

TOWNSHIP HIGH SCHOOL
DISTRICT 211

PAFR

D211 BY THE NUMBERS



2017-2018

POPULAR ANNUAL FINANCIAL REPORT

FOR THE PERIOD ENDING
JUNE 30, 2018



adc.d211.org

WELCOME

To the Popular Annual Financial Report

Township High School District 211 serves the communities of Hoffman Estates, Inverness, Palatine, Schaumburg, and portions of Arlington Heights, Elk Grove Village, Hanover Park, Rolling Meadows, Roselle, South Barrington, and Streamwood in the northwest suburbs of Chicago.

High School District 211's five high schools serve grades 9-12: James B. Conant, William Fremd, Hoffman Estates, Palatine, and Schaumburg High Schools. Each school has earned full recognition status by the State Superintendent of Schools of Illinois. All five high schools have received the United States Department of Education's Blue Ribbon Secondary Schools Award, and Palatine High School has been recognized twice. High School District 211 also has two alternative education schools, District 211 North Campus and Higgins Education Center, which serve approximately 175 students.

DISTRICT MAP

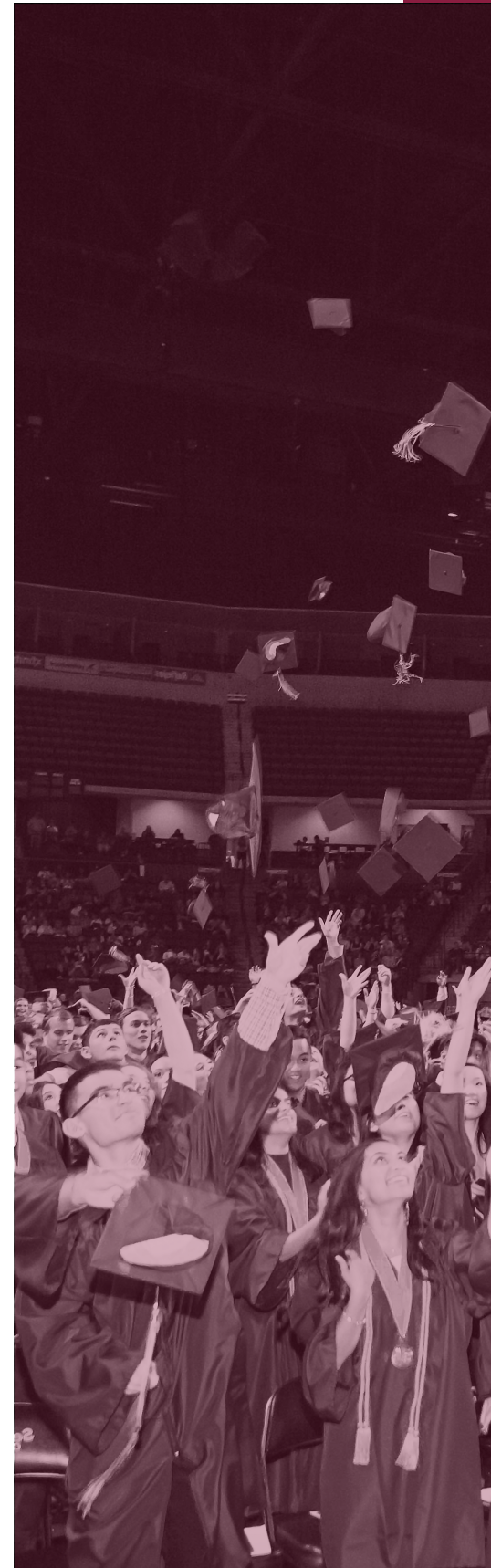
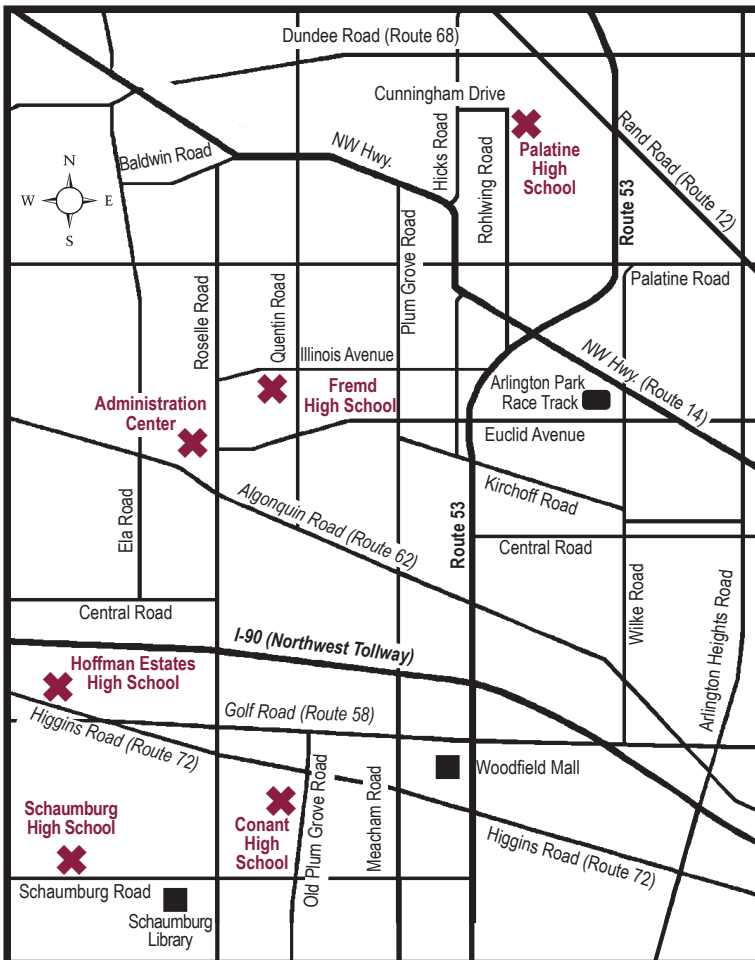


TABLE OF CONTENTS



OVERVIEW

PAGE

ADDRESS FROM THE SUPERINTENDENT

4

HIGH SCHOOL DISTRICT 211 MISSION AND VALUE STATEMENTS

5

FACTS ABOUT HIGH SCHOOL DISTRICT 211

6

FINANCIAL

7

ADMISSIONS

8-9

AP UPDATE

10-11

E

12-13

SCHOOL DISTRICT 211 BOARD OF EDUCATION

14

SCHOOL DISTRICT 211 ADMINISTRATION

14

REBORN SCHOOLS OF EXCELLENCE

15

SUPERINTENDENT'S MESSAGE



Each year, the District prepares a Comprehensive Annual Financial Report (CAFR) accounting for the District's financial revenues, expenditures and year-end position. We take pride in the quality, transparency and frequency of our financial reporting to ensure that our community is aware of how we utilize our community's resources to serve our students. The extensive financial reporting in the CAFR includes an array of accounting tables. This

second edition of our Popular Annual Financial Report (PAFR) provides important information about the District's use of finances in a format that may be more accessible to the general public and affords an opportunity to highlight some of the direct impact on students resulting from our use of the community's resources.

Using input gathered from local residents through numerous community engagement meetings, in 2016 the Board of Education created a comprehensive five-year Strategic Plan guiding the District's mission, values and priorities (<https://adc.d211.org/domain/46>). During the 2017-2018 school year, we used financial resources to achieve significant progress in many aspects of the Board's Strategic Plan.

One priority within the Strategic Plan was to achieve a point at which the District would retire all debt. For the first time in the District's history, after years of efficiencies and planning, we made our last debt payment and the District reached the goal of becoming debt-free.

Largely a result of receiving previously unpaid funds from the Illinois State Board of Education, the District finished the 2017-2018 school year with more revenue than anticipated. The Board of Education used these unanticipated funds to continue an effective strategy of prepaying pension obligations associated with the Illinois Municipal Retirement Fund.

After several months of surveying hundreds of local residents, the

Board of Education took action to sell over 60 acres of land unused by the District for 50 years to better optimize these resources. This sale transaction is expected to finalize in 2019.

Our financial stability enables us to sustain and advance our instructional programming. In 2017-2018, we piloted the Student Readiness Plan with 500 students, and now every student in the District has his or her individual tool which their family can use to track the student's readiness across five key areas.

More students than ever are receiving dual-credit and Advanced Placement college credits to the extent that one-third of our graduates in 2018 had earned the equivalent of at least 15 college credits.

Following months of collaboration among our faculty and many community business leaders, we articulated over 40 career pathways across 16 different career clusters. Last year, we held our first District-wide career fair where 100 local businesses met with hundreds of students in a single event to exchange information about summer jobs and internships.

Without acquiring any debt, we were able to continue important facility improvements, including continuing to upgrade our media centers, a student cafeteria, restroom facilities, and playing fields.

We all get better when we work together and our greatest investment will always be in developing our future leaders and workforce, including scientists, medical providers, teachers, manufacturers, and service providers of all kinds, to name only a few. We hope you find our latest edition of the Popular Annual Financial Report helpful in understanding our use of and benefit from the financial resources you provide us.

With gratitude for your partnership toward the benefit of our students and our community,

A handwritten signature in black ink that reads "Daniel E. Cates".

Daniel E. Cates, Superintendent

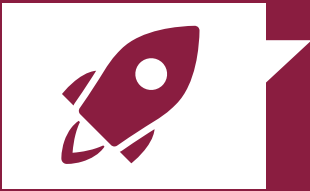
For Additional Information and Resources

The PAFR contains highlights of district finances, with key data taken from the audited financial statements in the District's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2018.

The District's CAFR is prepared in accordance with Generally Accepted Accounting Principles in the United States of America (GAAP). The PAFR summarizes financial activity in a non-GAAP, reader-friendly format and is unaudited. It does not include information on all District funds, full disclosures, or notes to the financial statements.

Some readers may be interested in exploring the more detailed financial statements (CAFR) found at <https://adc.d211.org/Page/6534>

Questions, comments and feedback about this report are encouraged by contacting the District's Business Office at (847) 755-6600.



OUR MISSION

Township High School District 211 serves the educational needs of the community inspiring all students to successfully contribute to the world.

Approved by the Board of Education: August 18, 2016



OUR VALUES

ACADEMIC RIGOR – Our District values engaging curriculum built upon high-quality educational experiences to develop critical thinking.

ACCOUNTABILITY – Our District values the charge of providing thorough and accurate information with all shared stakeholders.

COMMUNICATION – Our District values an open exchange of information and perspectives.

COMPASSION, DIGNITY AND RESPECT – Our District values and honors the strengths and diversity of all individuals.

EDUCATION AND LEARNING – Our District values the continuous pursuit of knowledge, preparation and readiness to pursue future endeavors.

EFFICIENCY – Our District values systemic measures and practices to optimize the community's resources throughout the organization.

FINANCIAL INTEGRITY – Our District values strong fiscal management and reporting practices to ensure the highest degree of financial stewardship.

INNOVATION – Our District values continuous improvement to advance educational and operational practices.

OPPORTUNITY – Our District values fostering a comprehensive array of enrichment experiences to support all aspects of student development.

SAFETY – Our District values safeguarding the welfare of all by providing a positive and respectful environment.

WELLNESS – Our District values cultivating the healthy physical, social and emotional well-being of all.

Approved by the Board of Education: August 18, 2016



DISTRICT 211 FAST FACTS

2017-2018 School Year

95%
ATTENDANCE RATE

94%
GRADUATION RATE

35%
ECONOMICALLY
DISADVANTAGED
STUDENTS

1M
MEALS SERVED IN
D211 CAFETERIAS

700
ACADEMIC
COURSES OFFERED

90
DUAL CREDIT &
ADVANCED PLACEMENT
COURSES OFFERED

11,786
DISTRICT ENROLLMENT

9,000 STUDENTS
BUSED DAILY

1.9M SCHOOL BUS MILES
DRIVEN ANNUALLY

\$18,994
OPERATING EXPENSE PER PUPIL

568
ILLINOIS STATE SCHOLARS

814
TEACHERS

2,019
TOTAL STAFF

134 NATIONAL BOARD
CERTIFIED TEACHERS

DISTRICT 211 BOUNDARIES
PALATINE & SCHAUMBURG TOWNSHIPS

62 SQ. MILES

SQUARE FEET OF
DISTRICT BUILDINGS

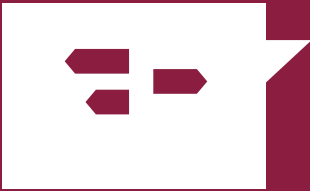
2.3 MILLION

ACRES OF
BUILDING GROUNDS

230

NUMBER OF
DISTRICT 211 BUILDINGS

8



FINANCIAL POSITION

SUMMARIZED FINANCIAL REPORTS

The PAFR contains summarized highlights of district finances, with key data taken from the audited financial statements in the District's Comprehensive Annual Financial Report (CAFR) for the fiscal year ending June 30, 2018. This information is presented in a non-GAAP format.

STATEMENT OF NET POSITION

The Statement of Net Position provides a snapshot of District 211's finances at the close of the fiscal year. Simply stated, it is total assets (what the District owns) minus total liabilities (what the District owes), plus and minus deferred outflows and inflows of resources (resources to be consumed or acquired in a future period). The difference between these amounts is the net position and represents the District's equity.

The Net Position is further broken down into three components:

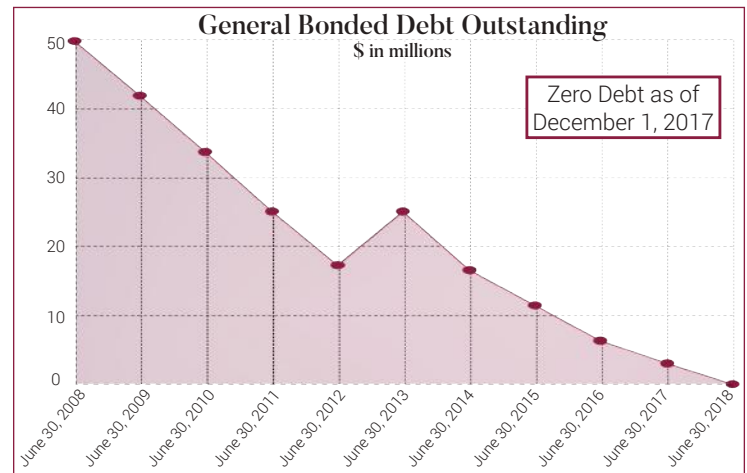
- *Net investment in capital assets represents the District's ownership of capital assets such as land, buildings, site improvements, vehicles, and equipment, less outstanding related debt.*
- *Restricted net position represents net assets that can only be used for a specific purpose as designated by law. These purposes include pension funding, capital projects, debt repayment, operations and maintenance, and student transportation.*
- *Unrestricted net position represents amounts that may be used for any general legal purpose of the District.*

The increase in long-term liabilities and corresponding decrease in unrestricted net position in 2018 is due to the recording of Other Post Employment Benefits under GASB 74, as implemented July 1, 2017. Required for the first

time, this GASB required the District to record its share of the Teachers' Health Insurance System outstanding obligations. This reporting change does not impact on the District's ability to meet its obligations in the future.

OUTSTANDING BONDED DEBT

Effective December 2017, the District had no outstanding bonded debt. Operating debt-free signifies the District's ability to use its annual operating budget to fund its day-to-day operations and its capital project needs. The District is committed to living within its means and staying debt-free for as long as economic conditions allow. This translates to lower property taxes for residents and businesses within the District's boundaries.



Statement of Net Position			
	\$ in millions		
	JUNE 30, 2016	JUNE 30, 2017	JUNE 30, 2018
ASSETS			
Current & other assets	\$253	\$244	\$238
Capital assets	194	209	219
Total Assets	<u>447</u>	<u>453</u>	<u>457</u>
LIABILITIES			
Current liabilities	16	22	16
Long-term liabilities	65	62	140
Total Liabilities	<u>81</u>	<u>84</u>	<u>156</u>
DEFERRED INFLOWS OF RESOURCES, NET	<u>83</u>	<u>84</u>	<u>129</u>
NET POSITION			
Net investment in capital assets	188	205	219
Restricted	29	29	30
Unrestricted	57	50	(78)
Total Net Position	<u>\$284</u>	<u>\$284</u>	<u>\$171</u>

FUTURE FINANCIAL OUTLOOK

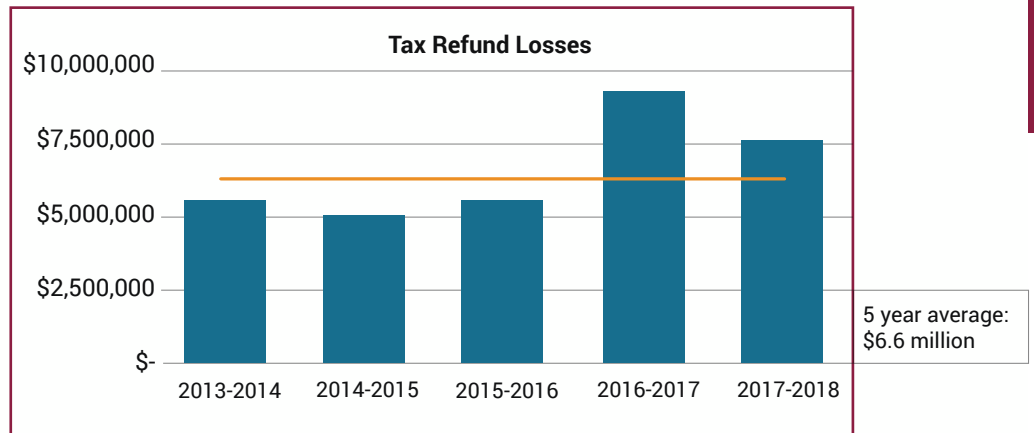
District 211 is in a solid financial position to accomplish its educational and operational strategic goals over the next five years. Through prudent financial management over the past decade, the District has funded all academic and operational initiatives, paid off its debt, and maintained healthy levels of reserves (savings). Revenues in excess of expenditures are projected for each of the next five years for the District's combined operating funds. Reserve balances are projected to decline over this period to fund capital project requirements and pay down pension obligations; however, these balances remain sufficient for the District to weather unpredictable changes in the timing of revenue receipts or new state mandates.



REVENUES

How is District 211 Funded?

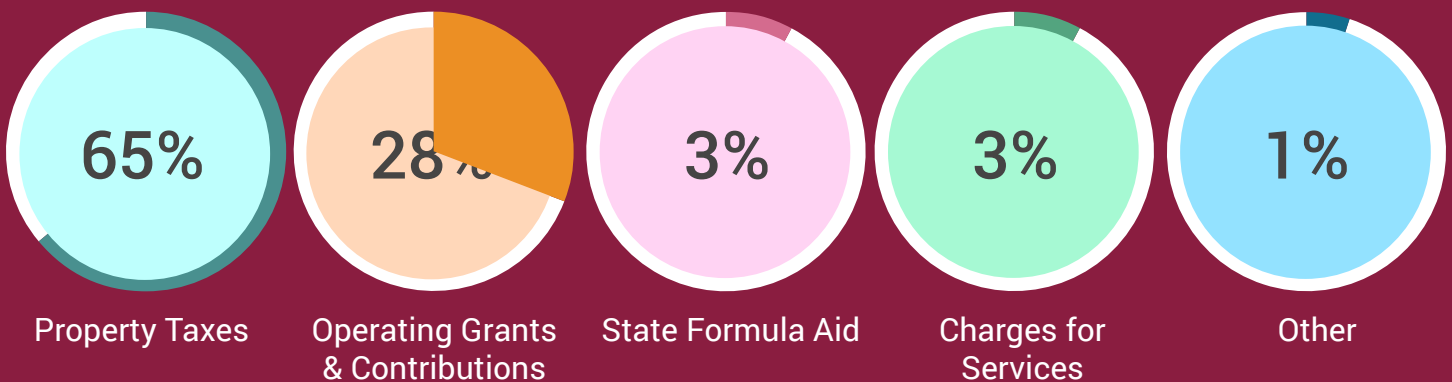
District 211 recognized \$332.4 million of revenue in 2018. The majority of the District's revenue comes from local property taxes. Through sound financial management, the District has been able to limit the increase in the property tax burden to the local community residents and businesses. Over the last five years, District 211 has increased its property tax levy an average of 1.3% per year, while the Consumer Price Index average increase was 1.4% per year over the same period. Property tax refunds directly offset revenue collected, and for last two years have been trending significantly above the five-year refund average. This negative trend puts additional financial pressure on the District due to loss of its primary source of revenue.



During fiscal 2018, over 28% of the District's revenue was from Operating Grants and Contributions from the State of Illinois and the federal government. Approximately 85% of this revenue recognized was considered an "on-behalf" payment for pension benefits, funded directly by the State to the pension system. Other grants include funding for services and transportation for students with special needs, the school lunch and breakfast program, services for economically disadvantage students, and various other vocational and educational programs.

Charges for Services represents 2.4% of total revenue and consists of fees charged to students and others for textbook rental, meals, summer school and evening programs, facility rentals, and other special programs. The State Formula Aid and Other Revenue contribute 3.3% and 1.0% to the District's total revenue, respectively.

District-Wide Revenues by Source – 2018





EXPENSES

How Does District 211 Spend its Funds?

Total expenses for the year ending June 30, 2018 were \$339.2 million. The graphic at the bottom of the page is a summary of how District 211 spent its funds across specific program areas.

Funds spent on Instruction include salaries and benefits for classroom personnel and the materials and services required to support instructional programs. These costs total over two-thirds of the District's total costs.

Pupil and Instructional Services expenses include personnel costs and supplies for guidance counselors, social workers, school nurses, psychologists, speech pathologists and other support services who assist the students with needs outside the classroom.

Administration and Business Services represent costs to provide central support for the District such as accounting, budgeting, planning, food service and purchasing, as well as school administration.

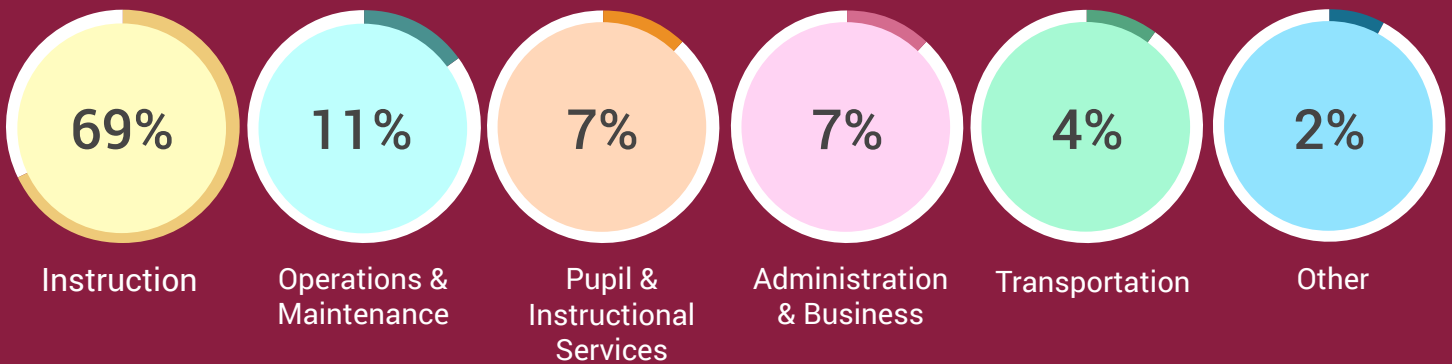
Operations and Maintenance costs are monies spent to maintain the eight buildings and surrounding grounds throughout the District. Costs include salaries and benefits, custodial supplies, utilities, service agreements and capital outlay. For the 2017-2018 fiscal year, major capital outlay in this area included renovation to multiple parking lots, HVAC and boiler equipment replacements, and stadium and classroom renovations at multiple schools.

Transportation expenses include costs to operate and maintain the District's fleet of approximately 160 school buses and 40 vans. Eleven new buses and 12 new vans were purchased during the 2017-2018 fiscal year as replacements for aging equipment.

Other expenses include salary, benefits, supplies and purchased services for the technology, publications, and human resources departments.



District-Wide Expenses by Function – 2018





CAPITAL UPDATE

Building Improvements

BUILDING IMPROVEMENTS

District 211 operates and maintains eight buildings across the District and prepares an annual Capital Projects budget to allocate funds for completion of necessary building improvements. Capital improvement projects are identified and prioritized through the Board of Education's 2016 Strategic Plan, 10-year capital improvement plan, and routine maintenance and replacement schedules.

During the 2017-2018 fiscal year, the facility improvement projects listed below were in various stages of completion at a cost of \$18.1 million. All capital improvement projects were funded through the District's existing operating reserves.

- Renovation of the Hoffman Estates and Fremd High School media centers
- Renovation of the outdoor baseball, softball, soccer, and lacrosse fields at Fremd and Conant High Schools
- Renovation to the restrooms and locker rooms at Schaumburg High School
- Renovation to the restrooms at Conant High School
- Replacement of the artificial turf and running track at Fremd and Schaumburg High Schools
- Renovation to the Schaumburg High School student and faculty cafeterias

The Illinois School Code requires school districts to perform a Fire Prevention and Life Safety Survey once every 10 years. The final work was completed under the District's current study at Fremd High School for mechanical equipment replacement in the amount of \$1.6 million this past summer. A new survey has recently been completed and has been filed with the Regional Office of Education and the Illinois State Board of Education for review and approval, with anticipation that project work would begin in the summer of 2019.

HOFFMAN ESTATES HIGH SCHOOL MEDIA CENTER Under Construction



SCHAUMBURG HIGH SCHOOL CAFETERIA



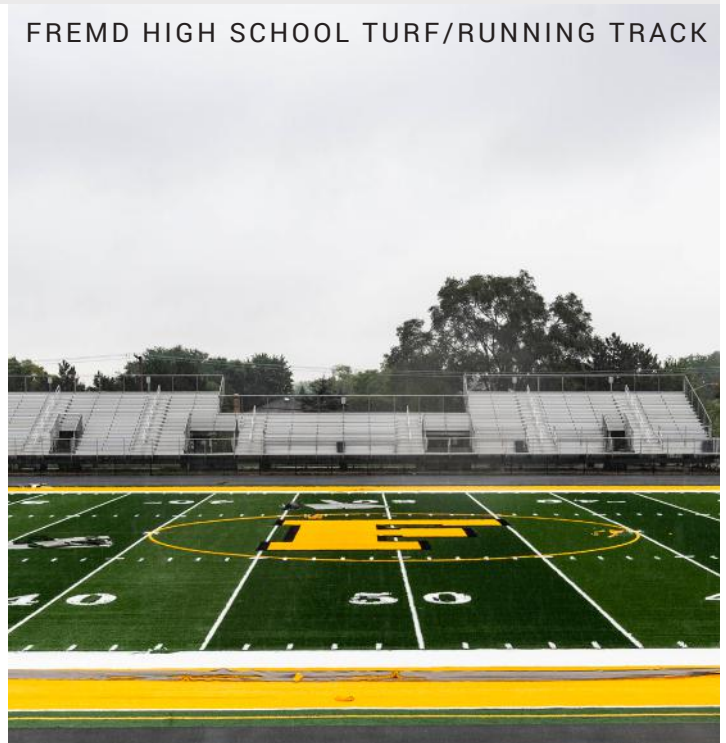
FREMD HIGH SCHOOL LIBRARY

FUTURE FACILITY IMPROVEMENT PLANNING

The District's 2016 Strategic Plan calls for continued capital facility improvements over the next five to ten-year period that support the needs of its facilities while also providing space to support academic programs. Barring no major legislative action that would negatively impact the financial status of the District, the Strategic Plan prioritizes the use of current reserve funds and future budget surpluses to fund facility improvement projects without issuance of bonds.



SCHAUMBURG HIGH SCHOOL
TURF/RUNNING TRACK



FREMD HIGH SCHOOL TURF/RUNNING TRACK



EDUCATIONAL UPDATE



The Student Readiness Plan



Created by
Township High School District 211

At the start of the 2018-2019 school year, District 211 began district-wide implementation of its Student Readiness Plan (SRP). The SRP is a web-based resource that allows students to interact with five key components that measure college and career readiness. The five

components are: Academic Readiness, College and Career Exploration, Global Competitive Skills, Student Involvement, and Wellness.

The SRP, developed in part with a grant from the Joyce Foundation, allows students to set goals and compare those with District benchmarks. In addition to tracking the five readiness components, the SRP gives students access to their student-email account, real-time in-progress grades, customizable personal calendar, and a scheduling portal to make appointments with their school counselor.



Academic Readiness

When students access the Academic Readiness section of the Plan, they view graphic representations of their current unweighted and weighted cumulative GPA, status on the

Power of 15 goal (a goal in which District 211 students graduate with a minimum of 15 college credit hours), and total overall credits earned toward graduation.

Within the Academic Readiness tab, students have access to the Curriculum Guide as well as the Career Cruising website, allowing them to better prepare for each upcoming semester while comparing their progress to meet graduation requirements.



College and Career Exploration

To help students better prepare for post-high school life, the College and Career Exploration tab allows students to set goals for desired careers and college majors. Students can log their internship participation, record college visits, and document completion of the FAFSA (financial aid) form. Students are in control of the plan and can adjust goals as they further explore their future options.

Students can access a link to the College Board's SAT practice site as well as school-based academic and testing assistance resources. Using embedded links, students can access a variety of resources to learn more about financial aid and scholarship options. During students' senior year, they will indicate their specific post-high school decision to pursue further education, enter the workforce or pursue military service.



Student Involvement

Schools today are more than buildings filled with classrooms. For many students, the school is their community. In the Student Involvement section, students can track their involvement with school activities and in the community as they work to meet the District's benchmark for participation in at least two activities, with one of them being school-based. Students can indicate interest in clubs, activities, and sports and see groups with which they are actively associated.

Students also can log both volunteer and paid work in this section. Using links within the SRP, students can connect with web-based resources to find volunteer opportunities that relate to personal areas of interest.



Global Competitive Skills

Students can track their proficiency in five areas of Global Competitive Skills: character, collaboration, communication, work ethic, and technology competencies. Students assess their skill levels through a variety of self-assessment surveys, and the results are displayed on graphs that reflect growth over time.

Links to each Global Competitive Skills area provide definitions of personal traits as well as a list of high school courses students can take to improve particular skills. Students are encouraged to continually improve and grow in these skills, and teachers emphasize the skills within assignments and activities.



Wellness

A student's wellness is a crucial factor contributing to their overall success in school. Within the Wellness section of the Plan, students track completion of an annual personal wellness assessment and set goals for, and track, physical fitness levels throughout their four-year high school experience. Additionally, students can track attendance at school events to reflect the strength of their connectedness to the school. There also is an area to reflect participation in annual suicide awareness and prevention activities.

To help students improve their overall wellness, the District has implemented a wellness course sequence in lieu of traditional physical education and health courses. In the new Wellness model, instruction is inclusive of physical, emotional, and social wellness factors.

The Student Readiness Plan is the front-facing tool students will use to take ownership of their plans for their post-high school years. The Plan is an integral part of the overall guidance program within District 211.



ADMINISTRATION

Daniel E. Cates, *Superintendent of Schools*

Lisa A. Small, *Associate Superintendent for Instruction*

Mark J. Kovack, *Associate Superintendent for Student Services*

Lauren C. Hummel, *Chief Operating Officer*

James A. Britton, *Director of Human Resources*

Renée J. Erickson, *Director of Special Education*

Gary R. Gorson, *Chief Technology Officer*

David Grelyak, *Facilities & Energy Manager*

Danielle L. Hauser, *Director of Instructional Improvement*

Matthew J. Hildebrand, *Director of Administrative Services*

Christopher J. Kontney, *Director of Facilities & Business Services*

Mary Pat Krones, *Assistant Director of Special Education*

Stacy L. Lenihan, *Director of Food and Nutrition Services*

Kathe E. Lingl, *Assistant to the Superintendent/Assistant for
Human Resources*

Diana J. Mikelski, *Director of Transportation*

Sandra A. Mir, *Accounting Manager*

Thomas D. Petersen, *Director of Community Relations*

Barbara J. Peterson, *Controller & Treasurer*

Kara Prusko, *Assistant Director of Special Education*

Anita M. Seaholm, *Human Resources Assistant*

Jerry Treviño, *Director of Summer School & Community Outreach*

Eric P. Wenckowski, *Director of Athletics and Activities*



Township High School District 211 Board of Education (seated left to right): Will Hinshaw, Vice President; Mucia Burke, President; and Anna Klimkowicz, Secretary. (Standing left to right): Steven Rosenblum; Robert LeFevre, Jr.; Peter Dombrowski; and Edward Yung.

BOARD OF EDUCATION

Mucia Burke, *President*

Will Hinshaw, *Vice President*

Anna Klimkowicz, *Secretary*

Peter Dombrowski

Robert LeFevre, Jr.

Steven Rosenblum

Edward Yung

Major responsibilities of the Board of Education are to express and represent the view of the community in matters affecting education, determine education standards and goals, adopt policies for the administration of the school system, employ a superintendent of schools, authorize the appointment of teachers and other staff members, approve curriculum, secure money for school operational needs and building programs, and authorize expenditures.



TOWNSHIP HIGH SCHOOL DISTRICT 211

BLUE RIBBON SCHOOLS OF EXCELLENCE



PALATINE HIGH SCHOOL

1111 North Rohlwing Road, Palatine, Illinois 60074-3777
 Telephone: (847) 755-1600 Website: phs.d211.org
 Founded: 1875 Opened: 1977 Nickname: Pirates
 School Colors: Scarlet & Gray
 Principal: Gary Steiger



SCHAUMBURG HIGH SCHOOL

1100 West Schaumburg Road, Schaumburg, Illinois 60194-4150
 Telephone: (847) 755-4600 Website: shs.d211.org
 Opened: 1970 Nickname: Saxons
 School Colors: Cardinal Red & Gold Principal: Timothy Little



WILLIAM FREMD HIGH SCHOOL

1000 South Quentin Road, Palatine, Illinois 60067-7018
 Telephone: (847) 755-2600 Website: fhs.d211.org
 Opened: 1961 Nickname: Vikings
 School Colors: Green & Gold
 Principal: Kurt Tenopir



HOFFMAN ESTATES HIGH SCHOOL

1100 West Higgins Road, Hoffman Estates, Illinois 60169-4050
 Telephone: (847) 755-5600 Website: hehs.d211.org
 Opened: 1973 Nickname: Hawks School Colors: Orange & Blue
 Principal: Joshua Schumacher



JAMES B. CONANT HIGH SCHOOL

700 East Cougar Trail, Hoffman Estates, Illinois 60169-3659
 Telephone: (847) 755-3600 Website: chs.d211.org
 Opened: 1964 Nickname: Cougars
 School Colors: Blue & White
 Principal: Julie Nowak



NORTH CAMPUS

335 East Illinois Avenue, Palatine, Illinois 60067-7132
 Telephone: (847) 755-6700 Website: ncam.d211.org Founded: 2005
 Opened: 2016 Nickname: Bulldogs School Colors: Blue & White
 Program Administrator: Francesca Anderson



HIGGINS EDUCATION CENTER

1030 West Higgins Road, Hoffman Estates, Illinois 60169-4200
 Telephone: (847) 755-6640 Website: cntr.d211.org
 Founded: 1975 Opened: 2015 Nickname: Shamrocks
 School Colors: Green & White Program Administrator: Jessica Orstead



TOWNSHIP HIGH SCHOOL DISTRICT 211

Extraordinary Opportunities. Innovative Teaching. Exceptional Learning.

1750 South Roselle Road
Palatine, Illinois 60067-7336
Telephone: (847) 755-6600
adc.d211.org

