



HINSDALE TOWNSHIP
HIGH SCHOOL DISTRICT 86

ANNUAL BUDGET

Fiscal Year 2018



Annual Budget Report Fiscal Year 2018

Table of Contents

Executive Summary Section	1
Executive Summary	2
Organizational Overview	2
Financial Overview	8
Informational Overview	11
Organizational Section	15
District Overview	16
Governance Structure	18
Mission & Goals	21
Financial & Accounting Structure	24
Budget Process	32
Revenue Sources	33
Financial Section	34
Summary Data – All Funds	39
Summary Data – Operating Funds	44
Summary Data – Individual Funds	49
Summary Data – By Program	73
Capital Projects	78
Debt Obligations	80
Informational Section	83
Property Assessment Process	84
Property Tax Rates	85
Tax Rate Impact on Homeowners	88
Alternative Tax Collections	90
Student Enrollment	91
District Staffing	93
Debt Services	94
Academic Data	96
Glossary	98



HINSDALE TOWNSHIP
HIGH SCHOOL DISTRICT 86

EXECUTIVE SUMMARY SECTION

EXECUTIVE SUMMARY SECTION

Hinsdale Township High School District 86 is pleased to present a comprehensive annual budget report for fiscal year 2018. This document culminates a process involving input from the Board of Education, the Superintendent's Cabinet, the community, school personnel and business office staff. The fiscal year 2018 budget meets the Board's vision of "Fiscal Responsibility," specifically maximizing the use of financial resources for student learning, ensuring the next generation of leaders will be prepared.

The 2018 budget was adopted according to the provisions of Board Policy 4:10 on September 18, 2017. The fiscal year runs from July 1, 2017 through June 30, 2018. The schedule approved by the Board is detailed below.

This budget report is broken up into four sections. The first section is the Introductory Section which provides a high level overview of the following three sections. The section is designed to read as its own inclusive report but it will not include some of the detailed analysis and in depth explanations on certain items that the other sections contain. The Organizational Section follows with information on the structure of the District, vision statements of the District and the schools, District policies relating to budget, and the budget process and timeline. The Financial Section is third and contains an in depth look at the financials for the past three years, the current budget year, and projections for the next three years. The Informational Section is last and it provides information on the property tax levy, District debt, enrollment numbers, and student achievement data.

ORGANIZATIONAL SECTION

DISTRICT GOALS AND OBJECTIVES

A Special Meeting of the Board of Education of Hinsdale Township High School District 86 was held on Wednesday, July 13, 2016, in the Hinsdale Central Community Room, 5500 South Grant Street, Hinsdale IL 60521.

All seven members of the Board agreed to the following seven Board Goals:

1. Achieve equity in:

- Curriculum Opportunities
- Instruction
- Discipline Code

2. Create and implement PR/community outreach plan

3. Implement the Master Facilities Plan

4. Improve the District's technology and become a leader in the area through regular ongoing improvements in the following areas: business office; library technology; increased technological improvement in parental communications and community communications; student technology; increased class options at both campuses

5. Expand revenue opportunities

EXECUTIVE SUMMARY SECTION

6. Improve District financial stability by:

- Adopting a balanced budget delivering a modest surplus
- Maintaining current fund balances
- Identifying cost savings
- Improving internal controls
- Improving financial expertise of Board and staff

7. Maintain the test scores overall and improve test scores in targeted areas where underperformance is experienced.

BUDGET PROCESS AND TIMELINE

The District currently uses the Function/Object Budgeting approach with a few of the Zero-Based Budgeting components. All department heads are involved in the budgeting process for their department with the exception of salary and benefits which are budgeted by the Business Office. Items that are not specific to an individual department, e.g. utilities, are budgeted by the Business Office. Capital projects are managed by Facilities Committee and approved by the Board of Education prior to being budgeted. The Chief Financial Officer oversees the budgeting process.

The 2017 fiscal year budget was the first accrual budget the District produced. Previously, the District used cash-based accounting. Cash-based accounting tracks revenues when the cash is received and expenses when the cash is disbursed. Accrual-based accounting records the revenue or expense when it is earned regardless of when the cash transaction occurs. The District believes this transition provides a more realistic and accurate representation of the District’s financial position. It should be noted that the completed budget that was submitted to the Illinois State Board of Education is fully accrual, but does exclude depreciation since the state budget form does not provide a means for reporting it.

Financial Planning Calendar for Fiscal Year 2017-18

January 2017

<u>Month/Date</u>	<u>Activity</u>
January 18	Bureau of Labor Statistics releases December 2016 CPI. Final PTELL percent known for 2017 levy (funds 2018-19 fiscal year).
February 2	Meet with Department Chairs and Principals to review budget process
February 13	Meet with Administrators to review budget process
February 21	Final capital projects for 2017-18 approved by BOE
March	Staffing for 2017-18 completed and taken to BOE for approval
March	2016 tax extension finalized
April 14	All department budgets due to the Business Office

EXECUTIVE SUMMARY SECTION

May 1	Cabinet reviews first pass of tentative budget
May 5	Final day for entering 2016-17 requisitions
May 8	The 2017-18 database opens for entering requisitions
June 5*	First pass of tentative budget at Committee of the Whole meeting
	Final day to receive 2016-17 purchase orders
June 16	Final day to enter expense reimbursements for 2016-17 Cutoff date for purchasing card transactions for 2016-17
	Approval of tentative budget at Regular Action Meeting
June 19*	Adopt Prevailing Wage Resolution Adopt Resolution Designating Interest Earnings
	Access to 2016-17 database is cutoff
June 20	Tentative budget loaded to Infinite Visions
June 30	End of fiscal year 2016-17
July 1	Rollover to fiscal year 2017-18 completed
	Publish "Notice of Public Hearing" 30 days prior to budget adoption
August 17	Tentative budget available for public viewing (website & district office)
September 5*	First pass of final budget at Committee of the Whole meeting Capital Projects for 2018-19 presented to BOE
September 18*	Public Hearing/Adoption of Final Budget
September	Checklist after budget adoption: <ol style="list-style-type: none"> 1. Post approved budget on the District website 2. Submit budget to ISBE (electronically) 3. Send a copy of the budget to the ROE (hardcopy) 4. Submit Certificate of Adoption & Sources of Revenue to the DuPage and Cook County Clerks
October 2*	Forecasting assumptions presented at Committee of Whole meeting
October 16*	Forecasting assumptions approved at Regular Action Meeting
October	CAFR & AFR for fiscal year 2016-17 finalized
October	PMA Financial Projections Updated with 2017 AFR & 2018 Budget
	First pass of 2017 Levy at Committee of the Whole meeting
November 6*	Financial Forecast presented at Committee of the Whole meeting CAFR presented by auditor at Committee of the Whole meeting
November 20*	Resolution of Estimated Levy adopted at Regular Action Meeting
December 7	Publish "Public Levy Hearing" Notification
December 18*	Adoption of 2017 Levy at Regular Action Meeting
December	Tax levy resolution filed with DuPage and Cook County

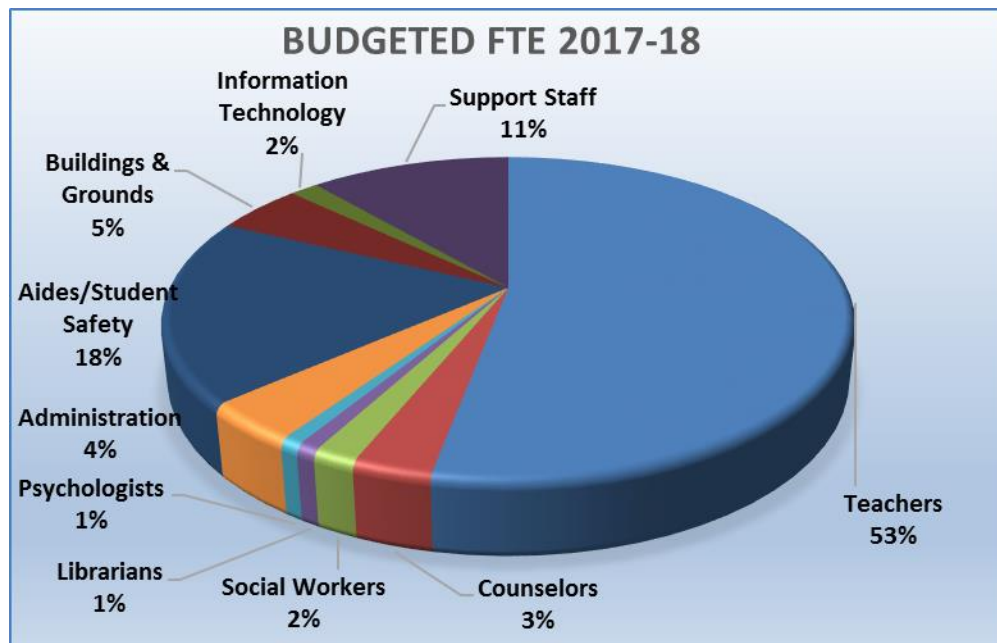
EXECUTIVE SUMMARY SECTION

*Indicates public Board of Education meeting. Dates are tentative until confirmed by BOE.

RESOURCE ALLOCATION

The District has budgeted for 627 full-time equivalent (FTE) employees for the 2018 fiscal year. Over 78 percent of the employees work directly with student instruction or support including teachers, paraprofessionals, counselors, social workers, psychologists, and librarians. The remaining 22 percent make up administration, department support personnel, student safety, information technology, and buildings and grounds staff. Below is the allocation of FTE by employee group for fiscal year 2018.

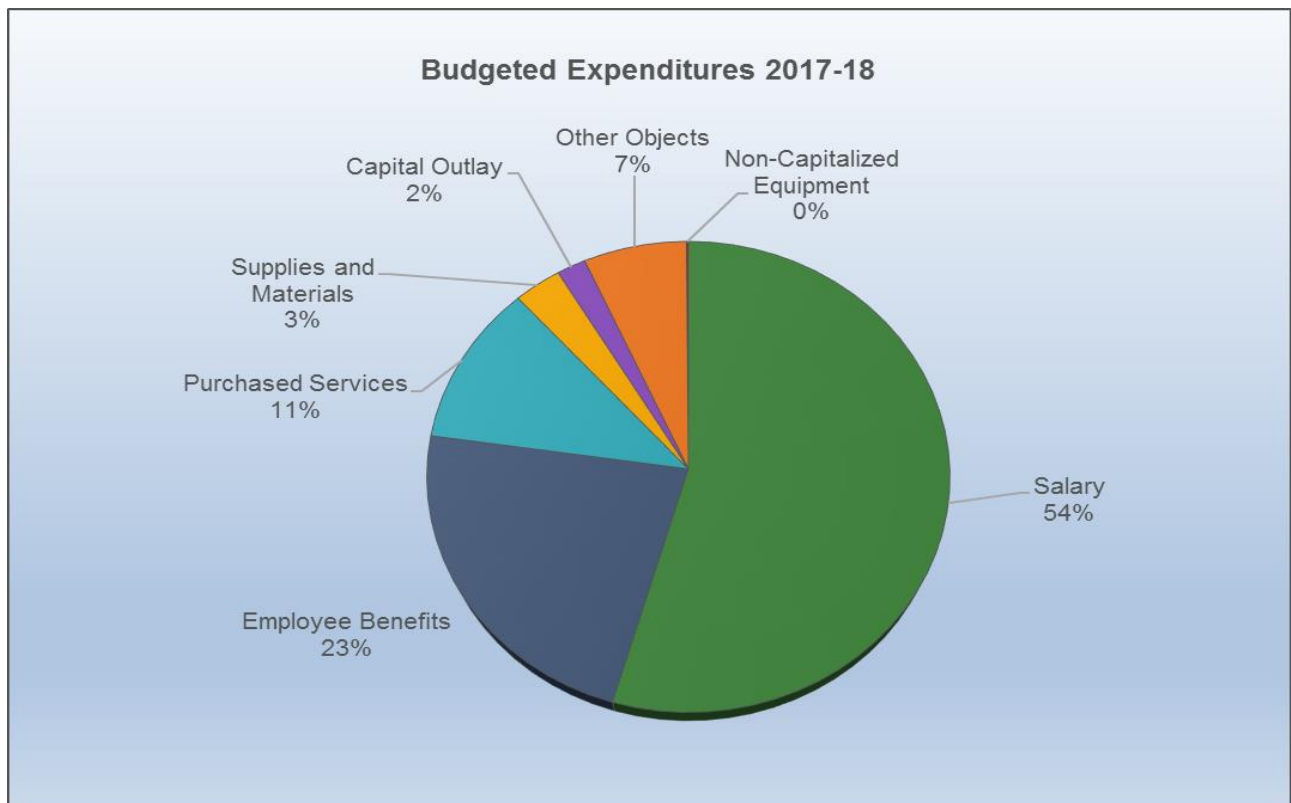
Employee Group	FTE
Teachers	332.30
Counselors	20.00
Social Workers	11.00
Librarians	5.20
Psychologists	5.00
Administration	25.00
Aides/Student Safety	116.50
Buildings & Grounds	31.00
Information Technology	10.00
Support Staff	71.00
Total FTE	627.00



EXECUTIVE SUMMARY SECTION

The District plans to allocate 77 percent of expenditures to salary and benefits for the 2018 fiscal year. The remaining 23 percent is broken up into purchased services, supplies, capital, other (tuition and debt services), and non-capital equipment. Total expenditures for the year are anticipated to be just over \$102.4 million. Revenue for the year is budgeted at \$102.4 million which would give the District a small surplus at the end of year if the budgeted figures hold.

Object Description	Annual Budget
Salaries	\$ 55,871,431
Benefits	\$ 23,285,349
Purchased Services	\$ 11,367,535
Supplies	\$ 3,142,445
Capital	\$ 1,908,914
Other	\$ 6,744,781
Non Capital Equipment	\$ 131,397
Total Expenditures	\$ 102,451,853



EXECUTIVE SUMMARY SECTION

DISTRICT LEADERSHIP

BOARD OF EDUCATION

Bill Carpenter, President, Term Expires: April 2019

Kevin Camden, Vice President, Term Expires: April 2021

Kathleen Hirsman, Secretary, Term Expires: April 2019

Keith Chval, Member, Term Expires: April 2021

Robin Gonzales, Member, Term Expires: April 2021

Jennifer Planson, Member, Term Expires: April 2019

Nancy Pollak, Member, Term Expires: April 2021

ADMINISTRATIVE STAFF

Dr. Bruce Law, Superintendent

Pamela Bylsma, Assistant Superintendent for Academics

Tammy Prentiss, Assistant Superintendent for Student Services

Josh Stephenson, Chief Financial Officer and Treasurer

Domenico Maniscalco, Chief Human Resources Officer

Karen Warner, Director of Communications

OFFICIAL ISSUING REPORT

Josh Stephenson, Chief Financial Officer

EXECUTIVE SUMMARY SECTION

FINANCIAL SECTION

The District uses funds to categorize revenues and expenditures and track balances. These funds are self-contained accounting entities that have specific purposes. The funds that District 86 currently uses are as follows:

Fund	Fund Name	Fund Description
10	Education Fund	All instructional and support services tied to providing educational services
20	Operations & Maintenance Fund	Operation and maintenance of district buildings and grounds
30	Debt Services Fund	Used for payment of district's short and long-term liabilities
40	Transportation Fund	All transportation tied to student instruction, athletics, and activities
50	Municipal Retirement/Social Security Fund	Funds required for retirement payments to IMRF and Social Security
60	Capital Improvement Fund	Used for capital improvement work being financed by debt
70	Working Cash Fund	Used to balance other fund deficiencies and assist in cash flow needs
80	Tort Fund	Legal and liability insurance

The chart below shows the 2018 fiscal year budget for all District funds. The other financing sources (uses) are transfers between funds and a capital lease.

Summary of Fund Balances						
All Funds						
	Beginning Balance	Revenue	Expenditure	Excess (Deficit)	Other Financing Sources (Uses)	Ending Balance
Educational	\$697,713	\$87,063,386	\$84,728,181	\$2,335,204	(\$479,401)	\$2,553,516
Operations and Maintenance	\$9,697,298	\$6,829,892	\$8,347,045	(\$1,517,154)	(\$523,264)	\$7,656,880
Debt Service	\$793,813	\$1,435,097	\$2,434,717	(\$999,620)	\$1,015,165	\$809,358
Transportation	(\$963,369)	\$3,532,775	\$4,074,175	(\$541,400)	\$0	(\$1,504,769)
Municipal Retirement	\$54,959	\$2,383,106	\$2,271,690	\$111,417	\$0	\$166,376
Capital Projects	\$64,941	\$205	\$0	\$205	\$0	\$65,146
Working Cash	\$7,046,826	\$464,029	\$0	\$464,029	\$0	\$7,510,855
Tort	\$365,347	\$738,145	\$596,045	\$142,100	\$0	\$507,447
Life Safety	\$0	\$0	\$0	\$0	\$0	\$0
	<u>\$17,757,528</u>	<u>\$102,446,634</u>	<u>\$102,451,853</u>	<u>(\$5,219)</u>	<u>\$12,500</u>	<u>\$17,764,809</u>

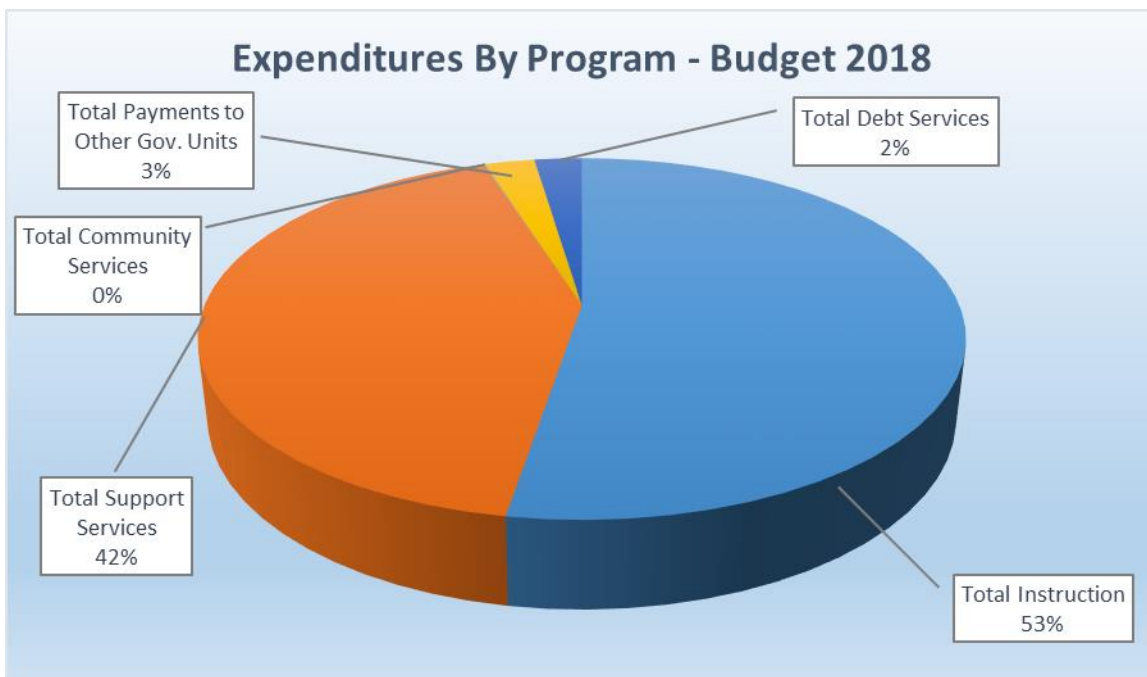
EXECUTIVE SUMMARY SECTION

REVENUE AND EXPENDITURES

The District receives a vast majority of its revenue from local sources with the majority coming from property taxes. Additional revenue is received from federal and state sources. Below is a breakdown of District revenue by source:

<p><u>Local</u></p> <p>Property Taxes Corporate Personal Property Replacement Tax Tuition Deaf & Hard of Hearing Program Employer & Employee Insurance Contributions Other Local (Fees, Summer School, Rentals) Interest on Investments</p> <p>93% of Revenue</p>	<p><u>State</u></p> <p>General State Aid State Categoricals (Transportation, Personnel) State Grants (STEPS, CTEIG, TPI/TBE)</p> <p>5% of Revenue</p>
<p><u>Federal</u></p> <p>Federal Grants (IDEA, Title I-III, Perkins) Reimbursements (Medicaid, Milk Program)</p> <p>1% of Revenue</p>	<p><u>Other Sources</u></p> <p>Capital Lease</p> <p>1% of Revenue</p>

Below is the District break down of expenditures by use. Over half of the expenses go directly into instruction. Support services include deans, counseling, social work, principals, administration, operations & maintenance, and other support services.



TRENDS AND CHANGES

In the current budget year, local sources of revenue increase by \$12 million compared to the prior year actuals. In addition to this, expenditures on benefits appear to be increasing by \$10 million. These items are related to the District Self-Insurance Fund being included in the budget. The District recognizes expenditures for employer premium contributions and a revenue when this is deposited into the Self-Insurance Fund. This is in reality a transfer of funds, but shows as an expense and revenue which duplicates the amounts.

As noted earlier the 2017 fiscal year budget was the first accrual budget the District produced. This update allows the District to present consistent financial reporting throughout the year to the community. In the past, the District operated on a cash basis and the auditors made accrual adjustments at the end of the year. In other words, the District budgeted and operated throughout the year using one accounting method, but presented the year end financials with a different accounting method, causing confusion about the District's actual financial position.

The projected surplus/(deficit) for fiscal years 2019-2021 are showing an anticipated negative amount. The negative amount is within a tolerable range that can be addressed in each subsequent years' budget. Additionally, the financial projections five years out show a modest surplus for the District. This indicates that the District is not trending in a negative direction and the projected deficits just need to be addressed within the budgets for those years and no larger structural changes are needed to correct them.

INFORMATIONAL SECTION

BUDGET FORECAST

The District anticipates a modest surplus for the current fiscal. The budget and forecast includes the final contracts with the Hinsdale High School Teachers Association and the Service Employees International Union (Buildings & Grounds) which run through the 2020 fiscal year. The District has also reached a contract agreement with the Hinsdale Township High School Support Staff Association which runs through the 2021 fiscal year. With salary and benefits comprising more than 75% of the District's expenditures, labor contracts impose a big impact on the District's financial outlook.

Revenues By Source and Expenditures By Object

	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
REVENUES				
Local Sources	\$96,432,800	\$99,640,280	\$102,029,856	\$104,724,630
State Sources	\$4,521,445	\$4,554,895	\$4,589,349	\$4,624,836
Federal Sources	\$1,492,389	\$1,392,389	\$1,392,389	\$1,392,389
Flow-Through	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$102,446,634	\$105,587,565	\$108,011,593	\$110,741,855
EXPENDITURES				
Salary	\$55,871,431	\$57,834,083	\$59,504,600	\$60,939,673
Employee Benefits	\$23,285,349	\$23,992,184	\$24,875,932	\$25,785,495
Purchased Services	\$11,367,535	\$11,561,520	\$11,687,165	\$11,816,579
Supplies and Materials	\$3,142,445	\$3,142,685	\$3,142,932	\$3,143,187
Capital Outlay	\$1,908,914	\$2,508,914	\$2,508,914	\$2,508,914
Other Objects	\$6,744,781	\$6,744,781	\$6,744,781	\$6,744,781
Non-Capitalized Equipment	\$131,397	\$131,397	\$131,397	\$131,397
Termination Benefits	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$102,451,853	\$105,915,565	\$108,595,722	\$111,070,027
SURPLUS/(DEFICIT)	(\$5,219)	(\$328,000)	(\$584,128)	(\$328,172)
Other Financing Sources	\$1,027,665	\$524,717	\$524,717	\$524,717
Other Financing Uses	(\$1,015,165)	(\$512,217)	(\$512,217)	(\$512,217)
NET OTHER	\$12,500	\$12,500	\$12,500	\$12,500
SURPLUS/(DEFICIT)	\$7,281	(\$315,500)	(\$571,628)	(\$315,672)

EXECUTIVE SUMMARY SECTION

STUDENT ENROLLMENT

The District has seen a slight decline in enrollment over the past few years. Enrollment at Hinsdale Central has grown while the Hinsdale South enrollment has declined. The enrollment forecast shows an overall decline in student enrollment over the next five to six years followed by an increase in student population. Student enrollment projections were compiled by a demographer for the District to use in its planning. A number of factors can impact these numbers over time.

Projected Enrollment District 86

Year	Central	South	Total
FY 2018	2,812	1,481	4,293
FY 2019	2,757	1,456	4,213
FY 2020	2,777	1,448	4,225
FY 2021	2,739	1,417	4,156
FY 2022	2,760	1,410	4,170
FY 2023	2,806	1,409	4,215
FY 2024	2,810	1,438	4,248
FY 2025	2,874	1,462	4,336
FY 2026	2,904	1,497	4,401
FY 2027	2,901	1,501	4,402

TAX BASE & RATES

The District has witnessed a slight rebound in the tax base (equalized assessed values) since it hit a low in 2014. New construction has also started to increase and is returning to more normalized levels. The District has used \$35 million as the new construction estimate for financial projections over the past few years, but will reevaluate after actual new construction is known for 2016. Tax rates increase as a taxing body levies additional funds each year, but at the same time, tax rates move inversely to the equalized assessed value (EAV). Therefore, a large increase in EAV could result in a lower tax rate even if additional funds are levied by the taxing body.

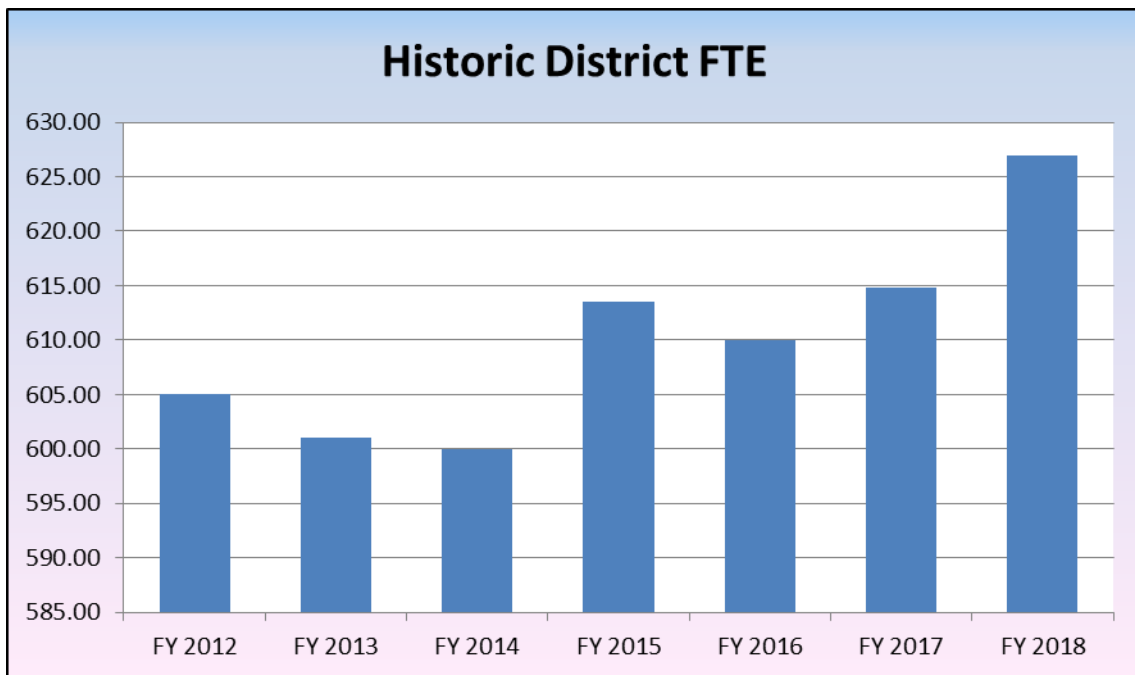
	Levy Year	Equalized Assessed Value	New Construction	Tax Rates
ACTUAL	2013	\$ 4,771,138,986	\$ 39,681,868	1.5789
ACTUAL	2014	\$ 4,751,513,224	\$ 47,993,633	1.6120
ACTUAL	2015	\$ 4,984,806,945	\$ 47,641,399	1.5727
ACTUAL	2016	\$ 5,315,007,283	\$ 56,780,523	1.4952
ESTIMATED	2017	\$ 5,481,307,429	\$ 60,000,000	1.5045

EXECUTIVE SUMMARY SECTION

DISTRICT STAFFING

Overall, District staffing levels have remained steady over the past five years. Slight fluctuations are caused by changes in student population, student needs and changes to the District’s strategic vision. There were two main staffing changes that occurred for 2016-17. The first was the Board-approved expansion of an educational program that allowed the District to bring students back from out-placed facilities to be educated in the District. This move required additional Special Education teachers and aides but the cost was offset by the savings in tuition costs. The second change was caused by the implementation of Senate Bill 100. This bill requires the District to provide additional resources and assistance to students and exhaust all discipline avenues prior to suspension. This bill resulted in the addition of one teacher and multiple aides at each school to assist these students.

Employee Group	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Teachers	338.00	336.00	336.00	330.50	328.40	333.50	332.30
Counselors	23.00	24.00	21.00	21.00	20.00	20.00	20.00
Social Workers	5.00	5.00	9.00	9.00	11.00	12.00	11.00
Librarians	7.00	7.00	7.00	7.00	6.00	5.40	5.20
Psychologists	0.00	0.00	4.00	4.00	4.00	5.00	5.00
Administration	16.00	16.00	16.00	22.00	25.00	26.00	25.00
Aides/Student Safety	101.00	96.00	92.00	106.00	103.60	106.90	116.50
Buildings & Grounds	39.00	40.00	38.00	35.00	34.00	29.00	31.00
Information Technology	10.00	10.00	10.00	9.00	9.00	7.00	10.00
Support Staff	66.00	67.00	67.00	70.00	69.00	70.00	71.00
Total FTE	605.00	601.00	600.00	613.50	610.00	614.80	627.00



EXECUTIVE SUMMARY SECTION

DEBT SERVICES

The District currently has the following bond series outstanding:

- 2008 series has a current outstanding balance of \$1.2 million and will mature in January of 2019. The bond funded the practice and competition turf fields and Central and South.
- 2012 series has a current outstanding balance of \$2.9 million and will mature in January of 2022. The bond funded the addition of air conditioning to District classrooms along with other smaller renovation projects. The balance is the non-callable portion of the original 2012 series. The remainder was refinanced in 2016.
- 2015A series has a current outstanding balance of \$2.1 million and will mature in January of 2023. The bond funded the pay down of the District’s unfunded pension liability with IMRF. The bond was self-funded by the District.
- 2015B series has a current outstanding balance of \$2.3 million and will mature in January of 2027. The bond funded the renovation of the Transition Center. The bond was self-funded by the District.
- 2016A series has a current outstanding balance of \$14.5 million and will mature in January of 2030. This is the refinanced portion of the 2012 series

Date	Prinipal	Interest	Total Payment	Total Fiscal Year Payment	Fiscal Year	Levy Year
07/15/17		275,813	275,813	1,921,625	2018	2016
01/15/18	1,370,000	275,813	1,645,813			
07/15/18		253,494	253,494	1,911,989	2019	2017
01/15/19	1,405,000	253,494	1,658,494			
07/15/19		237,344	237,344	1,939,688	2020	2018
01/15/20	1,465,000	237,344	1,702,344			
07/15/20		212,419	212,419	2,204,839	2021	2019
01/15/21	1,780,000	212,419	1,992,419			
07/15/21		183,369	183,369	2,231,739	2022	2020
01/15/22	1,865,000	183,369	2,048,369			
07/15/22		163,513	163,513	2,277,026	2023	2021
01/15/23	1,950,000	163,513	2,113,513			
07/15/23		142,339	142,339	2,249,677	2024	2022
01/15/24	1,965,000	142,339	2,107,339			
07/15/24		120,788	120,788	2,246,576	2025	2023
01/15/25	2,005,000	120,788	2,125,788			
07/15/25		98,499	98,499	2,251,998	2026	2024
01/15/26	2,055,000	98,499	2,153,499			
07/15/26		75,424	75,424	2,320,847	2027	2025
01/15/27	2,170,000	75,424	2,245,424			
07/15/27		50,451	50,451	1,740,902	2028	2026
01/15/28	1,640,000	50,451	1,690,451			
07/15/28		33,969	33,969	1,742,938	2029	2027
01/15/29	1,675,000	33,969	1,708,969			
07/15/29		17,135	17,135	1,739,271	2030	2028
01/15/30	1,705,000	17,135	1,722,135			

\$23,050,000 \$3,729,113 \$ 26,779,113 \$ 26,779,113



HINSDALE TOWNSHIP
HIGH SCHOOL DISTRICT 86

ORGANIZATIONAL SECTION

DISTRICT ENTITY OVERVIEW

The official name of the District shall be Township High School District Number 86. It shall be the responsibility of the District to provide quality education for children residing within its boundaries in grades nine through 12.

The legal status for the operation of the District is derived from Article X entitled, "Education in the Constitution of the State of Illinois." The Constitution of Illinois holds the legislators responsible by stating:

"The State shall provide for an efficient system of high quality educational institutions and services. Education in public schools through the secondary level shall be free. There may be such other free education as the General Assembly provides by law. The State has the primary responsibility for financing the system of public education."

The General Assembly has implemented the Illinois constitutional mandate to "provide for an efficient system of high quality public educational institutions and services" through the creation of public school districts of various types. Hinsdale Township High School District 86, DuPage and Cook Counties, is established under and governed by the laws set forth in the Illinois School Code for school districts having a population of fewer than 100,000 inhabitants.

The District constitutes a body corporate which possesses all the usual powers of a corporation for public purposes, and in that name may sue and be sued, purchase, hold and sell personal property and real estate, and enter into such obligations as are authorized by law.

The area served by Hinsdale Township High School District 86 is approximately 29 square miles and lies primarily within the boundaries of Downers Grove Township.

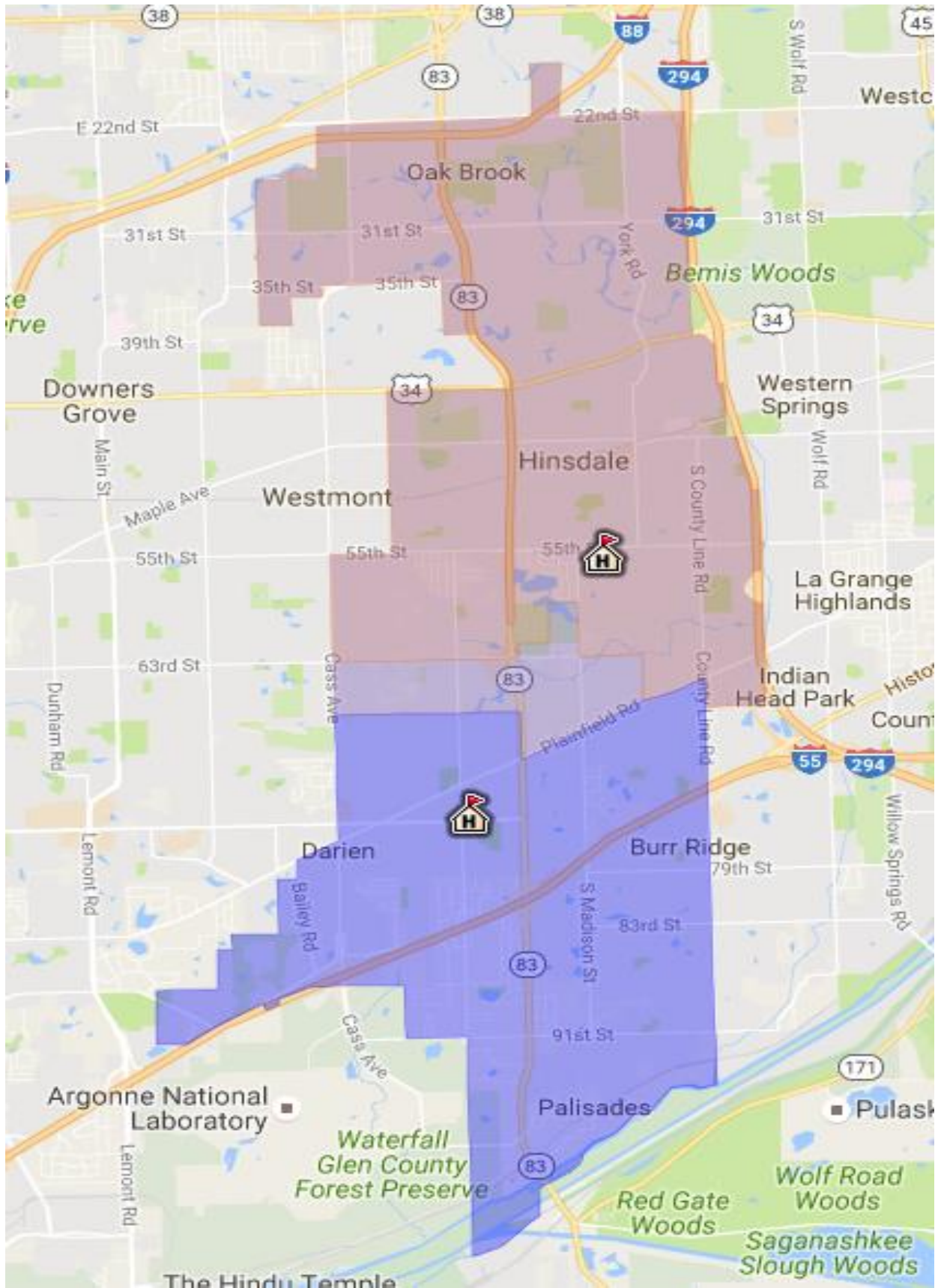
Hinsdale Township High School District 86 is located approximately 20 miles west of Chicago's Loop and is home to a concentration of professional, executive, managerial families, major corporate headquarters and commercial centers. The District is comprised of three schools: Hinsdale Central High School, Hinsdale South High School and the District 86 Transition Center serving students in DuPage and Cook Counties from the suburbs of Burr Ridge, Clarendon Hills, Hinsdale, Darien, Downers Grove, Oak Brook, Westmont, and Willowbrook.

Just over 4,300 students attend the two high schools—over 2,800 at Central and over 1,500 at South. With close to 300 courses, nearly 60 clubs and activities, and 28 interscholastic sports available to District 86 students in each building, educational opportunities abound. Students have taken advantage of all of these opportunities to the extent that nearly 98 percent of all District 86 graduates matriculate to a college or university of their choice.

The District's Transition Center serves over 40 post-secondary students offering an adult-centered program that prepares students for adulthood success while promoting opportunities for independence in the areas of: employment, post-secondary education and training, independent living skills, and community.

The District boundary map is on the following page.

ORGANIZATIONAL SECTION



ORGANIZATIONAL STRUCTURE

BOARD OF EDUCATION

Hinsdale Township High School District 86 is governed by a Board of Education that is made up of seven members. The members serve four-year terms with elections held in April of odd numbered years. After each election newly elected board members are required to be seated and take an oath of office by the first Tuesday in May. The President, Vice President, and Secretary are elected by the Board annually each May. Below are the current Board Members with their position and term:

- Bill Carpenter, President, Term Expires: April 2019
- Kevin Camden, Vice President, Term Expires: April 2021
- Kathleen Hirsman, Secretary, Term Expires: April 2019
- Keith Chval, Member, Term Expires: April 2021
- Robin Gonzales, Member, Term Expires: April 2021
- Jennifer Planson, Member, Term Expires: April 2019
- Nancy Pollak, Member, Term Expires: April 2021

The Board of Education meets at regularly scheduled meetings twice a month with the exception of July and December when the Board meets only once. The President of the Board may also call special meetings if there is business that needs to be addressed prior to the next scheduled Board meeting. All meeting times and locations are posted publicly on the District website.

Board members may also be appointed by the Board President to serve on committees. The current active committees in the District are:

- Closed Session Minutes Review Committee
- Facilities Committee
- Finance Committee
- HR Committee
- Insurance Committee
- Policy Committee

ORGANIZATIONAL SECTION

EXECUTIVE LEADERSHIP TEAM



From Left to Right

- Dr. Bruce Law, Superintendent of Schools
- Pamela Bylsma, Assistant Superintendent for Academics
- Tammy Prentiss, Assistant Superintendent of Student Services

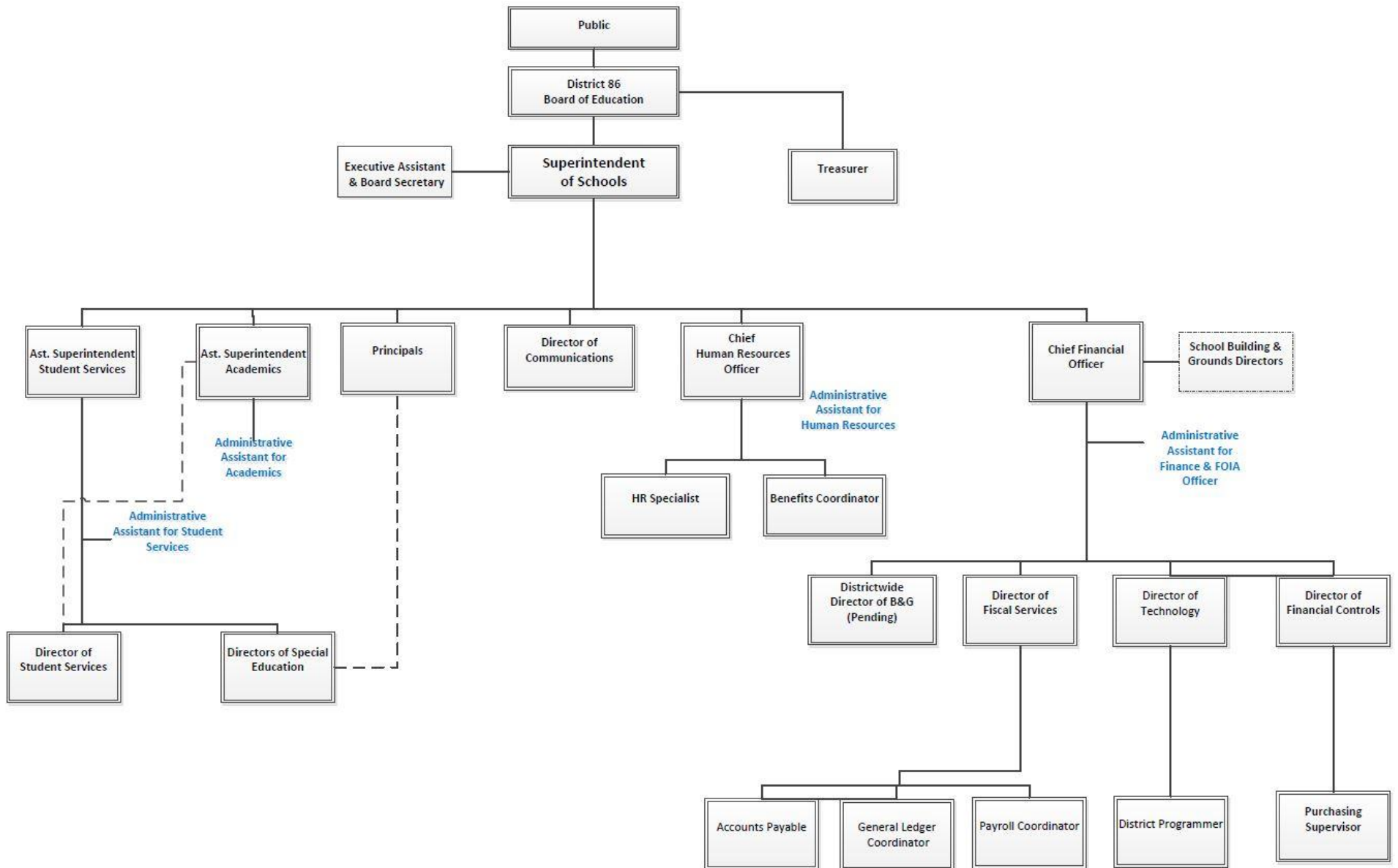


From Left to Right

- Josh Stephenson, Chief Financial Officer
- Domenico Maniscalco, Chief Human Resources Officer
- Karen Warner, Director of Communications

ORGANIZATIONAL SECTION

ORGANIZATIONAL CHART



MISSION STATEMENTS

DISTRICT 86 VISION STATEMENT

Hinsdale Township High School District 86 is a community of learners committed to education in an environment that promotes excellence, respect, and responsibility. We believe...

- Learning is a lifelong process
- All students are capable of learning
- Respect for diversity is an integral part of education
- Students learn best in a safe and supportive environment
- Education is a shared responsibility among students, parents, the school, and the community.

Each school has a unique Mission and Vision statement:

HINSDALE CENTRAL VISION STATEMENT

The expectation of excellence is rooted in the traditions of Hinsdale Central. In an environment that fosters a desire to learn, all members of the organization are committed to educating each student. In order for us to succeed, we must clearly identify standards we will work to achieve and maintain. These standards are identified in several areas and will be the benchmarks by which we will measure our success:

Climate

All members of our community are responsible for providing a climate that contributes to our success and a high school experience that builds a sense of pride we all share. In our school we:

- Provide a safe and secure environment that is conducive to learning
- Recognize that all relationships are based on respect for others and an understanding of each person's responsibility for his/her behavior
- Understand school rules and policies exist to support our organization and are consistently applied by all staff
- Recognize the achievements of all members
- Encourage and model behaviors appropriate to the development of character.

Community

The educational community recognizes the importance of maintaining a partnership between the school and community at large. In our school we:

- Seek ways to improve the quality of communication between the home and school
- Always provide a clear rationale for policies and practices
- Share information that is important in a timely manner
- Recognize that the more our community is involved and informed, the more successful we will be.

ORGANIZATIONAL SECTION

Staff

Attracting and retaining outstanding people is a must if we are to move toward our vision. In our school we:

- Demonstrate our support for a shared vision and a common sense of purpose
- Encourage all members of the organization to be leaders and experts in their fields
- Promote collaboration and collegial decision-making on matters relating to students, curriculum, instruction, and school improvement initiatives
- Facilitate the growth of our students.

Students

The degree to which we measure our success in attaining this vision is by each student's progress. We will provide opportunities that facilitate this growth. In our school we:

- Work to meet students' needs
- Encourage students to reach their potential in all they do, and to become self-directed learners
- Teach students to accept responsibility for their actions
- Encourage students to get involved in their school and in their community
- Let students know we believe in them and will find ways for them to succeed based on their ability and interests.

HINSDALE SOUTH VISION STATEMENT

"A Partnership in Learning"

We will achieve the vision of Hinsdale South High School by creating an exemplary learning community where everyone seeks and implements strategies for improving student achievement; facilitates student growth; unites to achieve definite goals with common purpose; and demonstrates a commitment to the success and well-being of all members.

The purpose of the Vision Mission committee is to ensure that the procedures, programs and activities of HSHS are aligned with the Vision Mission adopted.

Toward that end, the Vision Mission Committee will:

- Promote the Vision and Mission
- Review existing procedures, programs and activities to affirm their alignment with and service to the Vision and Mission
- Appraise new procedures, programs and activities to encourage alignment with and service to the Vision and Mission
- Identify opportunities for enhancement of and or addition to procedures, programs and activities to enable HSHS to better strive toward its Vision and Mission.

ORGANIZATIONAL SECTION

TRANSITION CENTER VISION STATEMENT

Mission:

To implement an innovative, adult-centered community program through collaborative approach that prepares students for adulthood success while promoting opportunities for independence in the areas of: employment, post-secondary education and training, independent living skills, and community. The Transition Center staff work as a team to meet the needs of all our young adults. We focus on strengthening the following skills with all our young adults.

Goals:

- Increase independence in adult living situations
- Improve self-determination skills
- Improve social and communication skills
- Increase leisure, recreation, and life skills
- Experience work-based learning and volunteer work
- Prepare for community living and participation.

DISTRICT 86 GOALS

A Special Meeting of the Board of Education of Hinsdale Township High School District 86 was held on Wednesday, July 13, 2016, in the Hinsdale Central Community Room, 5500 South Grant Street, Hinsdale IL 60521.

All seven members of the Board agreed to the following seven Board Goals:

1. Achieve equity in:
 - Curriculum Opportunities
 - Instruction
 - Discipline Code
2. Create and implement PR/community outreach plan
3. Implement the Master Facilities Plan
4. Improve the District's technology and become a leader in the area through regular ongoing improvements in the following areas: business office; library technology; increased technological improvement in parental communications and community communications; student technology; increased class options at both campuses
5. Expand revenue opportunities
6. Improve District financial stability by:
 - Adopting a balanced budget delivering a modest surplus
 - Maintaining current fund balances
 - Identifying cost savings
 - Improving internal controls
 - Improving financial expertise of Board and staff
7. Maintain the test scores overall and improve test scores in targeted areas where underperformance is experienced.

DISTRICT FINANCIAL STRUCTURE

Nature of Operations, Financial Reporting Entity, Measurement Focus, Basis of Accounting and Basis of Presentation, and Significant Accounting Policies.

The District operates as a nine - 12 grade public school system under the direction of its Board of Education in Hinsdale, Illinois. The District is fiscally independent.

Financial Reporting Entity: Generally Accepted Accounting Principles (GAAP) require that financial statements of the reporting entity include:

1. The primary government
2. Organizations for which the primary government is financially accountable
3. Other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The criteria provided in the Government Accounting Standards Board (GASB) Statement No. 14 have been considered and there are no agencies or entities, which should be presented with the District.

Measurement Focus, Basis of Accounting and Basis of Presentation: The accounts of the District are organized and operated on a basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purposes and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The funds of the District are classified into two categories: Governmental and Fiduciary.

Governmental fund types are used to account for the District's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets and the servicing of general long-term debt. Governmental funds use the flow of current financial resources, measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenue is recognized when it becomes susceptible to accrual, i.e., when it becomes "measurable and available." Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers taxes collected in May and June ("early taxes") of the current fiscal year unearned and defers those revenue to the next fiscal year for which the levy is intended to benefit. Expenditures are recognized when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with available financial resources.

Fiduciary Funds: The District is the trustee, or fiduciary, for assets that belong to others, such as the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the government-wide financial statements because it cannot use these assets to finance its operation.

ORGANIZATIONAL SECTION

Property and personal property replacement taxes, charges for services and interest are susceptible to accrual. Miscellaneous revenue items, which are not susceptible to accrual, are recognized as revenue only as they are received in cash.

Entitlements and grants are recognized as revenue at the time of receipt or earlier if they meet the criteria of being susceptible to accrual. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Governmental fund types include the following:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund. The District uses two departmental accounts to summarize its operating fund activities, the Educational Fund and the Operations and Maintenance Fund.

Special Revenue Funds account for the revenue sources that legally restricted to expenditures for specific purposes. The Districts three special revenue funds are the Transportation Fund, Municipal Retirement Fund and the Working Cash Fund.

The Debt Service Fund accounts for the servicing of the general long-term debt of the District.

Capital Project Funds account for the acquisition of the capital assets or construction of the major capital projects of the District. The District maintains the Capital Project Fund for its capital projects.

Fiduciary fund types are used to account for assets held by the District in a trustee capacity or as an agent on behalf of others.

The significant accounting policies followed by the District include the following:

Property taxes: Property tax revenue represents 100 percent of the 2016 estimated property tax levy collections. The 2016 tax levy was passed by the Board of Education on December 19, 2016, and attached as an enforceable lien on the property as of January 1, 2017. The taxes become due and collectible in May and September 2017, and are collected by the county collector, who in turn remits to the District its respective share. An allowance for the estimated uncollectible taxes has been provided equal to approximately .3 percent of the tax levy amount.

Compensated absences: Certified employees working less than 12 months a year do not earn vacation days, however, full-time employees working 12 months a year earn vacation days which vest as they accrue. Vacation pay, which vests and is expected to be liquidated with expendable available financial resources, is reported as an expenditure and fund liability of the governmental fund. Amounts not expected to be liquidated with available financial resources are reported in the general long-term debt account group.

ORGANIZATIONAL SECTION

DISTRICT FINANCIAL POLICIES

Policy 4:10 Operational Services

The Superintendent is responsible for the School District's fiscal and business management. The Board shall periodically set cash reserve levels tied to operating funds. This responsibility includes annually preparing and presenting the District's statement of public affairs to the Board of Education and publishing it before December 1, as required by State law. The Superintendent shall ensure the efficient and cost-effective operation of the District's business management.

Budget Planning

The District's fiscal year is from July 1 until June 30. The Superintendent shall present to the Board of Education, no later than the first regular meeting in July, a tentative budget with appropriate explanation. This budget shall represent the culmination of an ongoing process of planning for the fiscal support needed for the District's educational program.

Preliminary Adoption Procedures

After receiving and reviewing the Superintendent's proposed budget, the Board of Education sets the date, place, and time for:

1. A public hearing on the proposed budget, and
2. The proposed budget to be available to the public for inspection. The Board of Education Secretary shall arrange to publish a notice in a local newspaper stating the date, place, and time of the proposed budget's availability for public inspection and the public hearing. The proposed budget shall be available for public inspection at least 30 days before the time of the budget hearing.

At the public hearing, the proposed budget shall be reviewed and the public shall be invited to comment, question, or advise the Board of Education.

Final Adoption Procedures

The Board of Education adopts a budget before the end of the first quarter of each fiscal year (September 30), or by such alternative procedure as State law may define.

The Board of Education adopts the budget by roll call vote. The budget resolution shall be incorporated into the meeting's official minutes. Board of Education members' names voting yea and nay shall be recorded in the minutes. The District's budget shall be entered upon the Illinois State Board of Education's "School District Budget Form."

The Superintendent or designee shall post the District's final annual budget, itemized by receipts and expenditures, on the District's Internet website as required by law.

The Superintendent or designee shall file a certified copy of the budget resolution and an estimate of revenues by source anticipated to be received in the following fiscal year (certified by the District's chief fiscal officer) with the County Clerk within 30 days of the budget's adoption.

ORGANIZATIONAL SECTION

Property Tax Levy

The Superintendent or designee shall: (1) make all preparations necessary in order for the Board to timely file its Certificate of Tax Levy, including preparations to comply with the Truth in Taxation Act, and (2) file a Certificate of Tax Levy with the County Clerk, on or before the last Tuesday in December. The Certificate lists the amount of property tax money to be provided for the various funds in the budget.

Any amendments to the budget or Certificate of Tax Levy shall be made as provided in The School Code and Truth in Taxation Act.

Budget Amendments

The Board of Education may amend the budget by the same procedure as provided for in the original adoption.

Implementation

The Superintendent or designee shall implement the District's budget and provide the Board of Education with a monthly financial report that includes all deficit fund balances. The amount budgeted as the expenditure in each fund is the maximum amount, as stated in The School Code, that may be expended for that category, except when a transfer of funds is authorized by the Board of Education. Expenditure amount shall not exceed amounts as required by The School Code. The Board of Education shall act on:

- All interfund loans, interfund transfers, and transfers within funds
- All transfers from one program to another
- All expenditures that are to be charged to a contingency account, if such an account exists

LEGAL REF.: 35 ILCS 200/18-55 et seq. 105 ILCS 5/10-17, 5/10-22.33, 5/17-1, 5/17-1.2, 5/17-2A, 5/17-3.2, 5/17-11, 5/20-5, and 5/20-8.

ADOPTED:

January 24, 2005

REVIEWED AND ADOPTED
October 21, 2013

CROSS REF.: 6:235 (Access to Electronic Networks)

*Policies on this subject are required by law

Policy 4:30 Revenue and Investment of School Funds

Revenue – Investment of School District Funds

In accordance with the Illinois Public Funds Investment Act, 30 ILCS 235/0/0.1 et seq. (the "Act"), the School District shall maintain a set of procedures for the investment of School District funds that includes the following elements:

1. A listing of authorized investments
2. The standard of care that must be maintained by the persons investing the public funds.
3. Investment and diversification guidelines that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio
4. Guidelines regarding collateral requirements, if any, for the deposit of public funds in a financial institution made pursuant to the Act, and, if applicable, guidelines for contractual arrangements for the custody and safekeeping of that collateral
5. A system of internal controls and written operational procedures designed to prevent losses of funds that might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the District
6. Performance measures that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the school district's investment portfolio
7. Appropriate periodic review of the investment portfolio, its effectiveness in meeting the District's needs for safety, liquidity, rate of return, and diversification, and its general performance
8. At least quarterly written reports of investment activities by the Treasurer for submission to the Board of Education and the Superintendent, including information regarding securities in the portfolio by class or type, book value, income earned, and market value as of the report date
9. A procedure for the selection of investment advisors, money, managers, and financial institutions
10. A policy regarding ethics and conflicts of interest

The Treasurer of the School District shall establish and submit such procedures for the Board's approval and shall periodically review and propose needed amendments thereto. Such procedures and this policy shall be kept available at all times for public review at the School District's administrative offices.

LEGAL REF.: 30 ILCS 235/1 et seq.
105 ILCS 5/8-7, 5/17-1, and 5/17-11.

CROSS REF.: 2:100 (Board Member Conflict of Interest), 4:10 (Fiscal and Business Management)

ADOPTED: January 24, 2005

ORGANIZATIONAL SECTION

Policy 4:40 Incurring Debt

Incurring Debt

The Superintendent shall provide early notice to the School Board of the District's need to borrow money. The Superintendent or designee shall prepare all documents and notices necessary for the Board, at its discretion, to: (1) issue State Aid Anticipation Certificates, tax anticipation warrants, working cash fund bonds, bonds, notes, and other evidence of indebtedness, or (2) establish a line of credit with a bank or other financial institution. The Superintendent shall notify the State Board of Education before the District issues any form of long-term or short-term debt that will result in outstanding debt that exceeds 75 percent of the debt limit specified in State law.

LEGAL REF.: 30 ILCS 305/2 and 352/1 et seq.
50 ILCS 420/.
105 ILCS 5/17-16, 5/17-17, 5/18-18, and 5/19-1 et seq.

CROSS REF.: 4:10 (Fiscal and Business

Management) ADOPTED: October 19 2015

Policy 4:45 Insufficient Funds Checks and Debt Recovery

Insufficient Fund Checks and Debt Recovery

Insufficient Fund Checks

The Superintendent or designee is responsible for collecting up to the maximum fee authorized by State law for returned checks written to the District that are not honored upon presentation to the respective bank or other depository institution for any reason. The Superintendent is authorized to contact the Board Attorney whenever necessary to collect the returned check amount, fee, collection costs and expenses, and interest.

Delinquent Debt Recovery

The Superintendent is authorized to seek collection of delinquent debt owed the District to the fullest extent of the law.

A Local Debt Recovery Program may be available through the Illinois Office of the Comptroller (IOC) in the future. To participate in it, an intergovernmental agreement (IGA) between the District and the IOC must be in existence. The IGA establishes the terms under which the District may refer a delinquent debt to the IOC for an offset (deduction). The IOC may execute an offset, in the amount of the delinquent debt owed to the District, from a future payment that the State makes to an individual or entity responsible for paying the delinquent debt.

The Superintendent or designee shall execute the requirements of the IGA. While executing the requirements of the IGA, the Superintendent or designee is responsible, without limitation, for each of the following:

1. Providing a District-wide, uniform, method of notice and due process to the individual or entity against whom a claim for delinquent debt payment (*claim*) is made. Written notice and an opportunity to be heard must be given to the individual or entity responsible for paying a delinquent debt before the claim is certified to the IOC for offset. The notice must state the claim's amount, the reason for the amount due, the claim's date or time period, and a description of the process to challenge the claim. An individual or entity challenging a claim shall be provided an informal proceeding to refute the claim's existence, amount, or current collectability; the decision following this proceeding shall be reviewable. If a waiver of student fees is requested as a challenge to paying the claim, and the waiver of student fees is denied, an appeal of the denial of a fee waiver request shall be handled according to 4:140, *Waiver of Student Fees*. If no waiver of student fees is requested, reviews regarding payment of the claim shall be handled according to this policy before certification to the IOC for offset.
2. Certifying to the IOC that the debt is past due and legally enforceable, and notifying the IOC of any change in the status of an offset claim for delinquent debt.
3. Responding to requests for information from the IOC to facilitate the prompt resolution of any administrative review requests received by the IOC.

LEGAL REF.: 15 ILCS 405/10.05 and 10.05d.
810 ILCS 5/3-806.

ADOPTED: October 19 2015

ORGANIZATIONAL SECTION

CLASSIFICATION OF REVENUE AND EXPENDITURES

Revenues and expenditures are classified by accounting code. The accounting codes are established by the Illinois Program Accounting Manual. Accounting codes for revenue accounts are required to use fund and function in the code. Accounting codes for expenditures are required to use fund, function, and object in the code. The District elects to use additional code segments to separate location, department, and type.

- FUND An independent accounting entity that has its own assets, liabilities, and fund balance.
- FUNCTION For revenues describes source of funds; for expenditures it describes use of funds.
- OBJECT Defines service or commodity obtained from an expense.
- LOCATION Separates the expenditures by school building or other location.
- DEPARTMENT Divides expense accounts by individual department within the District.
- TYPE Divides assets, liabilities, fund balance, revenue, and expenditures.

An example of a typical accounting code:

10.2313.317.05.730.5

- 10 Fund
- 2313 Function
- 317 Object
- 05 Location
- 730 Department
- 5 Type

ORGANIZATIONAL SECTION

BUDGET PROCESS

The District currently uses the Function/Object Budgeting approach with a few of the Zero-Based Budgeting components. All department heads are involved in the budgeting process for their department, with the exception of salary and benefits, which are budgeted by the Business Office. Items that are not specific to an individual department, i.e. utilities, are budgeted by the Business Office. Capital projects are managed by Facilities Committee and approved by the Board of Education prior to being budgeted. The Chief Financial Officer oversees the budgeting process.

**Financial Planning Calendar for Fiscal Year 2017-18
January 2017**

<u>Month/Date</u>	<u>Activity</u>
January 18	Bureau of Labor Statistics releases December 2016 CPI. Final PTELL percent known for 2017 levy (funds 2018-19 fiscal year).
February 2	Meet with Department Chairs and Principals to review budget process
February 13	Meet with Administrators to review budget process
February 21	Final capital projects for 2017-18 approved by BOE
March	Staffing for 2017-18 completed and taken to BOE for approval
March	2016 tax extension finalized
April 14	All department budgets due to the Business Office
May 1	Cabinet reviews first pass of tentative budget
May 5	Final day for entering 2016-17 requisitions
May 8	The 2017-18 database opens for entering requisitions
June 5*	First pass of tentative budget at Committee of the Whole meeting
June 16	Final day to receive 2016-17 purchase orders Final day to enter expense reimbursements for 2016-17 Cutoff date for purchasing card transactions for 2016-17
June 19*	Approval of tentative budget at Regular Action Meeting Adopt Prevailing Wage Resolution Adopt Resolution Designating Interest Earnings
June 20	Access to 2016-17 database is cutoff Tentative budget loaded to Infinite Visions
June 30	End of fiscal year 2016-17
July 1	Rollover to fiscal year 2017-18 completed
August 17	Publish "Notice of Public Hearing" 30 days prior to budget adoption

ORGANIZATIONAL SECTION

	Tentative budget available for public viewing (website & district office)
September 5*	First pass of final budget at Committee of the Whole meeting Capital Projects for 2018-19 presented to BOE
September 18*	Public Hearing/Adoption of Final Budget
September	Checklist after budget adoption: <ol style="list-style-type: none"> 1. Post approved budget on the District website 2. Submit budget to ISBE (electronically) 3. Send a copy of the budget to the ROE (hardcopy) 4. Submit Certificate of Adoption & Sources of Revenue to the DuPage and Cook County Clerks
October 2*	Forecasting assumptions presented at Committee of Whole meeting
October 16*	Forecasting assumptions approved at Regular Action Meeting
October	CAFR & AFR for fiscal year 2016-17 finalized
October	PMA Financial Projections Updated with 2017 AFR & 2018 Budget
November 6*	First pass of 2017 Levy at Committee of the Whole meeting Financial Forecast presented at Committee of the Whole meeting CAFR presented by auditor at Committee of the Whole meeting
November 20*	Resolution of Estimated Levy adopted at Regular Action Meeting
December 7	Publish "Public Levy Hearing" Notification
December 18*	Adoption of 2017 Levy at Regular Action Meeting
December	Tax levy resolution filed with DuPage and Cook County

*Indicates public Board of Education meeting. Dates are tentative until confirmed by BOE.

LOCAL REVENUE SOURCES

The District does have a number of local revenue sources outside of property taxes and the corporate personal property replacement tax. Below are the budgeted amounts for each other local revenue source.

Revenue Source	Budget FY18
Student Fees/Summer School Tuition	\$ 1,296,474
Interest on Investments	\$ 585,055
Cafeteria/Vending Machine Proceeds	\$ 186,000
Facility/Easement Rental	\$ 167,344
Athletic Events/Student Parking	\$ 123,000
Purchasing Card Rebate	\$ 67,500
Total	\$ 2,425,373

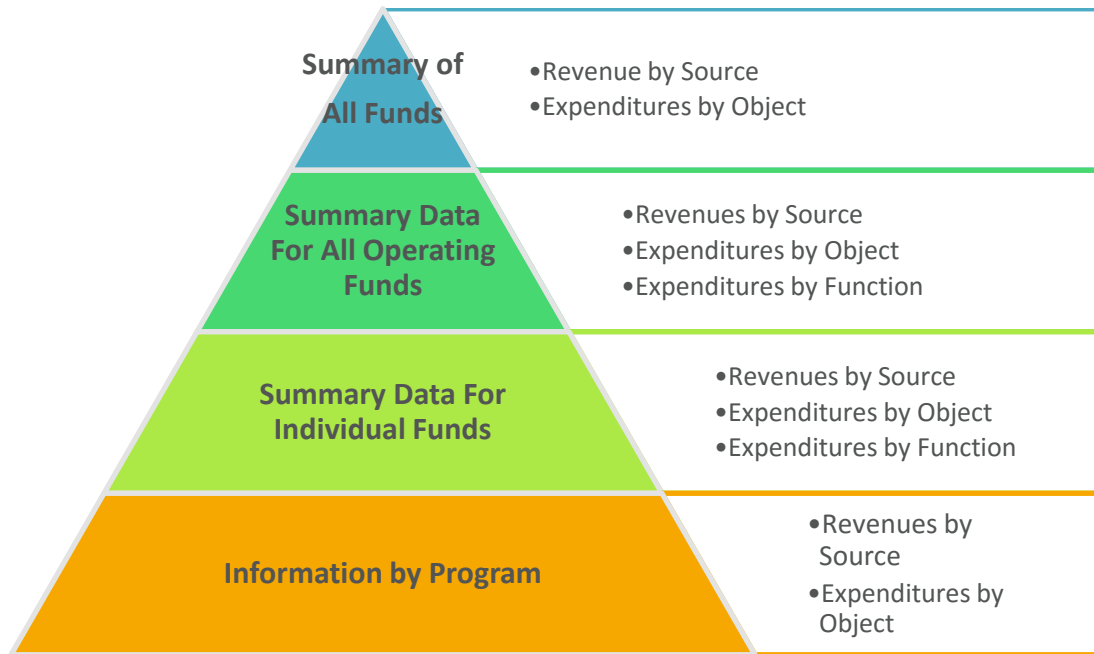


HINSDALE TOWNSHIP
HIGH SCHOOL DISTRICT 86

FINANCIAL SECTION

FINANCIAL SUMMARY INTRODUCTION

The financial section is broken up into four major levels. Starting from the top down each level of the pyramid progressively increases the granularity of the data being displayed. Along with the increasing detail, each level provides different views of the revenues and expenditures. Level one (blue) provides a summary of revenues by source, expenditures by object, and both by fund. Level two and three (green and yellow) shows revenue by source and expenditures by object and function. Level four (orange) shows revenue by source and expenditures by object.



FISCAL YEARS

The financial section includes data from the fiscal years listed below. All historical information is generated from the District’s Annual Financial Reports. The Annual Financial Report is completed by independent auditors and is filed with the Illinois State Board of Education (ISBE). The current budget year information is generated from the annual budget form that is completed and approved by the District’s Board of Education (BOE) and submitted to ISBE. The projections are based on all past and present information along with assumptions that are approved by the Board of Education.

Fiscal Year	Source of Financial Data
2013-2014	Annual Financial Report posted to ISBE
2014-2015	Annual Financial Report posted to ISBE
2015-2016	Annual Financial Report posted to ISBE
2016-2017	Annual Financial Report posted to ISBE
2017-2018	Annual Budget posted to ISBE
2018-2019	Projections based on financial forecasts
2019-2020	Projections based on financial forecasts
2020-2021	Projections based on financial forecasts

FINANCIAL PROJECTIONS

The financial projections are generated using assumptions on key drivers of revenues and expenditures in conjunction with historic data and trends. The financial projections presented below were generated based upon the approved Board of Education assumptions. Additional variations of the projections are routinely run to show the impact of largescale changes and to understand the sensitivity of our forecast to changes. Recent sensitivity analyses and “what-if” scenarios were performed on pension cost shifting from the State of Illinois to District 86 and a property tax freeze. The District is currently forecasting adding 3.8 FTE for 1:1 implementation in fiscal year 2019. Staffing levels for all following years are forecasted to be flat. Financial assumptions are provided below:

	Forecast Assumptions				
	FYE '19	FYE '20	FYE '21	FYE '22	FYE '23
Revenue					
PTELL (CPI)	2.1%	2.0%	2.0%	2.0%	2.0%
New Construction (\$MM)	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00	\$ 50.00
Corporate Replacement Tax (\$MM)	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.20	\$ 1.20
General State Aid (\$MM)	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70	\$ 2.70
All Other State Aid (\$MM)	\$ 1.70	\$ 1.70	\$ 1.70	\$ 1.70	\$ 1.70
Federal Aid (\$MM)	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40	\$ 1.40
Investment Income (\$MM)	\$ 0.60	\$ 0.61	\$ 0.62	\$ 0.63	\$ 0.63
Abatement (\$MM)	\$ -	\$ -	\$ -	\$ -	\$ -
Expenditures					
HHSTA - FTE Change	2.8	0.0	0.0	0.0	0.0
HHSTA - Retirees	3	6	9	9	9
HHSTA - Salary Increase	3.9%	3.3%	2.6%	2.0%	2.0%
HTHSSSA - FTE Change	0	0	0	0	0
HTHSSSA - Salary Increase	2.1%	2.0%	2.0%	2.0%	2.0%
SEIU - FTE Change	0	0	0	0	0
SEIU - Salary Increase	2.0%	2.0%	2.0%	2.0%	2.0%
Support/Admin - FTE Change	1	0	0	0	0
Support/Admin - Salary Increase	2.1%	2.0%	2.0%	2.0%	2.0%
Insurance - Medical (Calendar Year)	4.0%	4.0%	4.0%	4.0%	4.0%
Transportation	5.0%	5.0%	5.0%	5.0%	5.0%
Summer Construction (\$ MM)	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80	\$ 1.80
1:1 Implementation (\$MM)	\$ 0.47	\$ 0.49	\$ 0.50	\$ 0.51	\$ 0.53

FUNDS

The District revenues and expenditures are divided by funds. Funds operate independently of each other and serve specific purposes. The District maintains revenue, expenditures, assets, liabilities, and balances by each fund. According to the Illinois State Board of Education’s (ISBE) Accounting Manual, a fund is “an independent fiscal and accounting entity requiring its own set of self-balancing accounts, which is created in accordance with special regulations, restrictions, and limitations that earmark each fund for a specific activity or for attaining certain objectives.” Below is a list of the funds that the District is actively using with a brief description of their purpose.

Fund	Fund Name	Fund Description
10	Education Fund	All instructional and support services tied to providing educational services
20	Operations & Maintenance Fund	Operation and maintenance of District buildings and grounds
30	Debt Services Fund	Used for payment of District's short and long-term liabilities including lease arrangements
40	Transportation Fund	All transportation tied to student instruction, athletics, and activities
50	Municipal Retirement/Social Security Fund	Funds required for retirement payments to IMRF and Social Security
60	Capital Improvement Fund	Used for capital improvement work being financed by debt
70	Working Cash Fund	Used to balance other fund deficiencies and assist in cash flow needs
80	Tort Fund	Legal tort claims and liability insurance

FUNCTIONS

Revenues and expenditures are further segmented in the accounting codes. After the fund is identified, the next set of numbers identifies the function. The function code is used in both revenues and expenditures for specific purposes. The function code in revenue accounts identifies the source of funds, whereas the function code for expenditure accounts identifies the use of the funds. Below is a high level summary of the function codes for both revenue and expenditure accounts.

Revenue	
Function	Function Description
1000	Local Sources
2000	Flow Through Revenue
3000	State Sources
4000	Federal Sources
7000	Other Sources

Expenditure	
Function	Function Description
1000	Instruction
2000	Support Services
3000	Community Services
4000	Payments to Other Districts & Gov. Units
5000	Debt Services
8000	Other Uses

OBJECTS

Object codes are only required to be used with expenditure accounts. They are used to define the service or commodity obtained from the expenditure. Each object code can be subdivided further to more specifically identify the service or commodity obtained. The District does use object codes internally on revenue accounts, but they are only used for identification purposes and have no bearing on any state financial reporting. The high level grouping of object codes is below.

Object	Object Description
100	Salaries
200	Benefits
300	Purchased Services
400	Supplies
500	Capital
600	Other
700	Non-Capital Equipment
800	Termination Benefits

ADMINISTRATIVE UNITS

Administrative units are an internal division of revenue and expenditures accounts assigned to a specific location. All expenditure accounts are assigned a location code that identifies a specific unit. For example, an account could be assigned to Hinsdale Central or the Transition Center. Some expenditure accounts support multiple locations so they are assigned a District-wide location code. The District also subdivides the location codes by assigning each expenditure account a department code. The location and department codes are not listed on any of the state financial reporting. Below are the location codes currently being use.

Location	Location Description
05	District-wide
06	Administration
15	Central High School
16	South High School
18	Transition Center

LEVEL ONE – SUMMARY DATA FOR ALL FUNDS

The level one summary presents the financial data for all District funds. The first chart shows a summary of the all funds for the current fiscal year budget. Also included in this section are the revenues by fund and source as well as the expenditures by fund and object.

Summary of Fund Balances						
All Funds						
	Beginning Balance	Revenue	Expenditure	Excess (Deficit)	Other Financing Sources (Uses)	Ending Balance
Educational	\$697,713	\$87,063,386	\$84,728,181	\$2,335,204	(\$479,401)	\$2,553,516
Operations and Maintenance	\$9,697,298	\$6,829,892	\$8,347,045	(\$1,517,154)	(\$523,264)	\$7,656,880
Debt Service	\$793,813	\$1,435,097	\$2,434,717	(\$999,620)	\$1,015,165	\$809,358
Transportation	(\$963,369)	\$3,532,775	\$4,074,175	(\$541,400)	\$0	(\$1,504,769)
Municipal Retirement	\$54,959	\$2,383,106	\$2,271,690	\$111,417	\$0	\$166,376
Capital Projects	\$64,941	\$205	\$0	\$205	\$0	\$65,146
Working Cash	\$7,046,826	\$464,029	\$0	\$464,029	\$0	\$7,510,855
Tort	\$365,347	\$738,145	\$596,045	\$142,100	\$0	\$507,447
Life Safety	\$0	\$0	\$0	\$0	\$0	\$0
	\$17,757,528	\$102,446,634	\$102,451,853	(\$5,219)	\$12,500	\$17,764,809

OTHER FINANCING SOURCES/USES

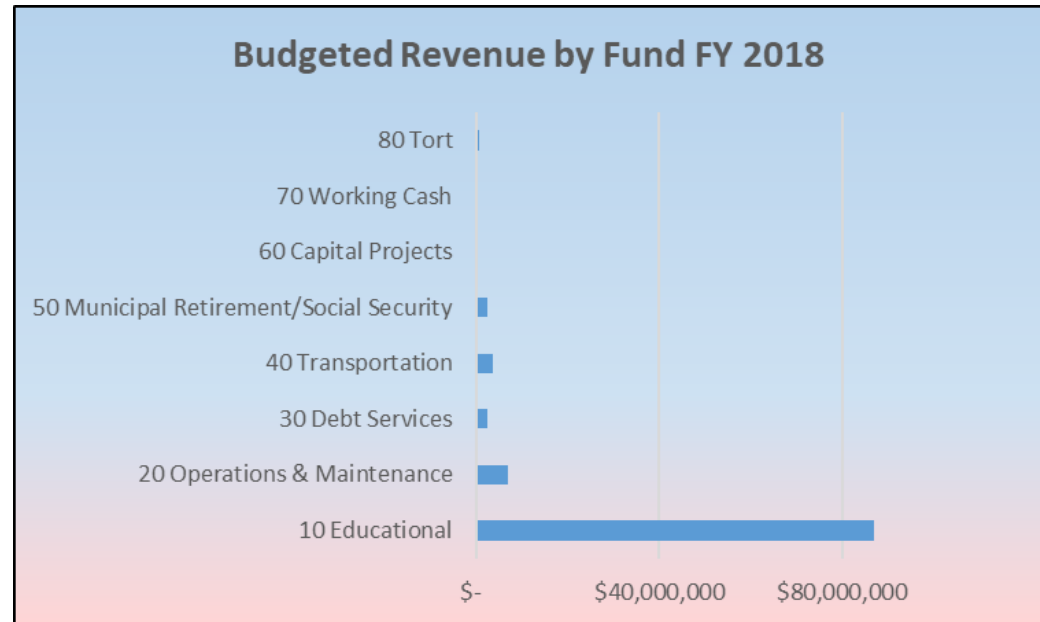
Other financing sources are revenues generated from bonds, leases, transfers, or sale of equipment. Other financing uses represent transfers or abatements. In the current budget year, the District is transferring funds from the Educational Fund and the Operations & Maintenance Fund to the Debt Services Fund to cover the lease payment and the 2015 A & B bond series abatement. Anytime the District transfers or abates money from one fund to another it is shown as an expense in the fund it is being moved from and revenue in the receiving fund. The lease being paid was initiated in 2016 to finance the purchase of staff laptops, student Chromebooks, and furniture.

FINANCIAL SECTION

REVENUE BY FUND

Fund	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
10 Educational	\$ 68,982,926	\$ 69,817,212	\$ 71,666,740	\$ 74,535,080	\$ 87,075,886	\$ 89,341,449	\$ 91,334,477	\$ 93,384,734
20 Operations & Maintenance	\$ 10,138,419	\$ 10,139,435	\$ 10,281,378	\$ 8,883,777	\$ 6,829,892	\$ 6,998,639	\$ 7,196,414	\$ 7,399,962
30 Debt Services	\$ 2,517,287	\$ 2,180,156	\$ 2,228,381	\$ 16,942,242	\$ 2,450,261	\$ 2,424,862	\$ 2,452,551	\$ 2,717,261
40 Transportation	\$ 2,586,325	\$ 2,946,809	\$ 3,227,493	\$ 3,482,837	\$ 3,532,775	\$ 3,638,140	\$ 3,737,908	\$ 3,840,438
50 Municipal Retirement/Social Security	\$ 1,993,611	\$ 2,499,687	\$ 5,356,906	\$ 2,789,706	\$ 2,383,106	\$ 2,466,943	\$ 2,537,561	\$ 2,610,057
60 Capital Projects	\$ 71	\$ 198	\$ 2,301,025	\$ 649	\$ 205	\$ 211	\$ 213	\$ 218
70 Working Cash	\$ 20,157	\$ 36,604	\$ 4,824,804	\$ 54,615	\$ 464,029	\$ 479,293	\$ 492,119	\$ 505,911
80 Tort	\$ 692,330	\$ 696,760	\$ 698,906	\$ 719,126	\$ 738,145	\$ 762,745	\$ 785,066	\$ 807,991
Total	\$ 86,931,126	\$ 88,316,861	\$ 100,585,633	\$ 107,408,032	\$ 103,474,299	\$ 106,112,281	\$ 108,536,310	\$ 111,266,572

The Education Fund supports a large majority of District functions. This includes all resources for providing instruction to students as well as all educational support services. Over 80 percent of all revenue and expenditures in a given year occur in the Education Fund. The Working Cash Fund holds a large percentage of the District’s reserves, but the fund is used infrequently. The Capital Projects Fund is only used when projects are being financed by borrowing funds (issuing bonds). This allows the District to keep a clear and separate record of all revenue and expenses associated with capital projects.

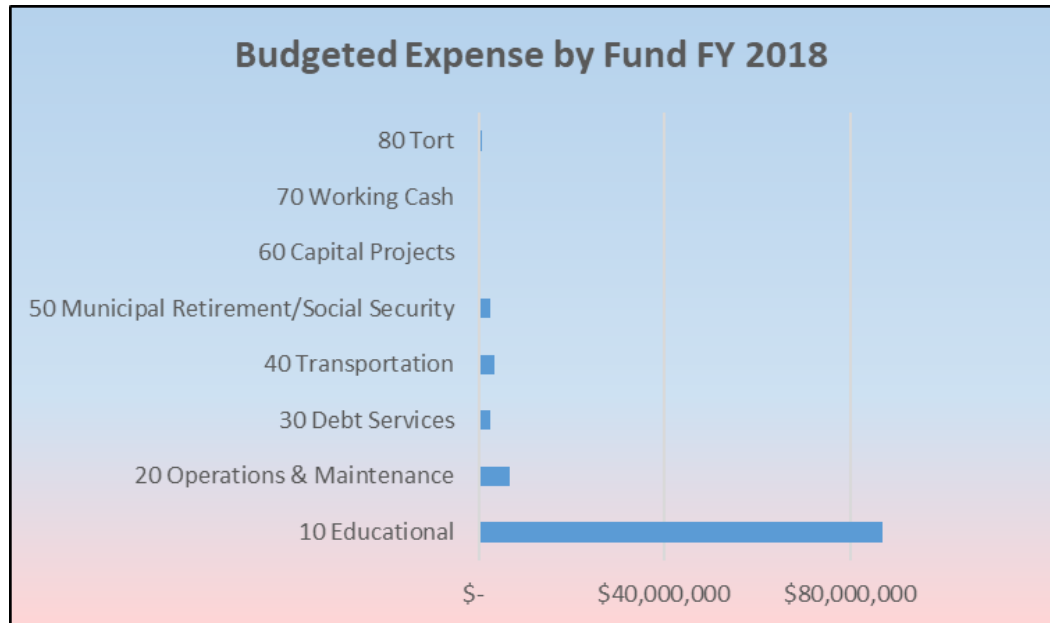


FINANCIAL SECTION

EXPENDITURES BY FUND

Fund	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
10 Educational	\$ 69,466,525	\$ 72,125,865	\$ 73,055,857	\$ 75,385,287	\$ 85,220,082	\$ 87,849,065	\$ 90,267,929	\$ 92,477,631
20 Operations & Maintenance	\$ 8,072,168	\$ 7,804,718	\$ 9,100,524	\$ 9,584,443	\$ 8,870,309	\$ 9,047,628	\$ 9,129,584	\$ 9,213,859
30 Debt Services	\$ 2,664,674	\$ 2,281,287	\$ 1,823,840	\$ 17,081,454	\$ 2,434,717	\$ 2,434,717	\$ 2,434,717	\$ 2,434,717
40 Transportation	\$ 2,862,983	\$ 3,473,183	\$ 3,660,428	\$ 3,821,845	\$ 4,074,175	\$ 4,196,400	\$ 4,322,292	\$ 4,451,961
50 Municipal Retirement/Social Security	\$ 2,189,700	\$ 2,775,105	\$ 5,311,641	\$ 2,358,270	\$ 2,271,690	\$ 2,303,927	\$ 2,357,371	\$ 2,408,030
60 Capital Projects	\$ -		\$ 2,240,013	\$ 54,734	\$ -	\$ -	\$ -	\$ -
70 Working Cash	\$ -	\$ 500,000	\$ 4,800,000	\$ -	\$ -	\$ -	\$ -	\$ -
80 Tort	\$ 737,793	\$ 742,058	\$ 594,615	\$ 616,683	\$ 596,045	\$ 596,045	\$ 596,045	\$ 596,045
Total	\$ 85,993,843	\$ 89,702,216	\$ 100,586,918	\$ 108,902,716	\$ 103,467,017	\$ 106,427,781	\$ 109,107,938	\$ 111,582,243

The Operations and Maintenance Fund includes all expenses related to buildings & grounds, student safety, and capital improvement projects (funded by operations). The Transportation Fund contains expenses related to transporting students for instruction, athletics, and activities. The Debt Services Fund is used to segregate revenue levied for bond payments and manage other debt obligations such as leases or debt certificates. The IMRF/Social Security Fund is actually separated on the District books to manage revenue and expenses for the Illinois Municipal Retirement Fund (pension for non-certified staff) and Social Security. For state reporting they are combined into one fund.



FINANCIAL SECTION

REVENUES BY SOURCE AND EXPENDITURES BY OBJECT – ALL FUNDS

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
REVENUES								
Local Sources	\$81,961,642	\$82,373,660	\$84,185,995	\$84,302,243	\$96,432,800	\$99,640,280	\$102,029,856	\$104,724,630
State Sources	\$3,551,358	\$3,977,581	\$4,375,359	\$4,747,079	\$4,521,445	\$4,554,895	\$4,589,349	\$4,624,836
Federal Sources	\$1,091,866	\$1,273,594	\$1,249,384	\$1,157,080	\$1,492,389	\$1,392,389	\$1,392,389	\$1,392,389
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$86,604,866	\$87,624,835	\$89,810,738	\$90,206,402	\$102,446,634	\$105,587,565	\$108,011,593	\$110,741,855
EXPENDITURES								
Salary	\$52,480,053	\$53,821,595	\$54,755,934	\$55,104,931	\$55,871,431	\$57,834,083	\$59,504,600	\$60,939,673
Employee Benefits	\$12,879,787	\$12,846,120	\$16,143,867	\$13,637,321	\$23,285,349	\$23,992,184	\$24,875,932	\$25,785,495
Purchased Services	\$8,117,809	\$9,150,794	\$9,657,040	\$10,616,380	\$11,367,535	\$11,561,520	\$11,687,165	\$11,816,579
Supplies and Materials	\$2,620,334	\$2,592,203	\$2,887,889	\$2,909,620	\$3,142,445	\$3,142,685	\$3,142,932	\$3,143,187
Capital Outlay	\$2,042,073	\$2,981,168	\$4,044,742	\$4,803,249	\$1,908,914	\$2,508,914	\$2,508,914	\$2,508,914
Other Objects	\$7,486,783	\$7,611,571	\$6,980,446	\$6,636,972	\$6,744,781	\$6,744,781	\$6,744,781	\$6,744,781
Non-Capitalized Equipment	\$8,970	\$6,739	\$167,000	\$99,526	\$131,397	\$131,397	\$131,397	\$131,397
Termination Benefits	\$35,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$85,670,809	\$89,010,190	\$94,636,918	\$93,807,999	\$102,451,853	\$105,915,565	\$108,595,722	\$111,070,027
SURPLUS/(DEFICIT)	\$934,057	(\$1,385,355)	(\$4,826,180)	(\$3,601,597)	(\$5,219)	(\$328,000)	(\$584,128)	(\$328,172)
Other Financing Sources	\$326,260	\$692,026	\$10,774,895	\$17,201,630	\$1,027,665	\$524,717	\$524,717	\$524,717
Other Financing Uses	(\$323,034)	(\$692,026)	(\$5,950,000)	(\$15,094,717)	(\$1,015,165)	(\$512,217)	(\$512,217)	(\$512,217)
NET OTHER	\$3,226	\$0	\$4,824,895	\$2,106,913	\$12,500	\$12,500	\$12,500	\$12,500
SURPLUS/(DEFICIT)	\$937,283	(\$1,385,355)	(\$1,285)	(\$1,494,684)	\$7,281	(\$315,500)	(\$571,628)	(\$315,672)
BEGINNING FUND BALANCE	\$57,423,469	\$58,360,752	\$19,253,497	\$19,252,212	\$17,757,528	\$17,764,809	\$17,449,309	\$16,877,681
Audit Adjustment		(\$37,721,900)						
ENDING FUND BALANCE	\$58,360,752	\$19,253,497	\$19,252,212	\$17,757,528	\$17,764,809	\$17,449,309	\$16,877,681	\$16,562,009

MAJOR SHIFTS AND AUDIT ADJUSTMENT

In the current budget year local sources of revenue are increasing by over \$12.0 million compared to the prior year actuals. This large increase in local revenue is the result of the District incorporating its Self-Insurance Fund onto the books. The Self-Insurance Fund collects the District and employee premiums for health insurance and pays the medical claims. In the past this fund was not included in on the state budget forms and was only included in the Annual Financial Report as part of the fund balance. As with the transfers mentioned in other financing sources/uses, the Self-Insurance Fund impacts the revenue and expenses in a similar way. The District shows an expense for the employer health insurance costs in the appropriate operational fund and then moves those funds along with employee premiums into the Self-Insurance Fund as revenue. Any medical claims that are paid out of the Self-Insurance Fund are recognized as an expenditure in the Self-Insurance Fund. The large year-over-year variances in local sources of revenue and employee benefits on the expenditure side are due to the Self-Insurance Fund activity.

The audit adjustment shown in fiscal year 2015 is a result of a resolution passed on May 18, 2015, by the Board of Education, Resolution #14-24 For Deferred Accounting Recognition of Property Taxes Levied. This defers taxes that are collected before the current fiscal year end until the following fiscal year, when those monies will be spent. This was the District's first step in moving away from cash basis accounting with auditor-implemented modified accrual at the end of the fiscal year to a full accrual accounting process. This deferral shifts the recognition of property tax receipts received in the current fiscal year related to the 2014 tax levy to the next fiscal year for which the levy is intended. The 2014 tax levy provides revenue to fund District operations for the 2015-16 fiscal year. In the past, the District would recognize this revenue upon receipt of the taxes. The first installment for the 2014 tax levy occurs in June. On a modified accrual basis, the June tax receipts as well as receipts received in July and August would be included in the ending fund balance of the current fiscal year. The ending fund balance for the fiscal year 2015 and the fund balances moving forward from there are a true reflection of the District's reserves and not just the current cash on hand. The audit adjustment line will be shown on all Revenue by Source and Expenditure by Object reports.

FINANCIAL SECTION

LEVEL TWO – SUMMARY DATA FOR OPERATING FUNDS

The operating funds are used to categorize revenues and expenses that the District uses to operate on a day-to-day basis. The operating funds include Education, Operations & Maintenance, Transportation, IMRF/Social Security, Working Cash, and Tort. They exclude Debt Services and Capital Improvement. The Debt Services Fund is used to pay down short and long-term liabilities, and for the most part, is funded by a non-tax capped levy (i.e., it falls outside of the restrictions on increases that the Property Tax Extension Limitation Legislation or PTELL impose) and falls outside of normal day-to-day operations. The Capital Improvement Fund is only used for special construction projects that are generally funded by debt. Projects contained in the Capital Projects Fund are generally large in size, significant in scope and funded by debt. The Capital Projects Fund is not part of the day-to-day operations.

Revenue by Operating & Non-Operating Funds

Fund	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
Operating Funds	\$ 84,413,768	\$ 86,136,507	\$ 96,056,227	\$ 90,465,141	\$ 101,023,832	\$ 103,687,208	\$ 106,083,546	\$ 108,549,093
Non-Operating Funds	\$ 2,517,358	\$ 2,180,354	\$ 4,529,406	\$ 16,942,891	\$ 2,450,466	\$ 2,425,073	\$ 2,452,764	\$ 2,717,479
Total	\$ 86,931,126	\$ 88,316,861	\$ 100,585,633	\$ 107,408,032	\$ 103,474,299	\$ 106,112,281	\$ 108,536,310	\$ 111,266,572

Expenditures by Operating & Non-Operating Funds

Fund	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
Operating Funds	\$ 83,329,169	\$ 87,420,929	\$ 96,523,065	\$ 91,766,528	\$ 101,032,301	\$ 103,993,065	\$ 106,673,222	\$ 109,147,527
Non-Operating Funds	\$ 2,664,674	\$ 2,281,287	\$ 4,063,853	\$ 17,136,188	\$ 2,434,717	\$ 2,434,717	\$ 2,434,717	\$ 2,434,717
Total	\$ 85,993,843	\$ 89,702,216	\$ 100,586,918	\$ 108,902,716	\$ 103,467,017	\$ 106,427,781	\$ 109,107,938	\$ 111,582,243

FINANCIAL SECTION

REVENUES BY SOURCE AND EXPENDITURES BY OBJECT – OPERATING FUNDS

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
REVENUES								
Local Sources	\$79,767,318	\$80,385,332	\$82,456,589	\$82,563,840	\$94,997,498	\$97,727,424	\$100,089,308	\$102,519,368
State Sources	\$3,551,358	\$3,977,581	\$4,375,359	\$4,747,079	\$4,521,445	\$4,554,895	\$4,589,349	\$4,624,836
Federal Sources	\$1,091,866	\$1,273,594	\$1,249,384	\$1,157,080	\$1,492,389	\$1,392,389	\$1,392,389	\$1,392,389
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$84,410,542	\$85,636,507	\$88,081,332	\$88,467,999	\$101,011,332	\$103,674,708	\$106,071,046	\$108,536,593
EXPENDITURES								
Salary	\$52,480,053	\$53,821,595	\$54,755,934	\$55,104,931	\$55,871,431	\$57,834,083	\$59,504,600	\$60,939,673
Employee Benefits	\$12,879,787	\$12,846,120	\$16,143,867	\$13,637,321	\$23,285,349	\$23,992,184	\$24,875,932	\$25,785,495
Purchased Services	\$8,117,809	\$9,150,794	\$9,538,019	\$10,598,149	\$11,367,535	\$11,561,520	\$11,687,165	\$11,816,579
Supplies and Materials	\$2,620,334	\$2,592,203	\$2,887,889	\$2,909,620	\$3,142,445	\$3,142,685	\$3,142,932	\$3,143,187
Capital Outlay	\$2,042,073	\$2,981,168	\$1,923,750	\$4,766,746	\$1,908,914	\$2,508,914	\$2,508,914	\$2,508,914
Other Objects	\$4,822,109	\$5,330,284	\$5,156,606	\$4,145,747	\$4,310,065	\$4,310,065	\$4,310,065	\$4,310,065
Non-Capitalized Equipment	\$8,970	\$6,739	\$167,000	\$99,526	\$131,397	\$131,397	\$131,397	\$131,397
Termination Benefits	\$35,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$83,006,135	\$86,728,903	\$90,573,065	\$91,262,040	\$100,017,136	\$103,480,848	\$106,161,005	\$108,635,310
SURPLUS/(DEFICIT)	\$1,404,407	(\$1,092,396)	(\$2,491,733)	(\$2,794,041)	\$994,196	\$193,860	(\$89,959)	(\$98,717)
Other Financing Sources	\$3,226	\$500,000	\$7,974,895	\$1,997,142	\$12,500	\$12,500	\$12,500	\$12,500
Other Financing Uses	(\$323,034)	(\$692,026)	(\$5,950,000)	(\$504,488)	(\$1,015,165)	(\$512,217)	(\$512,217)	(\$512,217)
NET OTHER	(\$319,808)	(\$192,026)	\$2,024,895	\$1,492,654	(\$1,002,665)	(\$499,717)	(\$499,717)	(\$499,717)
SURPLUS/(DEFICIT)	\$1,084,599	(\$1,284,422)	(\$466,838)	(\$1,301,387)	(\$8,469)	(\$305,857)	(\$589,676)	(\$598,434)
BEGINNING FUND BALANCE	\$55,586,262	\$56,670,861	\$18,666,999	\$18,200,161	\$16,898,774	\$16,890,305	\$16,584,449	\$15,994,773
Audit Adjustment		(\$36,719,440)						
ENDING FUND BALANCE	\$56,670,861	\$18,666,999	\$18,200,161	\$16,898,774	\$16,890,305	\$16,584,449	\$15,994,773	\$15,396,339

SOURCES OF REVENUE – BUDGET FY 2018

<p style="text-align: center;"><u>Local</u></p> <p style="text-align: center;">Property Taxes Corporate Personal Property Replacement Tax Tuition Deaf & Hard of Hearing Program Employer & Employee Insurance Contributions Other Local (Fees, Summer School, Rentals) Interest on Investments</p> <p style="text-align: center;">93% of Revenue</p>	<p style="text-align: center;"><u>State</u></p> <p style="text-align: center;">General State Aid State Categoricals (Transportation, Personnel) State Grants (STEPs, CTEIG, TPI/TBE)</p> <p style="text-align: center;">5% of Revenue</p>
<p style="text-align: center;"><u>Federal</u></p> <p style="text-align: center;">Federal Grants (IDEA, Title I-III, Perkins) Reimbursements (Medicaid, Milk Program)</p> <p style="text-align: center;">1% of Revenue</p>	<p style="text-align: center;"><u>Other Sources</u></p> <p style="text-align: center;">Capital Lease</p> <p style="text-align: center;">1% of Revenue</p>

FINANCIAL SECTION

EXPENDITURES BY FUNCTION – OPERATING FUNDS

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
INSTRUCTION								
Regular Programs	\$34,371,849	\$35,111,769	\$38,091,188	\$33,703,802	\$34,112,878	\$35,167,718	\$36,261,816	\$37,203,094
Special Education Programs	\$8,708,863	\$9,145,294	\$9,772,888	\$11,091,718	\$11,313,114	\$11,701,902	\$12,045,118	\$12,356,620
Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vocational Programs	\$3,007,075	\$3,089,880	\$3,051,557	\$3,030,010	\$2,882,982	\$2,997,182	\$3,090,692	\$3,170,433
Co-Curricular Programs	\$3,461,956	\$3,583,427	\$3,657,479	\$3,709,009	\$3,628,535	\$3,679,838	\$3,741,110	\$3,803,620
Summer School and Gifted Programs	\$209,019	\$237,889	\$300,105	\$77,197	\$235,786	\$239,278	\$244,003	\$248,823
Drivers Education Programs	\$685,299	\$175,313	\$24,374	\$20,072	\$30,604	\$30,869	\$31,153	\$31,441
Bilingual Programs	\$0	\$0	\$66,274	\$132,360	\$128,046	\$131,445	\$135,064	\$138,791
Private Facility Tuition	\$1,478,520	\$1,898,763	\$2,059,214	\$1,271,142	\$1,381,000	\$1,381,000	\$1,381,000	\$1,381,000
TOTAL INSTRUCTION	\$51,922,581	\$53,242,335	\$57,023,079	\$53,035,310	\$53,712,944	\$55,329,233	\$56,929,956	\$58,333,822
SUPPORT SERVICES								
Pupils	\$7,090,705	\$7,330,215	\$8,635,650	\$8,619,215	\$8,806,483	\$9,104,825	\$9,361,936	\$9,591,233
Instructional Staff	\$2,469,227	\$2,526,804	\$2,323,664	\$2,959,776	\$2,992,244	\$3,068,036	\$3,137,317	\$3,201,479
General Administration	\$2,154,695	\$2,817,227	\$2,237,791	\$3,443,655	\$3,156,637	\$3,199,352	\$3,221,851	\$3,244,816
School Administration	\$2,391,416	\$2,695,438	\$2,398,529	\$2,356,882	\$2,345,822	\$2,391,269	\$2,436,211	\$2,481,313
Business Operations	\$11,882,652	\$12,482,736	\$13,043,488	\$14,377,823	\$13,801,176	\$14,669,200	\$14,903,902	\$15,145,112
Central Administration	\$1,950,096	\$2,576,271	\$2,174,939	\$3,861,314	\$2,087,480	\$2,196,956	\$2,225,024	\$2,253,750
Self-Insurance	\$0	\$0	\$0	\$0	\$10,078,589	\$10,481,733	\$10,901,002	\$11,337,042
TOTAL SUPPORT SERVICES	\$27,938,791	\$30,428,691	\$30,814,061	\$35,618,665	\$43,268,431	\$45,111,369	\$46,187,243	\$47,254,745
COMMUNITY SERVICES	\$5,980	\$7,452	\$37,354	\$122,717	\$79,200	\$79,200	\$79,200	\$79,200
PAYMENTS TO OTHER GOV. UNITS	\$3,138,783	\$3,050,425	\$2,698,571	\$2,485,348	\$2,555,211	\$2,555,211	\$2,555,211	\$2,555,211
PROVISIONS FOR CONTINGENCIES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$83,006,135	\$86,728,903	\$90,573,065	\$91,262,040	\$99,615,786	\$103,075,013	\$105,751,609	\$108,222,978

EXPENDITURE TRENDS

Regular Programs had a major increase in the 2016 fiscal year because the District paid down its unfunded pension liability with the Illinois Municipal Retirement Fund. The District self-funded bonds from reserves in order to pay down the liability.

The expenditure increases in the Special Education Programs are due to the implementation of the HAVEN 2 program. This program created an instructional space and put the necessary staff in place in order to bring out-placed students back into the District. The increased cost in Special Education Programs is offset by a decrease in the Private Facility Tuition expenditure line item.

Under the Bilingual Programs function is the District's English Language Learners (ELL) program. Traditionally the budgets for these expenses were commingled in the English Department. Beginning in 2015-16, the District started to separate the expenses and establish the ELL program as its own department.

The Business Operations function is the main driver of variability in the capital improvement projects. The District has historically spent about \$1.2 - \$1.5 million annually on improvement projects out of operation funds. In 2017 fiscal year, the Board of Education approved projects for a total of just under \$2.0 million. The current year budget had only \$1.2 million in capital improvement projects.

The Self-Insurance Fund was added to the District books for the 2017 fiscal year. Additional information on the Self-Insurance Fund is available in Level One – Summary Data for All Funds section.

LEVEL THREE – SUMMARY DATA FOR INDIVIDUAL FUNDS

All active funds are individually displayed below showing revenues by source and expenditures by object and function. The Capital Improvement and Working Cash Funds do not have any budgeted expenditures for the 2018 fiscal year and the only expected revenue is interest income. The District does not currently use the Fire Prevention & Safety Fund so it is not included below. Tax revenue that is levied for the Debt Services, Municipal Retirement/Social Security, and Capital Improvement Funds are restricted to only be used for those specific purposes. The District does have some flexibility to transfer, loan, or abate money between other funds with Board of Education approval. Below are the funds that will be reviewed.

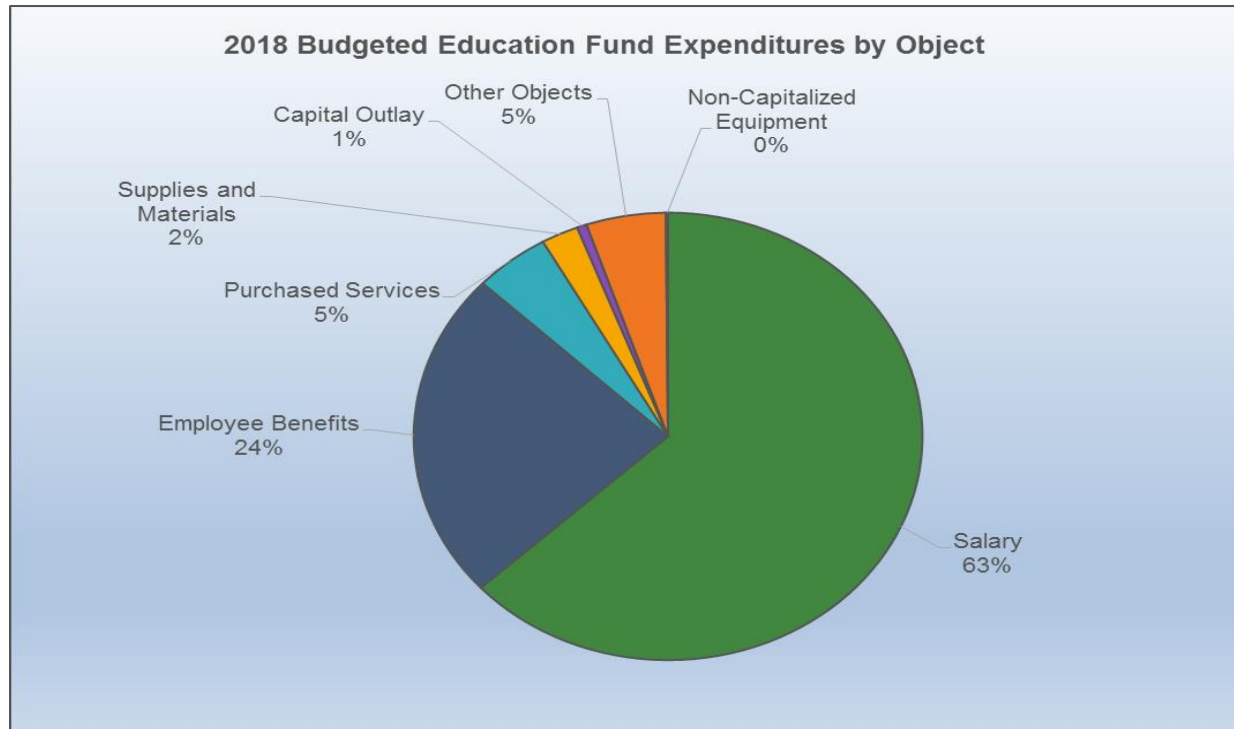
Fund	Fund Name	Fund Description
10	Education Fund	All instructional and support services tied to providing educational services
20	Operations & Maintenance Fund	Operation and maintenance of district buildings and grounds
30	Debt Services Fund	Used for payment of district's short and long-term liabilities
40	Transportation Fund	All transportation tied to student instruction, athletics, and activities
50	Municipal Retirement/Social Security Fund	Funds required for retirement payments to IMRF and Social Security
60	Capital Improvement Fund	Used for capital improvement work being financed by debt
70	Working Cash Fund	Used to balance other fund deficiencies and assist in cash flow needs
80	Tort Fund	Legal and liability insurance

EDUCATION FUND SNAPSHOT

Description: The Education Fund contains all revenues and expenditures that are related to instruction or support services for instruction. This includes all instruction departments (English, Math, Science, etc.), support services (Deans, Counseling, Social Work, etc.), and administrative functions (Principals' Office, Business Office, Human Resources, etc.).

Sources of Revenue: Education is funded primarily by property taxes, but does include nearly all sources of revenue listed on the Sources of Revenue page. The only sources not impacting the Education Fund are the transportation claim and facility rental fees.

Trends: The increase in local sources of revenue and the increase in employee benefit expenditures are related to the District bringing the Self-Insurance Fund onto the books last year. As previously discussed, the addition of the Self-Insurance Fund adds just over \$10.0 million in revenue and expense to the District. For state reporting (budget and Annual Financial Report) the Self-Insurance Fund is treated as a sub fund of the Education Fund. The other sources of revenue are from the capital lease. This is split between the Education and Operations & Maintenance Fund. The fund balances in the projection years show a potential deficit in future years. The District will look at altering its levy allocation to bring each individual fund into balance.



FINANCIAL SECTION

REVENUES BY SOURCE AND EXPENDITURES BY OBJECT – EDUCATION FUND

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
REVENUES								
Local Sources	\$65,113,762	\$65,635,982	\$67,258,430	\$67,895,865	\$82,259,751	\$84,625,314	\$86,618,343	\$88,668,600
State Sources	\$2,774,573	\$2,907,636	\$3,134,031	\$3,562,837	\$3,311,245	\$3,311,245	\$3,311,245	\$3,311,245
Federal Sources	\$1,091,866	\$1,273,594	\$1,249,384	\$1,157,080	\$1,492,389	\$1,392,389	\$1,392,389	\$1,392,389
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$68,980,201	\$69,817,212	\$71,641,845	\$72,615,782	\$87,063,386	\$89,328,949	\$91,321,977	\$93,372,234
EXPENDITURES								
Salary	\$50,045,290	\$51,612,476	\$52,405,157	\$52,726,169	\$53,521,962	\$55,437,055	\$57,059,632	\$58,445,805
Employee Benefits	\$9,936,152	\$9,383,272	\$10,230,870	\$10,530,420	\$20,195,975	\$20,837,865	\$21,634,153	\$22,457,681
Purchased Services	\$2,445,667	\$3,171,064	\$2,657,314	\$3,524,949	\$4,070,109	\$4,142,109	\$4,142,109	\$4,142,109
Supplies and Materials	\$1,460,619	\$1,506,803	\$1,788,737	\$1,786,311	\$2,006,553	\$2,006,553	\$2,006,553	\$2,006,553
Capital Outlay	\$586,377	\$1,289,622	\$672,542	\$2,579,679	\$520,780	\$520,780	\$520,780	\$520,780
Other Objects	\$4,819,789	\$5,155,889	\$5,136,147	\$4,138,233	\$4,298,965	\$4,298,965	\$4,298,965	\$4,298,965
Non-Capitalized Equipment	\$8,970	\$6,739	\$165,090	\$99,526	\$113,837	\$113,837	\$113,837	\$113,837
Termination Benefits	\$35,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$69,337,864	\$72,125,865	\$73,055,857	\$75,385,287	\$84,728,181	\$87,357,164	\$89,776,028	\$91,985,730
SURPLUS/(DEFICIT)	(\$357,663)	(\$2,308,653)	(\$1,414,012)	(\$2,769,505)	\$2,335,204	\$1,971,785	\$1,545,949	\$1,386,504
Other Financing Sources	\$2,725	\$0	\$24,895	\$1,919,298	\$12,500	\$12,500	\$12,500	\$12,500
Other Financing Uses	(\$128,661)	\$0	\$0	\$0	(\$491,901)	(\$491,901)	(\$491,901)	(\$491,901)
NET OTHER	(\$125,936)	\$0	\$24,895	\$1,919,298	(\$479,401)	(\$479,401)	(\$479,401)	(\$479,401)
SURPLUS/(DEFICIT)	(\$483,599)	(\$2,308,653)	(\$1,389,117)	(\$850,207)	\$1,855,803	\$1,492,384	\$1,066,548	\$907,103
BEGINNING FUND BALANCE	\$35,387,587	\$34,903,988	\$2,937,037	\$1,547,920	\$697,713	\$2,553,516	\$4,045,900	\$5,112,448
Audit Adjustment		(\$29,658,298)						
ENDING FUND BALANCE	\$34,903,988	\$2,937,037	\$1,547,920	\$697,713	\$2,553,516	\$4,045,900	\$5,112,448	\$6,019,552

FINANCIAL SECTION

EXPENDITURES BY FUNCTION – EDUCATION FUND

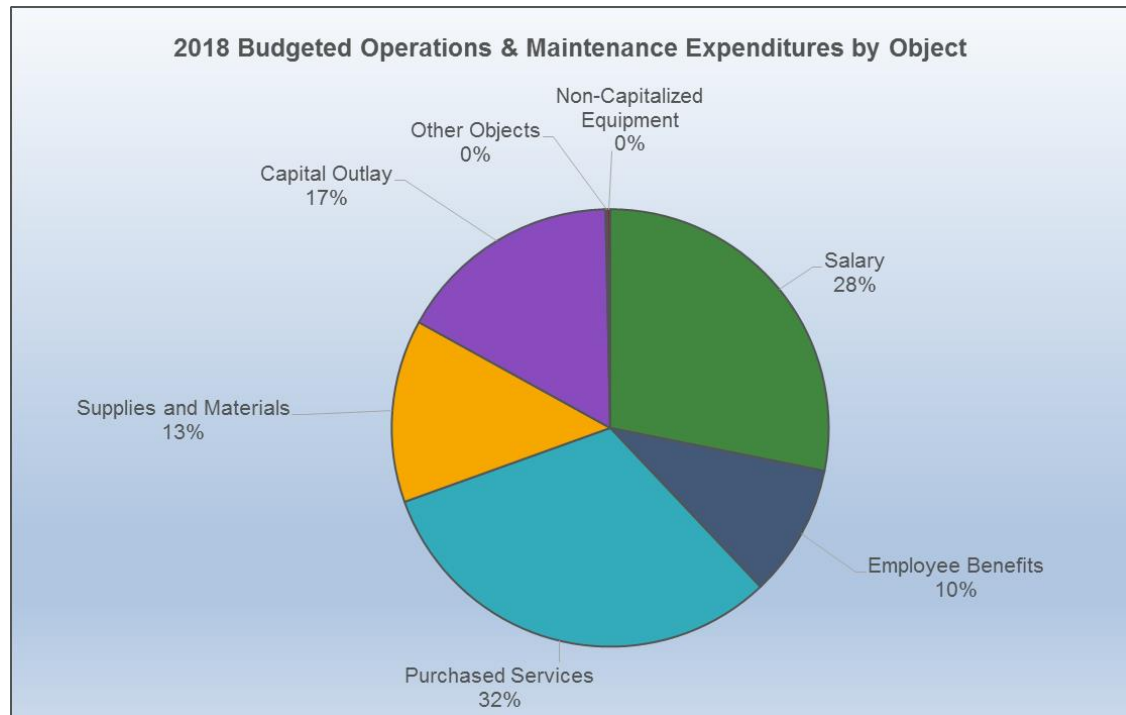
	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
INSTRUCTION								
Regular Programs	\$33,888,982	\$34,129,231	\$34,557,850	\$33,211,059	\$33,378,932	\$34,415,699	\$35,490,670	\$36,414,577
Special Education Programs	\$8,318,958	\$8,745,614	\$9,365,447	\$10,618,481	\$10,855,636	\$11,239,695	\$11,572,565	\$11,874,091
Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vocational Programs	\$2,974,478	\$3,055,703	\$3,012,172	\$2,988,304	\$2,844,289	\$2,957,269	\$3,049,681	\$3,128,459
Co-Curricular Programs	\$3,344,281	\$3,452,780	\$3,513,895	\$3,575,426	\$3,609,056	\$3,660,142	\$3,720,968	\$3,783,051
Summer School and Gifted Programs	\$204,579	\$232,730	\$292,850	\$75,621	\$235,786	\$239,278	\$244,003	\$248,823
Drivers Education Programs	\$678,616	\$173,613	\$23,553	\$19,340	\$29,691	\$29,953	\$30,217	\$30,487
Bilingual Programs	\$0	\$0	\$56,280	\$120,523	\$117,564	\$120,921	\$124,320	\$127,828
Private Facility Tuition	\$1,478,520	\$1,898,763	\$2,059,214	\$1,271,142	\$1,381,000	\$1,381,000	\$1,381,000	\$1,381,000
TOTAL INSTRUCTION	\$50,888,414	\$51,688,434	\$52,881,261	\$51,879,896	\$52,451,955	\$54,043,955	\$55,613,425	\$56,988,316
SUPPORT SERVICES								
Pupils	\$6,863,567	\$7,081,546	\$8,391,560	\$8,355,341	\$8,576,615	\$8,871,330	\$9,122,924	\$9,347,037
Instructional Staff	\$2,394,680	\$2,460,264	\$2,257,845	\$2,883,428	\$2,931,417	\$3,006,374	\$3,074,224	\$3,137,030
General Administration	\$1,357,051	\$1,995,813	\$1,559,869	\$2,744,425	\$2,531,155	\$2,573,502	\$2,594,344	\$2,615,668
School Administration	\$2,282,119	\$2,535,482	\$2,298,290	\$2,257,464	\$2,270,219	\$2,314,890	\$2,358,125	\$2,401,579
Business Operations	\$600,775	\$926,441	\$892,614	\$932,857	\$901,528	\$965,302	\$983,146	\$1,001,416
Central Administration	\$1,806,495	\$2,441,111	\$2,038,493	\$3,723,811	\$1,952,267	\$2,061,207	\$2,086,448	\$2,112,348
Other	\$0	\$0	\$0	\$0	\$10,078,589	\$10,481,733	\$10,901,002	\$11,337,042
TOTAL SUPPORT SERVICES	\$15,304,687	\$17,440,657	\$17,438,671	\$20,897,326	\$29,241,791	\$30,274,338	\$31,120,212	\$31,952,120
COMMUNITY SERVICES	\$5,980	\$7,452	\$37,354	\$122,717	\$79,200	\$79,200	\$79,200	\$79,200
PAYMENTS TO OTHER GOV. UNITS	\$3,138,783	\$2,989,322	\$2,698,571	\$2,485,348	\$2,555,211	\$2,555,211	\$2,555,211	\$2,555,211
PROVISIONS FOR CONTINGENCIES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$69,337,864	\$72,125,865	\$73,055,857	\$75,385,287	\$84,328,156	\$86,952,703	\$89,368,048	\$91,574,847

OPERATIONS & MAINTENANCE FUND SNAPSHOT

Description: The Operations & Maintenance (O&M) Fund includes the buildings & grounds (B&G) and student safety departments. The B&G staff maintains all District buildings and grounds. The District capital improvement projects are also funded through O&M when the projects are being funded by operational money.

Sources of Revenue: Operations & Maintenance is completely funded by local sources. A vast majority of the revenue comes from property taxes with some additional revenue coming from facility rentals, an easement for cell towers, and E-rate. Also, in the current budget year a small percentage of the capital lease will be recognized in this fund.

Trends: The decrease in the local sources of revenue in 2017 is due to a reallocation of tax dollars between funds. This was done in an effort to match the revenue and expenditures in each fund more accurately. As discussed previously, the capital budget jumps in 2017 then settles back to normal levels in 2018. This is due to the approval of additional capital projects for 2017. The other financing uses are transfers to the Debt Services Fund. This transfer is currently replacing the tax revenue in the Debt Services Fund that Board of Education voted to abate back to the taxpayers.



FINANCIAL SECTION

REVENUES BY SOURCE AND EXPENDITURES BY OBJECT – OPERATIONS & MAINTENANCE FUND

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
REVENUES								
Local Sources	\$10,137,918	\$10,139,435	\$10,281,378	\$8,805,933	\$6,829,892	\$6,998,639	\$7,196,414	\$7,399,962
State Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$10,137,918	\$10,139,435	\$10,281,378	\$8,805,933	\$6,829,892	\$6,998,639	\$7,196,414	\$7,399,962
EXPENDITURES								
Salary	\$2,434,763	\$2,209,119	\$2,350,777	\$2,378,762	\$2,349,469	\$2,397,028	\$2,444,968	\$2,493,868
Employee Benefits	\$753,935	\$687,743	\$601,356	\$748,631	\$817,685	\$850,392	\$884,408	\$919,784
Purchased Services	\$2,084,541	\$2,023,693	\$2,652,568	\$2,641,791	\$2,635,206	\$2,635,206	\$2,635,206	\$2,635,206
Supplies and Materials	\$1,146,540	\$1,076,910	\$1,092,246	\$1,117,415	\$1,127,892	\$1,127,892	\$1,127,892	\$1,127,892
Capital Outlay	\$1,455,696	\$1,554,376	\$1,251,208	\$2,187,067	\$1,388,134	\$1,988,134	\$1,988,134	\$1,988,134
Other Objects	\$2,320	\$60,851	\$459	\$6,289	\$11,100	\$11,100	\$11,100	\$11,100
Non-Capitalized Equipment	\$0	\$0	\$1,910	\$0	\$17,560	\$17,560	\$17,560	\$17,560
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$7,877,795	\$7,612,692	\$7,950,524	\$9,079,955	\$8,347,045	\$9,027,312	\$9,109,268	\$9,193,544
SURPLUS/(DEFICIT)	\$2,260,123	\$2,526,743	\$2,330,854	(\$274,022)	(\$1,517,154)	(\$2,028,673)	(\$1,912,855)	(\$1,793,582)
Other Financing Sources	\$501	\$0	\$0	\$77,844	\$0	\$0	\$0	\$0
Other Financing Uses	(\$194,373)	(\$192,026)	(\$1,150,000)	(\$504,488)	(\$523,264)	(\$20,316)	(\$20,316)	(\$20,316)
NET OTHER	(\$193,872)	(\$192,026)	(\$1,150,000)	(\$426,644)	(\$523,264)	(\$20,316)	(\$20,316)	(\$20,316)
SURPLUS/(DEFICIT)	\$2,066,251	\$2,334,717	\$1,180,854	(\$700,666)	(\$2,040,418)	(\$2,048,989)	(\$1,933,170)	(\$1,813,898)
BEGINNING FUND BALANCE	\$9,681,969	\$11,748,220	\$9,217,110	\$10,397,964	\$9,697,298	\$7,656,880	\$5,607,892	\$3,674,722
Audit Adjustment		(\$4,865,827)						
ENDING FUND BALANCE	\$11,748,220	\$9,217,110	\$10,397,964	\$9,697,298	\$7,656,880	\$5,607,892	\$3,674,722	\$1,860,824

FINANCIAL SECTION

EXPENDITURES BY FUNCTION – OPERATIONS & MAINTENANCE FUND

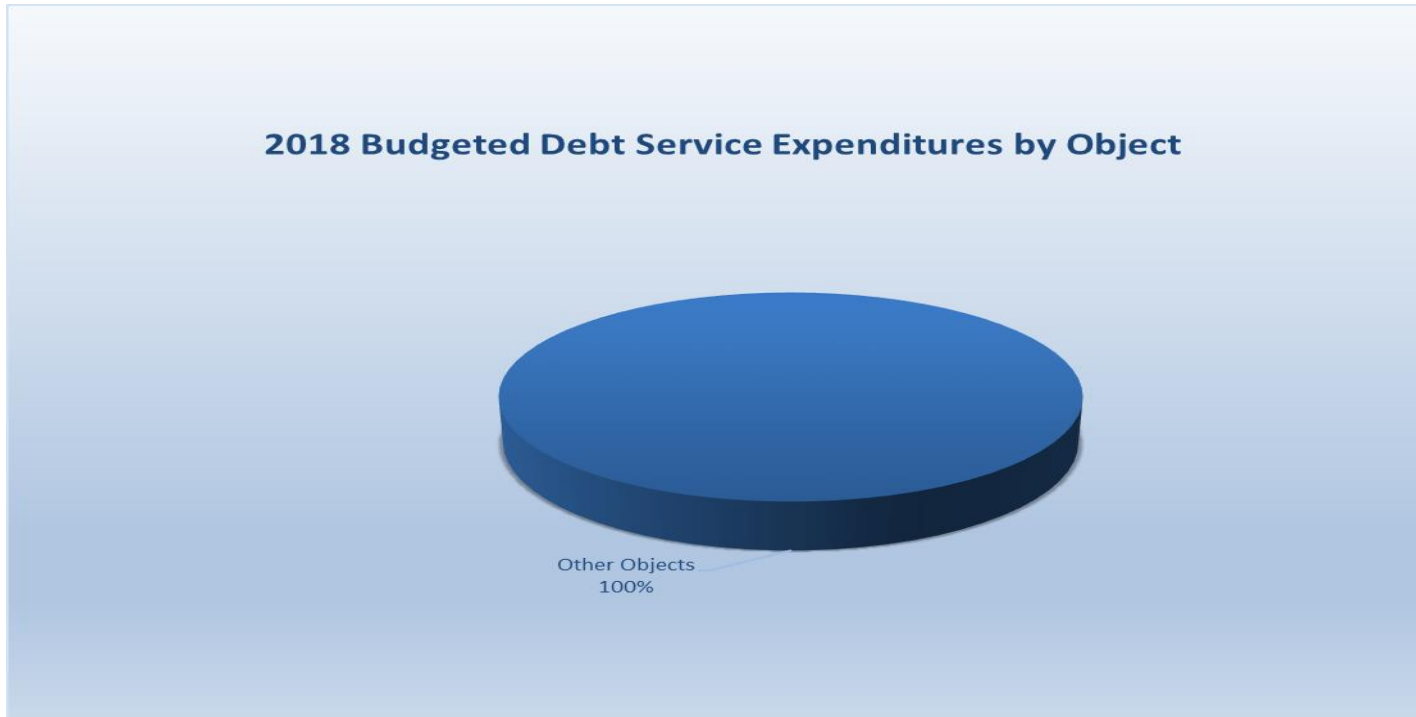
	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
INSTRUCTION								
Regular Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Special Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vocational Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Co-Curricular Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Summer School and Gifted Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Drivers Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bilingual Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Truant/Optional Programs/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INSTRUCTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUPPORT SERVICES								
Pupils	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Instructional Staff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Business Operations	\$7,877,795	\$7,551,589	\$7,950,524	\$9,079,955	\$8,347,045	\$9,027,312	\$9,109,268	\$9,193,544
Central Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL SUPPORT SERVICES	\$7,877,795	\$7,551,589	\$7,950,524	\$9,079,955	\$8,347,045	\$9,027,312	\$9,109,268	\$9,193,544
COMMUNITY SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PAYMENTS TO OTHER GOV. UNITS	\$0	\$61,103	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$7,877,795	\$7,612,692	\$7,950,524	\$9,079,955	\$8,347,045	\$9,027,312	\$9,109,268	\$9,193,544

DEBT SERVICES FUND SNAPSHOT

Description: The Debt Services Fund contains District liabilities such as bonds, leases, and debt certificates.

Sources of Revenue: Debt Services is primarily funded by tax revenue. This revenue goes toward the payment of the District’s outstanding debt. In the case of a lease or debt certificate the District does not levy additional funds for the payments and must cover the amount out of operational funds.

Trends: The Other Financing Sources is the transfer from the O&M Fund to cover the tax abatement and lease payment. The lease payment will continue until fiscal year 2021. The abatement will not continue into fiscal year 2019 (levy year 2017).



FINANCIAL SECTION

REVENUES BY SOURCE AND EXPENDITURES BY OBJECT – DEBT SERVICES FUND

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
REVENUES								
Local Sources	\$2,194,253	\$1,988,130	\$1,728,381	\$1,737,754	\$1,435,097	\$1,912,646	\$1,940,334	\$2,205,045
State Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$2,194,253	\$1,988,130	\$1,728,381	\$1,737,754	\$1,435,097	\$1,912,646	\$1,940,334	\$2,205,045
EXPENDITURES								
Salary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$2,664,674	\$2,281,287	\$1,823,840	\$2,491,225	\$2,434,717	\$2,434,717	\$2,434,717	\$2,434,717
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$2,664,674	\$2,281,287	\$1,823,840	\$2,491,225	\$2,434,717	\$2,434,717	\$2,434,717	\$2,434,717
SURPLUS/(DEFICIT)	(\$470,421)	(\$293,157)	(\$95,459)	(\$753,471)	(\$999,620)	(\$522,071)	(\$494,382)	(\$229,672)
Other Financing Sources	\$323,034	\$192,026	\$500,000	\$15,204,488	\$1,015,165	\$512,217	\$512,217	\$512,217
Other Financing Uses	\$0	\$0	\$0	(\$14,590,229)	\$0	\$0	\$0	\$0
NET OTHER	\$323,034	\$192,026	\$500,000	\$614,259	\$1,015,165	\$512,217	\$512,217	\$512,217
SURPLUS/(DEFICIT)	(\$147,387)	(\$101,131)	\$404,541	(\$139,212)	\$15,545	(\$9,855)	\$17,834	\$282,545
BEGINNING FUND BALANCE	\$1,779,462	\$1,632,075	\$528,484	\$933,025	\$793,813	\$809,358	\$799,503	\$817,338
Audit Adjustment		(\$1,002,460)						
ENDING FUND BALANCE	\$1,632,075	\$528,484	\$933,025	\$793,813	\$809,358	\$799,503	\$817,338	\$1,099,882

FINANCIAL SECTION

EXPENDITURES BY FUNCTION – DEBT SERVICES FUND

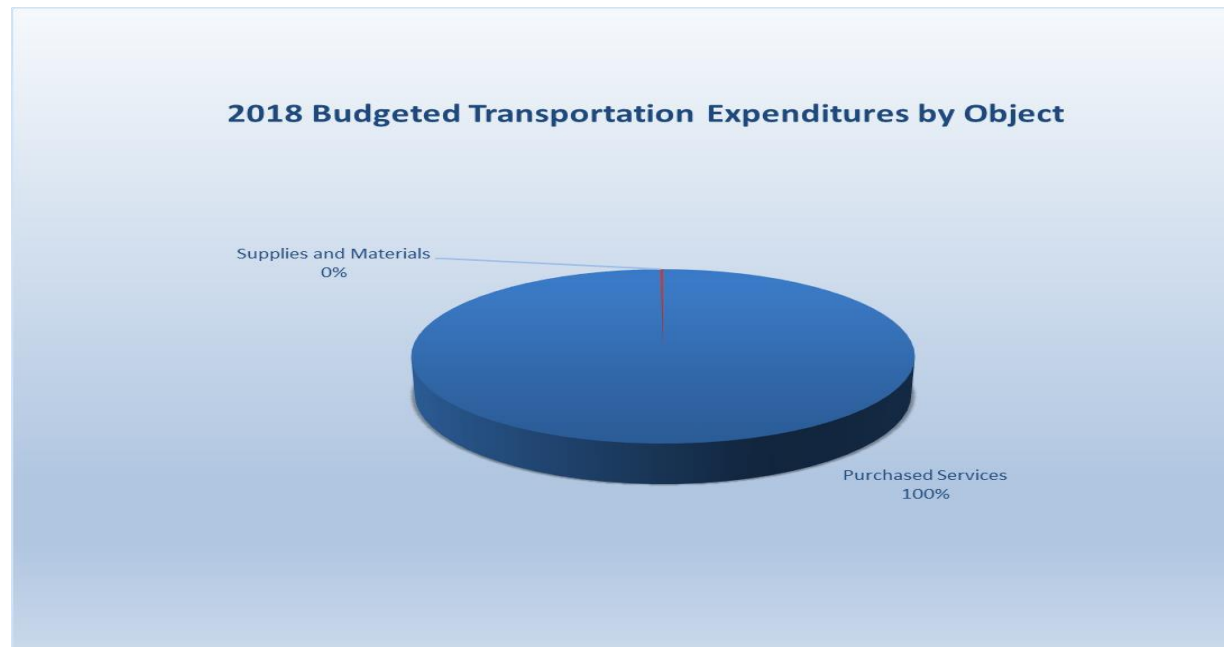
	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
INSTRUCTION								
Regular Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Special Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vocational Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Co-Curricular Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Summer School and Gifted Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Drivers Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bilingual Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Truant/Optional Programs/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INSTRUCTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUPPORT SERVICES								
Pupils	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Instructional Staff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Business Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Central Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL SUPPORT SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
COMMUNITY SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PAYMENTS TO OTHER GOV. UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEBT SERVICES	\$2,664,674	\$2,281,287	\$1,823,840	\$2,491,225	\$2,434,717	\$2,434,717	\$2,434,717	\$2,434,717
TOTAL EXPENDITURES	\$2,664,674	\$2,281,287	\$1,823,840	\$2,491,225	\$2,434,717	\$2,434,717	\$2,434,717	\$2,434,717

TRANSPORTATION FUND SNAPSHOT

Description: The Transportation Fund manages all transportation of students for all instruction, athletics, and activities. This includes the bus contracts for regular and special education, taxi services, and costs for District-owned vehicles.

Sources of Revenue: Transportation revenue comes from tax revenue, the state transportation claim, reimbursements from other districts for shared transportation costs for homeless students. Also, the Title I grant was recently changed to allow payments for homeless student transportation.

Trends: With the fund balance trending further into a deficit position the District will look to make an adjustment on the 2017 levy to balance the revenues and expenditures on a monthly basis. To address the negative fund balance the fiscal year 2019 budget will include a permanent abatement from the Working Cash Fund to Transportation to return the fund balance to a positive position.



FINANCIAL SECTION

REVENUES BY SOURCE AND EXPENDITURES BY OBJECT – TRANSPORTATION FUND

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
REVENUES								
Local Sources	\$1,809,540	\$1,876,864	\$1,986,165	\$2,298,595	\$2,322,575	\$2,394,490	\$2,459,804	\$2,526,847
State Sources	\$776,785	\$1,069,945	\$1,241,328	\$1,184,242	\$1,210,200	\$1,243,650	\$1,278,104	\$1,313,591
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$2,586,325	\$2,946,809	\$3,227,493	\$3,482,837	\$3,532,775	\$3,638,140	\$3,737,908	\$3,840,438
EXPENDITURES								
Salary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$2,849,808	\$3,327,523	\$3,653,522	\$3,815,951	\$4,066,175	\$4,188,160	\$4,313,805	\$4,443,219
Supplies and Materials	\$13,175	\$8,490	\$6,906	\$5,894	\$8,000	\$8,240	\$8,487	\$8,742
Capital Outlay	\$0	\$137,170	\$0	\$0	\$0	\$0	\$0	\$0
Other Projects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$2,862,983	\$3,473,183	\$3,660,428	\$3,821,845	\$4,074,175	\$4,196,400	\$4,322,292	\$4,451,961
SURPLUS/(DEFICIT)	(\$276,658)	(\$526,374)	(\$432,935)	(\$339,008)	(\$541,400)	(\$558,261)	(\$584,384)	(\$611,523)
Other Financing Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET OTHER	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURPLUS/(DEFICIT)	(\$276,658)	(\$526,374)	(\$432,935)	(\$339,008)	(\$541,400)	(\$558,261)	(\$584,384)	(\$611,523)
BEGINNING FUND BALANCE	\$1,503,958	\$1,227,300	(\$191,426)	(\$624,361)	(\$963,369)	(\$1,504,769)	(\$2,063,029)	(\$2,647,414)
Audit Adjustment		(\$892,352)						
ENDING FUND BALANCE	\$1,227,300	(\$191,426)	(\$624,361)	(\$963,369)	(\$1,504,769)	(\$2,063,029)	(\$2,647,414)	(\$3,258,937)

FINANCIAL SECTION

EXPENDITURES BY FUNCTION – TRANSPORTATION FUND

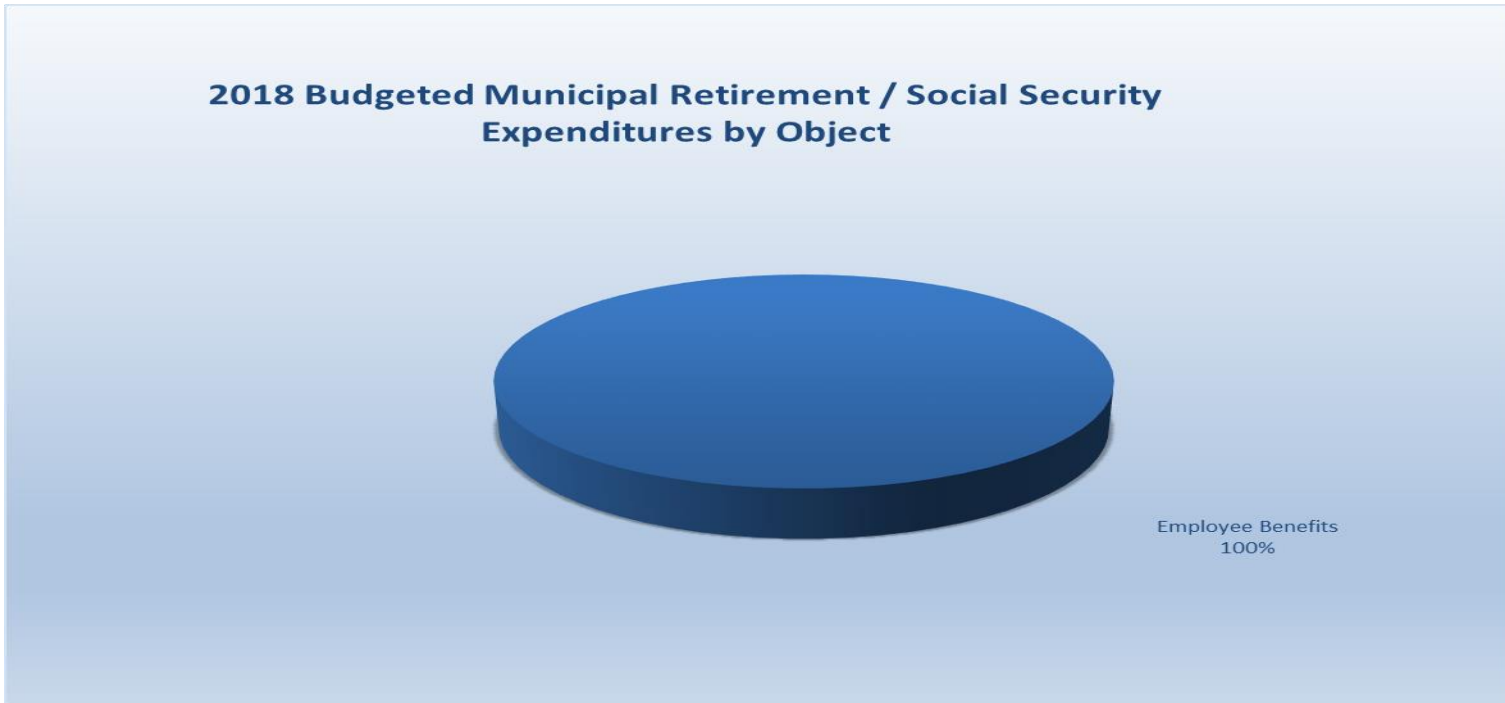
	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
INSTRUCTION								
Regular Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Special Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vocational Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Co-Curricular Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Summer School and Gifted Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Drivers Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bilingual Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Truant/Optional Programs/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INSTRUCTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUPPORT SERVICES								
Pupils	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Instructional Staff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Business Operations	\$2,862,983	\$3,473,183	\$3,660,428	\$3,821,845	\$4,074,175	\$4,196,400	\$4,322,292	\$4,451,961
Central Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL SUPPORT SERVICES	\$2,862,983	\$3,473,183	\$3,660,428	\$3,821,845	\$4,074,175	\$4,196,400	\$4,322,292	\$4,451,961
COMMUNITY SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PAYMENTS TO OTHER GOV. UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$2,862,983	\$3,473,183	\$3,660,428	\$3,821,845	\$4,074,175	\$4,196,400	\$4,322,292	\$4,451,961

MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND SNAPSHOT

Description: The Municipal Retirement/Social Security Fund manages all expenses related to Social Security, Medicaid, and the Illinois Municipal Retirement Fund (IMRF). The District pays the Medicaid tax on nearly all employees, Social Security is paid for all non-certified employees (teachers and administrators under the Teacher Retirement Systems do not pay into Social Security), and IMRF is paid for all non-certified employees that work in a qualified position. The District operates the Social Security Fund (50) and the Municipal Retirement Fund (51) separately since the funds are levied separately. This split was made in the 2016 fiscal year to better align the reporting to the agency as well as facilitate audits.

Sources of Revenue: Municipal Retirement/Social Security is funded by property taxes and a small portion of the corporate replacement tax.

Trends: The District made the necessary adjustments to bring the ending fund balance for fiscal year 2017 back into a positive position. The District will reevaluate with the 2017 levy, and adjust based on financial forecasting for the fund. The other financing source in 2015 was a transfer from operations to make an additional payment to pay down unfunded pension liability with IMRF. In 2016, operations also paid an additional \$500,000 to the pension liability along with \$2.5 million that came from the 2015 bond series.



FINANCIAL SECTION

REVENUES BY SOURCE AND EXPENDITURES BY OBJECT – MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
REVENUES								
Local Sources	\$1,993,611	\$1,999,687	\$2,206,906	\$2,789,706	\$2,383,106	\$2,466,943	\$2,537,561	\$2,610,057
State Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$1,993,611	\$1,999,687	\$2,206,906	\$2,789,706	\$2,383,106	\$2,466,943	\$2,537,561	\$2,610,057
EXPENDITURES								
Salary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$2,189,700	\$2,775,105	\$5,311,641	\$2,358,270	\$2,271,690	\$2,303,927	\$2,357,371	\$2,408,030
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$2,189,700	\$2,775,105	\$5,311,641	\$2,358,270	\$2,271,690	\$2,303,927	\$2,357,371	\$2,408,030
SURPLUS/(DEFICIT)	(\$196,089)	(\$775,418)	(\$3,104,735)	\$431,436	\$111,417	\$163,015	\$180,190	\$202,026
Other Financing Sources	\$0	\$500,000	\$3,150,000	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET OTHER	\$0	\$500,000	\$3,150,000	\$0	\$0	\$0	\$0	\$0
SURPLUS/(DEFICIT)	(\$196,089)	(\$275,418)	\$45,265	\$431,436	\$111,417	\$163,015	\$180,190	\$202,026
BEGINNING FUND BALANCE	\$1,004,447	\$808,358	(\$421,742)	(\$376,477)	\$54,959	\$166,376	\$329,391	\$509,581
Audit Adjustment		(\$954,682)						
ENDING FUND BALANCE	\$808,358	(\$421,742)	(\$376,477)	\$54,959	\$166,376	\$329,391	\$509,581	\$711,608

FINANCIAL SECTION

EXPENDITURES BY FUNCTION – MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
INSTRUCTION								
Regular Programs	\$482,867	\$982,538	\$3,533,338	\$492,743	\$733,946	\$752,019	\$771,146	\$788,517
Special Education Programs	\$389,905	\$399,680	\$407,441	\$473,237	\$457,477	\$462,207	\$472,553	\$482,529
Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vocational Programs	\$32,597	\$34,177	\$39,385	\$41,706	\$38,692	\$39,914	\$41,011	\$41,974
Co-Curricular Programs	\$117,675	\$130,647	\$143,584	\$133,583	\$19,478	\$19,697	\$20,142	\$20,569
Summer School and Gifted Programs	\$4,440	\$5,159	\$7,255	\$1,576	\$0	\$0	\$0	\$0
Drivers Education Programs	\$6,683	\$1,700	\$821	\$732	\$912	\$916	\$935	\$954
Bilingual Programs	\$0	\$0	\$9,994	\$11,837	\$10,483	\$10,525	\$10,744	\$10,963
Turant/Optional Programs/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INSTRUCTION	\$1,034,167	\$1,553,901	\$4,141,818	\$1,155,414	\$1,260,989	\$1,285,277	\$1,316,531	\$1,345,507
SUPPORT SERVICES								
Pupils	\$227,138	\$248,669	\$244,090	\$263,874	\$229,868	\$233,495	\$239,012	\$244,196
Instructional Staff	\$74,547	\$66,540	\$65,819	\$76,348	\$60,827	\$61,662	\$63,093	\$64,449
General Administration	\$59,851	\$79,356	\$83,307	\$82,547	\$77,703	\$78,071	\$79,729	\$81,369
School Administration	\$109,297	\$159,956	\$100,239	\$99,418	\$75,603	\$76,378	\$78,086	\$79,734
Business Operations	\$541,099	\$531,523	\$539,922	\$543,166	\$430,161	\$431,920	\$440,929	\$449,925
Central Administration	\$143,601	\$135,160	\$136,446	\$137,503	\$135,214	\$135,749	\$138,577	\$141,402
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL SUPPORT SERVICES	\$1,155,533	\$1,221,204	\$1,169,823	\$1,202,856	\$1,009,375	\$1,017,275	\$1,039,425	\$1,061,075
COMMUNITY SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PAYMENTS TO OTHER GOV. UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$2,189,700	\$2,775,105	\$5,311,641	\$2,358,270	\$2,270,364	\$2,302,552	\$2,355,956	\$2,406,581

CAPITAL IMPROVEMENT FUND SNAPSHOT

Description: The Capital Improvement Fund is used to segregate revenue and expenditures that are restricted to capital projects. The fund is used anytime the District finances an improvement project; generally, this is in the form of issuing bonds.

Sources of Revenue: Capital Improvement is funded by bond proceeds.

Trends: In the 2016 fiscal year the District self-funded two bond series (2015A and 2015B). As discussed above, one bond was used to pay down the unfunded pension liability to the IMRF Pension Fund. The second bond was used to renovating the District's Transition Center. The bonds were self-funded, meaning the District purchased the bonds with its reserves. This method utilized the District's reserves and allowed the District to repay the principal and interest of the bonds to itself instead of a third party. There is no activity budgeted for 2017 with the exception of the interest earned on the fund balance.

FINANCIAL SECTION

REVENUES BY SOURCE AND EXPENDITURES BY OBJECT – CAPITAL IMPROVEMENT FUND

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	ESTIMATE FY 2019	ESTIMATE FY 2020	ESTIMATE FY 2021
REVENUES								
Local Sources	\$71	\$198	\$1,025	\$649	\$205	\$211	\$213	\$218
State Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$71	\$198	\$1,025	\$649	\$205	\$211	\$213	\$218
EXPENDITURES								
Salary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$0	\$0	\$119,021	\$18,231	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$2,120,992	\$36,503	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$2,240,013	\$54,734	\$0	\$0	\$0	\$0
SURPLUS/(DEFICIT)	\$71	\$198	(\$2,238,988)	(\$54,085)	\$205	\$211	\$213	\$218
Other Financing Sources	\$0	\$0	\$2,300,000	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET OTHER	\$0	\$0	\$2,300,000	\$0	\$0	\$0	\$0	\$0
SURPLUS/(DEFICIT)	\$71	\$198	\$61,012	(\$54,085)	\$205	\$211	\$213	\$218
BEGINNING FUND BALANCE	\$57,745	\$57,816	\$58,014	\$119,026	\$64,941	\$65,146	\$65,357	\$65,570
Audit Adjustment								
ENDING FUND BALANCE	\$57,816	\$58,014	\$119,026	\$64,941	\$65,146	\$65,357	\$65,570	\$65,788

FINANCIAL SECTION

EXPENDITURES BY FUNCTION – CAPITAL IMPROVEMENT FUND

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
INSTRUCTION								
Regular Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Special Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vocational Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Co-Curricular Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Summer School and Gifted Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Drivers Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bilingual Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Truant/Optional Programs/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INSTRUCTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUPPORT SERVICES								
Pupils	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Instructional Staff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Business Operations	\$0	\$0	\$2,240,013	\$54,734	\$0	\$0	\$0	\$0
Central Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL SUPPORT SERVICES	\$0	\$0	\$2,240,013	\$54,734	\$0	\$0	\$0	\$0
COMMUNITY SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PAYMENTS TO OTHER GOV. UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$2,240,013	\$54,734	\$0	\$0	\$0	\$0

WORKING CASH FUND SNAPSHOT

Description: The Working Cash Fund is used to cover deficiencies in other funds or assist with the cash flow needs of the District.

Sources of Revenue: The only current source of revenue is interest on investments. The District does have an option to levy funds for Working Cash but it has not done so in recent history.

Trends: In 2015, \$500,000 was used from Working Cash to make an additional payment to the District's IMRF unfunded pension liability. In 2016, the District self-funded working cash bonds in order to finance the renovation of the Transition Center and pay down the rest of unfunded pension liability. Note there is no chart for Expenditures by Function for the Working Cash Fund.

FINANCIAL SECTION

REVENUES BY SOURCE AND EXPENDITURES BY OBJECT – WORKING CASH FUND

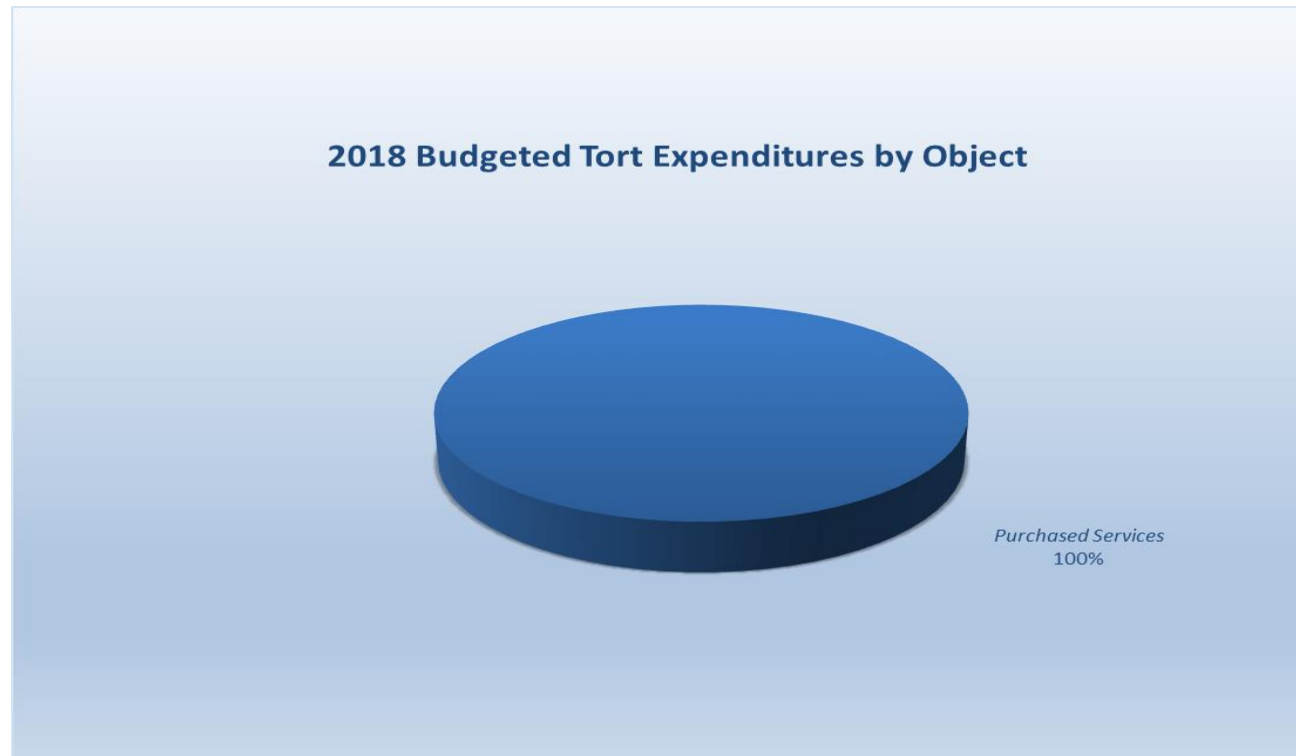
	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
REVENUES								
Local Sources	\$20,157	\$36,604	\$24,804	\$54,615	\$464,029	\$479,293	\$492,119	\$505,911
State Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$20,157	\$36,604	\$24,804	\$54,615	\$464,029	\$479,293	\$492,119	\$505,911
EXPENDITURES								
Salary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURPLUS/(DEFICIT)	\$20,157	\$36,604	\$24,804	\$54,615	\$464,029	\$479,293	\$492,119	\$505,911
Other Financing Sources	\$0	\$0	\$4,800,000	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	\$0	(\$500,000)	(\$4,800,000)	\$0	\$0	\$0	\$0	\$0
NET OTHER	\$0	(\$500,000)	\$0	\$0	\$0	\$0	\$0	\$0
SURPLUS/(DEFICIT)	\$20,157	(\$463,396)	\$24,804	\$54,615	\$464,029	\$479,293	\$492,119	\$505,911
BEGINNING FUND BALANCE	\$7,410,646	\$7,430,803	\$6,967,407	\$6,992,211	\$7,046,826	\$7,510,855	\$7,990,148	\$8,482,267
Audit Adjustment								
ENDING FUND BALANCE	\$7,430,803	\$6,967,407	\$6,992,211	\$7,046,826	\$7,510,855	\$7,990,148	\$8,482,267	\$8,988,178

TORT FUND SNAPSHOT

Description: The Tort Fund is used to pay District tort legal liability and insurance premiums. The annual expenditures the District pays for insurance are for personal property, Board of Education legal liability, worker’s compensation, and automotive insurance.

Sources of Revenue: All revenue is generated from property taxes.

Trends: The Tort Fund is fairly stable with annual revenues and expenses not varying widely. In 2015 the audit adjustment was made the same as all of the other adjusted funds. Also, in 2015 and 2016 the transactions that fell under other objects were from legal settlements/judgements.



FINANCIAL SECTION

REVENUES BY SOURCE AND EXPENDITURES BY OBJECT – TORT FUND

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
REVENUES								
Local Sources	\$692,330	\$696,760	\$698,906	\$719,126	\$738,145	\$762,745	\$785,066	\$807,991
State Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Federal Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Flow-Through	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$692,330	\$696,760	\$698,906	\$719,126	\$738,145	\$762,745	\$785,066	\$807,991
EXPENDITURES								
Salary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$737,793	\$628,514	\$574,615	\$615,458	\$596,045	\$596,045	\$596,045	\$596,045
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$113,544	\$20,000	\$1,225	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$737,793	\$742,058	\$594,615	\$616,683	\$596,045	\$596,045	\$596,045	\$596,045
SURPLUS/(DEFICIT)	(\$45,463)	(\$45,298)	\$104,291	\$102,443	\$142,100	\$166,700	\$189,021	\$211,946
Other Financing Sources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Financing Uses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET OTHER	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SURPLUS/(DEFICIT)	(\$45,463)	(\$45,298)	\$104,291	\$102,443	\$142,100	\$166,700	\$189,021	\$211,946
BEGINNING FUND BALANCE	\$597,655	\$552,192	\$158,613	\$262,904	\$365,347	\$507,447	\$674,147	\$863,168
Audit Adjustment		(\$348,281)						
ENDING FUND BALANCE	\$552,192	\$158,613	\$262,904	\$365,347	\$507,447	\$674,147	\$863,168	\$1,075,115

FINANCIAL SECTION

EXPENDITURES BY FUNCTION – TORT FUND

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
INSTRUCTION								
Regular Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Speical Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vocational Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Co-Curricular Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Summer School and Gifted Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Drivers Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Bilingual Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Truant/Optional Programs/Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL INSTRUCTION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUPPORT SERVICES								
Pupils	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Instructional Staff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
General Administration	\$737,793	\$742,058	\$594,615	\$616,683	\$547,779	\$547,779	\$547,779	\$547,779
School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Business Operations	\$0	\$0	\$0	\$0	\$48,266	\$48,266	\$48,266	\$48,266
Central Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL SUPPORT SERVICES	\$737,793	\$742,058	\$594,615	\$616,683	\$596,045	\$596,045	\$596,045	\$596,045
COMMUNITY SERVICES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PAYMENTS TO OTHER GOV. UNITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$737,793	\$742,058	\$594,615	\$616,683	\$596,045	\$596,045	\$596,045	\$596,045

LEVEL FOUR – SUMMARY BY PROGRAM

Below is a summary of District expenditures by program and object code. Programs are separated on state reporting by the function code. The instructional programs are broken up into regular education, special education, vocational programs (Family & Consumer Sciences, Tech Education, and Business), co-curricular (athletics), summer school, bilingual (ELL), other programs (private facility tuition). The support services are broken up as follows:

Pupils

- Deans
- Counseling
- Social Work
- Psychologists
- Speech Pathologists

Instructional Staff

- Improvement of Instruction
- Library/Media Center
- Assessment & Testing

General Administration

- Superintendent’s Office
- Human Resources
- Board of Education

School Administration

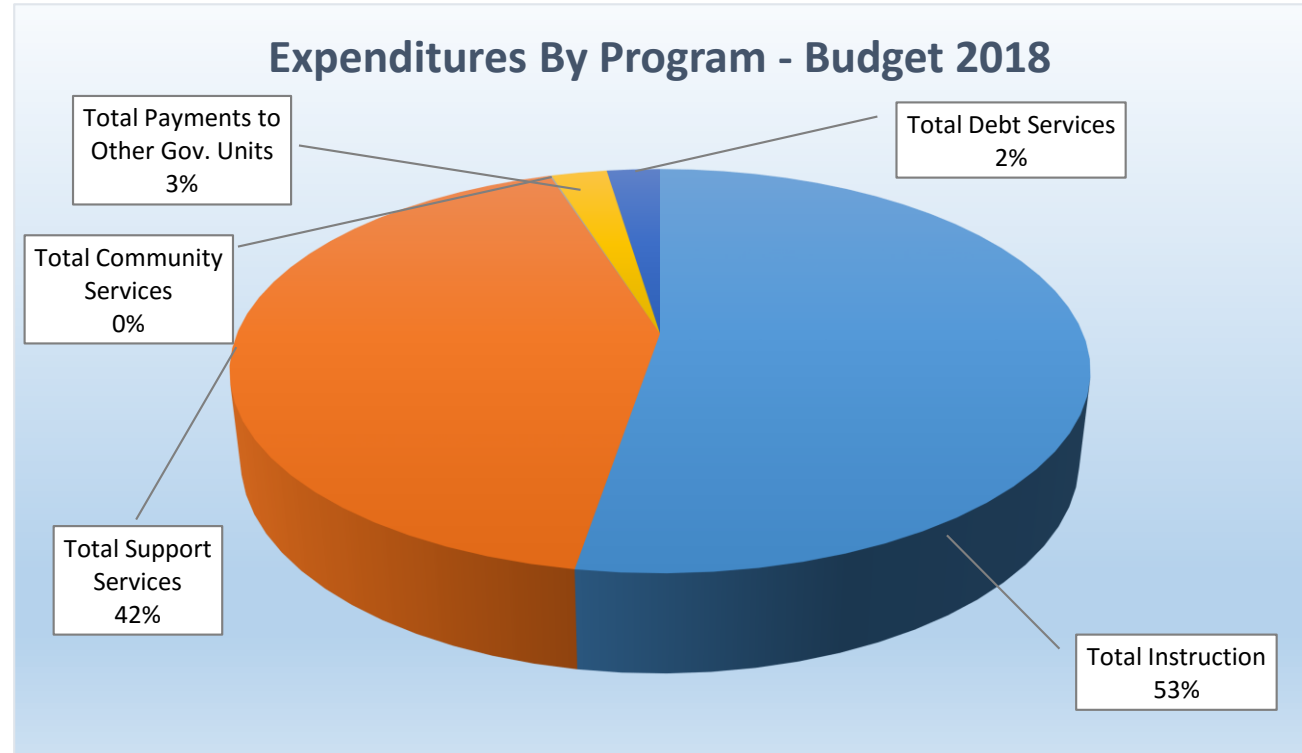
- Principals’ Office

Business

- Business Office
- Buildings & Grounds

Central

- Information Services
- Information Technology



FINANCIAL SECTION

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
Instruction								
Regular Programs								
Salaries	\$27,478,157	\$28,002,923	\$28,232,050	\$27,129,108	\$27,370,771	\$28,363,389	\$29,261,498	\$30,004,462
Employee Benefits	\$5,975,591	\$6,002,530	\$8,710,745	\$5,346,676	\$5,706,862	\$5,769,082	\$5,965,073	\$6,163,386
Purchased Services	\$87,613	\$112,042	\$171,731	\$202,193	\$116,073	\$116,073	\$116,073	\$116,073
Supplies and Materials	\$600,340	\$654,247	\$621,321	\$660,048	\$712,431	\$712,431	\$712,431	\$712,431
Capital Outlay	\$127,258	\$180,938	\$199,394	\$217,788	\$19,999	\$19,999	\$19,999	\$19,999
Other Objects	\$95,330	\$153,873	\$107,516	\$140,618	\$121,778	\$121,778	\$121,778	\$121,778
Non-Capitalized Equipment	\$7,560	\$5,216	\$48,431	\$7,371	\$64,965	\$64,965	\$64,965	\$64,965
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Regular Programs	\$34,371,849	\$35,111,769	\$38,091,188	\$33,703,802	\$34,112,878	\$35,167,718	\$36,261,816	\$37,203,094
Special Education Programs								
Salaries	\$6,504,988	\$6,874,166	\$7,207,805	\$8,122,646	\$8,386,798	\$8,689,013	\$8,937,553	\$9,151,947
Employee Benefits	\$2,076,335	\$2,072,448	\$2,366,790	\$2,552,757	\$2,617,957	\$2,704,531	\$2,799,207	\$2,896,315
Purchased Services	\$68,885	\$97,531	\$97,032	\$292,085	\$201,541	\$201,541	\$201,541	\$201,541
Supplies and Materials	\$49,418	\$58,337	\$84,844	\$116,306	\$102,417	\$102,417	\$102,417	\$102,417
Capital Outlay	\$7,086	\$41,881	\$1,549	\$3,855	\$0	\$0	\$0	\$0
Other Objects	\$741	\$314	\$711	\$854	\$500	\$500	\$500	\$500
Non-Capitalized Equipment	\$1,410	\$617	\$14,157	\$3,215	\$3,900	\$3,900	\$3,900	\$3,900
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Special Education Programs	\$8,708,863	\$9,145,294	\$9,772,888	\$11,091,718	\$11,313,114	\$11,701,902	\$12,045,118	\$12,356,620
Adult/Continuing Education Programs								
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Vocational Programs								
Salaries	\$2,406,574	\$2,542,706	\$2,440,068	\$2,416,206	\$2,285,114	\$2,383,414	\$2,460,847	\$2,524,255
Employee Benefits	\$461,618	\$432,931	\$454,549	\$465,544	\$450,019	\$465,920	\$481,996	\$498,329
Purchased Services	\$16,324	\$13,134	\$12,605	\$11,204	\$12,045	\$12,045	\$12,045	\$12,045
Supplies and Materials	\$82,565	\$77,332	\$70,154	\$63,223	\$102,544	\$102,544	\$102,544	\$102,544
Capital Outlay	\$39,994	\$23,777	\$65,166	\$68,575	\$32,020	\$32,020	\$32,020	\$32,020
Other Objects	\$0	\$0	\$509	\$451	\$690	\$690	\$690	\$690
Non-Capitalized Equipment	\$0	\$0	\$8,506	\$4,807	\$550	\$550	\$550	\$550
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Vocational Programs	\$3,007,075	\$3,089,880	\$3,051,557	\$3,030,010	\$2,882,982	\$2,997,182	\$3,090,692	\$3,170,433

FINANCIAL SECTION

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
Instruction - Continued								
Co-Curricular Programs								
Salaries	\$2,584,986	\$2,692,865	\$2,830,649	\$2,792,044	\$2,827,235	\$2,875,087	\$2,932,589	\$2,991,240
Employee Benefits	\$227,259	\$209,894	\$222,406	\$214,538	\$100,375	\$103,826	\$107,596	\$111,454
Purchased Services	\$288,590	\$276,960	\$253,172	\$269,978	\$318,125	\$318,125	\$318,125	\$318,125
Supplies and Materials	\$179,569	\$181,886	\$184,577	\$169,498	\$176,200	\$176,200	\$176,200	\$176,200
Capital Outlay	\$53,924	\$58,656	\$23,025	\$122,480	\$95,600	\$95,600	\$95,600	\$95,600
Other Objects	\$127,628	\$163,166	\$143,650	\$140,471	\$111,000	\$111,000	\$111,000	\$111,000
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Co-Curricular Programs	\$3,461,956	\$3,583,427	\$3,657,479	\$3,709,009	\$3,628,535	\$3,679,838	\$3,741,110	\$3,803,620
Summer School Programs								
Salaries	\$203,330	\$228,481	\$287,208	\$72,557	\$232,786	\$236,278	\$241,003	\$245,823
Employee Benefits	\$5,689	\$6,409	\$10,957	\$2,531	\$0	\$0	\$0	\$0
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$2,999	\$1,940	\$2,109	\$3,000	\$3,000	\$3,000	\$3,000
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Summer School Programs	\$209,019	\$237,889	\$300,105	\$77,197	\$235,786	\$239,278	\$244,003	\$248,823
Driver's Education Programs								
Salaries	\$516,472	\$118,825	\$12,129	\$12,205	\$12,951	\$13,213	\$13,477	\$13,747
Employee Benefits	\$150,850	\$41,781	\$923	\$823	\$912	\$916	\$935	\$954
Purchased Services	\$2,758	\$1,433	\$1,636	\$2,292	\$9,980	\$9,980	\$9,980	\$9,980
Supplies and Materials	\$15,219	\$13,274	\$9,686	\$4,752	\$6,600	\$6,600	\$6,600	\$6,600
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$0	\$160	\$160	\$160	\$160
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Driver's Education Programs	\$685,299	\$175,313	\$24,374	\$20,072	\$30,604	\$30,869	\$31,153	\$31,441
Bilingual Programs								
Salaries	\$0	\$0	\$56,280	\$70,829	\$64,787	\$66,147	\$67,470	\$68,820
Employee Benefits	\$0	\$0	\$9,994	\$59,071	\$60,389	\$62,427	\$64,722	\$67,101
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$1,749	\$871	\$871	\$871	\$871
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$711	\$2,000	\$2,000	\$2,000	\$2,000
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Bilingual Programs	\$0	\$0	\$66,274	\$132,360	\$128,046	\$131,445	\$135,064	\$138,791
Truant / Other Programs								
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$1,478,520	\$1,898,763	\$2,059,214	\$1,271,142	\$1,381,000	\$1,381,000	\$1,381,000	\$1,381,000
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Truant / Other Programs	\$1,478,520	\$1,898,763	\$2,059,214	\$1,271,142	\$1,381,000	\$1,381,000	\$1,381,000	\$1,381,000

FINANCIAL SECTION

Support Services - Continued

Business

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
Salaries	\$2,826,875	\$2,851,909	\$3,001,907	\$3,064,385	\$2,978,583	\$3,085,993	\$3,147,713	\$3,210,667
Employee Benefits	\$1,395,099	\$1,330,422	\$1,262,756	\$1,409,414	\$1,345,940	\$1,384,329	\$1,431,418	\$1,480,005
Purchased Services	\$4,991,663	\$5,383,214	\$6,501,438	\$6,555,912	\$6,876,147	\$6,998,132	\$7,123,777	\$7,253,191
Supplies and Materials	\$1,177,406	\$1,099,801	\$1,114,632	\$1,134,175	\$1,143,692	\$1,143,932	\$1,144,179	\$1,144,434
Capital Outlay	\$1,489,289	\$1,806,539	\$3,372,588	\$2,225,416	\$1,388,134	\$1,988,134	\$1,988,134	\$1,988,134
Other Objects	\$2,320	\$10,851	\$22,848	\$42,567	\$46,120	\$46,120	\$46,120	\$46,120
Non-Capitalized Equipment	\$0	\$0	\$7,332	\$688	\$22,560	\$22,560	\$22,560	\$22,560
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Business	\$11,882,652	\$12,482,736	\$15,283,501	\$14,432,557	\$13,801,176	\$14,669,200	\$14,903,902	\$15,145,112

Central

Salaries	\$737,673	\$722,566	\$748,834	\$770,654	\$846,681	\$876,200	\$893,724	\$911,599
Employee Benefits	\$327,155	\$314,210	\$344,119	\$259,089	\$320,724	\$328,680	\$339,224	\$350,075
Purchased Services	\$571,948	\$738,500	\$721,956	\$732,375	\$624,377	\$696,377	\$696,377	\$696,377
Supplies and Materials	\$78,048	\$75,198	\$53,294	\$33,774	\$4,430	\$4,430	\$4,430	\$4,430
Capital Outlay	\$235,272	\$725,797	\$300,663	\$2,064,786	\$290,079	\$290,079	\$290,079	\$290,079
Other Objects	\$0	\$0	\$3,200	\$636	\$870	\$870	\$870	\$870
Non-Capitalized Equipment	\$0	\$0	\$2,873	\$0	\$320	\$320	\$320	\$320
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Central	\$1,950,096	\$2,576,271	\$2,174,939	\$3,861,314	\$2,087,480	\$2,196,956	\$2,225,024	\$2,253,750

Other

Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$10,078,589	\$10,481,733	\$10,901,002	\$11,337,042
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other	\$0	\$0	\$0	\$0	\$10,078,589	\$10,481,733	\$10,901,002	\$11,337,042

Total Support Services

Salaries	\$12,785,546	\$13,361,629	\$13,689,745	\$14,489,336	\$14,599,587	\$15,112,123	\$15,491,596	\$15,838,249
Employee Benefits	\$3,982,445	\$4,080,127	\$4,367,503	\$4,995,381	\$4,335,087	\$4,871,264	\$5,441,774	\$6,032,954
Purchased Services	\$7,599,177	\$8,526,874	\$9,116,340	\$9,830,231	\$10,497,771	\$10,691,756	\$10,817,401	\$10,946,815
Supplies and Materials	\$1,693,223	\$1,604,128	\$1,899,013	\$1,870,988	\$1,936,382	\$1,936,622	\$1,936,869	\$1,937,124
Capital Outlay	\$1,813,811	\$2,675,916	\$3,755,608	\$4,390,551	\$1,749,095	\$2,349,095	\$2,349,095	\$2,349,095
Other Objects	\$29,589	\$179,111	\$146,435	\$92,648	\$95,726	\$95,726	\$95,726	\$95,726
Non-Capitalized Equipment	\$0	\$906	\$79,430	\$4,264	\$54,782	\$54,782	\$54,782	\$54,782
Termination Benefits	\$35,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services	\$27,938,791	\$30,428,691	\$33,054,074	\$35,673,399	\$43,268,431	\$45,111,369	\$46,187,243	\$47,254,745

Community Services

Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$5,980	\$7,452	\$4,524	\$8,397	\$10,000	\$10,000	\$10,000	\$10,000
Supplies and Materials	\$0	\$0	\$16,354	\$20,947	\$20,000	\$20,000	\$20,000	\$20,000
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$14,215	\$44,000	\$44,000	\$44,000	\$44,000
Non-Capitalized Equipment	\$0	\$0	\$16,476	\$79,158	\$5,200	\$5,200	\$5,200	\$5,200
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Community Services	\$5,980	\$7,452	\$37,354	\$122,717	\$79,200	\$79,200	\$79,200	\$79,200

FINANCIAL SECTION

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018	PROJECTED FY 2019	PROJECTED FY 2020	PROJECTED FY 2021
Payments to Other Gov. Units								
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$48,482	\$115,368	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$3,090,301	\$2,935,057	\$2,698,571	\$0	\$2,555,211	\$2,555,211	\$2,555,211	\$2,555,211
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Payments to Other Gov. Units	\$3,138,783	\$3,050,425	\$2,698,571	\$0	\$2,555,211	\$2,555,211	\$2,555,211	\$2,555,211
Debt Services								
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$2,664,674	\$2,281,287	\$1,823,840	\$0	\$2,434,717	\$2,434,717	\$2,434,717	\$2,434,717
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Services	\$2,664,674	\$2,281,287	\$1,823,840	\$0	\$2,434,717	\$2,434,717	\$2,434,717	\$2,434,717
Provisions for Contingencies								
Salaries	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employee Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Purchased Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supplies and Materials	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Objects	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Non-Capitalized Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Termination Benefits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Provisions for Contingencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total								
Salaries	\$52,480,053	\$53,821,595	\$54,755,934	\$55,104,931	\$55,780,029	\$57,738,664	\$59,406,033	\$60,838,543
Employee Benefits	\$12,879,787	\$12,846,120	\$16,143,867	\$13,637,321	\$23,271,601	\$23,977,967	\$24,861,303	\$25,770,492
Purchased Services	\$8,117,809	\$9,150,794	\$9,657,040	\$10,616,380	\$11,165,535	\$11,359,520	\$11,485,165	\$11,614,579
Supplies and Materials	\$2,620,334	\$2,592,203	\$2,887,889	\$2,909,620	\$3,060,445	\$3,060,685	\$3,060,932	\$3,061,187
Capital Outlay	\$2,042,073	\$2,981,168	\$4,044,742	\$4,803,249	\$1,896,714	\$2,496,714	\$2,496,714	\$2,496,714
Other Objects	\$7,486,783	\$7,611,571	\$6,980,446	\$1,660,399	\$6,744,781	\$6,744,781	\$6,744,781	\$6,744,781
Non-Capitalized Equipment	\$8,970	\$6,739	\$167,000	\$99,526	\$131,397	\$131,397	\$131,397	\$131,397
Termination Benefits	\$35,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Disbursements/Expenditures	\$85,670,809	\$89,010,190	\$94,636,918	\$88,831,426	\$102,050,503	\$105,509,729	\$108,186,326	\$110,657,694

CAPITAL PROJECTS

Capital improvement projects are generally completed over the summer but occasionally work will occur during the school year. The 2017 summer projects were budgeted in the 2018 fiscal year. Most capital improvement projects are paid out of operating funds, specifically out of the Operations & Maintenance Fund. The majority of the funding for these projects comes from property taxes. The District generally budgets between \$1.1 million and \$1.5 million annually for the projects. The budgeted cost for capital projects for the current fiscal year was \$1.3 million. Below is a schedule of the capital improvement process the District follows each year.

<u>Month</u>	<u>Activity Completed</u>
August	Facilities Committee reviews projects
September	Board of Education approves projects
October/November	Architects scope and plan projects
December	Projects go out to bid
January	Bid opening for projects
February	Board of Education awards bids

Below is a description and bid cost of the summer 2017 projects. These are the projects that were included in the 2018 budget. Following the 2017 summer projects is long-range capital improvement plan. This is the information that the District is using to forecast capital improvements for future years. The long-range capital projects have been planned assuming that they will be funded by operations.

Project Description	Location	Amount
Film Room & Room 10 Remodel	Central	\$ 511,954
Health Services Restroom Expansion	Central	\$ 100,000
Boilers Pump Feed System Replacement	Central	\$ 120,000
Cafeteria Door Replacemnt	South	\$ 58,000
Renovation Allowance	District Wide	\$ 78,995
Emergency Notification System	District Wide	\$ 185,000
Professional Fees	District Wide	\$ 67,344
Ten Year Life Safety Survey	District Wide	\$ 124,600
Building Envelope Consulting Services (Roof Study)	District Wide	\$ 55,870
	Total Cost	\$1,301,763

FINANCIAL SECTION

Hinsdale Township High School District 86
 Summer 2018 Projects Rough Order of Magnitude (ROM) Budget
 August 28, 2017

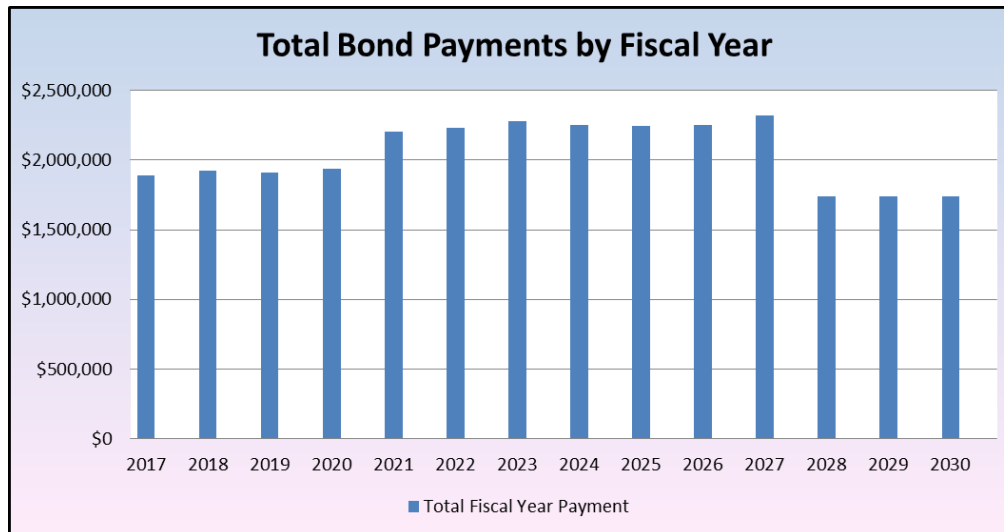
<u>Campus</u>	<u>Task</u>	<u>2016 ROM</u>	<u>Health/ Safety</u>	<u>End of Useful Life</u>	<u>Infrastructure Improvement</u>	<u>Potential Conflict MFP</u>
South	Replace ramp to lower level	\$ 375,000	X	X		
South	Strip, repave & stripe student parking lot	\$ 600,000	X	X		
South	Strip repave, & stripe faculty parking lot	\$ 400,000		X		
South	Repair, patch, seal, & stripe circle drive	\$ 250,000		X		
South	Roof Area 9.0 (Tech Ed, SPED, Health)	\$ 210,000	X	X		
South	Roof Area 10.0 (Auto Shop, Storage)	\$ 170,000		X		
South	Replace roof over cafeteria and include new drain design	\$ 710,000		X		X
South	Replace stair and stair landing VCT	\$ 150,000		X		
South	New flooring (LVT and carpet tile) for social work/guidance area	\$ 20,000		X		X
South	Resurface Track	\$ 400,000		X		
South	Remove stairwell from lower library to upper library classroom	\$ 185,000			X	X
South	Add secondary egress door to hallway in innovation lab and upper library	\$ 20,000	X		X	
South	New backup generator (20-30 years old)	\$ 400,000	X	X		
South	Asphalt around track, drive around stadium	\$ 225,000		X	X	
South	New ticket booth at stadium (with Booster window)	\$ 250,000	X	X	X	
South	New sound system in gym	\$ 200,000		X		
South	New sound system in auditorium	\$ 350,000		X		X
South	West cafeteria patio redesign (drainage/ice issues by bookstore entry door)	\$ 200,000	X	X		
South	Full replacement of tennis courts	\$ 525,000		X		
South	ADA Accessibility for Athletic Fields		X		X	
South	Concession stands/press boxes				X	
South	Replace turf fields			X		
Hinsdale South Total		\$ 5,640,000				
Central	Repave the student lot	\$ 500,000		X		
Central	Repave the faculty lot	\$ 575,000		X		
Central	Replace soccer dugouts and press box	\$ 200,000		X	X	X
Central	Replace the Fieldhouse roof	\$ 875,000		X		
Central	Abate the entire basement	\$ 1,700,000	X	X		X
Central	Remove old batting cages to add parking or storage??	\$ 190,000		X	X	
Central	Abate world language wing	\$ 500,000	X	X		
Central	Abate and renovate 14C to expand tech ed	\$ 175,000	X	X		
Central	Renovate Fieldhouse and running track floors (abate in LL)	\$ 1,000,000		X		
Central	Full replacement of tennis courts	\$ 525,000		X		
Central	Replace dectron and air handler in pool	\$ 906,000	X	X		X
Central	Roof 35.0 (Art, Canopy A & B)	\$ 150,000	X	X		
Central	Tuckpoint North Elevation	\$ 55,000	X	X		
Central	Roof Area 37.0 (Office, Gallery)	\$ 140,000		X		
Central	Tuckpoint South Elevation	\$ 45,000		X		
Central	Roof vent replacement in gym			X		
Central	Add HVAC to wrestling room		X		X	
Central	Add lighting at Tower Field				X	
Central	ADA accessibility to athletic fields		X		X	X
Central	Create permanent gymnastics space for practice and competition				X	X
Central	Dickenson Field - Replace track, bleachers, press box, and turf field		X	X	X	
Central	Add sidewalk to visitors dugout at varsity softball field		X		X	
Central	Room 183 roof drain water penetration		X	X		
Central	Replace turf fields			X		
Hinsdale Central Total		\$ 7,536,000				
Total ROM Budget		\$ 13,176,000				

DEBT SERVICE SCHEDULE

The District currently has five outstanding bonds and one capital lease that was initiated in the current fiscal year. The legal debt limit of the District is \$366.7 million. The District current debt level is less than 10 percent of the total allowed by law. The capital lease, as discussed previously, was for the purchase of staff laptops, student Chromebooks, and furniture purchases that was part of summer renovation projects. The District borrowed \$1.5 million under the lease and will repay it in four equal payments starting in 2018. The annual payment of \$385,000 will be made with operational funds split between the Education Fund and Operations & Maintenance Fund based on the original lease funding. The current outstanding bonds are described in greater detail below:

The District currently has the following bond series outstanding:

- 2008 series has a current outstanding balance of \$1.2 million and will mature in January of 2019. The bond funded the practice and competition turf fields and Central and South.
- 2012 series has a current outstanding balance of \$2.9 million and will mature in January of 2022. The bond funded the addition of air conditioning to District classrooms along with other smaller renovation projects. The balance is the non-callable portion of the original 2012 series. The remainder was refinanced in 2016.
- 2015A series has a current outstanding balance of \$2.1 million and will mature in January of 2023. The bond funded the pay down of the District’s unfunded pension liability with IMRF. The bond was self-funded by the District.
- 2015B series has a current outstanding balance of \$2.3 million and will mature in January of 2027. The bond funded the renovation of the Transition Center. The bond was self-funded by the District.
- 2016A series has a current outstanding balance of \$14.5 million and will mature in January of 2030. This is the refinanced portion of the 2012 series.



FINANCIAL SECTION

BOND AMORTIZATION SCHEDULE

DATED	July 20, 2016				February 16, 2012				November 1, 2008				December 15, 2015				December 15, 2015			
ISSUE	Refunding Limited Bonds				Limited School Bonds, Series 2012				G.O. LIMITED TAX SCHOOL BONDS				Taxable Limited Tax School Bonds				Taxable Limited Tax School Bonds			
SERIES	2016A				2012				2008				2015A				2015B			
PAR VALUE	\$14,700,000				\$2,965,000				\$3,980,000				\$2,500,000				\$2,300,000			
CALL DATE	CALLABLE AS OF 12/30/26				NON-CALLABLE				NON-CALLABLE				CALLABLE				CALLABLE			
MATURITY	1/15/2030				1/15/2022				1/15/2019				1/15/2023				1/15/2027			
	Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total
07/15/17			145,926	145,926			50,575	50,575			25,338	25,338			20,089	20,089			33,885	33,885
01/15/18	5,000	2.01%	145,926	150,926	60,000	2.00%	50,575	110,575	910,000	4.25%	25,338	935,338	395,000	1.18%	20,089	415,089			33,885	33,885
07/15/18			145,876	145,876			49,975	49,975			6,000	6,000			17,759	17,759			33,885	33,885
01/15/19	5,000	2.01%	145,876	150,876	700,000	2.00%	49,975	749,975	300,000	4.00%	6,000	306,000	400,000	1.55%	17,759	417,759			33,885	33,885
07/15/19			145,826	145,826			42,975	42,975							14,659	14,659			33,885	33,885
01/15/20	5,000	2.01%	145,826	150,826	1,050,000	4.00%	42,975	1,092,975					410,000	1.89%	14,659	424,659			33,885	33,885
07/15/20			145,775	145,775			21,975	21,975							10,784	10,784			33,885	33,885
01/15/21	285,000	2.01%	145,775	430,775	1,080,000	4.00%	21,975	1,101,975					415,000	2.21%	10,784	425,784			33,885	33,885
07/15/21			142,911	142,911			375	375							6,199	6,199			33,885	33,885
01/15/22	1,455,000	2.01%	142,911	1,597,911	15,000	5.00%	375	15,375					395,000	2.46%	6,199	401,199			33,885	33,885
07/15/22			128,288	128,288											1,340	1,340			33,885	33,885
01/15/23	1,490,000	2.01%	128,288	1,618,288									100,000	2.68%	1,340	101,340	360,000	2.70%	33,885	393,885
07/15/23			113,314	113,314															29,025	29,025
01/15/24	1,520,000	2.01%	113,314	1,633,314													445,000	2.82%	29,025	474,025
07/15/24			98,038	98,038															22,750	22,750
01/15/25	1,545,000	2.01%	98,038	1,643,038													460,000	2.94%	22,750	482,750
07/15/25			82,511	82,511															15,988	15,988
01/15/26	1,580,000	2.01%	82,511	1,662,511													475,000	3.03%	15,988	490,988
07/15/26			66,632	66,632															8,792	8,792
01/15/27	1,610,000	2.01%	66,632	1,676,632													560,000	3.14%	8,792	568,792
07/15/27			50,451	50,451																
01/15/28	1,640,000	2.01%	50,451	1,690,451																
07/15/28			33,969	33,969																
01/15/29	1,675,000	2.01%	33,969	1,708,969																
07/15/29			17,135	17,135																
01/15/30	1,705,000	2.01%	17,135	1,722,135																
TOTAL	\$14,520,000		\$2,633,301	\$17,153,301	\$2,905,000		\$ 331,750	\$3,236,750	\$1,210,000		\$ 62,675	\$1,272,675	\$2,115,000		\$141,659	\$2,256,659	\$2,300,000		\$559,728	\$2,859,728

ADDITIONAL BUDGET AND FINANCIAL ITEMS

During the process for the 2018 budget the District continued using a “Parking Lot” for items that could not be included in the budget due to revenue constraints. These items were requests from individual departments that included renovation projects, capital items, and non-capital equipment expenditures. These items will be retained and prioritized by the District and could be reconsidered during the fiscal year if funds become available. If the District is unable to procure the items during this fiscal year then they will be reconsidered during the 2019 budget process.

The District does have other postemployment benefits accrued liability. This information is presented annually in the Comprehensive Annual Financial Report (CAFR). The last actuarial valuation that was completed was on July 1, 2016. The actuarial accrued liability at that time was \$14,150,075. This number was updated as of July 1, 2016, and will be presented in the CAFR for the 2017 fiscal year. The District is required to have this liability reviewed and updated every two years.

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
7/1/2016	\$ -	\$ 14,150,075	\$ 14,150,075	n/a	\$ 48,341,684	29.27%
7/1/2014	-	18,250,032	18,250,032	n/a	46,735,351	39.05%
7/1/2012	-	16,003,942	16,003,942	n/a	37,178,647	43.05%
7/1/2010	-	19,200,635	19,200,635	n/a	37,582,941	51.09%

Valuations must be performed every two years for OPEB plans with more than 200 members and at least every three years for plans with fewer than 200 members.



HINSDALE TOWNSHIP
HIGH SCHOOL DISTRICT 86

INFORMATIONAL SECTION

PROPERTY VALUE ASSESSMENT

The responsibility of assessing property values occurs either at the county or township level in the State of Illinois. All property is reassessed every three or four years depending on the county or township, with the exception of farmland which is reassessed every year. The Assessor will use home sales data, home demand, additions and improvement projects, market conditions, and a number of additional factors to calculate a property’s fair market value. In most cases, the property is assessed at 1/3 of the market value. A few notable exceptions are farmland, coal plants, and certain classes of properties located in Cook County that may be assessed at different percentages. Looking at homes specifically, the fair market value is multiplied by 1/3 and then any homestead exemptions are subtracted to reach the assessed value. The general homestead exemption applies to any homeowner living in a primary residence. There are additional homestead exemptions available to returning veterans, individuals with disabilities, and senior citizens. Below is an example of a typical assessed value for a home:

A	Market Value	\$ 750,000
B	Assessed Value (A*33%)	\$ 250,000
C	Homestead Exemption	\$ 6,000
D	Final Assessed Value (B - C)	\$ 244,000

After assessed values are calculated an equalization factor is applied. The equalization factor is used to keep the assessed values and fair market values from deviating from each other significantly. The equalization factor may be applied to an individual property or a group and can be processed at the state, county, or township level. The vast majority of the District’s taxpayers live within DuPage County. For most property in DuPage the equalization factor (state multiplier) is 1.0. Using the example above, applying the multiplier of 1.0 would keep the final equalized assessed value unchanged. If the multiplier is less than or greater than 1.0, the final assessed value would be adjusted by that factor to calculate the equalized assessed value.

The equalized assessed values are then compiled for each taxing district to determine the equalized assessed value (EAV) of the district. Below are the historic EAVs for District 86:

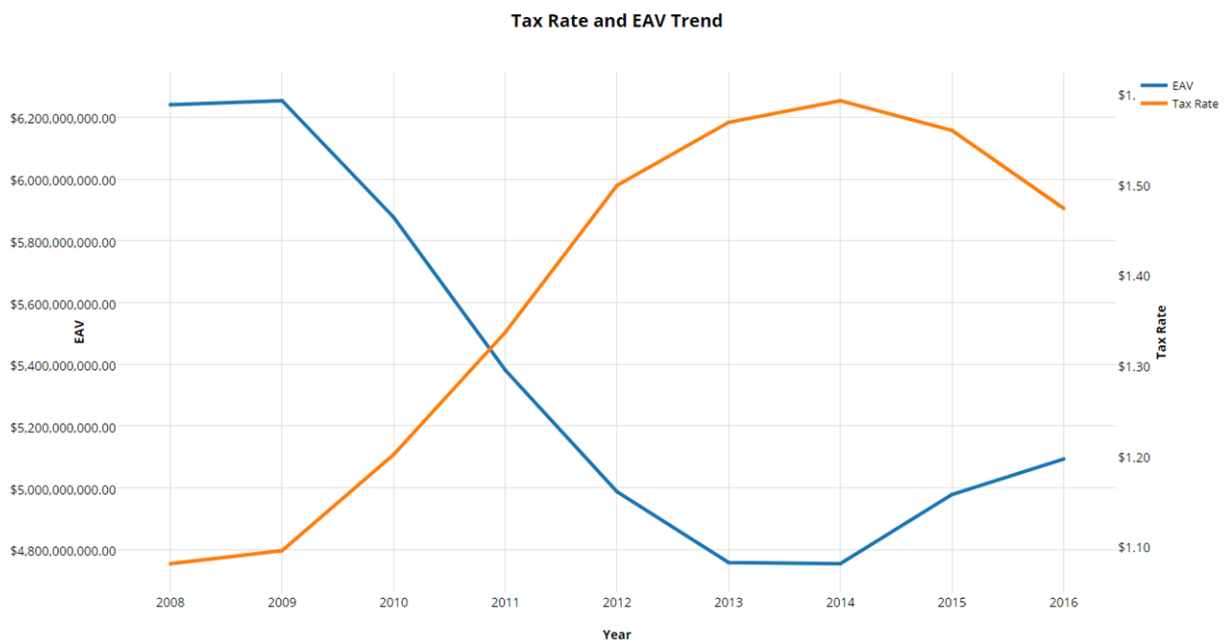
	Levy Year	Equalized Assessed Value	New Construction
ACTUAL	2013	\$ 4,771,138,986	\$ 39,681,868
ACTUAL	2014	\$ 4,751,513,224	\$ 47,993,633
ACTUAL	2015	\$ 4,984,806,945	\$ 48,919,243
ACTUAL	2016	\$ 5,315,007,283	\$ 56,780,523
ESTIMATED	2017	\$ 5,481,307,429	\$ 60,000,000
PROJECTED	2018	\$ 5,531,307,429	\$ 50,000,000
PROJECTED	2019	\$ 5,581,307,429	\$ 50,000,000
PROJECTED	2020	\$ 5,631,307,429	\$ 50,000,000

PROPERTY TAX RATES

After an individual taxing body files their levy with the county clerk, the county clerk computes the tax rate by dividing the tax levy by the EAV.

$$\text{TAX RATE} = \text{TAX LEVY} \div \text{TAX BASE (EAV)}$$

The tax rate fluctuates every year as the EAV of the taxing body and the tax levy changes. There is an inverse relationship between the tax rate and EAV. The chart below shows the historic changes in the EAV and tax rate for the District.



In 2016, the most recent levy year, the District’s total levy was \$79,469,989. The EAV for 2016 was \$5,315,007,283. The tax rate for 2016 would be calculated by dividing the total levy by the EAV.

$$\text{TAX RATE} = \$79,469,989 \div \$5,315,007,283$$

$$\text{TAX RATE} = 0.014952$$

Below are the historical tax levies and tax rates. Tax rates are generally expressed as percentages, but do not display a percent sign. The figures for the 2017 levy are estimates.

INFORMATIONAL SECTION

LEVY YEAR	ACTUAL 2013	ACTUAL 2014	ACTUAL 2015	ACTUAL 2016	ESTIMATED 2017
CAPPED LEVY RATE	\$73,351,491 1.5374	\$75,339,994 1.5856	\$76,636,422 1.5374	\$78,034,937 1.4682	\$80,555,454 1.4696
NON-CAPPED LEVY RATE	\$1,980,023 0.0415	\$1,254,399 0.0264	\$1,759,637 0.0353	\$1,435,052 0.0270	\$1,911,989 0.0349
TOTAL LEVY TOTAL RATE	\$75,331,513 1.5789	\$76,594,393 1.6120	\$78,396,059 1.5727	\$79,469,989 1.4952	\$82,467,443 1.5045

LEVY PROCESS

The EAV determines a homeowner’s share of the tax dollars requested by the taxing body. The process by which taxing bodies request tax dollars is known as a levy. District 86 is subject to the Property Tax Extension Limitation Law (PTELL), which limits the amount of additional tax dollars that can be requested over the previous year. The law limits taxing bodies’ tax increases to CPI (Consumer Price Index) or five percent, whichever is less. PTELL is slightly different from the CPI figure generally referred to in the news. CPI is the average annual change in price for a basket of goods whereas PTELL does not average the change, but calculates the change between December of the current and previous year. Below is a chart that shows the PTELL percentage for the past 10 years. For example, the 2015 PTELL of 0.7 percent determines the maximum possible amount for 2016 levy which funds the 2018 fiscal year budget.

Levy Year	PTELL %	CPI %
2008	4.1%	2.8%
2009	0.1%	3.8%
2010	2.7%	-0.4%
2011	1.5%	1.6%
2012	3.0%	3.2%
2013	1.7%	2.1%
2014	1.5%	1.5%
2015	0.8%	1.6%
2016	0.7%	0.1%
2017	2.1%	1.3%

A taxing body is allowed to levy the amount of taxes that were extended the previous year increased by the PTELL percentage. For example, if a taxing body extended \$10,000,000 in taxes for 2015, they would be allowed to increase that amount by 0.7 percent or levy a total of \$10,070,000 in 2016. There is one additional factor considered for the levy request and that is new construction. New construction allows a taxing body to increase the levy amount above the established PTELL inflationary rate. The tax limitation law assumes that new construction results in additional service needs that must be provided by the taxing body, so the taxing body is allowed to increase its levy to encompass the new construction to offset the potential increase in required services.

INFORMATIONAL SECTION

The portion of the levy that falls under PTELL is known as the “capped” levy because increases are limited by the law. The other portion of the levy is “non-capped” which is used to fund the debt obligations of a taxing body. The levy to make the bond payments is tied to the amount of the bond payments for the year and not limited by PTELL. While the bond payments are not limited under the tax cap, there are other laws limiting the total debt a taxing body may issue without approval from the voters within the taxing body’s boundaries. After taxing bodies submit their levies, counties apply the PTELL limits to the request and return the final tax extension to the taxing bodies in the spring. The taxing bodies have a final opportunity to abate or redistribute the extension between funds, but no additional funds can be requested at that time.

The final two components that go into the tax extension are the loss and cost factor and the limiting rate. Both of these calculations are managed by the county prior to the taxing bodies completing their final review of the tax extensions in the spring. The loss and cost factor adds a small percentage increase to the levy amount to account for unpaid tax bills and property tax objections that reduce a property owners tax liability. While the loss and cost factor may increase the levy amount the taxing body is still subject to the limiting rate if they fall under PTELL. The limiting rate is what “caps” the tax extension. The limiting rate calculation is as follows:

$$\text{Limiting Rate: } \frac{\text{(Prior Year Extension x (1+Lesser of 5\% or CPI))}}{\text{(Total EAV - New Construction)}}$$

Below is a five-year tax extension history for the District:

Fund	2016	2015	2014	2013	2012
Education	\$ 63,912,963	\$ 60,814,645	\$ 58,809,479	\$ 57,439,742	\$ 56,867,638
Special Education	\$ 1,945,293	\$ 1,909,181	\$ 1,876,848	\$ 1,822,575	\$ 1,801,509
Operations & Maintenance	\$ 6,532,144	\$ 8,379,460	\$ 9,982,929	\$ 9,718,810	\$ 9,618,057
Transportation	\$ 2,163,208	\$ 2,123,528	\$ 1,829,333	\$ 1,779,635	\$ 1,761,476
Social Security	\$ 1,445,682	\$ 1,415,685	\$ 1,230,642	\$ 930,372	\$ 920,771
IMRF	\$ 892,921	\$ 1,271,126	\$ 902,788	\$ 973,313	\$ 960,805
Working Cash	\$ 403,941	\$ -	\$ -	\$ -	\$ -
Tort	\$ 738,786	\$ 722,797	\$ 707,975	\$ 687,044	\$ 675,566
Total Capped Funds	\$ 78,034,937	\$ 76,636,422	\$ 75,339,994	\$ 73,351,491	\$ 72,605,822
Debt Services (Non Capped)	\$ 1,435,052	\$ 1,759,637	\$ 1,254,399	\$ 1,980,023	\$ 2,366,983
Total Levy	\$ 79,469,989	\$ 78,396,059	\$ 76,594,393	\$ 75,331,514	\$ 74,972,805

INFORMATIONAL SECTION

PROPERTY TAXES – HOMEOWNER

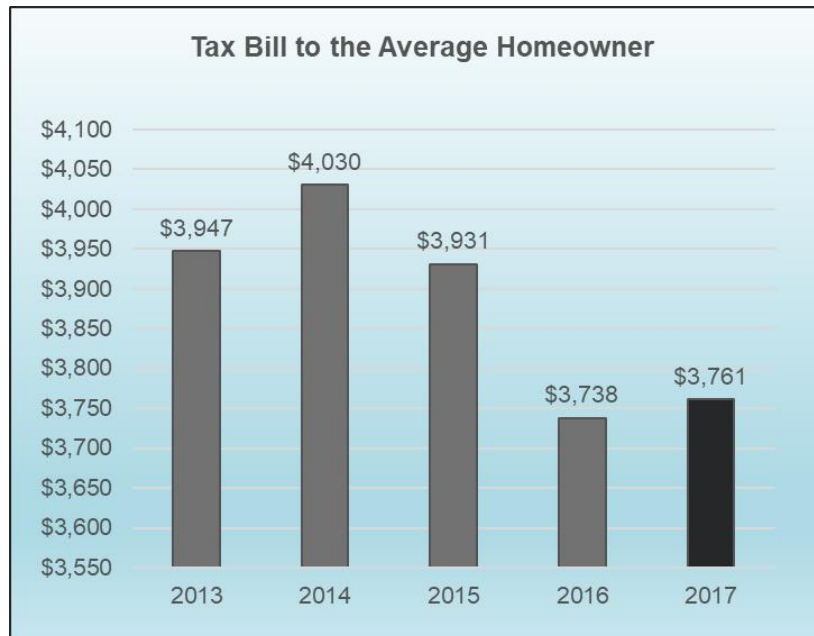
An individual homeowner’s tax bill is determined by two components, the EAV and the tax rate. Assuming a market value of \$750,000 the EAV of the property would be \$249,975 (ignoring exemptions and multipliers). The total rate for the District in 2016 was 1.4952. To calculate the property taxes owed, the EAV is multiplied by the tax rate.

$$\text{TAXES OWED} = \$249,975 \times 0.014952$$

$$\text{TAXES OWED} = \$3,738$$

If the market value of the example property is held flat over a five-year period, the following shows the property taxes owed by the homeowner as the tax rates changes.

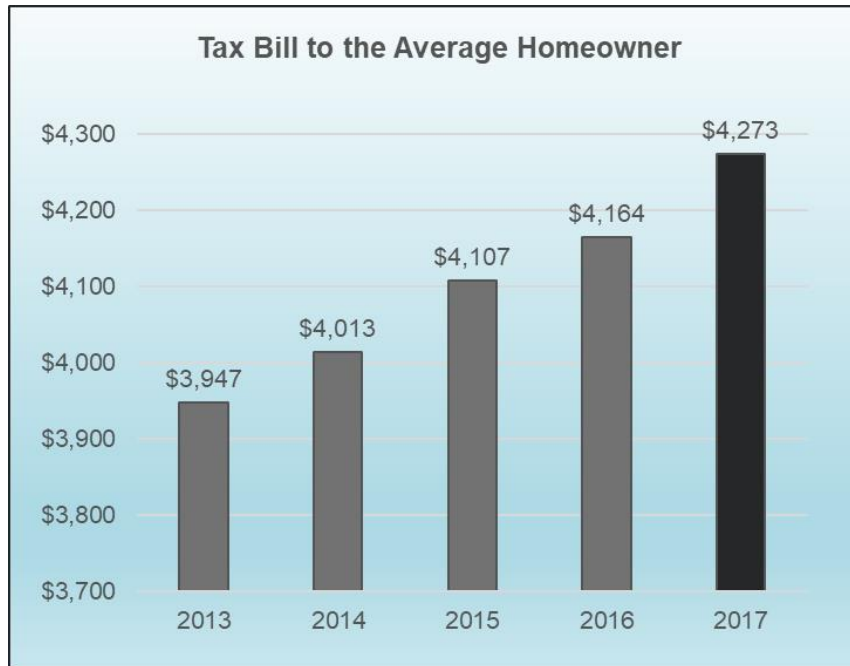
LEVY YEAR	ACTUAL 2013	ACTUAL 2014	ACTUAL 2015	ACTUAL 2016	ESTIMATED 2017
Median Value of a Home	\$750,000	\$750,000	\$750,000	\$750,000	\$750,000
Average Change in Market Value		0.00%	0.00%	0.00%	0.00%
Assessed % of Market Value	33.33%	33.33%	33.33%	33.33%	33.33%
County Multiplier	1.0000	1.0000	1.0000	1.0000	1.0000
Taxable Value	\$249,975	\$249,975	\$249,975	\$249,975	\$249,975
Property Tax Rate Assessed	1.5789	1.612	1.5727	1.4952	1.5045
Property Tax Due	\$3,947	\$4,030	\$3,931	\$3,738	\$3,761
Tax Increase/(Decrease) from Prior Year		\$83	(\$99)	(\$193)	\$23
% Change in Taxes from Prior Year		2.10%	-2.46%	-4.91%	0.62%



INFORMATIONAL SECTION

A second, more realistic, example for the same homeowner shows the impact of the change in market value on the total taxes owed. In this example, the market value of the property changed by the same percentage as the District's EAV.

LEVY YEAR	ACTUAL 2013	ACTUAL 2014	ACTUAL 2015	ACTUAL 2016	ESTIMATED 2017
Median Value of a Home	\$750,000	\$746,925	\$783,599	\$835,473	\$852,183
Average Change in Market Value		-0.41%	4.91%	6.62%	2.00%
Assessed % of Market Value	33.33%	33.33%	33.33%	33.33%	33.33%
County Multiplier	1.0000	1.0000	1.0000	1.0000	1.0000
Taxable Value	\$249,975	\$248,950	\$261,174	\$278,463	\$284,033
Property Tax Rate Assessed	1.5789	1.612	1.5727	1.4952	1.5045
Property Tax Due	\$3,947	\$4,013	\$4,107	\$4,164	\$4,273
Tax Increase/(Decrease) from Prior Year		\$66	\$94	\$57	\$109
% Change in Taxes from Prior Year		1.67%	2.34%	1.39%	2.62%



OTHER TAX COLLECTIONS

In 1979 the Illinois Legislature enacted a law to implement the Corporate Personal Property Replacement Tax (CPPRT). The legislation was created to compensate local governing bodies after they lost their ability to levy personal property taxes on most business entities. A percentage of income taxes business pay is put into a Personal Property Tax Replacement Fund and then distributed to taxing bodies based on certain allocation factors. Below is the history of the District’s CPPRT collections along with the budgeted amount for the current year.

	ACTUAL FY 2014	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	BUDGET FY 2018
CPPRT	\$ 1,129,786	\$ 1,207,357	\$ 1,111,519	\$ 1,234,712	\$ 1,071,552

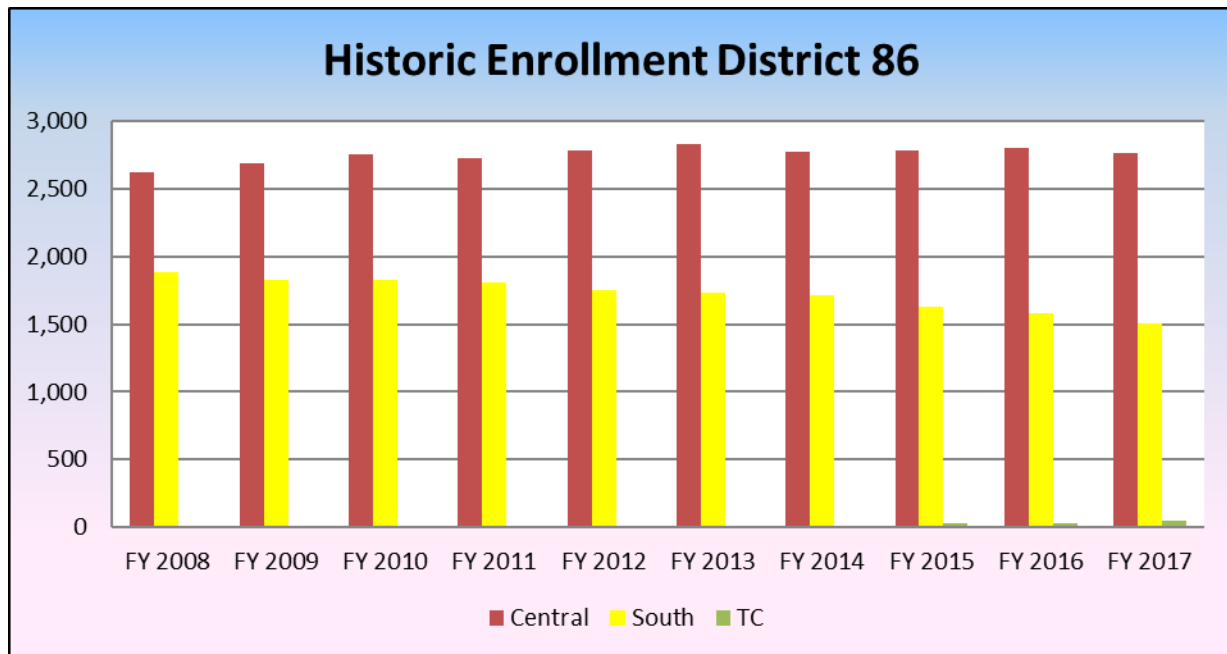
The reduction in the budgeted amount, compared to previous years, is due to the state reallocating funds from the Personal Property Tax Replacement Fund for other purposes. At this time the District is not aware whether this change will only impact the current budget year or future years as well.

STUDENT ENROLLMENT

Hinsdale District 86 contracted a demographer to compile student enrollment data and make projections for future enrollment. The most recent report was completed in August 2015 by Dr. John D. Kasarda. A demographer uses historic data for the District and any feeder districts, live birth data, and housing and construction reports to develop trends and calculate cohort survival rates. The trends and survival rates are used to make projections about future enrollment in the District. All historic enrollment data has been updated to reflect the numbers presented in the Fall Housing Report which is generated by the Illinois State Board of Education (ISBE). The enrollment counts are generated on September 30 of each fiscal year. The Transition Center was not counted individually until the 2015 fiscal year. Below are the historic enrollment figures and projections for the District.

Historic Enrollment in District 86

Year	Central	South	TC	Total
FY 2008	2,624	1,882		4,506
FY 2009	2,686	1,824		4,510
FY 2010	2,755	1,825		4,580
FY 2011	2,721	1,807		4,528
FY 2012	2,780	1,748		4,528
FY 2013	2,830	1,735		4,565
FY 2014	2,777	1,710		4,487
FY 2015	2,778	1,632	30	4,440
FY 2016	2,806	1,578	28	4,412
FY 2017	2,766	1,507	45	4,318

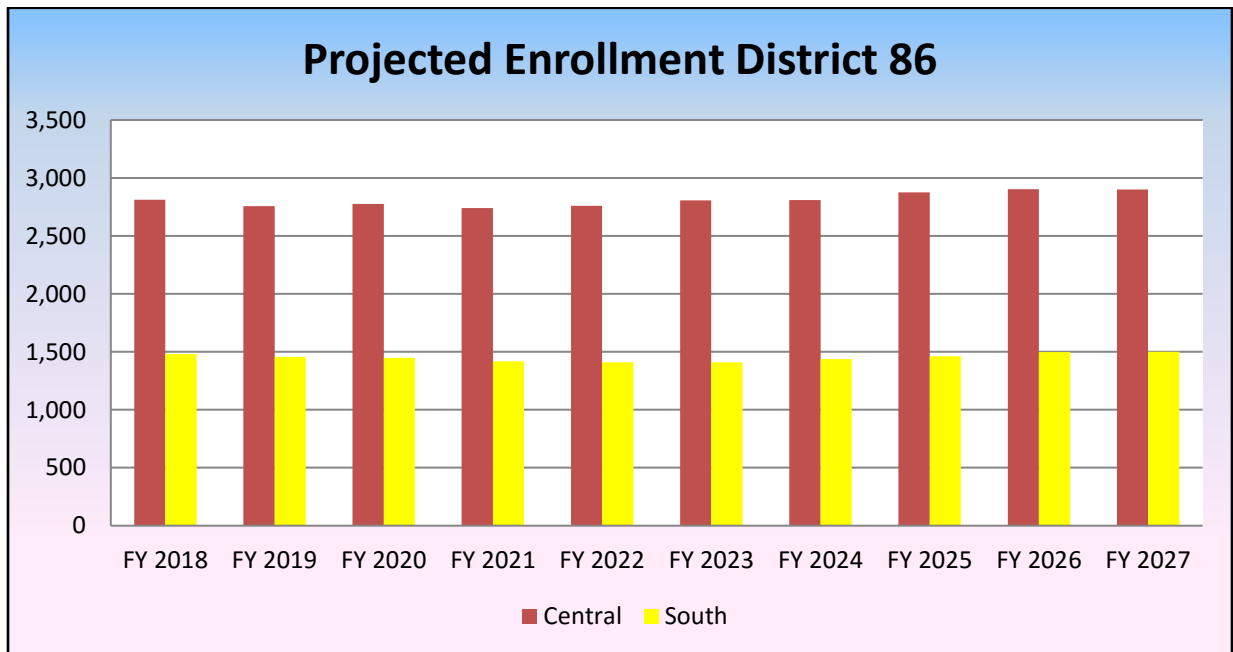


INFORMATIONAL SECTION

The demography report provided the District with enrollment projections based on the historic data noted above and assumptions made about future housing turnover as well as family in-migration. Dr. Kasarda provided three sets of projections. The first projection is based on the expected housing turnover and family in-migration. The second assumes a lower limit of student enrollment and represents the lowest attendance Dr. Kasarda believes the District could experience. The third is an upper limit student enrollment assumption, which is the highest attendance Dr. Kasarda believes the District will experience. The Transition Center was not treated as a separate site in the report. According to his report, below are the projections for the next 10 years.

Projected Enrollment District 86

Year	Central	South	Total
FY 2018	2,812	1,481	4,293
FY 2019	2,757	1,456	4,213
FY 2020	2,777	1,448	4,225
FY 2021	2,739	1,417	4,156
FY 2022	2,760	1,410	4,170
FY 2023	2,806	1,409	4,215
FY 2024	2,810	1,438	4,248
FY 2025	2,874	1,462	4,336
FY 2026	2,904	1,497	4,401
FY 2027	2,901	1,501	4,402

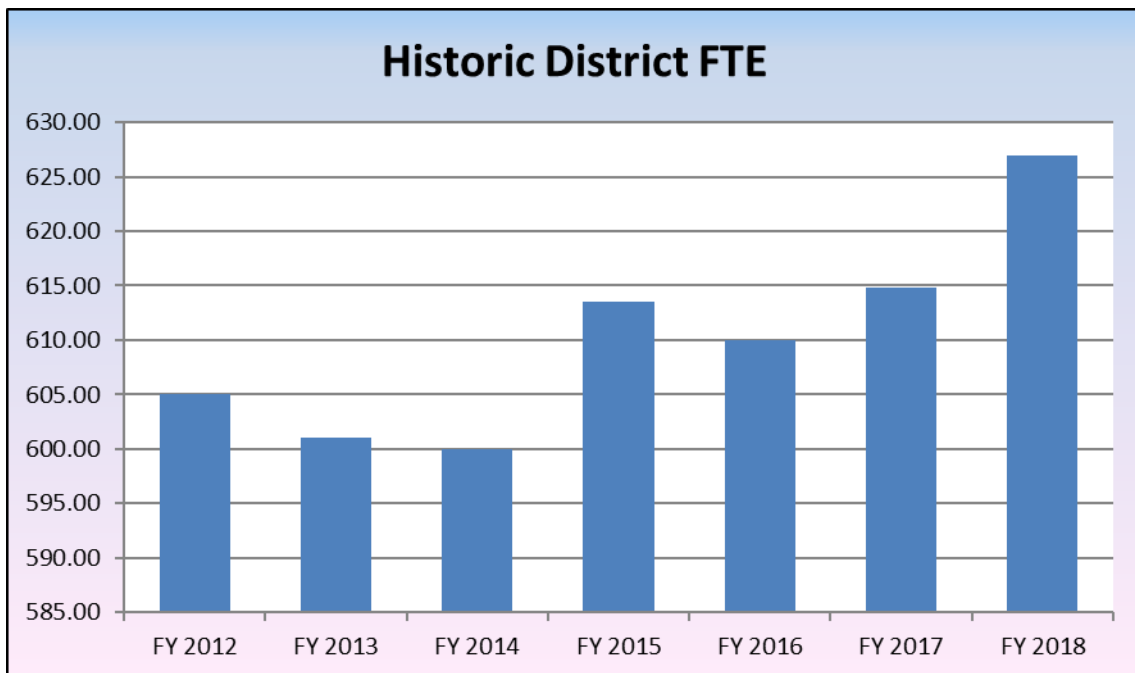


DISTRICT STAFFING

Overall, District staffing levels have remained steady over the past five years. Slight fluctuations are caused by changes in student population, student needs and changes to the District’s strategic vision. During the 2014-15 fiscal year, the District implemented a new ERP (Enterprise Resource Planning) system which allowed the District to implement position control for the first time. Prior to the new system, the District managed position control manually. Increases in FTE for the current budget year was driven by increased student need for instructional aides and the elimination of outsourcing the District IT Helpdesk. Below is the historic full-time equivalent (FTE) for the past four fiscal years and the current year.

Hinsdale District 86 Historical FTE

Employee Group	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Teachers	338.00	336.00	336.00	330.50	328.40	333.50	332.30
Counselors	23.00	24.00	21.00	21.00	20.00	20.00	20.00
Social Workers	5.00	5.00	9.00	9.00	11.00	12.00	11.00
Librarians	7.00	7.00	7.00	7.00	6.00	5.40	5.20
Psychologists	0.00	0.00	4.00	4.00	4.00	5.00	5.00
Administration	16.00	16.00	16.00	22.00	25.00	26.00	25.00
Aides/Student Safety	101.00	96.00	92.00	106.00	103.60	106.90	116.50
Buildings & Grounds	39.00	40.00	38.00	35.00	34.00	29.00	31.00
Information Technology	10.00	10.00	10.00	9.00	9.00	7.00	10.00
Support Staff	66.00	67.00	67.00	70.00	69.00	70.00	71.00
Total FTE	605.00	601.00	600.00	613.50	610.00	614.80	627.00



BOND AMORITIZATION SCHEDULES

The District currently has the following bond series outstanding:

- 2008 series has a current outstanding balance of \$1.2 million and will mature in January of 2019. The bond funded the practice and competition turf fields and Central and South.
- 2012 series has a current outstanding balance of \$2.9 million and will mature in January of 2022. The bond funded the addition of air conditioning to District classrooms along with other smaller renovation projects. The balance is the non-callable portion of the original 2012 series. The remainder was refinanced in 2016.
- 2015A series has a current outstanding balance of \$2.1 million and will mature in January of 2023. The bond funded the pay down of the District’s unfunded pension liability with IMRF. The bond was self-funded by the District.
- 2015B series has a current outstanding balance of \$2.3 million and will mature in January of 2027. The bond funded the renovation of the Transition Center. The bond was self-funded by the District.
- 2016A series has a current outstanding balance of \$14.5 million and will mature in January of 2030. This is the refinanced portion of the 2012 series

Date	Prinipal	Interest	Total Payment	Total Fiscal Year Payment	Fiscal Year	Levy Year
07/15/17		275,813	275,813	1,921,625	2018	2016
01/15/18	1,370,000	275,813	1,645,813			
07/15/18		253,494	253,494	1,911,989	2019	2017
01/15/19	1,405,000	253,494	1,658,494			
07/15/19		237,344	237,344	1,939,688	2020	2018
01/15/20	1,465,000	237,344	1,702,344			
07/15/20		212,419	212,419	2,204,839	2021	2019
01/15/21	1,780,000	212,419	1,992,419			
07/15/21		183,369	183,369	2,231,739	2022	2020
01/15/22	1,865,000	183,369	2,048,369			
07/15/22		163,513	163,513	2,277,026	2023	2021
01/15/23	1,950,000	163,513	2,113,513			
07/15/23		142,339	142,339	2,249,677	2024	2022
01/15/24	1,965,000	142,339	2,107,339			
07/15/24		120,788	120,788	2,246,576	2025	2023
01/15/25	2,005,000	120,788	2,125,788			
07/15/25		98,499	98,499	2,251,998	2026	2024
01/15/26	2,055,000	98,499	2,153,499			
07/15/26		75,424	75,424	2,320,847	2027	2025
01/15/27	2,170,000	75,424	2,245,424			
07/15/27		50,451	50,451	1,740,902	2028	2026
01/15/28	1,640,000	50,451	1,690,451			
07/15/28		33,969	33,969	1,742,938	2029	2027
01/15/29	1,675,000	33,969	1,708,969			
07/15/29		17,135	17,135	1,739,271	2030	2028
01/15/30	1,705,000	17,135	1,722,135			

\$ 23,050,000 \$ 3,729,113 \$ 26,779,113 \$ 26,779,113

INFORMATIONAL SECTION

DATED	July 20, 2016				February 16, 2012				November 1, 2008				December 15, 2015				December 15, 2015			
ISSUE	Refunding Limited Bonds				Limited School Bonds, Series 2012				G.O. LIMITED TAX SCHOOL BONDS				Taxable Limited Tax School Bonds				Taxable Limited Tax School Bonds			
SERIES	2016A				2012				2008				2015A				2015B			
PAR VALUE	\$14,700,000				\$2,965,000				\$3,980,000				\$2,500,000				\$2,300,000			
CALL DATE	CALLABLE AS OF 12/30/26				NON-CALLABLE				NON-CALLABLE				CALLABLE				CALLABLE			
MATURITY	1/15/2030				1/15/2022				1/15/2019				1/15/2023				1/15/2027			
	Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total	Principal	Coupon	Interest	Total
07/15/17			145,926	145,926			50,575	50,575			25,338	25,338			20,089	20,089			33,885	33,885
01/15/18	5,000	2.01%	145,926	150,926	60,000	2.00%	50,575	110,575	910,000	4.25%	25,338	935,338	395,000	1.18%	20,089	415,089			33,885	33,885
07/15/18			145,876	145,876			49,975	49,975			6,000	6,000			17,759	17,759			33,885	33,885
01/15/19	5,000	2.01%	145,876	150,876	700,000	2.00%	49,975	749,975	300,000	4.00%	6,000	306,000	400,000	1.55%	17,759	417,759			33,885	33,885
07/15/19			145,826	145,826			42,975	42,975							14,659	14,659			33,885	33,885
01/15/20	5,000	2.01%	145,826	150,826	1,050,000	4.00%	42,975	1,092,975					410,000	1.89%	14,659	424,659			33,885	33,885
07/15/20			145,775	145,775			21,975	21,975							10,784	10,784			33,885	33,885
01/15/21	285,000	2.01%	145,775	430,775	1,080,000	4.00%	21,975	1,101,975					415,000	2.21%	10,784	425,784			33,885	33,885
07/15/21			142,911	142,911			375	375							6,199	6,199			33,885	33,885
01/15/22	1,455,000	2.01%	142,911	1,597,911	15,000	5.00%	375	15,375					395,000	2.46%	6,199	401,199			33,885	33,885
07/15/22			128,288	128,288											1,340	1,340			33,885	33,885
01/15/23	1,490,000	2.01%	128,288	1,618,288									100,000	2.68%	1,340	101,340	360,000	2.70%	33,885	393,885
07/15/23			113,314	113,314															29,025	29,025
01/15/24	1,520,000	2.01%	113,314	1,633,314													445,000	2.82%	29,025	474,025
07/15/24			98,038	98,038															22,750	22,750
01/15/25	1,545,000	2.01%	98,038	1,643,038													460,000	2.94%	22,750	482,750
07/15/25			82,511	82,511															15,988	15,988
01/15/26	1,580,000	2.01%	82,511	1,662,511													475,000	3.03%	15,988	490,988
07/15/26			66,632	66,632															8,792	8,792
01/15/27	1,610,000	2.01%	66,632	1,676,632													560,000	3.14%	8,792	568,792
07/15/27			50,451	50,451																
01/15/28	1,640,000	2.01%	50,451	1,690,451																
07/15/28			33,969	33,969																
01/15/29	1,675,000	2.01%	33,969	1,708,969																
07/15/29			17,135	17,135																
01/15/30	1,705,000	2.01%	17,135	1,722,135																
TOTAL	\$14,520,000		\$2,633,301	\$17,153,301	\$2,905,000		\$ 331,750	\$3,236,750	\$1,210,000		\$ 62,675	\$1,272,675	\$2,115,000		\$141,659	\$2,256,659	\$2,300,000		\$559,728	\$2,859,728

STUDENT DATA

The following charts cover some of the key statistical data related to student achievement at Hinsdale District 86. All figures are split showing the data for Hinsdale Central and Hinsdale South.

2017 Class Statistics	Central	South
Number of Graduates	657	376
College-Bound Graduates	99%	97%
4-Year College	88.7%	60%
2-Year College	10.3%	37%
National Merit Semifinalists	26	11
National Merit Finalists	24	2
Illinois State Scholars	265	64

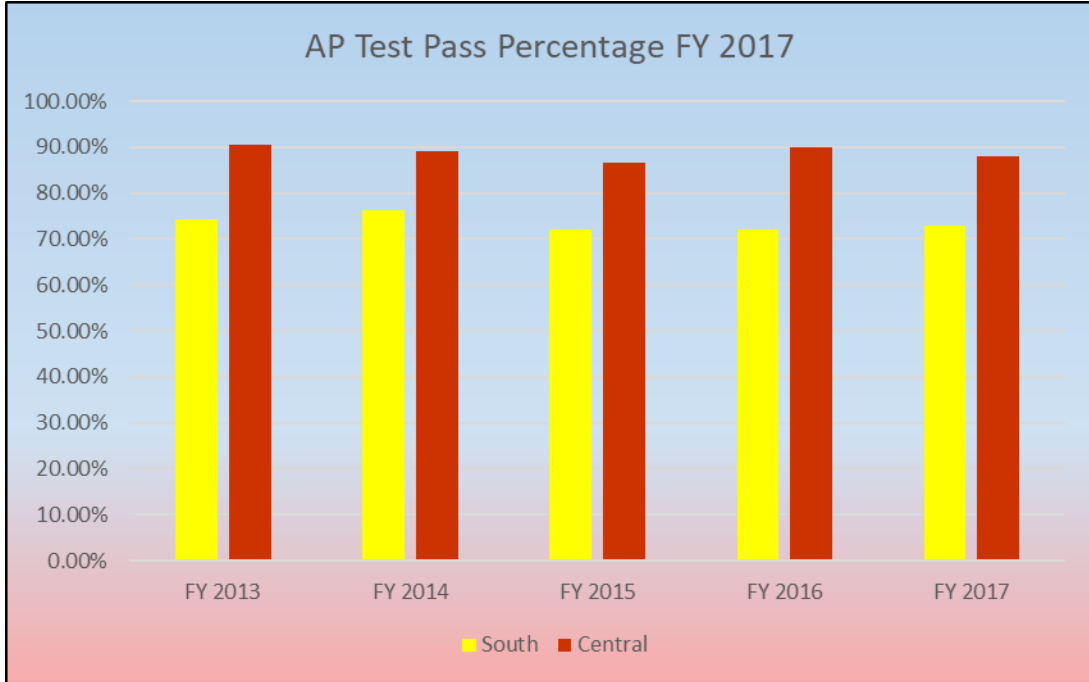
In 2017, the ACT was taken by 655 students at Hinsdale Central and 346 students at Hinsdale South. Below are the average composite scores for the last three years at each school.

Year	Central	South
FY 2015	27.7	23.4
FY 2016	27.5	23.2
FY 2017	27.6	22.8

Advanced Placement (AP) exams are offered in the spring of each school year. Students enrolled in corresponding Advanced Placement courses are eligible to take the exams. AP scores range from 1-5 with scores of 3, 4, or 5 generally being considered a passing score. In 2017 Hinsdale Central had 947 students take 2,230 exams and Hinsdale South had 541 students take 1,327 exams. Below is the percentage of passing scores for the past five years at each school:

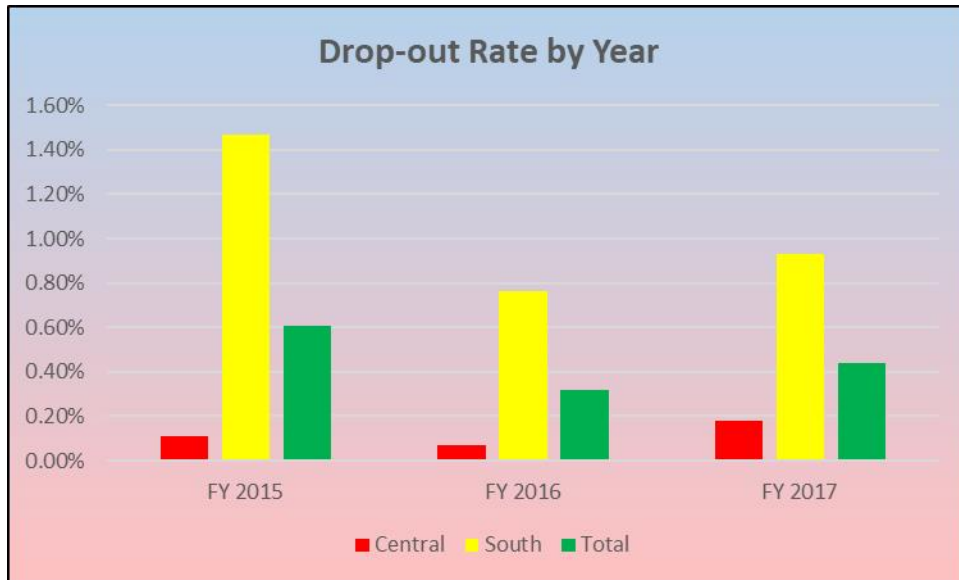
	South	Central
FY 2013	74.3%	90.5%
FY 2014	76.2%	89.2%
FY 2015	72.0%	86.6%
FY 2016	72.0%	90.0%
FY 2017	73.0%	88.0%

INFORMATIONAL SECTION



The following is dropout data for the District. The table shows the number of dropouts by year and the chart shows the percentage compared to student enrollment.

	Central	South	Total
FY 2015	3	24	27
FY 2016	2	12	14
FY 2017	5	14	19



GLOSSARY AND ACRONYMS

ACCRUAL BASIS - Basis of accounting under which revenues are recorded when levies are made and expenditures are recorded as soon as they result in liabilities regardless of when the revenue is actually received or the payment is actually made.

ASSESSED VALUE - The value placed on property for tax purposes and used as a basis for division of the tax burden. This amount is subject to the state-issued equalization factor and the deduction of the homestead exemptions.

AVERAGE DAILY ATTENDANCE (ADA) - This aggregate number of pupil days in attendance divided by the number of days in the regular school session. A pupil who attends school for five or more clock hours while school is in session constitutes one pupil day of attendance. The best three months average daily attendance of the prior year is used in calculating General State Aid for the current year.

BOARD OF EDUCATION – Seven-member election board, created according to state law and vested with responsibilities for educational activities in a given geographical area, which establishes policy, hires a superintendent and governs the operations of the district.

BOND - A written promise, generally under seal, to pay a specific sum of money, called the face value, at a fixed time in the future, called the date of maturity and carrying interest at a fixed rate, usually payable periodically. The difference between a note and a bond is that the latter usually runs for a longer period of time and requires greater legal formality. See also SURETY BOND.

BONDED DEBT - The part of the school district debt which is covered by outstanding bonds of the district - sometimes called "Funded Debt."

BUDGET - A plan of financial operation embodying an estimate of proposed expenditures for a given period or purpose and the proposed means of financing them.

BUDGETARY CONTROL - The control or management of the business affairs of the school district in accordance with an approved budget with a responsibility to keep expenditures within the authorized amounts.

BUILDINGS - A fixed asset account which reflects the acquisition value of permanent structures used to house persons and property owned by the local education agency. If buildings are purchased or constructed, this amount includes the purchase or contract price of all permanent buildings and fixtures attached to and forming a permanent part of such buildings. If buildings are acquired by gift, the account reflects their appraised value at time of acquisition.

CAPITAL BUDGET - A plan of proposed capital outlays and the means of financing them for the current fiscal period. It is usually a part of the current budget.

CAPITAL OUTLAY - Includes, but is not limited to, new and replacement equipment such as furnishing additional classrooms, replacement of classroom and media furniture, additional computers, replacement band uniforms, purchase of buses and maintenance vehicles.

INFORMATIONAL SECTION

CAPITAL PROJECTS FUND - Used to account for financial resources for the acquisition, construction or major renovation of district facilities.

CATEGORICAL STATE AID - Revenue allocated by the state for various categories of programs administered by the local district. Examples of categorical state aid include monies for special education and special education transportation. These funds do not cover the entire program cost and must be supplemented by other district revenue.

CODING - A system of numbering, or otherwise designating accounts, entries, invoices, vouchers, etc. in such a manner that the symbol used reveals quickly certain required information.

CORPORATE PERSONAL PROPERTY REPLACEMENT TAXES - A state tax on the net income of corporations, partnerships and other businesses was enacted in 1979 to replace the local tax on the assessed value of corporate personal property. These are taxes paid in lieu of taxes on 1978 and prior Corporate Personal Property assessed valuation.

DEBT - An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of local education agencies include bonds, warrants and notes, etc.

DEBT LIMIT — The maximum amount of gross or net debt which is legally permitted.

DEBT SERVICE - Expenditures for the retirement of debt and expenditures for interest on debt.

EARNINGS ON INVESTMENTS - Revenue received from the investment of school district monies not needed at the time to meet current expenditures.

EMPLOYEE BENEFITS - May include health, dental, optical, life and long term disability insurance as well as FICA and retirements payments to the Teachers Retirement System and Illinois Municipal Retirement Fund and workers' compensation insurance.

EQUIPMENT - Those moveable items used for school operation that are of a non-expendable and mechanical nature, i.e. perform an operation. Typewriters, projectors, vacuum cleaners, accounting machines, computers, lathes, clocks, machinery, and vehicles, etc. are classified as equipment. (Heating and air conditioning systems, lighting fixtures and similar items permanently fixed to or within a building are considered as part of the building.)

EXPENDITURES BY FUNCTION - Include expenditures by program type including, but not limited to, instruction, support services, business, and transportation.

EXPENDITURES BY OBJECT - Include expenditures for certain types of costs such as salaries, fringe benefits, supplies, purchased services and capital outlay.

EXPENDITURES - This includes total charges incurred, whether paid or unpaid, for current costs, capital outlay, and debt service.

EQUALIZATION - The application of a uniform percentage increase of values of various areas or classes of property to bring assessment levels, on the average, to a uniform level of market value.

INFORMATIONAL SECTION

EQUALIZATION FACTOR (State multiplier) - The factor that must be applied to local assessments to bring about the percentage increase or decrease that will result in an equalized assessed valuation equal to one-third of the market value of taxable property in a jurisdiction (other than farm acreage and buildings and other than coal rights).

EQUALIZED ASSESSED VALUE - The assessed value multiplied by the State equalization factor; this gives the value of the property from which the tax rate is calculated after deducting homestead exemptions, if applicable. For farm acreage, farm buildings, and coal rights, the final assessed value is the equalized value.

EXEMPTION - Removal of property from the tax base. Exemption may be partial, as a homestead exemption, or complete as, for example, for a church building used exclusively for religious purposes.

EXTENSION - 1) The process in which the County Clerk determines the tax rate needed to raise the revenue (levy) certified by each school district in the county. 2) The actual dollar amount billed to the property taxpayers in a district.

FEDERAL REVENUE - Funds received from the federal government for federally funded programs

FULL TIME EQUIVALENT (FTE) – The term used to note the percentage of the job employed based on 1 full time employee being the norm. 1 FTE is one employee 100% of the time for the entire year. (.5) FTE is one employee working one half of the day in that position.

FUND - A sum of money or other resources set aside for specific activities of a school district. The fund accounts constitute a complete entity and all of the financial transactions for the particular fund are recorded in them.

FUND BALANCE - The excess of assets of a fund over its liabilities and reserves. During the fiscal year prior to closing, it represents the excess of the fund's assets and estimated revenues for the period over its liabilities, reserves and appropriations for the period.

GENERAL FUND - Is used to record the general operations of the district pertaining to education and those operations not provided for in other funds.

ILLINOIS MUNICIPAL RETIREMENT FUND (IMRF) – state pension fund for non-certified staff.

INSTRUCTION - the activities dealing directly with the teaching of students or improving the quality of teaching.

LANE CHANGE – advancement on the teacher salary schedule as a result of completing additional graduate coursework i.e. completing a Master's Degree.

LEVY - The total taxes imposed by a governmental unit.

MAINTENANCE AND OPERATIONS EXPENDITURES - Includes costs associated with maintenance of all district buildings including custodians, maintenance personnel and supervision including related salaries, benefits, purchased services, supplies and capital outlay.

INFORMATIONAL SECTION

NON-CAPITAL EQUIPMENT – goods that range from \$500 to \$5,000 in value and are not consumed or depleted within one year.

OTHER LOCAL REVENUE - Includes revenue collected locally other than taxes such as building use fees, parking lot and field trip fees and other miscellaneous receipts.

PROGRAM - The definition of an effort to accomplish a specific objective consistent with funds or resources available. Budgets and actual revenue and expenditure records may be maintained per program.

PROPERTY TAX EXTENSION LIMITATION LAW (PTELL) – legislation that went into effect in 1991 that limits a taxing district from increasing taxes above inflation or five percent, whichever is less. The law applies to all non-home rule districts that have a majority of EAV in Cook or the collar counties. For additional information see:

<http://www.revenue.state.il.us/Publications/LocalGovernment/PTAX1080.pdf>

PURCHASED SERVICES - Includes such items as conference fees, mileage paid, consultant fees, fees of subcontractors, utilities including electricity, telephone, water, refuse and gas, liability, property and fleet insurance.

REVENUE - Additions to assets which do not incur an obligation that must be met at some future date and do not represent exchanges of property for money.

SCHOOL - A division of the school system consisting of a group of pupils composed of one or more teachers to give instruction of defined type, and housed in a school plant of one or more buildings.

STATE CATEGORICAL REVENUE - Revenue received from the state for special education, vocational education, transportation, bilingual education, adult education and gifted programs.

SUPPLIES - Classroom and office supplies as well as supplies used by maintenance and transportation for repairs.

TAX EXTENSION – The product of the taxing body's net equalized assessed valuation multiplied by its tax rate as calculated by the county clerk.

TAX LEVY - The product of multiplying taxable value for homesteads times the number of hold harmless mills plus the product of multiplying the taxable value of non-homesteads times the number of non-homestead mills for operations and the product of multiplying the total taxable value of property in the district by the number of mills levied for debt. These amounts in total signify a total amount of taxes in dollars to be collected.

TAXABLE VALUE - Is the equalized assessed value (EAV).

TEACHER RETIREMENT SYSTEM (TRS) – state pension fund for certified staff.

TRANSITION CENTER - provides life and vocational skills instruction to young adults with disabilities

INFORMATIONAL SECTION

between the ages of 18 and 22. The main focus of the Adult Opportunities Program is to promote opportunities for independence in employment, post-secondary education and training, independent living skills, and community experiences.

TRANSPORTATION EXPENDITURES - Costs associated with transporting resident pupils to and from school and field trips including related salaries, benefits, purchased services, supplies and capital outlay.

TAX RATE - The amount of tax due stated in terms of a percentage of the tax base. Example: 2.76 percent of equalized assessed valuation is a representation of a tax rate of \$2.76 per one hundred dollars of equalized assessed valuation of property.

TAX-RATE LIMIT - The tax-rate limit is the maximum tax rate that the county clerk may extend. Illinois law authorizes maximum tax rates without referendum, but districts may increase tax rates, within limits, subject to voter approval. A backdoor referendum provision exists; when the board proposes a tax rate increase and it is not opposed by required number of electors within a stated time period, the board obtains the authority to increase the tax rate.

TRIENNIAL YEAR - The general assessment year that occurs every three years when all property assessments are reviewed.