

COMPREHENSIVE ANNUAL FINANCIAL REPORT
OF THE
HINSDALE TOWNSHIP HIGH SCHOOL DISTRICT 86
HINSDALE, ILLINOIS
For the Fiscal Year Ended June 30, 2017

Officials Issuing Report

Mr. Josh Stephenson
Chief Financial Officer

Department Issuing Report
Business Office

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 Comprehensive Annual Financial Report
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INTRODUCTORY SECTION



A Tradition of Excellence

October 3, 2017

Citizens, President and Members of the Board of Education
Hinsdale Township High School District 86
Hinsdale, Illinois

The Comprehensive Annual Financial Report of Hinsdale Township High School District 86, Hinsdale, Illinois, for the fiscal year ended June 30, 2017 is submitted herewith. The audit was completed on September 30, 2017 and the Report was subsequently issued. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data as presented are: (1) accurate in all material aspects; (2) presented in a manner designed to fairly set forth the financial position and results of operations of the School District as shown by the disclosure of all financial activity of its various funds; and, (3) that all disclosures necessary for maximum public understanding of the District's financial status have been incorporated in the Report.

Basis of Accounting and Reporting

The Comprehensive Annual Financial Report is presented in three sections: Introductory, Financial, and Statistical. The Introductory Section includes the table of contents, this transmittal letter, the District's organizational chart, and a list of principal officials. The Financial Section begins with the Independent Auditor's Report and includes Management's Discussion and Analysis, the Basic Financial Statements and Notes that provide an overview of the District's financial position and operating results, the Individual Fund Statements and other schedules that provide detailed information relative to the Basic Financial Statements. The Statistical Section includes a number of tables of unaudited data depicting the financial history of the District, demographics, and the fiscal capacity of the District.

Hinsdale Township High School District 86 is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Information related to this single audit, including the schedule of expenditures of federal awards and independent auditors' reports on the internal control structure and compliance with applicable laws and regulations are included in a separate report.

Current Initiatives – 2017-2018

The Hinsdale Township High School District 86 Board of Education and Administration continue to build on the academic skills and techniques required to support today's high school students. By all performance metrics, District 86 does an outstanding job of educating the highest-achieving students and helping the most vulnerable students realize their full potential. This year, Administration is moving to the forefront two specific student populations whose needs have been previously unaddressed in the conventional educational model: high school students in the middle of the achievement spectrum and middle school students who do not meet high school academic readiness standards.

Administration has begun taking steps to develop programming and methodologies to construct curriculum and supports that provide optimal learning experiences and growth to the most populous but seemingly silent population. These students deserve targeted educational experiences just as the highest achieving students and struggling students are provided as a matter of course. With seven sender elementary districts feeding into District 86, students arrive on campus with a wide range of high school readiness skills. By working with sender elementary districts, District 86 can begin to prepare its future students to get as close to or beyond the readiness targets by the start of their freshman year in order for District 86 graduate to meet the increased readiness standards for college and career. The goal of this effort is to give all students the greatest opportunity for growth in the four years they spend at District 86.

The Board and Administration also recognize that there is more to educating students than academics. By broadening the traditional student-centered approach to include elements that are more holistic in nature, District 86 seeks to expand its focus on student wellness. Committees have been formed to lay the groundwork to address this important initiative, looking at social-emotional supports to alleviate the extreme burden of stress our students carry. After a referendum defeat in April 2017, the Board and Administration will engage in analysis of election results and reprioritize facilities needs identified in the 2016 Master Facilities Plan. Depending on Board action, Administration may develop community engagement processes to assess community support and evaluate financing structures to pay for those updates.

Future Initiatives – 2018-2019

- Continue implementation of 1:1 computing initiative and evaluate deployment financing and timeline
- Research and develop curriculum program(s) for students in the middle
- Continue the articulation process with sender elementary districts to increase high school readiness standards for all rising ninth graders
- Continue to move the student wellness initiative forward, researching and implementing components as appropriate, such as homework and school day start times
- Contingent on Board action, review funding options with Board of Education and potential construction schedules for future implementation of Master Facilities Plan

Reporting Entity

The District includes all funds that are controlled by, or dependent on, the Board of Education of the District as determined on a basis of financial accountability. The District does not have such financial accountability over any other entity and thus does not include any other entity as a component unit in this report. Additionally, the District is an independent entity, not includable as a component unit of any other reporting entity.

Economic Outlook

Hinsdale Township High School District 86 is located primarily in the Southeast boundary of DuPage County, with the remainder in Western Cook County. The District has an exceptionally strong tax base of over \$5.0 billion. The area is headquarters for many high-profile companies and other successful mid-sized commercial operations (see statistical section, page 102 for further information).

The District operates two schools with a capacity of 4,420 students, which were built in 1947 and 1965. Enrollment for the fiscal year 2016 was 4,387 and is projected to remain stable over the next year.

Accounting Systems and Budgetary Control

The management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data are properly recorded to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within this framework. Internal control practices are also integrated into the budgetary management of the District's funds.

The District has adopted a legal budget for all its Governmental Funds. The legal level of budgetary control is at the individual fund level, therefore, actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.

Budget control is provided by verification of appropriation amounts prior to expenditures, as well as a monthly review of actual account totals compared to budget. Additional control is established through published policies and procedures for all aspects of accounting practices of the District, which includes the recording of receipts and disbursements of funds entrusted to the District.

To ensure sound financial management, proper accounting practices, internal controls, and budgetary planning are affirmed by the continual review of the Board of Education.

The basis of accounting and the various funds utilized by the District are fully described in Note 1 of the financial statements. Additional information on the District's budgetary accounting can also be found in Note 1.

The District has prepared financial statements following GASB 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments." GASB 34 creates basic financial statements for reporting on the District's financial activities as follows:

Government-wide financial statements. These statements are prepared on an accrual basis of accounting, which is similar to the basis of accounting followed by many businesses. The government-wide statements include the Statement of Net Assets and the Statement of Activities.

Fund financial statements. These statements present information for individual major funds rather than by fund type. Non-major funds are presented in total in one column. Governmental funds use the modified accrual basis of accounting and include a reconciliation to the governmental activities accrual information presented in the government-wide financial statements.

As part of this model, management is responsible for preparing a Management Discussion and Analysis of the District. This discussion is located in the basic financial statements, providing an assessment of District finances for fiscal year 2017, with comparisons to 2016.

GFOA Certificate

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Hinsdale Township High School District 86 for its comprehensive annual financial report for the fiscal year ended June 30, 2016. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ASBO Certificate

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the Hinsdale Township High School District 86 for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. This year's comprehensive annual financial report will again be submitted for the ASBO Certificate of Excellence award.

A Certificate of Excellence is awarded to those school districts that have voluntarily submitted their system's Comprehensive Annual Financial Report (CAFR) for review by an ASBO Panel of Review. Upon completion of a vigorous technical review, the panel members conclude whether the school system's financial report has met the criteria for excellence in financial reporting.

Independent Audit

The School Code of Illinois and the District's adopted policy require an annual audit of the books of accounts, financial records, and transactions of all funds of the District. The audit is done by independent

certified public accountants that are selected by the District's Board of Education. This requirement has been complied with and the auditor's report has been included in this report.

Closing Statement

It is our belief that this Comprehensive Annual Financial Report will provide the District's management, local citizens, stake holders and outside investors with a most meaningful financial presentation. We hope that all readers of this Report will obtain a clear and concise understanding of the District's financial condition as of June 30, 2017.

Acknowledgment

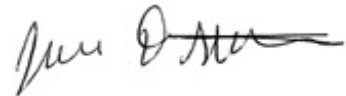
The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of all the members of the Business Office who assisted in closing the District's financial records and preparing this report.

We extend our appreciation to the members of the Board of Education for their interest and support in planning and conducting the financial operations of the District in a responsible, progressive manner.

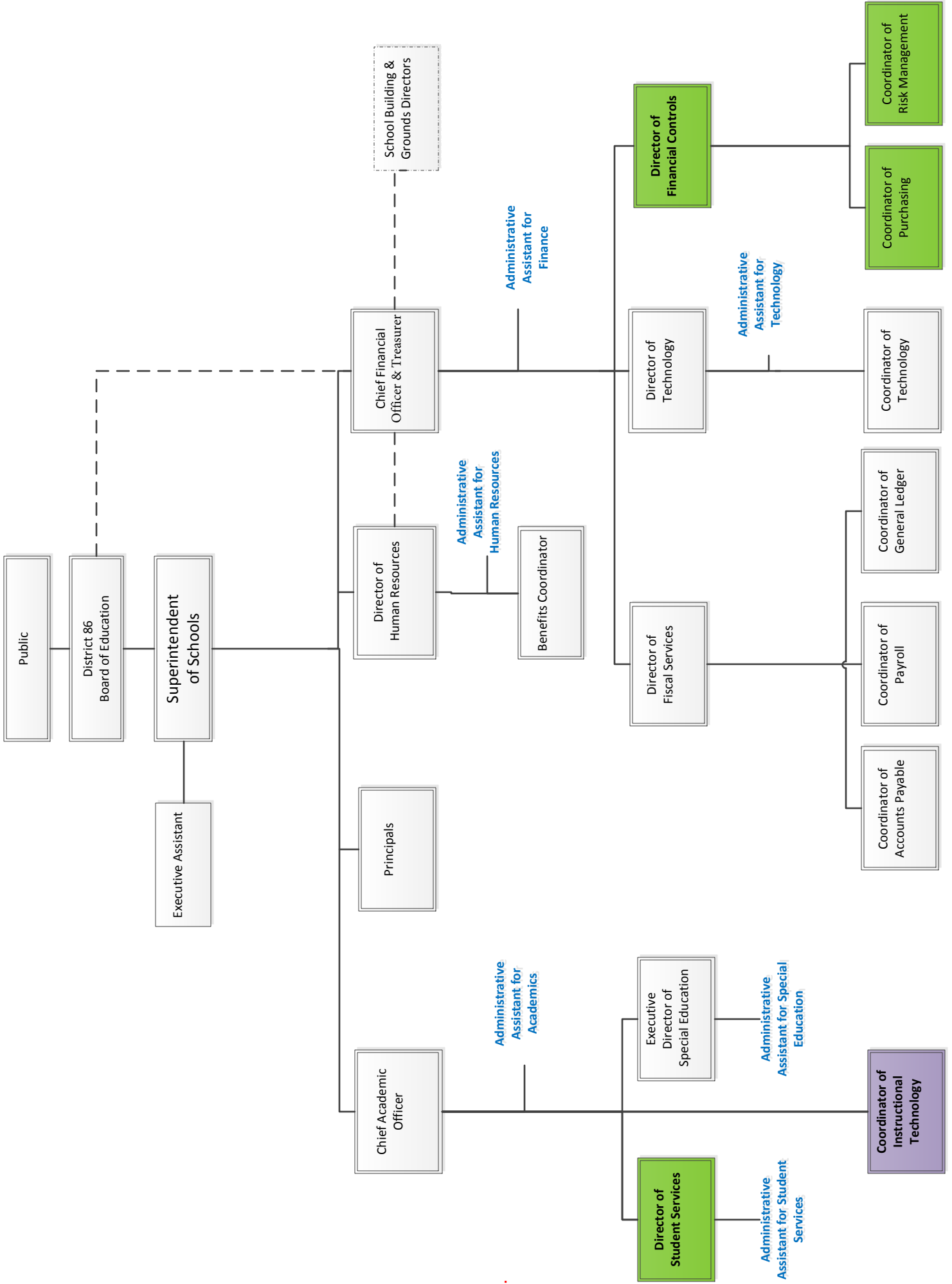
Respectfully submitted,



Dr. Bruce Law
Superintendent of Schools



Mr. Josh Stephenson
Chief Financial Officer



Hinsdale Township High School District 86

DuPage and Cook Counties

5500 S Grant Street

Hinsdale, IL 60521



Principal Officers and Officials

Year Ended June 30, 2017

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

OFFICIAL ISSUING REPORT

Josh Stephenson, Chief Financial Officer and Treasurer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial Reporting**

Presented to

**Hinsdale Township
High School District No. 86
Illinois**

**For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended**

June 30, 2016

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Hinsdale Township High School District No. 86

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.

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



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona', written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE
Executive Director

FINANCIAL SECTION

Independent Auditor's Report

Board of Education
Hinsdale Township High School District 86
Hinsdale, Illinois

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Hinsdale Township High School District 86, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Hinsdale Township High School District 86's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Hinsdale Township High School District 86's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Hinsdale Township High School District 86, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Hinsdale Township High School District 86's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, other supplementary information and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory, other supplementary information and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2017 on our consideration of Hinsdale Township High School District 86's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Hinsdale Township High School District 86's internal control over financial reporting and compliance.



Klein Hall CPAs
Aurora, Illinois
October 3, 2017

Hinsdale Township High School District 86

Management's Discussion and Analysis

For the Year Ended June 30, 2017

The discussion and analysis of Hinsdale Township High School District 86 (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2017. The management of the District encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in millions of dollars. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

Financial Highlights

- In total, net position decreased by \$2.0. This represents an 8.1 percent decrease from 2016. This was primarily due to the write-down of an investment loss, increasing health insurance costs, and unplanned purchased service expenditures.
- General revenues (consisting of property taxes, personal property replacement taxes, state-aid formula grants, investment income and other miscellaneous income) accounted for \$81.1 in revenue or 74.6 percent of all revenues. Program specific revenues in the form of charges for services, fees and grants accounted for \$27.7 or 25.4 percent of total revenues of \$108.8.
- The District had \$110.8 in expenses related to governmental activities. However, only \$27.7 of these expenses were offset by program specific charges and grants.
- Due to the current market conditions interest income increased from 2016. It is still a small portion of overall revenues.

Overview of the Financial Statements

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

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

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

Government-wide financial statements

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

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

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Hinsdale Township High School District 86
Management's Discussion and Analysis
For the Year Ended June 30, 2017

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities, that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include instructional services (regular education, special education and other), supporting services, operation and maintenance of facilities and transportation services.

Fund financial statements

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

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

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

The District maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund (consisting of the Educational Accounts, Working Cash Accounts, Operations & Maintenance Accounts and Tort Immunity & Judgment Accounts), Transportation Fund, IMRF/Social Security Fund, Debt Service Fund and Capital Projects Fund, all of which are considered to be major funds.

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

Fiduciary Funds

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

Notes to the financial statements

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

Hinsdale Township High School District 86
 Management's Discussion and Analysis
 For the Year Ended June 30, 2017

Other Information

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

District-Wide Financial Analysis

Net position: The District's combined net position was lower on June 30, 2017, than June 30, 2016 by \$2.0.

Table 1		
Condensed Statement of Net Position		
(in millions of dollars)		
	2016	2017
Assets and deferred outflows:		
Current and other assets	\$ 103.2	\$ 103.1
Capital assets	39.9	41.4
Total assets	143.1	144.5
Deferred Outflows	4.2	4.2
Liabilities, Deferred Inflows and Net Position:		
Liabilities		
Current liabilities	6.3	6.4
Long-term debt outstanding	37.4	39.5
Total liabilities	43.7	45.9
Deferred Inflows	79.0	80.2
Net position		
Net investment in capital assets	20.6	16.8
Restricted	11.7	10.1
Unrestricted	(7.7)	(4.3)
Total net position	\$ 24.6	\$ 22.6

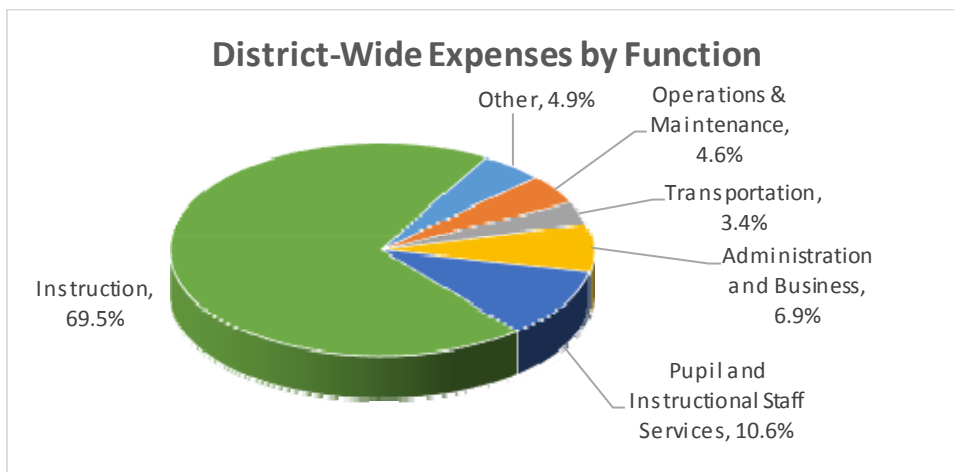
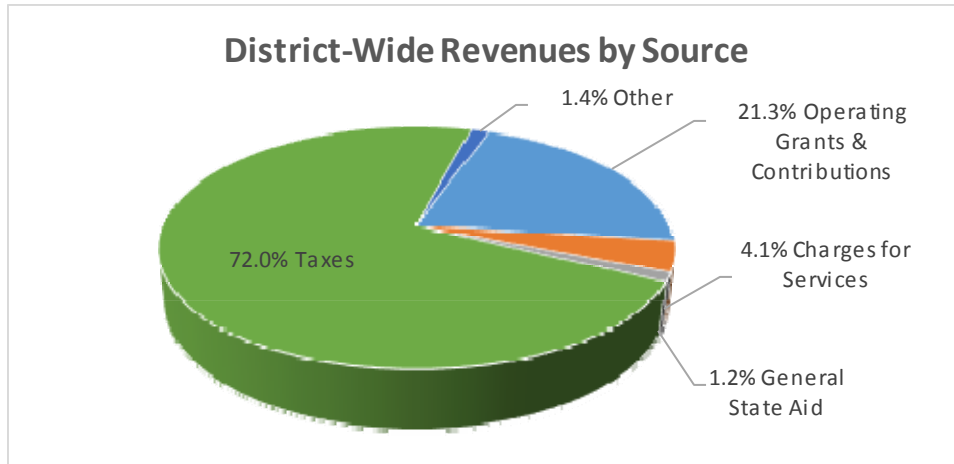
Hinsdale Township High School District 86
 Management's Discussion and Analysis
 For the Year Ended June 30, 2017

Expenses in the governmental activities of the District of \$110.8 exceeded revenues by \$2.0.

Table 2		
Changes in Net Position		
(in millions of dollars)		
	2016	2017
Revenues		
Program Revenues		
Charges for services	\$ 6.2	\$ 4.5
Operating grants & contributions	21.0	23.2
Capital grants & contributions	-	-
General revenues:		
Taxes	76.1	78.3
General state aid	1.2	1.3
Other	1.9	1.5
Total revenues	106.4	108.8
Expenses		
Instruction	76.1	77.0
Pupil & Instructional Staff Services	11.2	11.8
Administration & Business	7.3	7.7
Transportation	3.7	3.8
Operations & Maintenance	6.1	5.1
Other	3.3	5.4
Total expenses	107.7	110.8
Increase (decrease) in net position	(1.3)	(2.0)
Net position, beginning	25.9	24.6
Net position, ending	\$ 24.6	\$ 22.6

Taxes accounted for the largest portion of the District's revenues, contributing 72.0%. The increase in tax revenue is due to an increase in the consumer price index and new construction that occurred within the District's boundaries. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$110.8, mostly related to instruction and care for the students and the operations and maintenance of District-owned facilities.

DISTRICT-WIDE REVENUES BY SOURCE



Financial Analysis of the District's Funds

The District's Governmental Funds balance decreased from \$19.3 to \$17.8 from 2016 to 2017.

The financial performance of the District, as it related to the total government funds as a whole, reflects a decrease in financial position.

The General Fund (consisting of the Educational Accounts, Operations and Maintenance Accounts, Working Cash Accounts, and Tort Immunity & Judgment Accounts) decreased approximately \$1.5 due to the write-down of an investment loss, increasing health insurance costs, and unplanned purchased service expenditures.

The Transportation Fund decreased approximately \$0.3 due to increasing costs from Special Education and homeless student transportation.

The Municipal Retirement/Social Security Fund increased \$0.4 due to a reduction in the employer pension rate for the Illinois Municipal Retirement Fund. This rate decrease was the result of District action in 2015 to pay down a significant portion of the unfunded pension liability.

The Capital Projects Fund and the Debt Service Fund had slight decreases due to transfers from other funds.

General Fund Budgetary Highlights

Overall, the 2017 budget was in line with the District's expectations despite the wavering economic conditions of the state. The following variances ignore the on-behalf payment made by the state, which is recorded as a revenue and expense on the District financial reports that offsets. Revenues in the General Fund were \$0.4 under budget due to the write down of the investment loss and lower than anticipated revenues in the Self-Insurance Fund. The shortfalls on the revenue side were partially offset by an unbudgeted lease proceeds of \$0.5 being recorded as revenue. Expenditures in the General Fund were \$1.0 over budget primarily driven by unbudgeted expenses related to the referendum and copier lease buyout. Also, copiers that were acquired by the District through a lease were recorded as an expense, but it did have an offsetting revenue (lease proceeds).

Capital Asset and Debt Administration

Capital assets

By the end of 2017, the District had compiled a total investment of \$94.7 (\$41.4 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. The reason for the overall increase was the addition of a new construction in process. Total depreciation expense for the year was \$2.5. More detailed information about capital assets can be found in Note 4 of the basic financial statements.

	2016	2017
Land	\$ 2.6	\$ 2.6
Construction in progress	2.1	-
Land Improvements	5.1	4.9
Building improvements	27.8	29.8
Equipment	2.3	4.1
Total	<u>\$ 39.9</u>	<u>\$ 41.4</u>

Long-term debt

Bonded Debt and other long-term liabilities increased by \$2.1. At the end of fiscal 2017, the District had a debt margin of \$343.2. More detailed information on long-term debt can be found in Note 5 of the basic financial statements.

	2016	2017	Increase (Decrease)
General Obligation bonds	\$ 24.2	\$ 23.1	-4.3%
Other	13.2	16.3	24.0%
Total	<u>\$ 37.4</u>	<u>\$ 39.5</u>	<u>5.7%</u>

Factors Affecting the District's Future

At the time these financial statements were prepared and audited, the District was aware of the following circumstances that will significantly affect operations in the future:

The Board of Education settled a five-year contract with the Hinsdale Township High School Support Staff Association (2016-2021). The agreement reduces the Board's risk on increases in health insurance costs long term. In order to achieve those long-term gains, costs to the Board will be higher in the first year of the contract.

The settlement of the agreement with the support staff association allowed the District to complete the enrollment of all employee groups into 125 cafeteria health insurance plans. This direction was initiated by the Board in 2016 as a way to manage long-term health insurance costs by incentivizing lower cost elections and sharing greater cost increases with employees.

The Board of Education has updated its Master Facilities Plan which was developed by the District's architect in conjunction with District faculty, staff, students and community members. Decisions about which projects to pursue could result in considerable increases in expenditures on facilities that will likely be offset by the issuance of debt., regardless of the size of MFP renovations.

The District is preparing to move to a 1:1 instructional environment with partial deployment underway. The methods by which the entire deployment is funded will likely have a significant effect on future operating costs of the District because of increased staffing costs. Full implementation is planned for the 2018-2019 fiscal year.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Business Office:

Josh Stephenson, Chief Financial Officer
Hinsdale Township High School District 86
5500 S. Grant Street
Hinsdale, Illinois 60521

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Hinsdale Township High School District No. 86

Statement of Net Position

June 30, 2017

	Governmental Activities
Assets	
Cash and investments	\$ 60,976,831
Receivables	
Property taxes	38,285,705
Due from other governments	3,667,394
Other	141,766
Capital assets	
Land	2,597,925
Other capital assets, net of depreciation	<u>38,854,313</u>
 Total Assets	 <u>144,523,934</u>
 Deferred Outflows	
Deferred outflows related to pensions	3,722,743
Deferred outflows related to bond refunding	<u>439,782</u>
 Total deferred outflows	 <u>4,162,525</u>
 Liabilities	
Accounts payable	2,512,808
Accrued salaries	3,893,165
Noncurrent liabilities	
Due within one year	1,985,203
Due in more than one year	<u>37,509,393</u>
 Total Liabilities	 <u>45,900,569</u>
 Deferred Inflows	
Deferred inflows related to pensions	1,310,388
Property taxes levied for subsequent year	<u>78,908,195</u>
 Total deferred inflows	 <u>80,218,583</u>
 Net Position	
Net investment in capital assets	16,784,213
Restricted for	
Operations and maintenance	9,697,298
Liability Insurance	365,347
Unrestricted	<u>(4,279,551)</u>
 Total Net Position	 <u>\$ 22,567,307</u>

See accompanying notes to basic financial statements

Hinsdale Township High School District No. 86

Statement of Activities

For the Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
Governmental Activities					Total Governmental Activities
Instructional services					
Regular programs	\$ 36,272,782	\$1,613,076	\$ 511,819	\$ -	\$(34,147,887)
Special programs	13,802,048	2,429,879	2,823,262	-	(8,548,907)
Tuition, learning disabilities	8,364,780	-	-	-	(8,364,780)
State retirement contributions	18,579,214	-	18,579,214	-	-
Support services					
Pupils	8,794,201	-	-	-	(8,794,201)
Instructional staff	3,034,770	-	57,722	-	(2,977,048)
General administration	3,543,647	-	-	-	(3,543,647)
School administration	2,381,880	-	-	-	(2,381,880)
Business	1,694,433	-	17,787	-	(1,676,646)
Operation and maintenance of facilities	5,126,492	244,528	2,817	-	(4,879,147)
Transportation	3,846,843	194,011	1,184,242	-	(2,468,590)
Central	4,361,273	-	-	-	(4,361,273)
Community service	122,717	-	-	-	(122,717)
Interest and fees	906,823	-	-	-	(906,823)
Total governmental activities	\$110,831,903	\$4,481,494	\$23,176,863	\$ -	(83,173,546)
General revenues					
Property taxes levied for					
General purposes					71,749,818
Transportation					2,104,004
Retirement					2,657,374
Debt service					1,730,974
Federal and state aid not restricted to specific purposes					1,346,567
Earnings on investments					626,986
Miscellaneous					911,536
					<u>81,127,259</u>
					Change in net position
					(2,046,287)
					Net position - beginning
					<u>24,613,594</u>
					Net position - ending
					<u><u>\$ 22,567,307</u></u>

See accompanying notes to basic financial statements

FUND FINANCIAL STATEMENTS

Hinsdale Township High School District No. 86

Balance Sheet

Governmental Funds

June 30, 2017

	<u>General</u>	<u>Transportation</u>
ASSETS		
Assets		
Cash and investments	\$ 57,090,803	\$ 899,590
Receivables		
Property taxes	35,420,563	1,044,556
Due from other governments	3,074,132	593,262
Other	78,402	63,364
	<u> </u>	<u> </u>
TOTAL ASSETS	<u>\$ 95,663,900</u>	<u>\$ 2,600,772</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 1,089,521	\$ 1,423,287
Accrued salaries and related expenditures	3,735,932	-
	<u> </u>	<u> </u>
Total Liabilities	<u>4,825,453</u>	<u>1,423,287</u>
Deferred Inflows		
Property taxes levied for subsequent year	<u>73,031,263</u>	<u>2,140,854</u>
Fund Balances		
Restricted for		
Operations and Maintenance	9,697,298	-
Tort Immunity	365,347	-
Assigned for self insurance	3,149,076	-
Unassigned	4,595,463	(963,369)
	<u> </u>	<u> </u>
Total Fund Balances (Deficits)	<u>17,807,184</u>	<u>(963,369)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 95,663,900</u>	<u>\$ 2,600,772</u>

See accompanying notes to basic financial statements

Municipal Retirement/ Social Security	Debt Service	Capital Projects	Total Governmental Funds
\$ 1,397,798	\$ 1,523,699	\$ 64,941	\$ 60,976,831
1,125,351	695,235	-	38,285,705
-	-	-	3,667,394
-	-	-	141,766
<u>\$ 2,523,149</u>	<u>\$ 2,218,934</u>	<u>\$ 64,941</u>	<u>\$ 103,071,696</u>
\$ -	\$ -	\$ -	\$ 2,512,808
157,233	-	-	3,893,165
157,233	-	-	6,405,973
2,310,957	1,425,121	-	78,908,195
-	-	-	9,697,298
-	-	-	365,347
-	-	-	3,149,076
54,959	793,813	64,941	4,545,807
54,959	793,813	64,941	17,757,528
<u>\$ 2,523,149</u>	<u>\$ 2,218,934</u>	<u>\$ 64,941</u>	<u>\$ 103,071,696</u>

Hinsdale Township High School District No. 86
 Reconciliation of the Balance Sheet of Governmental Funds
 To the Statement of Net Position
 June 30, 2017

Total fund balances - governmental funds		\$ 17,757,528
Amounts reported for governmental activities in the statement of net position are different because		
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is \$94,733,647 and the accumulated depreciation is \$53,281,409.		41,452,238
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. These liabilities consist of		
Bonds and debt certificates payable	\$ (25,012,687)	
Net OPEB obligation	(6,224,234)	
Net pension liability - IMRF	(2,099,364)	
Net pension liability - TRS	(5,926,035)	
Unamortized bond premium	(1,841,738)	
Compensated absences	<u>(137,156)</u>	
		(41,241,214)
Deferred inflows and outflows of resources related to pensions and bonds are not reported in governmental funds.		
Deferred outflows related to refunding costs		2,186,400
Deferred outflows related to pensions		3,722,743
Deferred inflows related to pensions		<u>(1,310,388)</u>
Net position of governmental activities		<u><u>\$ 22,567,307</u></u>

Hinsdale Township High School District No. 86
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2017

	General	Transportation
REVENUES		
Local sources		
Property taxes	\$ 71,749,818	\$ 2,104,004
Replacement taxes	1,105,763	-
Earnings on investment	19,767	580
Other local sources	4,600,191	194,011
Total local sources	<u>77,475,539</u>	<u>2,298,595</u>
State sources	22,142,051	1,184,242
Federal sources	1,157,080	-
Total Revenues	<u>100,774,670</u>	<u>3,482,837</u>
EXPENDITURES		
Current operating		
Instruction	70,046,412	-
Supporting services	26,239,916	3,821,845
Community service	122,717	-
Non-programmed charges	2,485,348	-
Capital outlay	4,766,746	-
Debt service		
Principal	-	-
Interest	-	-
Other	-	-
Total Expenditures	<u>103,661,139</u>	<u>3,821,845</u>
Excess (deficiency) of revenues over expenditures	<u>(2,886,469)</u>	<u>(339,008)</u>
OTHER FINANCING SOURCES (USES)		
Principal on bonds sold	-	-
Sale of non-capitalized equipment	34,455	-
Proceeds from capital leases	1,962,687	-
Payment to escrow	-	-
Transfers in	-	-
Transfers out	(504,488)	-
Total other financing sources (uses)	<u>1,492,654</u>	<u>-</u>
Net change in fund balances	(1,393,815)	(339,008)
Fund balances (deficits) at beginning of year	<u>19,200,999</u>	<u>(624,361)</u>
FUND BALANCES (DEFICITS) AT END OF YEAR	<u><u>\$ 17,807,184</u></u>	<u><u>\$ (963,369)</u></u>

See accompanying notes to basic financial statements

Municipal Retirement/ Social Security	Debt Service	Capital Projects	Total Governmental Funds
\$ 2,657,374	\$ 1,730,974	\$ -	\$ 78,242,170
128,949	-	-	1,234,712
3,383	6,780	649	31,159
-	-	-	4,794,202
2,789,706	1,737,754	649	84,302,243
-	-	-	23,326,293
-	-	-	1,157,080
2,789,706	1,737,754	649	108,785,616
1,155,414	-	-	71,201,826
1,202,856	-	18,231	31,282,848
-	-	-	122,717
-	-	-	2,485,348
-	-	36,503	4,803,249
-	1,500,000	-	1,500,000
-	894,009	-	894,009
-	97,216	-	97,216
2,358,270	2,491,225	54,734	112,387,213
431,436	(753,471)	(54,085)	(3,601,597)
-	14,700,000	-	14,700,000
-	-	-	34,455
-	-	-	1,962,687
-	(14,590,229)	-	(14,590,229)
-	504,488	-	504,488
-	-	-	(504,488)
-	614,259	-	2,106,913
431,436	(139,212)	(54,085)	(1,494,684)
(376,477)	933,025	119,026	19,252,212
\$ 54,959	\$ 793,813	\$ 64,941	\$ 17,757,528

Hinsdale Township High School District No. 86

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of the Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2017

Net change in fund balances - total governmental funds **\$ (1,494,684)**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$1,000 are capitalized and the cost is allocated over their estimated lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	\$ 4,005,311	
Depreciation expense	<u>(2,499,796)</u>	
		1,505,515

Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. These activities consist of

Change in net pension liability - TRS	\$ (348,683)	
Change in net pension liability - IMRF	(173,052)	
Change in deferred inflow/outflows related to pensions	(362,620)	
Change in other post employment benefits	(686,280)	
Change in compensated absences	<u>1,573</u>	
		(1,569,062)

The governmental funds record bond and loan proceeds as other financing sources, while repayment of bond and loan principal is reported as an expenditure. Also, governmental funds report the effect of premiums when debt is first issued, whereas this amount is deferred and amortized in the statement of activities. The net effect of these differences in the treatment of bonds and loans and related items is as follows:

Repayment of bond and loan principal	\$ 1,500,000	
Principal on debt issuances	(16,662,687)	
Premium on bonds amortization	118,231	
Deferred amount on refunding amortization	(33,829)	
Payment to escrow	<u>14,590,229</u>	
		<u>(488,056)</u>

Change in net position of governmental activities **\$ (2,046,287)**

Hinsdale Township High School District No. 86
Statement of Fiduciary Assets and Liabilities - Agency Fund
June 30, 2017

Assets

Cash \$ 1,398,685

Liabilities

Due to student groups 1,302,524
Due to flex benefit plan 96,161

Total liabilities \$ 1,398,685

See accompanying notes to basic financial statements.

Hinsdale Township High School District 86

Notes to Financial Statements

June 30, 2017

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Hinsdale Township High School District 86 (the "District") operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District.

a. Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. The effect of interfund activity has been removed from these statements. The District's operating activities are considered "governmental activities," that is, activities that are normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business activities."

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: (1) amounts paid by the recipient of goods or services offered by the program and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues instead.

Governmental Fund Financial Statements

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

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

b. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus, while the fiduciary fund statements do not have a measurement focus. The government-wide financial statements and the fiduciary fund financial statements are reported using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both “measurable and available.” “Measurable” means that the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers most revenues available if they are collected within 60 days after year-end. For state categorical grants-in-aid for which qualifying expenditures have been made, the District considers revenues available if collected within 180 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured principal and interest on general long-term debt is recognized when due; and certain compensated absences, claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

c. Major Governmental Funds

General Fund – the general operating fund of the District. It accounts for all financial resources except those accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District’s operations. Revenues consist largely of local property taxes and state government aid.

Educational Account - These accounts are used for most of the instructional and administrative aspects of the District’s operations, as well as providing school lunch services to students. The revenue consists primarily of local property taxes, state government aid, student registration fees, and lunch receipts from the District food service program.

Operations and Maintenance Account - These accounts are used for expenditures made for operation, repair, and maintenance of District property. Revenue consists primarily of local property taxes.

Tort Immunity Account - This fund accounts for revenues and expenditures related to tort immunity. Revenue is primarily derived from local property taxes.

Working Cash Account - This fund accounts for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied. The Working Cash Account was established and has been used to respond to fluctuations in cash flow resulting from unpredictable property tax collections. The earnings of the fund are allowed to be transferred to another fund under the Illinois Compiled Statutes. The principal of the fund, accumulated from bond issues, can be used as a source from which the District borrows money to support temporary deficiencies in other funds, or may be partially or fully transferred to the General Fund’s Educational Account, upon Board approval.

Special Revenue Funds – account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than those accounted for in the Debt Service Fund, Capital Projects Funds or Fiduciary Funds.

Transportation Fund – accounts for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Debt Service Fund – accounts for the accumulation of resources that are restricted, committed, or assigned for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Capital Project Fund – accounts for the financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

Capital Projects Fund – accounts for construction projects and renovations financed through serial bond issues.

d. Other Fund Types

Fiduciary Funds – account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

Agency Funds – include Student Activity Funds, Convenience Accounts and Other Agency Funds. These funds are custodial in nature and do not present results of operations or have a measurement focus. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational or cultural purposes. Convenience Accounts accounts for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

On-behalf payments (payments made by a third party for the benefit of the district, such as payments made by the state to the Teachers’ Retirement System) have been recognized in the financial statements.

Property taxes, replacement taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and recognized as revenue at that time.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as deferred revenues until earned.

e. All Financial Statements

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f. Deposits and Investments

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

g. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These amounts are eliminated in the governmental activities column in the statement of net position. Receivables are expected to be collected within one year.

j. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are reported as prepaid items in both the government-wide and fund financial statements. Prepaid expenditures are accounted for using the consumption method, that is they are recognized as an expenditure as they are used.

i. Deferred Inflows/Unearned Revenue

In addition to assets, the statement of net position/balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the statement of net position/balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

j. Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2016 levy resolution was approved during the December 19, 2016 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year.

The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District.

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lessor of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A portion of property taxes are collected by the Cook County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments: the first due on March 1 and the second due on the later of August 1 or 30 days after the second installment tax bill is mailed. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment is based in the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill. Property taxes are normally collected by the District within 60 days of the due date.

A portion of property taxes are collected by the DuPage County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two equal installments: the first due on June 1 and the second due on September 1. Property taxes are normally collected by the District within 60 days of the respective installment dates.

The 2016 property tax levy, less amounts received prior to June 30, is recognized as a receivable in fiscal 2017, net of estimated uncollectible amounts approximating 1%. The District has determined that the first and second installment of the 2016 levy is to be used to be used to finance operations in fiscal 2018 and has deferred the corresponding receivable.

k. Personal Property Replacement Taxes

Personal property replacement taxes are first allocated to the Municipal Retirement / Social Security Fund, and the balance is allocated to the remaining funds at the discretion of the District.

l. Capital Assets

Capital assets, which include land, land improvements, buildings, building improvements, vehicles, machinery, equipment, and construction in progress are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$1,000 and an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	40
Land improvements	20
Furniture, equipment and vehicles	5-20

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

m. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

funds only if they have matures, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at June 30, 2017 are determined on the basis of current salary rates and include salary related payments.

Full-time, twelve month support staff employees are eligible for paid vacation time based on the number of fully completed years of full-time employment with the District as of July 1 according to the following schedule: 1-5 completed years (10 days), 6-10 completed years (15 days), and 11 completed years or more (20 days). In order to be eligible to earn paid vacation, the employee must work at least 1,600 hours during the year preceding July 1. During the first year of employment, the employee must work at least 120 hours during the preceding month to be eligible to earn vacation days.

Vacation pay shall be paid at the rate of the employee's regular hourly rate of pay in effect for the employee's regular job classification. An employee who provides at least two weeks advance written notice of his/her termination of employment with the District shall be paid for any earned but unused vacation at the time of termination. Upon retirement, resignation, or termination, a maximum of thirty days of accrued vacation days will be paid out. The District's entire liability for unpaid vacation is reported on the government-wide financial statements.

All full-time certified employees receive fourteen sick days per year, in accordance with the agreement between the Board of Education and the Hinsdale High School Teachers Association. The District does not reimburse certified employees covered under this agreement for unused sick days remaining upon termination of employment. Due to the nature of the policies on sick leave, and the fact that any liability is contingent upon future events and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated unpaid sick leave.

n. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the applicable bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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

o. Equity Classifications

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

Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

improvement of those assets less than any unspent debt proceeds.

Restricted net position – Consists of net position with constraints placed on its use wither by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or, 2) law through constitutional provisions or enabling legislation.

Unrestricted net position – All other net position that does not meet the definition of “restricted” or “net investment in capital assets.”

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

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

Nonspendable – includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (principal endowment) (e.g. inventory, prepaid items, permanent scholarships).

Restricted – includes amounts constrained for a specific purpose by external parties (e.g. Debt Service, Capital Projects, State and Federal Grant Funds).

Committed – includes amounts constrained for a specific purpose by a government using its highest level of decision making authority, the Board of Education. This formal action (a resolution) must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constrained imposed require the same formal action of the Board of Education that originally created the commitment.

Assigned – includes general fund amounts constrained for a specific purpose by the Board of Education or by an Official that has been delegated authority to assign amounts. The Board of Education has declared that the Superintendent or the Superintendent’s designee may assign amounts for a specific purpose. The Board of Education may also take official action to assign amounts. Additionally, all remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned. Assignments may take place after the end of the reporting period.

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

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

Governmental fund balances reported on the fund financial statements at June 30, 2017 are as follows:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The restricted fund balance in the General Fund is comprised of \$9,697,298 for operations and maintenance. The remaining restricted fund balances are for the purpose of the respective funds as described above in the Major Governmental Funds section. The assigned balance in the General Fund is comprised of \$3,149,076 for self-insurance claims.

p. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net positions of the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF), together "the Plans," and additions to/deductions from the Plans' fiduciary net positions have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.pg

q. Eliminations and Reclassifications

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

3. DEPOSITS AND INVESTMENTS

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

At year end, the District's cash and investments comprised of the following:

	<u>Government-Wide</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ 60,976,831	\$ 1,398,685	\$ 62,375,516
Total	<u>\$ 60,976,831</u>	<u>\$ 1,398,685</u>	<u>\$ 62,375,516</u>

For disclosure purposes, this amount is segregated into the following components: 1) deposits with financial institutions, which include amounts held in demand accounts, savings accounts and non-negotiable certificates of deposit; 2) external investment pools and 3) other investments, which consist of all investments other than non-negotiable certificates of deposits and external investment pools.

3. DEPOSITS AND INVESTMENTS (Continued)

	Cash and Investments
Deposits with financial institutions	\$ 29,242,189
External investment pool - Illinois Funds	14,274,757
Other investments	18,858,570
Total	\$ 62,375,516

The Illinois Funds is investment pool created and regulated by the Illinois General Assembly. The fair value of the District's investment in Illinois Funds has been determined using the net asset value (NAV) per share (or its equivalent) of the investments. The NAV of Illinois Funds is determined as of the close of business on each Illinois banking day. Illinois Funds invests in high-quality short-term debt instruments (U.S. Treasuries, U.S. agencies, and commercial paper), and shares may be redeemed on demand. There were no known restrictions on redemption of the District's investments as of June 30, 2017.

The District has the following recurring fair value measurements as of June 30, 2017:

- Government and municipal bonds of \$18,279,225 are valued by a pricing service based on recent market transactions (Level 2 inputs)
- IMET of \$579,345 are valued using a matrix pricing model (Level 2 inputs).

At year end, the District had the following investments:

Investment Type	Fair Value	Maturity	% of Portfolio	Credit Rating
IMET	\$ 579,345	1 Year	3%	AAA
Government bonds	2,500,000	1-5 Years	13%	A- to AAA
Municipal bonds	<u>15,779,225</u>	1-5 Years	<u>84%</u>	A- to AAA
Total	\$ 18,858,570		<u>100.00%</u>	

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District does not have formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the District's policy states the objectives of the District's investment activities to be meeting the school district's need for safety, liquidity, rate of return, and diversification, and its general performance.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State Statues limit the investments in commercial paper and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). The District has no investment policy that would further limit its investment choices.

3. DEPOSITS AND INVESTMENTS (Continued)

Custodial Credit Risk – Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District’s deposits may not be returned to it. The District’s investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2017, the bank balance of the District’s deposits with financial institutions totaled \$30,477,832, of which all was collateralized or insured.

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

The Illinois Metropolitan Investment Fund (IMET) is an investment pool created under the Illinois Municipal Code. The fair value of the District’s investment in IMET has been determined using the net asset value (NAV) per share (or its equivalent) of the investments. The NAV of the investments are determined as of the close of business on each Illinois banking day. There were no known restrictions on redemption of the District’s investments as of June 30, 2017.

Separate cash and investment accounts are not maintained for all District funds; instead, the individual funds maintain their invested and uninvested balances in the common checking and investment accounts, with accounting records being maintained to show the portion of the common account balance attributable to each participating fund.

4. CAPITAL ASSETS

Capital Asset activity for the District for the year ended June 30, 2017 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets not being depreciated:				
Land	\$ 2,597,925	\$ -	\$ -	\$ 2,597,925
Construction in process	2,120,992	-	2,120,992	-
Total capital assets not being depreciated	<u>4,718,917</u>	<u>-</u>	<u>2,120,992</u>	<u>2,597,925</u>
Capital assets being depreciated:				
Land improvements	9,284,498	-	-	9,284,498
Building	66,220,489	3,842,432	-	70,062,921
Equipment	10,504,432	2,283,871	-	12,788,303
Total capital assets being depreciated	<u>86,009,419</u>	<u>6,126,303</u>	<u>-</u>	<u>92,135,722</u>
Less Accumulated Depreciation for:				
Land improvements	4,190,194	206,268	-	4,396,462
Building	38,352,173	1,887,939	-	40,240,112
Equipment	8,239,246	405,589	-	8,644,835
Total accumulated depreciation	<u>50,781,613</u>	<u>2,499,796</u>	<u>-</u>	<u>53,281,409</u>
Net capital assets being depreciated	<u>35,227,806</u>	<u>3,626,507</u>	<u>-</u>	<u>38,854,313</u>
Net governmental activities capital assets	<u>\$ 39,946,723</u>	<u>\$ 3,626,507</u>	<u>\$ 2,120,992</u>	<u>\$ 41,452,238</u>

4. CAPITAL ASSETS (Continued)

Depreciation expense was recognized in the operating activities of the District as follows:

Governmental Activities	Depreciation
Regular programs	\$ 999,917
Special programs	224,982
Other instructional programs	124,990
Pupils	174,986
Instructional staff	74,994
General administration	99,992
School administration	24,998
Business	24,998
Transportation	24,998
Operations and maintenance	224,982
Central	499,959
	<u>499,959</u>
Total depreciation expenses - governmental activities	<u>\$ 2,499,796</u>

5. LONG TERM LIABILITIES

Changes in General Long-term Liabilities. The following is the long-term liability activity for the District for the year ended June 30, 2017:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One year
General Obligation bonds	\$ 22,220,000	\$ 14,700,000	\$ 13,870,000	\$ 23,050,000	\$ 1,370,000
Unamortized premium	1,959,969	-	1,864,849	95,120	-
Total bonds payable	<u>24,179,969</u>	<u>14,700,000</u>	<u>15,734,849</u>	<u>23,145,120</u>	<u>1,370,000</u>
Net pension liability - IMRF	1,926,312	173,052	-	2,099,364	-
Net pension liability - TRS	5,577,352	348,683	-	5,926,035	-
Net OPEB obligation	5,537,954	686,280	-	6,224,234	-
Capital leases	-	1,962,687	-	1,962,687	478,047
Compensated absences	138,729	-	1,573	137,156	137,156
Total long-term liabilities - governmental activities	<u>\$ 37,360,316</u>	<u>\$ 17,870,702</u>	<u>\$ 15,736,422</u>	<u>\$ 39,494,596</u>	<u>\$ 1,985,203</u>

The obligations for the compensated absences, net pension liability and net OPEB obligation will be repaid from the General Fund.

Hinsdale Township High School District 86
Notes to Financial Statements (Continued)
June 30, 2017

5. LONG TERM LIABILITIES (Continued)

General Obligation Bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Original Indebtedness	Carrying Amount
Series 2008 Limited School Bonds dated November 1, 2008 are due in annual installments through January 15, 2019	4% - 4.25%	\$ 3,980,000	\$ 1,210,000
Series 2012 Limited School Bonds dated February 16, 2012 are due in annual installments through January 15, 2030	2% - 5%	15,395,000	2,905,000
Series 2015 Limited School Bonds dated December 15, 2015 are due in annual installments through January 15, 2027	0.61% - 3.14%	4,800,000	4,415,000
Series 2016 Limited School Refunding Bonds dated July 20, 2016 are due in annual installments through December 30, 2029	2.01%	<u>14,700,000</u>	<u>14,520,000</u>
 Total		<u>\$ 38,875,000</u>	<u>\$ 23,050,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows for governmental type activities:

	Principal	Interest	Total
2018	\$ 1,370,000	\$ 483,205	\$ 1,853,205
2019	1,405,000	506,938	1,911,938
2020	1,465,000	474,638	1,939,638
2021	1,780,000	421,974	2,201,974
2022	1,865,000	352,116	2,217,116
2023-2027	10,145,000	1,123,286	11,268,286
2028-2030	<u>5,020,000</u>	<u>152,660</u>	<u>5,172,660</u>
 Total	<u>\$ 23,050,000</u>	<u>\$ 3,514,817</u>	<u>\$ 26,564,817</u>

On July 20, 2016 the District issued \$14,700,000 of General Obligation Limited Tax Refunding School Bonds, Series 2016 with an interest rate of 2.01%. The proceeds were used to advance refund a portion (\$12,370,000) of outstanding General Obligation Limited Tax School Bonds, Series 2012. The net proceeds of \$14,590,229 (after payment of \$109,771 in underwriting fees and other issuance costs) were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result, \$12,370,000 of the General Obligation Limited Tax School Bonds referred to above are considered defeased and the liability for those bonds has been removed from the statement of net position.

5. LONG TERM LIABILITIES (Continued)

The reacquisition price exceeded the net carrying amount of the old debt by \$583,382. This amount is being netted against the new debt and amortized over the remaining life of the refunding debt. The District advance refunded the General Obligation Limited Tax School Bonds referred to above to reduce its total debt service payments over 10 years by \$985,379 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$940,347. At June 30, 2017 \$12,730,000 of defeased bonds remained outstanding.

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2017, the statutory debt limit for the District was \$367,383,372, providing a debt margin of \$345,127,155. There are numerous covenants with which the District must comply in regard to these bond issues. As of June 30, 2017, the District was in compliance with all significant bond covenants, including federal arbitrage regulations.

Capital leases – The District entered into two capital lease agreements as lessee for financing the acquisition of copiers and computer equipment valued at \$1,962,687. The equipment has a five-year useful life. These lease agreements qualify as capital leases for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception dates.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017 were as follows:

	Governmental Activities
2018	\$ 512,217
2019	512,217
2020	512,217
2021	512,217
Total minimum lease payments	<u>2,048,868</u>
Less: amount representing interest	(86,181)
Present value of minimum lease payments	<u>\$ 1,962,687</u>

6. RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect from workers' compensation risks, the District participates in the following public entity risk pool: School Employees Loss Fund (SELF). The District pays annual premiums to the pool for insurance coverage. The arrangements with the pool provide that it will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pool. There have been no significant reductions in insurance coverage from coverage in any of the past three fiscal years.

6. RISK MANAGEMENT (Continued)

The District continues to carry commercial insurance for all other risks of loss, other than medical and dental coverage. Premiums have been recorded as expenditures in the appropriate funds. There have been no significant reductions in insurance coverage from coverage in the prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The District is self-insured for medical and dental coverage that is provided to District personnel. A third party administrator administers claims for a monthly fee per participant. Expenditures are recorded as incurred in the form of direct contributions from the District to the third party administrator for payment of employee health claims and administration fees. The District's liability will not exceed \$150,000 per employee or 125% of the average claim value in the aggregate, as provided by stop-loss provisions incorporated in the plan.

At June 30, 2017, total unpaid claims, including an estimate of claims that have been incurred but not reported to the administrative agent, totaled \$699,000. The estimates are developed based on reports prepared by the administrative agent. The District does not allocate overhead costs or other nonincremental costs to the claims liability. For the two years ended June 30, 2016 and June 30, 2017, changes in the liability reported in the General (Educational) Fund for unpaid claims are summarized as follows:

	Claims Payable Beginning of Year	Current Year Claims and Changes in Estimates	Claims Payments	Claims Payable End of Year
Fiscal Year 2017	\$ 727,000	\$ 7,409,347	\$ 7,437,347	\$ 699,000
Fiscal Year 2016	731,700	8,714,807	8,719,507	727,000

7. EMPLOYEE RETIREMENT SYSTEMS

The retirement plans of the District include the Teachers' Retirement System of the State of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF). Most funding for TRS is provided through payroll withholdings of certified employees and contributions made by the State of Illinois on-behalf of the District. IMRF is funded through property taxes and a perpetual lien of the District's corporate personal property replacement tax. Each retirement system is discussed below.

a. Teachers' Retirement System of the State of Illinois (TRS)

Plan Description

The District participates in the TRS. TRS is a cost-sharing, multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active non-annuitants who are employed by a TRS-covered employer to provide services for which teacher licensure is required. The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for the System's administration.

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

TRS issues a publicly available financial report that can be obtained at <http://trsil.gov/pubs/cafr>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 877-0890, option 2.

Benefits Provided

TRS provides retirement, disability, and death benefits. Tier I members have TRS or reciprocal system service prior to January 1, 2011. Tier I members qualify for retirement benefits at age 62 with five years of service, at age 60 with 10 years, or age 55 with 20 years. The benefit is determined by the average of the four highest years of creditable earnings within the last 10 years of creditable service and the percentage of average salary to which the member is entitled. Most members retire under a formula that provides 2.2 percent of final average salary up to a maximum of 75 percent with 34 years of service. Disability and death benefits are also provided.

Tier II members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier II are identical to those of Tier I. Death benefits are payable under a formula that is different from Tier I.

Essentially all Tier I retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier II annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

Contributions

The State of Illinois maintains the primary responsibility for funding TRS. The Illinois Pension Code, as amended by Public Act 88-0593 and subsequent acts, provides that for years 2010 through 2045, the minimum contribution to the System for each fiscal year shall be an amount determined to be sufficient to bring the total assets of the System up to 90% of the total actuarial liabilities of the System by the end of fiscal year 2045.

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2017, was 9.4% of creditable earnings. On July 1, 2016, the rate dropped to 9.0% of pay due to the expiration of the Early Retirement Option (ERO). The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer.

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2017, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$18,054,257 in pension contributions from the State of Illinois.

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

2.2 formula contributions. The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2017 were \$271,853, and are deferred because they were paid after the June 30, 2016 measurement date.

Federal and special trust fund contributions. When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that has been in effect since the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS. Public Act 98-0674 now requires the two rates to be the same.

For the year ended June 30, 2017, the employer pension contribution was 38.54% of salaries paid from federal and special trust funds. For the year ended June 30, 2017, salaries totaling \$25,628 were paid from the federal and special trust funds that required employer contributions of \$9,877. These contributions are deferred because they were paid after the June 30, 2016 measurement date.

Employer retirement cost contributions. Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5% and applies when the member is age 55 at retirement. For the year ended June 30, 2017, the employer made no payments to TRS for employer ERO contributions.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2017, the District paid \$8,155 to TRS for employer contributions due on salary increases in excess of 6% and made no payments for sick leave days granted in excess of the normal annual allotment.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2017, the District reported a liability for its proportionate share of the net pension liability (first amount shown below) that reflected a reduction for State pension support provided to the District. The State's support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$ 5,926,035
State's proportionate share of the net pension liability associated with the District	365,936,262
Total	<u>\$ 371,862,297</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015 and rolled forward to June 30, 2016. The District's proportion of the net pension liability was based

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

on the District's share of contributions to TRS for the measurement year ended June 30, 2016, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2016, the District's proportion was 0.00751%, which was an increase of 0.001 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$18,579,214 and revenue of \$18,579,214 for support provided by the state. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 43,818	\$ 4,019
Changes in assumptions	508,958	-
Net difference between projected and actual earnings on pension plan investments	167,421	-
Changes in proportion and differences between District contributions and proportionate share of contributions	94,282	1,158,861
District contributions subsequent to the measurement date	289,885	-
	<u>\$ 1,104,364</u>	<u>\$ 1,162,880</u>
Total		

\$289,885 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows of Resources
2017	\$ (234,724)
2018	(234,724)
2019	78,239
2020	44,453
2021	(1,645)
	<u>(348,401)</u>
Total	<u>\$ (348,401)</u>

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	varies by amount of service credit
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

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

For the June 30, 2016 valuation, the investment return assumption was lowered from 7.50% to 7.00%. Salary increase assumptions were lowered from their 2015 levels. Other assumptions were based on the 2015 experience analysis which increase retirement rates improved mortality assumptions, and made other changes.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap	14.4%	6.94%
Global equity excluding U.S.	3.6%	8.09%
Aggregate bonds	14.4%	7.46%
U.S. TIPS	3.6%	10.15%
NCREIF	10.7%	2.44%
Opportunistic real estate	5.3%	1.70%
ARS	15.0%	5.44%
Risk parity	11.0%	4.28%
Diversified inflation strategy	8.0%	4.16%
Private equity	14.0%	10.63%
	100.0%	

Discount rate

At June 30, 2016, the discount rate used to measure the total pension liability was a blended rate of 6.83 percent, which was a change from the June 30, 2015 rate of 7.47 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2016 was not projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Despite the subsidy, all projected future payments were not covered, so a slightly lower long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2015, the discount rate used to measure the total pension liability was 7.47 percent. The discount rate was the same as the actuarially-assumed rate of return on investments that year because TRS's fiduciary net position and the subsidy provided by Tier II were sufficient to cover all projected benefit payments.

Sensitivity of the employer's proportionate share of the net pension liability to changes in the discount rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.83%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.83%) or 1-percentage-point higher (7.83%) than the current rate:

	1% Decrease (5.83%)	Current Discount Rate (6.83%)	1% Increase (7.83%)
District's proportionate share of the net pension liability	\$ 7,247,781	\$ 5,926,035	\$ 4,846,518

Detailed information about the TRS's fiduciary net position as of June 30, 2016 is available in the separately issued TRS Comprehensive Annual Financial Report.

b. Illinois Municipal Retirement Fund (IMRF)

Plan Description and Benefits

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

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Plan Membership

As of June 30, 2017, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	234
Inactive employees entitled to but not yet receiving benefits	239
Active employees	<u>217</u>
Total	<u><u>690</u></u>

Contributions

As set by statute, Regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actual contribution rate for calendar year 2016 was 48.18% of covered payroll. The District contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

Net Pension Liability

The District's net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Total pension liability	\$ 42,567,808
Plan fiduciary net position	40,468,444
Net pension liability	<u><u>\$ 2,099,364</u></u>

Actuarial Assumptions

The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Amortization method	Level Percent of Payroll
Remaining amortization period	30 year, open
Wage growth	3.50%
Price inflation	2.75%
Salary increases	3.75% to 14.50%, including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	An IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table (for non-disabled retirees), RP-2014 Disabled Retirees Mortality Table (for disabled retirees), and RP-2014 Employee Mortality Table (for active employees), with adjustments to match current IMRF experience.
Other Information: Notes	There were no benefit changes during the year.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Equities	38.0%	6.85%
International equities	17.0%	6.75%
Fixed income	27.0%	3.00%
Real estate	8.0%	5.75%
Alternatives	9.0%	2.65-7.35%
Cash	1.0%	2.25%
	100.0%	

Single Discount Rate

The Single Discount Rate used to measure the total pension liability for IMRF was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

1. The long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits), and
2. The tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating (which is published by the Federal Reserve) as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of the most recent valuation, the expected rate of return on plan investments is 7.50%, the municipal bond rate is 3.78%, and the resulting single discount rate is 7.50%.

Changes in Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2015	\$ 40,286,164	\$ 38,359,852	\$ 1,926,312
Changes for the year:			
Service Cost	930,584	-	930,584
Interest on the Total Pension Liability	2,975,161	-	2,975,161
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	483,284	-	483,284
Changes of Assumptions	(48,014)	-	(48,014)
Contributions - Employer	-	1,002,461	(1,002,461)
Contributions - Employees	-	452,289	(452,289)
Net Investment Income	-	2,627,564	(2,627,564)
Benefit Payments, including Refunds of Employee Contributions	(2,059,371)	(2,059,371)	-
Other (Net Transfer)	-	85,649	(85,649)
Net Changes	2,281,644	2,108,592	173,052
Balances at December 31, 2016	\$ 42,567,808	\$ 40,468,444	\$ 2,099,364

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 7,255,888	\$ 2,099,364	\$ (2,201,444)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2016, the District recognized pension expense of \$1,886,381. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 306,903	\$ 117,017
Changes in assumptions	-	30,491
Net difference between projected and actual earnings on pension plan investments	1,921,613	-
Contributions subsequent to the measurement date	407,895	-
Total	<u>\$ 2,636,411</u>	<u>\$ 147,508</u>

\$407,895 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2017	\$ 698,618
2018	774,329
2019	562,070
2020	45,991
Total	<u>\$ 2,081,008</u>

8. OTHER POST-EMPLOYMENT BENEFITS

a. Teacher Health Insurance Security (THIS)

The District participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit post-employment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state administered participating provider option plan or choose from several managed care options. Annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage Plans.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to TRS who are not employees of the state to make a contribution to THIS Fund.

On Behalf Contributions to THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.12% of pay during the year ended June 30, 2017. State of Illinois contributions were \$524,957, and the district recognized revenue and expenditures of this amount during the year.

Employer contributions to THIS Fund. The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.84% during the year ended June 30, 2017. For the year ended June 30, 2017, the District paid \$393,718 to the THIS Fund, which was 100 percent of the required contribution.

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

b. Retirees' Health Plan

The District administers a single-employer defined healthcare plan ("the Retiree's Health Plan"). The plan provides medical, dental and life insurance benefits for eligible retirees and their spouses through the District's group insurance which covers both active and retired members. Benefit provisions are established through collective bargaining agreements. The Retirees' Health Plan does not issue a publicly available financial report.

Retirees are eligible for post-employment benefits if they complete at least 15 years of full time service or its equivalent in the District and meet one of the following age requirements 1) the retiree is age 55 or older on the last day of work, or 2) the retiree is less than age 55 when he/she ceases working and then turns 55 within six months of the end of the contract.

Former employees who retired prior to 2007 can continue on the District's health insurance plan until the retiree turns age 70. The retiree makes contributions equal to the active contributions of the same coverage.

Certificated retirees who meet the above eligibility requirements and retire under the 2006-2010 negotiated contract may elect one of two options when choosing insurance. Under Option 1, the

8. OTHER POST-EMPLOYMENT BENEFITS (Continued)

Board will reimburse the retiree 100% of the single TRIP premium or 90% of the premium for single plus one dependent TRIP premium to a maximum reimbursement of \$1,200 per month. The retiree will also be allowed to continue participation in the District's dental plan, receiving a maximum of \$2,000 per year in benefits in accordance with the plan. Under Option 2, the retiree continues on the District's health insurance plan for up to ten years or until the retiree is Medicare eligible, whichever occurs first. The retiree will pay a percentage of the premium, depending on the year of eligibility for the benefit. In the retirees' first 5 years of retirement, the retiree must pay 30% of the required premium. After 5 years of retirement, the retiree must pay 50% of the required premium. Retirees are also allowed to continue participation in the District's dental plan, at the current active employee rate, receiving a maximum of \$1,500 per year in benefits in accordance with the plan.

Non-certified retirees who meet the above eligibility requirements can continue on the District's health insurance plan up to ten years or until the retiree is Medicare eligible, whichever occurs first. The retiree will pay a percentage of the premium, depending on the year of eligibility for the benefit. In the retiree's first 5 years of retirement, the retiree must pay 30% of the required premium. After 5 years, the retiree must pay 50% of the required premium. The retiree will also be allowed to continue participation in the District's dental plan, at the current active employee rate, receiving a maximum of \$1,500 per year in benefits in accordance with the plan. At the age of Medicare-eligibility, retirees under the IMRF are allowed to continue on the District's medical and dental plans, but they must pay the total cost of the coverage.

The District also pays life insurance premiums for eligible retirees. Life insurance is based on the retiree's salary at the time of retirement. Single coverage (or waived coverage) retirees receive the retiree's base salary in insurance coverage. Family coverage retirees receive two times the retirees' base salary in insurance coverage. Life insurance benefits extend for 10 years after retirement or until the retiree becomes eligible for Medicare, whichever occurs first.

Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the Board and the union. The Retiree's Health Plan is funded by the District on a pay-as-you-go basis. Retiree group life insurance premiums are paid monthly by the District. For fiscal year 2017, the District contributed \$1,386,528 to the Retirees' Health Plan. Administrative costs of the Retirees' Health Plan are financed through employer contributions.

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC). The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the Retiree's Health Plan, and changes in the District's net OPEB obligation to the Retirees' Health Plan:

8. OTHER POST-EMPLOYMENT BENEFITS (Continued)

	2015	2016	2017
Annual required contribution	\$ 2,041,797	\$ 2,041,797	\$ 2,041,797
Interest on net OEB obligation	174,986	202,411	209,888
Adjustment to annual required contribution	(243,257)	(281,381)	(178,877)
Annual OPEB cost	1,973,526	1,962,827	2,072,808
Contributions made	(1,287,919)	(1,485,138)	(1,386,528)
Increase in net OPEB obligation	685,607	477,689	686,280
Net OPEB Obligation - Beginning of Year	4,374,658	5,060,265	5,537,954
Net OPEB Obligation - End of Year	<u>\$ 5,060,265</u>	<u>\$ 5,537,954</u>	<u>\$ 6,224,234</u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the Retirees Health Plan, and the net OPEB obligation for June 30, 2017 and the two preceding years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
June 30, 2017	\$ 2,072,808	66.89%	\$ 6,224,234
June 30, 2016	1,962,827	75.66%	5,537,954
June 30, 2015	1,973,526	65.26%	5,060,265

The funded status of the Retirees' Health Plan as of July 1, 2017, the most recent actuarial valuation date, is as follows:

Actuarial accrued liability (AAL)	\$ 14,150,075
Actuarial value of plan assets	<u>-</u>
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 14,150,075</u>
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	\$ 48,341,684
UAAL as a percentage of covered payroll	29.27%

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as

8. OTHER POST-EMPLOYMENT BENEFITS (Continued)

required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan is understood by the employer and plan members) and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and plan members to that point. The methods and assumptions used include techniques that are designed to reduce short-term volatility in the actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the July 1, 2014 actuarial valuation, the entry age actuarial cost method was used. The actuarial assumptions include a 4 percent investment rate of return and an annual healthcare cost trend rate of 8 percent initially, reduced by decrements to an ultimate rate of 5 percent. The actuarial value of the Retirees' Health Plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a three-year period. The Retirees' Health Plan's unfunded actuarial accrued liability is being amortized as a level dollar method since retiree benefits are not related to salary level. The remaining amortization period at June 30, 2017 on an open 30 year basis.

9. STATE AND FEDERAL AID CONTINGENCIES

The District has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowance, if any, would be immaterial.

10. INTERFUND TRANSFERS

The General Fund (Operations and Maintenance Account) transferred \$504,488 to the Debt Service Funds to fund future operations.

State law allows for the above transfer.

11. CONTINGENT LIABILITIES

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorneys, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

13. DEFICIT FUND BALANCE

The following funds had deficit fund balances at June 30, 2017:

Transportation Fund	\$ 963,369
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REQUIRED SUPPLEMENTARY INFORMATION

HINSDALE TOWNSHIP HIGH SCHOOL DISTRICT NO. 86

Schedule of Funding Progress

Other Postemployment Benefits (unaudited)

Last Four Valuation 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
Schedule of Changes in the Employer's Net Pension Liability
And Related Ratios
Illinois Municipal Retirement Fund
Last Three Calendar Years

	2016	2015	2014
TOTAL PENSION LIABILITY			
Service Cost	\$ 930,584	\$ 925,097	\$ 910,170
Interest	2,975,161	2,870,473	2,554,976
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	483,284	(427,779)	918,285
Changes of Assumptions	(48,014)	-	1,665,638
Benefit Payments, Including Refunds of Member Contributions	(2,059,371)	(1,886,291)	(1,711,332)
Net Change in Total Pension Liability	2,281,644	1,481,500	4,337,737
Total Pension Liability - Beginning	40,286,164	38,804,664	34,466,927
TOTAL PENSION LIABILITY - ENDING	\$ 42,567,808	\$ 40,286,164	\$ 38,804,664
PLAN FIDUCIARY NET POSITION			
Contributions - Employer	\$ 1,002,461	\$ 3,936,715	\$ 1,412,348
Contributions - Member	452,289	373,764	364,314
Net Investment Income	2,627,564	183,729	2,029,043
Benefit Payments, Including Refunds of Member Contributions	(2,059,371)	(1,886,291)	(1,711,332)
Other	85,649	218,144	209,076
Net Change in Plan Fiduciary Net Position	2,108,592	2,826,061	2,303,449
Plan Net Position - Beginning	38,359,852	35,533,791	33,230,342
PLAN NET POSITION - ENDING	\$ 40,468,444	\$ 38,359,852	\$ 35,533,791
EMPLOYER'S NET PENSION LIABILITY (ASSET)	\$ 2,099,364	\$ 1,926,312	\$ 3,270,873
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	95.07%	95.22%	91.57%
Covered-Employee Payroll	\$ 8,523,549	\$ 8,170,206	\$ 8,023,013
Employer's Net Pension Liability as a Percentage of Covered - Employee Payroll	24.63%	23.58%	40.77%

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

HINSDALE TOWNSHIP HIGH SCHOOL DISTRICT 86
 Schedule of Employer Contributions
 Illinois Municipal Retirement Fund
 Last Three Fiscal Years

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	\$ 904,648	\$ 904,648	\$ -	\$ 9,203,924	9.83%
2016	937,940	937,940	-	8,170,206	11.48%
2015	910,588	910,588	-	8,058,301	11.30%

Notes to Schedule

Valuation date Actuarially determined contribution rates are calculated as of December 31 of each year, which are 12 months prior to the beginning of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	27 years
Benefit Payments, Including Refunds of Member Contributions	5-year smoothed market; 20% corridor
Wage growth	3.50%
Inflation	
Salary increases	3.75% to 14.50%, including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 - 2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2017 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Information prior to fiscal year 2015 is not available.

HINSDALE TOWNSHIP HIGH SCHOOL DISTRICT 86
Schedule of the District's Proportionate Share of the
Net Pension Liability
Teachers' Retirement System
Last Three Fiscal Years

	2017	2016	2015
District's proportion of the net pension liability	0.00751%	0.00851%	0.00826%
District's proportionate share of the net pension liability Differences Between Expected and Actual Experience	\$ 5,926,035	\$ 5,577,352	\$ 5,030,188
State's proportionate share of the net pension liability Benefit Payments, Including Refunds of Member Contributions	365,936,262	274,573,116	267,900,899
Total	\$ 371,862,297	\$ 280,150,468	\$ 272,931,087
District's covered-employee payroll	44,589,844	44,046,865	46,735,351
District's proportionate share of the net pension liability as a percentage of it's covered-employee payroll	13.29%	12.66%	10.76%
Plan fiduciary net position as a percentage of the total pension liability	36.40%	41.50%	43.00%

Benefit Payments, Including Refunds
of Member Contributions

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

HINSDALE TOWNSHIP HIGH SCHOOL DISTRICT 86

Schedule of Employer Contributions
 Teachers' Retirement System
 Last Three Fiscal Years

Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	\$ 289,885	\$ 289,885	\$ -	46,871,132	0.62%
2016	309,653	309,653	-	44,589,844	0.69%
2015	294,008	294,008	-	44,046,865	0.67%

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

Benefit Payments, Including Refunds
 of Member Contributions

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund
 Balances - Budget and Actual - General and Major Special Revenue Funds
 For the Year Ended June 30, 2017

	General		
	Original and Final Budget	Actual	Variance over/under
REVENUES			
Local sources	\$ 78,109,767	\$ 77,475,539	\$ (634,228)
State sources	20,261,115	22,142,051	1,880,936
Federal sources	1,263,313	1,157,080	(106,233)
Total Revenues	<u>99,634,195</u>	<u>100,774,670</u>	<u>1,140,475</u>
EXPENDITURES			
Current operating			
Instruction	68,292,562	70,046,412	(1,753,850)
Support services	28,484,391	26,239,916	2,244,475
Community service	88,040	122,717	(34,677)
Non-programmed charges	2,226,319	2,485,348	(259,029)
Capital outlay	1,956,378	4,766,746	(2,810,368)
Total Expenditures	<u>101,047,690</u>	<u>103,661,139</u>	<u>(2,613,449)</u>
Excess (deficiency) of revenues over expenditures	<u>(1,413,495)</u>	<u>(2,886,469)</u>	<u>3,753,924</u>
OTHER FINANCING SOURCES (USES)			
Sale of non capitalized assets	5,000	34,455	29,455
Other sources not classified elsewhere	1,480,911	1,962,687	481,776
Transfers out	(504,488)	(504,488)	-
Total other financing sources (uses)	<u>981,423</u>	<u>1,492,654</u>	<u>511,231</u>
Net changes in fund balance	<u>\$ (432,072)</u>	<u>(1,393,815)</u>	<u>\$ 4,265,155</u>
Fund Balances (deficits) at beginning of year		<u>19,200,999</u>	
FUND BALANCES (DEFICIT) AT END OF YEAR		<u><u>\$ 17,807,184</u></u>	

Transportation			Municipal Retirement/Social Security		
Original and Final Budget	Actual	Variance over/under	Original and Final Budget	Actual	Variance over/under
\$ 2,245,695	\$ 2,298,595	\$ 52,900	\$ 2,811,328	\$ 2,789,706	\$ (21,622)
1,313,920	1,184,242	(129,678)	-	-	-
-	-	-	-	-	-
3,559,615	3,482,837	(76,778)	2,811,328	2,789,706	(21,622)
-	-	-	1,254,450	1,155,414	99,036
3,621,833	3,821,845	(200,012)	1,043,293	1,202,856	(159,563)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,621,833	3,821,845	(200,012)	2,297,743	2,358,270	(60,527)
(62,218)	(339,008)	123,234	513,585	431,436	(82,149)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ (62,218)	(339,008)	\$ 123,234	\$ 513,585	431,436	\$ (82,149)
	(624,361)			(376,477)	
	\$ (963,369)			\$ 54,959	

Budgetary Data

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments.

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

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget, which was not amended, was adopted on September 19, 2016.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, the Debt Service Fund, and the Capital Projects Fund.
6. The District has adopted a legal budget for all its Governmental Funds. Total actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act, expenditures may exceed the budget if additional resources are available to finance such expenditures.
7. The budget (all appropriations) lapses at the end of each fiscal year.
8. The General, Transportation, and Municipal Retirement/Social Security Funds had expenditures exceeding budget by \$2,369,226, \$200,012, and \$60,527 respectively.

**COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS AND SCHEDULES**

GENERAL FUND

To account for resources traditionally associated with government operations which are not required to be accounted for in another fund, the District maintains the following legally mandated accounts within the General Fund:

Educational Account - To account for most of the instructional and administrative aspects of the District's operations.

Operations and Maintenance Account - To account for repair and maintenance of the District's property.

Working Cash Account - To account for financial resources held by the District to be used as loans for working capital requirements to any other fund for which taxes are levied.

Hinsdale Township High School District No. 86

Combining Balance Sheet by Account

General Fund

June 30, 2017

	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
ASSETS					
Cash and investments	\$ 36,953,702	\$ 13,404,270	\$ 5,991,471	\$ 741,360	\$ 57,090,803
Receivables					
Property taxes	31,722,632	3,147,231	194,772	355,928	35,420,563
Due from other governments	1,824,132	-	1,250,000	-	3,074,132
Other	47,687	30,715	-	-	78,402
TOTAL ASSETS	\$ 70,548,153	\$ 16,582,216	\$ 7,436,243	\$ 1,097,288	\$ 95,663,900
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 803,587	\$ 285,934	\$ -	\$ -	\$ 1,089,521
Accrued salaries and related	3,716,489	19,443	-	-	3,735,932
Total Liabilities	4,520,076	305,377	-	-	4,825,453
Deferred Inflows					
Property taxes levied for subsequent year	65,330,364	6,579,541	389,417	731,941	73,031,263
Fund balances					
Restricted	-	9,697,298	-	365,347	10,062,645
Assigned for self insurance	3,149,076	-	-	-	3,149,076
Unassigned	(2,451,363)	-	7,046,826	-	4,595,463
Total Fund Balances	697,713	9,697,298	7,046,826	365,347	17,807,184
TOTAL LIABILITIES AND FUND BALANCES	\$ 70,548,153	\$ 16,582,216	\$ 7,436,243	\$ 1,097,288	\$ 95,663,900

Hinsdale Township High School District No. 86
Combining Schedule of Revenues, Expenditures and Changes
In Fund Balance By Account
General Fund
Year Ended June 30, 2017

	Educational	Operations and Maintenance	Working Cash	Tort	Total General
REVENUES					
Local sources					
Property taxes	\$ 62,561,926	\$ 8,470,119	\$ -	\$ 717,773	\$ 71,749,818
Replacement taxes	1,105,763	-	-	-	1,105,763
Earnings on investment	(122,473)	86,272	54,615	1,353	19,767
Other local sources	4,350,649	249,542	-	-	4,600,191
Total local sources	67,895,865	8,805,933	54,615	719,126	77,475,539
State sources	22,142,051	-	-	-	22,142,051
Federal sources	1,157,080	-	-	-	1,157,080
Total revenues	91,194,996	8,805,933	54,615	719,126	100,774,670
EXPENDITURES					
Current operating					
Instruction	70,046,412	-	-	-	70,046,412
Support services	18,730,345	6,892,888	-	616,683	26,239,916
Community service	122,717	-	-	-	122,717
Non-programmed charges	2,485,348	-	-	-	2,485,348
Capital outlay	2,579,679	2,187,067	-	-	4,766,746
Total Expenditures	93,964,501	9,079,955	-	616,683	103,661,139
Excess (deficiency) of revenues over expenditures	(2,769,505)	(274,022)	54,615	102,443	(2,886,469)
OTHER FINANCING SOURCES (USES)					
Sale of equipment	34,455	-	-	-	34,455
Proceeds from capital leases	1,884,843	77,844	-	-	1,962,687
Transfers out	-	(504,488)	-	-	(504,488)
Total other financing sources (uses)	1,919,298	(426,644)	-	-	1,492,654
Net changes in fund balance	(850,207)	(700,666)	54,615	102,443	(1,393,815)
Fund balances at beginning of year	1,547,920	10,397,964	6,992,211	262,904	19,200,999
FUND BALANCES AT END OF YEAR	\$ 697,713	\$ 9,697,298	\$ 7,046,826	\$ 365,347	\$ 17,807,184

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
REVENUES			
Local sources			
General levy	\$ 60,632,201	\$ 60,654,727	\$ 22,526
Special education levy	1,903,454	1,907,199	3,745
Corporate personal property replacement taxes	864,442	1,105,763	241,321
Summer school - tuition (in state)	135,000	109,011	(25,989)
Special education - tuition from other LEAs (in state)	2,305,496	2,429,879	124,383
Investment Income	379,320	(122,473)	(501,793)
Admissions - athletic	49,000	43,608	(5,392)
Admissions - other	53,750	53,964	214
Fees	1,136,750	858,148	(278,602)
Sales - book store	17,000	-	(17,000)
Rentals	-	14,859	14,859
Sales - regular textbooks	63,500	-	(63,500)
Other - textbooks	-	164,787	164,787
Refund of prior years' expenditures	45,000	35,043	(9,957)
Driver's education fees	72,500	292,151	219,651
Proceeds from vendor contracts	262,000	163,640	(98,360)
Other	796,025	185,559	(610,466)
Total local sources	68,715,438	67,895,865	(819,573)
State sources			
General State aid	1,260,490	1,260,475	(15)
Special education - private facility tuition	305,000	475,660	170,660
Special education - extraordinary	557,000	598,839	41,839
Special education - personnel	868,500	913,339	44,839
Special education - orphanage - individual	45,000	86,965	41,965
Special education - orphanage - summer	-	8,519	8,519
Special education - summer school	2,000	1,431	(569)
CTE - Technical education - tech prep	35,733	34,473	(1,260)
Bilingual education - downstate - TPI	20,862	14,935	(5,927)
Driver education	75,800	80,160	4,360
Other restricted revenue from state sources	90,730	88,041	(2,689)
On behalf payment to TRS from the state	17,000,000	18,579,214	1,579,214
Total state sources	\$ 20,261,115	\$ 22,142,051	\$ 1,880,936

(Continued)

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
Federal sources			
Special milk program	\$ 21,000	\$ 17,787	\$ (3,213)
Title I - Low income	281,657	318,139	36,482
Federal - special education - IDEA - flow-through	657,200	602,062	(55,138)
Federal - special education - IDEA - room & board	115,000	21,814	(93,186)
Vocational education - Perkins	43,762	43,708	(54)
Emergency Immigrant Ed	6,756	-	(6,756)
Title III - English language acquisition	-	9,756	9,756
Title II - Teacher Quality	65,938	57,722	(8,216)
Medicaid matching funds - administrative outreach	24,000	60,080	36,080
Medicaid matching funds - fee-for-service program	-	26,012	26,012
Other restricted revenue from federal sources	48,000	-	(48,000)
Total federal sources	1,263,313	1,157,080	(106,233)
Total revenues	90,239,866	91,194,996	955,130

EXPENDITURES

Instruction

Regular programs			
Salaries	27,248,053	27,129,108	(118,945)
Employee benefits	4,518,434	4,853,933	335,499
On-behalf payments to TRS from state	17,000,000	18,579,214	1,579,214
Purchased services	318,085	202,193	(115,892)
Supplies and materials	626,262	660,048	33,786
Capital outlay	169,316	217,788	48,472
Other objects	137,013	140,618	3,605
Non-capitalized equipment	39,410	7,371	(32,039)
Total	50,056,573	51,790,273	1,733,700
Special education programs			
Salaries	7,543,186	7,930,646	387,460
Employee benefits	1,957,174	1,966,291	9,117
Purchased services	71,415	172,403	100,988
Supplies and materials	142,950	62,354	(80,596)
Capital outlay	64,000	275	(63,725)
Other objects	4,000	854	(3,146)
Non-capitalized equipment	9,400	3,215	(6,185)
Total	\$ 9,792,125	\$ 10,136,038	\$ 343,913

(Continued)

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
Remedial and supplemental programs K-12			
Salaries	\$ 352,181	\$ 192,000	\$ (160,181)
Employee benefits	83,839	113,229	29,390
Purchased services	116,788	119,682	2,894
Supplies and materials	55,457	53,952	(1,505)
Capital outlay	3,098	3,580	482
Total	611,363	482,443	(128,920)
CTE programs			
Salaries	2,433,983	2,416,206	(17,777)
Employee benefits	389,915	423,838	33,923
Purchased services	14,165	11,204	(2,961)
Supplies and materials	74,789	63,223	(11,566)
Capital outlay	69,529	68,575	(954)
Other objects	525	451	(74)
Non-capitalized equipment	17,190	4,807	(12,383)
Total	3,000,096	2,988,304	(11,792)
Interscholastic programs			
Salaries	2,812,724	2,792,044	(20,680)
Employee benefits	79,273	80,955	1,682
Purchased services	228,025	269,978	41,953
Supplies and materials	190,100	169,498	(20,602)
Capital outlay	95,400	122,480	27,080
Other objects	111,000	140,471	29,471
Total	3,516,522	3,575,426	58,904
Summer school programs			
Salaries	186,921	72,557	(114,364)
Employee benefits	2,050.0	955	(1,095)
Supplies and materials	2,500	2,109	(391)
Total	191,471	75,621	(115,850)
Driver's education programs			
Salaries	11,558	12,205	647
Employee benefits	0	91	91
Purchased services	7,220	2,292	(4,928)
Supplies and materials	8,000	4,752	(3,248)
Other objects	160	-	(160)
Total	\$ 26,938	\$ 19,340	\$ (7,598)

(Continued)

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
Bilingual			
Salaries	\$ 70,998	\$ 70,829	\$ (169)
Employee benefits	49,819	47,234	(2,585)
Supplies and materials	-	1,749	1,749
Non-capitalized equipment	-	711	711
Total	<u>120,817</u>	<u>120,523</u>	<u>(294)</u>
Special education programs K-12 - private tuition			
Other objects	1,378,000	1,271,142	(106,858)
Total	<u>1,378,000</u>	<u>1,271,142</u>	<u>(106,858)</u>
Total instruction	<u>68,693,905</u>	<u>70,459,110</u>	<u>1,765,205</u>
Support Services			
Pupils			
Attendance and social work services			
Salaries	2,308,893	2,407,327	98,434
Employee benefits	510,320	452,586	(57,734)
Purchased services	13,650	10,891	(2,759)
Supplies and materials	28,595	12,458	(16,137)
Capital outlay	36,207	39,332	3,125
Other	3,405	3,232	(173)
Non-capitalized equipment	1,200	-	(1,200)
Total	<u>2,902,270</u>	<u>2,925,826</u>	<u>23,556</u>
Guidance Services			
Salaries	2,782,028	2,787,972	5,944
Employee benefits	582,217	551,860	(30,357)
Purchased services	51,970	41,199	(10,771)
Supplies and materials	391,587	351,439	(40,148)
Capital outlay	8,000	0	(8,000)
Other objects	4,615	4,491	(124)
Non-capitalized equipment	3,960	1,851	(2,109)
Total	<u>3,824,377</u>	<u>3,738,812</u>	<u>(85,565)</u>
Health services			
Salaries	283,739	297,673	13,934
Employee benefits	80,605	56,266	(24,339)
Purchased services	75,800	11,261	(64,539)
Supplies and materials	20,800	11,819	(8,981)
Capital outlay	5,000	18,191	13,191
Other objects	350	-	(350)
Total	<u>\$ 466,294</u>	<u>\$ 395,210</u>	<u>\$ (71,084)</u>

(Continued)

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
Psychological services			
Salaries	\$ 474,549	\$ 471,440	\$ (3,109)
Employee benefits	136,127	140,558	4,431
Purchased services	80,000	86,796	6,796
Supplies and materials	5,000	4,110	(890)
Total	<u>695,676</u>	<u>702,904</u>	<u>7,228</u>
Speech path. /audio services			
Salaries	356,478	365,035	8,557
Employee benefits	62,903	65,008	2,105
Purchased services	8,000	3,925	(4,075)
Supplies and materials	5,000	4,514	(486)
Total	<u>432,381</u>	<u>438,482</u>	<u>6,101</u>
Other support services			
Salaries	142,401	144,661	2,260
Employee benefits	37,641	9,446	(28,195)
Total	<u>180,042</u>	<u>154,107</u>	<u>(25,935)</u>
Total pupil	<u>8,501,040</u>	<u>8,355,341</u>	<u>(145,699)</u>
Instructional Staff			
Improvement of instructional services			
Salaries	1,239,166	1,165,641	(73,525)
Employee benefits	64,716	103,793	39,077
Purchased services	306,457	328,620	22,163
Supplies and materials	30,816	15,334	(15,482)
Capital outlay	42,662	42,826	164
Other objects	5,000	2,666	(2,334)
Total	<u>1,688,817</u>	<u>1,658,880</u>	<u>(29,937)</u>
Educational media services			
Salaries	794,846	820,203	25,357
Employee benefits	213,743	213,246	(497)
Purchased services	14,026	19,837	5,811
Supplies and materials	137,940	131,933	(6,007)
Other objects	1,720	729	(991)
Total	<u>1,162,275</u>	<u>1,185,948</u>	<u>23,673</u>
Assessment and testing			
Salaries	30,000	36,717	6,717
Purchased services	25,000	-	(25,000)
Other objects	8,100	1,883	(6,217)
Total	<u>63,100</u>	<u>38,600</u>	<u>(24,500)</u>
Total instructional staff	<u>\$ 2,914,192</u>	<u>\$ 2,883,428</u>	<u>\$ (30,764)</u>

(Continued)

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
General administration			
Board of education services			
Salaries	\$ 13,000	\$ -	\$ (13,000)
Purchased services	1,252,506	1,719,989	467,483
Supplies and materials	2,952	2,049	(903)
Other objects	24,300	17,450	(6,850)
Total	<u>1,292,758</u>	<u>1,739,488</u>	<u>446,730</u>
Executive administration services			
Salaries	725,784	712,523	(13,261)
Employee benefits	111,039	41,358	(69,681)
Purchased services	77,165	236,873	159,708
Supplies and materials	16,200	13,749	(2,451)
Capital outlay	2,000	-	(2,000)
Other objects	635	434	(201)
Total	<u>932,823</u>	<u>1,004,937</u>	<u>72,114</u>
Total general administration	<u>2,225,581</u>	<u>2,744,425</u>	<u>518,844</u>
School administration			
Office of the principal services			
Salaries	1,613,661	1,445,105	(168,556)
Employee benefits	328,676	318,564	(10,112)
Purchased services	393,258	319,101	(74,157)
Supplies and materials	186,812	155,634	(31,178)
Capital outlay	3,000	-	(3,000)
Other objects	18,750	17,335	(1,415)
Non-capitalized equipment	12,599	1,725	(10,874)
Total	<u>2,556,756</u>	<u>2,257,464</u>	<u>(299,292)</u>
Total school administration	<u>2,556,756</u>	<u>2,257,464</u>	<u>(299,292)</u>
Business			
Direction of business support services			
Salaries	200,000	211,615	11,615
Employee benefits	18,820	18,821	1
Total	<u>\$ 218,820</u>	<u>\$ 230,436</u>	<u>\$ 11,616</u>

(Continued)

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Educational Account
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
Fiscal services			
Salaries	\$ 461,741	\$ 474,008	\$ 12,267
Employee benefits	120,450	98,796	(21,654)
Purchased services	138,592	55,445	(83,147)
Supplies and materials	12,200	10,866	(1,334)
Capital outlay	0	1,846	1,846
Other objects	29,612	36,278	6,666
Non-capitalized equipment	5,000	688	(4,312)
Total	767,595	677,927	(89,668)
Food services			
Purchased services	25,200	24,494	(706)
Total	25,200	24,494	(706)
Total business	1,011,615	932,857	(78,758)
Central			
Information services			
Salaries	99,000	94,356	(4,644)
Employee benefits	18,820	28,266	9,446
Purchased services	60,542	26,800	(33,742)
Supplies and materials	1,056	17,623	16,567
Other objects	3,710	636	(3,074)
Non-capitalized equipment	4,300	-	(4,300)
Total	187,428	167,681	(19,747)
Data processing services			
Salaries	609,517	676,298	66,781
Employee benefits	144,916	93,320	(51,596)
Purchased services	941,100	705,575	(235,525)
Supplies and materials	7,200	16,151	8,951
Capital outlay	1,458,166	2,064,786	606,620
Total	3,160,899	3,556,130	395,231
Total central	3,348,327	3,723,811	375,484
Other supporting services			
Other objects	29,500	-	(29,500)
Total	29,500	-	(29,500)
Total support services	\$ 20,587,011	\$ 20,897,326	\$ 310,315

(Continued)

Hinsdale Township High School District No. 86
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Educational Account
For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
Community Services			
Purchased services	\$ 17,000	\$ 8,397	\$ (8,603)
Supplies and materials	30,000	20,947	(9,053)
Other objects	20,000	14,215	(5,785)
Non-capitalized equipment	21,040	79,158	58,118
Total community services	<u>88,040</u>	<u>122,717</u>	<u>34,677</u>
Payments to other districts and governmental units			
Other payments to in-state governmental units			
Other objects	1,319	9,065	7,746
Total	<u>1,319</u>	<u>9,065</u>	<u>7,746</u>
Payments for special education programs - tuition			
Other objects	1,915,000	2,216,946	301,946
Total	<u>1,915,000</u>	<u>2,216,946</u>	<u>301,946</u>
Payments for CTE programs - tuition			
Other objects	310,000	259,337	(50,663)
Total	<u>310,000</u>	<u>259,337</u>	<u>(50,663)</u>
Total payments to other districts and governmental units	<u>2,226,319</u>	<u>2,485,348</u>	<u>(259,029)</u>
Total expenditures	<u>91,595,275</u>	<u>93,964,501</u>	<u>2,369,226</u>
Excess (deficiency) of revenues over expenditures	<u>(1,355,409)</u>	<u>(2,769,505)</u>	<u>(1,414,096)</u>
OTHER FINANCING SOURCES (USES)			
Sale of non capitalized assets	5,000	34,455	29,455
Proceeds from capital leases	1,403,166	1,884,843	481,677
Total other financing sources (uses)	<u>1,408,166</u>	<u>1,919,298</u>	<u>511,132</u>
Net changes in fund balance	<u>\$ 52,757</u>	<u>(850,207)</u>	<u>\$ (902,964)</u>
Fund balance at beginning of year		<u>1,547,920</u>	
FUND BALANCE AT END OF YEAR		<u>\$ 697,713</u>	

(Concluded)

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Operations And Maintenance Account
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
REVENUES			
Local sources			
General levy	\$ 8,354,322	\$ 8,470,119	\$ 115,797
Investment Income	56,067	86,272	30,205
Rentals	166,712	194,336	27,624
Contributions and donations from private sources	5,000	2,817	(2,183)
Refund of prior years' expenditures	15,000	2,197	(12,803)
Other	15,500	50,192	34,692
Total local sources	8,612,601	8,805,933	193,332
Total revenues	8,612,601	8,805,933	193,332
EXPENDITURES			
Support Services			
Business			
Facilities acquisition and construction service			
Purchased services	159,486	167,312	7,826
Capital outlay	1,967,082	2,151,726	184,644
Total	2,126,568	2,319,038	192,470
Operation and maintenance of plant services			
Salaries	2,258,236	2,378,762	120,526
Employee benefits	884,705	748,631	(136,074)
Purchased services	2,237,701	2,474,479	236,778
Supplies and materials	1,220,960	1,117,415	(103,545)
Capital outlay	69,909	35,341	(34,568)
Other objects	23,070	6,289	(16,781)
Non-capitalized equipment	10,000	0	(10,000)
Total	6,704,581	6,760,917	56,336
Total business	8,831,149	9,079,955	248,806
Total support services	8,831,149	9,079,955	248,806
Total expenditures	8,831,149	9,079,955	248,806
Excess of revenues over expenditures	\$ (218,548)	\$ (274,022)	\$ (55,474)

(Continued)

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Operations And Maintenance Account
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
OTHER FINANCING SOURCES (USES)			
Proceeds from capital leases	\$ 77,745	\$ 77,844	\$ 99
Transfers out	(504,488)	(504,488)	-
Total other financing sources (uses)	<u>(426,743)</u>	<u>(426,644)</u>	<u>99</u>
Net changes in fund balance	<u>\$ (645,291)</u>	(700,666)	<u>\$ (55,375)</u>
Fund balance at beginning of year		<u>10,397,964</u>	
FUND BALANCE AT END OF YEAR		<u><u>\$ 9,697,298</u></u>	

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Working Cash Account
 Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
REVENUES			
Local sources			
Investment income	\$ 58,943	\$ 54,615	\$ (4,328)
Total local sources	<u>58,943</u>	<u>54,615</u>	<u>(4,328)</u>
Total revenues	<u>58,943</u>	<u>54,615</u>	<u>(4,328)</u>
Net change in fund balance	<u>\$ 58,943</u>	54,615	<u>\$ (4,328)</u>
Fund balance at beginning of year		<u>6,992,211</u>	
FUND BALANCE AT END OF YEAR		<u>\$ 7,046,826</u>	

Hinsdale Township High School District No. 86
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Tort Immunity Account
For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
REVENUES			
Local sources			
Tort immunity levy	\$ 720,629	\$ 717,773	\$ (2,856)
Investment income	2,156	1,353	(803)
Total local sources	<u>722,785</u>	<u>719,126</u>	<u>(3,659)</u>
Total revenues	<u>722,785</u>	<u>719,126</u>	<u>(3,659)</u>
EXPENDITURES			
Support services			
General administration			
Workers compensation or workers' occupational disease			
Purchased services	215,000	196,912	(18,088)
Total	<u>215,000</u>	<u>196,912</u>	<u>(18,088)</u>
Unemployment insurance payments			
Purchased services	18,500	20,937	2,437
Total	<u>18,500</u>	<u>20,937</u>	<u>2,437</u>
Insurance payments (regular or self insurance)			
Purchased services	387,766	336,367	(51,399)
Total	<u>387,766</u>	<u>336,367</u>	<u>(51,399)</u>
Risk management and claims services			
Purchased services	-	61,242	61,242
Total	<u>-</u>	<u>61,242</u>	<u>61,242</u>
Judgements and settlements			
Other objects	-	1,225	1,225
Total	<u>-</u>	<u>1,225</u>	<u>1,225</u>
Total general administration	<u>621,266</u>	<u>616,683</u>	<u>(4,583)</u>
Total expenditures	<u>\$ 621,266</u>	<u>\$ 616,683</u>	<u>\$ (4,583)</u>

(Continued)

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Tort Immunity Account
 Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
Net change in fund balance	<u>\$ 101,519</u>	102,443	<u>\$ 924</u>
Fund balance at beginning of year		<u>262,904</u>	
FUND BALANCE AT END OF YEAR		<u>\$ 365,347</u>	

SPECIAL REVENUE FUNDS

To account for proceeds from specific revenue sources which are designated to finance expenditures for specific purposes, the District maintains the following Special Revenue Funds:

Transportation Fund - To account for activity relating to student transportation to and from school.

Municipal Retirement/Social Security Fund - To account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund and Social Security for noncertified employees.

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Transportation Fund
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
REVENUES			
Local Sources			
General levy	\$ 2,117,157	\$ 2,104,004	\$ (13,153)
Investment income	6,038	580	(5,458)
Refund of prior years' expenditures	7,500	-	(7,500)
Other local revenues	115,000	194,011	79,011
Total local sources	<u>2,245,695</u>	<u>2,298,595</u>	<u>52,900</u>
State sources			
Transportation - regular/vocational	103,190	73,442	(29,748)
Transportation - special education	1,210,730	1,110,800	(99,930)
Total state sources	<u>1,313,920</u>	<u>1,184,242</u>	<u>(129,678)</u>
Total revenues	<u>3,559,615</u>	<u>3,482,837</u>	<u>(76,778)</u>
EXPENDITURES			
Support services			
Business			
Pupil transportation services			
Purchased services	3,613,833	3,815,951	202,118
Supplies and materials	8,000	5,894	(2,106)
Total support services	<u>3,621,833</u>	<u>3,821,845</u>	<u>200,012</u>
Total expenditures	<u>3,621,833</u>	<u>3,821,845</u>	<u>200,012</u>
Net change in fund balance	<u>\$ (62,218)</u>	(339,008)	<u>\$ (276,790)</u>
Fund balance (deficit) at beginning of year		<u>(624,361)</u>	
FUND BALANCE (DEFICIT) AT END OF YEAR		<u>\$ (963,369)</u>	

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Municipal Retirement/Social Security Fund
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
REVENUES			
Local sources			
General levy	\$ 2,678,750	\$ 2,657,374	\$ (21,376)
Corporate personal property replacement taxes	128,840	128,949	109
Investment income	3,738	3,383	(355)
Total local sources	<u>2,811,328</u>	<u>2,789,706</u>	<u>(21,622)</u>
Total revenues	<u>2,811,328</u>	<u>2,789,706</u>	<u>(21,622)</u>
EXPENDITURES			
Instruction			
Regular programs	736,226	492,743	(243,483)
Special education programs	414,965	460,308	45,343
Remedial and supplemental programs K-12	26,154	12,929	(13,225)
CTE programs	41,303	41,706	403
Interscholastic programs	18,967	133,583	114,616
Summer school programs	3,519	1,576	(1,943)
Bilingual	12,471	11,837	(634)
Driver's ed programs	845	732	(113)
Total instruction	<u>1,254,450</u>	<u>1,155,414</u>	<u>(99,036)</u>
Support services			
Pupils			
Attendance and social work services	86,182	87,925	1,743
Guidance service	76,760	88,843	12,083
Psychology	6,469	10,829	4,360
Speech pathology	5,169	5,285	116
Other support service	25,013	30,725	5,712
Health services	34,262	40,267	6,005
Total pupils	<u>233,855</u>	<u>263,874</u>	<u>30,019</u>
Instructional staff			
Improvement of instruction services	17,292	23,450	6,158
Educational media services	42,518	50,094	7,576
Assessment and training	-	2,804	2,804
Total instructional staff	<u>\$ 59,810</u>	<u>\$ 76,348</u>	<u>\$ 16,538</u>

(Continued)

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Municipal Retirement/Social Security Fund
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
General administration			
Executive administration	\$ 75,186	\$ 82,547	\$ 7,361
Total general administration	75,186	82,547	7,361
School administration			
Office of the principal services	86,461	99,418	12,957
Total school administration	86,461	99,418	12,957
Business			
Direction of business support services	30,077	29,812	(265)
Fiscal services	81,105	88,890	7,785
Operations and maintenance of plant services	355,381	424,464	69,083
Total business	466,563	543,166	76,603
Central			
Information services	17,389	18,401	1,012
Data processing services	104,029	119,102	15,073
Total central	121,418	137,503	16,085
Total support services	1,043,293	1,202,856	159,563
Total expenditures	2,297,743	2,358,270	60,527
Net changes in fund balance	<u>\$ 513,585</u>	<u>\$ 431,436</u>	<u>\$ (82,149)</u>
Fund balance (deficit) at beginning of year		<u>(376,477)</u>	
FUND BALANCE AT END OF YEAR		<u>\$ 54,959</u>	

DEBT SERVICE FUND

Debt Service Fund - To account for the accumulation of, resources for, and the payment of, general long-term debt principal, interest and related costs.

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Debt Service Fund
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
REVENUES			
Local sources			
General levy	\$ 1,754,358	\$ 1,730,974	\$ (23,384)
Investment income	6,038	6,780	742
Total local sources	<u>1,760,396</u>	<u>1,737,754</u>	<u>(22,642)</u>
Total revenues	<u>1,760,396</u>	<u>1,737,754</u>	<u>(22,642)</u>
EXPENDITURES			
Debt service			
Interest on long term debt	926,013	894,009	(32,004)
Principal payments on long term debt	1,320,000	1,500,000	180,000
Total	<u>2,246,013</u>	<u>2,394,009</u>	<u>147,996</u>
Other debt service			
Other	875	97,216	96,341
Total	<u>875</u>	<u>97,216</u>	<u>96,341</u>
Total debt service	<u>2,246,888</u>	<u>2,491,225</u>	<u>244,337</u>
Total expenditures	<u>2,246,888</u>	<u>2,491,225</u>	<u>244,337</u>
Deficiency of revenues over expenditures	<u>(486,492)</u>	<u>(753,471)</u>	<u>(266,979)</u>
OTHER FINANCING SOURCES			
Principal on bonds sold	-	14,700,000	14,700,000
Transfers in	504,488	504,488	-
Payment to escrow	-	(14,590,229)	(14,590,229)
Total other financing sources	<u>504,488</u>	<u>614,259</u>	<u>109,771</u>
Net changes in fund balance	<u>\$ 17,996</u>	(139,212)	<u>\$ (157,208)</u>
Fund balance at beginning of year		<u>933,025</u>	
FUND BALANCE AT END OF YEAR		<u>\$ 793,813</u>	

CAPITAL PROJECTS FUND

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

Hinsdale Township High School District No. 86
 Schedule of Revenues, Expenditures and Changes in Fund Balance
 Budget and Actual
 Capital Projects Fund
 For the Year Ended June 30, 2017

	Original and Final Budget	2017 Actual	Variance over/under
REVENUES			
Local sources			
Earnings on investments	\$ 288	\$ 649	\$ 361
Total local sources	288	649	361
Total revenues	288	649	361
EXPENDITURES			
Support Services			
Business			
Facilities acquisition and construction service			
Purchased services	-	18,231	18,231
Capital outlay	-	36,503	36,503
Total	-	54,734	54,734
Net changes in fund balance	<u>\$ 288</u>	(54,085)	<u>\$ (54,373)</u>
Fund balance at beginning of year		<u>119,026</u>	
FUND BALANCE AT END OF YEAR		<u>\$ 64,941</u>	

AGENCY FUND

Student Activity Funds - To account for assets held by the District in a trustee capacity as an agent for student organizations and employees.

Hinsdale Township High School District No. 86

Statement of Changes in Assets and Liabilities

Agency Fund - Activity Funds

Year Ended June 30, 2017

	Balance June 30, 2017	Additions	Deductions	Balance June 30, 2016
Assets				
Cash	\$ 1,323,532	\$ 2,809,580	\$ 2,734,427	\$ 1,398,685
Liabilities				
Student groups	1,242,956	2,526,531	2,466,963	1,302,524
Flex benefit plan	80,576	283,049	267,464	96,161
Due to organizations	\$ 1,323,532	\$ 2,809,580	\$ 2,734,427	\$ 1,398,685

Hinsdale Township High School District No. 86

Operating Cost and Tuition Charge

Years Ended June 30, 2016 and 2017

	2017	2016
Operating Cost Per Pupil		
Average Daily Attendance (ADA)	4,094	4,406
Operating Costs		
Educational Fund	\$ 75,385,287	\$ 73,055,857
Operations and Maintenance Fund	9,079,955	7,950,524
Debt Service Fund	2,491,225	1,823,840
Transportation Fund	3,821,845	3,660,428
Municipal Retirement/Social Security Fund	2,358,270	5,311,641
Tort Fund	616,683	594,615
Subtotal	93,753,265	92,396,905
Less revenues/expenditures not applicable to operating expense of regular program		
Tuition paid	1,271,142	2,103,208
Summer school	77,197	300,105
Capital outlay	4,766,746	1,923,750
Non capitalized equipment	99,526	167,000
Bond and other debt principal retired	1,500,000	980,000
Community services	43,559	20,878
Payments to other districts & governmental units	2,485,348	2,698,571
Subtotal	10,243,518	8,193,512
Regular operating costs	\$ 83,509,747	\$ 84,203,393
Operating Cost Per Pupil - based on ADA	\$ 20,397	\$ 19,111
Tuition Charge		
Operating Costs	\$ 83,509,747	\$ 84,203,393
Less offsetting revenues from specific programs	5,973,386	5,359,011
Net operating expenditures	77,536,361	78,844,382
Depreciation allowance	2,509,748	2,407,825
Total allowance for tuition computation	\$ 80,046,109	\$ 81,252,207
Tuition Charge Per Pupil - based on ADA	\$ 19,551	\$ 18,444

Hinsdale Township High School District No. 86

November 1, 2008 Limited Tax School Bonds

As of June 30, 2017

<u>YEAR ENDED JUNE 30</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2018	\$ 910,000	\$ 50,675	\$ 960,675
2019	<u>300,000</u>	<u>12,000</u>	<u>312,000</u>
Total	<u>\$ 1,210,000</u>	<u>\$ 62,675</u>	<u>\$ 1,272,675</u>

Paying Agent Cole Taylor Bank

Principal payment date January 15

Interest payment dates January 15 and July 15

Interest rates 4% - 4.25%

Hinsdale Township High School District No. 86

February 16, 2012 Limited Tax School Bonds

As of June 30, 2017

<u>YEAR ENDED JUNE 30</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2018	\$ 60,000	\$ 100,550	\$ 160,550
2019	700,000	99,950	799,950
2020	1,050,000	85,950	1,135,950
2021	1,080,000	43,950	1,123,950
2022	15,000	750	15,750
Total	<u>\$ 2,905,000</u>	<u>\$ 331,150</u>	<u>\$ 3,236,150</u>

Paying Agent Amalgamated Bank of Chicago

Principal payment date January 15

Interest payment dates January 15 and July 15

Interest rates 2%-5%

Hinsdale Township High School District No. 86

December 15, 2015 Limited School Bonds

As of June 30, 2017

<u>YEAR ENDED JUNE 30</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2018	\$ 395,000	\$ 107,948	\$ 502,948
2019	400,000	103,288	503,288
2020	410,000	97,088	507,088
2021	415,000	89,338	504,338
2022	395,000	80,168	475,168
2023	460,000	70,450	530,450
2024	445,000	58,050	503,050
2025	460,000	45,500	505,500
2026	475,000	31,976	506,976
2027	560,000	17,584	577,584
Total	<u>\$ 4,415,000</u>	<u>\$ 701,390</u>	<u>\$ 5,116,390</u>

Paying Agent Amalgamated Bank of Chicago

Principal payment date January 15

Interest payment dates January 15 and July 15

Interest rates 4%-4.25%

Hinsdale Township High School District No. 86
 July 20, 2016 Limited Tax School Refunding Bonds
 As of June 30, 2017

YEAR ENDED JUNE 30	PRINCIPAL	INTEREST	TOTAL
2018	\$ 5,000	\$ 291,802	\$ 296,802
2019	5,000	291,701	296,701
2020	5,000	291,601	296,601
2021	285,000	288,686	573,686
2022	1,455,000	271,199	1,726,199
2023	1,490,000	241,602	1,731,602
2024	1,520,000	211,352	1,731,352
2025	1,545,000	180,548	1,725,548
2026	1,580,000	149,142	1,729,142
2027	1,610,000	117,083	1,727,083
2028	1,640,000	84,420	1,724,420
2029	1,675,000	51,104	1,726,104
2030	1,705,000	17,135	1,722,135
Total	<u>\$ 14,520,000</u>	<u>\$ 2,487,375</u>	<u>\$ 17,007,375</u>

Paying Agent Amalgamated Bank of Chicago

Principal payment date January 15

Interest payment dates January 15 and July 15

Interest rate 2.01%

Hinsdale Township High School District No. 86

Net Position By Component

Last Ten Fiscal Years

	2017	2016	2015	2014
Governmental activities				
Net Investment In Capital Assets	\$ 16,784,213	\$ 20,566,754	\$ 18,546,379	\$ 40,306,248
Restricted	10,062,645	11,712,919	9,962,221	16,025,961
Unrestricted	(4,279,551)	(7,666,079)	(2,575,630)	37,902,388
Total governmental activities				
Net Position	<u>\$ 22,567,307</u>	<u>\$ 24,613,594</u>	<u>\$ 25,932,970</u>	<u>\$ 94,234,597</u>

Source of Information: Annual Financial Statements

2013	2012	2011	2010	2009	2008
\$ 39,527,899	\$ 37,290,387	\$ 41,101,096	\$ 39,420,996	\$ 39,548,318	\$ 36,271,204
14,192,755	12,562,801	11,441,069	3,144,468	2,992,939	2,730,885
39,465,506	40,996,676	43,250,178	55,250,435	53,015,563	51,847,132
\$ 93,186,160	\$ 90,849,864	\$ 95,792,343	\$ 97,815,899	\$ 95,556,820	\$ 90,849,221

Hinsdale Township High School District No. 86
Changes in Net Position
Last Ten Fiscal Years

	2017	2016	2015
Expenses			
Instruction			
Regular programs	\$ 36,272,782	\$ 37,524,537	\$ 36,608,459
Special programs	13,802,048	12,686,660	18,359,429
Other instructional programs	8,364,780	9,278,559	3,177,571
State retirement contributions	18,579,214	16,522,220	14,946,207
Support services			
Pupils	8,794,201	8,803,029	7,508,219
Instructional staff	3,034,770	2,395,398	2,603,092
General administration	3,543,647	2,333,436	2,918,944
School administration	2,381,880	2,422,440	2,720,867
Business	1,694,433	2,587,854	2,580,559
Transportation	3,846,843	3,684,339	3,702,046
Operations and maintenance	5,126,492	6,085,879	4,867,669
Central	4,361,273	2,653,164	3,084,855
Other supporting services	-	-	7,452
Community services	122,717	37,354	-
Payments to other Districts excluding special ed	-	-	-
Interest and fees	906,823	637,465	687,012
Total expenses	110,831,903	107,652,334	103,772,381
Program revenues			
Governmental activities			
Charges for services			
Instruction	4,042,955	5,713,707	5,333,380
Support services	438,539	508,753	416,705
Operating grants and contributions:			
Instruction	21,914,295	19,643,263	17,979,858
Support services	1,262,568	1,380,360	1,128,710
Capital grants and contributions:			
Support services	-	-	-
Total governmental activities program revenues	27,658,357	27,246,083	24,858,653
Net expense	(83,173,546)	(80,406,251)	(78,913,728)
Governmental activities			
General revenues			
Taxes:			
Real estate taxes, levied for general purposes	71,749,818	70,384,668	69,520,738
Real estate taxes, levied for specific purposes	4,761,378	3,911,510	3,681,857
Real estate taxes, levied for debt service	1,730,974	1,725,633	1,983,863
Personal property replacement taxes	1,234,712	1,111,519	1,015,573
Federal and state aid	1,346,567	1,228,788	1,179,191
Investment earnings	626,986	379,241	198,561
Miscellaneous	(323,176)	345,516	132,606
Total governmental activities general revenues	81,127,259	79,086,875	77,712,389
Reappraised net capital assets	-	-	(22,438,106)
Change in net position	\$ (2,046,287)	\$ (1,319,376)	\$ (23,639,445)

Source of Information: Annual Financial Statements

	2014	2013	2012	2011	2010	2009	2008
\$	35,787,132	\$ 34,208,538	\$ 33,380,436	\$ 34,637,249	\$ 32,068,979	\$ 31,178,827	\$ 28,201,992
	17,827,764	13,969,380	14,236,316	10,498,470	10,257,483	12,002,181	10,775,867
	3,292,690	7,081,793	6,862,750	6,927,142	6,703,928	6,373,356	5,356,275
	15,784,187	12,238,718	10,724,680	9,656,723	9,487,830	6,767,807	4,968,168
	7,306,174	6,083,406	6,056,903	6,005,892	5,790,277	5,542,823	5,337,393
	2,561,571	2,523,876	2,467,926	2,457,496	2,455,514	2,194,476	1,688,286
	2,277,820	1,991,247	1,907,783	2,084,211	2,080,966	1,898,278	1,487,780
	2,422,197	2,499,564	2,492,571	2,526,265	2,318,084	2,388,443	3,800,014
	2,084,501	657,453	650,883	598,741	545,952	523,134	1,134,039
	3,140,015	2,537,137	2,746,643	2,430,173	2,622,130	2,457,257	2,130,565
	5,541,033	7,563,221	7,393,140	8,616,645	7,404,494	6,839,011	7,317,317
	2,565,722	2,145,230	2,847,759	1,577,187	2,041,441	2,608,264	2,209,026
	-	-	3,100	-	2,625	-	8,766
	5,980	9,550	-	1,180	4,200	-	-
	423,731	221,289	259,066	3,911,636	3,504,907	245,722	284,964
	320,101	824,846	615,379	410,611	396,961	452,650	408,810
	101,340,618	94,555,248	92,645,335	92,339,621	87,685,771	81,472,229	75,109,262
	4,683,392	4,469,964	4,408,603	5,628,370	5,239,278	5,322,091	3,707,450
	394,965	276,861	304,742	257,022	222,305	194,088	181,056
	18,473,615	14,966,724	13,668,698	12,816,064	12,583,200	9,347,146	7,239,911
	881,603	1,155,121	946,038	1,171,892	1,134,149	1,031,494	901,517
	-	50,000	-	-	-	746,480	-
	24,433,575	20,918,670	19,328,081	19,873,348	19,178,932	16,641,299	12,029,934
	(76,907,043)	(73,636,578)	(73,317,254)	(72,466,273)	(68,506,839)	(64,830,930)	(63,079,328)
	69,595,652	57,251,732	55,555,688	52,869,625	53,148,033	51,979,998	49,765,700
	3,681,025	13,838,054	13,668,500	13,091,038	13,218,077	12,342,889	11,067,356
	2,193,496	2,379,601	2,114,987	2,021,133	2,343,147	1,990,542	2,000,753
	1,129,786	1,116,809	1,093,041	1,188,181	916,227	1,132,554	1,294,687
	1,174,142	1,063,464	1,118,033	1,133,467	904,536	823,881	1,054,118
	77,550	112,920	112,283	117,519	211,983	1,218,156	2,158,460
	103,829	210,294	328,599	21,754	23,915	50,509	1,494,772
	77,955,480	75,972,874	73,991,131	70,442,717	70,765,918	69,538,529	68,835,846
	-	-	(5,616,356)	-	-	-	-
\$	1,048,437	\$ 2,336,296	\$ (4,942,479)	\$ (2,023,556)	\$ 2,259,079	\$ 4,707,599	\$ 5,756,518

Hinsdale Township High School District No. 86
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2017	2016	2015	2014
General Fund				
Nonspendable	\$ -	\$ 220,897	\$ -	\$ -
Restricted	10,062,645	10,660,868	9,375,723	12,300,412
Assigned	3,149,076	3,878,526	2,937,037	5,257,911
Unassigned	4,595,463	4,440,708	6,967,407	37,076,880
Total general fund	\$ 17,807,184	\$ 19,200,999	\$ 19,280,167	\$ 54,635,203
All Other Governmental Funds				
Restricted, reported in				
Capital projects funds	\$ 64,941	\$ 119,026	\$ 58,014	\$ 57,816
Debt service funds	793,813	933,025	528,484	1,632,075
Special revenue funds	54,959	-	-	2,035,658
Unassigned	(963,369)	(1,000,838)	(613,168)	-
Total all other governmental funds	\$ (49,656)	\$ 51,213	\$ (26,670)	\$ 3,725,549

General Fund
Reserved
Unreserved

Total general fund

All Other Governmental Funds
Reserved
Unreserved, reported in
 Capital projects funds
 Debt service funds
 Special revenue funds

Total all other governmental funds

Source of Information: Annual Financial Statements

Note: In 2011 the District implemented GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. The implementation required consolidation of certain funds into the General Fund. Additionally, new fund balance classifications were implemented.

2013	2012	2011	2010	2009	2008
\$ -	\$ -	\$ 103,823			
597,655	652,230	527,086			
5,873,486	5,031,313	4,780,999			
36,924,747	37,646,283	39,440,596			
<u>\$ 43,395,888</u>	<u>\$ 43,329,826</u>	<u>\$ 44,852,504</u>			

\$ 57,745	\$ -	\$ 57,646
1,779,462	1,800,734	1,427,735
12,190,374	10,507,794	9,583,198
-	14,298,682	-
<u>\$ 14,027,581</u>	<u>\$ 26,607,210</u>	<u>\$ 11,068,579</u>

\$ 1,069,094	\$ 955,690	\$ 750,602
39,282,463	39,618,661	38,438,992
<u>\$ 40,351,557</u>	<u>\$ 40,574,351</u>	<u>\$ 39,189,594</u>
\$ -	\$ -	\$ 510,213
1,528,308	4,000,421	115,203
1,714,474	1,692,263	1,341,836
16,383,914	14,556,631	13,883,574
<u>\$ 19,626,696</u>	<u>\$ 20,249,315</u>	<u>\$ 15,850,826</u>

Hinsdale Township High School District No. 86

Governmental Funds Revenues

Last Ten Fiscal Years

	2017	2016	2015	2014
Local sources				
Property Taxes	\$ 78,242,170	\$ 76,021,811	\$ 75,186,458	\$ 75,470,173
Replacement taxes	1,234,712	1,111,519	1,015,573	1,129,786
Earnings on investment	31,159	379,241	198,561	77,550
Other local sources	4,794,202	6,673,424	5,973,068	5,284,133
Total local sources	84,302,243	84,185,995	82,373,660	81,961,642
State Sources				
General state aid	1,260,475	1,129,130	1,077,809	1,094,513
Other state aid	22,065,818	19,768,449	17,845,979	18,241,032
Total state sources	23,326,293	20,897,579	18,923,788	19,335,545
Federal sources	1,157,080	1,249,384	1,273,594	1,091,866
Total	\$ 108,785,616	\$ 106,332,958	\$ 102,571,042	\$ 102,389,053

Source of Information: Annual Financial Statements

	2013	2012	2011	2010	2009	2008
\$	73,469,387	\$ 71,339,175	\$ 67,981,796	\$ 68,709,257	\$ 66,313,429	\$ 62,833,809
	1,116,809	1,093,041	1,188,181	916,227	1,132,554	1,294,687
	112,920	112,283	117,519	211,983	1,218,156	2,158,460
	4,957,119	5,179,363	5,907,146	5,485,498	6,175,749	5,373,657
	79,656,235	77,723,862	75,194,642	75,322,965	74,839,888	71,660,613
	1,063,464	1,409,383	1,769,560	904,536	823,881	1,054,118
	15,657,221	13,133,877	12,022,511	11,598,077	9,376,683	7,323,075
	16,720,685	14,543,260	13,792,071	12,502,613	10,200,564	8,377,193
	1,175,001	1,139,695	1,443,574	1,429,998	921,496	827,974
\$	97,551,921	\$ 93,406,817	\$ 90,430,287	\$ 89,255,576	\$ 85,961,948	\$ 80,865,780

Hinsdale Township High School District No. 86
 Governmental Funds Expenditures and Debt Service Ratio
 Last Ten Fiscal Years

	2017	2016	2015	2014
Current				
Instruction				
Regular Programs	\$ 33,703,802	\$ 38,091,188	\$ 34,930,831	\$ 34,244,591
Special Programs	11,091,718	9,772,888	12,110,860	10,180,297
Other Instructional Programs	8,239,790	9,159,003	5,895,392	7,269,431
State Retirement Contributions	18,579,214	16,522,220	14,946,207	15,784,187
Total Instruction	71,614,524	73,545,299	67,883,290	67,478,506
Supporting Services				
Pupils	8,619,215	8,635,650	7,330,215	7,079,717
Instructional Staff	2,959,776	2,323,664	2,526,804	2,453,833
General Administration	3,443,655	2,237,791	2,817,227	2,154,695
School Administration	2,356,882	2,398,529	2,695,438	2,328,548
Business	1,669,435	2,563,943	847,059	1,108,281
Transportation	3,821,845	3,660,428	3,473,183	2,862,983
Operations And Maintenance	4,935,965	5,895,573	6,349,545	6,422,099
Central	3,861,314	2,174,939	1,850,474	1,714,824
Other Supporting Services	-	-	-	-
Total Supporting Services	31,668,087	29,890,517	27,889,945	26,124,980
Community services	122,717	37,354	7,452	5,980
Payments to other districts	2,485,348	2,698,571	3,050,425	3,138,783
Total Current	105,890,676	106,171,741	98,831,112	96,748,249
Other				
Debt Service				
Principal	1,500,000	980,000	1,386,550	1,704,817
Interest	991,225	843,840	894,737	959,857
Capital Outlay	4,005,312	3,163,557	2,843,998	2,042,073
Total Other	6,496,537	4,987,397	5,125,285	4,706,747
Total	\$ 112,387,213	\$ 111,159,138	\$ 103,956,397	\$ 101,454,996
Debt services as a percentage of noncapital expenditure	2.30%	1.69%	2.26%	2.68%

Source of Information: Annual Financial Statements

	2013	2012	2011	2010	2009	2008
\$	32,097,924	\$ 31,783,434	\$ 32,646,033	\$ 30,139,199	\$ 29,653,209	\$ 27,251,112
	10,129,337	10,267,577	10,169,280	9,953,894	8,916,569	8,016,125
	6,923,282	6,697,867	6,737,473	6,539,435	6,253,839	5,218,650
	12,238,718	10,724,680	9,656,723	9,487,830	6,767,807	4,968,168
	61,389,261	59,473,558	59,209,509	56,120,358	51,591,424	45,454,055
	5,879,065	5,866,553	5,752,027	5,552,028	5,365,326	5,168,525
	2,442,079	2,388,627	2,343,535	2,354,633	2,117,547	1,598,803
	1,881,941	1,790,510	1,936,129	1,930,468	1,809,474	1,388,252
	2,482,072	2,460,542	2,468,698	2,313,802	2,418,939	3,778,260
	621,011	628,682	560,330	510,849	500,822	582,061
	2,509,259	2,720,472	2,393,885	2,588,200	2,350,131	2,106,639
	7,116,704	6,957,328	7,587,825	7,032,763	6,618,761	6,947,492
	1,585,218	1,782,761	1,659,536	1,588,077	2,154,829	1,744,738
	-	3,100	-	2,625	-	8,766
	24,517,349	24,598,575	24,701,965	23,873,445	23,335,829	23,323,536
	9,550	-	1,180	4,200	-	-
	3,699,072	3,989,398	3,911,636	3,504,907	3,103,237	2,828,638
	89,615,232	88,061,531	87,824,290	83,502,910	78,030,490	71,606,229
	1,960,221	1,761,459	2,383,214	2,250,164	1,686,132	2,204,680
	965,497	578,236	444,520	559,327	480,894	485,303
	17,915,283	7,156,434	4,463,416	3,792,295	4,424,010	3,868,357
	20,841,001	9,496,129	7,291,150	6,601,786	6,591,036	6,558,340
\$	110,456,233	\$ 97,557,660	\$ 95,115,440	\$ 90,104,696	\$ 84,621,526	\$ 78,164,569
	3.16%	2.59%	3.13%	3.26%	2.70%	3.62%

Hinsdale Township High School District No. 86

Other Financing Sources, Uses, and Net Changes in Fund Balance
Last Ten Fiscal Years

	2017	2016	2015	2014
Excess of revenues over (under) expenditures	<u>\$ (3,601,597)</u>	<u>\$ (4,826,180)</u>	<u>\$ (1,385,335)</u>	<u>\$ 934,057</u>
Other Financing Sources (Uses)				
Principal On Bonds Sold	14,700,000	4,800,000	-	-
Premium On Bonds Sold	-	-	-	-
Accrued Interest On Bonds Sold	-	-	-	-
Payments To Escrow Agent	(14,590,229)	-	-	-
Sale Of Capital Assets	34,455	24,895	-	3,226
Capital Lease Value	1,962,687	-	-	-
Total	<u>2,106,913</u>	<u>4,824,895</u>	<u>-</u>	<u>3,226</u>
Net change in fund balances	<u>\$ (1,494,684)</u>	<u>\$ (1,285)</u>	<u>\$ (1,385,335)</u>	<u>\$ 937,283</u>

Source of Information: Annual Financial Statements

2013	2012	2011	2010	2009	2008
\$ (12,904,312)	\$ (4,150,843)	\$ (4,685,153)	\$ (849,120)	\$ 1,340,422	\$ 2,701,211
-	15,395,000	-	-	3,980,000	-
-	2,771,056	-	-	80,587	-
-	-	-	-	13,905	-
-	-	-	-	-	-
10,956	740	37,433	3,707	5,803	10,194
379,789	-	590,550	-	362,529	487,370
390,745	18,166,796	627,983	3,707	4,442,824	497,564
\$ (12,513,567)	\$ 14,015,953	\$ (4,057,170)	\$ (845,413)	\$ 5,783,246	\$ 3,198,775

Hinsdale Township High School District No. 86

Equalized Assessed Valuation and
 Estimated Actual Value of Taxable Property
 Last Ten Fiscal Tax Years

Tax Year	Cook County	DuPage County	Percentage Increase/ (Decrease) Over Previous Year	Total DuPage County Direct Tax Rate	Actual Estimated Value*
2016	\$ 221,723,243	\$ 5,093,284,040	6.60%	1.4731	\$ 15,279,852,120
2015	227,811,700	4,756,995,245	4.84%	1.5592	14,270,985,735
2014	224,841,440	4,526,671,784	-0.15%	1.5921	13,580,015,352
2013	237,739,100	4,533,399,886	-4.66%	1.5681	13,600,199,658
2012	254,192,457	4,749,999,545	-8.17%	1.4984	14,249,998,635
2011	322,647,761	5,126,872,731	-7.31%	1.3362	15,380,618,193
2010	326,387,396	5,553,152,167	-5.72%	1.2011	16,659,456,501
2009	309,213,610	5,927,070,147	0.81%	1.0948	17,781,210,441
2008	255,034,723	5,931,114,116	6.67%	1.0804	17,793,342,348
2007	242,465,995	5,557,018,698	8.24%	1.0943	16,671,056,094

Tax Levy Year	Dupage County				
	Residential	Farm	Commercial	Industrial	Railroad
2016	\$ 4,462,469,741	\$ 108,259	\$ 513,468,297	\$ 115,702,970	\$ 1,534,773
2015	4,161,681,395	73,895	484,903,634	108,983,128	1,353,193
2014	3,953,445,411	72,472	470,798,148	101,058,580	1,297,173
2013	3,967,314,276	72,238	464,444,660	100,288,120	1,280,592
2012	4,155,601,672	71,249	489,922,596	103,225,020	1,179,008
2011	4,492,888,703	64,770	522,906,666	109,921,590	1,091,002
2010	4,900,000,910	63,969	539,823,471	112,349,200	914,617
2009	5,221,982,275	59,800	584,404,907	119,785,560	837,605
2008	5,214,805,612	59,089	602,018,526	113,536,660	694,229
2007	4,862,430,459	58,513	624,794,250	69,131,550	603,926

* Equalized Assessed Valuation is one-third of the Actual Estimated Value.

Source of information: DuPage County Levy, Rate and Extension Reports for the years 2007 to 2016

Hinsdale Township High School District No. 86

Property Tax Rates Direct and Overlapping

Governments

Last Ten Fiscal Tax Years

Taxing District	2016	2015	2014
DuPage County	\$ 0.1848	\$ 0.1971	\$ 0.2057
DuPage County Forest Preserve District	0.1514	0.1622	0.1691
DuPage Airport Authority	0.0176	0.0188	0.0196
Downers Grove Township	0.0350	0.0368	0.0378
Downers Grove Township Road District	0.0524	0.0550	0.0564
Grade School District 181	2.5828	2.7350	2.8455
Community College 502	0.2626	0.2786	0.2975
Village of Hinsdale & Library	0.5310	0.5626	0.5858
	<hr/>		
Total overlapping rate	3.8176	4.0461	4.2174
	<hr/>		
Hinsdale Township High School District No. 86	1.4952	1.5727	1.6227
	<hr/>		
Total rate	\$ 5.3128	\$ 5.6188	\$ 5.8401

Source of information: DuPage County Levy,
Rate and Extension Reports for the years 2007 to 2016

	2013	2012	2011	2010	2009	2008	2007
\$	0.2040	\$ 0.1929	\$ 0.1773	\$ 0.1659	\$ 0.1554	\$ 0.1557	\$ 0.1651
	0.1657	0.1542	0.1414	0.1321	0.1217	0.1206	0.1187
	0.0178	0.0168	0.0169	0.0158	0.0148	0.0160	0.0170
	0.0368	0.0343	0.0307	0.0281	0.0256	0.0254	0.0256
	0.0549	0.0512	0.0459	0.0420	0.0382	0.0379	0.0383
	2.8094	2.6965	2.3877	2.1353	1.9023	1.8306	1.8836
	0.2956	0.2681	0.2495	0.2349	0.2127	0.1858	0.1888
	0.5711	0.5457	0.4928	0.4538	0.4024	0.3888	0.3964
	4.1553	3.9597	3.5422	3.2079	2.8731	2.7608	2.8335
	1.5681	1.4984	1.3362	1.2011	1.0948	1.0804	1.0943
\$	5.7234	\$ 5.4581	\$ 4.8784	\$ 4.4090	\$ 3.9679	\$ 3.8412	\$ 3.9278

Hinsdale Township High School District No. 86

Principal Property Tax Payers in the District

Current Year and Nine Years Ago

Name	Type of Business	Equalized Assessed Valuation	Percentage Of Total Equalized Assessed Valuation
<u>Year Ended June 30, 2017</u>			
McDonalds Corporation	Headquarters-Fast Food Chain	\$26,818,610	0.50 %
TGM Willowbrook Inc.	Apartments	16,890,560	0.32
ASVRF Real Estate Corp.	Commercial Property	14,811,230	0.28
Ag Oak Brook Ex Park Vent	Commercial Property	13,785,960	0.26
USB Realty Investors LLC	Shopping center	12,012,160	0.23
Adventus US Realty 4 LP	Commercial Property	9,651,500	0.18
Harlem Irving Companies	Commercial Property	9,124,470	0.17
Three Galleria Tower	Apartments	8,079,230	0.15
OB I LLC	Commercial Property	7,724,450	0.15
Case Corp	Commercial Property	7,434,530	0.14
Total		<u>\$ 126,332,700</u>	<u>2.38 %</u>

<u>Year Ended June 30, 2008</u>			
McDonalds Corporation	Headquarter-Fast Food Chain	\$ 29,282,860	0.50 %
National Tax Search	Office buildings/Restaurant	19,146,920	0.33
SFERS Real Estate Corp.	Office buildings	18,337,300	0.32
Hinsdale Management Co.	Office buildings	17,561,790	0.30
Kensington Road Apartments	Office Center	13,467,500	0.23
Ipers Willowbrook Inc.	Apartments	19,868,980	0.34
Credit Management, LP	Shopping Center	11,998,180	0.21
OB I, LLC	Office Buildings and Hotel	11,716,020	0.20
Equity Office Properties	Office Building	9,542,020	0.16
Prime Group Realty Trust	Commercial Properties	9,311,810	0.16
		<u>\$ 160,233,380</u>	<u>2.75 %</u>

*The figures above are totals of numerous parcels with Cook and DuPage Counties' 2016 equalized assessed valuations greater than \$300,000 as recorded in the County Assessor's offices. They were compiled from a meticulous page by page search of a listing of such records. It is possible however, that certain parcels may have been overlooked.

Source: Cook and DuPage Counties, York and Downers Grove Township Assessor's Offices

Hinsdale Township High School District No. 86

Property Tax Rates, Extensions, And Collections

Last Ten Fiscal Years

	2016	2015	2014	2013
Educational	1.2025	1.2200	1.2377	1.1953
Tort immunity	0.0139	0.0145	0.0149	0.0145
Special education	0.0366	0.0383	0.0395	0.0381
Operations and maintenance	0.1229	0.1681	0.2101	0.2023
Debt Service	0.0270	0.0353	0.0371	0.0411
Transportation	0.0407	0.0426	0.0385	0.0371
Working cash	0.0076	0.0000	0.0000	0.0000
Municipal retirement	0.0168	0.0255	0.0190	0.0203
Social Securiry	0.0272	0.0284	0.0259	0.0194
Total rates extended	1.4952	1.5727	1.6227	1.5681
Property tax extensions				
Educational	\$ 64,486,983	\$ 60,814,645	\$ 58,809,479	\$ 57,520,570
Tort Immunity	744,101	722,797	707,975	696,238
Special Education	1,961,238	1,909,181	1,876,848	1,830,946
Operations and maintenance	6,590,609	8,414,354	9,982,929	9,724,825
Debt Service	1,435,052	1,759,637	1,762,811	1,980,287
Transportation	2,184,468	2,103,589	1,829,333	1,783,307
Working cash	409,256	-	-	-
Municipal Retirement	903,551	1,271,126	902,788	975,598
Social Securiry	1,456,312	1,400,731	1,230,642	932,493
Total levies extended	\$ 80,171,570	\$ 78,396,060	\$ 77,102,805	\$ 75,444,264
Collected in first year of levy	40,434,063	39,452,276	37,807,539	36,735,667
Collected in subsequent years	-	38,159,823	38,225,974	38,506,461
Total collections	\$ 40,434,063	\$ 77,612,099	\$ 76,033,513	\$ 75,242,128
Percentage collected in first year	50.43%	50.32%	49.04%	48.69%
Percentage collected	50.43%	99.00%	98.61%	99.73%

Note: The District's ability to increase property tax levels is limited by the Property Tax Extension Limitation Act passed by the Illinois legislature in 1994. The legislation limits the levy increase to the lesser of the increase in consumer price index or five percent of existing property values.

Tax rates are expressed in dollars per one hundred of assessed valuation

Source of information: DuPage County Levy, Rate, and Extension Reports for 2007-2016.

2012	2011	2010	2009	2008	2007
1.1358	1.0040	0.9176	0.8269	0.8166	0.8503
0.0136	0.0110	0.0104	0.0096	0.0097	0.0086
0.0361	0.1770	0.1557	0.1459	0.1498	0.1380
0.1922	0.0325	0.0228	0.0195	0.0184	0.0194
0.0473	0.0334	0.0341	0.0279	0.0233	0.0243
0.0354	0.0174	0.0166	0.0151	0.0134	0.0133
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
0.0194	0.0449	0.0301	0.0373	0.0372	0.0281
0.0186	0.0160	0.0138	0.0126	0.0120	0.0123
1.4984	1.3362	1.2011	1.0948	1.0804	1.0943
\$ 57,064,710	\$ 54,344,336	\$ 53,905,491	\$ 51,789,063	\$ 51,319,179	\$ 49,759,579
683,083	595,559	611,053	603,378	609,705	498,756
1,814,097	1,759,683	1,339,455	1,224,750	9,441,391	8,072,883
9,659,774	9,585,540	9,149,133	9,161,485	1,158,973	1,130,900
2,381,412	2,435,119	1,771,889	2,341,978	1,467,032	1,420,874
1,778,643	1,808,584	2,003,454	1,751,247	842,627	777,131
-	-	-	-	-	-
974,415	941,917	975,183	947,960	2,343,747	1,641,254
934,237	866,440	810,511	790,741	754,751	719,136
\$ 75,290,371	\$ 72,337,178	\$ 70,566,169	\$ 68,610,602	\$ 67,937,405	\$ 64,020,513
36,024,189	35,688,360	34,612,137	32,380,476	31,605,639	29,533,149
38,952,481	36,421,398	35,760,269	36,047,346	36,142,010	34,803,264
\$ 74,976,670	\$ 72,109,758	\$ 70,372,406	\$ 68,427,822	\$ 67,747,649	\$ 64,336,413
47.85%	49.34%	49.05%	47.19%	46.52%	46.13%
99.58%	99.69%	99.73%	99.73%	99.72%	100.49%

Hinsdale Township High School District No. 86

Ratio of Outstanding Debt By Type

Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt	Debt Certificates	Capital Leases	Total	Percentage of Estimated Actual Taxable Value of Property	General Debt Per Capita
2017	\$ 23,145,120	\$ -	\$ 1,962,687	25,107,807	0.16%	332
2016	24,179,969	-	-	24,179,969	0.18%	319
2015	20,486,344	80,000	-	20,566,344	0.13%	183
2014	21,769,069	265,000	126,550	22,160,619	0.13%	256
2013	23,376,794	445,000	251,368	24,073,162	0.14%	279
2012	25,031,056	615,000	196,800	25,842,856	0.14%	300
2011	8,275,000	775,000	388,259	9,438,259	0.05%	122
2010	10,180,000	930,000	120,923	11,230,923	0.06%	145
2009	12,000,000	1,080,000	401,087	13,481,087	0.07%	174
2008	9,280,000	1,225,000	319,600	10,824,600	0.06%	140

Source of information: Annual Financial Statements

Note: Population estimates were based on official U.S. Census, Local, City, Village and School data.

Hinsdale Township High School District No. 86

Computation of Direct and Overlapping Debt

June 30, 2017

Taxing Authority	2016 Total Equalized Assessed Valuation	Outstanding Bonds	Applicable to District	
			Percent	Amount
Hinsdale Township High School District Number 86	\$ 5,093,284,040	\$23,050,000	100.000%	\$23,050,000
DuPage County	36,179,309,823	33,905,000 (2)	14.090%	4,777,215
DuPage County Forest Preserve	36,179,309,823	126,497,595 (3)	14.090%	17,823,511
Cook County	143,483,256,019	3,213,141,750	0.161%	5,173,158
Cook County Forest Preserve	143,483,256,019	159,440,240	0.161%	256,699
Metropolitan Water Reclamation District	140,752,201,171	2,583,922,748 (1)	0.165%	4,263,473
Municipalities:				
Village of Clarendon Hills	530,825,045	0 (2)	93.271%	0
City of Darien	824,185,518	3,975,000	59.689%	2,372,638
Village of Hinsdale	1,751,316,154	1,600,000 (2)	99.910%	1,598,560
Village of Lemont	558,974,453	0 (2)	0.076%	0
Village of Westmont	796,337,213	0 (2)	21.164%	0
Village of Willowbrook	419,474,371	0 (2)	100.000%	0
Special Service Areas:				
Clarendon Hills #13	1,058,840	13,000	100.000%	13,000
Clarendon Hills #15	11,873,490	0 (2)	100.000%	0
Hinsdale #13	49,020,632	1,020,000	100.000%	1,020,000
Willowbrook #1	10,808,910	2,585,000	100.000%	2,585,000
Park Districts:				
Burr Ridge Park District	712,939,246	3,425,000	100.000%	3,425,000
Clarendon Hills Park District	530,275,995	1,149,000	93.264%	1,071,603
Darien Park District	816,580,984	1,866,805 (2)	60.245%	1,124,657
Oak Brook Park District	1,450,530,523	2,805,473	60.266%	1,690,746
Oakbrook Terrace Park District	274,899,041	1,165,000	4.527%	52,740
Westmont Park District	812,924,793	830,000 (2)	20.400%	169,320
Miscellaneous Districts:				
Darien-Woodridge Fire District	1,080,271,668	0 (2)	15.427%	0
School Districts:				
#53	853,625,290	685,000	100.000%	685,000
#60	578,026,484	13,760,000	77.243%	10,628,637
#61	460,547,493	4,890,000	54.349%	2,657,666
#62	696,847,454	6,225,000	100.000%	6,225,000
#63	319,478,027	3,746,485 (2)(3)	96.532%	3,616,557
#181	2,482,646,247	48,785,000 (2)	100.000%	48,785,000
College of DuPage #502	40,504,389,066	176,755,000 (2)	13.161%	<u>23,262,726</u>
Total Direct and Overlapping General Obligation Bonded Debt				<u>\$166,327,906</u>

(1) Includes IEPA Revolving Loan Fund Bonds

(2) Excludes outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation. Also excludes installment contracts, loans, notes and debt certificates.

(3) Includes original principal amounts of outstanding General Obligation Capital Appreciation Bonds.

Source: Offices of the Cook and DuPage County Clerks, Cook County Comptroller and Treasurer of Metropolitan Water Reclamation District of Greater Chicago

Hinsdale Township High School District No. 86

Legal Debt Margin Information

Last Ten Fiscal Years

	2017	2016	2015	2014
Legal debt limit (6.9% of equalized assessed valuation)	\$ 367,383,372	\$ 343,951,679	\$ 327,854,412	\$ 329,954,232
General Bonded debt outstanding				
General obligation bonds/debt certificates	23,050,000	22,220,000	18,400,000	19,660,000
Less:				
Amounts set aside to repay general debt	793,813	933,025	528,484	1,632,074
Total net debt applicable to debt limit	22,256,187	21,286,975	17,871,516	18,027,926
Legal debt margin	\$ 345,127,185	\$ 322,664,704	\$ 309,982,896	\$ 311,926,306
Total net debt applicable to the limit as a percentage of debt limit	93.94%	93.81%	94.55%	94.54%

Legal Debt Margin calculation for fiscal year June 30, 2017

Assessed valuation of taxable properties for the tax year 2015	\$ 5,324,396,690
Rate	6.9%
Bonded debt limit	367,383,372
Debt subject to limitation:	
General obligation bonds payable	23,050,000
Total debt subject to limitation	23,050,000
Less Debt Service Fund balance	(793,813)
Net Debt outstanding subject to limitation	22,256,187
Legal bonded debt margin at June 30, 2017	\$ 345,127,185

Source of Information: Annual Financial Statements

2013	2012	2011	2010	2009	2008
\$ 346,067,193	\$ 376,813,181	\$ 406,469,532	\$ 431,132,579	\$ 430,582,613	\$ 400,164,444
21,240,000	22,875,000	9,050,000	11,110,000	13,080,000	10,505,000
1,779,462	1,800,734	1,427,735	1,714,474	1,692,263	1,341,836
19,460,538	21,074,266	7,622,265	9,395,526	11,387,737	9,163,164
\$ 326,606,655	\$ 355,738,915	\$ 398,847,267	\$ 421,737,053	\$ 419,194,876	\$ 391,001,280
94.38%	94.41%	98.12%	97.82%	97.36%	97.71%

Hinsdale Township High School District No. 86

Demographic And Economic Statistics - Population

June 30, 2017

NAME OF ENTITY	1990	2000	2010	% Change
County				
Cook County	5,105,067	5,376,741	5,194,675	-3.50%
DuPage County	781,666	904,161	916,924	1.39%
Municipalities				
Village of Burr Ridge	7,669	10,408	10,559	1.43%
Village of Clarendon Hills	6,994	7,610	8,427	9.70%
Village of Hinsdale	16,029	17,349	16,816	-3.17%
Village of Oak Brook	9,178	8,702	7,883	-10.39%
Village of Westmont	21,228	24,554	24,685	0.53%
Village of Willowbrook	8,598	8,967	8,540	-5.00%
Miscellaneous				
City of Darien	18,341	22,860	22,086	-3.50%
State of Illinois	11,430,602	12,419,293	12,830,632	3.21%

Source of information: U.S. Census Bureau

Note: Personal income data was not available for the District.

Hinsdale Township High School District No. 86
Demographic and Economic Statistics - Median Household Income
June 30, 2017

	VILLAGE OF BURR RIDGE		VILLAGE OF CLARENDON HILLS		CITY OF DARIEN	
	Number	Percent	Number	Percent	Number	Percent
Total:	4,283		3,216		9,121	
Less than \$10,000	192	4.48%	81	2.52%	371	4.07%
\$10,000 to \$14,999	84	1.96%	90	2.80%	265	2.91%
\$15,000 to \$19,999	122	2.85%	122	3.79%	268	2.94%
\$20,000 to \$24,999	92	2.15%	131	4.07%	239	2.62%
\$25,000 to \$29,999	65	1.52%	90	2.80%	268	2.94%
\$30,000 to \$34,999	38	0.89%	85	2.64%	293	3.21%
\$35,000 to \$39,999	67	1.56%	113	3.51%	303	3.32%
\$40,000 to \$44,999	96	2.24%	-	0.00%	446	4.89%
\$45,000 to \$49,999	171	3.99%	32	1.00%	334	3.66%
\$50,000 to \$59,999	91	2.12%	139	4.32%	587	6.44%
\$60,000 to \$74,999	520	12.14%	346	10.76%	956	10.48%
\$75,000 to \$99,999	306	7.14%	285	8.86%	1,318	14.45%
\$100,000 to \$124,999	380	8.87%	395	12.28%	999	10.95%
\$125,000 to \$149,999	197	4.60%	164	5.10%	696	7.63%
\$150,000 to \$199,999	543	12.68%	361	11.23%	850	9.32%
\$200,000 or more	1,319	30.80%	782	24.32%	928	10.17%
	VILLAGE OF HINSDALE		VILLAGE OF OAK BROOK		VILLAGE OF WESTMONT	
	Number	Percent	Number	Percent	Number	Percent
Total:	5,534		3,052		10,676	
Less than \$10,000	241	4.35%	63	2.06%	713	6.68%
\$10,000 to \$14,999	104	1.88%	117	3.83%	566	5.30%
\$15,000 to \$19,999	86	1.55%	24	0.79%	559	5.24%
\$20,000 to \$24,999	135	2.44%	32	1.05%	506	4.74%
\$25,000 to \$29,999	76	1.37%	60	1.97%	531	4.97%
\$30,000 to \$34,999	71	1.28%	30	0.98%	627	5.87%
\$35,000 to \$39,999	48	0.87%	71	2.33%	588	5.51%
\$40,000 to \$44,999	157	2.84%	101	3.31%	403	3.77%
\$45,000 to \$49,999	80	1.45%	68	2.23%	356	3.33%
\$50,000 to \$59,999	222	4.01%	115	3.77%	678	6.35%
\$60,000 to \$74,999	314	5.67%	185	6.06%	1,376	12.89%
\$75,000 to \$99,999	455	8.22%	255	8.36%	1,138	10.66%
\$100,000 to \$124,999	330	5.96%	305	9.99%	808	7.57%
\$125,000 to \$149,999	290	5.24%	217	7.11%	538	5.04%
\$150,000 to \$199,999	537	9.70%	345	11.30%	563	5.27%
\$200,000 or more	2,388	43.15%	1,064	34.86%	726	6.80%
	VILLAGE OF WILLOWBROOK		COUNTY OF COOK		COUNTY OF DUPAGE	
	Number	Percent	Number	Percent	Number	Percent
Total:	3,932		1,942,959		338,083	
Less than \$10,000	115	2.92%	166,690	8.58%	12,571	3.72%
\$10,000 to \$14,999	47	1.20%	95,443	4.91%	8,237	2.44%
\$15,000 to \$19,999	183	4.65%	101,068	5.20%	10,262	3.04%
\$20,000 to \$24,999	135	3.43%	100,689	5.18%	11,139	3.29%
\$25,000 to \$29,999	154	3.92%	91,060	4.69%	11,136	3.29%
\$30,000 to \$34,999	216	5.49%	92,387	4.75%	12,339	3.65%
\$35,000 to \$39,999	171	4.35%	84,454	4.35%	12,496	3.70%
\$40,000 to \$44,999	203	5.16%	85,175	4.38%	12,944	3.83%
\$45,000 to \$49,999	252	6.41%	71,513	3.68%	12,136	3.59%
\$50,000 to \$59,999	350	8.90%	144,311	7.43%	22,843	6.76%
\$60,000 to \$74,999	582	14.80%	184,593	9.50%	33,967	10.05%
\$75,000 to \$99,999	474	12.05%	231,125	11.90%	47,261	13.98%
\$100,000 to \$124,999	270	6.87%	159,930	8.23%	37,505	11.09%
\$125,000 to \$149,999	276	7.02%	98,479	5.07%	25,149	7.44%
\$150,000 to \$199,999	152	3.87%	109,676	5.64%	30,932	9.15%
\$200,000 or more	352	8.95%	126,366	6.50%	37,166	10.99%
	STATE OF ILLINOIS					
	Number	Percent				
Total:	4,786,388					
Less than \$10,000	343,101	7.17%				
\$10,000 to \$14,999	217,426	4.54%				
\$15,000 to \$19,999	238,477	4.98%				
\$20,000 to \$24,999	238,802	4.99%				
\$25,000 to \$29,999	219,983	4.60%				
\$30,000 to \$34,999	229,746	4.80%				
\$35,000 to \$39,999	212,017	4.43%				
\$40,000 to \$44,999	211,604	4.42%				
\$45,000 to \$49,999	186,448	3.90%				
\$50,000 to \$59,999	369,853	7.73%				
\$60,000 to \$74,999	481,803	10.07%				
\$75,000 to \$99,999	609,496	12.73%				
\$100,000 to \$124,999	420,268	8.78%				
\$125,000 to \$149,999	256,237	5.35%				
\$150,000 to \$199,999	272,382	5.69%				
\$200,000 or more	278,745	5.82%				

HOUSEHOLD INCOME IN THE PAST 12 MONTHS (IN 2015 INFLATION-ADJUSTED DOLLARS)
2011-2015 American Community Survey 5-Year Estimates

Hinsdale Township High School District No. 86

Principal Employers

Current Year And Nine Years Ago

Firm	Type of Business	Approximate Employment	Percentage of Total Employment
<u>Year Ended June 30, 2017</u>			
Argonne Research Laboratory	Laboratory	3,200	10.62% %
McDonalds Corporation	Headquarters - fast food chain	2,000	6.64%
Adventist Hinsdale Hospital	Hospital	1,560	5.18%
Ace Hardware Corp.	Wholesale hardware co-op	900	2.99%
C.N.H America, LLC	Product development and engineering	800	2.66%
Advocate Health Care	Healthcare services	800	2.66%
Nordstrom	Department store	700	2.32%
Hinsdale Township HS Dist. 86	Public high school district	630	2.09%
Citgo Petroleum	Oil and gas supplier	500	1.66%
Crowe Horwath, LLP	Public accounting firm	500	1.66%
Continental Electrical Construction	Construction company	450	1.49%
Inland Real Estate Corporation	Real estate corporation	445	1.48%
A.M. Castle & Co. HQ	Metal distribution	400	1.33%
RML Specialty Hospital	Hospital	400	1.33%
Total		13,285	44.10%
<u>Year Ended June 30, 2008</u>			
McDonalds Corporation	Headquarters - fast food chain	2,200	N/A
Adventist Hinsdale Hospital	Hospital	2,225	N/A
Ace Hardware Corp	Wholesale hardware co-op	1,000	N/A
Inland Group	Real estate investment services	1,097	N/A
Nordstrom	Department store	700	N/A
Hinsdale Township HS Dist. 86	Public high school district	603	N/A
TCF National Bank of Illinois	Bank headquarters	3,500	N/A
Advocate Home Health Care	Home health care	1,200	N/A
Planetechs, LLC	Corporate headquarters	1,000	N/A
Sanford Corp.	Corporate headquarters & art materials	600	N/A
Crowe, Chizek & Co., LLP	Accounting services	550	N/A
		14,675	

**The 2016 estimated total employment in High School District 86 was approximately 30,127

*** Includes companies and institutions located in the communities in which the District is located but not necessarily within the boundaries of the District.

Sources:

- 2017 Illinois Manufacturers Directory
- 2017 Illinois Services Directory
- Reference USA.com
- Phone Canvass of Employer
- Official Website of Employer
- Phone Canvass of employers.
- 2008 Illinois Manufactures' News and 2008 Illinois Services Directories
- 2008 Harris Illinois Industrial Directory
- Illinois Department of Employment Security

Hinsdale Township High School District No. 86
 Demographic and Economic Statistics-Average Unemployment Rates
 Last Ten Years

	VILLAGE OF BURR RIDGE	VILLAGE OF CLARENDON HILLS	CITY OF DARIEN	VILLAGE OF HINDSDALE	VILLAGE OF OAK BROOK
2007 - Average	1.4	1.3	2.9	3.0	4.4
2008 - Average	1.8	1.7	3.9	4.0	5.8
2009 - Average	3.1	2.9	6.6	6.7	9.7
2010 - Average	3.1	2.9	6.6	6.7	9.6
2011 - Average	2.4	3.4	6.1	6.4	9.2
2012 - Average	2.1	3.1	5.5	5.8	8.4
2013 - Average	7.8	6.7	7.5	7.3	6.6
2014 - Average	6.1	5.0	6.0	5.5	5.4
2015 - Average	4.1	4.1	4.6	4.7	4.9
2016 - Average	4.2	4.3	4.8	4.8	4.6

Source of information: State of Illinois Department of Employment Security
 Note: 2016 was the most recent information available.

VILLAGE OF WESTMONT	VILLAGE OF WILLOWBOOK	COUNTY OF DUPAGE	COUNTY OF COOK	STATE OF ILLINOIS
3.9	3.4	3.8	5.1	5.1
5.1	4.5	5.0	6.5	6.4
8.5	7.6	8.4	10.3	10.0
8.5	7.5	8.3	10.5	10.4
8.1	7.2	10.4	10.3	9.7
7.4	6.5	7.3	9.3	8.9
7.7	7.2	5.6	9.6	7.4
5.8	5.5	5.8	7.5	7.1
4.7	4.2	4.7	6.2	5.9
4.6	5.2	4.8	6.1	5.9

Hinsdale Township High School District No. 86

Operating Statistics
Last Ten Fiscal Years

Fiscal Year	(1) Expenditure	Enrollment	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio	Student Attendance Record
2017	\$ 80,046,109	4,094	\$ 19,551	6.00%	376	10.9	94.00%
2016	81,252,207	4,406	\$ 18,444	0.80%	388	11.4	93.80%
2015	77,300,936	4,225	18,298	0.75%	381	11.1	93.30%
2014	75,966,601	4,183	18,161	-25.42%	377	11.1	93.40%
2013	110,456,233	4,536	24,351	14.27%	377	12.0	94.30%
2012	97,557,660	4,578	21,310	2.37%	370	12.4	94.20%
2011	95,115,440	4,569	20,818	5.40%	367	12.4	94.20%
2010	90,104,696	4,562	19,751	6.76%	362	12.6	93.89%
2009	84,621,526	4,574	18,501	8.88%	359	12.7	94.04%
2008	78,164,569	4,600	16,992	#DIV/0!	365	12.6	94.45%

Source of information: District records.

(1) Total allowance for per capita tuition computation

Hinsdale Township High School District No. 86

School Building Information

Last Ten Fiscal Years

	2017	2016	2015
Hinsdale Central High School (1947)			
Buildings (square feet) ^d	460,139	478,425	478,425
Available capacity (students)	2,490	2,490	2,650
Enrollment (students housed)	2,766	2,792	2,792
Hinsdale South High School (1965)			
Buildings (square feet) ^d	429,815	462,508	462,508
Available capacity (students)	1,930	1,930	1,875
Enrollment (students housed)	1,507	1,595	1,653
Hinsdale Twp HSD 86 Adult Opportunities Program ^c			
Buildings (square feet) ^{d,e}	8,700	N/A	N/A
Available capacity (students) ^f	42	N/A	N/A
Enrollment (students housed)	45	28	30

^{a, b} As of June 30 of that fiscal year

^a Student capacity was updated by ARCON Associates when the Board approved the Master Facilities Plan in January 2016. The capacity number is calculated by taking the total teaching stations multiplied by class size then multiplied by 80 percent efficiency rate. ARCON updated capacity calculations at the October 2, 2017 Facilities Committee meeting as follows: as follows: Hinsdale Central 2,622 and Hinsdale South 1,775.

^b Enrollment numbers have been updated to reflect the fall housing report that is compiled by the Illinois State Board of Education. The report can be found at: <https://www.isbe.net/Pages/Fall-Enrollment-Counts.aspx>.

^c The Adult Opportunities Program (aka Transition Center) was assigned its own RCDTS number for the number for the 2014-15 school year.

^d The Transition Center renovation was completed in the summer of 2016. The space was opened for opened for students in the fall of 2016. Prior to that, the program met in leased space.

^e Buildings (square feet) was updated based on the the master facility plan refresh completed by ARCON Associates in 2016.

^f Capacity is determined by educational needs of the students. Not all students enrolled in the Adult the Adult Opportunities Program attend the Transition Center building. The District leases additional space to meet program needs.

Source of information: District building and enrollment records

2014	2013	2012	2011	2010	2009	2008
478,425	478,425	478,425	478,425	478,425	478,425	478,425
2,650	2,650	2,650	2,650	2,650	2,650	2,650
2,775	2,806	2,830	2,686	2,722	2,726	2,750
462,508	462,508	462,508	462,508	462,508	462,508	462,508
1,875	1,875	1,875	1,875	1,875	1,875	1,875
1,719	1,730	1,748	1,866	1,840	1,848	1,850

Hinsdale Township High School District No. 86

School District Employees by Function

Last Ten Fiscal Years

	2017	2016	2015	2014	2013	2012	2011	2010
Teachers	334	328	330	336	336	338	329	326
Counselors	20	20	21	21	24	23	23	23
Social Workers	12	11	9	9	5	5	5	5
Librarians	5	6	7	7	7	7	7	7
Psychologists	5	4	4	4	0	0	0	0
Administration	26	25	22	16	16	16	16	16
Paraprofessionals	88	86	88	74	78	83	79	85
Buildings & Grounds	29	34	35	38	40	39	40	39
Information Technology	7	9	9	10	10	10	10	10
Support Staff	89	87	88	85	85	84	80	79

Note: Data prior to fiscal year 2010 is not available. Employee data has been updated to reflect full-time equivalents.

Source of information: District records - full time equivalents.