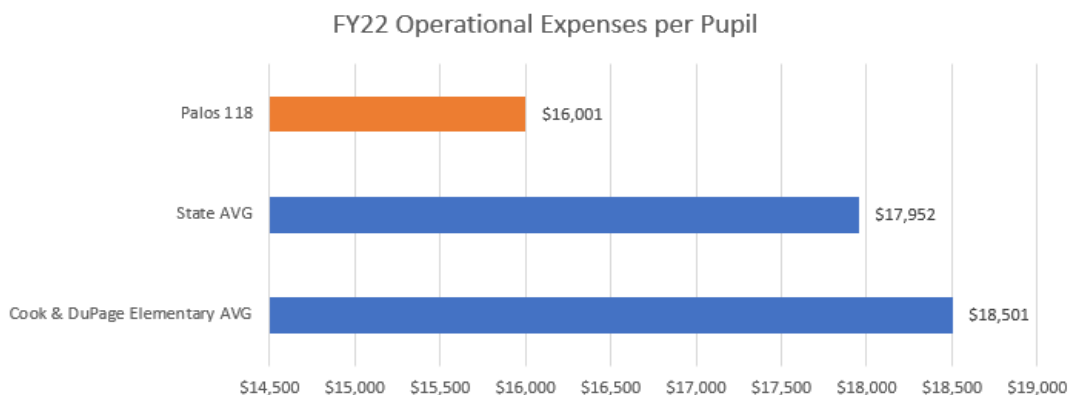
School District	FY24 Per Student State Funding
North Palos School 117	\$6,254
Tinley Park 146	\$2,289
Kirby 140	\$1,812
Orland 135	\$899
Palos 118	\$891
Palos Heights 128	\$878
High School District 230	\$1,136

WHY DOESN'T THE STATE PAY FOR THESE MANDATES?

Palos 118 receives little state support due to Illinois' Evidence Based Funding Formula (EBF). In 2023, Illinois increased state support to local school districts by \$350,000,000 through EBF. Of the \$350,000,000 in new dollars to local school districts, Palos 118 only received an increase of \$34,000.

WHY DOESN'T THE SCHOOL DISTRICT JUST CUT EXPENSES TO COVER THE SHORTFALL IN FUNDING?

Palos 118 is already a low spending school district. 72% of elementary school districts in Cook and DuPage counties spend more per student. Palos 118 spends \$1,000 less per student than the state average. Only 6 school districts in Illinois spent less and achieved higher results in reading last year. Cuts to the budget alone will not cover the growth in the unfunded portion of school mandates.



KED QUESTIONS

WHAT IS THE QUESTION THAT WILL APPEAR ON THE MARCH 19, 2024 BALLOT AND WHY DOES IT SAY MY TAXES WILL GO UP?

The ballot question does not allow the school district to add information about paying off its existing debt and eliminating the debt service tax rate. The ballot question only refers to the operating tax rate.

Shall the limiting rate under the Property Tax Extension Limitation Law for Palos Community Consolidated School District Number 118, Cook County, Illinois, be increased by an additional amount equal to 0.552% above the limiting rate for school purposes for levy year 2022 and be equal to 3.662% of the equalized assessed value of the taxable property therein for levy year 2023?

- (1) The approximate amount of taxes extendable at the most recently extended limiting rate is \$24,496,319.00, and the approximate amount of taxes extendable if the proposition is approved is \$28,847,854.50.
- (2) For the 2023 levy year the approximate amount of the additional tax extendable against property containing a single family residence and having a fair market value at the time of the referendum of \$100,000 is estimated to be \$161.39.
- (3) If the proposition is approved, the aggregate extension for 2023 will be determined by the limiting rate set forth in the proposition, rather than the otherwise applicable limiting rate calculated under the provisions of the Property Tax Extension Limitation Law (commonly known as the Property Tax Cap Law).

WON'T MY TAXES GO DOWN IF THE SCHOOL DISTRICT PAYS OFF ALL ITS EXISTING DEBT AND THE REFERENDUM FAILS?

If the referendum fails, the school district will become **MORE** reliant on short-term borrowing to cover the shortfall in state and federal funding for mandates, pay for current programs and services and maintain its school buildings. This will require the school district to issue new debt. The cost of future borrowing is anticipated to be much higher than in the past due to higher interest rates.

If approved, the \$161.39 increase in operating taxes referred to in the ballot question WILL BE COMPLETELY OFFSET by a corresponding \$161.39 decrease in debt service taxes since the school district will pay off all its existing bond debt in 2024.



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8800 W. 119th St.
Palos Park, IL 60464

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FREQUENTLY ASKED QUESTIONS

IF THE REFERENDUM IS SUCCESSFUL, WHEN WILL FREE FULL-DAY KINDERGARTEN FOR ALL START?

The school district will provide free full-day kindergarten for all starting next school year, three years prior to the state's mandate. The current tuition-based program costs \$3,250 per student.

HOW DOES THE QUALITY OF THE SCHOOL DISTRICT IMPACT THE COMMUNITY?

Palos 118 creates demand for housing and helps maintain strong home values. Since 2021, enrollment has grown by nearly 140 students. 86% of district families surveyed said they chose to live here because of the schools. Palos 118 is a destination district for young families in search of high-quality schools in the south suburbs.

WHO IS PALOS SCHOOL DISTRICT 118?

Palos School District 118 operates Palos East Elementary School, Palos West Elementary School and Palos South Middle School serving nearly 2,100 students living in Palos Park, Palos Heights, Palos Hills, unincorporated Orland Park, and other adjacent areas in unincorporated Cook County. Palos 118 is one of the highest performing school districts with one of the lowest costs per student in Cook and DuPage Counties.



Election Day is March 19, 2024

Early voting begins March 4

Need More Information? Go to
Palos118.org/Referendum

Still Have Questions? Contact us at
Questions@Palos118.org

*Scan QR code
to go directly
to our website*

