

**Township High School District 211
Palatine, Illinois**

Comprehensive Annual Financial Report

As of and for the Fiscal Year Ended June 30, 2018

Officials Issuing Report

Lauren C. Hummel Chief Operating Officer

Barbara J. Peterson Controller/Treasurer

Dianne S. Cieslak Accounting Supervisor

Department Issuing Report

Business Office

Township High School District 211
COMPREHENSIVE ANNUAL FINANCIAL REPORT
As of and for the Fiscal Year Ended June 30, 2018

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January 11, 2019

Members of the Community and the Board of Education
Township High School District 211
1750 South Roselle Road, Palatine, Illinois 60067

Dear Members of the Community and the Board:

The Comprehensive Annual Financial Report (CAFR) of Township High School District 211 (the District), for the fiscal year ended June 30, 2018, is hereby submitted. Submittal of this report complies with the requirements of the Illinois School Code. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material aspects and represents the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and that all disclosures necessary for public understanding of the District's financial status have been incorporated within this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter for transmittal and should be read in conjunction with it.

The CAFR is presented in three sections: introductory, financial, and statistical. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officers and elected officials. The financial section includes the independent auditors' report on financial statements and schedules, MD&A, and required supplementary information such as the combining and individual fund financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

History of the District

High school education in the Palatine-Schaumburg Township area began in 1875, with the first graduating class in 1877. Palatine High School is one of the four oldest suburban high schools and the first established northwest of Chicago. The Palatine Township High School District was formed in 1914. Its first classes were held in space rented from the elementary district on the top floor of a school on Wood Street in Palatine.

In 1928, a separate high school building for 300 students was built on a four-acre site at 150 East Wood Street in Palatine. The school opened with 125 students. Schaumburg Township was not part of a high school district, and consequently some Schaumburg students came to Palatine on a tuition basis. Between 1928 and 1950, the enrollment grew from 150 to 391 students and projections indicated dramatic growth ahead. In 1952, an addition to Palatine High School was completed, increasing the building capacity to 700 students.

In 1954, Schaumburg formed Elementary District 54 and joined Palatine Township High School District 211. After 1954, enrollments grew rapidly at all levels. A second addition was approved for Palatine High School and a second site of 40 acres was purchased at Quentin Road and Illinois Avenue. The second school opened in 1961 and was named "William Fremd High School." Mr.

Fremd had been a member of the high school Board of Education for over 30 years and had served on school boards in the area for a consecutive period of more than 45 years. From 1961 to 1964, the District was organized as a 2-2 system with juniors and seniors at Palatine High School and freshman and sophomores at Fremd High School. This system was phased out when James B. Conant High School, the District's third school and the first located in Schaumburg Township, opened in 1964 as a three-year school. Fremd High School converted to a three-year program in 1966. In 1967, an administration center was built on Roselle Road near Algonquin Road. It houses all District staff, Board of Education meeting room, and a storage area for school supplies.

In 1967, building additions increased capacity at Conant High School from 1,700 to 2,600 students and Palatine's capacity from 1,000 to 1,800 students. In 1969, an addition to Fremd High School expanded its capacity from 1,600 to 2,700 students. District 211's fourth school, Schaumburg High School, opened in September, 1970. Hoffman Estates High School, built to house an enrollment of 2,500 students, opened in 1973 as a freshman-sophomore school in Schaumburg Township.

On October 19, 1974, district residents approved a \$22 million referendum which provided funds for a sixth high school; an addition to Schaumburg High School which increased its capacity to 3,000 students; the addition of auditoriums and pools at Conant, Schaumburg, and Fremd High Schools; a pool at Hoffman Estates High School; and a District warehouse.

In 1976, the Board of Education decided that the building housing Palatine High School was unsuitable for future use as a four-year high school. Insufficient land to expand the building for future growth and the cost of needed repairs necessitated that decision. The building was closed in June, 1977. The sixth high school, located near the intersection of Rohlwing and Cunningham Roads, opened in September, 1977, and was named Palatine High School. The newest building accommodated 2,500 students.

In 1983, physical education additions were completed at Fremd and Conant High Schools, and in 1997, a physical education addition was completed at Palatine High School. Construction was completed in 2002 on an addition at Fremd High School, turning the valuable space in the school's courtyard into new science laboratories. Construction on an addition at Palatine High School was completed in 2003, adding 24 classrooms to the northeast corner of the building to handle enrollment growth.

On April 5, 2005, District residents approved a referendum resulting in a tax increase in the Education Fund. Passage of this referendum avoided approximately \$18 million in program cuts, while assuring the District would remain on sound financial ground for many years to come.

In 2007, additions to Conant and Fremd High Schools were completed, adding new music facilities at both schools. The administration offices at Fremd High School were remodeled. At Hoffman Estates High School, the auxiliary gymnasiums were expanded. Construction included the addition of a locker room, team room, and an elevator.

In 2008, a science addition was completed at Conant High School. Academic additions that included relocation of administration offices were completed at Schaumburg and Hoffman Estates High Schools. An expanded Board of Education meeting room was completed at the Administration Center. Renovations also were completed to make the building more accessible, including installation of an elevator and a ground floor entry.

District 211 also has two therapeutic special education schools: District 211 North Campus, located in Palatine, and District 211 Higgins Education Center, located in Hoffman Estates. In March 2016, the District purchased the property that had served as the District 211 Academy-North Program since 2005. Renamed as District 211 North Campus, the building continues to serve students in the District 211 Academy-North Program and expanded program offerings to include the Alternative Learning Academy. The District 211 Higgins Education Center was opened in August 2015 and serves as the location for three, alternative and special education programs: Academy-South, New Endeavors, and the Adult Transition Program-South. Academy-South was originally founded during the 1975 school year and known as LEAP, Lifeskills Educational Alternatives Program, until changing its name to Academy-South in 2008. The Adult Transition Program-South began in 2009 and the New Endeavors Program began in August 2015.

Currently, District 211 has a combined student enrollment of approximately 11,800. Each of the District's five high schools provide a comprehensive curriculum with over 700 academic courses in all subject areas including more than 30 Advanced Placement courses and 60 dual credit classes; recognized career certifications available for students including those in the automotive, nursing, construction, and early childhood education fields; over 100 clubs and extracurricular organizations; social, personal, academic, career, and college counseling services; an auditorium; dance and music practice rooms; computer reading, science and vocational laboratories; comprehensive programs of 30 interscholastic sports with facilities, including a swimming pool, gymnasiums, an athletic stadium with artificial surface, baseball, softball and soccer fields, running tracks and tennis courts; and a school cafeteria which serves hot lunch, breakfast, and snacks. The District is committed to integrating technology into the classroom curriculum using research-based instructional methods and ongoing professional development. To do so, students and staff have been equipped with approximately 16,000 iPads and 5,500 computers.

The District 211 governing body consists of a seven-member Board of Education elected from within the District's boundaries for four-year overlapping terms. The Superintendent and staff administer day-to-day operations. Based on the legislative authority in the Illinois School Code, the Board of Education has the power to sue and be sued in all courts; to levy and collect taxes and to issue bonds; and to contract for appointed administrators, teachers, and other personnel as well as for goods and services.

Recap of Academic Initiatives

The Mission of Township High School District 211 is to serve the educational needs of the community by developing and implementing quality programs which challenge students to achieve their potential to become contributing, informed citizens capable of meeting the demands of a changing world.

Preparing students for life after high school is a priority for High School District 211. Pursuing this priority has led to the development of the D211 Student Readiness Plan, an online resource for students to use as they track their progress toward reaching their individualized goals related to high school success and post-high school experiences.

The D211 Student Readiness Plan is a web-based resource, and each student is provided with an individualized account within the online portal. Once logged into the Student Readiness Plan, students can view their individual plans and interact with various plan components.

The Student Readiness Plan focuses on five components of readiness. Within each component, students can assess their performance against District 211 grade-specific benchmarks. The benchmarks are aligned with currently recognized college and career readiness indicators. Students are able to set independent goals that exceed District benchmarks in each area.

Academic Readiness

Academic Readiness captures traditional measures of student performance in school such as grades and credits earned. Students can track their status relative to unweighted Grade Point Average (GPA), weighted GPA, early college credits, standardized test scores, and high school credits earned.

College & Career Exploration

Exploring and identifying post-high school options is a critical part of planning for life after high school. The Student Readiness Plan is designed to support all students as they determine their interest in obtaining further education at the college level, entering the workforce, or pursuing military service. Within the College & Career Exploration portion of the Student Readiness Plan, students take account of their interests, document research findings, and track participation in events and activities that help build their awareness of the processes related to their selected pathway.

Student Involvement

District 211 recognizes that students who are involved in their school are more likely to experience success. Students are encouraged to remain involved in at least one school club/activity or school sport each year. Additionally, District 211 acknowledges that student involvement extends into the local community through experiences such as volunteering and part-time employment. Within the Student Involvement component of the Student Readiness Plan, students can indicate interest in in-school activities and sports, document membership on in-school activities and sports, and record involvement in out-of-school experiences.

Global Competitive Skills

While in school, students develop many skills beyond the traditional academic abilities stressed in typical coursework. These other skills are often referred to as Global Competitive Skills and consist of workplace readiness skills such as attitude and professionalism, work ethic and initiative, communication, teamwork, problem solving and adaptability, timeliness, and digital literacy. These skills represent traits and characteristics employers evaluate and look for in job candidates they consider for hiring. Within the Student Readiness Plan, students have the opportunity to track their status relative to established benchmarks for each skill area.

Over the past two years, District 211 faculty from different departments have collaborated to develop the career pathways. The development phases included faculty meetings, industry meetings and curriculum proposals for new courses. During the industry meetings, local business leaders were asked to complete a survey ranking the skills successful employees across all pathways tend to exemplify. This information has informed the work of the Global

Competitive Skills component of the Student Readiness Plan, the District 211 Speaking/Communication rubric and the 6- and 12-week comments used by teachers.

Wellness

Students' physical health and social-emotional well-being is essential for achieving success in school and preparing for life after high school. Within the Student Readiness Plan, students account for factors that influence their overall wellness status. This component will continue to be developed in partnership with the development of the Freshman and Sophomore Wellness courses. These new courses bring forth the wellness of the students as a daily topic within the school day. The courses focus on decision-making, nutrition, fitness, and social/emotional learning.

Each readiness component is supplemented with a set of resources associated with the component's goals and priorities. These resources provide definitions of terms and links to other websites that students can use as they set their goals and monitor their status.

Counselors, teachers, coaches, and activity sponsors associated with an individual student can access and view the student's Student Readiness Plan in order to help support the student's progress toward goals. Parents of a student can access and view their child's Student Readiness Plan and are encouraged to review and discuss the plan with their child to help the student make well-informed choices.

During the 2017-2018 school year, the following summary highlights additional actions and accomplishments in the areas of curriculum, technology, and finance/budget:

Curriculum: The curriculum development process in High School District 211 has had a long history of teacher/administration involvement. The Board of Education and administration have encouraged grass roots development of courses and programs shaped within the framework of educational goals and graduation requirements as set by the Board. This is based on the strategy that teachers and principals provide the primary impetus of curriculum development within the District. This approach has been helpful in keeping the District's curriculum dynamic in its scope and sequence.

- The Board approved continuation of late start proposals for all five high schools in order to focus on plans to increase student achievement. The Board of Education has provided schools with opportunities to hold morning work sessions (late start school days for students) on multiple dates throughout the past eight school years. District 211 faculty and staff have used this time provided to develop and maintain professional learning teams focused on learning from each other to identify strategies and improve teaching techniques that produce higher student academic achievement. Teachers have embraced the professional responsibility of focusing on learning, rather than concentrating on teaching the prescribed content, as the foundation of the professional learning teams. On a regular basis, these teams of educators meet to review curriculum, best practices, student academic achievement, and progress toward achieving the District goals. Professional learning teams use formative assessments results and student data to guide instructional practice and foster continuous improvement both for students and educators. Assessment results measure student progress and identify strengths and weaknesses in student academic performance.

- The Board accepted curriculum committee reports including formal proposals for Finance and Investing, Production Design and Development, Intermediate Japanese and English; and accepted proposals for textbooks recommendations. The Board supported the offering of several in-district courses for using technology in the classroom and other tools for enhancing instruction for teachers. The Board also approved Type II Assessment Series in applied technology, business education, English, mathematics, special education, and world language.
- The Board approved the continued partnership with Equal Opportunity Schools to assist with increasing student diversity in advanced placement courses.
- The Board approved a two-year contract with Top Driver to provide behind-the-wheel driver education services for students.

Technology:

- The Board authorized the purchase of 3,150 iPads for the one-to-one program for students for the 2018-2019 school year.
- The Board awarded business for computer, network, audio-visual equipment, software and supplies to several vendors.
- The Board approved a proposal to re-build the District's websites and provide support and maintenance services.

Finance/Budget:

- The Board conducted a public hearing and adopted the 2017-2018 budget.
- The Board held a public hearing and adopted the 2017 tax levy.
- The Board approved resolutions authorizing intervention in proceedings before the state property tax appeal board which seeks assessed valuation reductions in excess of \$100,000 for property tax years 2012, 2014, 2015 and 2016.
- The Board approved continuation of the health insurance plan structure for union and non-union employees effective January 1, 2018. Health insurance options and incentives for active employees include six plan choices in addition to a cash-out option.
- The Board received and reviewed its first copy of a Popular Annual Financial Report (PAFR).
- The Board adopted a resolution providing for an interfund transfer from the Working Cash Fund to the Life Safety Fund.
- The Board adopted a resolution to permanently transfer monies from its Educational Fund to its Operations and Maintenance Fund; from the Transportation Fund to its Operations and Maintenance Fund; and from its Operations and Maintenance Fund to its Capital Projects Fund for capital improvement projects.
- The District completed planned life-safety improvement projects.
- The Board continued full implementation of the one-to-one program and purchased 3,150 iPads for the start of the 2018-2019 school year. The District made its final lease payment for iPad payment.
- The Board received a report on post-bond issuance compliance.
- The Board approved Barrington Bank & Trust Company as the District bank for Board and Student Activities checking, deposit, and treasury management services.
- The Board approved student user fees for instruction, transportation, Driver Education Behind-the-Wheel, student parking, and school meals.

- The Board received a report on the 2017-2018 budget development sequence and approved tentative budgets for the Operations and Maintenance, Transportation, and Working Cash Funds.
- The Board awarded the sale for its 62 acres of land.
- The Board approved a resolution authorizing an additional employer contribution to the Illinois Municipal Retirement Fund.
- The Board received a report on the operating fund balance for the period ending June 30, 2017.

Economic Condition and Outlook

The economic outlook for the District 211 communities remains stable. The financial, commercial, and industrial businesses represent a broad diversity in the area, and have withstood difficulties in any one area. Long-term planning by all of the District communities, reflect continued efforts to foster community development into the future. Commercial businesses in the Greater Woodfield Area of Schaumburg continue to report strong sales growth and stability.

Historical and Projected Student Enrollment

The District total enrollment has decreased minimally each year since the 2004-2005 school year and projected enrollment trends indicate further decreases of less than 1% per year for the next several years. Over the next ten-year period, enrollment trends are projected to begin to increase slightly each year into the future. Enrollment projections are based on data from the elementary Districts that feed into District High Schools and historical trends. Plans for future housing developments could alter these projections. The District completes an annual review of student courses and staffing needs based upon actual enrollment figures and adjusts its needs accordingly.

Long-Term Financial Planning

The District's financial projections point toward financial stability with revenue exceeding expenditures over the next five-year period. Though the District anticipates continued financial stability, it has committed to identifying and implementing a series of budget reductions for increased operational efficiency. Through the implementation of these budget reductions, the District anticipates continued overall financial stability, but will continue to monitor several key areas of concern and their probable adverse impact on operations. Key areas of concern include property tax refunds, state legislation regarding a property tax freeze, pension reform and state funding, slow CPI rates limiting revenue through the Property Tax Extension Limitation Law (Tax Cap Law), growing special education program needs, increasing and changing health care costs, low investment earnings, and overall impact of these unprecedented economic conditions. The District also has two collective bargaining agreements that remain unsettled and will impact its long-term financial outlook.

Several key financial indicators reflect positive results in the District's operating funds including proportion of fund balance to revenue and fund balance as a percentage of next year's expenditures. However, the dependence upon local property taxes will continue to be an ongoing challenge for taxing districts, District 211 notwithstanding. Because property tax increases are limited by the Tax Cap Law, it remains a priority to keep overall expenditures in line with revenue. All levy projections provide for increases in the aggregate extension amount in accordance with the Tax Cap limitations.

The District has completed a long-term facility and capital improvements plan, identifying over \$50,000,000 in projects to be completed over a five year period that began in 2013-2014. These projects include renovations at all five District swimming pools and related locker rooms, District-wide wireless access point expansion, athletic field upgrades, auditorium lighting and sound upgrades, media center renovations, the remodel of a leased office building for centralized special education use, and a facility on the grounds of Palatine High School that will relocate the Alternative Transition Program. All projects will be funded through reserves.

The District continues to plan for necessary capital improvements over the next five to ten-year period in all five high schools. Planning includes replacement of roofs and mechanical equipment and renovations to existing locker rooms, restrooms, outdoor athletic facilities and two cafeteria kitchens. It is currently anticipated that all future projects will also be funded through existing and future reserves without need to issue debt.

Over the past several years, the District has implemented a budget review process to identify areas of operations for improvements in efficiencies. This on-going review resulted in major cost savings. District finances are monitored through such means as monthly financial reports to the Board of Education, and annual budget process and long-term financial projections. As a result, the District will continue to maintain balanced budgets and align resources to support the instructional programs.

Relevant Financial Policies

Budget planning begins no later than December with preparation of a budget calendar. The proposed budget is available for public inspection and comment at least 30 days before the budget hearing. Within 30 days of adoption, the budget is filed with the Cook County Clerk and Illinois State Board of Education. The District budget is posted on the District's website. The Board of Education may amend the budget by following the same procedure as provided for in the original adoption. The certificate of property tax levy is filed with the Cook County Clerk by the last Tuesday in December. The District annually publishes a statement of affairs regarding its financial position by December 1.

The Board of Education maintains established budget and operating fund balance policies that outline parameters for the distribution of resources, provisions for safe and operational facilities, compliance with all applicable regulations, and continuous monitoring of efficiencies. Budgetary controls are in place to ensure compliance with legal provisions embodied in the annual budget approved by the Board of Education. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by function and activity within an individual fund. The District also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. All outstanding encumbered amounts are cancelled at year-end. Adequate fund balance levels are maintained for operational and financial planning purposes, and establish a minimum fund balance level of approximately 33% of the next budget year's expenditures. This level of fund balance represents approximately 4 months of operations. Expenditures are measured from the following two perspectives as of June 30 of each fiscal year: 1) within the Educational Fund as an individual fund; 2) against a cumulative total of the operating funds including: Educational, Operations and Maintenance, Transportation, Municipal Retirement and Social Security, and Working Cash.

As of June 30, 2018, the District reported a favorable Educational Fund balance level of 40% of next year's expenditures and a cumulative operating fund balance level of 43% of next year's expenditures (calculated on a cash basis). By accruing and safeguarding these positive levels of fund balance, the District will be afforded greater measures of financial certainty for both the short term and the long term. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

Internal Controls

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management.

As part of the audit of the District, the District's independent auditor considered the District's internal controls to determine auditing procedures for the purpose of expressing an opinion on the financial statements. The auditor also performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants. The results of the audit for the fiscal year ended June 30, 2018 are included.

Cash Management

Cash and investments of the District, including the Agency fund, are maintained by the District Treasurer. The Treasurer is responsible for investing the funds temporarily idle during the year in demand deposits, certificates of deposit, money market deposit accounts, and obligations of the U.S. Treasury. The Treasurer maintains investment relationships with several major local and Chicago-based commercial banks and brokerage firms. Investment strategies are structured to obtain the best yield for all invested funds, which may require rapid turnover of investments among several depositories. Except for cash in certain restricted and special funds, the District consolidates cash balances from all funds to maximize investment earnings. Investment income is allocated to the various funds based on their respective participation. The Treasurer complies with the requirements of the Illinois School Code in making investments. It is the policy of the District to diversify its investment portfolio. Diversification strategies are determined and revised periodically by the Treasurer. Time deposits in excess of Federal Depository Insurance Corporation (FDIC) insurable limits are secured by an approved form of collateral or private insurance to protect public deposits in the event a single financial institution was to default. Third-party safekeeping is required for all securities. The Treasurer submits monthly investment reports to the Board of Education describing the portfolio in terms of investment securities, maturities, and earnings for the current period and the name of the respective institutions where the investments have been placed.

Other Information

Independent Audit – The School Code of Illinois and the District’s adopted policy require an annual audit by independent certified public accountants. The accounting firm of Baker Tilly Virchow Krause, LLP was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U.S. Office of Management and Budget’s (OMB) *Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The auditors’ report on the general purpose financial statements is included in the financial section of this report.

Awards/Recognitions – District 211 students, staff and its high schools have been recognized both locally and nationally for a number of achievements:

- Each of the District’s five high schools has been recognized for excellence with the United States Department of Education’s National Secondary School Recognition Program’s Blue Ribbon Award.
- The District’s five high schools have been named among the nation’s “Top High Schools” by *U.S. News & World Report*, and Palatine High School was named a “New American High School” by the United States Department of Education.
- District 211 schools have a tradition of excellence, service and leadership. For 2017-2018 the Board of Education recognized the achievement of 204 Academic Scholars; 18 perfect ACT scores; 2 perfect SAT scores; 31 National Merit Scholars; 568 Illinois State Scholars; 7 Golden Apple Scholars; and 7 students named to the Daily Herald Academic and Leadership teams.
- One hundred thirty-four District 211 teachers and administrators have achieved National Board Certification.
- One student was named to the IHSA All-State Academic Team.
- Palatine, William Fremd, James B. Conant, Schaumburg, and Hoffman Estates High Schools were all recognized as Energy Star building recipients by the Environmental Protection Agency and the Department of Energy.
- One teacher was recognized for being named the New Teacher of the Year by the Illinois Technology Education Association.
- One teacher was recognized for receiving the Presidential Award for Excellence in Mathematics and Science.
- One teacher was recognized for receiving the University of Chicago’s Outstanding Educator Award.
- The superintendent was recognized for being named the 2019 Superintendent of Distinction in the North Cook Region of the Illinois Association of School Administrators.

The Association for School Business Officials, International (ASBO) awarded a Certificate of Excellence in Financial Reporting to Township High School District 211 for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2017. In order to be awarded a Certificate of Excellence, the District had to prepare and issue a high-quality CAFR that met or exceeded the standards of the program. A Certificate of Excellence is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Excellence Program’s requirements, and we are submitting it to the ASBO to determine its eligibility for another certificate.

Additionally, the Government Finance Officers Association recognized District 211 with a Popular Annual Financial Reporting (PAFR) Award for its published PAFR for the fiscal year ended June 30, 2017. The award recognizes the District for its ability to present its audited financial position in a publication that has reader appeal, understandability, creativity and usefulness while maintaining accuracy and transparency of the District's financial position.

Acknowledgments – I would like to extend my appreciation to the Board of Education for their support and direction in planning and conducting the financial affairs of the District for the 2018 fiscal year.

Respectfully submitted,



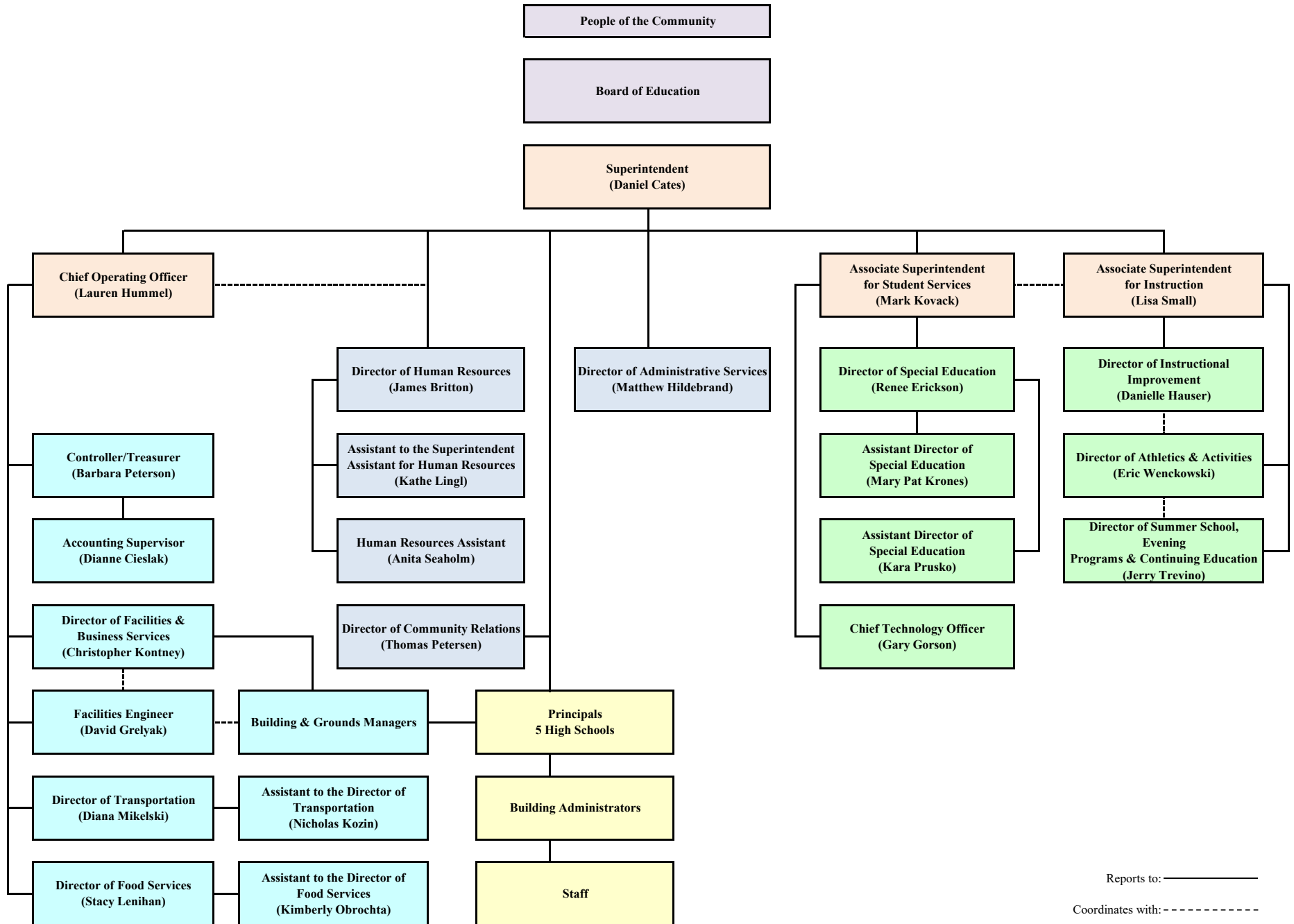
Lauren C. Hummel
Chief Operating Officer and
District Assistant Treasurer



Barbara J. Peterson
Controller and District Treasurer

TOWNSHIP HIGH SCHOOL DISTRICT 211 ORGANIZATIONAL CHART

2017-2018 School Year



Reports to: _____

Coordinates with: - - - - -

TOWNSHIP HIGH SCHOOL DISTRICT 211

Principal Officers and Advisors

June 30, 2018

Board of Education Members

Mucia Burke	President
Will Hinshaw	Vice President
Anna Klimkowicz	Secretary
Peter Dombrowski	Member
Robert J. LeFevre, Jr.	Member
Edward Yung	Member
Steven Rosenblum	Member

District Administration

Superintendent	Daniel Cates
Associate Superintendent/Instruction	Lisa Small
Associate Superintendent/Student Services	Mark Kovack
Chief Operating Officer	Lauren Hummel
Chief Technology Officer	Gary Gorson
Director/Human Resources	James Britton
Director/Special Education	Renee Erickson
Director/Summer School and Community Outreach	Jerry Trevino
Director/Transportation	Diana Mikelski
Director/Food Services	Stacy Lenihan
Director/Facilities and Business Services	Christopher Kontney
Director/Community Relations	Thomas Petersen
Director/Athletics and Activities	Eric Wenckowski
Director/Administrative Services	Matthew Hildebrand
Director/Instructional Improvement	Danielle Hauser
Controller/Treasurer	Barbara Peterson
Assistant to the Superintendent/Assistant for Human Resources	Kathe Lingl
Assistant Director of Special Education	Mary Pat Kronos
Assistant Director of Special Education	Kara Prusko
Assistant to the Director of Transportation	Nicholas Kozin
Assistant to the Director of Food Services	Kimberly Obrochta
Human Resources Assistant	Anita Seaholm
Facilities Engineer	David Grelyak
Accounting Supervisor	Dianne Cieslak

Principals

Palatine High School	Gary Steiger
William Fremd High School	Kurt Tenopir
James B. Conant High School	Julie Nowak
Schaumburg High School	Timothy Little
Hoffman Estates High School	Josh Schumacher
District 211 Academy-North Program Administrator	Francesca Anderson
District 211 Higgins Education Center Program Administrator	Amy Friel



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting
is presented to**

Township High School District 211

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



A handwritten signature in black ink, reading 'Charles E. Peterson, Jr.' The signature is written in a cursive style and is positioned above a horizontal line.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink, reading 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE
Executive Director

INDEPENDENT AUDITORS' REPORT

To the City Council
Township High School District 211
Palatine, IL

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Township High School District 211, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Township High School District 211's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to Township High School District 211's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of Township High School District 211's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

To the Board of Education
Township High School District 211

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Township High School District 211, as of June 30, 2018 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note A, Township High School District 211 adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective July 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit for the year ended June 30, 2018 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Township High School District 211's basic financial statements. The supplementary information for the year ended June 30, 2018 as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2018, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2018.

To the Board of Education
Township High School District 211

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Township High School District 211 as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated November 16, 2017, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The supplementary information for the year ended June 30, 2017 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2017.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Township High School District 211's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Prior-Year Comparative Information

We have previously audited Township High School District 211's 2017 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated November 16, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2019 on our consideration of Township High School District 211's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Township High School District 211's internal control over financial reporting and compliance.



Oak Brook, Illinois
January 11, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS (See Auditors' Report)

The discussion and analysis of Township High School District 211's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2018. The management of the District encourages readers to consider the information presented herein, in conjunction with the transmittal letter found in the introductory section and the basic financial statements, to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis ("MD&A").

Financial Highlights

- The District's financial status continues to be strong. During the fiscal year, the District retired all outstanding bonded debt.
- General revenues accounted for \$230.3 million, or 69.3 percent of all governmental activities revenue for the fiscal year. Program specific revenues in the form of charges for services and grants and contributions accounted for \$102.1 million, or 30.7 percent of total revenues of \$332.4 million.
- The District had \$339.2 million in expenses related to governmental activities, of which \$102.1 million of these expenses were offset by program specific charges for services or grants and contributions. General revenues of \$230.3 million were adequate to provide for the remaining costs of these programs.
- Among major funds, the General Fund had \$280.4 million in revenue for fiscal year 2018, which primarily consisted of property taxes and state aid, and \$270.7 million in expenditures. The General Fund includes the recognized revenue and expenditures of \$79.9 million in pension contributions that the state of Illinois paid directly to the Teachers' Retirement System (TRS) on behalf of the District's TRS-covered employees. The Operations and Maintenance Fund had \$29.3 million in revenue for fiscal year 2018, compared to \$26.4 million in expenditures. The Transportation Fund had \$12.5 million in revenue for fiscal year 2018, compared to \$11.6 million in expenditures. The excess of revenues over expenditures in these funds was planned, and will be used to fund the future short-term capital needs of the District.
- During the year, the Board of Education authorized the transfer of \$24,700,000 and \$1,500,000 from the General Fund and the Transportation Fund respectively, to the Operations and Maintenance Fund. The Operations and Maintenance Fund was then authorized to transfer \$32,800,000 to the Capital Projects Fund. Transfers of \$2,700,000 and \$3,500,000 from the General Fund (Working Cash accounts) to the Debt Service Fund for approved debt service abatement and to the Fire Prevention and Life Safety Fund for capital projects, respectively, were also approved. These transfers were authorized by proper resolution as part of the budget adoption.
- For tax year 2017, payable in 2018, the District's aggregate equalized assessed value for all real property within the District's boundaries increased 0.86% from the prior year.

MANAGEMENT'S DISCUSSION AND ANALYSIS (See Auditors' Report)

- The District spent over \$25 million on capital and capital improvements during fiscal 2018 on a variety of projects including: renovation of all bathrooms, locker rooms and cafeteria at Schaumburg High School; renovation of all bathrooms at James B. Conant High School; paving work at all schools; media center and sports field renovations at multiple buildings; and track and turf replacement at two schools. Projects were at various stages of completion during the year.
- The District made a supplemental payment of \$2.5 million to the Illinois Municipal Retirement Fund (IMRF) to pay down its outstanding pension obligation with this agency.
- The District maintained a balanced budget and adequate fund balance in accordance with the District's Operating Fund Balance policy.
- The District achieved Financial Recognition status with the highest ranking of a 4.0 Financial Profile Score from the Illinois State Board of Education, based upon the 2017 Annual Financial Report data.
- The District received the Certificate of Excellence Award in Financial Reporting for the fiscal year ended June 30, 2017 from ASBO International. This award reflects the District's commitment to the highest standards of school system financial reporting.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and

MANAGEMENT'S DISCUSSION AND ANALYSIS (See Auditors' Report)

expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District's governmental activities include instructional services (regular education, special education and other), supporting services, operations and maintenance of facilities and transportation services.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and fiduciary funds (the District maintains no proprietary funds).

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a school district's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General Fund (Educational and Working Cash combined per GASB Statement No. 54), Operations and Maintenance Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Debt Service Fund, Capital Projects Fund, and Fire Prevention and Life Safety Fund. All seven funds are considered to be major funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison schedule has been provided for each fund to demonstrate compliance with this budget.

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that for the government-wide financial statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS (See Auditors' Report)
Notes to basic financial statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its non-certified employees.

District-wide Financial Analysis

The District's combined net position as of June 30, 2018 decreased \$6.8 million or 3.8 percent to \$171.1 million from the prior year (after the effects of the restatement of beginning net position for the implementation of GASB Statement No. 75).

Table 1			
<i>Condensed Statement of Net Position (in millions of dollars)</i>			
	2018	2017*	% Inc. (Dec.)
Current and other assets	\$233.7	\$244.2	(4.3)
Net pension asset	4.3	-	100.0
Capital assets	218.7	208.3	5.0
Total assets	456.7	452.5	0.9
Total deferred outflows of resources	11.1	20.5	(45.9)
Long-term debt outstanding	142.3	67.2	111.8
Other liabilities	14.0	16.9	(17.2)
Total liabilities	156.3	84.1	85.9
Total deferred inflows of resources	140.5	104.7	34.2
Net investment in capital assets	218.6	205.3	6.5
Restricted	30.5	29.1	4.8
Unrestricted	(78.0)	49.8	(256.6)
Total net position	\$171.1	\$284.2	(39.8)
<i>*Prior year information has not been restated for the District's implementation of GASB Statement No. 75 in fiscal year 2018.</i>			


MANAGEMENT'S DISCUSSION AND ANALYSIS (See Auditors' Report)

The decrease in current and other assets in fiscal year 2018 of \$10.5 million or 4.3 percent was due primarily to a decrease in cash and investments resulting from increased spending on capital projects. The District's fiscal year 2018 long-term debt outstanding includes a liability of \$121.7 million for other post-employment benefits (OPEB) relating to the Teachers' Health Insurance Security Fund (THIS). GASB Statement No. 75 required the District to record a pro-rated share of the State's liability for THIS. The program covers retiree health insurance for certified staff covered by the Teachers' Retirement System. The State has full control of this system and sets the benefits, premiums and contribution rates for the District and employees. The District pays 100% of the contribution set by the State and is unable to pay down this liability.

Table 2, Changes in Net Position, illustrates in summary form revenues and expenses from fiscal year 2018 and the increase in net position. Comparative data from fiscal year 2017 is also illustrated.

Table 2				
<i>Changes in Net Position from Operating Results (in millions of dollars)</i>				
	Governmental Activities 2018	% of Total	Governmental Activities 2017*	% Inc. (Dec.)
Revenues				
Program revenues				
Charges for services	\$7.9	2.4	\$7.5	2.3
Operating Grants and Contributions	94.2	28.3	101.5	30.6
General revenues				
Property Taxes	216.1	65.0	213.5	64.4
State formula aid	10.8	3.3	6.7	2.1
Other	3.4	1.0	2.1	0.1
Total revenues	\$332.4	100.0	\$331.3	100.0
Expenses				
Instruction	\$235.1	69.3	\$224.1	67.8
Pupil and Instructional Services	25.2	7.4	28.1	8.5
Administration and Business	23.4	6.9	23.8	7.2
Operations and Maintenance	37.5	11.1	37.0	11.2
Transportation	12.4	3.7	12.2	3.7
Other	5.6	1.6	5.4	1.6
Total expenses	\$339.2	100.0	\$330.6	100.0
Increase (decrease) in net position	(\$6.8)		\$0.7	
Net Position				
Net Position - beginning	\$177.9		\$283.5	
Net Position - ending	\$171.1		\$284.2	

*Prior year information has not been restated for the District's implementation of GASB Statement No. 75 in fiscal year 2017.

Revenues for the District's governmental activities were \$332.4 million and total expenses were \$339.2 million, resulting in net position decreasing \$6.8 million in 2018. This unfavorable change in net position reflects the implementation of GASB 75, under which the district recorded \$8.7 million of expense relating to OPEB plans. The District's finances are solid and stable, credited both to an established real estate tax base and budgetary controls put in place by the Board of Education.

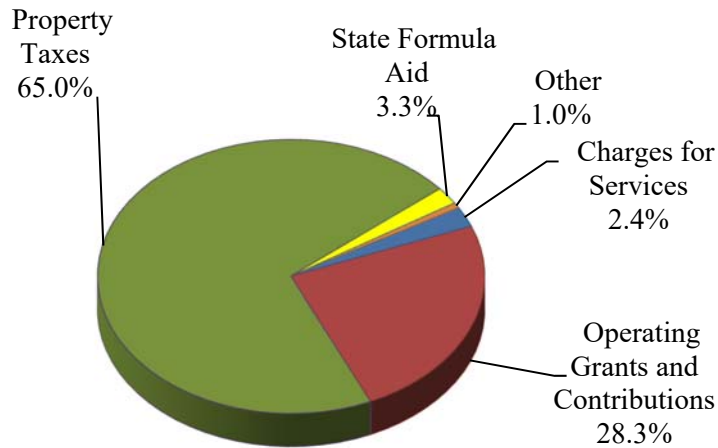
Property taxes accounted for the largest portion of the District's revenue, contributing 65 percent despite the fact that property tax appeals continue to result in refund losses assessed against current year tax



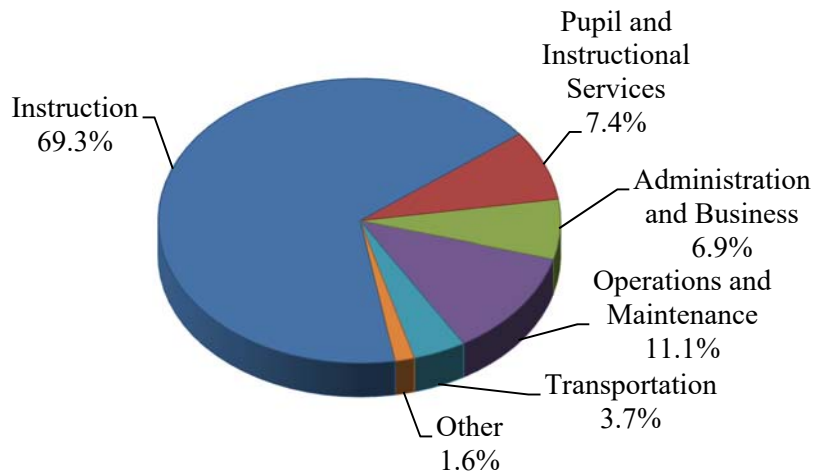
MANAGEMENT’S DISCUSSION AND ANALYSIS (See Auditors’ Report)

collections. The remainder of revenue came from state and federal aid for specific programs and fees charged for services and miscellaneous sources. The total cost of all District programs and services was \$339.2 million, a 2.6% increase over the prior year. The District’s expenses are predominately related to instructing, caring for (pupil services), and transporting students (80.0 percent). The District’s administrative and business activities accounted for 6.8 percent of total costs. Approximately \$80 million of the total expenses is due to State Retirement Contributions expense. These expenses are offset 100% by State Contributions Revenue.

District-Wide Revenues by Source - 2018



District-Wide Expenses by Function - 2018



MANAGEMENT'S DISCUSSION AND ANALYSIS (See Auditors' Report)

Table 3, Net Cost of Governmental Activities, illustrates in summary form the net costs (total cost less fees generated by the activities and intergovernmental aid provided for specific programs) for each of the District's major activities from fiscal year 2018. Comparative data from fiscal year 2017 is also illustrated. The net cost shows the financial impact placed on the District's taxpayers by each of these functions.

Table 3				
<i>Net Cost of Governmental Activities (in millions of dollars)</i>				
	<u>Total Cost</u>	<u>Net Cost</u>	<u>Total Cost</u>	<u>Net Cost</u>
	<u>of Services</u>	<u>of Services</u>	<u>of Services</u>	<u>of Services</u>
	<u>2018</u>		<u>2017</u>	
Instruction	\$235.1	\$143.9	\$224.1	\$126.2
Pupil and Instructional Services	25.2	24.9	28.1	27.9
Administration and Business	23.4	18.0	23.8	18.2
Operations and Maintenance	37.5	37.1	37.0	36.3
Transportation	12.4	7.6	12.2	7.7
Other	5.6	5.6	5.4	5.4
Total	\$339.2	\$237.1	\$330.6	\$221.7

- The cost of all governmental activities this year was \$339.2 million.
- Some of the cost was financed by the users of the District's programs (\$7.9 million).
- The federal and state governments subsidized certain programs with grants and contributions (\$94.2 million).
- Most of the District's costs (\$216.1 million), however, were financed by property taxes.

Financial Analysis of the District's Funds

The District's governmental funds reported fiscal year 2018 combined fund balances of \$112.5 million. This is a decrease from last year's ending fund balance of \$10.4 million and is attributed primarily to a planned increase in capital outlay.

The fund balance in the General Fund decreased over \$21.7 million. Transfers of \$31.3 million in reserves to other funds during the year for use in funding capital projects, fire prevention and life safety projects, capital leases and debt abatement were offset by revenues in excess of expenditures of \$9.6 million. State funding was higher than anticipated due to changes in the funding formula payment method.

MANAGEMENT'S DISCUSSION AND ANALYSIS (See Auditors' Report)

The Operations and Maintenance fund balance decreased \$3.7 million during fiscal 2018. Transfers to the capital project fund of \$6.6 million were offset by an operating surplus of \$2.9 million. Lower than anticipated purchased services, supplies and salaries/benefits contributed to the surplus.

Fund balance in the Transportation Fund decreased \$0.5 million during fiscal 2018, mainly due to the transfer of \$1.5 million to the Operations and Maintenance Fund. Eleven new school buses and twelve new vans were purchased during the year at a cost of over \$1.1 million.

Property taxes and corporate personal property taxes were the primary source of revenue for the Municipal Retirement/Social Security Fund for the year. Actual revenues came in close to budget. Expenditures in this fund were in excess of revenues by almost \$1 million and resulted from a supplemental payment of \$2.5 million to the Illinois Municipal Retirement Fund to reduce the District's unfunded pension liability with this agency. This supplemental payment was budgeted for \$2 million and approved by a resolution of the Board of Education for \$2.5 million.

The reported deficit in the Debt Service Fund of \$3.4 million (before transfers) was partially attributed to the planned levy abatement for the 2016 levy. As operating fund balances remain sound, the Board of Education approved continuation of a tax levy abatement plan that began in 2007. Through the 2016 levy, the Board of Education has reduced the Debt Service Levy by \$33.4 million by using existing Working Cash Fund reserves and Debt Service fund balance reserves to pay a portion of outstanding bonds.

In addition, the Debt Service Fund recognized over \$0.4 million of expense for the principal and interest payments on capital leases relating to the iPads supporting the 1-to-1 program. These capital leases were paid by a transfer from the General Fund.

The fund balance in the Capital Projects Fund increased \$14.8 million over the year. Transfers of reserves from operating funds of \$32.8 million were in excess of \$18.1 million in capital expenditures in the current year. Fund balance will be used to cover future projects in this fund. Major capital projects accounted for in this fund include renovations to sports field renovations at multiple schools; all bathrooms, locker rooms and cafeteria at Schaumburg High School; track and turf replacement at two schools, and media center renovations at two schools.

Fund balance in the Fire Prevention and Life Safety Fund increased \$1.9 million during fiscal 2018. A transfer of \$3.5 million from the General Fund was offset by life safety work completed at Fremd High Schools in the amount of \$1.5 million.

General Fund Budgetary Highlights

The 2017-2018 budget was adopted by the Board of Education in September 2017. For 2017-2018, the largest category of revenue is local property taxes and reflected a \$0.5 million favorable budget position due to lower than anticipated refunds of property taxes in prior levy years. Overall, the General Fund revenue ended the year with a favorable \$33.9 million over-budget condition. However, \$29.6 million of this increase is attributable to the TRS on-behalf payments from the state being higher than anticipated. Expenditures were similarly over-budget in this category.

MANAGEMENT'S DISCUSSION AND ANALYSIS (See Auditors' Report)

School districts and units of local government across Cook County continue to lose millions of dollars in property tax revenue every year from refunds resulting from assessment valuation challenges brought before the Illinois Property Tax Appeal Board or circuit court, exemption decisions of the Illinois Department of Revenue, or certificates of error issued by local assessing officials. Despite levies that are being properly approved and statutorily limited, schools and local governments do not receive the full amount of their extensions because taxpayers have won or settled these over-assessment or exemption cases for prior tax years. These refunds for assessment errors and exemptions in prior years are taken out of current collections, leaving schools and local governments with less property tax revenue than they are legally entitled to each year. District 211 recognized refund losses of \$7.6 million during the 2017-2018 fiscal year.

Evidenced based funding and other state aid reflected a \$32.3 million over-budget condition and was due primarily to the TRS on-behalf payments which were \$29.6 million more than budgeted. Federal aid reflected a \$0.3 million over-budget condition and was due to receipt of unbudgeted aid such as USDA Food Commodities, as well as higher than anticipated receipts for the Title II – Teacher Quality grant.

For 2017-2018, total expenditures were \$28.4 million over budget. An unfavorable variance in the amount of \$29.6 million was recognized relating to under-budgeting the expense of TRS on-behalf payments by the State of Illinois. As discussed earlier, the reverse over budget condition offsets this in revenue. A positive budget balance in purchased services and supplies was due in part to timing of appropriations and bid savings on contracted services and supply items.

Capital Asset and Debt Administration

Table 4 illustrates capital assets, net of depreciation. By the end of 2018, the District had invested \$218.7 million in a broad range of capital assets, including school buildings, building improvements, vehicles, and equipment. This amount represents a net increase of \$10.4 million from the prior year. (More detailed information about capital assets can be found in Note D to the financial statements.)

	Governmental Activities	Governmental Activities
	<u>2018</u>	<u>2017</u>
Land	\$1.5	\$1.5
Construction in progress	9.8	11.9
Depreciable buildings, property, and equipment, net	207.4	194.9
Total	\$218.7	\$208.3

MANAGEMENT'S DISCUSSION AND ANALYSIS (See Auditors' Report)
Long-Term Debt

At year-end, the District had \$142.3 million in general obligation bonds and other long-term debt outstanding as shown in Table 5. (More detailed information about the District's long-term liabilities is presented in Note F to the financial statements.)

	Total School District	Total School District
	<u>2018</u>	<u>2017</u>
General Obligation Bonds	\$0.0	\$3.0
Unamortized Premium	-	-
Capital Lease	0.4	0.9
TRS Net Pension Liability	15.3	16.7
IMRF Net Pension Liability	-	25.2
Other Postemployment Benefits - D211	3.1	3.1
Other Postemployment Benefits - THIS	121.7	123.7
Compensated Absences	1.8	1.7
Total	\$142.3	\$174.3
<i>As of June 30, 2018, the IMRF net pension liability became a net pension asset of \$4.3 million.</i>		

- The District paid off its bonded debt, retiring \$3.0 million of outstanding general obligation bonds.
- The District has one outstanding capital lease for the financing of iPad devices at year end.

Factors Bearing on the District's Future

The following are significant issues that may affect the District's financial health in the future.

- Property tax growth for the District is limited under the Property Tax Extension Limitation Law. For the 2018 levy, property tax increases will be limited to CPI of 2.1% plus new property growth.
- Collective bargaining agreements for teachers, teacher assistants, and support staff personnel groups were in place through June 30, 2018. A tentative agreement for new four-year teacher contract has been reached and is pending formal Board of Education approval as of the date of this report. Negotiations with the support staff group continue.
- During fiscal 2018, the Board of Education authorized the sale of 62 acres of land owned by the District for the sum of \$20.5 million. This transaction, which will provide a net gain to the District of almost \$20 million, is expected to close in the spring of 2019.
- Pension obligations for certificated employees, including teachers and administrators, are funded by the state and active members of the Illinois Teachers' Retirement System. The State of Illinois continues its' long-standing debate on pensions and the need for funding reforms to address an increasing unfunded liability in the system. Currently, employers are mandated to contribute 0.58% of all creditable salary earnings to the Teachers' Retirement System. Due to

MANAGEMENT'S DISCUSSION AND ANALYSIS (See Auditors' Report)

the complexities of the pension system and various funding reform issues being discussed in the legislature, added employer contributions may be a future consideration.

- Each student in the District is issued an iPad as a collaborative learning device. Currently these devices are 100% funded by the District at an annual cost of approximately \$1.2 million. Alternative funding strategies are being explored.
- In August 2016, the District adopted a new strategic plan which included input from the community. Implementation of the plan may have an impact on future years.
- Student enrollment within the District is projected to increase slightly.
- The District entered into a three-year collective bargaining agreement with the Operations and Maintenance staff effective July 1, 2016.
- In the fall of 2017, the District made its final payment on its outstanding bonded debt. The District has no current plans to issue additional debt. Future capital projects, including life/safety projects, are planned to be financed through reserves.
- The District continued to pay down its outstanding IMRF pension obligation with a \$2.5 million supplemental payment to IMRF as approved by the Board of Education subsequent to year end. A supplemental payment of \$2 million is planned for each of the next 5 years.
- The District has 12 Tax Increment Financing Districts within its boundaries at various stages of lifecycle.
- Property tax refunds continue to decrease the District's largest revenue source.

Contacting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Business Office, Township High School District 211, 1750 South Roselle Road, Palatine, Illinois 60067.

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Township High School District 211
STATEMENT OF NET POSITION
As of June 30, 2018

ASSETS	2018
Cash and investments	\$ 121,884,172
Receivables (net of allowance for uncollectibles):	
Interest	430,970
Property Taxes	103,873,730
Replacement Taxes	462,810
Accounts	214,403
Intergovernmental	3,425,901
Inventory	2,714,025
Prepaid items	469,330
Other current assets	249,648
Net Pension Asset	4,345,304
Capital assets:	
Land	1,456,291
Construction in progress	9,763,634
Depreciable buildings, property, and equipment, net	207,459,102
Total assets	456,749,320
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions and other post employment benefits	11,138,420
Total deferred outflows of resources	11,138,420
 LIABILITIES	
Accounts Payable	9,488,825
Salaries and wages payable	1,489,264
Claims payable	1,880,776
Unearned revenue	1,099,173
Long-term liabilities:	
Due within one year	2,205,814
Due after one year	140,114,119
Total liabilities	156,277,971
 DEFERRED INFLOWS OF RESOURCES	
Property taxes levied for a future period	104,808,466
Deferred inflows related to pensions and other post employment benefits	35,674,255
Total deferred inflows of resources	140,482,721
 NET POSITION	
Net investment in capital assets	218,679,027
Restricted for:	
Operations and maintenance	14,630,082
Debt service	12,148
Student transportation	6,877,073
Retirement benefits	6,841,359
Capital projects	2,142,220
Unrestricted	(78,054,861)
Total net position	\$ 171,127,048

The accompanying notes to the basic financial statements are an integral part of this statement.

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Township High School District 211
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended June 30, 2018

Functions/Programs	Expenses	PROGRAM REVENUES		2018
		Charges for Services	Operating Grants and Contributions	Net (Expenses) Revenue and Changes in Net Position
Governmental activities				
Instruction:				
Regular programs	\$ 88,371,056	\$ 1,349,973	\$ 16,301	\$ (87,004,782)
Special programs	35,238,014	34,576	5,743,671	(29,459,767)
Other instructional programs	31,544,424	2,849,262	1,278,285	(27,416,877)
State retirement contributions	79,932,635	-	79,932,635	-
Support services:				
Pupils	22,115,774	-	-	(22,115,774)
Instructional staff	3,148,932	-	289,179	(2,859,753)
General administration	4,665,167	-	-	(4,665,167)
School administration	10,913,503	-	-	(10,913,503)
Business	7,800,968	3,044,496	2,438,580	(2,317,892)
Transportation	12,372,429	225,183	4,500,244	(7,647,002)
Operations and maintenance	37,493,849	373,680	-	(37,120,169)
Central	5,586,128	-	-	(5,586,128)
Other supporting services	2,347	-	-	(2,347)
Community services	9,488	-	-	(9,488)
Interest on long-term debt	9,113	-	-	(9,113)
Total governmental activities	\$ 339,203,827	\$ 7,877,170	\$ 94,198,895	(237,127,762)
General Revenues:				
Taxes:				
Real estate taxes, levied for general purposes				167,979,442
Real estate taxes, levied for specific purposes				44,983,296
Real estate taxes, levied for debt purposes				-
Real estate taxes, TIF surplus				429,084
Personal property replacement taxes				2,716,238
State aid-formula grants				10,837,588
Investment earnings				1,929,037
Miscellaneous				<u>1,411,186</u>
Total general revenues				<u>230,285,871</u>
Change in net position				(6,841,891)
Net position, beginning of year (as restated)				<u>177,968,939</u>
Net position, end of year				<u>\$ 171,127,048</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

Township High School District 211
Governmental Funds
BALANCE SHEET
As of June 30, 2018
With Comparative Totals as of June 30, 2017

	General	Operations and Maintenance	Transportation	Municipal Retirement/ Social Security
ASSETS				
Cash and investments	\$ 78,422,683	\$ 16,569,746	\$ 5,807,757	\$ 4,963,740
Receivables (net of allowance for uncollectibles):				
Interest	345,943	54,429	15,718	14,880
Property taxes	81,837,270	13,457,692	3,964,134	4,614,634
Replacement taxes	-	-	-	462,810
Accounts	40,214	174,189	-	-
Intergovernmental	2,298,753	-	1,127,148	-
Due from other funds	1,022	140,428	199,514	-
Inventory	2,714,025	-	-	-
Prepaid items	85,333	315,978	68,019	-
Other current assets	249,648	-	-	-
Total assets	<u>\$ 165,994,891</u>	<u>\$ 30,712,462</u>	<u>\$ 11,182,290</u>	<u>\$ 10,056,064</u>
LIABILITIES				
Accounts payable	\$ 4,154,714	\$ 1,376,266	\$ 195,154	\$ 35,500
Salaries and wages payable	963,612	41,393	113,584	370,675
Payroll deductions payable	-	-	-	-
Due to other funds	339,932	231,881	-	1,022
Claims payable	1,880,776	-	-	-
Unearned revenue	249,173	850,000	-	-
Total liabilities	<u>7,588,207</u>	<u>2,499,540</u>	<u>308,738</u>	<u>407,197</u>
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for a future period	82,572,388	13,582,841	3,996,479	4,656,758
Unavailable revenue	1,338,309	27,706	1,133,538	6,478
Total deferred inflows of resources	<u>83,910,697</u>	<u>13,610,547</u>	<u>5,130,017</u>	<u>4,663,236</u>
FUND BALANCES				
Non-spendable fund balance:				
Inventory	2,714,025	-	-	-
Prepaid items	85,333	315,978	68,019	-
Deposits	249,648	-	-	-
Restricted fund balance	-	14,286,397	5,675,516	4,985,631
Committed fund balance	4,200,000	-	-	-
Assigned fund balance:				
For transfer to debt service fund	-	-	-	-
For capital projects	-	-	-	-
For transfer to operations and maintenance fund	-	-	-	-
For transfer to life safety fund	-	-	-	-
Unassigned fund balance (deficit)	67,246,981	-	-	-
Total fund balance	<u>74,495,987</u>	<u>14,602,375</u>	<u>5,743,535</u>	<u>4,985,631</u>
Total liabilities and fund balance	<u>\$ 165,994,891</u>	<u>\$ 30,712,462</u>	<u>\$ 11,182,290</u>	<u>\$ 10,056,064</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

<u>Debt Service</u>	<u>Capital Projects</u>	<u>Fire Prevention and Life Safety</u>	<u>Total</u>	
			<u>2018</u>	<u>2017</u>
\$ 24,312	\$ 13,028,232	\$ 3,067,702	\$ 121,884,172	\$ 133,048,321
-	-	-	430,970	103,455
-	-	-	103,873,730	99,360,423
-	-	-	462,810	521,379
-	-	-	214,403	82,926
-	-	-	3,425,901	6,836,955
-	231,871	-	572,835	-
-	-	-	2,714,025	3,600,715
-	-	-	469,330	489,098
-	-	-	249,648	150,000
<u>\$ 24,312</u>	<u>\$ 13,260,103</u>	<u>\$ 3,067,702</u>	<u>\$ 234,297,824</u>	<u>\$ 244,193,272</u>
\$ 12,164	\$ 2,789,545	\$ 925,482	\$ 9,488,825	\$ 13,656,910
-	-	-	1,489,264	1,128,014
-	-	-	-	78,417
-	-	-	572,835	-
-	-	-	1,880,776	1,722,520
-	-	-	1,099,173	269,427
<u>12,164</u>	<u>2,789,545</u>	<u>925,482</u>	<u>14,530,873</u>	<u>16,855,289</u>
-	-	-	104,808,466	101,137,976
-	-	-	2,506,031	3,330,571
-	-	-	107,314,497	104,468,547
-	-	-	2,714,025	3,600,715
-	-	-	469,330	489,098
-	-	-	249,648	150,000
12,148	-	2,142,220	27,101,912	30,616,264
-	-	-	4,200,000	-
-	-	-	-	3,137,000
-	10,470,558	-	10,470,558	-
-	-	-	-	19,000,000
-	-	-	-	500,000
-	-	-	67,246,981	65,376,360
<u>12,148</u>	<u>10,470,558</u>	<u>2,142,220</u>	<u>112,452,454</u>	<u>122,869,436</u>
<u>\$ 24,312</u>	<u>\$ 13,260,103</u>	<u>\$ 3,067,702</u>	<u>\$ 234,297,824</u>	<u>\$ 244,193,272</u>

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Township High School District 211
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL
 FUNDS TO THE STATEMENT OF NET POSITION**
For the Fiscal Year Ended June 30, 2018

Total fund balances - governmental funds \$ 112,452,454

Amounts reported for governmental activities in the statement of net position are different because:

Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet. 218,679,027

Certain revenues receivable by the District and recognized in the statement of net position do not provide current financial resources and are deferred in the governmental fund balance sheet, as follows:

Interest revenue	225,666	
State and federal aid	<u>2,280,365</u>	
		2,506,031

The net pension asset does not require the expenditure of financial resources and, therefore, is not reported in the governmental funds balance sheet. 4,345,304

Deferred outflows of resources related to pensions and other post employment benefits do not relate to current financial resources and are not included in the governmental funds balance sheet. 11,138,420

Deferred inflows of resources related to pensions and other post employment benefits do not relate to current financial resources and are not included in the governmental funds balance sheet. (35,674,255)

Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly are not included in the governmental fund balance sheet, as follows:

Capital lease	\$ (433,118)	
Net pension liability	(15,255,759)	
Net other post employment benefits liability	(124,858,360)	
Unamortized premium	-	
Compensated absences	<u>(1,772,696)</u>	
		<u>(142,319,933)</u>

Net position of governmental activities \$ 171,127,048

The accompanying notes to the basic financial statements are an integral part of this statement.

Township High School District 211
Governmental Funds
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 2018
With Comparative Actual Totals for the Fiscal Year Ended June 30, 2017

	General	Operations and Maintenance	Transportation	Municipal Retirement/ Social Security
Revenues				
Property taxes	\$ 168,067,104	\$ 27,754,045	\$ 7,763,613	\$ 9,465,638
Replacement taxes	1,124,807	350,000	-	1,241,431
State aid	94,331,542	-	4,426,681	-
Federal aid	7,267,518	-	-	-
Interest	1,275,317	239,529	85,708	85,355
Other	8,314,555	1,001,206	225,679	-
Total revenues	<u>280,380,843</u>	<u>29,344,780</u>	<u>12,501,681</u>	<u>10,792,424</u>
Expenditures (Current)				
Instruction:				
Regular programs	80,839,019	-	-	1,322,519
Special programs	24,388,669	-	-	1,466,958
Other instructional programs	28,876,576	-	-	787,019
State retirement contributions	79,932,635	-	-	-
Support services:				
Pupils	20,267,793	-	-	874,893
Instructional staff	4,176,694	-	-	182,579
General administration	1,955,869	-	-	2,571,096
School administration	10,112,360	-	-	585,707
Business	7,137,109	-	-	577,770
Transportation	-	-	10,439,208	1,055,725
Operations and maintenance	-	22,655,820	-	1,966,282
Central	4,460,036	-	-	382,260
Other supporting services	2,347	-	-	-
Community services:				
Other	9,488	-	-	-
Payments to other districts and government units	8,053,064	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	534,617	3,755,935	1,110,994	-
Total expenditures	<u>270,746,276</u>	<u>26,411,755</u>	<u>11,550,202</u>	<u>11,772,808</u>
Excess (deficiency) of revenues over expenditures	<u>9,634,567</u>	<u>2,933,025</u>	<u>951,479</u>	<u>(980,384)</u>
Other financing sources (uses)				
Transfers in	-	26,200,000	-	-
Transfers (out)	(30,900,000)	(32,800,000)	(1,500,000)	-
Transfer of principal on leases	(429,170)	-	-	-
Transfer of interest on leases	(7,933)	-	-	-
Total other financing sources (uses)	<u>(31,337,103)</u>	<u>(6,600,000)</u>	<u>(1,500,000)</u>	<u>-</u>
Net change in fund balance	(21,702,536)	(3,666,975)	(548,521)	(980,384)
Fund balance (deficit), beginning of year	<u>96,198,523</u>	<u>18,269,350</u>	<u>6,292,056</u>	<u>5,966,015</u>
Fund balance, end of year	<u>\$ 74,495,987</u>	<u>\$ 14,602,375</u>	<u>\$ 5,743,535</u>	<u>\$ 4,985,631</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Life Safety	Total	
			2018	2017
\$ (87,662)	\$ -	\$ -	\$ 212,962,738	\$ 209,529,187
-	-	-	2,716,238	3,679,677
-	-	-	98,758,223	100,621,171
-	-	-	7,267,518	7,247,665
2,459	70,726	5,224	1,764,318	897,321
176,000	-	-	9,717,440	9,092,711
<u>90,797</u>	<u>70,726</u>	<u>5,224</u>	<u>333,186,475</u>	<u>331,067,732</u>
-	-	-	82,161,538	80,212,450
-	-	-	25,855,627	25,583,344
-	-	-	29,663,595	27,691,906
-	-	-	79,932,635	83,345,965
-	-	-	21,142,686	20,723,888
-	-	-	4,359,273	4,544,274
-	-	-	4,526,965	5,388,572
-	-	-	10,698,067	10,783,115
-	-	-	7,714,879	7,573,899
-	-	-	11,494,933	11,133,567
-	-	22,040	24,644,142	25,046,823
-	-	-	4,842,296	4,711,687
-	-	-	2,347	2,145
-	-	-	-	-
-	-	-	9,488	14,367
-	-	-	8,053,064	7,969,446
3,449,170	-	-	3,449,170	3,635,258
23,033	-	-	23,033	59,721
-	18,072,387	1,555,786	25,029,719	27,778,193
<u>3,472,203</u>	<u>18,072,387</u>	<u>1,577,826</u>	<u>343,603,457</u>	<u>346,198,620</u>
<u>(3,381,406)</u>	<u>(18,001,661)</u>	<u>(1,572,602)</u>	<u>(10,416,982)</u>	<u>(15,130,888)</u>
2,700,000	32,800,000	3,500,000	65,200,000	33,000,000
-	-	-	(65,200,000)	(33,000,000)
429,170	-	-	-	-
7,933	-	-	-	-
<u>3,137,103</u>	<u>32,800,000</u>	<u>3,500,000</u>	<u>-</u>	<u>-</u>
(244,303)	14,798,339	1,927,398	(10,416,982)	(15,130,888)
<u>256,451</u>	<u>(4,327,781)</u>	<u>214,822</u>	<u>122,869,436</u>	<u>138,000,324</u>
<u>\$ 12,148</u>	<u>\$ 10,470,558</u>	<u>\$ 2,142,220</u>	<u>\$ 112,452,454</u>	<u>\$ 122,869,436</u>

Township High School District 211
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**
For the Fiscal Year Ended June 30, 2018

Net change in fund balances - total governmental funds.		\$ (10,416,982)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period:		
Capital outlay	\$ 25,029,719	
Depreciation expense	<u>(14,298,800)</u>	10,730,919
The net effect of various miscellaneous transactions involving capital assets, (sale, disposal, transfer, etc.) is to decrease net position.		
		(381,239)
The net effect of changes involving the net pension asset is to increase net position.		
		4,345,304
Certain revenues included in the Statement of Activities do not provide current financial resources and, therefore, are deferred in the fund statements:		
Interest revenue	\$ 164,716	
State and federal aid	<u>(989,257)</u>	(824,541)
Governmental funds report the effects of premiums, discounts, and similar items when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. This is the amount of the current year, net effect of these differences.		
		11,404
Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds.		
		2,516
In the statement of activities, operating expenses are measured by the amounts incurred during the year. However, certain expenditures are included in the governmental funds only to the extent that they require the expenditure of current financial resources:		
Compensated absences	\$ (50,220)	
Net pension liability	26,687,261	
Net other post retirement benefits liability	1,939,845	
Deferred outflows of resources due to pensions	(14,120,186)	
Deferred inflows of resources due to pensions	(17,531,072)	
Deferred outflows of resources due to other post employment benefit	3,877,032	
Deferred inflows of resources due to other post employment benefits	<u>(14,561,102)</u>	(13,758,442)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.		
		<u>3,449,170</u>
Change in net position of governmental activities.		<u>\$ (6,841,891)</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

Township High School District 211
Agency Fund
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
As of June 30, 2018

	Student Activity Fund
ASSETS	
Cash and investments	<u>\$ 2,261,919</u>
Accounts Receivable	<u>(20,422)</u>
Total Assets	<u><u>\$ 2,241,497</u></u>
LIABILITIES	
Due to student groups	<u>\$ 2,241,497</u>
Total Liabilities	<u><u>\$ 2,241,497</u></u>

The accompanying notes to the basic financial statements are an integral part of this statement.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Township High School District No. 211 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

1. Fund Accounting

The accounts of the District are organized on the basis of funds. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related and contractual provisions. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund balance, revenues and expenditures. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds are classified into the following categories: governmental and fiduciary.

Governmental funds are used to account for all or most of the District's general activities including the collection and disbursement of earmarked monies (special revenue funds), the servicing of general long-term debt (debt service fund), and the acquisitions or construction of major capital facilities (capital projects fund). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District.

2. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expense of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit for goods, services, or privileges provided by a given function; and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues instead.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

a. General Fund

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund. The General Fund includes the educational accounts and the working cash accounts.

b. Special Revenue Funds

The special revenue funds are used to account for the proceeds of specific revenue sources (other than those accounted for in the Debt Service, Capital Projects, or Fiduciary Funds) that are legally restricted to expenditures for specified purposes.

Each of the District's special revenue funds has been established as a separate fund in accordance with the fund structure required by the State of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's special revenue funds is as follows:

Operations and Maintenance Fund - accounts for expenditures made for operations, repair, and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes.

Transportation Fund - accounts for all revenue and expenditures made for student transportation. Revenues are derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund - accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for noncertificated employees. Revenue to finance contributions is derived primarily from local property taxes and personal property replacement taxes.

c. Debt Service Fund

Debt Service Fund - accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue sources are local property taxes levied specifically for debt service and transfer from the General Fund.

d. Capital Projects Funds

Capital Projects Fund - accounts for financial resources to be used for the acquisition or construction of major capital facilities.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Government-Wide and Fund Financial Statements (Continued)

d. Capital Projects Funds (Continued)

Fire Prevention and Life Safety Fund - accounts for state-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

e. Fiduciary Fund

The fiduciary fund accounts for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments, or other funds.

Student Activity Funds - are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operations. These funds account for assets held by the District which are owned, operated, and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational, or cultural purposes. They account for activities such as student yearbook, student clubs, and student council.

3. Measurement Focus, Basis of Accounting, and Basis of Presentation

In June 2015, the GASB issued statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and No. 57, *OPEB Measurement by Agency Employers and Agent Multiple-Employer Plans*, for OPEB. This standard was implemented July 1, 2017.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues and additions are recorded when earned, and expenses and deductions are recorded when a liability is incurred. Property taxes are recognized as revenues in the year for which they are levied (i.e. intended to finance). Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collectible within the current period and soon enough thereafter to pay liabilities of the current period. The District considers all revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a fund liability is incurred. However, debt service expenditures are recorded only when payment is due, and certain compensated absences and other post-employment benefits are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

3. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

On-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the state to the Teachers' Retirement System and Teachers' Health Insurance Security Fund) have been recognized in the financial statements.

Property taxes, interest, and intergovernmental revenues associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The Governmental Funds report unearned and unavailable revenue in connection with receivables for revenue that does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability or deferred inflow of resources for unearned or unavailable revenue is removed from the balance sheet and revenue is recognized. Governmental Funds also defer revenue recognition in connection with resources received, but not yet earned. At the end of the current fiscal year, the various components of unavailable revenue reported in the governmental funds were as follows:

	<u>Unavailable</u>
Interest income receivable	\$ 225,666
Local state and federal aid receivable	<u>2,280,365</u>
Total unavailable revenue	<u>\$ 2,506,031</u>

4. Budgetary Data

Budgets are adopted on a cash basis of accounting. Annual budgets are adopted at the fund level for the governmental funds. The annual budget is legally enacted and provides for a legal level of control at the fund level. All annual budgets lapse at fiscal year-end.

5. Deposits and Investments

State statutes authorize the District to invest in obligations of the US Treasury, certain highly-rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at fair value. Changes in fair value of investments are included as investment income.

6. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to funds where taxes were automatically abated by the county clerk and the Municipal Retirement/Social Security Fund, with the balance at the discretion of the District.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Inventory

Inventory consists of residential homes held for sale, built by District students as part of the Career Technical Education Program (Building Construction Program), as well as unimproved lots which are held for future development. Inventory is accounted for using the consumption method, and is valued at cost by applying the specific valuation method.

8. Capital Assets

Capital assets, which include land, buildings, and equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$10,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Depreciation of capital assets is provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building improvements	20
Equipment	5 - 20
Vehicles	5

9. Prepaid Items

Prepaid items, primarily insurance premiums and maintenance agreements, are recorded at cost and amortized over the term of the underlying agreements using the consumption method of accounting. Reported prepaid expenditures are equally offset by non-spendable fund balance, which indicate that they do not constitute "available spendable resources" even though they are a component of current assets.

10. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Compensated Absences

Employees who work a twelve-month year are entitled to be compensated for vacation time. Vacations are usually taken within the fiscal year. The entire liability for unused compensated absences is reported on the government-wide financial statements.

For government funds, the current portion of the compensated absences is the amount that is normally expected to be paid using expendable available financial resources. These amounts are recorded in the fund from which the employees who have accumulated vacation leave are paid.

All certified employees receive a specified number of sick days per year in accordance with the agreement between the Board of Education and the Teachers' Union. The District does not compensate for unused sick days; however, unused sick days can be carried forward at the end of each fiscal year. Upon retirement, a certified employee may apply up to 340 days of unused sick leave toward service credit for the Teachers' Retirement System. Ten-month Illinois Municipal Retirement Fund (IMRF) employees receive up to 12 and IMRF 12-month employees receive 15 sick days per year. Upon retirement, IMRF employees are granted one month of service for every 20 days of unused sick leave, not to exceed 240 days (one year of service credit).

12. Comparative Total Data

The financial statements include summarized prior year comparative information. Such information does not constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2017.

13. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. The balance at year end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position. Bonds payable are reported independently of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

14. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position that applies to a future period, and therefore, will not be recognized as an inflow of resources (revenue) until that future time.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Equity Classifications

Equity is classified as net position in the government-wide financial statements and displayed in three components:

Net Investment in Capital Assets - consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets less any unspent debt proceeds.

Restricted net position - consists of net position with constraints placed on their use either by: (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Unrestricted net position - all net position that does not meet the definition of "restricted" or "net investment in capital assets."

When both restricted and unrestricted resources are available for use, the District's policy is to use restricted resources first and then unrestricted resources.

Equity is classified as fund balance in the governmental funds financial statements and displayed in five components:

Non-spendable - includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually.

Restricted - includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, and special revenue funds).

Committed - includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority (the Board of Education). This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Board that originally created the commitment.

Assigned - includes General Fund amounts constrained for a specific purpose by the Board of Education or by an official who has been delegated authority to assign amounts. The Board of Education has declared that the Chief Operating Officer and District Treasurer may assign amounts for a specific purpose. Additionally, all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Equity Classifications (Continued)

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balances may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

All fund balances presented as restricted are for the purpose of each of the respective funds as described above in the Government-Wide and Fund Financial Statements section of this note. At June 30, 2018, the committed fund balance of \$4,200,000 in the General Fund is cash to be used to pay down pension liabilities next fiscal year. The non-spendable fund balances of \$249,648 and \$85,333 at June 30, 2018 in the General Fund represents funds held by vendors as required under contract or for a designated purpose, and prepaid software maintenance contracts, respectively. The non-spendable fund balance of \$315,978 and \$68,019 in the Operations and Maintenance and Transportation Funds, respectively, is for prepaid insurance. Lastly, \$2,714,025 is non-spendable in the General Fund for inventory of student built residential homes held for sale.

In circumstances where an expenditure is to be made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended in the General Fund is as follows: restricted fund balance followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. In all other funds (Special Revenue, Debt Service, Capital Projects), assigned fund balances will be spent first, followed by committed fund balances, and then restricted fund balances.

The District targets an operating fund balance, excluding non-spendable fund balance, of approximately 33% of the next budget year's expenditures, representing approximately 4 months of operations.

16. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

17. Expenditures in Excess of Budget

The General Fund had expenditures in excess of the budgeted amount of \$28,364,176 for the year ended June 30, 2018. This fluctuation is attributable to On-behalf payments to TRS from the State in excess of budget of \$29,642,635. Similarly, On-behalf revenues were over budget by the same amount. The Transportation Fund and Municipal Retirement/Social Security Fund had expenditures in excess of the budget by \$10,102 and \$122,808, respectively. The fund balance in each fund was sufficient to cover the additional expenditures. The Fire Prevention and Life Safety Fund had expenditures in excess of the budget by \$27,826. The excess expenditures were funded by other financing sources.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE B - DEPOSITS AND INVESTMENTS

At June 30, 2018, the District's cash and investments consisted of the following:

	<u>Governmental</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	<u>\$ 121,884,172</u>	<u>\$ 2,261,919</u>	<u>\$ 124,146,091</u>

For disclosure purposes, this amount is classified into the following categories: cash on hand, deposits with financial institutions (which include amounts held in demand accounts, savings accounts, and nonnegotiable certificates of deposit), U.S. Treasuries, and ISDLAF+ Term Series investments.

	<u>Cash</u>	<u>Investments</u>	<u>Total</u>
Cash on hand	\$ 26,600	\$ -	\$ 26,600
Deposits with financial institutions	3,270,735	104,307,831	107,578,566
U.S. Treasuries	-	12,577,792	12,577,792
ISDLAF+ Term Series	-	3,963,133	3,963,133
	<u>\$ 3,297,335</u>	<u>\$ 120,848,756</u>	<u>\$ 124,146,091</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investments detailed in the interest rate risk table below are measured using the market valuation method and Level 2 valuation inputs.

1. **Interest Rate Risk**

The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. The highest return on investments is sought, consistent with the preservation of principal and prudent investment principles. The investment portfolio is required to provide sufficient liquidity to pay District obligations as they come due, considering maturity and marketability. The investment portfolio is also required to be diversified as to maturities and investments, as appropriate to the nature, purpose, and amount of funds. The District will also consider investments in local financial institutions, recognizing their contribution to the community's economic development.

At year end, the District had the following investments:

	<u>Fair Value</u>	<u>Investment Maturity (In Years)</u>			
		<u>Less than one</u>	<u>1 - 5</u>	<u>5 - 10</u>	<u>More than 10</u>
ISDLAF+ Term Series	\$ 3,963,133	\$ 3,963,133	\$ -	\$ -	\$ -
U.S. Treasuries	12,577,792	12,577,792	-	-	-
Total	<u>\$ 16,540,925</u>	<u>\$ 16,540,925</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE B - DEPOSITS AND INVESTMENTS (Continued)

2. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the investments in commercial paper and corporate bonds to the top three rating of two nationally recognized statistical rating organizations (NRSRO's). The District's investment policy authorizes investments in any type of security as permitted by Sections 2 through 6 of the Illinois Public Funds Investment Act.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. The trust is not registered with the SEC as an investment company. Term Series investments are not rated. Investments in ISDLAF+'s Term Series may be redeemed upon seven days' advance notice. Redemption prior to maturity may result in the realization of a loss on the investment, including a penalty in an amount necessary to recoup the Term Series penalty charges, losses and other costs attributable to the early redemption.

3. Concentration of Credit Risk

The District's investment policy requires diversification of the investment portfolio to minimize the risk of loss resulting from overconcentration in a particular type of security, risk factor, issuer, or maturity. The policy requires diversification strategies to be determined and revised periodically by the District Treasurer to meet the District's ongoing need for safety, liquidity, and rate of return.

4. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2018, the bank balance of the District's deposits with financial institutions totaled \$111,484,772, of which \$1,738,356 was uninsured and uncollateralized.

With respect to investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy limits the exposure to investment custodial credit risk by requiring that all investments be secured by private insurance or collateral.

NOTE C - PROPERTY TAX RECEIVABLE

The District must file its tax levy ordinance by the last Tuesday in December of each year. The tax levy ordinance was approved by the Board on December 14, 2017. The District's property tax is levied each year on all taxable real property located in the District, and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE C - PROPERTY TAX RECEIVABLE (Continued)

The Cook County Assessor is responsible for the assessment of all taxable property within Cook County except for certain railroad property, which is assessed directly by the state. One third of the County is reassessed every year by the assessor.

The County Clerk adds the equalized assessed valuation of all real property in the County to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2017 tax levy was \$7,644,713,011.

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments on March 1 and approximately thirty days after the final bills are mailed for the following year. The first installment is an estimated bill, and is 55% of the prior year's tax bill. The second installment is based on the current levy, assessment, and equalization, and any changes from the prior year will be reflected in the second installment bill.

The balance of the 2017 property tax levy not received as of June 30, net of 1% estimated uncollectable, is recorded as a receivable for fiscal 2018. The first installment of the 2017 levy and all receipts for levy years 2016 and prior received within 60 days of June 30 are recognized as revenue and are used to finance operations in fiscal 2018. The second installment of the 2017 levy and any other levy year receipts received after 60 days of June 30 are reflected as a deferred inflow of resources and will be used to finance operations in fiscal 2019.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE D - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2018 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Land	\$ 1,456,291	\$ -	\$ -	\$ 1,456,291
Construction in progress	<u>11,917,835</u>	<u>22,926,979</u>	<u>25,081,180</u>	<u>9,763,634</u>
Total capital assets not being depreciated	<u>13,374,126</u>	<u>22,926,979</u>	<u>25,081,180</u>	<u>11,219,925</u>
Capital assets, being depreciated				
Buildings	297,975,284	23,261,137	462,926	320,773,495
Site improvements	38,037,320	1,299,292	577,600	38,759,012
Equipment	27,854,416	1,512,497	688,373	28,678,540
Vehicles	<u>11,844,900</u>	<u>1,110,994</u>	<u>494,894</u>	<u>12,461,000</u>
Total capital assets being depreciated	<u>375,711,920</u>	<u>27,183,920</u>	<u>2,223,793</u>	<u>400,672,047</u>
Less accumulated depreciation for:				
Buildings	126,216,193	9,120,202	197,897	135,138,498
Site improvements	25,565,595	2,937,481	577,600	27,925,476
Equipment	18,730,676	1,349,920	572,167	19,508,429
Vehicles	<u>10,244,235</u>	<u>891,197</u>	<u>494,890</u>	<u>10,640,542</u>
Total accumulated depreciation	<u>180,756,699</u>	<u>14,298,800</u>	<u>1,842,554</u>	<u>193,212,945</u>
Total capital assets being depreciated, net	<u>194,955,221</u>	<u>12,885,120</u>	<u>381,239</u>	<u>207,459,102</u>
Governmental activities capital assets, net	<u>\$ 208,329,347</u>	<u>\$ 35,812,099</u>	<u>\$ 25,462,419</u>	<u>\$ 218,679,027</u>

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE D - CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions/programs of the District as follows:

Governmental activities

General Government

Regular programs	\$ 62,936
Special programs	4,315
Other instructional programs	121,121
Instructional staff	1,638
Facilities acquisition and construction	12,057,683
Operations and maintenance	520,253
Transportation	891,197
Food services	10,430
Central	<u>629,227</u>
	<u>\$ 14,298,800</u>

As of June 30, 2018 the District had approximately \$9,824,452 in outstanding commitments to contractors relating to construction in progress.

NOTE E - OPERATING LEASES

The District currently rents four schools' stadium light poles and the ground at the base of the light poles for use by five mobile service providers for the operation of antenna facilities. Total rent received under these leases was \$167,860 for the year ended June 30, 2018. Lease terms are for 5 years, with a provision for three 5-year extensions.

Future projected receipts under the operating leases are as follows:

Year ended June 30	Total Future Minimum Lease Receipts
2019	\$ 172,566
2020	177,406
2021	182,385
2022	187,506
2023	<u>192,774</u>
	<u>\$ 912,636</u>

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE F - LONG-TERM LIABILITIES

The following is the long-term liability activity for the District for the year ended June 30, 2018:

	Balance June 30, 2017 (as restated)	Additions	Deletions	Balance June 30, 2018
General obligation bonds	\$ 3,020,000	\$ -	\$ 3,020,000	\$ -
Unamortized premium	<u>11,404</u>	<u>-</u>	<u>11,404</u>	<u>-</u>
Total bonds payable	3,031,404	-	3,031,404	-
Capital lease	862,288	-	429,170	433,118
Net pension liability:				
TRS net pension liability	16,746,115	-	1,490,356	15,255,759
IMRF net pension liability	25,196,905	-	25,196,905	-
Other post employment benefits				
District total OPEB liability	3,088,077	211,937	148,673	3,151,341
THIS total OPEB liability	123,710,128	-	2,003,109	121,707,019
Compensated absences	<u>1,722,476</u>	<u>1,772,696</u>	<u>1,722,476</u>	<u>1,772,696</u>
Total	<u>\$ 174,357,393</u>	<u>\$ 1,984,633</u>	<u>\$ 34,022,093</u>	<u>\$ 142,319,933</u>
	Due within one year			
Capital lease	\$ 433,118			
Compensated absences	<u>1,772,696</u>			
	<u>\$ 2,205,814</u>			

The obligations for the compensated absences, TRS net pension liability and other post-employment benefits will be paid from the General Fund. As of June 30, 2018, the IMRF net pension liability became a net pension asset of \$4,345,304.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE F - LONG-TERM LIABILITIES (Continued)

1. General Obligation Bonds

The summary of activity in bonds payable for the year ended June 30, 2018 is as follows:

	Bonds Payable June 30, 2017	Debt Issued	Debt Retired	Bonds Payable June 30, 2018
School Bonds, Series 2012 (original amount \$9,995,000 due December 2017, interest at 1.0%)	\$ 3,020,000	\$ -	\$ 3,020,000	\$ -
Total	\$ 3,020,000	\$ -	\$ 3,020,000	\$ -

At June 30, 2018, the District had no outstanding bonded debt.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2018, the statutory debt limit for the District was \$527,485,198, of which \$527,052,080 was fully available.

2. Capital Leases

In April 2015, the District entered into a capital lease with Apple, Inc. for the financing of 3,000 iPad devices. The initial obligation of \$1,722,000 will be repaid over 4 years in equal payments of \$437,103 beginning in July 2015. The obligations for these leases will be paid out of the debt service fund. The iPad devices acquired under these lease agreements are not included in capital assets since the individual devices do not meet the District's capitalization threshold.

The future cash flow requirements for these leases are as follows:

Year Ending	Principal	Interest	Total
June 30			
2019	\$ 433,118	\$ 3,985	\$ 437,103
	\$ 433,118	\$ 3,985	\$ 437,103

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE G - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits, worker's compensation claims, theft of, damage to, and destruction of assets, and natural disasters. To protect from the risk associated with worker's compensation claims, property damage and liability exposure, the District participates in a public entity risk pool: Secondary School Cooperative Risk Management Program (SSCRMP). The District pays annual premiums to the pool for insurance coverage. The arrangements with the pool provide that it will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pool. The District has purchased insurance from private insurance companies for life insurance and long-term disability insurance that is provided to District personnel. Premiums have been recorded as expenditures in the appropriate funds. There have been no significant reductions in insurance coverage in any of the past four years.

The District is self-insured for medical and dental coverage that is provided to District personnel. A third-party administrator processes claims for a monthly fee per participant. Expenditures are recorded as incurred in the form of direct contributions from the District to the third-party administrator for payment of employee health claims and administration fees. The District's liability will not exceed certain specified amounts per employee (\$350,000) or in the aggregate (125% of prior year claims), as provided by stop-loss provisions incorporated in the plan.

At June 30, 2018, total unpaid claims, including an estimate of claims that have been incurred but not reported to the administrative agent, totaled \$1,880,776. The estimates are developed based on reports prepared by the administrative agent. For the two years ended June 30, 2017 and June 30, 2018, changes in the liability reported in the General Fund for unpaid claims are summarized below:

	Claims Payable Beginning of Year	Claims and Changes in Estimates	Claims Payments	Claims Payable End of Year
Fiscal Year 2017	\$ 1,217,435	\$ 30,612,383	\$ 30,107,298	\$ 1,722,520
Fiscal Year 2018	\$ 1,722,520	\$ 29,563,804	\$ 29,405,548	\$ 1,880,776

NOTE H - RETIREMENT FUND COMMITMENTS

1. Teachers' Retirement System of the State of Illinois

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost sharing, multiple employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago.

The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action, with the Governor's approval. The State of Illinois maintains primary responsibility for the funding of the plan, but contributions from participating employers and members are also required. The TRS Board of Trustees is responsible for the System's administration.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2018 was 9.0% of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after January 1, 2011. These contributions, which may be paid on behalf of the employees by the employer, are submitted to TRS by the employer.

The State of Illinois makes contributions directly to TRS on behalf of the District's TRS-covered employees.

On-behalf Contributions - The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2018, the State of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$78,653,594 in pension contributions from the State of Illinois.

The District makes other types of employer contributions directly to TRS.

2.2 Formula Contributions - Employers contributed 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2018 were \$628,634, and are deferred because they were paid after the June 30, 2017 measurement date.

Federal and Trust Fund Contributions - When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an additional employer pension contribution from those funds. Under Public Act 100-0340, the federal and special trust fund contribution rate is the total employer normal cost beginning with the year ended June 30, 2018.

For the year ended June 30, 2018, the employer pension contribution was 10.10 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2018, salaries totaling \$534,393 were paid from federal and special trust funds that required employer contribution of \$62,115. These contributions are deferred because they were paid after the June 30, 2018 measurement date.

Salary Increased Over 6% and Excess Sick Leave - Public Act 94-0004 added two additional employer contributions to TRS.

If an employer grants salary increases over 6% and those salaries are used to calculate a retiree's final average salary, the employer makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6%.

For the year ended June 30, 2018, the District incurred \$165 of TRS employer contributions due on salary increases in excess of 6%.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost rate.

For the year ended June 30, 2018, the District incurred \$435 of TRS for sick leave days granted in excess of the normal annual allotment.

TRS Fiduciary Net Position - Detailed information about the TRS's fiduciary net position as of June 30, 2017 is available in the separately issued TRS Comprehensive Annual Financial Report.

Collective Net Pension Liability - At June 30, 2018, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for state pension support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related state support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the collective net pension liability	\$ 15,255,759
State's proportionate share of the collective net pension liability associated with the District	<u>799,201,616</u>
Total	<u><u>\$ 814,457,375</u></u>

The net position liability was measured as of June 30, 2017, and the total pension liability used to calculate the net position liability was determined by an actuarial valuation as of June 30, 2016, and rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2017, the District's proportion was 0.0199687561 percent, which was a decrease of 5.87% from its proportion measured as of June 30, 2016.

Summary of Significant Accounting Policies - For purposes of measuring the collective net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TRS and additions to/deductions from TRS fiduciary net position have been determined on the same basis as they are reported by TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions - The assumptions used to measure the total pension liability in the June 30, 2016 actuarial valuation included (a) 7.0% investment rate of return net of pension plan investment expense, including inflation; (b) projected salary increases varies by amount of service credit; and (c) inflation of 2.50%. The same assumptions were used in the June 30, 2016 actuarial valuation.

Mortality - Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully-generational basis using projection table MP-2014.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Long-Term Expected Real Rate of Return - The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates or arithmetic real rates of return for each major asset class that were used by the actuary are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. equities large cap	14.40%	6.94%
U.S. equities small/mid cap	3.60%	8.09%
International equities developed	14.40%	7.46%
Emerging market equities	3.60%	10.15%
U.S. bonds core	10.70%	2.44%
International debt developed	5.30%	1.70%
Real estate	15.00%	5.44%
Commodities (real return)	11.00%	4.28%
Hedge funds (absolute return)	8.00%	4.16%
Private equity	14.00%	10.63%

Discount Rate - At June 30, 2017, the discount rate used to measure the total pension liability was 7.0 percent, which was a change from the June 30, 2016 rate of 6.83 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2017 was projected to be available to make all projected future benefit payments to current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2016, the discount rate used to measure the total pension liability was 6.83 percent. The discount rate was lower than the actuarially-assumed rate of return on investments that year because TRS's fiduciary net position and the subsidy provided by Tier II were not sufficient to cover all projected benefit payments.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Discount Rate Sensitivity - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.0 percent) or 1 percentage point higher (8.0 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the collective net pension liability	\$ 18,743,692	\$ 15,255,759	\$ 12,398,850

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended June 30, 2017, the District recognized pension expense of \$2,086,519 and on-behalf revenue and expenditures of \$78,653,594 for support provided by the state. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 165,694	\$ 7,042
Net difference between projected and actual earnings on pension plan investments	10,466	-
Changes of assumptions	1,018,212	438,380
Changes in proportion and differences between District contributions and proportionate share of contributions	911,550	1,867,846
District contributions subsequent to the measurement date	690,749	-
Total	\$ 2,796,671	\$ 2,313,268

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

1. Teachers' Retirement System of the State of Illinois (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued) - The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to pensions of (\$207,346) will be recognized in pension expense as follows:

	Year Ending June 30,	Amount
2019		\$ 7,649
2020		339,179
2021		(174,949)
2022		(343,472)
2023		<u>(35,753)</u>
Thereafter		<u>\$ (207,346)</u>

TRS financial information, an explanation of TRS benefits, and descriptions of member, employer, and state funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2017. The report for the year ended June 30, 2018 is expected to be available in late 2018.

The reports may be obtained by writing to the Teachers' Retirement System of the State of Illinois, PO Box 19253, 2815 West Washington Street, Springfield, Illinois 62794-9253. The most current report is also available on the TRS Web site at trs.illinois.gov.

2. Illinois Municipal Retirement Fund

Plan Description - The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The District plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent, multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

All employees hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. Public Act 96-0889 created a second tier for IMRF's Regular Plan. IMRF assigns a benefit tier to a member when he or she is enrolled in IMRF. The tier is determined by the member's first IMRF participation date. If the member first participated in IMRF before January 1, 2011, they participate in *Regular Tier 1*. If the member first participated in IMRF on or after January 1, 2011, they participate in *Regular Tier 2*.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

For *Regular Tier 1*, pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life in an amount equal to 1 2/3% of their final rate (average of the highest 48 consecutive months earnings during the last 10 years) of earnings for each year or credited service up to 15 years and 2% for each year thereafter. For *Regular Tier 2*, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 years of service, or age 62 with 35 years of service are entitled to an annual retirement benefit as described above. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

Plan Membership - At December 31, 2017, the measurement date, membership of the plan was as follows:

Retirees and beneficiaries	1,024
Inactive, non-retired members	833
Active members	<u>1,066</u>
Total	<u><u>2,923</u></u>

Contribution - As set by statute, District employees participating in IMRF are required to contribute 4.50 percent of their annual salary. The statute requires the District to contribute the amount necessary, in addition to the member contributions, to finance the retirement coverage of its own employees. The District's actuarially determined contribution rate for calendar year 2017 was 10.91 percent of annual covered payroll. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability/(Asset) - The net pension liability/(asset) was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

Summary of Significant Accounting Policies - For purposes of measuring the net pension liability/(asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of IMRF and additions to/deductions from IMRF fiduciary net position have been determined on the same basis as they are reported by IMRF. For this purpose, benefit payments (including refunds or employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Actuarial Assumptions - The assumptions used to measure the total pension liability in the December 31, 2017 annual actuarial valuation included (a) 7.5% investment rate of return, (b) projected salary increases from 3.39 to 14.25%, including inflation, and (c) price inflation of 2.5%. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were last updated for the 2017 valuation pursuant to an experience study of the period 2014-2016.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Mortality - For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Long-Term Expected Real Rate of Return - The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Projected Returns/Risk		
	Target Allocation	One Year Arithmetic	Ten Year Geometric
Equities	37.00%	8.30%	6.85%
International equities	18.00%	8.45%	6.75%
Fixed income	28.00%	3.05%	3.00%
Real estate	9.00%	6.90%	5.75%
Alternatives	7.00%		
Private equity		12.45%	7.35%
Hedge funds		5.35%	5.05%
Commodities		4.25%	2.65%
Cash equivalents	1.00%	2.25%	2.25%

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Discount Rate - The discount rate used to measure the total pension liability for IMRF was 7.50%. The discount rate calculated using the December 31, 2016 measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

Discount Rate Sensitivity - The following is a sensitivity analysis of the net pension liability/(asset) to changes in the discount rate. The table below presents the pension liability of the District calculated using the discount rate of 7.50% as well as what the net pension liability/(asset) would be if it were to be calculated using a discount rate that is 1 percentage point lower (6.50%) or 1 percentage point higher (8.50%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 258,508,491	\$ 232,442,732	\$ 210,703,308
Plan fiduciary net position	<u>236,788,036</u>	<u>236,788,036</u>	<u>236,788,036</u>
Net pension liability/(asset)	<u>\$ 21,720,455</u>	<u>\$ (4,345,304)</u>	<u>\$ (26,084,728)</u>

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

Changes in Net Position Liability/(Asset) - The District's changes in net pension liability/(asset) for the calendar year ended December 31, 2017 was as follows:

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2016	\$ 233,554,250	\$ 208,357,345	\$ 25,196,905
Service cost	4,571,895	-	4,571,895
Interest on total pension liability	17,221,010	-	17,221,010
Differences between expected and actual experience of the total pension liability	(2,768,984)	-	(2,768,984)
Change of assumptions	(7,681,983)	-	(7,681,983)
Benefit payments, including refunds of employee contributions	(12,453,456)	(12,453,456)	-
Contributions - employer	-	7,053,486	(7,053,486)
Contributions - employee	-	1,924,345	(1,924,345)
Net investment income	-	37,268,852	(37,268,852)
Other (net transfer)	-	(5,362,536)	5,362,536
Balances at December 31, 2017	<u>\$ 232,442,732</u>	<u>\$ 236,788,036</u>	<u>\$ (4,345,304)</u>

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - For the year ended June 30, 2018, the District recognized pension expense of \$7,026,026. The District reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,272,232	\$ 2,401,720
Assumption changes	31,815	5,584,609
Net difference between projected and actual earnings on pension plan investments	-	10,813,556
Contributions subsequent to the measurement date	2,254,365	-
Total	<u>\$ 3,558,412</u>	<u>\$ 18,799,885</u>

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to pensions of \$(17,495,838) will be recognized in pension expense as follows:

	Year Ending December 31,	Amount
2017		\$ (3,700,136)
2018		(4,238,361)
2019		(5,162,643)
2020		(4,394,698)
2021		-
Thereafter		-
Total		\$ (17,495,838)

3. Social Security/Medicare

Employees not qualifying for coverage under the Illinois Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security/Medicare. The District paid the total required contribution for the current fiscal year.

NOTE I - OTHER POST EMPLOYMENT BENEFITS

1. Teachers' Health Insurance Security (THIS) Fund

Plan Description - The District participates in the Teachers' Health Insurance Security (THIS) Fund, a cost sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants may participate in the state-administered participating provider option plan or choose from several managed care options.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The Illinois Department of Healthcare and Family Services (HFS) and the Illinois Department of Central Management Services (CMS) administer the plan with the cooperation of TRS. The Director of HFS determines the rates and premiums for annuitants and dependent beneficiaries and establishes the cost-sharing parameters. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to the TRS who are not employees of the state to make a contribution to the THIS Fund.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE I - OTHER POST EMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) Fund (Continued)

The percentage of employer required contributions in the future will be determined by the Director of Healthcare and Family Services and will not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year.

On-behalf Contributions to the THIS Fund - The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.18% of pay during the year ended June 30, 2018. State of Illinois contributions were \$1,279,041 and the District recognized revenue and expenditures of this amount during the year.

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.88% totaling \$953,861 during the year ended June 30, 2018.

The publicly available financial report of the THIS Fund may be obtained by writing to the Department of Healthcare and Family Services, 201 S. Grand Avenue, Springfield, Illinois 62763-3838.

Net OPEB Liability - At June 30, 2018, the District reported a liability for its proportionate share of the net OPEB liability (first amount shown below) that reflected a reduction for the state's retiree insurance support provided to the District. The state's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related state support, and the total portion of the net OPEB liability that was associated with the District were as follows:

District's proportionate share of the collective net OPEB liability	\$ 121,707,019
State's proportionate share of the collective net OPEB liability associated with the District	<u>159,831,558</u>
Total	<u><u>\$ 281,538,577</u></u>

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2016, and rolled forward to June 30, 2017. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2017 and 2016, the District's proportion was 0.469008% and 0.452550%, respectively.

Summary of Significant Accounting Policies - For purposes of measuring the collective net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of TRS and additions to/deductions from TRS fiduciary net position have been determined on the same basis as they are reported by TRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE I - OTHER POST EMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) Fund (Continued)

Actuarial Assumptions - The net OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75%
Salary Increases	3.25% to 9.25%
Investment Rate of Return	0.00%
Healthcare Cost Trend Rates - Initial	Non-Medicare - 8.00%; Post-Medicare - 9.00%
	4.50% with additional 0.59% added to non-Medicare
Healthcare Cost Trend Rates - Ultimate	
Fiscal Year the Ultimate Rate is Reached	2020

Mortality - Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. For disabled annuitants, mortality rates were based on the RP-Disabled Annuitant table. Mortality rates for pre-retirement were based on the RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2014.

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2014.

Discount Rate - At June 30, 2017, the discount rate used to measure the total OPEB liability was a blended rate of 3.56%, which was a change from the June 30, 2016 rate of 2.85%. Since THIS is financed on a pay-as-you-go basis, the discount rate is based on the 20-year general obligation bond index.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net OPEB liability calculated using a discount rate of 3.56%, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.56%) or 1-percentage-point higher (4.56%) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the collective net OPEB liability	\$ 146,046,105	\$ 121,707,019	\$ 102,229,373

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (initial rate 7.00% decreasing to an ultimate rate of 4.09% for non-Medicare coverage and initial rate of 8.00% decreasing to an ultimate rate of 3.50% for Medicare coverage) or 1-percentage-point higher (initial rate of 9.00% decreasing to an ultimate rate of 5.50% for Medicare coverage) than the current healthcare cost trend rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 98,228,901	\$ 121,707,019	\$ 155,402,479

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE I - OTHER POST EMPLOYMENT BENEFITS (Continued)

1. Teachers' Health Insurance Security (THIS) Fund (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB -
For the year ended June 30, 2018, the District recognized OPEB expense of \$9,634,832 and on-behalf revenue and expenditures of \$1,279,041 for support provided by the state. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 68,935
Net difference between projected and actual earnings on OPEB plan investments	-	14,490,827
Changes of assumptions	-	1,340
Changes in proportion and differences between District contributions and proportionate share of contributions	3,829,476	
District contributions subsequent to the measurement date	<u>953,861</u>	<u>-</u>
Total	<u>\$ 4,783,337</u>	<u>\$ 14,561,102</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net OPEB liability for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB of (\$10,731,626) will be recognized in OPEB expense as follows:

Year Ending June 30,	Amount
2019	\$ (1,648,612)
2020	(1,648,612)
2021	(1,648,612)
2022	(1,648,612)
2023	(1,648,277)
Thereafter	<u>(2,488,901)</u>
	<u>\$ (10,731,626)</u>

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The current reports are listed under "Central Management Services."

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE I - OTHER POST EMPLOYMENT BENEFITS (Continued)

2. Post-Retirement Health Insurance Benefit Plan

Plan Description - The District administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement up to the age of 65, provided they are on the group health insurance plan at the time of retirement. Effective in 2008, only Illinois Municipal Retirement Fund (IMRF) retirees may access the health insurance plan during retirement years. If a retiree elects to leave the health plan they may not return to the plan in a future year. Retirees are responsible to contribute a premium toward the cost of their insurance. Retirees may also access dental and life insurance benefits on a "direct pay" basis. The Retiree Health Plan does not issue a publicly available financial report.

Contributions and Benefits Provided - Retirees under the age of 65 contribute the full Consolidated Omnibus Budget Reconciliation Act (COBRA) equivalent rate. The contributions required by the District are negotiated between the District and union representatives. Beginning January 1, 2018, the District no longer offers retirees who are Medicare eligible a Medicare supplemental policy through the District. Currently, the District contributes 41% of the postemployment benefits. For fiscal year 2018, the District contributed \$148,673 toward the cost of the postemployment benefits for retirees.

Employees covered by Benefit Terms - At June 30, 2018, the actuarial valuation date, the following employees were covered by the benefit terms:

Retired Plan Members	969
Active Employees Not Yet Eligible	1,699
Active Employees Fully Eligible	346
Total	3,014

OPEB Liability - The District's total OPEB liability of \$3,151,341 was measured as of June 30, 2018, and was determined by an actuarial valuation as of June 30, 2017.

Inflation	
Election at Retirement	20% medical 90-100% life
Discount Rate	3.87%
Healthcare Cost Trend Rate - Initial	7.00%
Healthcare Cost Trend Rate - Ultimate	5.00%
Fiscal Year the Ultimate Rate is Reached	2027

The discount rate was based on The Bond Buyer 20-Bond GO Index as of June 28, 2018. The 20-Bond GO Index is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA.

Mortality rates were based on Sex Distinct Raw Rates as Developed in the RP-2014 Study, as improved generationally using MP-2016 Improvement Rates.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE I - OTHER POST EMPLOYMENT BENEFITS (Continued)

2. Post-Retirement Health Insurance Benefit Plan (Continued)

Changes in Total OPEB Liability - The District's changes in total OPEB liability for the year ended June 30, 2018 was as follows:

	Total OPEB Liability
Balance at June 30, 2017	\$ 3,088,077
Service Cost	95,304
Interest	116,633
Difference between Expected and Actual Experience	-
Changes in Assumptions and Other Inputs	-
Benefit Payments	(148,673)
Net Changes	63,264
Balance at June 30, 2018	\$ 3,151,341

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87%) or 1-percentage-point higher (4.87%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 3,582,488	\$ 3,151,341	\$ 2,811,816

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (various %) or 1-percentage-point higher (various %) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	\$ 2,729,753	\$ 3,151,341	\$ 3,698,930

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - For the year ended June 30, 2018, the District recognized OPEB expense of \$211,937. At June 30, 2018, the District did not report any deferred outflows of resources or deferred inflows of resources related to OPEB.

Because this is the implementation year of GASB 74/75, the beginning total OPEB liability is based on the same assumptions and data as the ending total OPEB liability. Therefore, there are no differences between actual and expected experience that are being deferred in the current year.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE J - JOINT AGREEMENTS

The District is a member of various joint agreements that provide certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint governing boards, these are not included as component units of the District.

NOTE K - INTERFUND TRANSFERS AND RECEIVABLES/PAYABLES

The District transferred \$2,700,000 from the General Fund to the Debt Service Fund during the year ended June 30, 2018. This amount was used to pay bond principal. The District also transferred \$429,170 and \$7,933 from the General Fund to the Debt Service Fund during the year ended June 30, 2018. These amounts represent principal and interest, respectively, on capital leases.

The District transferred \$3,500,000 from the General Fund to the Fire Prevention and Life Safety Fund during the year ended June 30, 2017. This money was used to fund capital projects.

The District transferred \$24,700,000 from the General Fund to the Operations and Maintenance Fund during the year ended June 30, 2018. This money was used to fund capital projects.

The District transferred \$1,500,000 from the Transportation Fund to the Operations and Maintenance Fund during the year ended June 30, 2018. This money was used to fund capital projects.

The District transferred \$32,800,000 from the Operations and Maintenance Fund to the Capital Projects Fund during the year ended June 30, 2018 to fund capital projects.

State law allows for the above transfers.

The following is a schedule of interfund receivable and payable including any overdrafts on pooled cash and investment accounts as of June 30, 2018:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Operations and Maintenance Fund	General Fund	\$ 140,428
Transportation Fund	Operations and Maintenance Fund	10
	General Fund	199,504
Capital Projects Fund	Operations and Maintenance Fund	231,871
General Fund	Municipal Retirement/Soc. Security Fund	1,022
Total - Fund Financial Statements		<u>\$ 572,835</u>

All amounts are due within one year.

The principal purpose of these interfunds is to account for short-term loans relating to accounts payable and employee benefit processing.

For the Statement of Net Position, interfund balances are netted and eliminated.

Township High School District 211
NOTES TO THE FINANCIAL STATEMENTS
As of and for the Fiscal Year Ended June 30, 2018

NOTE L - CONTINGENCIES

1. Litigation

The District is a defendant in various lawsuits. Although the outcomes of these lawsuits are not presently determinable, the District and its attorneys believe that the District has meritorious defenses against each and will vigorously defend each suit.

2. Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

NOTE M - RESTATEMENT

Net position has been restated due to the implementation of GASB Statement No. 75. The restatement is necessary to record the prior year net OPEB liability.

	Governmental Activities
Net position as previously reported, June 30, 2017	\$ 284,196,538
Adjustment to record the net OPEB liability as of June 30, 2017 for THIS	(123,710,128)
Adjustment to record deferred outflows of resources related to OPEB as of June 30, 2017 for THIS	906,305
Adjustment to record the net OPEB liability as of June 30, 2017 for the District's plan	(3,088,077)
Adjustment to remove the OPEB obligation reported as of June 30, 2017	19,664,301
Net position as restated, June 30, 2017	\$ 177,968,939

NOTE N - EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 83, *Asset Retirement Obligations*, GASB Statement No. 84, *Fiduciary Activities*, GASB Statement No. 85, *Omnibus 2017*, GASB Statement No. 86, *Certain Debt Extinguishment Issues*, GASB Statement No. 87, *Leases*, GASB Statement No. 88, *Certain Disclosures Related to Debt Including Direct Borrowings and Direct Placements*, GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*, and GASB Statement No. 90, *Majority Equity Interests - an amendment of GASB Statements No. 14 and No. 61*. Application of these standards may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION
(Unaudited)

Township High School District 211
Illinois Municipal Retirement Fund

**SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY
AND RELATED RATIOS**

Last Four Fiscal Years

	2018	2017
Total pension liability		
Service cost	\$ 4,571,895	\$ 4,497,262
Interest	17,221,010	16,326,538
Differences between expected and actual experience	(2,768,984)	3,084,140
Changes of assumptions	(7,681,983)	(515,001)
Benefit payments, including refunds of member contributions	(12,453,456)	(11,718,558)
Net change in total pension liability	(1,111,518)	11,674,381
Total pension liability - beginning	233,554,250	221,879,869
Total pension liability - ending (a)	\$ 232,442,732	\$ 233,554,250
Plan fiduciary net position		
Employer contributions - required	4,553,486	4,916,930
Employer contributions - supplemental	2,500,000	3,500,000
Employee contributions	1,924,345	1,944,666
Net investment income	37,268,852	13,354,584
Benefit payments, including refunds of member contributions	(12,453,456)	(11,718,558)
Other (net transfer)	(5,362,536)	1,127,829
Net change in plan fiduciary net position	28,430,691	13,125,451
Plan fiduciary net position - beginning	208,357,345	195,231,894
Plan fiduciary net position - ending (b)	\$ 236,788,036	\$ 208,357,345
Employer's net pension liability - ending (a) - (b)	\$ (4,345,304)	\$ 25,196,905
Plan fiduciary net position as a percentage of the total pension liability	101.87%	89.21%
Covered payroll	N/A	41,446,812
Employer's net pension liability as a percentage of covered payroll	N/A	60.79%

Notes to Schedule : The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available. 2018 Covered Payroll is not yet available.

See Auditors' Report and Notes to Required Supplementary Information.

<u>2016</u>	<u>2015</u>
\$ 4,639,143	\$ 4,843,977
15,919,839	14,577,670
(3,601,543)	346,948
246,252	9,189,050
<u>(11,104,344)</u>	<u>(10,248,132)</u>
6,099,347	18,709,513
<u>215,780,522</u>	<u>197,071,009</u>
<u>\$ 221,879,869</u>	<u>\$ 215,780,522</u>
4,709,968	4,868,573
-	-
1,842,183	1,892,214
972,114	11,427,152
(11,104,344)	(10,248,132)
<u>2,113,007</u>	<u>(314,867)</u>
(1,467,072)	7,624,940
<u>196,698,966</u>	<u>189,074,026</u>
<u>\$ 195,231,894</u>	<u>\$ 196,698,966</u>
<u>\$ 26,647,975</u>	<u>\$ 19,081,556</u>
87.99%	91.16%
41,622,541	40,353,916
64.02%	47.29%

Township High School District 211
Illinois Municipal Retirement Fund
SCHEDULE OF DISTRICT CONTRIBUTIONS
Last Four Fiscal Years

	2018	2017
Actuarially determined contribution	\$ 4,521,847	\$ 4,911,460
Contributions in relation to the actuarially determined contribution	(7,053,486)	(8,416,930)
Contribution deficiency (excess)	\$ (2,531,639)	\$ (3,505,470)
Covered payroll	\$ 41,446,812	\$ 41,622,541
Contributions as a percentage of covered payroll	17.02%	20.22%

Notes to Schedule: The District implemented GASB Statement No. 68 in fiscal year 2015. Information prior to fiscal year 2015 is not available.

Valuation Date: Actuarially determined contribution rates are calculated as of December 31 each year, which is 6 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	26 years
Asset valuation method	5-Year Smooth Market
Inflation	2.75%
Salary increases	3.75% to 14.50% including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 Employee Mortality Table, adjusted to match current IMRF experience

Other information: There were no benefit changes during the year.

See Auditors' Report and Notes to Required Supplementary Information.

<u>2016</u>	<u>2015</u>
\$ 4,701,231	\$ 4,820,440
<u>(4,709,968)</u>	<u>(4,868,573)</u>
<u>\$ (8,737)</u>	<u>\$ (48,133)</u>
\$ 40,353,916	\$ 41,270,894
11.67%	11.80%

Township High School District 211

Teachers' Retirement System

**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE
OF THE COLLECTIVE NET PENSION LIABILITY AND DISTRICT CONTRIBUTIONS**

Last Four Fiscal Years

	<u>2018</u>	<u>2017</u>
District's proportion of the net pension liability	0.0199687561%	0.0212147875%
District's proportionate share of the net pension liability	\$ 15,255,759	\$ 16,746,115
State's proportionate share of the net pension liability	<u>799,201,616</u>	<u>836,397,443</u>
Total net pension liability	<u>\$ 814,457,375</u>	<u>\$ 853,143,558</u>
Covered payroll	\$ 108,393,347	\$ 107,735,491
District's proportionate share of the net pension liability as a percentage of covered payroll	14.07%	15.54%
Plan fiduciary net position as a percentage of the total pension liability	39.30%	39.80%
Contractually required contribution	682,655	799,815
Contributions in relation to the contractually required contribution	<u>\$ (690,749)</u>	<u>\$ (832,392)</u>
Contribution deficiency (excess)	<u>\$ (8,094)</u>	<u>\$ (32,577)</u>
Contributions as a percentage of covered payroll	0.6373%	0.7726%

Note: The District implemented GASB 68 in 2015. Information for fiscal years prior to 2015 is not available.

Key Assumptions:

Long-term expected rate of return	7.00%	7.00%
Municipal bond index	2.85%	2.85%
Single equivalent discount rate	7.00%	6.83%
Inflation Rate	2.50%	2.50%
Projected salary increases	3.25% to 9.25%	3.25% to 9.25%
	varying by service	varying by service

See Auditors' Report and Notes to Required Supplementary Information.

2016	2015
0.0234304137%	0.0197856181%
\$ 15,349,281	\$ 12,041,185
<u>684,226,671</u>	<u>639,764,048</u>
<u>\$ 699,575,952</u>	<u>\$ 651,805,233</u>
\$ 105,262,054	\$ 105,629,587
14.58%	11.40%
41.50%	43.00%
813,112	819,790
<u>\$ (813,092)</u>	<u>\$ (821,346)</u>
<u>\$ 20</u>	<u>\$ (1,556)</u>
0.7724%	0.7776%
7.50%	7.50%
3.73% N/A	
7.47%	7.50%
3.00%	3.00%
3.25% to 9.75%	0.0575
varying by service	

Township High School District 211
Teachers' Health Insurance Security Fund
**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY AND DISTRICT CONTRIBUTIONS**

Most Recent Fiscal Year

	2018
District's proportion of the net OPEB liability	0.4690080000%
District's proportionate share of the net OPEB liability	\$ 121,707,019
State's proportionate share of the net OPEB liability	159,831,558
Total net OPEB liability	\$ 281,538,577
Covered-employee payroll	\$ 107,735,491
District's proportionate share of the net OPEB liability as a percentage of covered payroll	112.97%
Plan fiduciary net position as a percentage of the total OPEB liability	-0.17%
Contractually required contribution	953,861
Contributions in relation to the contractually required contribution	\$ 953,861
Contribution deficiency (excess)	\$ -
Contributions as a percentage of covered payroll	0.8854%

Note: The District implemented GASB 75 in 2018. Information for fiscal years prior to 2018 is not available.

Key Assumptions:

Long-term expected rate of return	0.00%
Municipal bond index	3.56%
Single equivalent discount rate	3.56%
Inflation Rate	2.75%
Healthcare cost trend rates - initial	Medicare - 8.00%
Healthcare cost trend rates - ultimate	Non-medicare 9.0%
Mortality	4.5%
	RP-2014 Tables

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

District OPEB Plan

**SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY
AND RELATED RATIOS**

Most Recent Fiscal Year

	<u>2018</u>
Total pension liability	
Service cost	\$ 95,304
Interest	116,633
Change of Benefit Terms	-
Differences between expected and actual experience	-
Changes of assumptions	-
Benefit payments, including refunds of member contributions	<u>(148,673)</u>
Net change in total OPEB liability	63,264
Total OPEB liability - beginning	<u>3,088,077</u>
Total OPEB liability - ending (a)	<u>\$ 3,151,341</u>
Plan fiduciary net position	
Employer contributions	-
Employee contributions	-
Net investment income	-
Benefit payments, including refunds of member contributions	-
Administration	-
Other (net transfer)	<u>-</u>
Net change in plan fiduciary net position	-
Plan fiduciary net position - beginning	<u>-</u>
Plan fiduciary net position - ending (b)	<u>\$ -</u>
District's net OPEB liability - ending (a) - (b)	<u>\$ 3,151,341</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%
Covered payroll	149,190,971
Employer's net pension liability as a percentage of covered payroll	2.11%

Notes to Schedule : The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211
District OPEB Plan
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Most Recent Fiscal Year

	2018
Actuarially determined contribution	N/A
Contributions in relation to the actuarially determined contribution	-
Contribution deficiency (excess)	N/A
Covered payroll	\$ 149,190,971
Contributions as a percentage of covered payroll	0.00%

Notes to Schedule: The District implemented GASB Statement No. 75 in fiscal year 2018. Information prior to fiscal year 2018 is not available.

There is no ADC or employer contribution in relation to the ADC, as there is no Trust that exists for funding the OPEB liabilities. However, the District did make contributions from other District resources in the current year in the amount of \$148,673.

Valuation Date: Actuary valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net OPEB liability is reported.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Straight Line
Remaining amortization period	9.14 years
Asset valuation method	Market Value
Election at retirement	various
Salary increases	2.25%
Investment rate of return	N/A
Healthcare cost trend rate - initial	7%
Healthcare cost trend rate - ultimate	5%
Mortality	Sex Distinct Raw Rates as Developed in the RP-2014 Study, as improved generationally using MP-2016 Improvement Rates.

Other information : There were no benefit changes during the year.

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

General Fund

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2018

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
General levy	\$ 167,499,000	\$ 168,067,104	\$ 568,104	\$ 164,748,630
Corporate personal property replacement tax	1,450,000	1,124,807	(325,193)	1,696,209
Summer school tuition from pupils or parents	875,000	822,495	(52,505)	1,184,967
Special education tuition from other LEAs	-	34,576	34,576	10,471
Adult tuition from pupils or parents	28,500	82,501	54,001	28,919
Interest on investments	642,500	1,275,317	632,817	677,704
Sales to pupils - lunch	1,992,500	1,888,698	(103,802)	1,990,092
Sales to pupils - a la carte	503,000	439,664	(63,336)	502,324
Sales to adults	219,000	212,589	(6,411)	218,838
Other food service	534,500	503,545	(30,955)	534,341
Admissions - athletic	68,600	124,802	56,202	74,689
Other district/school activity revenue	654,500	723,069	68,569	655,972
Rentals - regular textbook	1,332,600	1,334,293	1,693	1,304,524
Other - textbooks	4,000	15,680	11,680	3,275
Contributions and donations from private sources	262,390	247,853	(14,537)	93,225
Refund of prior years' expenditures	100,000	240,207	140,207	247,464
Payments of Surplus Moneys from TIF Districts	150,000	178,084	28,084	226,256
Drivers' education fees	90,500	85,331	(5,169)	91,376
Sale of vocational projects	900,000	847,655	(52,345)	35,450
Other	180,000	533,512	353,512	202,117
Total local sources	<u>177,486,590</u>	<u>178,781,783</u>	<u>1,295,193</u>	<u>174,526,843</u>

Township High School District 211
General Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
State sources				
General state aid	\$ 6,660,000	\$ 10,837,588	\$ 4,177,588	\$ 6,659,377
Special education - private facility tuition	475,000	621,140	146,140	503,354
Special education - extraordinary	1,500,000	383,500	(1,116,500)	1,538,330
Special education - personnel	2,200,000	609,753	(1,590,247)	2,436,205
Special education - orphanage - individual	300,000	790,749	490,749	560,147
Special education - orphanage - summer individual	-	90,905	90,905	-
Special education - summer school	30,000	-	(30,000)	-
CTE - secondary programs improvement (CTEI)	75,000	563,442	488,442	87,043
Bilingual education - downstate - TPI and TBE	100,000	187,782	87,782	16,044
State free lunch and breakfast	12,000	28,210	16,210	11,061
Driver education	200,000	215,292	15,292	225,889
Adult education (from ICCB)	225,000	43,745	(181,255)	487,837
Other restricted revenue from state sources	-	26,801	26,801	10,500
On behalf payments to TRS from the state	50,290,000	79,932,635	29,642,635	83,345,965
Total state sources	<u>62,067,000</u>	<u>94,331,542</u>	<u>32,264,542</u>	<u>95,881,749</u>
Federal sources				
National school lunch program	1,650,000	1,700,771	50,771	1,592,785
School breakfast program	415,000	419,438	4,438	396,638
Title I - low income	1,300,000	896,192	(403,808)	1,080,241
Federal special education - IDEA flow-through	1,930,000	1,986,595	56,595	1,931,915
Federal special education - IDEA room & board	600,000	620,466	20,466	653,441
CTE - Perkins - Title IIIIE tech prep	225,000	269,052	44,052	284,779
Federal - adult education	130,000	141,682	11,682	120,250
Race to the Top program	-	-	-	66,591
Title IV - Other	-	29,900	29,900	-
Title III - Immigrant Education Program (IEP)	40,000	-	(40,000)	35,152
Title III - language inst program - (LIPLEP)	75,000	62,212	(12,788)	69,804
Title II - teacher quality	160,000	278,679	118,679	174,418
Medical matching funds - administrative outreach	200,000	267,284	67,284	250,795
Medicaid matching funds - Fee-for-service program	100,000	179,191	79,191	126,568
Other federal sources	130,000	416,057	286,057	464,288
Total federal sources	<u>6,955,000</u>	<u>7,267,518</u>	<u>312,518</u>	<u>7,247,665</u>
Total revenue	<u>246,508,590</u>	<u>280,380,843</u>	<u>33,872,253</u>	<u>277,656,257</u>

Township High School District 211

General Fund

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2018

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Expenditures				
Instruction				
Regular programs				
Salaries	\$ 63,433,000	\$ 62,967,777	\$ 465,223	\$ 62,428,237
Employee benefits	11,394,400	11,614,382	(219,982)	11,270,159
On-behalf payments to TRS from the state	50,290,000	79,932,635	(29,642,635)	83,345,965
Purchased services	293,229	135,890	157,339	83,436
Supplies and materials	1,637,338	1,564,953	72,385	1,756,216
Capital outlay	200,580	28,925	171,655	-
Other objects	60,350	32,350	28,000	33,705
Non-capitalized equipment	<u>3,103,523</u>	<u>4,523,667</u>	<u>(1,420,144)</u>	<u>3,364,353</u>
Total	<u>130,412,420</u>	<u>160,800,579</u>	<u>(30,388,159)</u>	<u>162,282,072</u>
Special education programs				
Salaries	19,129,700	18,981,629	148,071	18,783,354
Employee benefits	4,960,700	5,015,484	(54,784)	4,907,092
Purchased services	271,100	267,513	3,587	265,128
Supplies and materials	166,460	119,830	46,630	140,603
Other objects	-	145	(145)	136
Non-capitalized equipment	<u>24,489</u>	<u>4,069</u>	<u>20,420</u>	<u>20,277</u>
Total	<u>24,552,449</u>	<u>24,388,669</u>	<u>163,780</u>	<u>24,116,591</u>
Adult/continuing education programs				
Salaries	544,000	586,481	(42,481)	527,069
Employee benefits	24,800	23,689	1,111	24,586
Purchased services	17,950	34,012	(16,062)	16,310
Supplies and materials	<u>18,300</u>	<u>28,029</u>	<u>(9,729)</u>	<u>14,557</u>
Total	<u>605,050</u>	<u>672,212</u>	<u>(67,162)</u>	<u>582,523</u>
CTE programs				
Salaries	\$ 7,006,300	\$ 7,159,409	\$ (153,109)	\$ 6,901,772
Employee benefits	1,452,800	1,463,958	(11,158)	1,444,894
Purchased services	149,106	182,549	(33,443)	90,175
Supplies and materials	421,626	357,748	63,878	279,966
Other objects	797,815	1,479,961	(682,146)	13,387
Non-capitalized equipment	<u>313,233</u>	<u>358,556</u>	<u>(45,323)</u>	<u>303,024</u>
Total	<u>10,140,880</u>	<u>11,002,180</u>	<u>(861,300)</u>	<u>9,033,218</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

General Fund

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2018

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Interscholastic programs				
Salaries	7,974,600	7,568,888	405,712	7,899,831
Employee benefits	141,900	149,279	(7,379)	144,031
Purchased services	1,138,354	1,045,632	92,722	1,045,691
Supplies and materials	484,830	516,476	(31,646)	486,478
Capital outlay	335,149	-	335,149	29,845
Other objects	41,583	335,621	(294,038)	317,699
Non-capitalized equipment	-	50,126	(50,126)	46,068
Total	<u>10,116,416</u>	<u>9,666,023</u>	<u>450,393</u>	<u>9,969,643</u>
Summer school program				
Salaries	3,213,000	2,899,722	313,278	3,081,997
Employee benefits	43,800	44,130	(330)	44,322
Purchased services	40,000	34,874	5,126	37,727
Supplies and materials	9,500	9,196	304	8,904
Total	<u>3,306,300</u>	<u>2,987,922</u>	<u>318,378</u>	<u>3,172,950</u>
Drivers' education program				
Salaries	1,014,600	1,178,920	(164,320)	999,357
Employee benefits	183,400	226,085	(42,685)	182,287
Supplies and materials	838	780	58	698
Capital outlay	-	-	-	109,145
Other objects	310	214	96	105
Non-capitalized equipment	496	456	40	-
Total	<u>1,199,644</u>	<u>1,406,456</u>	<u>(206,812)</u>	<u>1,291,592</u>
Bilingual programs				
Salaries	\$ 2,295,200	\$ 2,334,768	\$ (39,568)	\$ 2,230,135
Employee benefits	593,700	655,165	(61,465)	590,468
Supplies and materials	3,014	2,879	135	2,648
Non-capitalized equipment	4,560	4,796	(236)	371
Total	<u>2,896,474</u>	<u>2,997,607</u>	<u>(101,133)</u>	<u>2,823,622</u>
Truants' alternative and optional programs				
Salaries	35,300	27,456	7,844	33,698
Employee benefits	400	180	220	330
Purchased services	115,000	116,540	(1,540)	109,800
Total	<u>150,700</u>	<u>144,176</u>	<u>6,524</u>	<u>143,828</u>
Total instruction	<u>183,380,333</u>	<u>214,065,824</u>	<u>(30,685,491)</u>	<u>213,416,038</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211
General Fund
**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
For the Fiscal Year Ended June 30, 2018
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Support services				
Pupils				
Attendance and social work services				
Salaries	1,708,900	1,713,190	(4,290)	1,672,846
Employee benefits	461,200	442,522	18,678	458,457
Purchased services	814,450	793,424	21,026	785,511
Supplies and materials	15,945	9,357	6,588	10,140
Other objects	500	510	(10)	495
Total	<u>3,000,995</u>	<u>2,959,003</u>	<u>41,992</u>	<u>2,927,449</u>
Guidance services				
Salaries	7,086,800	7,084,140	2,660	6,960,561
Employee benefits	1,532,400	1,489,675	42,725	1,515,904
Purchased services	25,725	44,507	(18,782)	17,006
Supplies and materials	603,334	687,455	(84,121)	607,257
Other objects	6,310	3,662	2,648	2,847
Non-capitalized equipment	618	618	-	-
Termination benefits	-	-	-	4,219
Total	<u>9,255,187</u>	<u>9,310,055</u>	<u>(54,869)</u>	<u>9,107,794</u>
Health services				
Salaries	\$ 696,500	\$ 701,045	\$ (4,545)	\$ 677,563
Employee benefits	220,100	229,405	(9,305)	218,625
Purchased services	4,000	951	3,049	3,494
Supplies and materials	35,976	32,756	3,220	34,810
Non-capitalized equipment	-	-	-	959
Total	<u>956,576</u>	<u>964,157</u>	<u>(7,581)</u>	<u>935,451</u>
Psychological services				
Salaries	1,899,900	2,037,787	(137,887)	1,872,240
Employee benefits	398,400	410,461	(12,061)	396,156
Total	<u>2,298,300</u>	<u>2,448,248</u>	<u>(149,948)</u>	<u>2,268,396</u>
Speech pathology and audiology services				
Salaries	1,074,300	1,107,988	(33,688)	1,052,963
Employee benefits	146,500	146,030	470	145,636
Total	<u>1,220,800</u>	<u>1,254,018</u>	<u>(33,218)</u>	<u>1,198,599</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211
General Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Other support services				
Salaries	2,145,400	2,099,401	45,999	2,133,519
Employee benefits	1,266,100	1,232,910	33,190	1,252,322
Total	3,411,500	3,332,311	79,189	3,385,841
Total pupils	20,143,358	20,267,793	(124,435)	19,823,530
Instructional staff				
Improvement of instruction services				
Salaries	1,643,800	1,410,091	233,709	1,533,681
Employee benefits	239,500	168,726	70,774	236,838
Purchased services	439,750	396,462	43,288	143,861
Supplies and materials	26,000	20,829	5,171	20,209
Other objects	1,000	964	36	859
Non-capitalized equipment	-	-	-	1,492
Total	2,350,050	1,997,072	352,978	1,936,940
Educational media services				
Salaries	\$ 1,556,600	\$ 1,353,214	\$ 203,386	\$ 1,532,340
Employee benefits	429,300	388,696	40,604	427,060
Purchased services	118,536	145,634	(27,098)	159,240
Supplies and materials	156,400	114,604	41,796	88,963
Non-capitalized equipment	941	1,199	(258)	642
Total	2,261,777	2,003,346	258,431	2,208,246
Assessment and testing				
Purchased services	179,000	176,275	2,725	127,625
Supplies and materials	-	-	-	87,549
Total	179,000	176,275	2,725	215,174
Total instructional staff	4,790,827	4,176,694	614,133	4,360,361
General administration				
Board of Education services				
Purchased services	519,000	460,839	58,161	389,433
Supplies and materials	2,000	4,501	(2,501)	1,801
Other objects	35,000	32,609	2,391	32,437
Total	556,000	497,949	58,051	423,671

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

General Fund

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2018

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Executive administration services				
Salaries	399,768	400,754	(986)	380,496
Employee benefits	39,900	39,795	105	39,624
Purchased services	10,000	10,070	(70)	9,415
Supplies and materials	3,000	4,075	(1,075)	2,756
Other objects	7,000	9,178	(2,178)	6,735
Total	459,668	463,872	(4,204)	439,027
Special area administrative services				
Salaries	\$ 823,900	\$ 836,426	\$ (12,526)	\$ 800,176
Employee benefits	139,700	133,636	6,064	138,950
Purchased services	17,000	22,167	(5,167)	16,221
Supplies and materials	2,000	1,819	181	1,985
Total	982,600	994,049	(11,449)	957,332
Total general administration	1,998,268	1,955,869	42,399	1,820,029
School administration				
Office of the principal services				
Salaries	7,486,100	7,257,071	229,029	7,376,565
Employee benefits	1,770,500	1,853,917	(83,417)	1,751,417
Purchased services	644,539	451,239	193,300	447,362
Supplies and materials	415,894	444,133	(28,239)	450,618
Other objects	37,854	22,639	15,215	29,986
Non-capitalized equipment	103,212	83,360	19,852	127,736
Termination benefits	-	-	-	16,051
Total school administration	10,458,099	10,112,360	345,739	10,199,735
Business				
Direction of business support services				
Salaries	211,200	211,215	(15)	204,853
Employee benefits	29,900	36,645	(6,745)	29,656
Purchased services	7,350	6,207	1,143	5,956
Supplies and materials	3,000	5,548	(2,548)	2,494
Other objects	1,500	1,295	205	1,620
Total	252,950	260,909	(7,959)	244,579

Township High School District 211

General Fund

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2018

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Fiscal services				
Salaries	\$ 637,500	\$ 714,782	\$ (77,282)	\$ 618,950
Employee benefits	192,400	197,801	(5,401)	191,387
Purchased services	55,000	48,326	6,674	49,445
Supplies and materials	6,250	1,237	5,013	6,157
Other objects	1,400	225	1,175	1,385
Non-capitalized equipment	500	-	500	-
Total	<u>893,050</u>	<u>962,371</u>	<u>(69,321)</u>	<u>867,324</u>
Food services				
Salaries	2,322,675	2,265,600	57,075	2,255,058
Employee benefits	1,381,800	1,408,500	(26,700)	1,361,823
Purchased services	44,150	34,352	9,798	43,828
Supplies and materials	1,785,110	2,031,157	(246,047)	2,053,974
Capital outlay	42,500	19,638	22,862	13,166
Other objects	40,180	34,466	5,714	39,395
Non-capitalized equipment	-	25,242	(25,242)	16,238
Total	<u>5,616,415</u>	<u>5,818,955</u>	<u>(202,540)</u>	<u>5,783,481</u>
Internal services				
Salaries	91,600	88,040	3,560	88,903
Employee benefits	23,000	22,556	444	22,863
Purchased services	5,000	3,548	1,452	4,644
Supplies and materials	500	367	133	165
Total	<u>120,100</u>	<u>114,511</u>	<u>5,589</u>	<u>116,575</u>
Total business	<u>6,882,515</u>	<u>7,156,747</u>	<u>(274,232)</u>	<u>7,011,960</u>
Central				
Information services				
Salaries	317,900	298,216	19,684	309,310
Employee benefits	83,900	49,879	34,021	83,384
Purchased services	303,500	4,463	299,037	17,869
Supplies and materials	300,000	293,566	6,434	286,468
Capital outlay	-	51,200	(51,200)	-
Non-capitalized equipment	-	1,333	(1,333)	20,119
Total	<u>1,005,300</u>	<u>698,657</u>	<u>306,643</u>	<u>717,150</u>

Township High School District 211

General Fund

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2018

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Staff services				
Salaries	\$ 515,300	\$ 459,469	\$ 55,831	\$ 433,715
Employee benefits	117,000	126,024	(9,024)	116,360
Purchased services	44,500	37,792	6,708	43,918
Supplies and materials	15,000	20,027	(5,027)	15,855
Non-capitalized equipment	-	-	-	7,513
Other objects	500	-	500	-
Total	<u>692,300</u>	<u>643,313</u>	<u>48,987</u>	<u>617,362</u>
Data processing services				
Salaries	1,578,700	1,553,905	24,795	1,535,620
Employee benefits	250,600	247,425	3,175	249,334
Purchased services	1,470,000	1,112,519	357,481	436,552
Supplies and materials	225,000	237,062	(12,062)	654,676
Capital outlay	505,000	434,854	70,146	993,305
Non-capitalized equipment	55,000	18,354	36,646	104,979
Total	<u>4,084,300</u>	<u>3,604,120</u>	<u>480,180</u>	<u>3,974,465</u>
Total central	<u>5,781,900</u>	<u>4,946,090</u>	<u>835,810</u>	<u>5,308,977</u>
Other support services				
Supplies and materials	2,000	2,347	(347)	2,145
Total other support services	<u>2,000</u>	<u>2,347</u>	<u>(347)</u>	<u>2,145</u>
Total support services	<u>50,056,967</u>	<u>48,617,900</u>	<u>1,439,066</u>	<u>48,526,737</u>
Community services				
Purchased services	12,000	4,240	7,760	12,291
Supplies and materials	2,000	5,247	(3,247)	2,076
Total community services	<u>14,000</u>	<u>9,488</u>	<u>4,512</u>	<u>14,367</u>

Township High School District 211
General Fund
**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
For the Fiscal Year Ended June 30, 2018
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Payments to other districts and governmental units				
Payments for regular programs				
Other objects	\$ 200,000	\$ 200,180	\$ (180)	\$ 224,040
Total	<u>200,000</u>	<u>200,180</u>	<u>(180)</u>	<u>224,040</u>
Payments for special education programs				
Other objects	8,400,800	7,570,150	830,650	7,653,721
Total	<u>8,400,800</u>	<u>7,570,150</u>	<u>830,650</u>	<u>7,653,721</u>
Payments for CTE programs				
Other objects	50,000	17,500	32,500	91,685
Total	<u>50,000</u>	<u>17,500</u>	<u>32,500</u>	<u>91,685</u>
Payments for Community College Programs				
Other objects	280,000	265,234	14,766	-
Total	<u>280,000</u>	<u>265,234</u>	<u>14,766</u>	<u>-</u>
Total payments to other districts and governmental units	<u>8,930,800</u>	<u>8,053,064</u>	<u>877,736</u>	<u>7,969,446</u>
Total expenditures	<u>242,382,100</u>	<u>270,746,276</u>	<u>(28,364,176)</u>	<u>269,926,589</u>
Excess of revenues over expenditures	<u>4,126,490</u>	<u>9,634,567</u>	<u>5,508,077</u>	<u>7,729,668</u>
Other financing sources (uses)				
Permanent transfer to debt service fund	(2,700,000)	(2,700,000)	-	(2,000,000)
Fund balance transfers pledged to pay principal on capital leases	(429,000)	(429,170)	(170)	(425,258)
Fund balance transfers pledged to pay interest on capital leases	(8,000)	(7,933)	67	(11,845)
Permanent transfer to fire prevention and life safety fund	(500,000)	(3,500,000)	(3,000,000)	(3,000,000)
Permanent transfer to operations and maintenance fund	<u>(19,000,000)</u>	<u>(24,700,000)</u>	<u>(5,700,000)</u>	<u>(12,500,000)</u>
Total other financing sources (uses)	<u>(22,637,000)</u>	<u>(31,337,103)</u>	<u>(8,700,103)</u>	<u>(17,937,103)</u>
Net change in fund balance	<u>\$ (18,510,510)</u>	(21,702,536)	<u>\$ (3,192,026)</u>	(10,207,434)
Fund balance, beginning of year		<u>96,198,523</u>		<u>106,405,958</u>
Fund balance, end of year		<u>\$ 74,495,987</u>		<u>\$ 96,198,523</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211
Operations and Maintenance Fund
**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
For the Fiscal Year Ended June 30, 2018
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
General levy	\$ 28,300,000	\$ 27,754,045	\$ (545,955)	\$ 27,713,645
Corporate personal property replacement taxes	350,000	350,000	-	1,000,000
Interest on investments	106,600	239,529	132,929	104,656
Other district/school activity revenue	174,400	163,408	(10,992)	156,955
Rentals	423,700	373,680	(50,020)	448,237
Refund of prior years' expenditures	5,000	59,486	54,486	734
Payments of Surplus Moneys from TIF Districts	100,000	75,000	(25,000)	124,980
Other	525,000	329,632	(195,368)	680,485
Total local sources	<u>29,984,700</u>	<u>29,344,780</u>	<u>(639,920)</u>	<u>30,229,691</u>
State sources				
Other state sources	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>	<u>455,834</u>
Total state sources	<u>200,000</u>	<u>-</u>	<u>(200,000)</u>	<u>455,834</u>
Total revenue	<u>30,184,700</u>	<u>29,344,780</u>	<u>(839,920)</u>	<u>30,685,525</u>

Township High School District 211
Operations and Maintenance Fund
**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
For the Fiscal Year Ended June 30, 2018
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Expenditures				
Business				
Operations and maintenance of plant services				
Salaries	\$ 11,255,000	\$ 10,970,390	\$ 284,610	\$ 10,882,603
Employee benefits	2,935,000	2,781,490	153,510	2,779,586
Purchased services	4,379,700	3,485,523	894,177	4,187,988
Supplies and materials	5,125,000	4,874,352	250,648	4,691,937
Capital outlay	3,860,000	3,755,935	104,065	4,584,443
Non-capitalized equipment	325,000	544,065	(219,065)	494,439
Termination benefits	-	-	-	5,716
Total	<u>27,879,700</u>	<u>26,411,755</u>	<u>1,467,945</u>	<u>27,626,711</u>
Total business	<u>27,879,700</u>	<u>26,411,755</u>	<u>1,467,945</u>	<u>27,626,711</u>
Total support services	<u>27,879,700</u>	<u>26,411,755</u>	<u>1,467,945</u>	<u>27,626,711</u>
Total expenditures	<u>27,879,700</u>	<u>26,411,755</u>	<u>1,467,945</u>	<u>27,626,711</u>
Excess of revenues over expenditures	<u>2,305,000</u>	<u>2,933,025</u>	<u>628,025</u>	<u>3,058,814</u>
Other financing sources (uses)				
Permanent transfer from general fund	19,000,000	24,700,000	5,700,000	12,500,000
Permanent transfer from transportation fund	-	1,500,000	1,500,000	1,500,000
Permanent transfer to capital projects fund	<u>(23,000,000)</u>	<u>(32,800,000)</u>	<u>(9,800,000)</u>	<u>(14,000,000)</u>
Total other financing sources (uses)	<u>(4,000,000)</u>	<u>(6,600,000)</u>	<u>(2,600,000)</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,695,000)</u>	(3,666,975)	<u>\$ (1,971,975)</u>	3,058,814
Fund balance, beginning of year		<u>18,269,350</u>		<u>15,210,536</u>
Fund balance, end of year		<u>\$ 14,602,375</u>		<u>\$ 18,269,350</u>

Township High School District 211

Transportation Fund

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2018

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
General levy	\$ 7,415,000	\$ 7,763,613	\$ 348,613	\$ 7,222,018
Regular transportation fees from pupils or parents	150,000	94,663	(55,338)	137,941
Regular transportation fees from other districts	-	-	-	-
Regular transportation fees from co-curricular activities	65,000	55,365	(9,635)	64,088
Summer school transportation fees from pupils or parents	73,500	75,155	1,655	73,405
Interest on investments	32,200	85,708	53,508	33,971
Refund of prior years' expenditures	100	-	(100)	510
Other	200	496	296	1,055
Total local sources	<u>7,736,000</u>	<u>8,075,000</u>	<u>339,000</u>	<u>7,532,987</u>
State sources				
Transportation - regular/vocational	200,000	299,984	99,984	222,829
Transportation - special education	4,191,500	4,126,697	(64,803)	4,038,449
Other state sources	-	-	-	22,311
Total state sources	<u>4,391,500</u>	<u>4,426,681</u>	<u>35,181</u>	<u>4,283,588</u>
Total revenue	<u>12,127,500</u>	<u>12,501,681</u>	<u>374,181</u>	<u>11,816,576</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

Transportation Fund

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2018

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Expenditures				
Support services				
Business				
Pupil transportation services				
Salaries	\$ 6,063,500	\$ 5,835,016	\$ 228,484	\$ 5,969,855
Employee benefits	1,507,000	1,757,167	(250,167)	1,463,272
Purchased services	1,818,600	1,778,520	40,080	1,629,360
Supplies and materials	1,001,000	1,068,505	(67,505)	946,266
Capital outlay	1,150,000	1,110,994	39,006	1,182,790
Other objects			-	-
Non-capitalized equipment	-	-	-	22,311
Termination benefits	-	-	-	12,104
Total	<u>11,540,100</u>	<u>11,550,202</u>	<u>(10,102)</u>	<u>11,225,957</u>
Total support services	<u>11,540,100</u>	<u>11,550,202</u>	<u>(10,102)</u>	<u>11,225,957</u>
Total expenditures	<u>11,540,100</u>	<u>11,550,202</u>	<u>(10,102)</u>	<u>11,225,957</u>
Excess (deficiency) of revenues over expenditures	<u>587,400</u>	<u>951,479</u>	<u>364,079</u>	<u>590,619</u>
Other financing sources (uses)				
Permanent transfer to operations and maintenance fund	-	(1,500,000)	1,500,000	(1,500,000)
Total other financing sources (uses)	-	(1,500,000)	1,500,000	(1,500,000)
Net change in fund balance	<u>\$ 587,400</u>	(548,521)	<u>\$ (1,135,921)</u>	(909,381)
Fund balance, beginning of year		<u>6,292,056</u>		<u>7,201,437</u>
Fund balance, end of year		<u>\$ 5,743,535</u>		<u>\$ 6,292,056</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2018
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
General levy	\$ 4,727,100	\$ 4,732,819	\$ 5,719	\$ 4,665,713
Social security/Medicare levies	4,727,100	4,732,819	5,719	4,665,713
Corporate personal property replacement taxes	1,300,000	1,241,431	(58,569)	983,468
Interest on investments	35,000	85,355	50,355	48,056
Other	-	-	-	22
Total local sources	<u>10,789,200</u>	<u>10,792,424</u>	<u>3,224</u>	<u>10,362,972</u>
Total revenue	<u>10,789,200</u>	<u>10,792,424</u>	<u>3,224</u>	<u>10,362,972</u>
Expenditures				
Instruction				
Regular programs	1,316,000	1,322,519	(6,519)	1,276,344
Special education programs	1,512,000	1,466,958	45,042	1,466,753
Adult/continuing education programs	41,000	42,813	(1,813)	40,175
CTE programs	114,000	113,865	135	110,740
Interscholastic programs	348,000	352,769	(4,769)	337,149
Summer school programs	168,000	101,659	66,341	163,100
Drivers education programs	15,000	16,795	(1,795)	14,455
Bilingual programs	<u>153,000</u>	<u>159,118</u>	<u>(6,118)</u>	<u>147,900</u>
Total instruction	<u>3,667,000</u>	<u>3,576,496</u>	<u>90,504</u>	<u>3,556,616</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2018
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Support services				
Pupils				
Attendance and social work services	\$ 70,000	\$ 56,410	\$ 13,590	\$ 68,269
Guidance services	325,000	297,958	27,042	314,016
Health services	85,000	81,162	3,838	82,529
Psychological services	36,000	38,482	(2,482)	35,036
Other support services - pupils	<u>413,000</u>	<u>400,881</u>	<u>12,119</u>	<u>400,508</u>
Total pupils	<u>929,000</u>	<u>874,893</u>	<u>54,107</u>	<u>900,358</u>
Instructional staff				
Improvement of instruction services	66,000	53,295	12,705	63,966
Educational media services	<u>124,000</u>	<u>129,284</u>	<u>(5,284)</u>	<u>119,948</u>
Total instructional staff	<u>190,000</u>	<u>182,579</u>	<u>7,421</u>	<u>183,913</u>
General administration				
Board of Education services	2,000,000	2,500,000	(500,000)	3,500,000
Executive administration services	27,000	27,353	(353)	26,476
Special area administrative services	<u>43,000</u>	<u>43,743</u>	<u>(743)</u>	<u>42,066</u>
Total general administration	<u>2,070,000</u>	<u>2,571,096</u>	<u>(501,096)</u>	<u>3,568,543</u>
School administration				
Office of the principal services	<u>602,000</u>	<u>585,707</u>	<u>16,293</u>	<u>583,380</u>
Total school administration	<u>602,000</u>	<u>585,707</u>	<u>16,293</u>	<u>583,380</u>
Business				
Direction of business support services	39,000	41,517	(2,517)	37,613
Fiscal services	105,000	110,110	(5,110)	101,940
Operations and maintenance of plant services	2,067,000	1,966,282	100,718	2,004,555
Pupil transportation services	1,123,000	1,055,725	67,275	1,090,400
Food services	432,000	410,137	21,863	418,837
Internal services	<u>17,000</u>	<u>16,006</u>	<u>994</u>	<u>16,715</u>
Total business	<u>3,783,000</u>	<u>3,599,777</u>	<u>183,223</u>	<u>3,670,060</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211
Municipal Retirement / Social Security Fund
SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2018
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Central				
Information services	\$ 61,000	\$ 47,805	\$ 13,195	\$ 58,767
Staff services	54,000	66,132	(12,132)	52,453
Data processing services	<u>294,000</u>	<u>268,323</u>	<u>25,677</u>	<u>284,795</u>
Total central	<u>409,000</u>	<u>382,260</u>	<u>26,740</u>	<u>396,015</u>
Total support services	<u>7,983,000</u>	<u>8,196,312</u>	<u>(213,312)</u>	<u>9,302,269</u>
Total expenditures	<u>11,650,000</u>	<u>11,772,808</u>	<u>(122,808)</u>	<u>12,858,885</u>
Net change in fund balance	<u>\$ (860,800)</u>	(980,384)	<u>\$ (119,584)</u>	(2,495,913)
Fund balance, beginning of year		<u>5,966,015</u>		<u>8,461,928</u>
Fund balance, end of year		<u>\$ 4,985,631</u>		<u>\$ 5,966,015</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
As of and for the Fiscal Year Ended June 30, 2018

1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

The Board of Education follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) Budgetary control is maintained at line-item levels and built up into program and/or cost centers before being combined to form totals by fund. All actual activity compared to budget is available to the District's management in real time. These expenditure reports list each item's year-to-date expenditure, budget amount, and account balance.
- g) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 28, 2017.
- h) All budget appropriations lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF BUDGET

The General Fund had expenditures in excess of the budgeted amount of \$28,364,176 for the year ended June 30, 2018. This fluctuation is attributable to On-behalf payments to TRS from the State in excess of budget of \$29,642,635. Similarly, On-behalf revenues were over budget by the same amount. The Transportation Fund and Municipal Retirement/Social Security Fund had expenditures in excess of the budget by \$10,102 and \$122,808, respectively. The fund balance in each fund was sufficient to cover the additional expenditures.

See Independent Auditors' Report.

Township High School District 211

Debt Service Fund

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2018

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
General levy	\$ (15,000)	\$ (87,662)	\$ (72,662)	\$ 513,468
Interest on investments	5,000	2,459	(2,541)	4,410
Payments of Surplus Moneys from TIF Districts	-	176,000	176,000	-
Total revenue	<u>(10,000)</u>	<u>90,797</u>	<u>100,797</u>	<u>517,878</u>
Expenditures				
Debt service				
Debt services - interest on long-term debt				
Bonds - interest	15,100	15,100	-	47,425
Capital leases - interest	8,000	7,933	67	11,845
Total debt services - interest on long-term debt	<u>23,100</u>	<u>23,033</u>	<u>67</u>	<u>59,270</u>
Debt services - payments of principal on long-term debt				
Bond principal retired	3,020,000	3,020,000	-	3,210,000
Capital lease principal retired	429,000	429,170	(170)	425,257
Total debt services - payments of principal on long-term debt	<u>3,449,000</u>	<u>3,449,170</u>	<u>(170)</u>	<u>3,635,257</u>
Other debt service				
Purchased services			-	
Other objects	1,000	-	1,000	451
Total other debt service	<u>1,000</u>	<u>-</u>	<u>1,000</u>	<u>451</u>
Total debt service	<u>3,473,100</u>	<u>3,472,203</u>	<u>897</u>	<u>3,694,979</u>
Total expenditures	<u>3,473,100</u>	<u>3,472,203</u>	<u>897</u>	<u>3,694,979</u>
Excess (deficiency) of revenues over expenditures	<u>(3,483,100)</u>	<u>(3,381,405)</u>	<u>101,695</u>	<u>(3,177,101)</u>

Township High School District 211

Debt Service Fund

**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**

For the Fiscal Year Ended June 30, 2018

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Other financing sources (uses)				
Permanent transfer from general fund	\$ 2,700,000	\$ 2,700,000	\$ -	\$ 2,000,000
Transfer to pay principal on capital leases	429,000	429,170	170	425,258
Transfer to pay interest on capital leases	<u>8,000</u>	<u>7,933</u>	<u>(67)</u>	<u>11,845</u>
Total other financing sources (uses)	<u>3,137,000</u>	<u>3,137,103</u>	<u>(103)</u>	<u>2,437,103</u>
Net change in fund balance	<u>\$ (346,100)</u>	(244,303)	<u>\$ 101,592</u>	(739,998)
Fund balance, beginning of year		<u>256,451</u>		<u>996,449</u>
Fund balance, end of year		<u>\$ 12,148</u>		<u>\$ 256,451</u>

Township High School District 211
Capital Projects Fund
**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
For the Fiscal Year Ended June 30, 2018
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
Interest on investments	\$ 20,000	\$ 70,726	\$ 50,726	\$ 22,570
Total local sources	<u>20,000</u>	<u>70,726</u>	<u>50,726</u>	<u>22,570</u>
Total revenue	<u>20,000</u>	<u>70,726</u>	<u>50,726</u>	<u>22,570</u>
Expenditures				
Support services				
Business				
Facilities acquisition and construction services				
Capital outlay	<u>21,815,000</u>	<u>18,072,387</u>	<u>3,742,613</u>	<u>18,590,631</u>
Total	<u>21,815,000</u>	<u>18,072,387</u>	<u>3,742,613</u>	<u>18,590,631</u>
Total expenditures	<u>21,815,000</u>	<u>18,072,387</u>	<u>3,742,613</u>	<u>18,590,631</u>
Excess (deficiency) of revenues over expenditures	<u>(21,795,000)</u>	<u>(18,001,661)</u>	<u>3,793,339</u>	<u>(18,568,061)</u>
Other financing sources (uses)				
Permanent transfer from Operations & Maintenance Fund	<u>23,000,000</u>	<u>32,800,000</u>	<u>9,800,000</u>	<u>14,000,000</u>
Total other financing sources (uses)	<u>23,000,000</u>	<u>32,800,000</u>	<u>9,800,000</u>	<u>14,000,000</u>
Net change in fund balance	<u>\$ 1,205,000</u>	14,798,339	<u>\$ 13,593,339</u>	(4,568,061)
Fund balance (deficit), beginning of year		<u>(4,327,781)</u>		<u>240,280</u>
Fund balance (deficit), end of year		<u>\$ 10,470,558</u>		<u>\$ (4,327,781)</u>

Township High School District 211
Fire Prevention and Life Safety Fund
**SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**
For the Fiscal Year Ended June 30, 2018
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2017

	2018			2017 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
Interest on investments	\$ 5,000	\$ 5,224	\$ 224	\$ 5,954
Total local sources	<u>5,000</u>	<u>5,224</u>	<u>224</u>	<u>5,954</u>
Total revenue	<u>5,000</u>	<u>5,224</u>	<u>224</u>	<u>5,954</u>
Expenditures				
Support services				
Business				
Operations and maintenance of plant services				
Purchased services	-	22,040	(22,040)	-
Capital outlay	<u>1,550,000</u>	<u>1,555,786</u>	<u>(5,786)</u>	<u>2,274,868</u>
Total	<u>1,550,000</u>	<u>1,577,826</u>	<u>(27,826)</u>	<u>2,274,868</u>
Total support services	<u>1,550,000</u>	<u>1,577,826</u>	<u>(27,826)</u>	<u>2,274,868</u>
Total expenditures	<u>1,550,000</u>	<u>1,577,826</u>	<u>(27,826)</u>	<u>2,274,868</u>
Excess (deficiency) of revenues over expenditures	<u>(1,545,000)</u>	<u>(1,572,602)</u>	<u>(27,602)</u>	<u>(2,268,914)</u>
Other financing sources (uses)				
Permanent transfer from general fund	<u>500,000</u>	<u>3,500,000</u>	<u>3,000,000</u>	<u>3,000,000</u>
Total other financing sources (uses)	<u>500,000</u>	<u>3,500,000</u>	<u>(3,000,000)</u>	<u>3,000,000</u>
Net change in fund balance	<u>\$ (1,045,000)</u>	1,927,398	<u>\$ (3,027,602)</u>	731,086
Fund balance (deficit), beginning of year		<u>214,822</u>		<u>(516,264)</u>
Fund balance, end of year		<u>\$ 2,142,220</u>		<u>\$ 214,822</u>

Township High School District 211
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS - ACTIVITY FUNDS
As of and for the Fiscal Year Ended June 30, 2018

	Balance June 30, 2017	Additions	Deletions	Balance June 30, 2018
Assets:				
Cash and investments	\$ 2,104,734	\$ 8,504,025	\$ 8,346,841	\$ 2,261,918
Accounts Receivable	(1,050)	6,349,805	6,369,176	(20,421)
	<u>\$ 2,103,684</u>	<u>\$ 14,853,830</u>	<u>\$ 14,716,017</u>	<u>\$ 2,241,497</u>
 Liabilities:				
Due to student groups				
Palatine High School	\$ 547,115	\$ 109,253	\$ 116,430	\$ 539,938
William Fremd High School	459,236	1,135,442	1,096,208	498,470
James B. Conant High School	373,434	1,236,293	1,163,592	446,135
Schaumburg High School	333,398	947,924	926,848	354,474
Hoffman Estates High School	302,316	917,824	919,339	300,801
District Administration	82,905	818,005	805,414	95,496
Higgins Education Center	5,279	7,094	6,191	6,182
	<u>\$ 2,103,684</u>	<u>\$ 5,171,835</u>	<u>\$ 5,034,022</u>	<u>\$ 2,241,497</u>

Township High School District 211
OPERATING COSTS AND TUITION CHARGE
As of and for the Fiscal Year Ended June 30, 2018

	2018	2017
Operating costs per pupil		
Average Daily Attendance (ADA):	<u>11,457</u>	<u>11,479</u>
Operating costs:		
Educational	\$ 190,813,641	\$ 186,580,624
Operations and Maintenance	26,411,755	27,626,711
Debt Service	3,472,203	3,694,979
Transportation	11,550,202	11,225,957
Municipal Retirement/Social Security	<u>11,772,808</u>	<u>12,858,886</u>
Subtotal	<u>244,020,609</u>	<u>241,987,157</u>
Less Revenues/Expenditures of Nonregular Programs:		
Payments to other districts and governmental units	8,053,064	7,969,446
Adult/continuing education	715,025	622,697
Summer school	3,089,581	3,336,050
Capital outlay	5,401,546	6,912,695
Non-capitalized equipment	5,615,839	4,530,520
Debt principal retired	3,449,170	3,635,258
Community services	9,488	14,367
Related revenues	<u>75,155</u>	<u>73,405</u>
Subtotal	<u>26,408,868</u>	<u>27,094,438</u>
Operating costs	<u>\$ 217,611,741</u>	<u>\$ 214,892,719</u>
Operating costs per pupil - based on ADA	<u>\$ 18,994</u>	<u>\$ 18,721</u>
Tuition Charge		
Operating costs:	\$ 217,611,741	\$ 214,892,719
Less - revenues from specific programs, such as special education or lunch programs	<u>25,161,847</u>	<u>23,346,685</u>
Net operating costs	192,449,894	191,546,034
Depreciation allowance	<u>14,860,384</u>	<u>13,662,487</u>
Allowance tuition costs	<u>\$ 207,310,278</u>	<u>\$ 205,208,521</u>
Tuition charge per pupil - based on ADA	<u>\$ 18,095</u>	<u>\$ 17,877</u>

Statistical Section (Unaudited)

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends	90
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
Revenue Capacity	102
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	
Debt Capacity	110
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
Demographic and Economic Information	115
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
Operating Information	119
These schedules contain information about the District's service and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	

Township High School District 211
NET POSITION BY COMPONENT
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Governmental activities				
Net investment in capital assets	\$ 218,679,027	\$ 205,297,943	\$ 187,579,053	\$ 171,183,889
Restricted	30,502,882	29,079,029	29,215,544	32,814,045
Unrestricted	<u>(78,054,861)</u>	<u>49,819,566</u>	<u>66,724,481</u>	<u>70,913,243</u>
Total governmental activities net position	<u>\$ 171,127,048</u>	<u>\$ 284,196,538</u>	<u>\$ 283,519,078</u>	<u>\$ 274,911,177</u>

Source: Audited financial statements for 2009 - 2018.

Note: GASB 75 was adopted for the year ended June 30, 2018. GASB 68 and GASB 71 were adopted for the year ended June 30, 2015. Prior year information has not been restated.

2014	2013	2012	2011	2010	2009
\$ 148,610,964	\$ 136,218,876	\$ 130,244,202	\$ 126,451,132	\$ 123,915,577	\$ 124,507,577
38,825,509	36,825,021	36,793,020	33,860,841	32,710,925	25,403,705
<u>99,812,103</u>	<u>111,558,780</u>	<u>109,052,478</u>	<u>105,266,355</u>	<u>105,065,810</u>	<u>95,568,083</u>
<u>\$ 287,248,576</u>	<u>\$ 284,602,677</u>	<u>\$ 276,089,700</u>	<u>\$ 265,578,328</u>	<u>\$ 261,692,312</u>	<u>\$ 245,479,365</u>

Township High School District 211
CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Expenses				
Instruction:				
Regular programs	\$ 88,371,056	\$ 79,947,408	\$ 81,649,378	\$ 80,541,382
Special programs	35,238,014	33,428,412	33,015,416	33,197,249
Other instructional programs	31,544,424	27,443,753	28,173,011	29,598,584
State retirement contributions	79,932,635	83,345,965	57,183,924	52,585,220
Support services:				
Pupils	22,115,774	21,665,568	19,162,137	18,703,220
Instructional staff	3,148,932	6,440,641	4,951,658	4,583,084
General administration	4,665,167	5,379,832	2,091,171	2,003,264
School administration	10,913,503	10,769,349	11,223,746	10,648,441
Business	7,800,968	7,629,498	7,119,785	6,929,519
Transportation	12,372,429	12,225,393	12,294,926	12,280,607
Operations and maintenance	37,493,849	36,964,780	37,249,295	35,296,963
Central	5,586,128	5,376,390	4,961,326	4,469,675
Other supporting services	2,347	2,145	3,592	8,279
Community services	9,488	14,367	7,293	11,675
Interest on long-term debt	9,113	2,363	38,168	10,552
Total expenses	\$ 339,203,827	\$ 330,635,864	\$ 299,124,826	\$ 290,867,714
Program Revenues				
Charges for services				
Instruction:				
Regular programs	\$ 1,349,973	\$ 1,307,799	\$ 1,319,086	\$ 1,327,018
Special programs	34,576	10,471	-	43,171
Other instructional programs	2,849,262	2,228,328	2,120,852	3,109,656
Support services:				
Business	3,044,496	3,245,595	3,178,101	3,309,486
Transportation	225,183	275,434	303,212	287,752
Operations and maintenance	373,680	448,237	407,625	455,265
Operating Grants and Contributions	94,198,895	101,454,713	74,522,349	69,279,716
Total program revenues	\$ 102,076,065	\$ 108,970,577	\$ 81,851,225	\$ 77,812,064
Net (expense)/revenue	\$ (237,127,762)	\$ (221,665,287)	\$ (217,273,601)	\$ (213,055,650)
General revenues				
Taxes:				
Real estate taxes, levied for general purposes	\$ 167,979,442	\$ 164,748,630	\$ 166,769,329	\$ 161,055,675
Real estate taxes, levied for specific purposes	44,983,296	44,267,089	45,389,044	43,861,647
Real estate taxes, levied for debt service	-	513,468	2,287,232	3,320,419
Real estate taxes, TIF surplus	429,084	351,236	569,331	117,394
Personal property replacement taxes	2,716,238	3,679,677	2,607,576	3,263,405
State aid-formula grants	10,837,588	6,659,377	6,312,907	5,883,843
Investment earnings	1,929,037	897,658	393,690	263,475
Miscellaneous	1,411,186	1,225,612	1,552,393	1,135,815
Total general revenues	230,285,871	222,342,747	225,881,502	218,901,673
Special items:				
Loss on disposal of capital assets	-	-	-	-
Change in net position	\$ (6,841,891)	\$ 677,460	\$ 8,607,901	\$ 5,846,023

Source: Audited financial statements for 2009 - 2018.

Note: GASB 75 was adopted for the year ended June 30, 2018. GASB 68 and GASB 71 were adopted for the year ended June 30, 2015. Prior year information has not been restated.

	2014	2013	2012	2011	2010	2009
\$	86,619,115	\$ 77,756,734	\$ 76,183,245	\$ 73,273,337	\$ 73,770,976	\$ 66,172,115
	32,340,462	30,752,846	29,215,684	29,089,750	27,817,736	26,430,672
	28,501,098	27,884,199	26,441,992	27,130,144	28,912,423	27,448,826
	37,614,395	29,050,370	25,458,056	23,517,114	23,200,434	16,802,224
	18,376,355	17,744,661	17,740,987	17,611,603	16,820,565	15,772,796
	4,502,240	4,093,144	4,300,139	8,966,768	7,906,596	8,163,988
	2,093,686	1,761,009	1,675,105	1,656,485	1,409,826	1,702,898
	10,471,755	10,360,558	10,860,408	9,181,564	9,061,815	8,796,475
	7,442,538	7,666,453	7,436,258	7,430,859	7,464,407	7,027,948
	11,943,912	11,667,420	10,964,147	10,702,429	10,459,100	9,333,848
	33,651,920	33,266,740	32,667,715	31,919,749	34,255,472	30,294,798
	3,904,987	4,058,567	4,121,897	5,041,532	4,072,549	3,084,902
	101,689	33,621	5,182	2,198	10,222	-
	6,479	8,525	4,019	2,024	-	-
	27,590	380,528	710,217	1,125,935	1,560,216	1,758,900
\$	<u>277,598,221</u>	<u>256,485,375</u>	<u>247,785,051</u>	<u>246,651,491</u>	<u>246,722,337</u>	<u>222,790,390</u>
\$	1,374,476	\$ 1,418,057	\$ 1,442,188	\$ 1,556,378	\$ 1,621,937	\$ 1,725,276
	82,002	172,937	184,316	79,225	209,166	298,297
	2,990,590	3,213,816	2,778,339	2,738,859	3,388,838	3,760,409
	3,878,018	4,140,170	4,281,942	4,368,462	4,644,660	4,934,245
	277,002	302,543	252,037	263,631	248,561	228,417
	485,956	467,866	398,786	370,910	372,859	313,659
	54,327,374	44,624,016	41,384,572	40,662,761	40,838,114	30,703,841
\$	<u>63,415,418</u>	<u>54,339,405</u>	<u>50,722,180</u>	<u>50,040,226</u>	<u>51,324,135</u>	<u>41,964,144</u>
\$	<u>(214,182,803)</u>	<u>(202,145,970)</u>	<u>(197,062,871)</u>	<u>(196,611,265)</u>	<u>(195,398,202)</u>	<u>(180,826,246)</u>
\$	158,760,245	\$ 153,273,721	\$ 150,472,472	\$ 144,368,700	\$ 152,827,361	\$ 137,569,386
	43,386,712	42,334,291	42,261,497	41,129,292	43,808,101	38,888,719
	4,345,183	5,403,829	5,447,550	5,323,260	5,725,724	6,321,573
	621,640	-	-	-	-	-
	3,035,673	3,000,856	2,936,977	3,192,605	2,461,876	3,043,140
	5,724,497	5,353,856	5,490,806	5,556,505	5,388,326	5,216,940
	313,000	422,545	376,702	331,637	541,386	3,270,745
	641,752	869,849	588,239	595,282	858,375	875,963
	216,828,702	210,658,947	207,574,243	200,497,281	211,611,149	195,186,466
	-	-	-	-	-	(387,849)
\$	<u>2,645,899</u>	<u>8,512,977</u>	<u>10,511,372</u>	<u>3,886,016</u>	<u>16,212,947</u>	<u>13,972,371</u>

Township High School District 211
FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015
General Fund				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Non-spendable	3,049,006	3,857,382	3,247,465	3,096,531
Restricted	-	-	-	-
Committed	4,200,000	-	-	-
Assigned	-	22,637,000	14,925,257	17,027,587
Unassigned	<u>67,246,981</u>	<u>69,704,141</u>	<u>88,233,236</u>	<u>82,281,216</u>
Total general fund	<u>\$ 74,495,987</u>	<u>\$ 96,198,523</u>	<u>\$ 106,405,958</u>	<u>\$ 102,405,334</u>
All other governmental funds				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:	-	-	-	-
Special revenue funds	-	-	-	-
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
Non-spendable, reported in:				
Special revenue funds	383,997	382,432	376,854	414,224
Debt service fund	-	-	-	-
Restricted, reported in:				
Special revenue funds	24,947,544	30,144,990	30,497,047	27,583,331
Debt service fund	12,148	256,451	996,449	1,962,651
Capital projects funds	2,142,220	214,822	240,280	8,014,630
Assigned, reported in:				
Capital projects funds	10,470,558	-	-	7,979,659
Unassigned, reported in:				
Capital projects funds	<u>-</u>	<u>(4,327,781)</u>	<u>(516,264)</u>	<u>-</u>
Total all other governmental funds	<u>\$ 37,956,467</u>	<u>\$ 26,670,913</u>	<u>\$ 31,594,366</u>	<u>\$ 45,954,495</u>

*The District implemented GASB 54 in Fiscal 2011.

Source: Audited financial statements for 2009 - 2018.

2014	2013	2012	2011*	2010	2009
\$ -	\$ -	\$ -	\$ -	\$ 6,348,922	\$ 7,022,195
-	-	-	-	87,348,432	69,584,690
4,078,112	4,817,865	5,715,545	5,691,465	-	-
-	-	-	-	-	-
-	-	-	-	-	-
26,313,042	22,278,461	1,200,000	3,700,000	-	-
<u>87,379,223</u>	<u>101,704,570</u>	<u>112,238,450</u>	<u>104,592,535</u>	-	-
<u>\$ 117,770,377</u>	<u>\$ 128,800,896</u>	<u>\$ 119,153,995</u>	<u>\$ 113,984,000</u>	<u>\$ 93,697,354</u>	<u>\$ 76,606,885</u>
\$ -	\$ -	\$ -	\$ -	\$ 273,347	\$ 321,942
-	-	-	-	39,753,758	34,154,603
-	-	-	-	8,707,656	11,077,185
-	-	-	-	258,925	2,564,849
398,908	349,595	355,159	337,625	-	-
-	599,238	-	-	-	-
30,458,599	31,891,152	29,115,988	26,614,491	-	-
1,885,114	4,034,595	6,295,316	5,949,841	-	-
11,233,332	11,013,757	203,005	192,645	-	-
3,853,715	-	-	-	-	-
-	(2,252,015)	-	-	-	-
<u>\$ 47,829,668</u>	<u>\$ 45,636,322</u>	<u>\$ 35,969,468</u>	<u>\$ 33,094,602</u>	<u>\$ 48,993,686</u>	<u>\$ 48,118,579</u>

Township High School District 211
GOVERNMENTAL FUNDS REVENUES
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Local Sources				
Property taxes	\$ 212,962,738	\$ 209,529,187	\$ 214,445,605	\$ 208,237,741
Replacement taxes	2,716,238	3,679,677	2,607,576	3,263,405
Tuition	939,572	1,224,357	836,046	1,186,709
Earnings on investments	1,764,318	897,321	353,805	275,045
Other local sources	<u>8,777,868</u>	<u>7,868,354</u>	<u>8,614,554</u>	<u>8,598,848</u>
Total local sources	<u>227,160,734</u>	<u>223,198,896</u>	<u>226,857,586</u>	<u>221,561,748</u>
State Sources				
Evidence Based Funding/General state aid	10,837,588	6,659,377	6,312,907	5,883,843
Other state aid	<u>87,920,635</u>	<u>93,961,794</u>	<u>64,987,871</u>	<u>62,831,739</u>
Total state sources	<u>98,758,223</u>	<u>100,621,171</u>	<u>71,300,778</u>	<u>68,715,582</u>
Federal Sources				
ARRA - General state aid	-	-	-	-
Other federal sources	<u>7,267,518</u>	<u>7,247,665</u>	<u>6,772,716</u>	<u>6,603,896</u>
Total federal sources	<u>7,267,518</u>	<u>7,247,665</u>	<u>6,772,716</u>	<u>6,603,896</u>
Total	<u>\$ 333,186,475</u>	<u>\$ 331,067,732</u>	<u>\$ 304,931,080</u>	<u>\$ 296,881,226</u>

Source: Audited financial statements for 2009 - 2018.

2014	2013	2012	2011	2010	2009
\$ 206,492,140	\$ 201,011,841	\$ 198,181,519	\$ 190,821,252	\$ 202,361,186	\$ 182,779,678
3,035,673	3,000,856	2,936,977	3,192,605	2,461,876	3,043,140
1,154,650	1,302,441	1,482,016	1,390,249	1,330,639	1,546,525
314,688	457,886	325,959	368,731	632,133	4,534,618
<u>9,196,786</u>	<u>9,282,796</u>	<u>8,417,816</u>	<u>8,572,798</u>	<u>10,005,659</u>	<u>10,589,741</u>
<u>220,193,937</u>	<u>215,055,820</u>	<u>211,344,287</u>	<u>204,345,635</u>	<u>216,791,493</u>	<u>202,493,702</u>
5,724,497	5,353,856	5,490,806	5,556,505	4,406,605	4,026,567
<u>48,007,248</u>	<u>40,768,828</u>	<u>35,154,120</u>	<u>33,597,168</u>	<u>32,211,873</u>	<u>24,454,560</u>
<u>53,731,745</u>	<u>46,122,684</u>	<u>40,644,926</u>	<u>39,153,673</u>	<u>36,618,478</u>	<u>28,481,127</u>
-	-	-	-	981,721	1,190,373
<u>6,308,746</u>	<u>7,083,443</u>	<u>5,068,285</u>	<u>7,432,645</u>	<u>7,782,710</u>	<u>4,252,525</u>
<u>6,308,746</u>	<u>7,083,443</u>	<u>5,068,285</u>	<u>7,432,645</u>	<u>8,764,431</u>	<u>5,442,898</u>
<u>\$ 280,234,428</u>	<u>\$ 268,261,947</u>	<u>\$ 257,057,498</u>	<u>\$ 250,931,953</u>	<u>\$ 262,174,402</u>	<u>\$ 236,417,727</u>

Township High School District 211
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Current:				
Instruction				
Regular programs	\$ 82,161,538	\$ 80,212,450	\$ 79,794,268	\$ 79,283,738
Special programs	25,855,627	25,583,344	25,206,977	24,836,738
Other instructional programs	29,663,595	27,691,906	27,882,431	29,293,673
State retirement contributions	<u>79,932,635</u>	<u>83,345,965</u>	<u>57,183,924</u>	<u>52,585,220</u>
Total instruction	<u>217,613,395</u>	<u>216,833,665</u>	<u>190,067,600</u>	<u>185,999,369</u>
Supporting services				
Pupils	21,142,686	20,723,888	18,880,744	18,485,986
Instructional staff	4,359,273	4,544,274	4,855,626	4,523,404
General administration	4,526,965	5,388,572	2,072,290	1,987,888
School administration	10,698,067	10,783,115	11,037,967	10,497,458
Business	7,714,879	7,573,899	6,893,376	6,746,259
Transportation	11,494,933	11,133,567	11,028,253	11,204,458
Operations and maintenance	24,644,142	25,046,823	25,895,454	25,163,432
Central	4,842,296	4,711,687	4,474,669	4,165,417
Other supporting services	<u>2,347</u>	<u>2,145</u>	<u>3,592</u>	<u>8,279</u>
Total supporting services	<u>89,425,588</u>	<u>89,907,970</u>	<u>85,141,971</u>	<u>82,782,581</u>
Community services	<u>9,488</u>	<u>14,367</u>	<u>7,293</u>	<u>11,675</u>
Payments to other districts and government units	<u>8,053,064</u>	<u>7,969,446</u>	<u>7,368,265</u>	<u>7,920,988</u>
Total current	<u>315,101,535</u>	<u>314,725,448</u>	<u>282,585,129</u>	<u>276,714,613</u>
Other:				
Debt service				
Principal	3,449,170	3,635,258	7,720,749	7,175,498
Interest	23,033	59,721	126,685	232,127
Capital outlay	<u>25,029,719</u>	<u>27,778,193</u>	<u>24,858,022</u>	<u>31,721,204</u>
Total other	<u>28,501,922</u>	<u>31,473,172</u>	<u>32,705,456</u>	<u>39,128,829</u>
Total	<u>\$ 343,603,457</u>	<u>\$ 346,198,620</u>	<u>\$ 315,290,585</u>	<u>\$ 315,843,442</u>
Debt service as a percentage of noncapital expenditures	1.09%	1.16%	2.70%	2.61%

Source: Audited financial statements for 2009 - 2018.

	2014	2013	2012	2011	2010	2009
\$	83,886,093	\$ 74,932,979	\$ 73,011,871	\$ 69,746,916	\$ 66,584,334	\$ 62,092,198
	23,508,531	22,871,073	22,017,333	23,770,350	22,965,807	21,608,621
	28,413,731	27,790,139	26,273,834	26,963,713	28,170,394	27,246,748
	<u>37,614,395</u>	<u>29,050,370</u>	<u>25,458,056</u>	<u>23,517,114</u>	<u>23,200,434</u>	<u>16,802,224</u>
	<u>173,422,750</u>	<u>154,644,561</u>	<u>146,761,094</u>	<u>143,998,093</u>	<u>140,920,969</u>	<u>127,749,791</u>
	18,376,355	17,744,661	17,739,019	17,607,752	16,796,813	15,769,504
	4,498,799	4,089,703	4,296,699	8,964,502	7,874,045	8,159,880
	2,093,686	1,761,009	1,675,105	1,656,485	1,409,826	1,702,898
	10,471,755	10,360,558	10,428,023	8,898,199	8,599,517	8,486,124
	7,427,500	7,652,600	7,424,658	10,718,296	7,212,258	6,971,520
	11,280,337	10,927,709	10,230,644	8,801,577	9,644,342	8,534,874
	24,986,661	25,172,738	24,852,160	22,320,468	24,747,977	24,454,917
	3,711,575	3,865,155	3,992,987	4,993,106	3,984,695	3,064,685
	<u>101,689</u>	<u>33,621</u>	<u>5,182</u>	<u>2,198</u>	<u>10,222</u>	<u>-</u>
	<u>82,948,357</u>	<u>81,607,754</u>	<u>80,644,477</u>	<u>83,962,583</u>	<u>80,279,695</u>	<u>77,144,402</u>
	<u>6,479</u>	<u>8,525</u>	<u>4,019</u>	<u>2,024</u>	<u>-</u>	<u>-</u>
	<u>8,732,895</u>	<u>7,782,736</u>	<u>7,099,314</u>	<u>5,220,363</u>	<u>4,739,602</u>	<u>4,809,502</u>
	<u>265,110,481</u>	<u>244,043,576</u>	<u>234,508,904</u>	<u>233,183,063</u>	<u>225,940,266</u>	<u>209,703,695</u>
	10,702,371	8,143,646	7,840,063	8,962,165	8,533,813	8,183,757
	461,031	755,673	1,058,744	1,478,088	1,910,660	2,328,098
	<u>19,206,738</u>	<u>12,209,072</u>	<u>5,630,941</u>	<u>2,930,775</u>	<u>7,874,885</u>	<u>32,799,742</u>
	<u>30,370,140</u>	<u>21,108,391</u>	<u>14,529,748</u>	<u>13,371,028</u>	<u>18,319,358</u>	<u>43,311,597</u>
\$	<u>295,480,621</u>	<u>265,151,967</u>	<u>249,038,652</u>	<u>246,554,091</u>	<u>244,259,624</u>	<u>253,015,292</u>
	4.04%	3.52%	3.66%	4.29%	4.42%	4.77%

Township High School District 211
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Excess of revenues over (under) expenditures	\$ (10,416,982)	\$ (15,130,888)	\$ (10,359,505)	\$ (18,962,216)
Other financing sources (uses)				
Principal on bonds sold	-	-	-	-
Accrued interest of bonds	-	-	-	-
Proceeds from tax debt certificates	-	-	-	-
Premium on bonds sold	-	-	-	-
Payments to escrow agent	-	-	-	-
Sale of capital assets	-	-	-	-
Capital lease proceeds	-	-	-	1,722,000
Accrued interest capital lease	-	-	-	-
Transfers in	65,200,000	33,000,000	2,000,000	51,000,000
Transfers out	<u>(65,200,000)</u>	<u>(33,000,000)</u>	<u>(2,000,000)</u>	<u>(51,000,000)</u>
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,722,000</u>
Net change in fund balances	<u>\$ (10,416,982)</u>	<u>\$ (15,130,888)</u>	<u>\$ (10,359,505)</u>	<u>\$ (17,240,216)</u>

Source: Audited financial statements for 2009 - 2018.

2014	2013	2012	2011	2010	2009
\$ (15,246,193)	\$ 3,109,980	\$ 8,018,846	\$ 4,377,862	\$ 17,914,778	\$ (16,597,565)
-	15,850,000	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	353,775	-	-	-	-
-	-	-	-	-	-
-	-	26,015	9,700	8,098	5,037
6,409,020	-	-	-	42,700	-
-	-	-	-	-	-
38,600,000	6,922,621	3,709,894	2,028,221	6,091,391	48,461,077
<u>(38,600,000)</u>	<u>(6,922,621)</u>	<u>(3,709,894)</u>	<u>(2,028,221)</u>	<u>(6,091,391)</u>	<u>(48,461,077)</u>
<u>6,409,020</u>	<u>16,203,775</u>	<u>26,015</u>	<u>9,700</u>	<u>50,798</u>	<u>5,037</u>
<u>\$ (8,837,173)</u>	<u>\$ 19,313,755</u>	<u>\$ 8,044,861</u>	<u>\$ 4,387,562</u>	<u>\$ 17,965,576</u>	<u>\$ (16,592,528)</u>

Township High School District 211
**EQUALIZED ASSESSED VALUATION AND ESTIMATED
 ACTUAL VALUE OF TAXABLE PROPERTY**
 LAST TEN TAX LEVY YEARS

Tax Levy Year	Beginning of Year Equalized Assessed Valuation	Plus New Property Value	Less Exemptions	Increase/(Decrease) in Value
2017	\$ 7,579,658,867	\$ 36,477,799	\$ 856,069,941	\$ (827,493,596)
2016	6,544,051,768	29,741,200	606,064,736	399,801,163
2015	6,726,250,939	26,528,880	542,457,366	(751,185,417)
2014	6,646,415,927	16,074,326	552,342,783	(488,582,097)
2013	7,566,064,927	43,820,898	(565,877,936)	(397,591,962)
2012	8,189,710,378	19,512,369	(607,212,475)	(35,945,345)
2011	9,071,648,654	16,404,516	(566,052,913)	(332,289,879)
2010	10,138,488,007	26,012,067	(865,432,513)	(227,418,907)
2009	10,044,683,529	25,655,038	(1,451,895,731)	1,520,045,171
2008	9,516,690,016	37,037,714	(1,577,419,288)	2,068,375,087

Source: Cook County Levy, Rate and Extension Reports for 2008 to 2017

*Represents three times the Equalized Assessed Valuation.

N/A - Data not available for this tax year.

End of Year Equalized Assessed Valuation	Amount of Increase/(Decrease) Over Previous Year	Percentage Increase/(Decrease) Over Previous Year	Actual Estimated Value*
\$ 7,644,713,011	\$ 65,054,144	0.86%	\$ 22,934,139,033
7,579,658,867	1,035,607,099	15.83%	22,738,976,601
6,544,051,768	(182,199,171)	-2.71%	19,632,155,304
6,726,250,939	79,835,012	1.20%	20,178,752,817
6,646,415,927	(919,649,000)	-12.15%	19,939,247,781
7,566,064,927	(623,645,451)	-7.61%	22,698,194,781
8,189,710,378	(881,938,276)	-9.72%	24,569,131,134
9,071,648,654	(1,066,839,353)	-10.52%	27,214,945,962
10,138,488,007	93,804,478	0.93%	30,415,464,021
10,044,683,529	527,993,513	5.55%	30,134,050,587

Township High School District 211
 EQUALIZED ASSESSED VALUATIONS BY CLASS
 LAST TEN TAX LEVY YEARS

	2017	2016	2015	2014
Equalized Assessed Valuation:				
Industrial	\$ 392,393,293	\$ 407,816,328	\$ 370,585,770	\$ 394,007,696
Residential	4,983,805,275	4,990,864,675	4,150,954,619	4,259,434,291
Commercial	2,265,902,603	2,178,403,767	2,019,983,808	2,070,655,035
Railroad	2,531,480	2,481,274	2,438,642	2,031,302
Farm	<u>80,360</u>	<u>92,823</u>	<u>88,929</u>	<u>122,615</u>
Total Valuation	<u>\$ 7,644,713,011</u>	<u>\$ 7,579,658,867</u>	<u>\$ 6,544,051,768</u>	<u>\$ 6,726,250,939</u>

Source: Office of the Cook County Clerk

Note: Abstract of Valuations, Levies, Tax Rates and Tax Extensions

2013	2012	2011	2010	2009	2008
\$ 655,306,900	\$ 713,908,515	\$ 770,372,083	\$ 873,828,897	\$ 941,318,623	\$ 1,084,833,523
4,020,298,073	4,787,970,270	5,213,638,581	5,647,150,391	6,311,614,277	5,748,777,935
1,968,643,724	2,062,419,336	2,204,111,820	2,549,179,619	2,884,357,595	3,210,014,929
2,091,387	1,689,777	1,509,630	1,412,669	1,119,876	932,554
75,843	77,029	78,264	77,078	77,636	124,588
<u>\$ 6,646,415,927</u>	<u>\$ 7,566,064,927</u>	<u>\$ 8,189,710,378</u>	<u>\$ 9,071,648,654</u>	<u>\$ 10,138,488,007</u>	<u>\$ 10,044,683,529</u>

Township High School District 211
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
 LAST TEN TAX LEVY YEARS

	Tax Rate Ceiling	2017	2016	2015
District direct rates				
Educational	3.5000	2.2688	2.2671	2.5848
Operation and Maintenance	0.5500	0.3786	0.3767	0.4417
Debt Service	N/A	-	-	0.0205
Transportation	N/A	0.1114	0.0987	0.1141
Illinois Municipal Retirement	N/A	0.0649	0.0638	0.0738
Social Security	N/A	0.0649	0.0638	0.0738
Working Cash	0.0500	0.0328	-	-
Total direct		<u>2.9214</u>	<u>2.8701</u>	<u>3.3087</u>
Overlapping rates*				
County of Cook		0.4960	0.5330	0.5520
Forest Preserve District of Cook County		0.0620	0.0630	0.0690
Consolidated Elections		0.0310	-	0.0340
Town of Schaumburg		0.1050	0.1030	0.1200
Schaumburg Road and Bridge		0.0310	0.0300	0.0340
Schaumburg General Assistance		0.0160	0.0150	0.0170
Metropolitan Water Reclamation District		0.4020	0.4060	0.4260
N.W. Mosquito Abatement		0.0100	0.0100	0.0110
Harper Community College District 512		0.4250	0.4160	0.4660
Schaumburg Park District		0.6530	0.6430	0.7290
Hoffman Estates Park District		0.6390	0.6220	0.7010
Schaumburg Township District Public Library		0.3570	0.3520	0.4020
School District CC 54		<u>3.8440</u>	<u>3.7900</u>	<u>4.3320</u>
Total direct and overlapping rate		<u><u>9.9924</u></u>	<u><u>9.8531</u></u>	<u><u>11.2017</u></u>

Source: Office of the Cook County Clerk

Note: Tax rates are per \$100 of assessed value.

*Schaumburg Township

N/A - Not applicable

2014	2013	2012	2011	2010	2009	2008
2.4609	2.4399	2.0944	1.8878	1.6504	1.4302	1.4104
0.4252	0.4249	0.3690	0.3339	0.3151	0.2740	0.2721
0.0515	0.0520	0.0735	0.0679	0.0613	0.0548	0.0554
0.1085	0.1066	0.0912	0.0832	0.0684	0.0606	0.0600
0.0715	0.0711	0.0604	0.0544	0.0448	0.0397	0.0419
0.0715	0.0711	0.0604	0.0544	0.0448	0.0397	0.0419
<u>0.0238</u>	<u>0.0311</u>	<u>0.0228</u>	<u>-</u>	<u>0.0191</u>	<u>0.0168</u>	<u>0.0462</u>
<u>3.2129</u>	<u>3.1967</u>	<u>2.7717</u>	<u>2.4816</u>	<u>2.2039</u>	<u>1.9158</u>	<u>1.9279</u>
0.5680	0.5600	0.5310	0.4620	0.4230	0.3940	0.4150
0.0690	0.0690	0.0630	0.0580	0.0510	0.0490	0.0510
-	0.0310	-	0.0250	-	0.0210	-
0.1150	0.1170	0.1000	0.0930	0.0820	0.0690	0.0660
0.0320	0.0310	0.0260	0.0230	0.0200	0.0170	0.0160
0.0160	0.0130	0.0110	0.0090	0.0080	0.0060	0.0070
0.4300	0.4170	0.3700	0.3200	0.2740	0.2610	0.2520
0.0130	0.0130	0.0110	0.0100	0.0090	0.0080	0.0080
0.4510	0.4440	0.3730	0.3340	0.2950	0.2580	0.2560
0.7040	0.7000	0.6060	0.5510	0.4880	0.4230	0.4090
0.6730	0.6690	0.5850	0.5210	0.4650	0.4130	0.4140
0.3860	0.3840	0.3310	0.3210	0.2950	0.2580	0.2540
<u>4.1680</u>	<u>4.1480</u>	<u>3.5780</u>	<u>3.1960</u>	<u>2.9960</u>	<u>2.5920</u>	<u>2.5590</u>
<u>10.8379</u>	<u>10.7927</u>	<u>9.3567</u>	<u>8.4046</u>	<u>7.6099</u>	<u>6.6848</u>	<u>6.6349</u>

Township High School District 211
PRINCIPAL PROPERTY TAXPAYERS IN THE DISTRICT
 2017 AND NINE YEARS AGO

TAXPAYER	2017 Equalized Assessed Valuation*	Percentage of 2017 Equalized Assessed Valuation
Simon Property Group	231,993,569	3.03%
Martingale Road LLC	36,754,711	0.48%
Woodfield Corporate Center	33,270,837	0.44%
BRE Streets of Woodfield (PIN 006)	32,883,760	0.43%
BRE DDR Woodfield Village	29,127,190	0.38%
BOF IL Windy Pointe II	23,144,094	0.30%
Woodfield Preserve Pro (PIN 003)	22,261,440	0.29%
Woodfield Preserve Pro (PIN 004)	22,064,631	0.29%
IKEA North America Svc	19,009,913	0.25%
BRE Streets of Woodfield (PIN 009)	<u>17,722,234</u>	<u>0.23%</u>
Total	<u>\$ 468,232,379</u>	<u>6.12%</u>

*2017 Equalized Assessed Valuation is \$7,644,713,011.

Taxpayer	2008 Equalized Assessed Valuation*	Percentage of 2008 Equalized Assessed Valuation
Woodfield Retax Adm	235,038,294	2.34%
Woodfield Holding PT	68,412,521	0.68%
SM I C O C B R Ellis	50,276,248	0.50%
Real Estate Dept ZNA	46,827,565	0.47%
Motorola Inc.	43,428,402	0.43%
KF Schaumburg	39,998,967	0.40%
Real Estate Dept ZNA	39,758,907	0.40%
KBS Woodfield Reserve (PIN 003)	37,114,285	0.37%
KBS Woodfield Reserve (PIN 004)	36,975,923	0.37%
JC Penney Co 1948 9	<u>32,686,117</u>	<u>0.33%</u>
Total	<u>\$ 630,517,229</u>	<u>6.28%</u>

*2008 Equalized Assessed Valuation is \$10,044,683,529.

Source: Office of the Cook County Treasurer

Township High School District 211
PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN LEVY YEARS

Levy Year	Taxes Levied For The Levy Year	Collection Within The Fiscal Year of The Levy		Collections in Subsequent Years	Refunds in Subsequent Years	Total Net Collections to Date	
		Amount	Percentage of Levy			Amount	Percentage of Levy
2017	\$ 223,378,514	\$ 116,363,672	52.1%	\$ -	\$ -	\$ 116,363,672	52.1%
2016	217,612,006	114,284,599	52.5%	103,825,618	(1,707,409)	216,402,808	99.4%
2015	216,542,673	113,172,738	52.3%	105,336,883	(3,961,223)	214,548,398	99.1%
2014	216,114,443	110,978,744	51.4%	105,419,963	(3,541,762)	212,856,945	98.5%
2013	212,485,917	109,669,981	51.6%	103,108,671	(4,278,315)	208,500,337	98.1%
2012	209,731,320	107,493,043	51.3%	102,837,347	(5,272,459)	205,057,931	97.8%
2011	203,268,612	104,601,628	51.5%	98,653,089	(5,449,851)	197,804,866	97.3%
2010	199,939,136	101,686,925	50.9%	98,381,004	(6,245,576)	193,822,353	96.9%
2009	194,253,430	101,836,453	52.4%	93,481,952	(8,406,295)	186,912,110	96.2%
2008	193,661,498	89,059,053	46.0%	104,884,516	(6,000,301)	187,943,268	97.0%

Source: Office of the Cook County Clerk and prior year financial statements.

Township High School District 211
RATIO OF OUTSTANDING DEBT BY TYPE
 LAST TEN FISCAL YEARS

Year	General Obligation Bonds	Capital Leases	Total	Percentage of Personal Income	Outstanding Debt Per Capita
2018	\$ -	\$ 433,118	\$ 433,118	N/A	N/A
2017	3,020,000	862,288	3,882,288	0.16%	20
2016	6,230,000	1,287,545	7,517,545	0.32%	38
2015	11,380,000	3,858,294	15,238,294	0.70%	78
2014	16,430,000	4,261,792	20,691,792	0.91%	106
2013	24,970,000	15,143	24,985,143	1.09%	128
2012	17,255,000	23,789	17,278,789	0.75%	89
2011	25,000,000	118,852	25,118,852	1.10%	129
2010	33,615,000	466,017	34,081,017	1.58%	174
2009	41,820,000	752,130	42,572,130	2.11%	221

Note: See Demographic and Economic Statistics table for personal and population data.

N/A - Information is not available.

Source: US Census Bureau, and Village of Hoffman Estates, Village of Palatine, and Village of Schaumburg 2017 Comprehensive Annual Financial Reports, and District

Township High School District 211
RATIO OF GENERAL BONDED DEBT OUTSTANDING
 LAST TEN FISCAL YEARS

Year	General Bonded Debt	Less: Amounts Available To Repay Principal	Net General Bonded Debt	Percentage of Net General Bonded Debt to Estimated Actual Valuation	Net General Bonded Debt Per Capita
2018	\$ -	\$ -	\$ -	0.00%	0
2017	3,020,000	256,451	2,763,549	0.01%	14
2016	6,230,000	996,449	5,233,551	0.03%	27
2015	11,380,000	1,962,651	9,417,349	0.05%	48
2014	16,430,000	1,885,114	14,544,886	0.07%	75
2013	24,970,000	4,633,833	20,336,167	0.09%	104
2012	17,255,000	6,295,316	10,959,684	0.04%	56
2011	25,000,000	5,949,841	19,050,159	0.07%	98
2010	33,615,000	8,707,656	24,907,344	0.08%	127
2009	41,820,000	11,077,185	30,742,815	0.10%	160

Source: Cook County Levy, Rate and Extension Reports for 2008 to 2017 and District financial records

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Township High School District 211
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
As of June 30, 2018

Governmental Jurisdiction	Debt Outstanding	Overlapping Percent	Net Direct and Overlapping Debt
Overlapping Debt			
County:			
Cook County	\$3,085,186,750 (2)	5.080%	\$ 156,727,487
Cook County Forest Preserve	150,960,000	5.080%	7,668,768
Metropolitan Water Reclamation District	2,480,560,091 (1)	4.985%	123,655,921
School Districts:			
School District 15	36,508,432 (3)	86.156%	31,454,205
Community College District 509	173,388,754 (3)	0.887%	1,537,958
Community College District 512	126,895,000	39.372%	49,961,099
Park Districts:			
Arlington Heights Park District	15,380,000 (6)	0.064%	9,843
Elk Grove Village Park District	5,940,000	17.376%	1,032,134
Hanover Park Park District	1,298,870 (2)	15.315%	198,922
Hoffman Estates Park District	9,735,000 (2)(6)	70.454%	6,858,697
Inverness Park District	235,500	90.782%	213,792
Palatine Park District	8,495,000 (2)	99.192%	8,426,360
Rolling Meadows Park District	2,725,000	25.614%	697,982
Salt Creek Park District	667,000 (2)	68.517%	457,008
Schaumburg Park District	10,560,000 (2)	98.126%	10,362,106
South Barrington Park District	0 (2)	1.136%	-
Municipalities:			
Village of Arlington Heights	57,465,000 (5)	1.287%	739,575
Village of Elk Grove Village	122,450,000	18.494%	22,645,903
Village of Hanover Park	16,655,000	22.396%	3,730,054
Village of Hoffman Estates	103,330,000	71.481%	73,861,317
Village of Inverness	4,400,000	65.878%	2,898,632
Village of Palatine	72,630,000	99.919%	72,571,170
City of Rolling Meadows	4,805,000 (4)	39.400%	1,893,170
Village of Roselle	1,960,000 (2)	13.313%	260,935
Village of Schaumburg	304,630,000	98.057%	298,711,039
Village of Streamwood	3,465,000	3.304%	114,484
Miscellaneous:			
Palatine Special Service Area #5	5,460,000	100.000%	<u>5,460,000</u>
Total Overlapping Debt			882,148,560
Direct Debt:			
Township High School District 211	0	100.000%	<u>\$ -</u>
Total Direct and Overlapping General Obligation Bonded Debt			<u>\$ 882,148,560</u>

- (1) Includes IEPA Revolving Loan Fund Bonds.
- (2) Excludes principal amounts of outstanding General Obligation (Alternate Revenue Source) Bonds which are expected to be paid from sources other than general taxation.
- (3) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.
- (4) Includes self-supporting bonds.
- (5) Excludes bonds considered to be self-supporting bonds that are abated annually.
- (6) Excludes debt certificates and notes.

Source: Cook County Clerk's Office

Township High School District 211
LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2018

Equalized Assessed Valuation	<u>\$7,644,713,011</u>
Debt Limit - 6.9% of Equalized Assessed Valuation	\$ 527,485,198
Total Debt Outstanding	<u>-</u>
Total Debt Limit	<u>\$ 527,485,198</u>

	2018	2017	2016	2015
Debt Limit	\$ 527,485,198	\$ 522,996,462	\$ 451,539,572	\$ 464,111,315
Total Net Debt Applicable to Limit	<u>433,118</u>	<u>3,882,288</u>	<u>7,517,545</u>	<u>15,238,294</u>
Legal Debt Margin	<u>\$ 527,052,080</u>	<u>\$ 519,114,174</u>	<u>\$ 444,022,027</u>	<u>\$ 448,873,021</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.08%	0.74%	1.66%	3.28%

Source: Cook County Levy, Rate and Extension Reports for 2008 to 2017 and District financial records

Fiscal Year

2014	2013	2012	2011	2010	2009
\$ 458,602,699	\$ 522,058,480	\$ 565,090,016	\$ 625,943,757	\$ 699,555,672	\$ 693,083,164
<u>20,691,792</u>	<u>24,985,143</u>	<u>17,278,789</u>	<u>25,118,852</u>	<u>34,081,017</u>	<u>42,572,130</u>
<u>\$ 437,910,907</u>	<u>\$ 497,073,337</u>	<u>\$ 547,811,227</u>	<u>\$ 600,824,905</u>	<u>\$ 665,474,655</u>	<u>\$ 650,511,034</u>
4.51%	4.79%	3.06%	4.01%	4.87%	6.14%

Township High School District 211
DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN YEARS

Year	Population*	Personal Income**	Per Capita Income**	Unemployment Rate**
2017	194,890	\$ 2,357,624,290	\$ 33,050	3.73%
2016	195,310	2,332,002,869	35,881	4.70%
2015	194,679	2,190,997,505	33,900	4.60%
2014	194,679	2,285,001,976	35,066	4.93%
2013	194,679	2,286,449,442	35,074	6.73%
2012	194,679	2,290,030,197	35,143	7.00%
2011	194,679	2,285,393,794	34,824	8.30%
2010	196,388	2,159,048,337	33,035	9.00%
2009	192,429	2,022,182,075	30,574	8.37%
2008	192,429	1,956,055,435	30,574	4.83%

Source: US Census Bureau, and Village of Hoffman Estates, Village of Palatine, and Village of Schaumburg 2017 Comprehensive Annual Financial Reports.

*Reflects the aggregate population of the Villages of Hoffman Estates, Palatine, and Schaumburg.

**Personal Income, Per Capita Income, and Unemployment Rate reflects the Villages of Hoffman Estates, Palatine, and Schaumburg as an average.

Township High School District 211
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

<u>2018</u>		
Employer	Employees	Percentage of Total Employment
Sears Holding Corp. (HQ) ⁽¹⁾	4,320	26.5%
Zurich North America ⁽²⁾	2,500	15.3%
St. Alexius Medical Center ⁽¹⁾	2,045	12.6%
Township High School District 211 ⁽³⁾	2,019	12.4%
Motorola Solutions, Inc. ⁽²⁾	1,650	10.1%
William Rainey Harper College ⁽³⁾	840	5.2%
OptumRX, Inc. ⁽²⁾	800	4.9%
Gonnella Baking Co. ⁽²⁾	750	4.6%
Nation Pizza Products L.P. ⁽²⁾	700	4.3%
Verizon Wireless, Inc. ⁽²⁾	670	4.1%
	<u>16,294</u>	<u>100.0%</u>

<u>2009</u>		
Employer	Employees	Percentage of Total Employment
Sears Holding Corp. ⁽¹⁾	6,000	31.7%
AT&T Midwest ⁽¹⁾	2,700	14.3%
St. Alexis Medical Center ⁽¹⁾	2,045	10.8%
Township High School District 211 ⁽³⁾	2,002	10.6%
Zurich American Insurance Co. (HQ) ⁽²⁾	1,700	9.0%
Experian Information Solutions Inc. ⁽²⁾	1,500	7.9%
William Rainey Harper College ⁽³⁾	816	4.3%
I B M Global Services ⁽²⁾	800	4.2%
Automatic Data Processing, Inc. ⁽³⁾	700	3.7%
Verizon Wireless, Inc. ⁽²⁾	670	3.5%
	<u>18,933</u>	<u>100.0%</u>

⁽¹⁾ Hoffman Estates

⁽²⁾ Schaumburg

⁽³⁾ Palatine

Source: 2018 and 2009 Illinois Manufacturers Directory, and 2018 and 2009 Illinois Services Directory.

Township High School District 211
NUMBER OF EMPLOYEES BY TYPE
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Administration:				
Superintendent	1	1	1	1
Associate Superintendent	2	2	2	2
Assistant Superintendent	-	-	-	-
District Administrators	38	38	38	38
Principals and assistants	<u>25</u>	<u>25</u>	<u>25</u>	<u>25</u>
Total administration	<u><u>66</u></u>	<u><u>66</u></u>	<u><u>66</u></u>	<u><u>66</u></u>
Teachers/Certified:				
High school teachers	642	648	689	682
Instrumental music	14	15	15	15
Special education and bilingual	136	127	119	105
Psychologists	18	18	18	17
Social workers and counselors	66	69	65	63
Nurses	3	3	3	3
Learning center	<u>11</u>	<u>7</u>	<u>11</u>	<u>14</u>
Total teachers/certified staff	<u><u>890</u></u>	<u><u>887</u></u>	<u><u>920</u></u>	<u><u>899</u></u>
Other supporting staff:				
Learning center assistants	21	19	19	21
Clerical 10/12 month	166	171	172	171
Teacher assistants/student supervisors	372	379	352	349
Transportation	168	168	154	154
Health assistants	5	5	5	5
Nurses	4	4	3	3
Maintenance, custodians and warehouse	183	185	181	180
Cafeteria workers	99	105	105	106
Other support staff	<u>45</u>	<u>45</u>	<u>45</u>	<u>45</u>
Total support staff	<u><u>1,063</u></u>	<u><u>1,081</u></u>	<u><u>1,036</u></u>	<u><u>1,034</u></u>
Total staff	<u><u>2,019</u></u>	<u><u>2,034</u></u>	<u><u>2,022</u></u>	<u><u>1,999</u></u>

Source: District personnel records.

2014	2013	2012	2011	2010	2009
1	1	1	1	1	1
2	2	2	2	2	2
2	2	2	2	2	2
36	36	36	36	36	36
25	25	25	25	25	25
<u>66</u>	<u>66</u>	<u>66</u>	<u>66</u>	<u>66</u>	<u>66</u>
698	696	710	699	714	707
13	12	13	13	13	8
108	102	107	105	113	129
17	17	17	16	17	16
65	63	64	61	60	58
3	3	4	3	3	3
13	14	14	14	14	15
<u>917</u>	<u>907</u>	<u>929</u>	<u>911</u>	<u>934</u>	<u>936</u>
22	23	23	24	25	22
171	185	177	177	185	205
367	369	363	349	356	310
151	149	147	149	145	143
5	5	5	5	5	5
3	4	4	4	4	3
180	186	185	182	183	181
113	112	114	110	112	110
52	51	50	49	50	21
<u>1,064</u>	<u>1,084</u>	<u>1,068</u>	<u>1,049</u>	<u>1,065</u>	<u>1,000</u>
<u>2,047</u>	<u>2,057</u>	<u>2,063</u>	<u>2,026</u>	<u>2,065</u>	<u>2,002</u>

Township High School District 211
OPERATING INDICATORS BY FUNCTION
 LAST TEN FISCAL YEARS

Fiscal Year	Average Daily Attendance	Operating Expenditures	Cost Per Pupil	Percentage Change	Expenses
2018	11,457	\$ 217,611,741	\$ 18,994	4.38%	\$ 211,472,578
2017	11,479	214,892,719	18,721	2.88%	205,208,521
2016	11,564	210,425,634	18,197	3.30%	202,682,381
2015	11,845	208,649,659	17,615	1.33%	197,185,036
2014	11,880	206,523,210	17,384	3.54%	194,131,199
2013	12,005	201,566,760	16,790	5.25%	185,866,899
2012	12,326	196,636,941	15,953	-1.38%	185,453,618
2011	12,329	199,439,125	16,176	4.18%	185,204,679
2010	12,483	193,829,817	15,528	4.89%	180,742,069
2009	12,588	186,347,053	14,804	5.20%	176,217,477

Source: Operating Costs and Tuition Charge.

	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage Free or Reduced Price-Meals
\$	18,095	3.24%	890	12.9	35.50%
	17,877	2.00%	887	12.9	31.88%
	17,527	5.29%	920	12.6	34.80%
	16,647	1.87%	899	13.2	35.00%
	16,341	5.55%	917	13.0	30.80%
	15,482	2.90%	907	13.2	30.17%
	15,046	0.16%	929	13.3	27.58%
	15,022	3.75%	911	13.5	26.36%
	14,479	3.43%	934	13.4	23.00%
	13,999	7.04%	936	13.4	18.81%

Township High School District 211
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Palatine High School				
Square Feet	445,045	445,045	445,045	445,045
Capacity (Students)	2,363 - 2,757	2,363 - 2,757	2,363 - 2,757	2,363 - 2,757
Enrollment	2,582	2,612	2,645	2,678
William Fremd High School				
Square Feet	411,047	411,047	411,047	411,047
Capacity (Students)	2,509 - 2,927	2,509 - 2,927	2,509 - 2,927	2,509 - 2,927
Enrollment	2,597	2,679	2,706	2,697
James B. Conant High School				
Square Feet	440,877	440,877	440,877	440,877
Capacity (Students)	2,379 - 2,775	2,379 - 2,775	2,379 - 2,775	2,379 - 2,775
Enrollment	2,340	2,315	2,335	2,375
Schaumburg High School				
Square Feet	486,279	486,279	486,279	486,279
Capacity (Students)	2,136 - 2,787	2,136 - 2,787	2,136 - 2,787	2,136 - 2,787
Enrollment	2,107	2,131	2,216	2,311
Hoffman Estates High School				
Square Feet	410,500	410,500	410,500	410,500
Capacity (Students)	2,325 - 2,713	2,325 - 2,713	2,325 - 2,713	2,325 - 2,713
Enrollment	1,890	1,848	1,849	1,938
Academy South				
Square Feet	N/A	N/A	N/A	5,000
Capacity (Students)	N/A	N/A	N/A	45
Enrollment	N/A	N/A	N/A	30
District 211 North Campus				
Square Feet	14,500	14,500	14,500	14,500
Capacity (Students)	60	60	60	60
Enrollment	45	42	24	34
Higgins Education Center				
Square Feet	25,962	25,962	25,962	25,962
Capacity (Students)	150	150	150	150
Enrollment	102	103	103	N/A
Administration Center				
Square Feet	48,077	48,077	48,077	48,077
Capacity (Students)	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A

Source: District building and enrollment records.

2014	2013	2012	2011	2010	2009
445,045	445,045	445,045	445,045	445,045	445,045
2,363 - 2,757	2,363 - 2,757	2,363 - 2,757	2,363 - 2,757	2,363 - 2,757	2,363 - 2,757
2,730	2,718	2,742	2,755	2,690	2,638
411,047	411,047	411,047	411,047	411,047	411,047
2,509 - 2,927	2,509 - 2,927	2,509 - 2,927	2,509 - 2,927	2,509 - 2,927	2,509 - 2,927
2,730	2,744	2,788	2,830	2,859	2,868
440,877	440,877	440,877	440,877	440,877	440,877
2,379 - 2,775	2,379 - 2,775	2,379 - 2,775	2,379 - 2,775	2,379 - 2,775	2,379 - 2,775
2,366	2,353	2,403	2,374	2,471	2,507
486,279	486,279	486,279	486,279	486,279	486,279
2,136 - 2,787	2,136 - 2,787	2,136 - 2,787	2,136 - 2,787	2,136 - 2,787	2,136 - 2,787
2,293	2,341	2,435	2,418	2,466	2,492
410,500	410,500	410,500	410,500	410,500	410,500
2,325 - 2,713	2,325 - 2,713	2,325 - 2,713	2,325 - 2,713	2,325 - 2,713	2,325 - 2,713
1,908	1,968	2,019	2,023	2,040	2,090
5,000	5,000	5,000	5,000	5,000	5,000
45	45	45	45	45	45
34	41	29	30	20	32
14,500	14,500	14,500	14,500	14,500	14,500
60	60	60	60	60	60
35	35	37	27	38	37
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
48,077	48,077	48,077	48,077	48,077	48,077
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

Township High School District 211
MISCELLANEOUS STATISTICS
JUNE 30, 2018

Location:	Chicagoland
Date of Organization:	1875
Number of Schools:	5 High Schools 2 Alternative Schools
Area Served:	62 Square Miles Townships of: Palatine and Schaumburg Communities of: Hoffman Estates, Inverness, Palatine, and Schaumburg; as well as portions of Arlington Heights, Elk Grove Village, Hanover Park, Rolling Meadows, Roselle, Streamwood, and South Barrington
*Median Home Value:	Village of Palatine: \$265,800 Village of Schaumburg: \$230,800 Village of Hoffman Estates: \$252,600 Village of Inverness: \$616,500 Cook County: \$219,800 State of Illinois: \$174,800
Student Enrollment:	11,663
Certified Teaching Staff:	890
Average Class Size:	21.0
Pupil/Teacher Ratio:	13.1:1

*Source: 2010 Census, U.S. Census Bureau