



ELEMENTARY SCHOOL DISTRICT CONSOLIDATION

Pros and Cons of Consolidating the Five Elementary Districts that feed
Lake Park High School



The LWV of Roselle-Bloomingtondale

- Nonpartisan, nonprofit organization
- Never endorses a political party or candidate for office
- Mission: **Empowering Voters. Defending Democracy**
 - Encourage informed and active participation in government
 - Education: increase public's understanding of major policy issues
 - Advocacy: Building relationships with and contacting elected officials
- Teach voters to engage with fully researched, nuanced decision-making in government policies
- Membership open to all regardless of gender, race or ethnicity





The Study Question

- The end of pandemic relief funding
- Growing expectations for academic offerings
- Costly accountability measures
- Declining student populations
- Lagging achievement
- High property taxes



Are we getting the most out of every education tax dollar?



LWVRB Study Position

Position: LWVRB supports the efficient and effective operation of school districts through both school district consolidation and intergovernmental agreements.

Will the Proposal result in:

- Projected education cost savings?
- Better use of administrative costs (apply to direct education)?
- A reduction in Illinois taxing bodies?
- A positive effect on long-term total taxation?
- Consistent employee contracts?
- Increase in professional development?
- Increase social and economic justice?
- Increase student learning and outcomes?





Program Order

- Background on school district consolidation
- School district consolidation benefits
- School district consolidation cons or considerations
- LWVRB recommended advocacy
- Q&A and Panel Discussion with education experts





High Number of School Districts

State	School Districts	Enrollment
Illinois	853	1,925,415
Texas	1,022	5,156,972
California	977	5,496,271

Source: National Center for Education Statistics and the U.S. Census Bureau

- More than 850 public school districts in Illinois
- Third highest number of school districts in the nation
- Illinois has lower enrollment

Illinois' small districts often cited as a driving factor for high property taxes



Education is $\sim 2/3$ of your Property Tax Bill

ROSELLE

Entities	%	
BLOOMINGDALE TWP	1.06%	
BLOOMNGDL TWP ROAD	1.05%	
COLLEGE DU PAGE 502	2.58%	
COUNTY OF DU PAGE	1.89%	
DU PAGE AIRPORT AUTH	0.18%	
FOREST PRESERVE DIST	1.50%	
GRADE SCHOOL DIST 12	45.36%	72.18%
HIGH SCHOOL DIST 108	26.83%	
ROSELLE LIBR DIST	3.22%	
ROSELLE PARK DIST	6.65%	
VLG OF ROSELLE	9.68%	
Total:	100.00%	

BLOOMINGDALE

Entities	%	
BLOOMINGDALE FIRE	9.19%	
BLOOMINGDALE PARK	6.02%	
BLOOMINGDALE TWP	1.09%	
BLOOMNGDL TWP ROAD	1.08%	
COLLEGE DU PAGE 502	2.66%	
COUNTY OF DU PAGE	1.95%	
DU PAGE AIRPORT AUTH	0.19%	
FOREST PRESERVE DIST	1.54%	
GRADE SCHOOL DIST 13	40.32%	67.91%
HIGH SCHOOL DIST 108	27.59%	
VLG BLOOMINGDLE LIBR	4.16%	
VLG OF BLOOMINGDALE	4.16%	
Total:	99.95%	



District Size and Efficiency

2018 Illinois State analysis examined Illinois district size on:

Student Achievement	District Expenditure
Low, positive effect on achievement (0.4% of variance)	Moderate effect on district expenditure (23% of variance)

District size matters in school finances

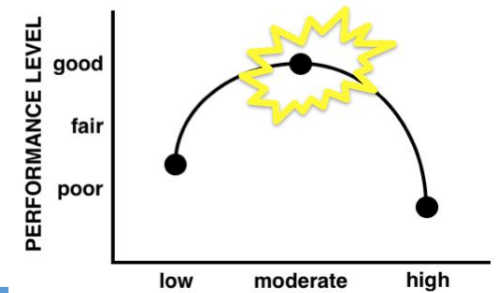


Optimum School District Size

Optimum school district size operates along an inverted U-shaped curve

- Districts are inefficient when small
- Efficiency drops off as districts get larger

Classic inverted-U curve



Date	Researchers	Optimum Size
2002	Andrews, Duncombe, Yinger	6,000 students
2014	Journal of Education Finance	3,000 students
2013	Center for American Progress	2,000 – 4,000 students

A district with 2,000 - 6,000 students is optimal



DuPage County School Districts



- 42 school districts in DuPage County
- 27 of the 42 have fewer than 750 students
- Districts formed when DuPage was rural with small towns
- Declining student enrollment:
 - In 2020, DuPage educated 180,000 students
 - In 2022 , enrollment declined to 150,000 students

Smaller districts with declining enrollment have the most to gain from consolidation



No Unit District or School Consolidation

NO Unit district:

- Unit districts not financially advantageous due to teacher salary match
- Unit districts' expense allocations: crayons vs football helmets?

NO school consolidation, boundary change or loss of identity :

- No school consolidation or boundary changes
- Each school will retain their unique personality and neighborhood feel

Solely focused on consolidating administrative expenses

No one will lose their local schools



Troubling Financial Factors

- (2/3) of district revenue come from Property taxes
- Property tax rates at a relatively high level
- Property tax funding for education produces unequal funding:
 - Home values are unequal between communities
 - Supply of commercial property tax revenue is unequal
- Building maintenance funds often have deteriorating balances
- Evidence-based state funding is based on total enrollment
- Average enrollment decline of 3.2% in five feeder districts





Significant Administrative Savings

- Combined elementary feeder districts would be optimal size – 5,055 students

District	SD10	SD11	SD12	SD13	SD20	Average	SD58
Admin Costs	\$1,298,692	\$641,108	\$771,352	\$840,349	\$1,282,212	\$4,841,713	\$1,543,298
Enrollment	1023	687	666	1354	1325	5055 Total	4802

- \$3.29 million in excess administrative costs
- Economies of scale potential in:
 - Purchasing, staffing, accounting, legal, construction, operations and transportation
 - Consolidation of district administration buildings or better use

Eliminating duplicative costs results in greater efficiency



Administrative Costs Per Pupil

Illinois spends \$631 per pupil on district administration which is more than **DOUBLE the national average** Source: Illinois Policy

District	SD10	SD11	SD12	SD13	SD20	Average	SD58
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Enrollment	1023	687	666	1354	1325	5055 Total	4802
Costs/Pupil	\$1,269	\$933	\$1,170	\$621	\$968	\$992	\$321

Administration for our five feeder districts costs an average of \$992 per pupil vs. only \$321 per pupil for our comparison SD58



Significant Pension Savings

- Superintendent retirement benefits based on a narrow earnings window
- Superintendents can receive payouts equal to many times their contribution

Average annual pension salaries for four past Tier 1 superintendents:

School District	Employee Deposits to Pension	Estimated Lifetime Payout	Deposit % of Lifetime Payout
SD10	\$280,556	\$3,552,953	8%
SD11	\$332,731	\$3,182,096	10%
SD12	\$275,842	\$5,106,946	3%
SD13	\$169,926	\$7,006,801	4%

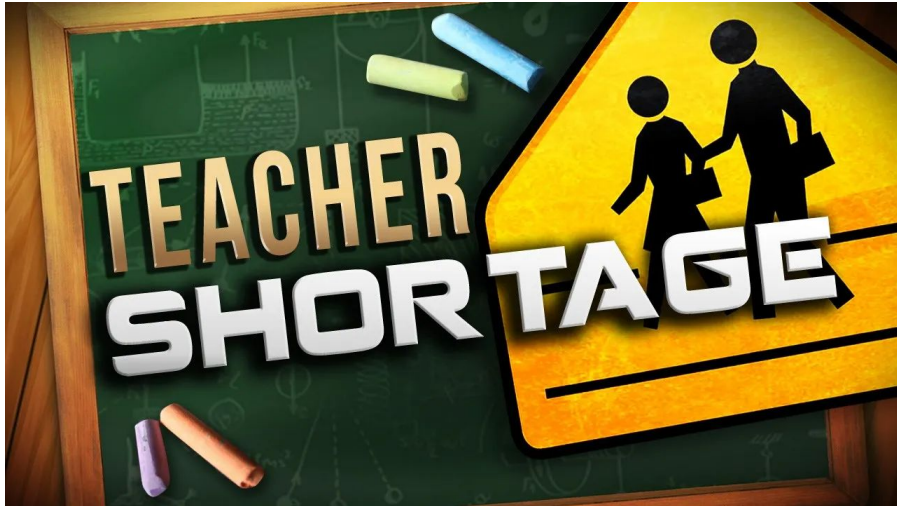
Source: Taxpayers United of America



Lower Special Ed Costs and Risk Management



- Special ed costs nearly 2x general education
- Early education programs can reduce the need for special ed -- ↓ 39%
- Education and financial benefits to lower special ed populations
- 2 special ed cooperatives, adds even more administrative layers
- A larger district could bring services in house
- Administrative savings could be redirected to early education
- Spread the risk of educating students with very high needs



- High-quality teachers are an important factor in student learning
- Crisis-level shortage of principals, teachers and paraprofessionals
- Competition for high-quality educational staff is high
- A larger district can provide greater training and support

Redirect administrative expenses to increase front-line salaries to compete for high-quality teachers and paraprofessionals



Other Value-Added Benefits



- **Improved consistency among LPHS feeder districts**
- **Improved articulation to better prepare all students for high school**
- Broader student base = more curricular and extracurricular programming:
 - Advanced math and gifted education
 - Foreign languages and music
 - Reading specialists and differentiated curriculum
 - Tutoring and after-school programming
 - Technology and/or a STEM academy
- Pockets of excellence studied and shared
- Outstanding teachers can serve as shared instructional coaches



State Incentives Encourage Consolidation

Illinois contributes \$15,125 to the cost of an expert consolidation study AND may provide four state funding consolidation incentives:

1. Evidence-based funding differences
2. Teacher salary differences
3. Deficit fund balances
4. \$4,000 per full-time certified staff





L-T Debt and Facilities



The long-term debt liabilities of each elementary feeder district:

Item	SD10	SD11	SD12	SD13	SD20
L-T Debt Outstanding	\$24,990,000	\$5,235,912	\$13,570,000	\$2,782,712	\$14,724,373
Enrollment	1,023	687	666	1,354	1,325
L-T Debt per Pupil	\$24,428	\$7,623	\$20,375	\$2,055	\$11,113

- Not fair to pass on debt for facilities upgrades to taxpayers in other areas

Facilities upgrades should be addressed before consolidation



Considerations and Cons

Considerations and Cons	Area-Specific Information
Drop in student achievement data in some elementary districts	<ul style="list-style-type: none">• Better early intervention for all low-performing students• Better achievement at the high school level• Individual elementary school report cards
Consolidation requires teacher salary match to highest paying district	<ul style="list-style-type: none">• Bachelor beginning salary ranges from \$43,000-\$49,000• We need to compete for scarce quality teachers
Loss of identity	<ul style="list-style-type: none">• Not closing schools; schools retain unique identities
Loss of local control	<ul style="list-style-type: none">• New school board includes proportional representation
L-T Debt fairness	<ul style="list-style-type: none">• Debt retained in area it was incurred pre-consolidation
Facilities upgrade	<ul style="list-style-type: none">• Upgrades may be needed at SD11 and SD13



Best Practices in Implementation

- Minimum 1-year between approval of merger and effective date
- Current administration
 - Housed under one roof
 - Held harmless for first 2 years
 - Better focus on merging districts' strengths
 - Time for eliminated administrators to find another position
- A new school board: 5 proportional representation seats and 2 at-large seats





What are Intergovernmental Agreements?

- In 2022, Governor Pritzker signed The Decennial Committees on Local Government Efficiency Act
- Fosters intergovernmental agreements that lower costs
- Annual report summarizes fiscal efficiency through shared services or outsourcing
- Many Illinois districts engage in cooperative agreements to reduce expenses



Accelerate intergovernmental agreements to realize cost savings sooner and smooth gradual implementation



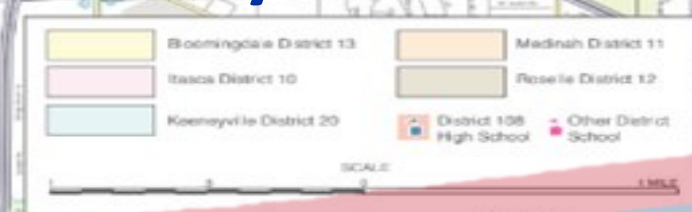
Critical Understanding: We are One

- Administrators with high salaries/pensions are chief opposition
- Concerns tend to come from more prosperous systems
- Redirecting administrative dollars to the classroom will raise all boats
- Public schools educate the future workforce of the local economy
- Pros outweigh the cons – commission a study

We are ONE Lake Park High School community!

LAKE PARK HIGH SCHOOL DISTRICT 108 BOUNDARY MAP

Lake Park serves about 90% of Roselle, 90% of Bloomingdale, the southeast section of Hanover Park, a few blocks of Wood Dale, and all of Itasca, Keeneyville and Medinah. For details, please contact the Lake Park Park District 108 Registrars Office, 630 529-4500.





Study Recommendation

- **All five LPHS feeder school districts jointly commission an expert consolidation study**
 - Administrative savings
 - Economies of scale
 - Facilities considerations, including technology
 - L-T Debt
 - New property tax rates over 5 to 10-year period, plus estimated pension savings
- Cost for a 5-district study from highly qualified Midwest School Consultants would be fully funded by the State of Illinois
- None of the five elementary feeder districts would bear any cost to investigate reorganization
- Contact your local school board to encourage them to investigate consolidation



Thank you!



Q&A with Our Panelists



Annie McGowan, Deputy Director of Research, Civic Federation

- Nonpartisan government research organization
- Works to maximize the quality and cost-effectiveness of government services in Illinois



Dr. William Phillips, Reorganization Consultant, Midwest School Consultants

- Associate Professor of Educational Leadership U of Illinois – Springfield
- Conducted over 60 school reorganization feasibility studies



Jack Bentley, Executive Director and Community Lawyer, Citizen Advocacy Center

- Non-profit, non-partisan, free community legal organization
- Works to strengthen citizenry's capacities, resources, and institutions for self-governance

THE CIVIC FEDERATION

**League of Women Voters of Roselle-Bloomingtondale:
Elementary School District Consolidation**

February 13, 2024

The Civic Federation: What We Do



- Independent, non-partisan government research organization founded in 1894
- Provide analysis and recommendations on government finance issues for the Chicago region and State of Illinois
- Membership includes business and professional leaders from a wide range of Chicago area corporations, professional service firms and institutions

Mission:

- Champion efficient delivery of high-quality government services
- Promote sustainable tax policies and responsible long-term financial planning
- Improve government transparency and accountability
- Educate and serve as a resource for policymakers, opinion leaders and the broader public

Multiplicity of Governments in Illinois

Illinois has nearly **9,000** local government units, or nearly 7,000 per the U.S. Census Bureau. This is the highest in the nation.

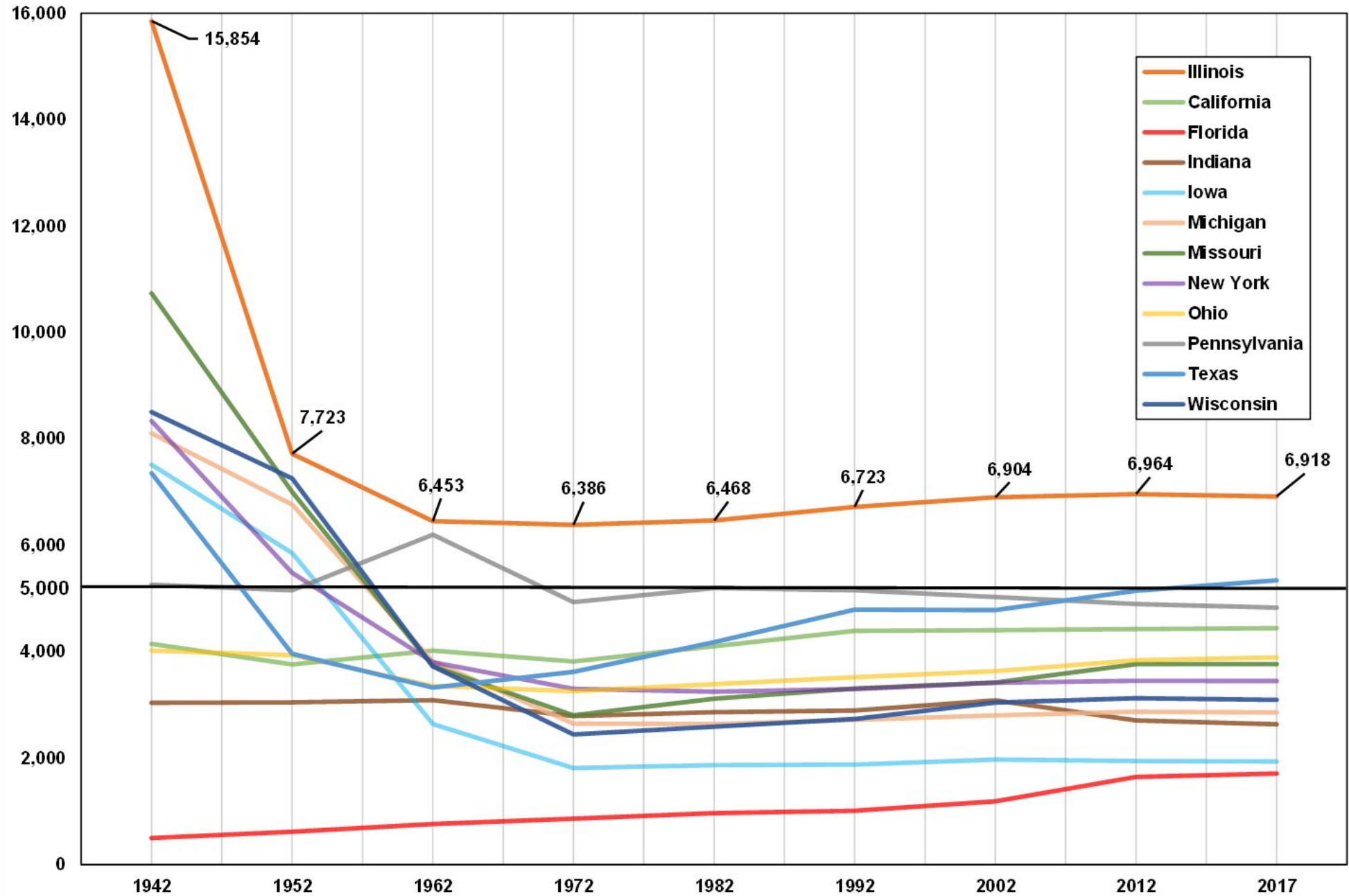
6,100 of those are special purpose governments, including **852** school districts.

Comparison of Number and Types of Local Governments in Illinois				
Type of Government	Illinois State Comptroller	U.S. Census Bureau	Illinois Department of Revenue	Civic Federation
Counties	102	102	102	102
Townships	1,427	1,429	1,429	1,426
Municipalities	1,299	1,297	1,295	1,298
Subtotal General Purpose Governments	2,828	2,828	2,826	2,826
Airport Authority	27	30	28	28
Cemetery District	23	60	34	74
Community College District	43	39	39	39
Conservation District	5	5	5	5
Drainage District	862	891	1	970
Electric Agency	1	2	-	2
Exposition and Civic Center Auditorium Authority	4	25	1	25
Fire Protection District	838	841	844	849
Flood Prevention District	1	6	1	6
Forest Preserve District	11	3	14	14
Home Equity Program	3	3	-	3
Hospital District	19	18	16	19
Housing Authority	111	110	-	111
Joint Action Water Agency	5	5	1	5
Mass Transit District	15	23	6	21
Mosquito Abatement District	19	20	22	22
Multi-Township Tax Assessment District	321	-	325	334
Museum District	3	3	3	3
Natural Gas Agency	2	2	-	2
Park District	348	358	365	369
Planning Agency	1	-	-	1
Port District	11	14	-	14
Public Building Commission	9	24	-	24
Public Health District	5	-	6	8
Public Library District	370	352	363	389
Public Water District	13	21	3	24
Rescue Squad District	6	4	6	6
River Conservancy District	16	18	16	17
Road and Bridge District	1,391	-	-	1,391
Road District	60	-	78	79
Sanitary District	93	106	105	119
School District	851	847	852	852
Soil and Water Conservation District	97	97	8	97
Solid Waste Agency	2	10	8	10
Special Recreation District	2	17	-	18
Street Lighting District	19	24	24	26
Surface Water District	1	2	8	8
Tuberculosis Sanitarium Districts	-	4	-	4
Water Reclamation District	10	10	10	10
Water Authority	14	14	17	17
Water Commission	10	13	1	14
Water Service District	59	69	6	68
Subtotal Special Purpose Governments	5,701	4,090	3,216	6,097
Total Units of Local Government	8,529	6,918	6,042	8,923

Source: Illinois State Comptroller, Local Government Contact Information for all local governments, available at <https://illinoiscomptroller.gov/financial-data/local-government-division/view-local-government-contact-information/> (last accessed June 22, 2020); Information provided to the Civic Federation by the Illinois Department of Revenue on January 22, 2020; and U.S. Census Bureau, 2017 - Public Use Files, 2017 Government Units Listing, also known as the Government Master Address File, available at <https://www.census.gov/data/datasets/2017/econ/gus/public-use-files.html> (last accessed June 23, 2020), and analysis conducted by the Civic Federation.



Units of Local Government in Illinois and Selected States: 1942-2017



Source: United States Census Bureau, 2017 Census of Governments - Organization, Table 1. Government Units by State: Census Years 1942 to 2017.

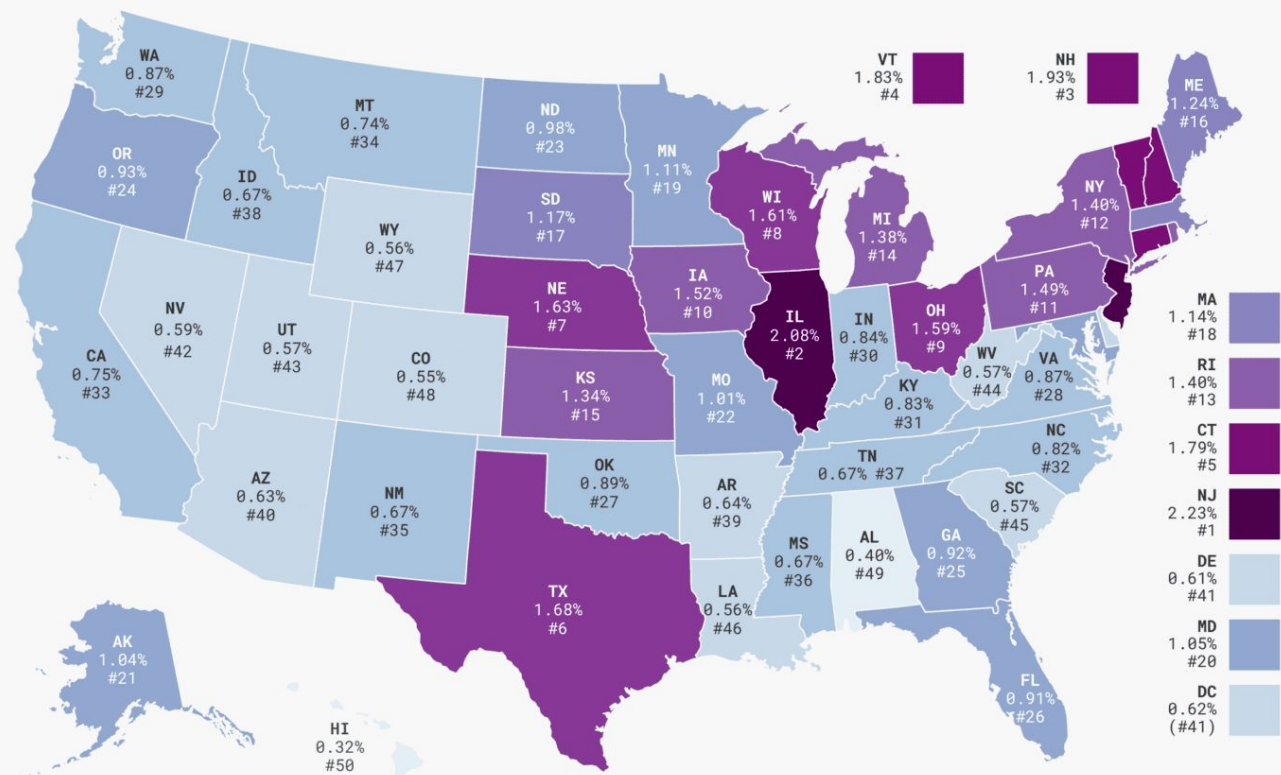
The Number of Governments in IL is a Driver of High Property Taxes



Illinois' effective property tax rate is **second highest** in the country, following New Jersey.

How High Are Property Taxes in Your State?

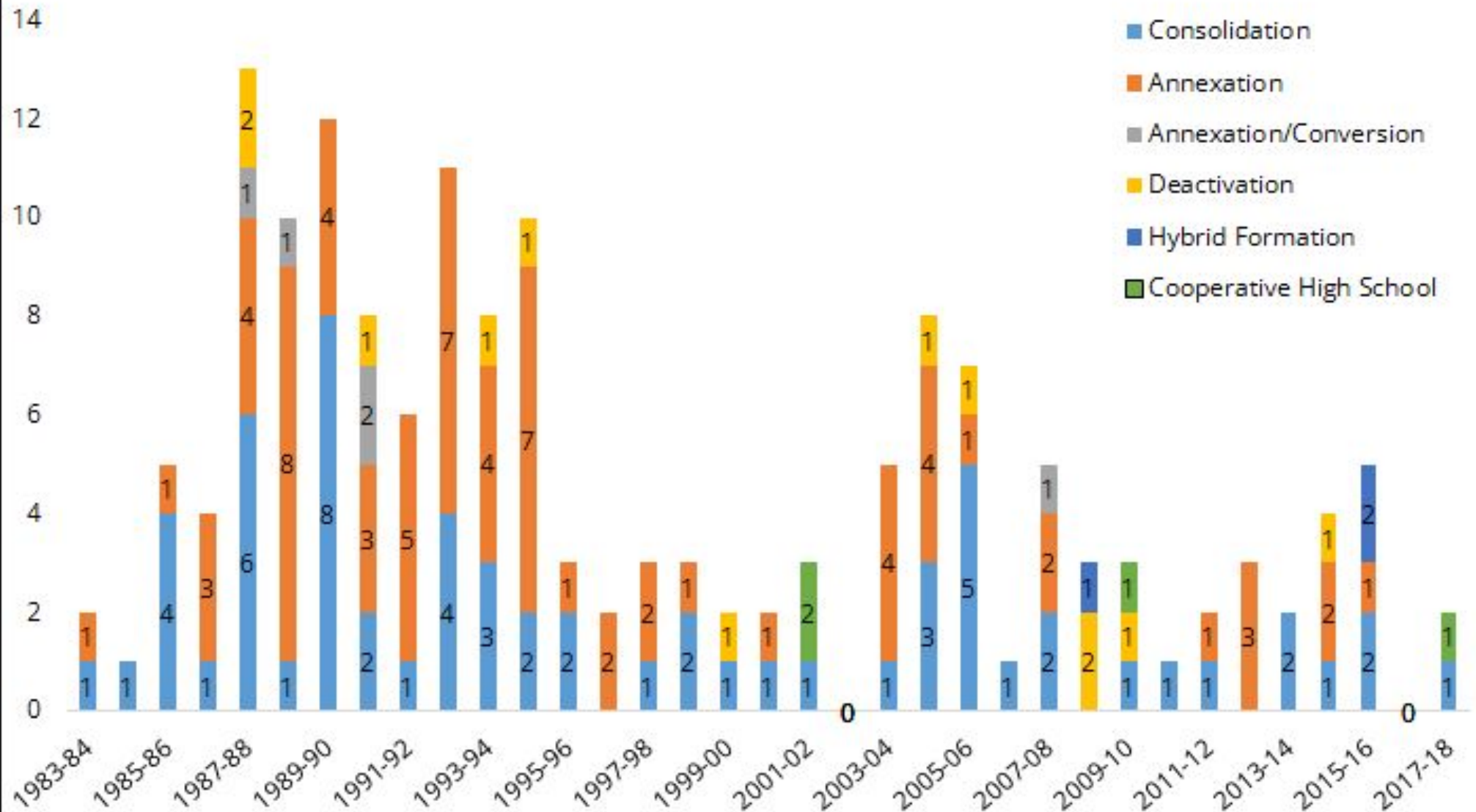
Property Taxes Paid as a Percentage of Owner-Occupied Housing Value, 2021



Note: The figures in this table are mean effective property tax rates on owner-occupied housing (total real taxes paid/total home value). As a result, the data exclude property taxes paid by businesses, renters, and others. D.C.'s rank does not affect states' ranks, but the figure in parentheses indicates where it would rank if included.
Sources: U.S. Census Bureau, "2021 American Community Survey"; Tax Foundation calculations.



School District Reorganizations in Illinois by Type: 1983-84 to 2017-18



Source: Illinois State Board of Education, School Business Services Division, School District Reorganizations: 1983-84 to 2017-18, July 2017.

Since 1983, there have been **159 school district reorganizations.**

Of those, **63 were consolidations.**



Why Consolidation is Important to the Future of Illinois

- **Reduced costs**
 - Reduces administrative costs over the long run
- **Simplified taxes and reduced property tax burden**
 - Allows new school district to impose a lower tax levy
- **Improved accountability and efficiency**
 - Simplified governance structures
 - Better government oversight
- **Get ahead of concerning trends**
 - Declining enrollment
 - State Evidence-Based Formula funding is still short of school funding target

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Q & A