

Ridgeland School District 122

OAK LAWN, IL 60453

October 2007

Stakeholder's Report

2006-2007

Finances ~ Classroom Space ~ Student Achievement



Simmons Middle School

Columbus Manor School

Harnew School

Kolb School

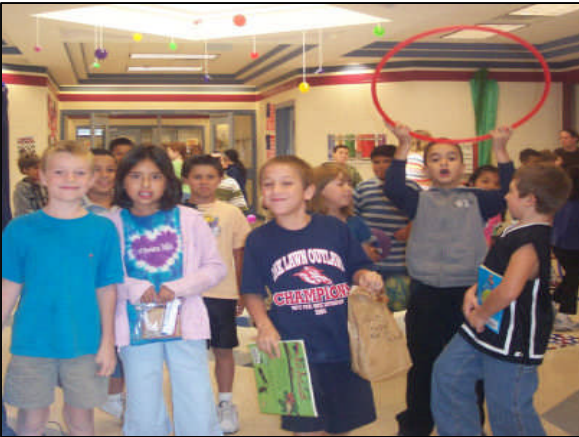
Lieb School



A message from the Superintendent and the School Board

Dear Community Member:

As you know, Ridgeland School District #122 has a superior educational system that educates Pre-kindergarten through 8th grade children. Teachers, Staff and Administration focus on student learning through the promotion of Professional Learning Communities within their buildings. Shared decision making among staff and input from the community makes Ridgeland 122 a step above the rest. When the Ridgeland community voted to build and renovate their new buildings in 2000, they were sending a message to others in the communities in the area that we value students.



Test scores, above state averages, in all subject areas on the Illinois Standards Assessment Test and Illinois Measure of Annual Growth in English assessments, indicate a strong and dedicated staff to student learning. The Board's commitment to neighborhood schools and a strong PTA /PTO show the Ridgeland community that parents want to be involved in their child's education.



As leaders of Ridgeland School District #122, we take seriously our responsibility of educating students. Through fiscal responsibility and holding high expectations for students academically and behaviorally, we will continue to provide a high quality educational system. We prioritize activities, focus funding, and allocate resources to serve the school more efficiently.

This Share Holders Report is to inform you about the fiscal accountability of Ridgeland School District 122 and student achievement. For a more detailed analysis of the FY 07 budget, please log on to www.Ridgeland122.com.



For more information about Ridgeland School District 122

Check us out on the web at www.ridgeland122.com

Yours for a Better School District,

Thomas Smyth
Superintendent

Board of Education

Daniel Sodaro, *President*

Timothy Landingham, *Vice-President*

Jean Werner, *Secretary*

Jacki Chigas, *Member*

David Lis, *Member*

Scott McGraw, *Member*

Pat Pulver, *Member*

Supporting Student Achievement Accountability

Our schools are held accountable in five areas:

Student Performance

- Students take state achievement tests on Illinois Learning Standards in grades 3, 4, 5, 6, 7 and 8 in reading and math. Additionally, students in grades 4 and 7 take state tests in science.
- Test results are posted on the District 122 website.

Schools

- School Improvement Teams include parents, community members and staff. The teams are responsible for implementation and oversight of school improvement plans.
- Schools hold parent conferences to share student performance information.
- Schools make information available to the public on student performance, attendance and safety.
- Information on each school is available on the District 122 website: <http://www.ridgeland122.com>

School Board Governance

- School Board members are volunteers and are elected by local voters.
- The School Board has been taking steps to strengthen community and financial accountability and sets clear, ambitious, academic goals and measurements.
- The School Board aligns policy development and budget behind academic goals and focuses financial resources on the classroom and student achievement.
- The School Board implements internal and external audit recommendations to save taxpayers money.
- School Board members regularly visit the schools and hold several Board meetings in schools throughout the district.
- The School Board provides timely information to the community through regular reports.

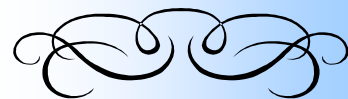
Fiscal Accountability

- The budget is aligned with the district's Strategic Plan.
- The District's financial status is reported at Board committee meetings and to the public.
- Internal controls monitor expenditures and program effectiveness.
- External controls include independent audits.
- The community votes on local school tax rate increases and building bonds.
- District 122 budget details are available on the District 122 website.

Statewide

- The Illinois State Board of Education issues report cards for all public schools and school district.
- District 122 report cards can be reviewed on the District 122 website.

Philosophy/ Belief Statement



Knowing that all children can learn, we strive each day to provide an environment that contributes to positive attitudes and personal success for learners.

We believe:

- Every child can learn.
- Every child is unique and deserves respect.
- Learning needs to be the focus of every classroom.
- The school environment needs to foster self-worth and a positive relationship among students, staff, parents, community and the Board of Education.
- Our community will benefit from schools with a challenging curriculum that is developmentally appropriate.

Therefore, we can build an educational foundation to serve children not only in further educational endeavors but in life as well.

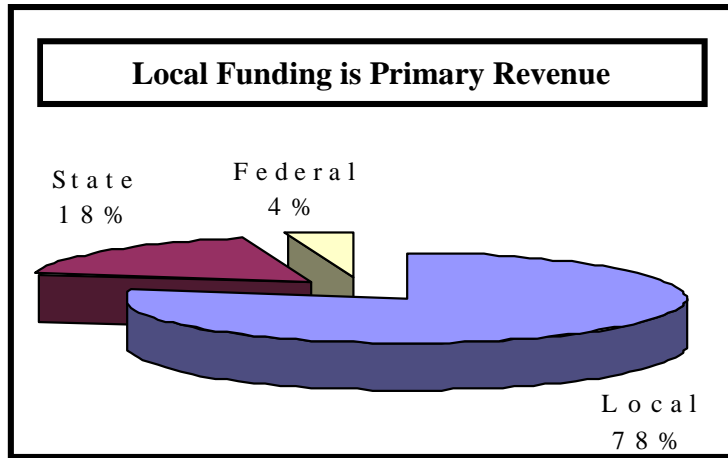
How schools are funded

District 122 receives its funding from three sources.

- 78 % comes from local sources. The majority of local funding is from property taxes.
- 18% comes from the State of Illinois.
- 4 % comes from the federal government.

School do not receive revenue from sales tax and the lottery. Sales tax revenue goes to the Village. Most of the lottery money goes for prizes. The state keeps about 35 cents out of each dollar, which is deposited in the Common School Fund. That is an accounting maneuver that reduces the amount of money that schools require from other state sources. (Source: Illinois Assoc. of School Boards)

Property tax appeals and other tax credits reduce the district’s annual revenue.

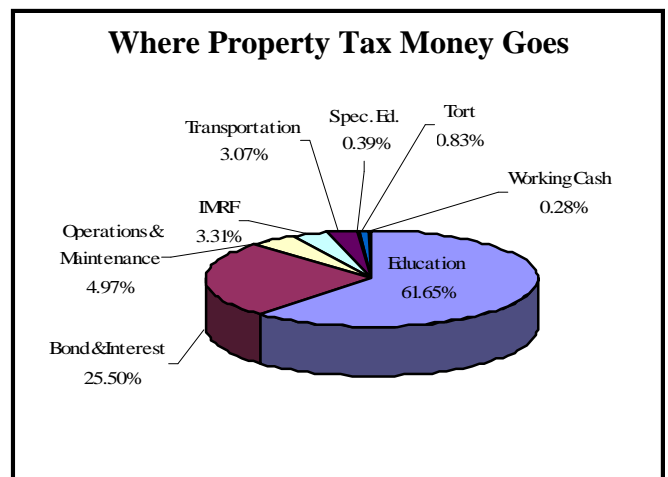


How our money is spent

The Ridgeland School District 122 budget is broken into nine different funds in accordance with Illinois State budget procedures. Each fund is designated for a specific purpose and monies cannot be transferred from one fund to another.

Those funds include:

1. Education
 - a. Special Education
2. Operations and Maintenance
3. Bond & Interest
4. Site & Construction
5. Transportation
6. Social Security/IMRF
7. Working Cash
8. Leasing
9. Life Safety



As you can see, the Education fund is our largest fund which includes special education. The Ridgeland School District special education department consumes 33% of the current educational budget and continues to grow at a steady pace. Any grant received by the district is also listed under expenses in the Educational Fund but those grants are restricted grants. That means the revenue coming in from the grant can go towards those items specifically listed in the grant. For example, the Pre-kindergarten Grant can only go towards children between the ages of 3 and 4, and they must be “At-risk” as defined by the state.

Operating Funds

District 122's checkbook: What's this 'fund' thing?

District 122's budget is structured similarly to how a family would manage household finances.

Money is designated for utilities, food, house and payment, and college savings. School districts have categories, too, and refer to each as a fund.

Each fund is established for a specific purpose or function within the government unit. Revenues and expenditures are tied to the appropriate fund.

Illinois schools have a number of funds which are used to record revenues and expenditures. District 122's fund structure includes Education, Special Education, Operations & Maintenance, Bond & Interest, Liability Insurance, Transportation, Social Security/ IMRF, Working Cash and Life Safety.

The Education Fund supports student instruction. Two sub-funds within the Education Fund directly affect students—Education and Special Education.

The Education sub-fund manages grants awarded to District 122. Grants are restricted which means they have specific expenditure purposes. The Special Education sub-fund tracks the Special Education fund levy which covers costs associated with educating students with disabilities.

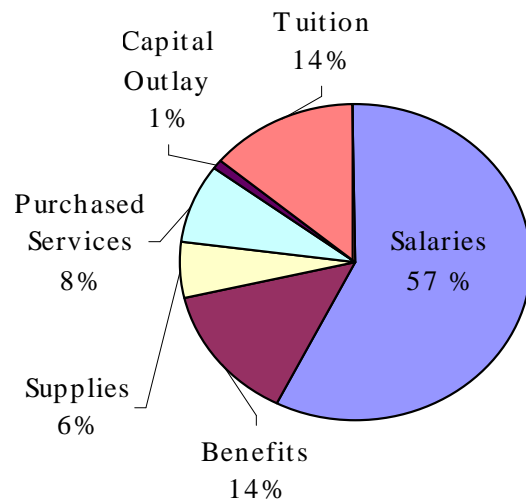
Money is spent on specific purposes related to each fund. School expend only the money available in each "fund". Unless proscribed by law, money received in one fund cannot be used for expenses in another fund.

Targeting funds towards student instruction:

The Education Fund

The Education Fund supports the curricular program. Expenditures are for classroom instruction (staff and administrative salaries and benefits), instructional supplies (textbooks and software), purchased services for student support and professional development, capital improvement (expenses for repair and maintenance of facilities), and miscellaneous expenses.

Education Fund Expenditures



Property tax revenues support these funds:

Education Fund

- for meeting costs associated with the instruction of students and the administration of the school district.

Operations & Maintenance Fund

- for routine maintenance, utilities, and improvement of the building.

Transportation Fund

- for transporting students to and from school and co-curricular activities.

Liability Insurance Fund (Tort)

- for insurance and obligations under the Workers' Compensation and unemployment insurance acts.

Social Security/ IMRF Fund

- for the district's contribution to retirement plans.

Life-Safety Fund

- for costs associated with fire prevention, safety, energy, conservation, and school security.

Special Education Fund

- for cost associated with educating students with disabilities.

Working Cash Fund

- for raising working cash which may be loaned to any of the three operating funds (Education, Operations & Maintenance, or Transportation).

Bond & Interest

- for the payment of outstanding debts, usually associated with the sale of bonds.

School ride a roller coaster



What it costs to educate a child

This year, the average cost of educating one child in District 122 is \$9,263. (Source: 2006 State Report Card). If you own a home with a equalized assessed value (EAV) of \$50,000 and have one child in school, you pay approximately \$1,050 in property taxes to District 122 while the school district is spending \$9,263. If you have two children, you continue to pay \$1,300 while the district spends \$18,526. (Source: 2005 Property Tax Bill). It takes about nine “typical” households to educate one child. Most families will discover their tax contribution to District 122 schools is far less than the actual cost of educating students.

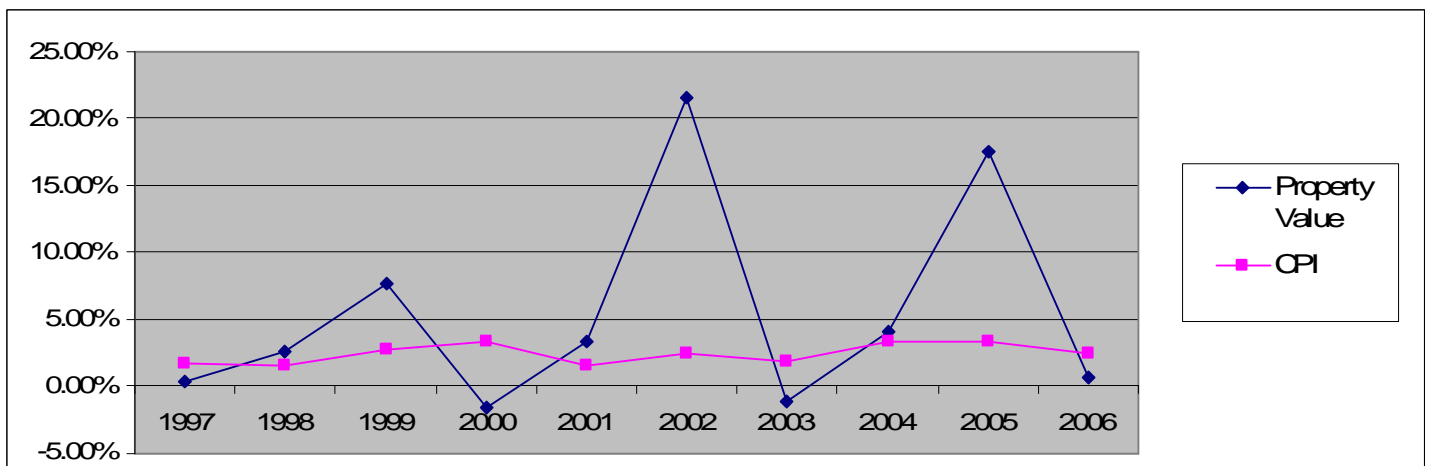
Revenue sources are eroding

Every day, students in District 122 are learning. Every year, test scores show that students are meeting higher academic goals. Every year, schools face uncertain futures as revenue sources erode. Besides local taxes, schools receive revenue from three other sources: the state, the federal government, and by borrowing. State and federal aid to schools has been declining steadily because these governments are facing financial difficulties of their own. Most people continue to say cut expenditures. District 122’s business is dependent upon employees delivering a product. When the economy is bad, District 122 still has the same number of students to teach and needs the same number of teachers to deliver education to these students. Expenditures can only be reduced so far. Over \$1.5 Million in cuts have been made in last two years. The Board of Education has limited options for future budget cuts. The problem in Illinois is with revenue. Over the last 10 years, revenue sources have eroded, mostly due to legislation. Examples are property tax caps, property tax appeals, and poor state funding. When a school district asks for a tax rate increase, it is the last resort after all other avenues are explored. A tax rate increase is the only solution that gives a school district a substantial and reliable revenue stream.

Revenue from growth limited to tax caps, CPI

Property Tax Caps were instituted in 1994 under the Local Debt Reform Act and the Property Tax Extension Limitation Law. The current law limits the increase in property tax to 5% or the percent increase in the national Consumer Price Index (CPI), whichever is less. The CPI has hovered around the 2.5% mark for the past five years. Regardless of the increase in the assessed value of your property, school districts in Cook County *can only receive* in new property tax an amount equivalent to the increase in the consumer price index (CPI). For 2005, the CPI was 3.4%. That means District 122 receives 3.4% in new property revenue for 2006 tax bills payable in 2007. Last year, District 122 lost \$3.5 million to property tax caps. Since the expiration of the 1997 referendum authority, the district has lost \$13.4 Million due to the tax cap. The only way to receive new revenue above the CPI is by a voter approved rate increase.

Property value growth



District 122's challenge

District 122's Education Fund, which pays for expenses directly related to educating students, has a budgeted deficit of about \$770,000. Our current revenues are no longer sufficient to support existing programs. State and Federal funding remain stagnant and fail to cover new mandates from Springfield and Washington. For 2007-2008, over \$1.1 Million in budget cuts were made. Additionally, \$400,000 in cuts were made for the 2006-2007 school year. As a result of the failed referendum on April 17, 2007, band, art, and music were eliminated. Elementary class sizes increased to as many as 34 in a class. Administrative salaries were frozen. The Board of Education voted to go out for a referendum on February 5, 2008. If the referendum does not pass, additional budget cuts will occur. Due to the limited options for further budget cuts, grade centers may take the place of neighborhood schools resulting in the closing of Kolb or Columbus Manor school. Middle School sports and activities also may be eliminated.

The proposal

The Board of education will place the following question on the February 5, 2008 ballot: "Shall the limiting rate under the Property Tax Extension Limitation Law for Ridgeland School District Number 122, Cook County, Illinois, be increased by an additional amount equal to seven tenths of one percent above the limiting rate for levy year 2006 and be equal to 3.087% of the equalized assessed value of the taxable property therein for levy years 2008, 2009, 2010 and 2011?" School districts, by law, use this legal language on the official ballot. What the ballot essentially requests is voter approval for a 70-cent operating rate increase for expenses directly related to educating students.

The cost

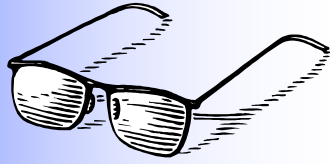
For a home with an average value of \$200,000, the cost will be \$345. The increase will take effect on the 2008 tax bill paid in 2009. The cost to an average homeowner in District 122 is less than \$1 per day.

The value

Approval of the referendum will allow the District to maintain K-5 neighborhood schools and allow 6th grade to move to Simmons. The K-5 schools will have a minimum of 2 sections per grade level. Additional teachers will be hired after class size exceeds 30 for grades K-3 and 32 for grades 4-5. Band will be restored for grades 6-8. Elementary Art and Music will be restored. Spanish will be offered for 7th and 8th grade. Student fees will be reduced by \$55 per student. A balanced budget would be achieved and maintained for seven years with the rate increase and continued fiscal scrutiny.



*Education for Today.....
With a Vision for the
Future!*



Get involved for strong schools

Public Involvement

- *Think and talk positively about the importance of high quality public education in Oak Lawn and the state of Illinois.*
- *Volunteer in a classroom, for a school, or district committee or task force.*
- *Mentor a student who needs adult encouragement.*
- *Help students learn the skills they need to become productive in the future workforce.*
- *Stay in touch with education issues and communicate your opinions to legislators and the Governor.*
- *Continue to encourage students, schools, and the school district to strive for excellence.*
- *Visit the schools to see first-hand the learning that takes place each and every day.*

Phone the individual schools to schedule a visit.

Lieb School (K-6) 708-599-1050	Simmons Middle School (7&8) 708-599-8540
Harnew School (PreK-6) 708-599-7070	
Columbus Manor (K-6) 708-424-3481	
Kolb School (K-6) 708-598-8090	

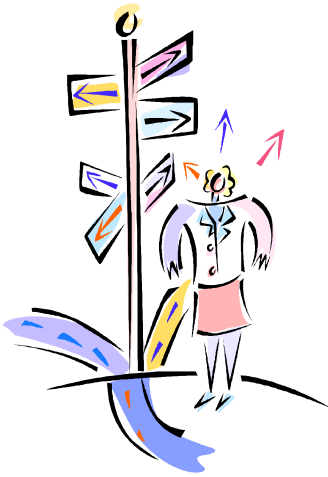
Making the grade Student Performance

Our District results for the ISAT scores indicate that District 122 students continue to score well above the state average in every subject and at every grade level on the 2007 Illinois Standards Achievement Tests. Significant gain in the percentages of students meeting or exceeding state standards continue to be made in reading, math and science.

READING		Mts/ Excds District	Mts/ Excds State
Grade 3		75 %	73 %
Grade 4		80 %	74 %
Grade 5		80 %	70 %
Grade 6		76 %	73 %
Grade 7		79 %	73 %
Grade 8		89 %	82 %
MATH		Mts/ Excds District	Mts/ Excds State
Grade 3		93 %	87 %
Grade 4		93 %	86 %
Grade 5		94 %	83 %
Grade 6		88 %	81 %
Grade 7		84 %	79 %
Grade 8		84 %	81 %
SCIENCE		Mts/ Excds District	Mts/ Excds State
Grade 4		91 %	80 %
Grade 7		89 %	79 %

Source: Spring 2007 ISAT District Test Results

District Options



Option 1: Borrow Annually

Both items below are the same as using charge cards and must be paid back with interest. Both items will downgrade credit ratings. We also have to remember that continuing to borrow will not balance the budget as state law requires.

- Sell Working Cash Bonds
Sales in 2006 & 2007
- Tax Anticipation Warrants
Used to make payroll after all reserves have been spent

Option 2: Additional Budget Cuts

- Eliminate Sports/ Extra-Curricular Activities
- Grade Level Centers for 2008-2009
 - K-2 at Lieb School
 - 3 at Kolb School
 - 4-5 & Pre-School at Harnew School
 - 6-8 at Simmons Middle School
 - Administration at Kolb School
 - Maintenance will remain at the Administration Center
 - Lease Columbus Manor School to another third party

Option 3: Pass a Referendum

Effects of a Successful Referendum . . .

For the Property Owner

- 70 cents/ \$100 Equalized Assessed Valuation (EAV)
- A home worth \$200,000 would see a \$345 increase
- Assessments lower than actual home value

For the Students of District 122

- Reinstate programs for the 2008-2009 school year
- Neighborhood schools will remain open
- Class sizes will be reduced
- Budget will be balanced for 7 years



Ridgeland School District 122

MISSION STATEMENT:

The mission of Ridgeland School District 122 is to nurture independence and responsibility in students, empowering them with knowledge, skills and core values that contribute to becoming life-long learners, and active citizens while striving to achieve their true potential. We will accomplish our mission by fostering a partnership among children, community, staff and the Board of Education, constantly striving to improve student performance to ensure no child is left behind.



Administration Center
6500 West 95th St.
Oak Lawn, IL 60453

Board of Education

Daniel Sodaro

Board President

Tim Landingham

Vice-President

N. Jean Werner

Secretary

Jacki Chigas

Member

David Lis

Member

Scott McGraw

Member

Pat Pulver

Member

Thomas P. Smyth

Superintendent

Julie Shellberg

Asst. Superintendent

Eric Trimberger

Asst. Superintendent

Non-Profit Organization
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It's About Kids!