

COMPREHENSIVE ANNUAL FINANCIAL
REPORT

OF

**GLENCOE ELEMENTARY SCHOOL
DISTRICT 35**

GLENCOE, ILLINOIS

As of and for the Year Ended June 30, 2018

Officials Issuing Report

Dr. Catherine Wang, Superintendent of Schools
Mr. Jason Edelheit, Director of Finance and Operations

Department Issuing Report

Business Office

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

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December 13, 2018

Glencoe
School District
#35

President and Members of the
Board of Education and Residents of
Glencoe Elementary School District 35
Glencoe, Illinois

Board of Education
620 Greenwood Ave.
Glencoe, Illinois
60022

847.835.7800
Fax: 847.835.7805

Jason Edelheit
*Director of Finance and
Operations*

Dear Members of the Board and Residents:

The Illinois State Board of Education requires that every school district issue a complete set of audited financial statements. This report is published to fulfill that requirement for fiscal year ended June 30, 2018.

The Comprehensive Annual Financial Report of Glencoe Elementary School District 35, Glencoe, Illinois, for the fiscal year ended June 30, 2018, is submitted herewith. The audit was completed on December 13, 2018, and the report was subsequently issued.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based on a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Baker Tilly Virchow Krause, LLP, Certified Public Accountants, have issued an unmodified opinion on Glencoe Elementary School District's 35's financial statements for the year ended June 30, 2018. The independent auditors' report is located at the front of the financial section of this report.

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



Profile of the District

The District is an elementary (K-8) school district in New Trier Township, Illinois, which operates as a single district. Geographically, the District is approximately 20 miles north of the Chicago Loop. The governing body consists of a seven-member Board of Education elected from within the District's boundaries. Based on the legislative authority codified in The School Code of Illinois, the Board of Education has the following powers:

1. has the corporate power to sue and be sued in all courts,
2. has the power to levy and collect taxes and to issue bonds,
3. can contract for appointed administrators, teachers, and other personnel as well as for goods and services,
4. holds title to all District property.

The primary purpose of the District is to provide each student within the District the educational opportunities to master those skills, which are necessary to function efficiently and effectively in our society. The District's student enrollment was 1,196 for the year ended June 30, 2018.

The District is required to adopt an annual budget for all its funds by September 30th of each year. The annual budget serves as a foundation for financial planning and control. The budget is prepared by fund, function (e.g., instruction, support services), location, program and object (e.g., salaries, employee benefits). The Board of Education approves the hiring of employees, awarding of bids and payments to vendors at its regular meetings throughout the year.

Local Economy

Historically, District 35's primary revenue source and financial standing has benefited from high real estate values. The Property Tax Extension Limitation Law, passed in 1991, will continue to limit financial access to further growth. This cap limits revenue increases from local property taxes to the lower of the Consumer Price Index or 5%, plus access to partial amounts of new construction. The actual CPI increases have ranged from 0.1% to 4.1% since implementation of this legislation. While the District is not dependent on revenues generated from the current state aid formula, tax caps create a double penalty for the affected school districts. Increased equalized assessed valuation will not be fully accessible for local revenue, but the non-accessible portion still decreases state revenues as a result of their use in the current state aid formula. Local property taxes historically constitute over 90% of the district's total revenue.

While local property taxes make up the bulk of District revenues, salary and benefits similarly dominate the expenditure side of the District's balance sheet. The combination of salary and benefit cost increases and revenue limitations create a financial structure that will result, at some point, in expenditures outpacing revenues and, ultimately, the need to ask voters for an operational tax rate increase. This last occurred and was approved by voters in 2005. At that time, it was the



goal of the district to delay a future referendum for 7 years. Current projections suggest that the need for a future referendum will be delayed for over double the original 7-year goal.

Compliance with the above-referenced limitations will continue to be difficult in the current economic environment. Monies necessary to maintain both the programs and facilities of the district will be required. The district hopes to continue to delay the time between referenda for as long as possible.

Relevant Financial Policies

Budget planning begins no later than March by adopting a proposed budget calendar. The proposed budget shall be available for public inspection and comment at least 30 days before the budget hearing. The adopted budget shall be posted on the District's website and filed with the Cook County Clerk's office within 30 days of adoption. The Board of Education may amend the budget by following the same procedure as provided for in the original adoption.

The Board of Education shall act on all expenditures, inter-fund loans and transfers, transfers within funds in excess of 10 percent of the total fund and all contingency fund expenditures.

The Treasurer serves as the Chief Investment Officer. The Treasurer invests money that is not required for current operations, in accordance with Board policy and State law. See the Notes to the Basic Financial Statements for additional information on cash and investments.

The certificate of property tax levy is to be filed with the Cook County Clerk's office by the last Tuesday in December. The District annually publishes a statement of affairs regarding its financial position by December 15th.



Major Initiatives.

Steady to declining enrollment levels have helped the district maintain staffing levels while adding programs and services. Full day kindergarten and the addition of curriculum area specialists have been put in place with limited cost increases due to attrition and strategic redeployment of staff. Thus, the district has expanded educational services while minimizing expense increases that would typically accompany any such expansion.

The positive relationships and work place conditions in Glencoe School District 35 helped facilitate a new collective bargaining agreement that will run through the 2021-2022 school year. This agreement will allow the district to attract and retain quality educators while providing cost certainty into the next decade.

Also significant for District students is the District's continuing effort in innovative technology for instruction. The PTO and GEF have supported district technology initiatives to enhance learning opportunities for all our students. This support includes interactive whiteboards, online resources, and expanded learning opportunities through innovation clubs at each school. Staff members incorporating technology into the curriculum and daily instruction of the students to allow for full utilization of these technology resources.

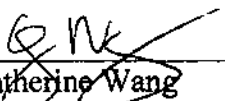
The district has responsibly maintained reserves in order to be able to address the long-term capital needs of its aging facilities. These reserves can be utilized in the future to address large scale facility needs identified in the district's decennial life safety survey in a way that will maintain responsible reserve levels and not require referenda. Potential projects include HVAC improvements/replacements, interior improvements, landscaping/playground projects, and building exterior maintenance.

The district has and will continue to maintain its commitment to environmental stewardship, a safe and secure learning environment, and fiscal responsibility.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated service of the entire Business Office staff. We wish to express our appreciation to all members of the Business Office department who assisted and contributed to the preparation of this report. Also, much credit must be bestowed upon the Board of Education President and members for their desire and commitment to maintain the highest standards of professionalism in the management of Glencoe Elementary School District 35 finances.

Respectfully submitted,



Dr. Catherine Wang
Superintendent of Schools



Mr. Jason Edelheit
Director of Finance and Operations



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Glencoe School District #35

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

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



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

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

A handwritten signature in black ink, reading 'John D. Musso'. The signature is written in a cursive style.

John D. Musso, CAE
Executive Director



Government Finance Officers Association

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

Presented to

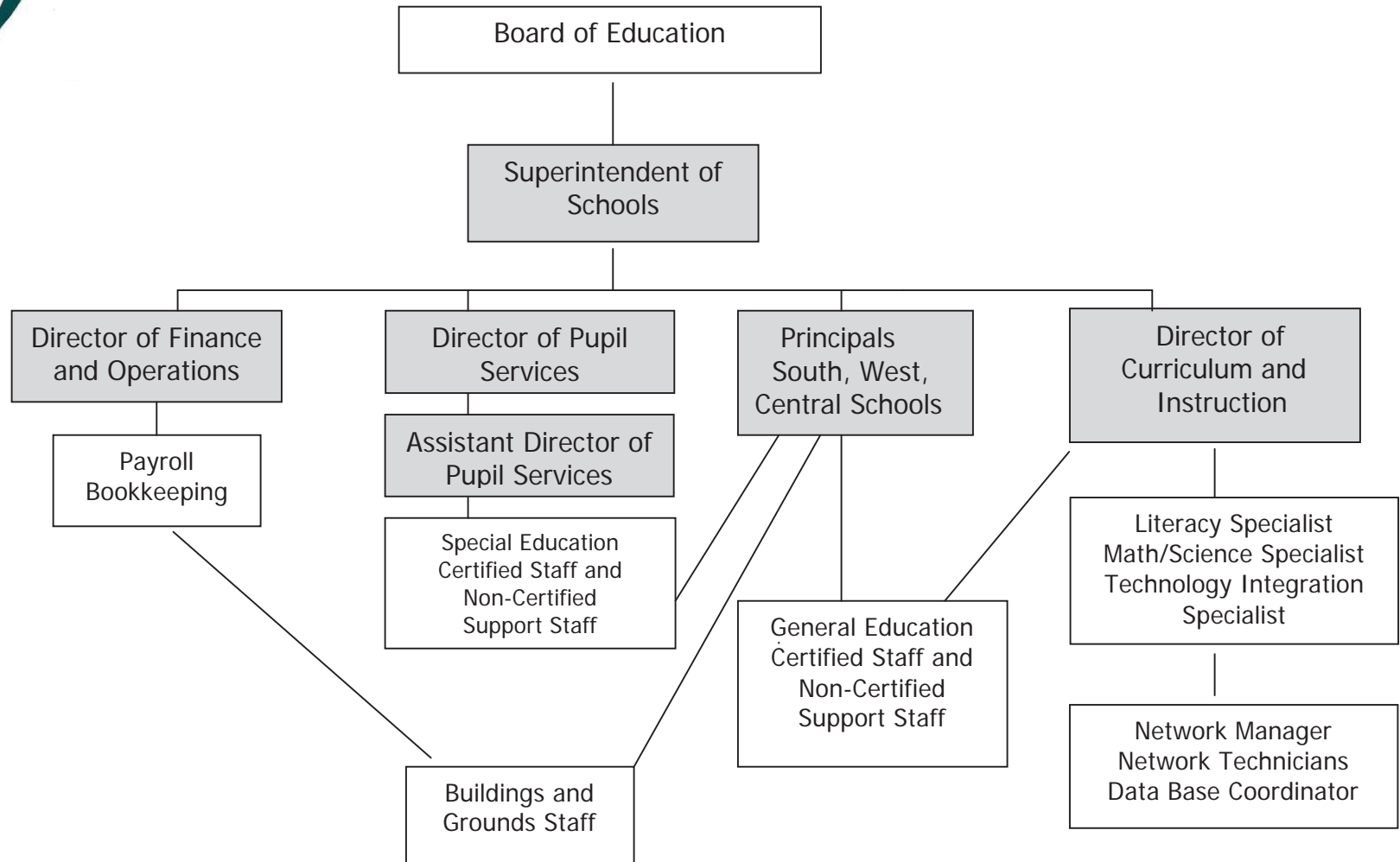
**Glencoe Elementary School District 35
Illinois**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO



GLENCOE ELEMENTARY SCHOOL DISTRICT 35

620 Greenwood Avenue
Glencoe, Illinois 60022

Comprehensive Annual Financial Report

Principal Officers and Advisors

Fiscal Year Ended June 30, 2018

Board of Education

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Gary Ruben	President	2019
Melissa Estes	Vice-President	2021
Julie Ackerman	Member	2019
Marc Gale	Member	2021
Kelly Glauberman	Member	2021
Jean Hahn	Member	2019
Ashley Kain Silver	Member	2021

District Administration

<u>Name</u>	<u>Title</u>
Dr. Catherine Wang	Superintendent
Jason Edelheit	Director of Finance and Operations
Amy Holaday	Director of Curriculum and Instruction
Valerie Lamberti	Director of Pupil Services
Christine Pasquesi	Assistant Director of Pupil Services

Principals

<u>Name</u>	<u>School</u>
Ryan Mollet	Central School
David Rongey	West School
Kelly Zonghetti	South School

INDEPENDENT AUDITORS' REPORT

To the Board of Education
Glencoe Elementary School District 35
Glencoe, 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 Glencoe Elementary School District 35, as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise Glencoe Elementary School District 35's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control over financial reporting relevant to Glencoe Elementary School District 35'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 Glencoe Elementary School District 35's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

To the Board of Education
Glencoe Elementary School District 35

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 Glencoe Elementary School District 35 as of June 30, 2018 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 3, Glencoe Elementary School District 35 adopted the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective July 1, 2017. Our opinions are not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

Our audit for the year ended June 30, 2018 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Glencoe Elementary School District 35's basic financial statements. The supplementary information for the year ended June 30, 2018 as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2018, and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole for the year ended June 30, 2018.

To the Board of Education
Glencoe Elementary School District 35

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Glencoe Elementary School District 35 as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated December 7, 2017, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. The supplementary information for the year ended June 30, 2017 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2017 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2017.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Glencoe Elementary School District 35's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Prior-Year Comparative Information

We have previously audited Glencoe Elementary School District 35's 2017 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated December 7, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2017, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2018 on our consideration of Glencoe Elementary School District 35'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 Glencoe Elementary School District 35's internal control over financial reporting and compliance.

Baker Tilly Virchow Krause, LLP

Oak Brook, Illinois
December 13, 2018

Glencoe Elementary School District 35

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2018

The discussion and analysis of Glencoe Elementary School District 35's (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2018. The management of the District encourages readers to consider the information presented herein in conjunction with the transmittal letter found in the introductory section and the basic financial statements to enhance their understanding of the District's financial performance. 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 increased by \$2.7. This represents a 12% increase from 2017 restated beginning net position..
- > General revenues accounted for \$27.7 in revenue or 73% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$10.0 or 27% of total revenues of \$37.7.
- > The District had \$35.0 in expenses related to government activities. However, only \$10.0 of these expenses were offset by program specific charges and grants.
- > While district fund balance remains healthy, portions of the fund balance will be utilized in the future to support the maintenance and improvement of the district's aging facilities.
- > The cost of rising salaries has been mitigated by attrition and strategic redeployment of qualified staff to meet the dynamic needs of our students.
- > Tax revenues of the district continue to be reliable and provide the district with the long term financial stability to focus on our educational mission

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 basic financial statements.

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

Government-wide financial statements

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

The statement of net position presents information on all of the District's assets/deferred outflows of resources and liabilities/deferred inflows of resources, with the difference between 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.

Glencoe Elementary School District 35

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2018

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 soon 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.

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

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as 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, Operations and Maintenance Fund, Transportation Fund, IMRF/Social Security Fund and Debt Service 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 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.

Glencoe Elementary School District 35
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2018

Notes to basic financial statements

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

Other information

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

Government-Wide Financial Analysis

The District's combined net position was higher on June 30, 2018, than it was the year before (after restatement for beginning net position in fiscal year 2018), increasing 12% to \$25.6.

Table 1		
Condensed Statements of Net Position		
(in millions of dollars)		
	<u>2017*</u>	<u>2018</u>
Assets:		
Current and other assets	\$ 50.5	\$ 52.1
Capital Assets	<u>19.7</u>	<u>21.9</u>
Total assets	<u>70.2</u>	<u>74.0</u>
Total deferred outflows of resources	<u>1.1</u>	<u>1.4</u>
Liabilities:		
Current liabilities	0.6	0.7
Long-term liabilities	<u>19.2</u>	<u>32.5</u>
Total liabilities	<u>19.8</u>	<u>33.2</u>
Total deferred inflows of resources	<u>13.4</u>	<u>16.6</u>
Net position:		
Net investment in capital assets	5.0	7.8
Restricted	2.4	2.9
Unrestricted	<u>30.7</u>	<u>14.9</u>
Total net position	<u>\$ 38.1</u>	<u>\$ 25.6</u>

* Prior year information has not been updated for the District's implementation of GASB Statement No. 75 in fiscal year 2018.

Revenues in the governmental activities of the District of \$37.7 exceeded expenses by \$2.7. This was attributable primarily to an increase in local revenue from property taxes and increased budgetary controls.

Glencoe Elementary School District 35
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2018

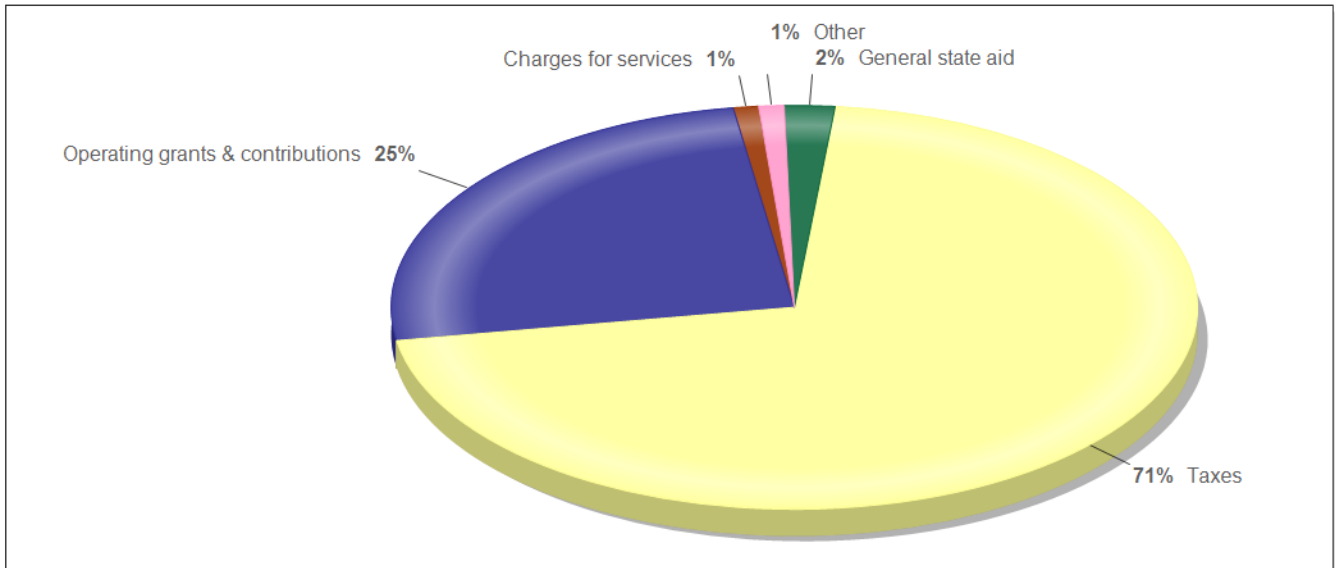
Table 2		
Changes in Net Position		
(in millions of dollars)		
	<u>2017*</u>	<u>2018</u>
Revenues:		
<i>Program revenues:</i>		
Charges for services	\$ 0.5	\$ 0.5
Operating grants & contributions	11.3	9.5
Capital grants & contributions	0.1	-
<i>General revenues:</i>		
Taxes	26.3	26.5
General state aid	0.3	0.7
Other	0.4	0.5
Total revenues	<u>38.9</u>	<u>37.7</u>
Expenses:		
Instruction	24.3	24.1
Pupil & instructional staff services	3.2	3.4
Administration & business	2.8	2.9
Transportation	0.7	0.8
Operations & maintenance	3.5	3.1
Other	0.8	0.7
Total expenses	<u>35.3</u>	<u>35.0</u>
Excess (deficiency) of revenues over expenses before special items	<u>3.6</u>	<u>2.7</u>
Increase (decrease) in net position	<u>3.6</u>	<u>2.7</u>
Ending net position	<u>\$ 34.5</u>	<u>\$ 25.7</u>

* Prior year information has not been updated for the District's implementation of GASB Statement No. 75 in fiscal year 2018.

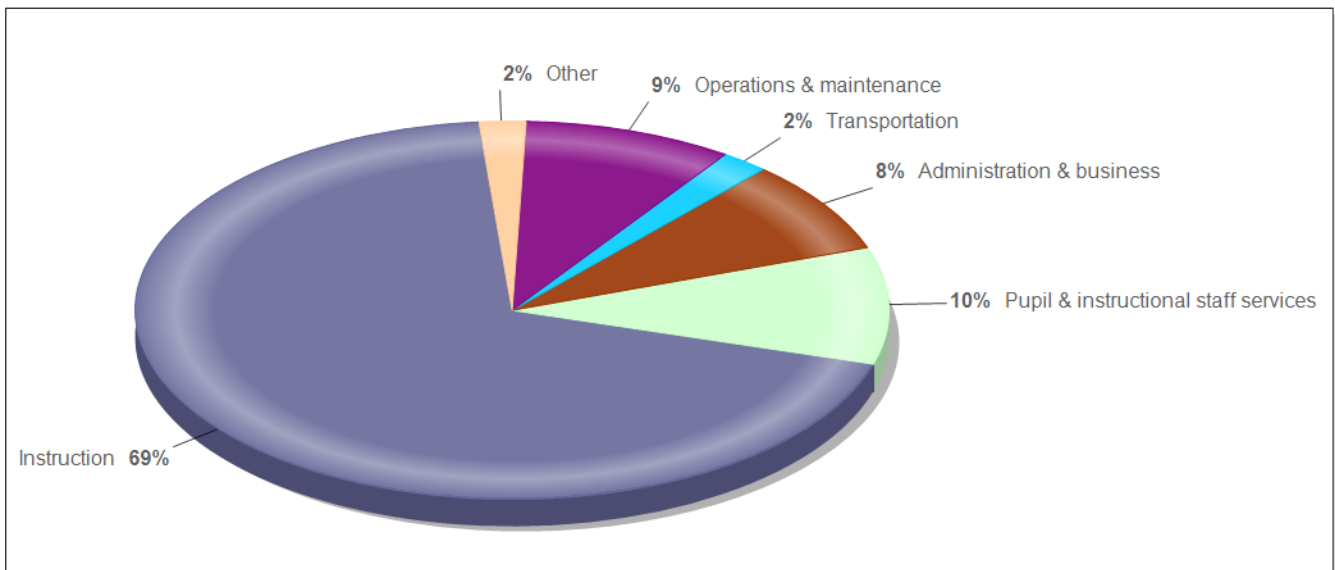
Property taxes accounted for the largest portion of the District's revenues, contributing 71%. The remainder of revenues came from state, federal grants and other sources. The total cost of all the District's programs was \$35.0, mainly related to instructing and caring for the students and student transportation at 81%.

Glencoe Elementary School District 35
Management's Discussion and Analysis (Unaudited)
As of and for the Year Ended June 30, 2018

District-Wide Revenues by Source



District-Wide Expenses by Function



Financial Analysis of the District's Funds

The District's Governmental Funds balance increased from \$36.9 to \$37.5.

Steady to declining enrollment levels have helped the district maintain staffing levels while minimizing expenses increases that would typically accompany any programmatic expansion.

The district has responsibly maintained reserves in order to be able to address the long-term capital needs of its aging facilities. These reserves can be utilized in the future to address large scale facility needs identified in the district's decennial life safety survey.

Glencoe Elementary School District 35

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2018

General Fund Budgetary Highlights

The positive relationships and work place conditions in Glencoe School District #35 helped facilitate a new collective bargaining agreement that will run through the 2021-2022 school year. This agreement will allow the district to attract and retain quality educators while providing cost certainty into the next decade. This budgetary certainty gives the district the stability needed to properly plan for the district's educational and financial future.

Also significant for District students is the District's continuing effort in innovative technology for instruction. The PTO and GEF have supported district technology initiatives to enhance learning opportunities for all our students. This support includes interactive white boards, online resources, and several other beneficial programs. Staff members are incorporating technology into the curriculum and daily instruction of the students to allow for full utilization of these technology resources. The support of our community and these partner organizations is highly valued by district stakeholders.

Capital Assets and Debt Administration

Capital assets

By the end of 2018, the District had compiled a total investment of \$42.0 (\$21.9 net of accumulated depreciation) in a broad range of capital assets including buildings, land and equipment. Total depreciation expense for the year was \$1.0. More detailed information about capital assets can be found in Note 6 of the basic financial statements.

Table 3		
Capital Assets (net of depreciation)		
(in millions of dollars)		
	<u>2017</u>	<u>2018</u>
Land	\$ 0.5	\$ 0.5
Construction in Progress	0.3	2.1
Buildings and land improvements	18.0	17.3
Equipment	<u>0.9</u>	<u>2.0</u>
Total	<u>\$ 19.7</u>	<u>\$ 21.9</u>

Long-term debt

The District retired \$0.9 in general obligation bonds in 2018. Capital leases were reduced by \$0.2. At the end of fiscal 2018, the District had a debt margin of \$49.9. More detailed information on long-term debt can be found in Note 7 of the basic financial statements.

Table 4		
Outstanding Long-Term Debt		
(in millions of dollars)		
	<u>2017*</u>	<u>2018</u>
General obligation bonds and unamortized premium	\$ 14.8	\$ 14.0
Capital leases and other	0.1	0.5
Net pension and OPEB liability	<u>4.3</u>	<u>18.0</u>
Total	<u>\$ 19.2</u>	<u>\$ 32.5</u>

Glencoe Elementary School District 35

Management's Discussion and Analysis (Unaudited)

As of and for the Year Ended June 30, 2018

* Prior year information has not been updated for the District's implementation of GASB Statement No. 75 in fiscal year 2018.

Factors Bearing on 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 financial operations in the future:

The Property Tax Extension Limitation Law, passed in 1991, will continue to limit financial access to further growth. This cap limits revenue increases from local property taxes to the lower of the Consumer Price Index or 5%, plus access to partial amounts of new construction. While the District is not dependent on revenues generated from the current state aid formula, tax caps create a double penalty for the affected school districts. Increased equalized assessed valuation will not be fully accessible for local revenue, but the nonaccessible portion still decreases state revenues as a result of their use in the current state aid formula. Local property taxes historically constitute over 90% of the district's total revenue.

While local property taxes make up the bulk of District revenues, salary and benefits similarly dominate the expenditure side of the District's balance sheet. The combination of salary and benefit cost increases and revenue limitations create a financial structure that will result, at some point, in expenditures outpacing revenues and, ultimately, the need to ask voters for an operational tax rate increase. This last occurred and was approved by voters in 2005. At that time, it was the goal of the district to delay a future referendum for 7 years. Current projections suggest that the need for a future referendum will be delayed for double the original 7 year goal.

Compliance with the above referenced limitations will continue to be difficult in the current economic environment. Monies necessary to maintain both the programs and facilities of the district will be required. The district hopes to continue to delay the time between referenda for as long as possible. in the Factors Bearing on the District's Future section.

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:

Jason Edelheit
Glencoe Elementary School District 35
620 Greenwood Avenue
Glencoe, Illinois 60022

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

STATEMENT OF NET POSITION

AS OF JUNE 30, 2018

GOVERNMENTAL ACTIVITIES

Assets

Cash and investments	\$ 38,107,596
Receivables (net of allowance for uncollectibles):	
Interest	314,303
Property taxes	13,228,667
Replacement taxes	28,632
Intergovernmental	139,245
Net Pension Asset	329,213
Capital assets:	
Land	471,253
Construction in progress	2,117,645
Depreciable buildings, property and equipment, net	<u>19,306,864</u>
Total assets	<u>74,043,418</u>

Deferred outflows of resources

Deferred outflows related to pensions	856,626
Deferred outflows related to OPEB	<u>556,222</u>
Total deferred outflows of resources	<u>1,412,848</u>

Liabilities

Accounts payable	442,879
Salaries and wages payable	1,226
Payroll deductions payable	31,260
Retainage payable	148,684
Interest payable	59,383
Unearned student fees	54,023
Long-term liabilities:	
Other long-term liabilities - due within one year	1,123,326
Other long-term liabilities - due after one year	<u>31,388,450</u>
Total liabilities	<u>33,249,231</u>

Deferred inflows of resources

Property taxes levied for a future period	13,228,667
Deferred inflows related to pensions	1,552,933
Deferred inflows related to OPEB	<u>1,829,000</u>
Total deferred inflows of resources	<u>16,610,600</u>

Net position

Net investment in capital assets	7,842,440
Restricted for:	
Tort immunity	405,709
Student transportation	664,381
Retirement benefits	832,694
Debt service	964,787
Unrestricted	<u>14,886,424</u>
Total net position	<u>\$ 25,596,435</u>

See Notes to Basic Financial Statements

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUE			NET (EXPENSES) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
Governmental activities					
Instruction:					
Regular programs	\$ 11,854,687	\$ 180,146	\$ -	\$ -	\$ (11,674,541)
Special programs	3,140,709	-	469,440	-	(2,671,269)
Other instructional programs	326,292	60,486	-	-	(265,806)
State retirement contributions	8,748,337	-	8,748,337	-	-
Support Services:					
Pupils	2,210,931	-	-	-	(2,210,931)
Instructional staff	1,200,498	-	20,451	-	(1,180,047)
General administration	795,384	-	-	-	(795,384)
School administration	1,055,021	-	-	-	(1,055,021)
Business	1,020,749	157	-	-	(1,020,592)
Transportation	768,459	141,570	254,694	-	(372,195)
Operations and maintenance	3,062,620	162,287	-	875	(2,899,458)
Central	68,187	-	-	-	(68,187)
Community services	691	-	-	-	(691)
Payments to other districts and gov't units - excluding special education	46,349	-	-	-	(46,349)
Interest and fees	704,458	-	-	-	(704,458)
Total governmental activities	\$ 35,003,372	\$ 544,646	\$ 9,492,922	\$ 875	(24,964,929)

General revenues:

Taxes:

Real estate taxes, levied for general purposes	21,017,446
Real estate taxes, levied for specific purposes	3,638,176
Real estate taxes, levied for debt service	1,618,543
Personal property replacement taxes	191,551
State aid-formula grants	714,858
Investment income	301,736
Miscellaneous	152,107
Total general revenues	<u>27,634,417</u>

Change in net position 2,669,488

Net position, beginning of year (as restated) 22,926,947

Net position, end of year \$ 25,596,435

See Notes to Basic Financial Statements

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GOVERNMENTAL FUNDS**

BALANCE SHEET
AS OF JUNE 30, 2018
WITH COMPARATIVE TOTALS AS OF JUNE 30, 2017

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Assets				
Cash and investments	\$ 35,374,220	\$ -	\$ 649,942	\$ 1,065,762
Receivables (net allowance for uncollectibles):				
Interest	293,530	-	5,430	8,845
Property taxes	10,701,356	1,140,976	279,870	303,603
Replacement taxes	-	28,632	-	-
Intergovernmental	75,506	-	63,739	-
Due from operations and maintenance fund	<u>620,316</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 47,064,928</u>	<u>\$ 1,169,608</u>	<u>\$ 998,981</u>	<u>\$ 1,378,210</u>
Liabilities, deferred inflows of resources, and fund balance				
Liabilities				
Accounts payable	\$ 15,392	\$ 427,487	\$ -	\$ -
Salaries and wages payable	-	1,226	-	-
Payroll deductions payable	38,624	(2,473)	707	(5,598)
Retainage payable	-	148,684	-	-
Other current liabilities	-	-	-	-
Due from general fund	-	620,316	-	-
Unearned student fees	<u>-</u>	<u>-</u>	<u>54,023</u>	<u>-</u>
Total liabilities	<u>54,016</u>	<u>1,195,240</u>	<u>54,730</u>	<u>(5,598)</u>
Deferred inflows of resources				
Property taxes levied for a future period	10,701,356	1,140,976	279,870	303,603
Unavailable state and federal aid receivable	21,879	-	63,739	-
Unavailable other receivables	<u>272,438</u>	<u>-</u>	<u>5,039</u>	<u>8,209</u>
Total deferred inflows of resources	<u>10,995,673</u>	<u>1,140,976</u>	<u>348,648</u>	<u>311,812</u>
Fund balance				
Restricted	402,610	-	595,603	1,071,996
Unassigned	<u>35,612,629</u>	<u>(1,166,608)</u>	<u>-</u>	<u>-</u>
Total fund balance (deficit)	<u>36,015,239</u>	<u>(1,166,608)</u>	<u>595,603</u>	<u>1,071,996</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 47,064,928</u>	<u>\$ 1,169,608</u>	<u>\$ 998,981</u>	<u>\$ 1,378,210</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	TOTAL	
	2018	2017
\$ 1,017,672	\$ 38,107,596	\$ 37,172,487
6,498	314,303	178,535
802,862	13,228,667	12,777,684
-	28,632	32,255
-	139,245	355,642
-	620,316	670,465
<u>\$ 1,827,032</u>	<u>\$ 52,438,759</u>	<u>\$ 51,187,068</u>

\$ -	\$ 442,879	\$ 398,968
-	1,226	1,226
-	31,260	41,919
-	148,684	19,674
-	-	23,509
-	620,316	670,465
-	54,023	58,339
-	<u>1,298,388</u>	<u>1,214,100</u>

802,862	13,228,667	12,777,684
-	85,618	142,571
<u>6,031</u>	<u>291,717</u>	<u>150,228</u>
<u>808,893</u>	<u>13,606,002</u>	<u>13,070,483</u>

1,018,139	3,088,348	2,870,894
-	34,446,021	34,031,591
<u>1,018,139</u>	<u>37,534,369</u>	<u>36,902,485</u>

<u>\$ 1,827,032</u>	<u>\$ 52,438,759</u>	<u>\$ 51,187,068</u>
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GLENCOE ELEMENTARY SCHOOL DISTRICT 35

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2018

Total fund balances - governmental funds		\$ 37,534,369
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Net capital assets used in governmental activities and included in the Statement of Net Position do not require the expenditure of financial resources and, therefore, are not reported in the Governmental Funds Balance Sheet.		21,895,762
Net pension asset recognized in the Statement of Net Position does not provide current financial resources and is not included as an asset in the Governmental Funds Balance Sheet.		329,213
Certain revenues receivable by the District and recognized in the Statement of Net Position do not provide current financial resources and are included as deferred inflows of resources in the Governmental Funds Balance Sheet.		
Interest revenue	\$ 291,717	
Grant revenue	<u>85,618</u>	
		377,335
Deferred outflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		856,626
Deferred outflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		556,222
Deferred inflows of resources related to pensions do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		(1,552,933)
Deferred inflows of resources related to OPEB do not relate to current financial resources and are not included in the Governmental Funds Balance Sheet.		(1,829,000)
Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.		
Balances at June 30, 2018 are:		
Bonds payable	\$ (13,825,000)	
Unamortized bond premium	(153,785)	
Net other post employment liability	(16,254,133)	
Net pension liability	(1,788,622)	
Capital leases	(413,319)	
Compensated absences	<u>(76,917)</u>	
		(32,511,776)
Interest on long-term liabilities accrued in the Statement of Net Position will not be paid with current financial resources and, therefore, is not recognized in the Governmental Funds Balance Sheet.		<u>(59,383)</u>
Net position of governmental activities		<u>\$ 25,596,435</u>

See Notes to Basic Financial Statements

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 FOR THE YEAR ENDED JUNE 30, 2018
 WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2017

	GENERAL FUND	OPERATIONS AND MAINTENANCE FUND	TRANSPORTATION FUND	MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
Revenues				
Property taxes	\$ 21,210,812	\$ 2,282,362	\$ 554,204	\$ 608,244
Corporate personal property replacement taxes	-	143,551	-	48,000
State aid	9,625,300	-	216,055	-
Federal aid	424,253	-	-	-
Investment income	160,695	-	25	(197)
Other	478,406	76,777	141,570	-
Total revenues	<u>31,899,466</u>	<u>2,502,690</u>	<u>911,854</u>	<u>656,047</u>
Expenditures				
Current:				
Instruction:				
Regular programs	10,515,811	-	-	208,926
Special programs	2,288,028	-	-	123,267
Other instructional programs	305,305	-	-	8,746
State retirement contributions	8,748,337	-	-	-
Support Services:				
Pupils	2,125,612	-	-	45,756
Instructional staff	1,084,804	-	-	22,643
General administration	794,578	-	-	7,167
School administration	1,002,397	-	-	39,934
Business	320,935	133,374	-	20,176
Transportation	-	-	764,905	10,164
Operations and maintenance	391,200	2,394,305	-	191,852
Central	68,187	-	-	-
Community services	691	-	-	-
Payments to other districts and gov't units	914,383	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	635,861	2,565,805	-	-
Total expenditures	<u>29,196,129</u>	<u>5,093,484</u>	<u>764,905</u>	<u>678,631</u>
Excess (deficiency) of revenues over expenditures	<u>2,703,337</u>	<u>(2,590,794)</u>	<u>146,949</u>	<u>(22,584)</u>
Other financing sources (uses)				
Transfers in	-	2,500,000	-	-
Transfers (out)	(2,734,668)	-	-	-
Other sources not classified elsewhere	587,246	-	-	-
Total other financing sources (uses)	<u>(2,147,422)</u>	<u>2,500,000</u>	<u>-</u>	<u>-</u>
Net change in fund balance	555,915	(90,794)	146,949	(22,584)
Fund balance (deficit), beginning of year	<u>35,459,324</u>	<u>(1,075,814)</u>	<u>448,654</u>	<u>1,094,580</u>
Fund balance (deficit), end of year	<u>\$ 36,015,239</u>	<u>\$ (1,166,608)</u>	<u>\$ 595,603</u>	<u>\$ 1,071,996</u>

See Notes to Basic Financial Statements

DEBT SERVICE FUND	TOTAL	
	2018	2017
\$ 1,618,543	\$ 26,274,165	\$ 26,094,028
-	191,551	204,136
-	9,841,355	11,315,364
-	424,253	338,102
(276)	160,247	225,243
-	<u>696,753</u>	<u>630,684</u>
<u>1,618,267</u>	<u>37,588,324</u>	<u>38,807,557</u>
-	10,724,737	10,194,699
-	2,411,295	2,471,379
-	314,051	311,010
-	8,748,337	10,388,795
-	2,171,368	2,118,402
-	1,107,447	1,075,128
-	801,745	793,398
-	1,042,331	995,942
-	474,485	448,740
-	775,069	693,538
-	2,977,357	3,094,262
-	68,187	71,664
-	691	-
-	914,383	775,993
1,080,909	1,080,909	1,002,434
729,628	729,628	756,340
-	<u>3,201,666</u>	<u>827,792</u>
<u>1,810,537</u>	<u>37,543,686</u>	<u>36,019,516</u>
<u>(192,270)</u>	<u>44,638</u>	<u>2,788,041</u>
234,668	2,734,668	182,791
-	(2,734,668)	(182,791)
-	<u>587,246</u>	<u>-</u>
<u>234,668</u>	<u>587,246</u>	<u>-</u>
42,398	631,884	2,788,041
<u>975,741</u>	<u>36,902,485</u>	<u>34,114,444</u>
<u>\$ 1,018,139</u>	<u>\$ 37,534,369</u>	<u>\$ 36,902,485</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2018

Net change in fund balances - total governmental funds	\$	631,884
Amounts reported for governmental activities in the Statement of Activities are different because:		
Certain revenues included in the Statement of Activities do not provide current financial resources and, therefore, are included as deferred inflows of resources in the fund statements.		
Interest revenue	\$ 141,489	
Grant revenue	<u>(56,953)</u>	84,536
The issuance of long-term debt (bonds, capital leases, etc.) provides current financial resources to the governmental funds, while its principal repayment consumes current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. This is the amount of current year principal repayments.		
		493,663
Governmental funds report the effects of premiums, discounts and similar items when the debt is issued. However, these amounts are deferred and amortized in the Statement of Activities. This is the amount of the current year, net effect of these differences.		
		22,957
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capitalized expenditures in the governmental funds	\$ 3,218,362	
Depreciation Expense	<u>(978,752)</u>	2,239,610
In the Statement of Activities, operating expenses are measured by the amounts incurred during the year. However, certain of these items are included in the governmental funds only to the extent that they require the expenditure of current financial resources:		
Interest payable	\$ 2,213	
Compensated absences	15,420	
Net other post employment benefits liability	190,525	
Net pension asset	329,213	
Net pension liability	1,230,941	
Deferred outflows of resources due to pensions	(260,864)	
Deferred inflows of resources due to pensions	(931,813)	
Deferred outflows of resources due to OPEB	450,203	
Deferred inflows of resources due to OPEB	<u>(1,829,000)</u>	<u>(803,162)</u>
Change in net position of governmental activities	\$	<u><u>2,669,488</u></u>

See Notes to Basic Financial Statements

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AS OF JUNE 30, 2018

	<u>AGENCY STUDENT ACTIVITY FUND</u>
Assets	
Cash and investments	\$ 141,451
Total assets	<u>\$ 141,451</u>
Liabilities	
Due to student groups	\$ 21,096
Due to employees' flexible spending account	<u>120,355</u>
Total liabilities	<u>\$ 141,451</u>

See Notes to Basic Financial Statements

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Glencoe Elementary School District 35 (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:

Reporting Entity

This report includes all of the funds of the District. The reporting entity for the District consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading. The District has not identified any organizations that meet this criteria.

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 all considered "governmental activities", that is, activities 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 instead as general revenues.

Governmental Funds Financial Statements

Governmental funds financial statements are organized and operated on the basis of funds and are used to account for the District's general governmental activities. 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, deferred outflows of resources, liabilities, deferred inflows of resources, reserves, fund balance, revenues and expenditures. The minimum number of funds is maintained consistent with legal and managerial requirements.

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

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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. 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 when all eligibility requirements have been met.

Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized 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 pay liabilities of the current period. For this purpose, the District considers all revenues available if they are collected within 60 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 are 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.

Major Governmental Funds

General Fund - the general operating fund of the District. It accounts for all financial resources except those required to be 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.

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.

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

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

Municipal Retirement / Social Security Fund - accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for 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.

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.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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 account 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 unearned revenues until earned.

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, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

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.

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.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Property Tax Revenues

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2017 levy resolution was approved during the December 1, 2017 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. The CPI rates applicable to the 2017 and 2016 tax levies were 2.1% and 0.7%, respectively.

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 on 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.

The 2017 property tax levy is recognized as a receivable in fiscal 2018, net of estimated uncollectible amounts approximating 1.0% and less amounts already received. The District considers that the first installment of the 2017 levy is to be used to finance operations in fiscal 2018. The District has determined that the second installment of the 2017 levy is to be used to finance operations in fiscal 2019 and has included the corresponding receivable as a deferred inflow of resources.

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.

Capital Assets

Capital assets, which include property, buildings and equipment are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$1,000 and an estimated useful life of more than 1 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.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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

<i>Assets</i>	<i>Years</i>
Buildings	20-50
Equipment	3-20
Land Improvements	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.

Deferred Outflows of Resources

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

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 funds only if they have matured, 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, 2018 are determined on the basis of current salary rates and include salary related payments.

The District allows Educational Support Personnel to earn annual vacation leave. For one to five years of service, employees earn ten days each year to use in the next fiscal year. For six or more years of service, employees earn fifteen days to use in the next fiscal year. A three-month extension is granted for use of unused vacation days during the year. The extension allows the administrator and employee to work out arrangements for use of all days. After the three month extension, employees are compensated for up to five unused days. The General (Educational) Fund is used to liquidate the liability for compensated absences.

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. The balance at year end for premiums/discounts is shown as an increase or decrease in the liability section of the statement of net position.

In the fund financial statements, governmental funds recognize bond premiums and discounts 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.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

Deferred Inflows of Resources

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

Equity Classifications

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

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

Restricted net position - Consists of net position with constraints placed on its use either 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, pre-paid 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 constraints imposed require the same formal action of the Board of Education board that originally created the commitment.

Assigned - includes general fund amounts constrained for a specific purpose by the Board of Education or by an official that has been delegated authority to assign amounts. The Board of Education has declared that the Superintendent or her 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.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (CONTINUED)

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 order in which resources will be expended in the General Fund is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance, and lastly, unassigned fund balance. In all other funds (Special Revenue, Debt Service, Capital Projects), assigned fund 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, 2018 are as follows:

The restricted fund balance in the General Fund is comprised of \$402,610 for tort immunity. The remaining restricted fund balances are for the purpose of the respective funds as described above in the Major Governmental Funds section.

Comparative Data

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

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.

NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Excess of Expenditures over Budget

For the year ended June 30, 2018, expenditures exceeded budget in the General Fund, the Operations and Maintenance Fund and the Transportation Fund by \$3,739,967, \$875,509 and \$92,905, respectively. The excess in the General Fund is the result of the increase of on-behalf payments made to TRS. It was funded by an offsetting revenue for the same amount. The excess in the other funds was funded by available fund balance.

Deficit Fund Equity

The Operations and Maintenance Fund had a deficit fund balance of \$(1,166,608) as of June 30, 2018. District management expects to fund this deficit through future property tax collections and a transfer of available financial resources from the General Fund.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 3 - CHANGES IN ACCOUNTING PRINCIPLES

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

NOTE 4 - DEPOSITS AND INVESTMENTS

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

	Government- wide	Fiduciary	Total
Cash and investments	\$ 38,107,596	\$ 141,451	\$ 38,249,047
Total	<u>\$ 38,107,596</u>	<u>\$ 141,451</u>	<u>\$ 38,249,047</u>

For disclosure purposes, this amount is segregated into the following components:

	Cash and investments
ISDLAF +	\$ 272,567
Illinois Funds	538,399
Deposits with financial institutions	22,872,735
Other investments	<u>14,565,346</u>
Total	<u>\$ 38,249,047</u>

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

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 a 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 there shall be an appropriate periodic review of the investment portfolio, its effectiveness in meeting the school district's need for safety, liquidity, rate of return, and diversification, and its general performance. Maturity information on other investments is shown in the table above.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 4 - DEPOSITS AND INVESTMENTS - (CONTINUED)

At year end, the District had the following investments:

	Fair Value	Investment Maturity (In Years)			
		Less than one	1-5	6-10	More than 10
U.S. treasuries	\$ 597,587	\$ 597,587	\$ -	\$ -	\$ -
U.S. agencies	1,246,209	1,246,209	-	-	-
ISDLAF + term series	8,300,000	8,300,000	-	-	-
Negotiable certificates of deposit	4,421,550	247,851	4,173,699	-	-
Total	\$ 14,565,346	\$ 10,391,647	\$ 4,173,699	\$ -	\$ -

Redemption Notice Period. Investments in ISDLAF's Term Series may be redeemed upon seven days' advance notice. Redemption prior to maturity may result in the realization of a loss on the investment, including a penalty in an amount necessary to recoup the Term Series penalty charges, losses and other costs attributable to the early redemption.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State Statutes limits the investments in commercial paper and corporate bonds to the top three ratings of two nationally recognized statistical rating organizations (NRSRO's). At June 30, 2017, the District's investments in government securities had ratings of Moody's Aaa/S&P AA+. The District's investments in negotiable certificates of deposits are unrated.

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is a not-for-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. The trust is not registered with the SEC as an investment company. Investments are rated AAAM and are valued at share price, which is the price for which the investment could be sold.

Illinois Funds is an investment pool managed by the State of Illinois, Office of the Treasurer, which allows governments within the State to pool their funds for investment purposes. Illinois Funds is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in Illinois Funds are rated AAAM and are valued at Illinois Funds' share price, which is the price for which the investment could be sold.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The District's policy states investments should be invested based on investment and diversification guidelines that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio.

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, 2018, the bank balance of the District's deposit with financial institutions totaled \$24,359,195; of this amount, none was uncollateralized and uninsured.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 4 - DEPOSITS AND INVESTMENTS - (CONTINUED)

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.

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.

NOTE 5 - INTERFUND TRANSFERS

The District transferred \$2,500,000 from the General Fund (Educational Accounts) to the Operations & Maintenance Fund for the payment of summer construction projects.

The District transferred \$234,668 from the General Fund (Educational Accounts) to the Debt Service Fund for the payment of capital leases.

NOTE 6 - CAPITAL ASSETS

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

	<i>Beginning Balance</i>	<i>Increases</i>	<i>Decreases</i>	<i>Ending Balance</i>
<u>Capital assets not being depreciated:</u>				
Land	\$ 471,253	\$ -	\$ -	\$ 471,253
Construction in progress	<u>345,069</u>	<u>1,772,576</u>	<u>-</u>	<u>2,117,645</u>
Total capital assets not being depreciated	<u>816,322</u>	<u>1,772,576</u>	<u>-</u>	<u>2,588,898</u>
<u>Capital assets being depreciated:</u>				
Land improvements	375,715	-	-	375,715
Buildings	31,708,819	76,736	-	31,785,555
Equipment	<u>5,836,292</u>	<u>1,369,050</u>	<u>-</u>	<u>7,205,342</u>
Total capital assets being depreciated	<u>37,920,826</u>	<u>1,445,786</u>	<u>-</u>	<u>39,366,612</u>
<u>Less Accumulated Depreciation for:</u>				
Land improvements	213,515	12,615	-	226,130
Buildings	13,855,738	760,426	-	14,616,164
Equipment	<u>5,011,743</u>	<u>205,711</u>	<u>-</u>	<u>5,217,454</u>
Total accumulated depreciation	<u>19,080,996</u>	<u>978,752</u>	<u>-</u>	<u>20,059,748</u>
Net capital assets being depreciated	<u>18,839,830</u>	<u>467,034</u>	<u>-</u>	<u>19,306,864</u>
Net governmental activities capital assets	<u>\$ 19,656,152</u>	<u>\$ 2,239,610</u>	<u>\$ -</u>	<u>\$ 21,895,762</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 6 - CAPITAL ASSETS - (CONTINUED)

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

<i>Governmental Activities</i>	<i>Depreciation</i>
Regular programs	\$ 79,787
Facilities acquisition & construction	269,681
Internal services	560,371
Educational media services	2,730
Operations and maintenance	<u>66,183</u>
Total depreciation expense - governmental activities	<u>\$ 978,752</u>

NOTE 7 - 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, 2018:

	<i>Beginning Balance (as restated)</i>	<i>Additions</i>	<i>Deletions</i>	<i>Ending Balance</i>	<i>Due Within One Year</i>
General obligation bonds	\$ 14,675,000	\$ -	\$ 850,000	\$ 13,825,000	\$ 875,000
Unamortized premium	<u>176,742</u>	<u>-</u>	<u>22,957</u>	<u>153,785</u>	<u>-</u>
Total bonds payable	<u>14,851,742</u>	<u>-</u>	<u>872,957</u>	<u>13,978,785</u>	<u>875,000</u>
Net pension liability	3,019,563	1,226,726	2,457,667	1,788,622	-
Capital leases	56,982	587,246	230,909	413,319	171,409
Net other post-employment benefits liability	16,444,658	52,156	242,681	16,254,133	-
Compensated absences	<u>92,337</u>	<u>130,533</u>	<u>145,953</u>	<u>76,917</u>	<u>76,917</u>
Total long-term liabilities - governmental activities	<u>\$ 34,465,282</u>	<u>\$ 1,996,661</u>	<u>\$ 3,950,167</u>	<u>\$ 32,511,776</u>	<u>\$ 1,123,326</u>

The obligations for the net other post-retirement benefits, compensated absences, and net pension liability will be repaid from the General Fund and Municipal Retirement/Social Security Fund.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 7 - 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 2009A General Obligation Bonds dated September 9, 2009 are due in annual installments through December 1, 2027	5.125% - 5.875%	\$ 8,625,000	\$ 8,625,000
Series 2009B General Obligation Bonds dated September 9, 2009 are due in annual installments through June 1, 2029	1.00% - 5.00%	3,875,000	3,485,000
Series 2009C General Obligation Bonds dated September 9, 2009 are due in annual installments through December 1, 2019	1.00% - 3.50%	<u>7,925,000</u>	<u>1,715,000</u>
Total		<u>\$ 20,425,000</u>	<u>\$ 13,825,000</u>

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

	Principal	Interest	Total
2019	\$ 875,000	\$ 697,822	\$ 1,572,822
2020	905,000	666,691	1,571,691
2021	935,000	626,366	1,561,366
2022	985,000	576,550	1,561,550
2023	1,035,000	522,878	1,557,878
2024 - 2028	<u>9,090,000</u>	<u>1,766,952</u>	<u>10,856,952</u>
Total	<u>\$ 13,825,000</u>	<u>\$ 4,857,259</u>	<u>\$ 18,682,259</u>

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, 2018, the statutory debt limit for the District was \$64,152,289, providing a debt margin of \$49,913,970.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 7 - LONG TERM LIABILITIES - (CONTINUED)

Capital Leases. The District has entered into lease agreements as lessee for financing the acquisition of equipment with no down payment. These lease agreements qualify as capital leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. At June 30, 2018, \$587,246 of amounts included in capital assets were acquired via capital leases. The equipment has a five-year estimated useful life. This year, \$58,725 was included in depreciation expense. The obligations for the capital leases will be repaid from the Debt Service Fund through annual transfers from the General (Educational) Fund. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2018, are as follows:

	Amount
2019	\$ 179,734
2020	179,734
2021	35,165
2022	<u>35,165</u>
Total minimum lease payments	429,798
Less: amount representing interest	<u>(16,479)</u>
Present value of minimum lease payments	<u>\$ 413,319</u>

NOTE 8 - 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 such risks, the District participates in the Collective Liability Insurance Cooperative. The District pays annual premiums to the pool for insurance coverage. The arrangements with the pool provides that each 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.

The District is also a member of EBC, which was formed in 1984 as a voluntary cooperative agency of Illinois Public School Districts and Joint Agreements. The purpose of EBC is to administer some or all of the employee benefit programs offered by the member districts to their employees and employees' dependents. EBC administers the payment of claims that arise under the benefit programs offered by each member district. Additionally, EBC offers to its members, group life insurance coverage obtained through an outside insurance company. Monthly medical and dental contributions are estimated by the Plan's administrator in advance of each membership year based upon each district's plan of coverage, estimated enrollment, estimated claim costs and service fees.

Complete financial statements for EBC can be obtained from its treasurer at 1105 North Hunt Club Road, Gurnee, IL 60031.

NOTE 9 - JOINT AGREEMENTS

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

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS

Teachers' Health Insurance Security

Plan Description. 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 are enrolled in Medicare Parts A and B may be eligible to enroll in a Medicare Advantage plan.

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."

Benefits Provided. The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The 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 the 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 1.18% of pay during the year ended June 30, 2018. State of Illinois contributions were \$154,881, and the District recognized revenues and expenditures of this amount during the year.

Contributions. The District also makes contributions to THIS Fund. The District's THIS Fund contribution was 0.88% during the year ended June 30, 2018. The percentage of employer required contributions in the future will not exceed 105% of the percentage of salary actually required to be paid in the previous fiscal year. For the year ended June 30, 2018, the District paid \$115,504 to the THIS Fund, respectively, which was 100 percent of the required contribution for the year.

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

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

District's proportionate share of the collection net OPEB liability	\$ 14,237,090
State's proportionate share of the collective net OPEB liability associated with the District	<u>18,696,837</u>
Total	<u>\$ 32,933,927</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability was determined by an actuarial valuation as of June 30, 2016 rolled forward to June 30, 2017. The District's proportion of the net OPEB liability was based on the District's share of contributions to THIS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating THIS employers and the state during that period. At June 30, 2017 and 2016, the District's proportion was 0.054864% and 0.052970%, respectively.

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

Inflation	2.75%
Salary Increases	3.25% to 9.25%
Investment Rate of Return	0
Healthcare Cost Trend Rates - Initial	Non-Medicare - 8.00%; Post-Medicare - 9.00%
Healthcare Cost Trend Rates - Ultimate	4.50% with additional 0.59% added to non-Medicare costs
Fiscal Year the Ultimate Rate is Reached	2020

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

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

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

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

	1% Decrease	Current Discount Rate	1% Increase
Net OPEB Liability	<u>\$ 17,084,383</u>	<u>\$ 14,237,090</u>	<u>\$ 11,958,729</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower (initial rate of 7.00% decreasing to an ultimate rate of 4.09%) for non-Medicare coverage and initial rate of 8.00% decreasing to an ultimate rate of 3.50% for Medicare coverage) or 1-percentage-point higher (initial rate of 9.00% decreasing to an ultimate rate of 6.09%) for non-Medicare coverage and initial rate of 10.00% decreasing to an ultimate rate of 5.50% for Medicare coverage) than the current healthcare cost trend rate:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Net OPEB Liability	\$ 11,490,756	\$ 14,237,090	\$ 18,178,886

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2018, the District recognized OPEB expense of \$1,125,954 and on-behalf revenue and expenditures of \$154,881 for support provided by the state. At June 30, 2018, the District's deferred outflows of resources and deferred inflows of resources related to OPEBs were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 8,064
Changes in Assumptions	-	1,695,113
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	157
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	440,718	-
District Contributions Subsequent to the Measurement Date	<u>115,504</u>	<u>-</u>
Total	\$ <u>556,222</u>	\$ <u>1,703,334</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net OPEB liability for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB (\$1,262,616) will be recognized in OPEB expense as follows in these reporting years:

	Year Ending June 30,	Amount
2019		\$ (193,965)
2020		(193,965)
2021		(193,965)
2022		(193,966)
2023		(193,926)
Thereafter		<u>(292,829)</u>
Total		\$ <u>(1,262,616)</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Retirees' Healthcare Benefit Program

Plan Description. The District administers a single-employer defined benefit healthcare plan ("the Retirees' Healthcare Benefit Program"). The plan provides health insurance contributions for eligible retirees and their spouses through the District's group health insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements and state that eligible retirees and their spouses receive healthcare insurance at established contribution rates. The Retirees' Healthcare Benefit Program does not issue a publicly available financial report.

District employees receiving pension benefits under TRS and healthcare benefits under the Teacher Retirement Insurance Program (TRIP) are eligible for a premium supplement from the District to help defray the member's share of the TRIP premium. The District provides a premium supplement equal to 100 percent of the member's share of the premium for the most expensive single coverage until age 65, provided the member has earned 15 years of service with the District. Certified and Administrative employees have an option to elect coverage under either the District's healthcare plans or TRIP until age 65.

Teachers Associates eligible for pension benefits under IMRF receive access to healthcare coverage under the District's programs provided they pay 100 percent of the healthcare premium. Other Staff who retire under IMRF with at least 15 years of District service receive single healthcare coverage at no cost to the member. Members who retire under IMRF with less than 15 years of District service are eligible for access to the District's healthcare plan, provided they pay 100 percent of the healthcare premium.

The eligibility requirements for pension benefits are:

- IMRF participants are eligible at age 55 with 8 years of service for reduced benefits and at age 60 with 8 years of service or age 55 with 35 years of service for unreduced benefits if hired before January 1, 2011; age 62 with 8 years of service for reduced benefits and at age 67 with 10 years of service or age 62 with 35 years of service for unreduced benefits if hired on or after January 1, 2011.
- TRS participants are eligible for normal retirement at age 60 with 10 years of service or age 62 with 5 years of service if hired before January 1, 2011; age 67 with 10 years of service if hired on or after January 1, 2011. TRS participants are eligible for early retirement at age 55 with 20 years of service if hired before January 1, 2011; age 62 with 10 years of service if hired on or after January 1, 2011.
- IMRF participants are eligible for a disability benefit after becoming disabled prior to age 70 with at least 1 year of service, provided that the member is permanently disabled and unable to engage in any gainful occupation and the temporary disability benefit period has expired.

Dependents of employees and retirees are eligible for healthcare coverage.

Contributions and Benefits Provided. Contribution requirements are established through collective bargaining agreements and may be amended only through negotiations between the board and the union.. For the year ended 2018, total District contributions were \$46,549.

Employees Covered by Benefit Terms. At July 1, 2016, the actuarial valuation date, the following employees were covered by the benefit terms:

Retired Plan Members	7
Active Employees Not Yet Eligible	-
Active Employees Fully Eligible	<u>152</u>
Total	<u><u>159</u></u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

Total OPEB Liability. The District's total OPEB liability of \$2,017,043 was measured as of June 30, 2017, and was determined by an actuarial valuation as of July 1, 2016.

Inflation	3.50%
Election at Retirement - Certified and Administrative Retirees	100.00%
Election at Retirement - Teachers Associates	30.00%
Election at Retirement - Other Associates	90.00%
Discount Rate	3.56%
Healthcare Cost Trend Rate - Initial	8.00% to 5.00%
Healthcare Cost Trend Rate - Ultimate	4.50% to 5.00%
Fiscal Year the Ultimate Rate is Reached	2025

The discount rate was based on the municipal bond rate of 3.56% as of the measurement date of June 30, 2017.

Mortality rates were based on IMRF-specific mortality rates, sex distinct, projected generationally with scale MP-2014 (projected from 2014). RP-2014 White Collar Annuitant Mortality Table, sex distinct, projected generationally with scale MP-2014.

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of the estimates of future events.

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

	Total OPEB Liability
Balance at June 30, 2017	\$ 1,964,887
Service Cost	181,364
Interest	57,850
Differences Between Expected and Actual Experience	(5,567)
Changes in Assumptions and Other Inputs	(130,927)
Benefit Payments	<u>(50,564)</u>
Net Changes	<u>52,156</u>
Balance at June 30, 2018	<u>\$ 2,017,043</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (29.00%) or 1-percentage-point higher (31.00%) than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
Total OPEB Liability	<u>\$ 2,202,998</u>	<u>\$ 2,017,043</u>	<u>\$ 1,844,330</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 10 - OTHER POST-EMPLOYMENT BENEFITS - (CONTINUED)

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

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$ <u>1,997,736</u>	\$ <u>2,017,043</u>	\$ <u>2,039,676</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. For the year ended June 30, 2018, the District recognized OPEB expense of \$228,386. The District reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$ 5,125
Assumption Changes	-	<u>120,541</u>
Total	\$ <u>-</u>	\$ <u>125,666</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the total OPEB liability for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to OPEB (\$125,666) will be recognized in OPEB expense as follows:

The amounts reported as deferred outflows and inflows of resources related to OPEB (\$125,666) will be recognized in OPEB expense as follows:

	Year Ending June 30,	Amount
2019		\$ (10,828)
2020		(10,828)
2021		(10,828)
2022		(10,828)
2023		(10,828)
Thereafter		<u>(71,526)</u>
Total		\$ <u>(125,666)</u>

NOTE 11 - 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.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Teachers' Retirement System

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

TRS issues a publicly available financial report that can be obtained at <https://www.trsil.org/financial/financial-reports>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling (888) 678-3675, option 2.

Benefits Provided. TRS provides retirement, disability, and death benefits. *Tier 1* members have TRS or reciprocal system service prior to January 1, 2011. *Tier 1* 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 2 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 2* are identical to those of *Tier 1*. Death benefits are payable under a formula that is different from *Tier 1*.

Essentially all *Tier 1* 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 2* 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.

Public Act 100-0023, enacted in 2017, creates an optional *Tier 3* hybrid retirement plan, but it has not yet gone into effect. The earliest possible implementation date is July 1, 2019.

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 percent 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, 2016 was 9.4 percent of creditable earnings. On July 1, 2016 the rate dropped to 9.0 percent 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 District, is submitted to TRS by the District.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2018, 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 \$8,593,456 in pension contributions from the State of Illinois.

2.2 Formula Contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2018, were \$76,128, and are deferred because they were paid after the June 30, 2017 measurement date.

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

For the year ended June 30, 2018, the District pension contribution was 10.10 percent of salaries paid from federal and special trust funds. Contributions for the year ended June 30, 2018, were \$6,243, which was equal to the District's required contribution. These contributions are deferred because they were paid after the June 30, 2017 measurement date.

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

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

District's proportionate share of the collective net pension liability	\$ 1,788,622
State's proportionate share of the collective net pension liability associated with the District	87,318,371
Total	<u>\$ 89,106,993</u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016, and rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2017 and 2016, the District's proportion was 0.00234119 percent and 0.00241224 percent, respectively.

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

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Actuarial Assumptions. The assumptions used to measure the total pension liability in the June 30, 2017 actuarial valuation included (a) 7.00% investment rate of return net of pension plan investment expense, including inflation, (b) projected salary increases varies by amount of service credit, and (c) inflation of 2.50%.

Mortality. Mortality rates were based on the RP-2014 White Collar Table with adjustments as appropriate for TRS experience. The rates are used on a fully-generational basis using projection table MP-2014. The same assumptions were used in the June 30, 2016 valuation.

Long-Term Expected Real Rate of Return. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates 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. equities large cap	14.40 %	6.94 %
U.S. equities small/mid cap	3.60 %	8.09 %
International equities developed	14.40 %	7.46 %
Emerging market equities	3.60 %	10.15 %
U.S. bonds core	10.70 %	2.44 %
International debt developed	5.30 %	1.70 %
Real estate	15.00 %	5.44 %
Commodities (real return)	11.00 %	4.28 %
Hedge funds (absolute return)	8.00 %	4.16 %
Private equity	14.00 %	10.63 %

Discount Rate. At June 30, 2017, the discount rate used to measure the total pension liability was a blended rate of 7.00 percent, which was a change from the June 30, 2016 rate of 6.83 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

Based on those assumptions, TRS's fiduciary net position at June 30, 2017 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. *Tier 1's* liability is partially funded by *Tier 2* members, as the *Tier 2* member contribution is higher than the cost of *Tier 2* benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. All projected future payments were covered, so the long-term expected rate of return on TRS investments was applied to all periods of projected benefit payments to determine the total pension liability.

At June 30, 2016, the discount rate used to measure the total pension liability was 6.83 percent. The discount rate was lower than the actuarially-assumed rate of return on investments that year as well because TRS's fiduciary net position and the subsidy provided by *Tier 2* were not sufficient to cover all projected benefit payments.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Discount Rate Sensitivity. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the collective net pension liability	\$ 2,197,556	\$ 1,788,622	\$ 1,453,671

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2018, the District recognized pension expense of \$(66,134) and on-behalf revenue of \$8,593,456 for support provided by the state. At June 30, 2018, the District's deferred outflows of resources and deferred inflows of resources related to pensions were from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 19,426	\$ 826
Net difference between projected and actual earnings on pension plan investments	1,227	-
Assumption changes	119,378	51,397
Changes in proportion and differences between District contributions and proportionate share of contributions	21,881	311,643
District contributions subsequent to the measurement date	<u>82,371</u>	<u>-</u>
Total	<u>\$ 244,283</u>	<u>\$ 363,866</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$(201,954)) will be recognized in pension expense as follows:

	Year Ending June 30,	Amount
2019		\$ (213,396)
2020		15,692
2021		21,887
2022		(23,363)
2023		<u>(2,774)</u>
Total		<u>\$ (201,954)</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Illinois Municipal Retirement Fund

Plan Description. 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 managed by the Illinois Municipal Retirement Fund (IMRF), the administrator of a multi-employer pension plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained on-line at www.imrf.org.

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

For *Regular Tier 1*, pension benefits vest after eight years of service. Participating members who retire at or after age 60 with 8 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under *Regular Tier 1*, the pension is increased by 3% of the original amount on January 1 every year after retirement. For *Regular Tier 2*, pension benefits vest after ten years of service. Participating members who retire at or after age 67 with 10 years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under *Regular Tier 2*, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the *lesser* of 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount. IMRF also provides death and disability benefits. These benefit provisions and all other requirements are established by state statute.

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

Retirees and beneficiaries	98
Inactive, non-retired members	280
Active members	<u>72</u>
Total	<u><u>450</u></u>

Contributions. As set by statute, District employees participating in IMRF are required to contribute 4.50 percent of their annual covered salary. The statute requires the District to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actuarially determined contribution rate for calendar year 2017 was (10.03) percent of annual covered payroll. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

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

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

Actuarial Assumptions. The assumptions used to measure the total pension liability in the December 31, 2017 annual actuarial valuation included (a) 7.50% investment rate of return, (b) projected salary increases from 3.75% to 14.50%, including inflation, and (c) price inflation of 2.75%. The retirement age is based on experience-based table of rates that are specific to the type of eligibility condition. The tables were last updated for the 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-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

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

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

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Discount Rate. The discount rate used to measure the total pension liability for IMRF was 7.50%. The discount rate calculated using the December 31, 2016 measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

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

	1% Decrease	Current Discount Rate	1% Increase
Total pension liability	\$ 15,547,361	\$ 13,941,577	\$ 12,606,015
Plan fiduciary net position	<u>14,270,790</u>	<u>14,270,790</u>	<u>14,270,790</u>
Net pension liability/(asset)	<u>\$ 1,276,571</u>	<u>\$ (329,213)</u>	<u>\$ (1,664,775)</u>

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/ (Asset) (a) - (b)
Balances at December 31, 2016	\$ 13,606,857	\$ 12,491,419	\$ 1,115,438
Service cost	306,025	-	306,025
Interest on total pension liability	1,006,803	-	1,006,803
Differences between expected and actual experience of the total pension liability	142,014	-	142,014
Change of assumptions	(448,465)	-	(448,465)
Benefit payments, including refunds of employee contributions	(671,657)	(671,657)	-
Contributions - employer	-	294,435	(294,435)
Contributions - employee	-	133,372	(133,372)
Net investment income	-	2,198,911	(2,198,911)
Other (net transfer)	-	(175,690)	175,690
Balances at December 31, 2017	<u>\$ 13,941,577</u>	<u>\$ 14,270,790</u>	<u>\$ (329,213)</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 11 - RETIREMENT SYSTEMS - (CONTINUED)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. For the year ended June 30, 2018, the District recognized pension expense of \$93,792. The District's deferred outflows and inflows of resources related to pension were from the following sources:

	<i>Deferred Outflows of Resources</i>	<i>Deferred Inflows of Resources</i>
Differences between expected and actual experience	\$ 52,832	\$ -
Assumption changes	-	166,837
Net difference between projected and actual earnings on pension plan investments	406,895	1,022,230
Contributions subsequent to the measurement date	<u>152,616</u>	<u>-</u>
Total	<u>\$ 612,343</u>	<u>\$ 1,189,067</u>

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability/(asset) for the year ending June 30, 2019. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$729,340) will be recognized in pension expense as follows:

	<i>Year Ending December 31,</i>	<i>Amount</i>
2018		\$ (155,815)
2019		(74,685)
2020		(243,281)
2021		<u>(255,559)</u>
Total		<u>\$ (729,340)</u>

NOTE 12 - 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 the terms of the grants. Management believes such disallowance, if any, would be immaterial.

NOTE 13 - CONTINGENT LIABILITIES

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

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

NOTE 14 - INTERFUND RECEIVABLE/PAYABLES

The composition of interfund balances as of June 30, 2018 for the District's individual major funds, is as follows:

Receivable Fund	Payable Fund	Amount
General	Operations and Maintenance	\$ 620,316
Total		\$ 620,316

The above interfund balances exist because the Operations and Maintenance Fund expenditures exceeded available cash and investment reserves. District administration intends to repay these amounts within one year from future property tax collections fund balance transfers.

NOTE 15 - RESTATEMENT

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

	Governmental Activities
Net position as previously reported, June 30, 2017	\$ 38,121,692
Adjustment to record the net OPEB liability as of June 30, 2017 for THIS	(14,479,771)
Adjustment to record deferred outflows of resources related to OPEB as of June 30, 2017 for THIS	106,019
Adjustment to record the net OPEB liability as of June 30, 2017 for the District's plan	(1,964,887)
Adjustment to remove the OPEB obligation reported as of June 30, 2017	1,143,894
Net position as restated, June 30, 2017	\$ 22,926,947

**NOTE 16 - EFFECT OF NEW ACCOUNTING STANDARDS ON
CURRENT-PERIOD FINANCIAL STATEMENTS**

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 83, *Asset Retirement Obligations*, GASB Statement No. 84, *Fiduciary Activities*, GASB Statement No. 85, *Omnibus 2017*, GASB Statement No. 86, *Certain Debt Extinguishment Issues*, GASB Statement No. 87, *Leases*, GASB Statement No. 88, *Certain Disclosures Related to Debt Including Direct Borrowings and Direct Placements*, and GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period*.

Application of these standards may restate portions of these financial statements.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY
AND RELATED RATIOS
Four Most Recent Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total pension liability				
Service cost	\$ 306,025	\$ 311,854	\$ 320,901	\$ 336,477
Interest	1,006,803	979,926	912,378	835,557
Differences between expected and actual experience	142,014	(258,381)	345,917	(28,505)
Changes of assumptions	(448,465)	(15,248)	15,143	498,822
Benefit payments, including refunds of member contributions	<u>(671,657)</u>	<u>(676,978)</u>	<u>(666,496)</u>	<u>(554,076)</u>
Net change in total pension liability	334,720	341,173	927,843	1,088,275
Total pension liability - beginning	<u>13,606,857</u>	<u>13,265,684</u>	<u>12,337,841</u>	<u>11,249,566</u>
Total pension liability - ending (a)	<u>\$ 13,941,577</u>	<u>\$ 13,606,857</u>	<u>\$ 13,265,684</u>	<u>\$ 12,337,841</u>
Plan fiduciary net position				
Employer contributions	\$ 294,435	\$ 261,870	\$ 280,229	\$ 295,747
Employee contributions	133,372	126,034	128,886	142,401
Net investment income	2,198,911	824,171	60,366	698,715
Benefit payments, including refunds of member contributions	(671,657)	(676,978)	(666,496)	(554,076)
Other (net transfer)	<u>(175,690)</u>	<u>8,662</u>	<u>(57,201)</u>	<u>106,777</u>
Net change in plan fiduciary net position	1,779,371	543,759	(254,216)	689,564
Plan fiduciary net position - beginning	<u>12,491,419</u>	<u>11,947,660</u>	<u>12,201,876</u>	<u>11,512,312</u>
Plan fiduciary net position - ending (b)	<u>\$ 14,270,790</u>	<u>\$ 12,491,419</u>	<u>\$ 11,947,660</u>	<u>\$ 12,201,876</u>
Employer's net pension liability/(asset)- ending (a) - (b)	<u>\$ (329,213)</u>	<u>\$ 1,115,438</u>	<u>\$ 1,318,024</u>	<u>\$ 135,965</u>
Plan fiduciary net position as a percentage of the total pension liability/(asset)	102.36%	91.80%	90.06%	98.90%
Covered payroll	\$ 2,935,548	\$ 2,800,750	\$ 2,809,661	\$ 2,873,468
Employer's net pension liability as a percentage of covered-employee payroll	-11.21%	39.83%	46.91%	4.73%

Notes to Schedule:

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

Actuary valuations are as of December 31st, which is 6 months prior to the end of the fiscal year.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

**ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF EMPLOYER CONTRIBUTIONS
Four Most Recent Fiscal Years**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 294,435	\$ 261,870	\$ 270,008	\$ 278,439
Contributions in relation to the actuarially determined contribution	<u>(294,435)</u>	<u>(261,870)</u>	<u>(280,229)</u>	<u>(295,747)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,221)</u>	<u>\$ (17,308)</u>
Covered payroll	\$ 2,935,548	\$ 2,800,750	\$ 2,809,661	\$ 2,873,468
Contributions as a percentage of covered-employee payroll	10.03%	9.35%	9.97%	10.29%

Notes to Schedule:

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

Valuation date:

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

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Aggregate Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	27 years
Asset valuation method	5-Year Smoothed Market, 20% corridor
Inflation	2.75% -- approximate
Salary increases	3.75% to 14.50%, including inflation
Investment rate of return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	RP-2014 Employee Mortality Table, adjusted to match current IMRF experience

Other information:

There were no benefit changes during the year.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
TEACHERS' RETIREMENT SYSTEM
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY AND DISTRICT CONTRIBUTIONS
Four Most Recent Fiscal Years

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
District's proportion of the net pension liability	0.0023411856%	0.0024122400%	0.0024159200%	0.0023284300%
District's proportionate share of the net pension liability	\$ 1,788,622	\$ 1,904,125	\$ 1,582,669	\$ 1,417,039
State's proportionate share of the net pension liability	<u>87,318,371</u>	<u>104,345,751</u>	<u>78,058,452</u>	<u>71,268,695</u>
Total net pension liability	<u>\$ 89,106,993</u>	<u>\$ 106,249,876</u>	<u>\$ 79,641,121</u>	<u>\$ 72,685,734</u>
Covered-employee payroll as of net pension liability actuarial valuation date	\$ 12,625,561	\$ 12,328,942	\$ 12,025,081	\$ 11,747,790
District's proportionate share of the net pension liability as a percentage of covered payroll	14.17%	15.44%	13.16%	12.06%
Plan fiduciary net position as a percentage of the total pension liability	39.30%	36.40%	41.50%	43.00%
Contractually required contribution	\$ 82,371	\$ 94,782	\$ 93,419	\$ 85,121
Contributions in relation to the contractually required contribution	<u>(82,371)</u>	<u>(65,706)</u>	<u>(93,419)</u>	<u>(85,122)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ 29,076</u>	<u>\$ -</u>	<u>\$ (1)</u>
Covered payroll as of fiscal year end	\$ 13,125,489	\$ 12,625,561	\$ 12,328,942	\$ 12,025,081
Contributions as a percentage of covered employee payroll	0.6276%	0.7507%	0.7577%	0.7079%

Notes to Schedule:

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

Actuary valuations are as of June 30 of the fiscal year prior to the fiscal year in which the net pension liability is reported.

Key Assumptions:

Long-term expected rate of return	7.00%	7.00%	7.50%	7.50%
Municipal bond index	3.58%	2.85%	3.73%	N/A
Single equivalent discount rate	7.00%	6.83%	7.47%	7.50%
Inflation rate	2.50%	2.50%	3.00%	3.00%
Projected salary increases	3.25% to 9.25% varying by service	3.25% to 9.25% varying by service	3.75% to 9.75% varying by service	5.75%

See Auditors' Report and Notes to Required Supplementary Information

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
RETIREES' HEALTHCARE BENEFIT PROGRAM
SCHEDULE OF CHANGES IN THE DISTRICT'S NET OPEB LIABILITY
AND RELATED RATIOS
Most Recent Fiscal Year

	2018
Total OPEB liability	
Service cost	181,364
Interest	57,850
Changes of benefit terms	-
Differences between expected and actual experience	(5,567)
Changes of assumptions	(130,927)
Benefit payments, including refunds of member contributions	-
Net change in total OPEB liability	102,720
Total OPEB liability - beginning	1,964,887
Total OPEB liability - ending (a)	<u>\$ 2,067,607</u>
 Plan fiduciary net position	
Employer contributions	\$ -
Employee contributions	-
Net investment income	-
Benefit payments, including refunds of member contributions	-
Administration	-
Other (net transfer)	-
Net change in plan fiduciary net position	-
 Plan fiduciary net position - beginning	-
Plan fiduciary net position - ending (b)	<u>\$ -</u>
 District's net OPEB liability - ending (a) - (b)	<u>\$ 2,067,607</u>
 Plan fiduciary net position as a percentage of the total OPEB liability	 0.00%
 Covered-employee payroll	 \$ 16,062,970
 District's net pension liability as a percentage of covered-employee payroll	 12.87%

Notes to Schedule:

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

See Auditors' Report and Notes to Required Supplementary Information

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

RETIREEES' HEALTHCARE BENEFIT PROGRAM

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Most Recent Fiscal Year

	<u>2018</u>
Actuarially determined contribution	N/A
Contributions in relation to the actuarially determined contribution	<u>N/A</u>
Contribution deficiency (excess)	<u>N/A</u>
Covered-employee payroll	16,062,970
Contributions as a percentage of covered-employee payroll	0.00%

Notes to Schedule:

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

Valuation date:

Actuary valuation for fiscal year 2018 was performed as of July 1, 2016.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Straight line
Remaining amortization period	10 years
Asset valuation method	Market value
Election at retirement - Certified and Administrative Retirees	100.00%
Election at retirement - Teachers Associates	30.00%
Election at retirement - Other Associates	90.00%
Discount rate	3.56%
Healthcare cost trend rate - initial	8.00% to 5.00%
Healthcare cost trend rate - ultimate	4.50% to 5.00%
Mortality	RP-2014 BCMT and RP-2014 WCMT

Other information:

There were no benefit changes during the year.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
TEACHERS' HEALTH INSURANCE SECURITY FUND
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY AND DISTRICT CONTRIBUTIONS
Most Recent Fiscal Year

	2018
District's proportion of the net OPEB liability	0.0548640000%
District's proportionate share of the net OPEB liability	\$ 14,237,090
State's proportionate share of the net OPEB liability	18,696,837
Total net OPEB liability	\$ 32,933,927
Covered-employee payroll	\$ 12,625,561
District's proportionate share of the net OPEB liability as a percentage of covered payroll	112.76%
Plan fiduciary net position as a percentage of the total pension liability	-0.17%
Contractually required contribution	\$ 115,504
Contributions in relation to the contractually required contribution	115,504
Contribution deficiency (excess)	\$ 0
Contributions as a percentage of covered employee payroll	0.9148%

Notes to Schedule:

The District implemented GASB 68 in fiscal year 2018. Information for fiscal years prior to 2018 is not applicable.

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

Key Assumptions:

Long-term expected rate of return	0.00%
Municipal bond index	3.56%
Single equivalent discount rate	3.56%
Inflation rate	2.75%
Healthcare cost trend rates - initial	Medicare - 8.00%
	Non-Medicare - 9.00%
Healthcare cost trend rates - ultimate	4.50%
Mortality	RP-2014 Tables

See Auditors' Report and Notes to Required Supplementary Information

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Revenues				
Local sources				
General levy	\$ 21,977,032	\$ 20,950,487	\$ (1,026,545)	\$ 21,110,631
Tort immunity levy	225,750	193,366	(32,384)	215,656
Special education levy	68,323	66,959	(1,364)	67,485
Regular tuition from pupils or parents (in state)	-	-	-	19,612
Summer school - tuition from pupils or parents (in state)	60,000	60,486	486	58,678
Investment income	100,000	160,695	60,695	211,394
Sales to pupils - lunch	-	157	157	739
Fees	35,000	52,088	17,088	35,120
Rentals - regular textbook	125,000	125,330	330	131,474
Rentals	-	85,510	85,510	-
Contributions and donations from private sources	105,000	124,146	19,146	96,500
Impact fees from municipal or county governments	-	-	-	16,000
Refund of prior years' expenditures	-	27,961	27,961	15,436
Other	-	2,728	2,728	42
Total local sources	<u>22,696,105</u>	<u>21,849,913</u>	<u>(846,192)</u>	<u>21,978,767</u>
State sources				
Evidence Based Funding Formula	326,877	714,858	387,981	278,393
Special education - private facility tuition	15,000	52,353	37,353	33,980
Special education - extraordinary	75,000	37,599	(37,401)	150,055
Special education - personnel	150,000	71,126	(78,874)	289,764
Special education - summer school	-	152	152	-
Other restricted revenue from state sources	-	875	875	-
On behalf payment to TRS from the state	4,200,000	8,748,337	4,548,337	10,388,795
Total state sources	<u>4,766,877</u>	<u>9,625,300</u>	<u>4,858,423</u>	<u>11,140,987</u>
Federal sources				
Title I - Low income	125,000	99,982	(25,018)	109,056
Federal - special education - IDEA - flow- through/low incident	180,000	185,806	5,806	189,725
Federal - special education - IDEA - room & board	-	118,014	118,014	30,237
Title II - Teacher quality	20,000	20,451	451	9,084
Total federal sources	<u>325,000</u>	<u>424,253</u>	<u>99,253</u>	<u>338,102</u>
Total revenues	<u>27,787,982</u>	<u>31,899,466</u>	<u>4,111,484</u>	<u>33,457,856</u>

See Auditors' Report and Notes to Required Supplementary Information

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Expenditures				
Instruction				
Regular programs				
Salaries	\$ 9,444,157	\$ 8,948,680	\$ 495,477	\$ 8,496,864
Employee benefits	1,258,950	1,214,336	44,614	1,138,082
On-behalf payments to TRS from the state	4,200,000	8,748,337	(4,548,337)	10,388,795
Purchased services	3,150	2,992	158	4,207
Supplies and materials	407,975	349,803	58,172	366,364
Capital outlay	34,650	635,861	(601,211)	34,063
Non-capitalized equipment	<u>3,150</u>	<u>-</u>	<u>3,150</u>	<u>358</u>
Total	<u>15,352,032</u>	<u>19,900,009</u>	<u>(4,547,977)</u>	<u>20,428,733</u>
Special education programs				
Salaries	1,785,000	1,665,912	119,088	1,781,140
Employee benefits	252,000	214,047	37,953	255,208
Purchased services	171,150	299,272	(128,122)	165,867
Supplies and materials	29,400	18,464	10,936	16,518
Capital outlay	19,950	-	19,950	10,369
Other objects	525	464	61	480
Non-capitalized equipment	<u>2,100</u>	<u>1,756</u>	<u>344</u>	<u>668</u>
Total	<u>2,260,125</u>	<u>2,199,915</u>	<u>60,210</u>	<u>2,230,250</u>
Remedial and supplemental programs K-12				
Salaries	99,750	83,065	16,685	91,388
Employee benefits	<u>18,900</u>	<u>5,048</u>	<u>13,852</u>	<u>5,011</u>
Total	<u>118,650</u>	<u>88,113</u>	<u>30,537</u>	<u>96,399</u>
Interscholastic programs				
Salaries	60,900	55,947	4,953	51,836
Employee benefits	1,050	667	383	620
Purchased services	10,500	11,186	(686)	9,707
Supplies and materials	<u>8,400</u>	<u>6,812</u>	<u>1,588</u>	<u>8,401</u>
Total	<u>80,850</u>	<u>74,612</u>	<u>6,238</u>	<u>70,564</u>
Summer school programs				
Salaries	105,000	73,530	31,470	81,154
Employee benefits	1,050	721	329	768
Supplies and materials	<u>7,350</u>	<u>5,484</u>	<u>1,866</u>	<u>8,458</u>
Total	<u>113,400</u>	<u>79,735</u>	<u>33,665</u>	<u>90,380</u>
Gifted programs				
Salaries	120,750	120,644	106	115,411
Employee benefits	<u>21,000</u>	<u>17,998</u>	<u>3,002</u>	<u>18,027</u>
Total	<u>141,750</u>	<u>138,642</u>	<u>3,108</u>	<u>133,438</u>

See Auditors' Report and Notes to Required Supplementary Information

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Truant's alternative and optional programs				
Salaries	\$ 7,350	\$ 12,218	\$ (4,868)	\$ 8,050
Employee benefits	105	98	7	1
Total	<u>7,455</u>	<u>12,316</u>	<u>(4,861)</u>	<u>8,051</u>
Total instruction	<u>18,074,262</u>	<u>22,493,342</u>	<u>(4,419,080)</u>	<u>23,057,815</u>
Support services				
Pupils				
Attendance and social work services				
Salaries	388,500	384,595	3,905	366,693
Employee benefits	79,800	96,751	(16,951)	79,871
Purchased services	<u>3,150</u>	<u>-</u>	<u>3,150</u>	<u>-</u>
Total	<u>471,450</u>	<u>481,346</u>	<u>(9,896)</u>	<u>446,564</u>
Guidance services				
Salaries	309,750	293,666	16,084	285,057
Employee benefits	<u>78,750</u>	<u>72,995</u>	<u>5,755</u>	<u>69,843</u>
Total	<u>388,500</u>	<u>366,661</u>	<u>21,839</u>	<u>354,900</u>
Health services				
Salaries	231,000	192,387	38,613	235,662
Employee benefits	34,125	41,088	(6,963)	28,589
Purchased services	5,250	6,312	(1,062)	4,432
Supplies and materials	<u>9,450</u>	<u>5,355</u>	<u>4,095</u>	<u>14,031</u>
Total	<u>279,825</u>	<u>245,142</u>	<u>34,683</u>	<u>282,714</u>
Psychological services				
Salaries	203,700	193,268	10,432	187,361
Employee benefits	19,530	21,238	(1,708)	19,997
Purchased services	10,500	2,447	8,053	6,798
Supplies and materials	<u>2,100</u>	<u>3,921</u>	<u>(1,821)</u>	<u>3,774</u>
Total	<u>235,830</u>	<u>220,874</u>	<u>14,956</u>	<u>217,930</u>
Speech pathology and audiology services				
Salaries	420,000	428,485	(8,485)	390,384
Employee benefits	79,275	81,123	(1,848)	76,662
Purchased services	<u>5,250</u>	<u>-</u>	<u>5,250</u>	<u>320</u>
Total	<u>504,525</u>	<u>509,608</u>	<u>(5,083)</u>	<u>467,366</u>

See Auditors' Report and Notes to Required Supplementary Information

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Other support services - pupils				
Salaries	\$ 320,250	\$ 277,588	\$ 42,662	\$ 287,806
Employee benefits	15,750	11,606	4,144	11,981
Purchased services	<u>8,400</u>	<u>12,787</u>	<u>(4,387)</u>	<u>10,954</u>
Total	<u>344,400</u>	<u>301,981</u>	<u>42,419</u>	<u>310,741</u>
Total pupils	<u>2,224,530</u>	<u>2,125,612</u>	<u>98,918</u>	<u>2,080,215</u>
Instructional staff				
Improvement of instructional services				
Salaries	214,200	249,586	(35,386)	192,127
Employee benefits	131,670	99,782	31,888	84,048
Purchased services	80,850	81,589	(739)	114,779
Supplies and materials	68,250	91,974	(23,724)	72,451
Termination benefits	<u>21,000</u>	<u>-</u>	<u>21,000</u>	<u>67,500</u>
Total	<u>515,970</u>	<u>522,931</u>	<u>(6,961)</u>	<u>530,905</u>
Educational media services				
Salaries	430,500	392,460	38,040	372,787
Employee benefits	57,750	46,324	11,426	32,795
Purchased services	36,750	9,372	27,378	-
Supplies and materials	114,450	113,440	1,010	111,905
Capital outlay	2,100	-	2,100	-
Other objects	<u>1,575</u>	<u>277</u>	<u>1,298</u>	<u>389</u>
Total	<u>643,125</u>	<u>561,873</u>	<u>81,252</u>	<u>517,876</u>
Assessment and testing				
Purchased services	5,250	-	5,250	-
Supplies and materials	<u>4,200</u>	<u>-</u>	<u>4,200</u>	<u>-</u>
Total	<u>9,450</u>	<u>-</u>	<u>9,450</u>	<u>-</u>
Total instructional staff	<u>1,168,545</u>	<u>1,084,804</u>	<u>83,741</u>	<u>1,048,781</u>
General administration				
Board of education services				
Employee benefits	105,000	48,105	56,895	43,972
Purchased services	344,900	180,075	164,825	166,994
Supplies and materials	31,500	33,741	(2,241)	19,717
Other objects	<u>8,400</u>	<u>11,245</u>	<u>(2,845)</u>	<u>9,541</u>
Total	<u>489,800</u>	<u>273,166</u>	<u>216,634</u>	<u>240,224</u>

See Auditors' Report and Notes to Required Supplementary Information

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Executive administration services				
Salaries	\$ 278,250	\$ 279,353	\$ (1,103)	\$ 269,862
Employee benefits	84,000	79,637	4,363	77,386
Purchased services	5,250	-	5,250	-
Supplies and materials	3,150	-	3,150	8,000
Other objects	<u>2,100</u>	<u>2,262</u>	<u>(162)</u>	<u>2,065</u>
Total	<u>372,750</u>	<u>361,252</u>	<u>11,498</u>	<u>357,313</u>
Tort immunity services				
Employee benefits	-	(2,525)	2,525	-
Purchased services	<u>210,000</u>	<u>162,685</u>	<u>47,315</u>	<u>188,726</u>
Total	<u>210,000</u>	<u>160,160</u>	<u>49,840</u>	<u>188,726</u>
Total general administration	<u>1,072,550</u>	<u>794,578</u>	<u>277,972</u>	<u>786,263</u>
School administration				
Office of the principal services				
Salaries	782,250	782,930	(680)	746,731
Employee benefits	178,500	167,911	10,589	162,003
Purchased services	3,675	-	3,675	-
Supplies and materials	45,150	51,317	(6,167)	48,061
Other objects	<u>2,100</u>	<u>239</u>	<u>1,861</u>	<u>1,193</u>
Total	<u>1,011,675</u>	<u>1,002,397</u>	<u>9,278</u>	<u>957,988</u>
Total school administration	<u>1,011,675</u>	<u>1,002,397</u>	<u>9,278</u>	<u>957,988</u>
Business				
Direction of business support services				
Salaries	107,100	110,074	(2,974)	106,115
Employee benefits	33,600	28,856	4,744	28,005
Purchased services	9,450	20,000	(10,550)	253
Supplies and materials	26,250	19,526	6,724	33,765
Other objects	<u>1,050</u>	<u>625</u>	<u>425</u>	<u>520</u>
Total	<u>177,450</u>	<u>179,081</u>	<u>(1,631)</u>	<u>168,658</u>
Operation and maintenance of plant services				
Salaries	325,500	315,700	9,800	304,696
Employee benefits	37,800	35,494	2,306	34,643
Purchased services	68,250	38,711	29,539	62,915
Supplies and materials	<u>9,450</u>	<u>1,295</u>	<u>8,155</u>	<u>2,522</u>
Total	<u>441,000</u>	<u>391,200</u>	<u>49,800</u>	<u>404,776</u>

See Auditors' Report and Notes to Required Supplementary Information

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Food services				
Salaries	\$ 99,750	\$ 96,543	\$ 3,207	\$ 86,160
Employee benefits	2,100	33	2,067	1,224
Purchased services	4,200	-	4,200	-
Supplies and materials	<u>10,500</u>	<u>15,031</u>	<u>(4,531)</u>	<u>13,952</u>
Total	<u>116,550</u>	<u>111,607</u>	<u>4,943</u>	<u>101,336</u>
Internal services				
Purchased services	12,600	11,585	1,015	14,357
Supplies and materials	16,800	18,662	(1,862)	16,986
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>374</u>
Total	<u>29,400</u>	<u>30,247</u>	<u>(847)</u>	<u>31,717</u>
Total business	<u>764,400</u>	<u>712,135</u>	<u>52,265</u>	<u>706,487</u>
Central				
Direction of central support services				
Purchased services	<u>61,950</u>	<u>68,187</u>	<u>(6,237)</u>	<u>71,664</u>
Total	<u>61,950</u>	<u>68,187</u>	<u>(6,237)</u>	<u>71,664</u>
Total central	<u>61,950</u>	<u>68,187</u>	<u>(6,237)</u>	<u>71,664</u>
Total support services	<u>6,303,650</u>	<u>5,787,713</u>	<u>515,937</u>	<u>5,651,398</u>
Community services				
Supplies and materials	<u>-</u>	<u>691</u>	<u>(691)</u>	<u>-</u>
Total community services	<u>-</u>	<u>691</u>	<u>(691)</u>	<u>-</u>
Payments for Regular Programs - Tuition				
Other objects	<u>26,250</u>	<u>46,349</u>	<u>(20,099)</u>	<u>28,831</u>
Total	<u>26,250</u>	<u>46,349</u>	<u>(20,099)</u>	<u>28,831</u>
Payments for special education programs - tuition				
Other objects	<u>957,500</u>	<u>868,034</u>	<u>89,466</u>	<u>747,162</u>
Total	<u>957,500</u>	<u>868,034</u>	<u>89,466</u>	<u>747,162</u>
Total payments to other districts and governmental units	<u>983,750</u>	<u>914,383</u>	<u>69,367</u>	<u>775,993</u>

See Auditors' Report and Notes to Required Supplementary Information

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GENERAL FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Provision for contingencies	\$ 94,500	\$ -	\$ 94,500	\$ -
Total expenditures	<u>25,456,162</u>	<u>29,196,129</u>	<u>(3,739,967)</u>	<u>29,485,206</u>
Excess (deficiency) of revenues over expenditures	<u>2,331,820</u>	<u>2,703,337</u>	<u>371,517</u>	<u>3,972,650</u>
Other financing sources (uses)				
Capital lease value	-	587,246	587,246	-
Transfer among funds	(2,000,000)	(2,500,000)	(500,000)	-
Transfer to debt service fund to pay principal on capital leases	(210,000)	(230,909)	(20,909)	(177,433)
Transfer to debt service fund to pay interest on capital leases	<u>(10,500)</u>	<u>(3,759)</u>	<u>6,741</u>	<u>(5,358)</u>
Total other financing sources (uses)	<u>(2,220,500)</u>	<u>(2,147,422)</u>	<u>73,078</u>	<u>(182,791)</u>
Net change in fund balance	<u>\$ 111,320</u>	555,915	<u>\$ 444,595</u>	3,789,859
Fund balance, beginning of year		<u>35,459,324</u>		<u>31,669,465</u>
Fund balance, end of year		<u>\$ 36,015,239</u>		<u>\$ 35,459,324</u>

See Auditor's Report and Notes to Required Supplementary Information

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
OPERATIONS AND MAINTENANCE FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Revenues				
Local sources				
General levy	\$ 2,091,713	\$ 2,282,362	\$ 190,649	\$ 2,001,125
Corporate personal property replacement taxes	68,250	143,551	75,301	86,901
Investment income	2,000	-	(2,000)	2,400
Rentals	52,500	76,777	24,277	128,987
Total local sources	<u>2,214,463</u>	<u>2,502,690</u>	<u>288,227</u>	<u>2,219,413</u>
State sources				
Other restricted revenue from state sources	-	-	-	75,000
Total state sources	-	-	-	75,000
Total revenues	<u>2,214,463</u>	<u>2,502,690</u>	<u>288,227</u>	<u>2,294,413</u>
Expenditures				
Support services				
Business				
Direction of business support services				
Salaries	105,000	106,693	(1,693)	102,796
Employee benefits	28,350	26,681	1,669	25,906
Total	<u>133,350</u>	<u>133,374</u>	<u>(24)</u>	<u>128,702</u>
Operation and maintenance of plant services				
Salaries	798,000	822,532	(24,532)	757,055
Employee benefits	126,000	134,125	(8,125)	122,559
Purchased services	888,850	996,356	(107,506)	1,215,934
Supplies and materials	379,575	439,278	(59,703)	412,473
Capital outlay	1,867,000	2,565,805	(698,805)	782,986
Other objects	1,575	1,215	360	865
Non-capitalized equipment	2,625	799	1,826	1,138
Total	<u>4,063,625</u>	<u>4,960,110</u>	<u>(896,485)</u>	<u>3,293,010</u>
Total business	<u>4,196,975</u>	<u>5,093,484</u>	<u>(896,509)</u>	<u>3,421,712</u>
Total support services	<u>4,196,975</u>	<u>5,093,484</u>	<u>(896,509)</u>	<u>3,421,712</u>
Provision for contingencies	<u>21,000</u>	-	<u>21,000</u>	-
Total expenditures	<u>4,217,975</u>	<u>5,093,484</u>	<u>(875,509)</u>	<u>3,421,712</u>
Net change in fund balance	<u>\$ (2,003,512)</u>	<u>(2,590,794)</u>	<u>\$ (587,282)</u>	<u>(1,127,299)</u>
Fund balance (deficit), beginning of year		<u>(1,075,814)</u>		<u>51,485</u>
Fund balance (deficit), end of year		<u>\$ (1,166,608)</u>		<u>\$ (1,075,814)</u>

See Auditors' Report and Notes to Required Supplementary Information

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
TRANSPORTATION FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Revenues				
Local sources				
General levy	\$ 320,250	\$ 554,204	\$ 233,954	\$ 439,778
Regular transportation fees from pupils or parents (in state)	100,000	141,570	41,570	128,096
Investment income	-	25	25	2,291
Total local sources	<u>420,250</u>	<u>695,799</u>	<u>275,549</u>	<u>570,165</u>
State sources				
Transportation - special education	<u>60,000</u>	<u>216,055</u>	<u>156,055</u>	<u>99,377</u>
Total state sources	<u>60,000</u>	<u>216,055</u>	<u>156,055</u>	<u>99,377</u>
Total revenues	<u>480,250</u>	<u>911,854</u>	<u>431,604</u>	<u>669,542</u>
Expenditures				
Support Services				
Business				
Pupil transportation services				
Salaries	147,000	177,114	(30,114)	158,633
Employee benefits	29,400	27,676	1,724	26,663
Purchased services	495,600	554,390	(58,790)	498,547
Other objects	-	5,725	(5,725)	-
Total	<u>672,000</u>	<u>764,905</u>	<u>(92,905)</u>	<u>683,843</u>
Total business	<u>672,000</u>	<u>764,905</u>	<u>(92,905)</u>	<u>683,843</u>
Total support services	<u>672,000</u>	<u>764,905</u>	<u>(92,905)</u>	<u>683,843</u>
Total expenditures	<u>672,000</u>	<u>764,905</u>	<u>(92,905)</u>	<u>683,843</u>
Net change in fund balance	<u>\$ (191,750)</u>	146,949	<u>\$ 338,699</u>	(14,301)
Fund balance, beginning of year		<u>448,654</u>		<u>462,955</u>
Fund balance, end of year		<u>\$ 595,603</u>		<u>\$ 448,654</u>

See Auditors' Report and Notes to Required Supplementary Information

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Revenues				
Local sources				
General levy	\$ 165,375	\$ 169,259	\$ 3,884	\$ 169,119
Social security/medicare only levy	453,600	438,985	(14,615)	447,103
Corporate personal property replacement taxes	105,000	48,000	(57,000)	117,235
Investment income	-	(197)	(197)	6,708
Total local sources	<u>723,975</u>	<u>656,047</u>	<u>(67,928)</u>	<u>740,165</u>
Total revenues	<u>723,975</u>	<u>656,047</u>	<u>(67,928)</u>	<u>740,165</u>
Expenditures				
Instruction				
Regular programs	204,225	208,926	(4,701)	188,824
Special education programs	141,750	118,379	23,371	150,812
Educationally deprived/remedial programs	6,300	4,888	1,412	4,287
Interscholastic programs	3,150	2,394	756	2,031
Summer school programs	8,400	4,682	3,718	5,026
Gifted programs	2,100	1,594	506	1,519
Truant's alternative and optional programs	-	76	(76)	1
Total instruction	<u>365,925</u>	<u>340,939</u>	<u>24,986</u>	<u>352,500</u>
Support services				
Pupils				
Attendance and social work services	4,200	4,859	(659)	4,716
Guidance services	9,450	7,459	1,991	7,453
Health services	12,600	10,324	2,276	3,263
Psychological services	3,150	2,705	445	2,623
Speech pathology and audiology services	6,300	5,673	627	5,177
Other support services - pupils	17,850	14,736	3,114	14,955
Total pupils	<u>53,550</u>	<u>45,756</u>	<u>7,794</u>	<u>38,187</u>
Instructional staff				
Improvement of instructional staff	13,020	4,194	8,826	7,640
Educational media services	26,250	18,449	7,801	18,707
Total instructional staff	<u>39,270</u>	<u>22,643</u>	<u>16,627</u>	<u>26,347</u>
General administration				
Executive administration services	9,450	7,167	2,283	7,135
Total general administration	<u>9,450</u>	<u>7,167</u>	<u>2,283</u>	<u>7,135</u>

See Auditors' Report and Notes to Required Supplementary Information

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
School administration				
Office of the principal services	\$ 42,000	\$ 39,934	\$ 2,066	\$ 37,954
Total school administration	<u>42,000</u>	<u>39,934</u>	<u>2,066</u>	<u>37,954</u>
Business				
Direction of business support services	19,950	18,153	1,797	17,522
Operations and maintenance of plant services	191,100	191,852	(752)	179,462
Pupil transportation services	11,550	10,164	1,386	9,695
Food services	<u>2,100</u>	<u>2,023</u>	<u>77</u>	<u>1,179</u>
Total business	<u>224,700</u>	<u>222,192</u>	<u>2,508</u>	<u>207,858</u>
Total support services	<u>368,970</u>	<u>337,692</u>	<u>31,278</u>	<u>317,481</u>
Total expenditures	<u>734,895</u>	<u>678,631</u>	<u>56,264</u>	<u>669,981</u>
Net change in fund balance	<u>\$ (10,920)</u>	(22,584)	<u>\$ (11,664)</u>	70,184
Fund balance, beginning of year		<u>1,094,580</u>		<u>1,024,396</u>
Fund balance, end of year		<u>\$ 1,071,996</u>		<u>\$ 1,094,580</u>

See Auditor's Report and Notes to Required Supplementary Information

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Data

The budgeted amounts for the Governmental Funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

The Board of Education follows these procedures in establishing the budgetary data reflected in the basic 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 an resolution. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.
4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
6. All budget appropriations lapse at the end of the fiscal year.

The budget amounts shown in the financial statements are as originally adopted because there were no amendments during the past fiscal year.

Excess of Expenditures over Budget

For the year ended June 30, 2017, expenditures exceeded budget in the General Fund, the Operations and Maintenance Fund, and the Transportation Fund by \$3,739,967, \$875,509, and \$92,905, respectively. The excess in the General Fund is the result of the increase of on-behalf payments made to TRS. It was funded by an offsetting revenue for the same amount. The excess in the other funds was funded by available fund balance.

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
DEBT SERVICE FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018			2017
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET	ACTUAL
Revenues				
Local sources				
General levy	\$ 1,732,500	\$ 1,618,543	\$ (113,957)	\$ 1,643,131
Investment income	-	(276)	(276)	2,450
Total local sources	<u>1,732,500</u>	<u>1,618,267</u>	<u>(114,233)</u>	<u>1,645,581</u>
Total revenues	<u>1,732,500</u>	<u>1,618,267</u>	<u>(114,233)</u>	<u>1,645,581</u>
Expenditures				
Debt services				
Payments on long term debt				
Interest on long term debt	793,810	729,628	64,182	756,340
Principal payments on long term debt	<u>1,076,250</u>	<u>1,080,909</u>	<u>(4,659)</u>	<u>1,002,434</u>
Total	<u>1,870,060</u>	<u>1,810,537</u>	<u>59,523</u>	<u>1,758,774</u>
Total debt services	<u>1,870,060</u>	<u>1,810,537</u>	<u>59,523</u>	<u>1,758,774</u>
Total expenditures	<u>1,870,060</u>	<u>1,810,537</u>	<u>59,523</u>	<u>1,758,774</u>
Excess (deficiency) of revenues over expenditures	<u>(137,560)</u>	<u>(192,270)</u>	<u>(54,710)</u>	<u>(113,193)</u>
Other financing sources (uses)				
Transfer to debt service to pay principal on capital leases	210,000	230,909	20,909	177,433
Transfer to debt service to pay interest on capital leases	<u>10,500</u>	<u>3,759</u>	<u>(6,741)</u>	<u>5,358</u>
Total other financing sources (uses)	<u>220,500</u>	<u>234,668</u>	<u>14,168</u>	<u>182,791</u>
Net change in fund balance	<u>\$ 82,940</u>	42,398	<u>\$ (40,542)</u>	69,598
Fund balance, beginning of year		<u>975,741</u>		<u>906,143</u>
Fund balance, end of year		<u>\$ 1,018,139</u>		<u>\$ 975,741</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GENERAL FUND
 COMBINING BALANCE SHEET
 AS OF JUNE 30, 2018

	EDUCATIONAL ACCOUNTS	TORT IMMUNITY AND JUDGMENT ACCOUNTS	TOTAL
Assets			
Cash	\$ 34,971,850	\$ 402,370	\$ 35,374,220
Receivables (net allowance for uncollectibles):			
Interest	290,191	3,339	293,530
Property taxes	10,610,902	90,454	10,701,356
Intergovernmental	75,506	-	75,506
Due from operations and maintenance fund	<u>620,316</u>	<u>-</u>	<u>620,316</u>
Total assets	<u>\$ 46,568,765</u>	<u>\$ 496,163</u>	<u>\$ 47,064,928</u>
Liabilities, deferred inflows of resources, and fund balance			
Liabilities			
Accounts payable	\$ 15,392	\$ -	\$ 15,392
Payroll deductions payable	<u>38,624</u>	<u>-</u>	<u>38,624</u>
Total liabilities	<u>54,016</u>	<u>-</u>	<u>54,016</u>
Deferred inflows of resources			
Property taxes levied for a future period	10,610,902	90,454	10,701,356
Unavailable state and federal aid receivable	21,879	-	21,879
Unavailable other receivables	<u>269,339</u>	<u>3,099</u>	<u>272,438</u>
Total deferred inflows of resources	<u>10,902,120</u>	<u>93,553</u>	<u>10,995,673</u>
Fund balance			
Restricted	-	402,610	402,610
Unassigned	<u>35,612,629</u>	<u>-</u>	<u>35,612,629</u>
Total fund balance	<u>35,612,629</u>	<u>402,610</u>	<u>36,015,239</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 46,568,765</u>	<u>\$ 496,163</u>	<u>\$ 47,064,928</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2018

	EDUCATIONAL ACCOUNTS	TORT IMMUNITY AND JUDGMENT ACCOUNTS	TOTAL
Revenues			
Property taxes	\$ 21,017,446	\$ 193,366	\$ 21,210,812
State aid	9,625,300	-	9,625,300
Federal aid	424,253	-	424,253
Investment income	160,723	(28)	160,695
Other	460,893	17,513	478,406
	<u>31,688,615</u>	<u>210,851</u>	<u>31,899,466</u>
Total revenues			
Expenditures			
Current:			
Instruction:			
Regular programs	10,515,811	-	10,515,811
Special programs	2,288,028	-	2,288,028
Other instructional programs	305,305	-	305,305
State retirement contributions	8,748,337	-	8,748,337
Support Services:			
Pupils	2,125,612	-	2,125,612
Instructional staff	1,084,804	-	1,084,804
General administration	634,418	160,160	794,578
School administration	1,002,397	-	1,002,397
Business	320,935	-	320,935
Operations and maintenance	391,200	-	391,200
Central	68,187	-	68,187
Community services	691	-	691
Payments to other districts and gov't units	914,383	-	914,383
Capital outlay	635,861	-	635,861
	<u>29,035,969</u>	<u>160,160</u>	<u>29,196,129</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	<u>2,652,646</u>	<u>50,691</u>	<u>2,703,337</u>
Other financing sources (uses)			
Transfers (out)	(2,734,668)	-	(2,734,668)
Other sources not classified elsewhere	587,246	-	587,246
	<u>(2,147,422)</u>	<u>-</u>	<u>(2,147,422)</u>
Total other financing sources (uses)			
Net change in fund balance	505,224	50,691	555,915
Fund balance, beginning of year	<u>35,107,405</u>	<u>351,919</u>	<u>35,459,324</u>
Fund balance, end of year	<u>\$ 35,612,629</u>	<u>\$ 402,610</u>	<u>\$ 36,015,239</u>

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Revenues				
Local sources				
General levy	\$ 21,977,032	\$ 20,950,487	\$ (1,026,545)	\$ 21,110,631
Special education levy	68,323	66,959	(1,364)	67,485
Regular tuition from pupils or parents (in state)	-	-	-	19,612
Summer school - tuition from pupils or parents (in state)	60,000	60,486	486	58,678
Investment income	100,000	160,723	60,723	210,552
Sales to pupils - lunch	-	157	157	739
Fees	35,000	52,088	17,088	35,120
Rentals - regular textbook	125,000	125,330	330	131,474
Rentals	-	85,510	85,510	-
Contributions and donations from private sources	105,000	124,146	19,146	96,500
Impact fees from municipal or county governments	-	-	-	16,000
Refund of prior years' expenditures	-	10,448	10,448	15,436
Other	-	2,728	2,728	42
Total local sources	<u>22,470,355</u>	<u>21,639,062</u>	<u>(831,293)</u>	<u>21,762,269</u>
State sources				
Evidence Based Funding Formula	326,877	714,858	387,981	278,393
Special education - private facility tuition	15,000	52,353	37,353	33,980
Special education - extraordinary	75,000	37,599	(37,401)	150,055
Special education - personnel	150,000	71,126	(78,874)	289,764
Special education - summer school	-	152	152	-
Other restricted revenue from state sources	-	875	875	-
On behalf payment to TRS from the state	4,200,000	8,748,337	4,548,337	10,388,795
Total state sources	<u>4,766,877</u>	<u>9,625,300</u>	<u>4,858,423</u>	<u>11,140,987</u>
Federal sources				
Title I - Low income	125,000	99,982	(25,018)	109,056
Federal - special education - IDEA - flow- through/low incident	180,000	185,806	5,806	189,725
Federal - special education - IDEA - room & board	-	118,014	118,014	30,237
Title II - Teacher quality	20,000	20,451	451	9,084
Total federal sources	<u>325,000</u>	<u>424,253</u>	<u>99,253</u>	<u>338,102</u>
Total revenues	<u>27,562,232</u>	<u>31,688,615</u>	<u>4,126,383</u>	<u>33,241,358</u>

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Expenditures				
Instruction				
Regular programs				
Salaries	\$ 9,444,157	\$ 8,948,680	\$ 495,477	\$ 8,496,864
Employee benefits	1,258,950	1,214,336	44,614	1,138,082
On-behalf payments to TRS from the state	4,200,000	8,748,337	(4,548,337)	10,388,795
Purchased services	3,150	2,992	158	4,207
Supplies and materials	407,975	349,803	58,172	366,364
Capital outlay	34,650	635,861	(601,211)	34,063
Non-capitalized equipment	<u>3,150</u>	<u>-</u>	<u>3,150</u>	<u>358</u>
Total	<u>15,352,032</u>	<u>19,900,009</u>	<u>(4,547,977)</u>	<u>20,428,733</u>
Special education programs				
Salaries	1,785,000	1,665,912	119,088	1,781,140
Employee benefits	252,000	214,047	37,953	255,208
Purchased services	171,150	299,272	(128,122)	165,867
Supplies and materials	29,400	18,464	10,936	16,518
Capital outlay	19,950	-	19,950	10,369
Other objects	525	464	61	480
Non-capitalized equipment	<u>2,100</u>	<u>1,756</u>	<u>344</u>	<u>668</u>
Total	<u>2,260,125</u>	<u>2,199,915</u>	<u>60,210</u>	<u>2,230,250</u>
Remedial and supplemental programs K - 12				
Salaries	99,750	83,065	16,685	91,388
Employee benefits	<u>18,900</u>	<u>5,048</u>	<u>13,852</u>	<u>5,011</u>
Total	<u>118,650</u>	<u>88,113</u>	<u>30,537</u>	<u>96,399</u>
Interscholastic programs				
Salaries	60,900	55,947	4,953	51,836
Employee benefits	1,050	667	383	620
Purchased services	10,500	11,186	(686)	9,707
Supplies and materials	<u>8,400</u>	<u>6,812</u>	<u>1,588</u>	<u>8,401</u>
Total	<u>80,850</u>	<u>74,612</u>	<u>6,238</u>	<u>70,564</u>
Summer school programs				
Salaries	105,000	73,530	31,470	81,154
Employee benefits	1,050	721	329	768
Supplies and materials	<u>7,350</u>	<u>5,484</u>	<u>1,866</u>	<u>8,458</u>
Total	<u>113,400</u>	<u>79,735</u>	<u>33,665</u>	<u>90,380</u>
Gifted programs				
Salaries	120,750	120,644	106	115,411
Employee benefits	<u>21,000</u>	<u>17,998</u>	<u>3,002</u>	<u>18,027</u>
Total	<u>141,750</u>	<u>138,642</u>	<u>3,108</u>	<u>133,438</u>

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Truant's alternative and optional programs				
Salaries	\$ 7,350	\$ 12,218	\$ (4,868)	\$ 8,050
Employee benefits	<u>105</u>	<u>98</u>	<u>7</u>	<u>1</u>
Total	<u>7,455</u>	<u>12,316</u>	<u>(4,861)</u>	<u>8,051</u>
Total instruction	<u>18,074,262</u>	<u>22,493,342</u>	<u>(4,419,080)</u>	<u>23,057,815</u>
Support services				
Pupils				
Attendance and social work services				
Salaries	388,500	384,595	3,905	366,693
Employee benefits	79,800	96,751	(16,951)	79,871
Purchased services	<u>3,150</u>	<u>-</u>	<u>3,150</u>	<u>-</u>
Total	<u>471,450</u>	<u>481,346</u>	<u>(9,896)</u>	<u>446,564</u>
Guidance services				
Salaries	309,750	293,666	16,084	285,057
Employee benefits	<u>78,750</u>	<u>72,995</u>	<u>5,755</u>	<u>69,843</u>
Total	<u>388,500</u>	<u>366,661</u>	<u>21,839</u>	<u>354,900</u>
Health services				
Salaries	231,000	192,387	38,613	235,662
Employee benefits	34,125	41,088	(6,963)	28,589
Purchased services	5,250	6,312	(1,062)	4,432
Supplies and materials	<u>9,450</u>	<u>5,355</u>	<u>4,095</u>	<u>14,031</u>
Total	<u>279,825</u>	<u>245,142</u>	<u>34,683</u>	<u>282,714</u>
Psychological services				
Salaries	203,700	193,268	10,432	187,361
Employee benefits	19,530	21,238	(1,708)	19,997
Purchased services	10,500	2,447	8,053	6,798
Supplies and materials	<u>2,100</u>	<u>3,921</u>	<u>(1,821)</u>	<u>3,774</u>
Total	<u>235,830</u>	<u>220,874</u>	<u>14,956</u>	<u>217,930</u>
Speech pathology and audiology services				
Salaries	420,000	428,485	(8,485)	390,384
Employee benefits	79,275	81,123	(1,848)	76,662
Purchased services	<u>5,250</u>	<u>-</u>	<u>5,250</u>	<u>320</u>
Total	<u>504,525</u>	<u>509,608</u>	<u>(5,083)</u>	<u>467,366</u>

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Other support services - pupils				
Salaries	\$ 320,250	\$ 277,588	\$ 42,662	\$ 287,806
Employee benefits	15,750	11,606	4,144	11,981
Purchased services	<u>8,400</u>	<u>12,787</u>	<u>(4,387)</u>	<u>10,954</u>
Total	<u>344,400</u>	<u>301,981</u>	<u>42,419</u>	<u>310,741</u>
Total pupils	<u>2,224,530</u>	<u>2,125,612</u>	<u>98,918</u>	<u>2,080,215</u>
Instructional staff				
Improvement of instructional services				
Salaries	214,200	249,586	(35,386)	192,127
Employee benefits	131,670	99,782	31,888	84,048
Purchased services	80,850	81,589	(739)	114,779
Supplies and materials	68,250	91,974	(23,724)	72,451
Termination benefits	<u>21,000</u>	<u>-</u>	<u>21,000</u>	<u>67,500</u>
Total	<u>515,970</u>	<u>522,931</u>	<u>(6,961)</u>	<u>530,905</u>
Educational media services				
Salaries	430,500	392,460	38,040	372,787
Employee benefits	57,750	46,324	11,426	32,795
Purchased services	36,750	9,372	27,378	-
Supplies and materials	114,450	113,440	1,010	111,905
Capital outlay	2,100	-	2,100	-
Other objects	<u>1,575</u>	<u>277</u>	<u>1,298</u>	<u>389</u>
Total	<u>643,125</u>	<u>561,873</u>	<u>81,252</u>	<u>517,876</u>
Assessment and testing				
Purchased services	5,250	-	5,250	-
Supplies and materials	<u>4,200</u>	<u>-</u>	<u>4,200</u>	<u>-</u>
Total	<u>9,450</u>	<u>-</u>	<u>9,450</u>	<u>-</u>
Total instructional staff	<u>1,168,545</u>	<u>1,084,804</u>	<u>83,741</u>	<u>1,048,781</u>
General administration				
Board of education services				
Employee benefits	105,000	48,105	56,895	43,972
Purchased services	344,900	180,075	164,825	166,994
Supplies and materials	31,500	33,741	(2,241)	19,717
Other objects	<u>8,400</u>	<u>11,245</u>	<u>(2,845)</u>	<u>9,541</u>
Total	<u>489,800</u>	<u>273,166</u>	<u>216,634</u>	<u>240,224</u>

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Executive administration services				
Salaries	\$ 278,250	\$ 279,353	\$ (1,103)	\$ 269,862
Employee benefits	84,000	79,637	4,363	77,386
Purchased services	5,250	-	5,250	-
Supplies and materials	3,150	-	3,150	8,000
Other objects	<u>2,100</u>	<u>2,262</u>	<u>(162)</u>	<u>2,065</u>
Total	<u>372,750</u>	<u>361,252</u>	<u>11,498</u>	<u>357,313</u>
Tort immunity services				
Purchased services	<u>210,000</u>	<u>-</u>	<u>210,000</u>	<u>-</u>
Total	<u>210,000</u>	<u>-</u>	<u>210,000</u>	<u>-</u>
Total general administration	<u>1,072,550</u>	<u>634,418</u>	<u>438,132</u>	<u>597,537</u>
School administration				
Office of the principal services				
Salaries	782,250	782,930	(680)	746,731
Employee benefits	178,500	167,911	10,589	162,003
Purchased services	3,675	-	3,675	-
Supplies and materials	45,150	51,317	(6,167)	48,061
Other objects	<u>2,100</u>	<u>239</u>	<u>1,861</u>	<u>1,193</u>
Total	<u>1,011,675</u>	<u>1,002,397</u>	<u>9,278</u>	<u>957,988</u>
Total school administration	<u>1,011,675</u>	<u>1,002,397</u>	<u>9,278</u>	<u>957,988</u>
Business				
Direction of business support services				
Salaries	107,100	110,074	(2,974)	106,115
Employee benefits	33,600	28,856	4,744	28,005
Purchased services	9,450	20,000	(10,550)	253
Supplies and materials	26,250	19,526	6,724	33,765
Other objects	<u>1,050</u>	<u>625</u>	<u>425</u>	<u>520</u>
Total	<u>177,450</u>	<u>179,081</u>	<u>(1,631)</u>	<u>168,658</u>
Operation and maintenance of plant services				
Salaries	325,500	315,700	9,800	304,696
Employee benefits	37,800	35,494	2,306	34,643
Purchased services	68,250	38,711	29,539	62,915
Supplies and materials	<u>9,450</u>	<u>1,295</u>	<u>8,155</u>	<u>2,522</u>
Total	<u>441,000</u>	<u>391,200</u>	<u>49,800</u>	<u>404,776</u>

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Food services				
Salaries	\$ 99,750	\$ 96,543	\$ 3,207	\$ 86,160
Employee benefits	2,100	33	2,067	1,224
Purchased services	4,200	-	4,200	-
Supplies and materials	10,500	15,031	(4,531)	13,952
Total	116,550	111,607	4,943	101,336
Internal services				
Purchased services	12,600	11,585	1,015	14,357
Supplies and materials	16,800	18,662	(1,862)	16,986
Capital outlay	-	-	-	374
Total	29,400	30,247	(847)	31,717
Total business	764,400	712,135	52,265	706,487
Central				
Direction of central support services				
Purchased services	61,950	68,187	(6,237)	71,664
Total	61,950	68,187	(6,237)	71,664
Total central	61,950	68,187	(6,237)	71,664
Total support services	6,303,650	5,627,553	676,097	5,462,672
Community services				
Supplies and materials	-	691	(691)	-
Total community services	-	691	(691)	-
Payments to other districts and governmental units				
Payments for Regular Programs - Tuition				
Other objects	26,250	46,349	(20,099)	28,831
Total	26,250	46,349	(20,099)	28,831
Payments for special education programs - tuition				
Other objects	957,500	868,034	89,466	747,162
Total	957,500	868,034	89,466	747,162
Total payments to other districts and governmental units	983,750	914,383	69,367	775,993

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
EDUCATIONAL ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Provision for contingencies	\$ 94,500	\$ -	\$ 94,500	\$ -
Total expenditures	<u>25,456,162</u>	<u>29,035,969</u>	<u>(3,579,807)</u>	<u>29,296,480</u>
Excess (deficiency) of revenues over expenditures	<u>2,106,070</u>	<u>2,652,646</u>	<u>546,576</u>	<u>3,944,878</u>
Other financing sources (uses)				
Other sources not classified elsewhere	-	587,246	587,246	-
Transfer among funds	(2,000,000)	(2,500,000)	(500,000)	-
Transfer to debt service fund to pay principal on capital leases	(210,000)	(230,909)	(20,909)	(177,433)
Transfer to debt service fund to pay interest on capital leases	<u>(10,500)</u>	<u>(3,759)</u>	<u>6,741</u>	<u>(5,358)</u>
Total other financing sources (uses)	<u>(2,220,500)</u>	<u>(2,147,422)</u>	<u>73,078</u>	<u>(182,791)</u>
Net change in fund balance	<u>\$ (114,430)</u>	505,224	<u>\$ 619,654</u>	3,762,087
Fund balance, beginning of year		<u>35,107,405</u>		<u>31,345,318</u>
Fund balance, end of year		<u>\$ 35,612,629</u>		<u>\$ 35,107,405</u>

**GLENCOE ELEMENTARY SCHOOL DISTRICT 35
TORT IMMUNITY AND JUDGMENT ACCOUNTS**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
FOR THE YEAR ENDED JUNE 30, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2017

	2018		VARIANCE WITH FINAL BUDGET	2017 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
Revenues				
Local sources				
Tort immunity levy	\$ 225,750	\$ 193,366	\$ (32,384)	\$ 215,656
Investment income	-	(28)	(28)	842
Refund of prior years' expenditures	-	17,513	17,513	-
Total local sources	<u>225,750</u>	<u>210,851</u>	<u>(14,899)</u>	<u>216,498</u>
Total revenues	<u>225,750</u>	<u>210,851</u>	<u>(14,899)</u>	<u>216,498</u>
Expenditures				
Support Services				
General administration				
Workers' compensation or workers' occupational disease act payments				
Purchased services	-	85,912	(85,912)	100,263
Total	-	85,912	(85,912)	100,263
Unemployment insurance payments				
Employee benefits	-	(2,525)	2,525	-
Total	-	(2,525)	2,525	-
Insurance payments (regular or self-insurance)				
Purchased services	-	76,773	(76,773)	88,463
Total	-	76,773	(76,773)	88,463
Total general administration	-	160,160	(160,160)	188,726
Total expenditures	-	160,160	(160,160)	188,726
Net change in fund balance	<u>\$ 225,750</u>	50,691	<u>\$ (175,059)</u>	27,772
Fund balance, beginning of year		<u>351,919</u>		<u>324,147</u>
Fund balance, end of year		<u>\$ 402,610</u>		<u>\$ 351,919</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

AGENCY FUNDS

**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED JUNE 30, 2018**

	BALANCE JUNE 30, 2017	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2018
Assets				
Cash	<u>\$ 126,563</u>	<u>\$ 182,220</u>	<u>\$ 167,332</u>	<u>\$ 141,451</u>
Liabilities				
Due to student activity funds	\$ 1,611	61,573	42,088	\$ 21,096
Due to employees' flexible spending account	<u>124,952</u>	<u>120,647</u>	<u>125,244</u>	<u>120,355</u>
Total liabilities	<u>\$ 126,563</u>	<u>\$ 182,220</u>	<u>\$ 167,332</u>	<u>\$ 141,451</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35FIVE YEAR SUMMARY OF ASSESSED VALUATIONS,
TAX RATES, EXTENSIONS AND COLLECTIONS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2018

	2017	2016	2015	2014	2013
Assessed valuation	<u>\$ 929,743,324</u>	<u>\$ 909,121,954</u>	<u>\$ 740,325,965</u>	<u>\$ 765,453,497</u>	<u>\$ 757,254,307</u>
Tax rates					
Educational	2.3621	2.3299	2.9307	2.7807	2.6759
Tort immunity	0.0202	0.0233	0.0306	0.0290	0.0270
Special education	0.0075	0.0075	0.0093	0.0088	0.0082
Operations and maintenance	0.2548	0.2566	0.2306	0.2188	0.2932
Bond and interest	0.1793	0.1835	0.2262	0.2180	0.2201
Transportation	0.0625	0.0616	0.0438	0.0415	0.0386
Municipal Retirement	0.0191	0.0188	0.0233	0.0222	0.0206
Social Security	<u>0.0487</u>	<u>0.0497</u>	<u>0.0616</u>	<u>0.0584</u>	<u>0.0544</u>
Total	<u>2.9542</u>	<u>2.9309</u>	<u>3.5561</u>	<u>3.3774</u>	<u>3.3380</u>
Tax extensions					
Educational	\$ 21,961,467	\$ 21,181,632	\$ 21,696,733	\$ 21,284,673	\$ 20,263,131
Tort immunity	187,808	211,825	226,539	222,208	204,448
Special education	69,730	68,184	68,850	67,456	62,064
Operations and maintenance	2,368,985	2,332,806	1,707,191	1,674,770	2,220,540
Bond and interest	1,666,967	1,668,608	1,667,263	1,668,450	1,667,026
Transportation	581,089	560,019	324,262	317,578	292,196
Municipal Retirement	177,580	170,914	172,495	169,632	156,074
Social Security	<u>452,784</u>	<u>451,833</u>	<u>456,040</u>	<u>447,392</u>	<u>411,634</u>
Total	<u>\$ 27,466,410</u>	<u>\$ 26,645,821</u>	<u>\$ 26,319,373</u>	<u>\$ 25,852,159</u>	<u>\$ 25,277,113</u>
Total Collections	<u>\$ 13,601,680</u>	<u>\$ 25,649,039</u>	<u>\$ 25,649,039</u>	<u>\$ 25,779,642</u>	<u>\$ 25,151,274</u>
Percentage collected	49.52 %	96.26 %	97.45 %	99.72 %	99.50 %

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

OPERATING COST AND TUITION CHARGE FOR THE YEAR ENDED JUNE 30, 2018

	2018	2017
Operating Cost Per Pupil		
Average Daily Attendance (ADA):	<u>1,139</u>	<u>1,171</u>
Operating Costs:		
Educational	\$ 20,287,632	\$ 18,907,685
Operations and maintenance	5,093,484	3,421,712
Debt service	1,810,537	1,758,774
Transportation	764,905	683,843
Municipal retirement/social security	678,631	669,981
Tort	<u>160,160</u>	<u>188,726</u>
Subtotal	<u>28,795,349</u>	<u>25,630,721</u>
Less Revenues/Expenditures of Nonregular Programs:		
Summer school	84,417	95,406
Capital outlay	3,201,666	827,792
Non-capitalized equipment	2,555	2,164
Debt principal retired	1,080,909	1,002,434
Payments to other districts & governmental units	<u>914,383</u>	<u>775,993</u>
Subtotal	<u>5,284,621</u>	<u>2,703,789</u>
Operating costs	<u>\$ 23,510,728</u>	<u>\$ 22,926,932</u>
Operating Cost Per Pupil - Based on ADA	<u>\$ 20,650</u>	<u>\$ 19,578</u>
Tuition Charge		
Operating Costs	\$ 23,510,728	\$ 22,926,932
Less - revenues from specific programs, such as special education or lunch programs	<u>1,719,051</u>	<u>1,410,694</u>
Net operating costs	21,791,677	21,516,238
Depreciation allowance	<u>1,364,015</u>	<u>724,406</u>
Allowable Tuition Costs	<u>\$ 23,155,692</u>	<u>\$ 22,240,644</u>
Tuition Charge Per Pupil - based on ADA	<u>\$ 20,338</u>	<u>\$ 18,992</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GENERAL OBLIGATION SCHOOL REFUNDING BONDS SERIES 2009A
AS OF JUNE 30, 2018

SCHEDULE OF BONDS OUTSTANDING

YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2019	\$ -	\$ 479,406	\$ 479,406
2020	65,000	477,741	542,741
2021	935,000	452,116	1,387,116
2022	985,000	402,300	1,387,300
2023	1,035,000	348,628	1,383,628
2024	1,090,000	290,837	1,380,837
2025	1,150,000	228,519	1,378,519
2026	1,215,000	161,244	1,376,244
2027	1,285,000	88,566	1,373,566
2028	<u>865,000</u>	<u>25,411</u>	<u>890,411</u>
Total	<u>\$ 8,625,000</u>	<u>\$ 2,954,768</u>	<u>\$ 11,579,768</u>

Paying Agent:

JP Morgan Chase

Principal payment date:

December 1st

Interest payment dates:

June 1st and December 1st

Interest rates:

5.125% to 5.875%

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GENERAL OBLIGATION SCHOOL REFUNDING BONDS SERIES 2009B
AS OF JUNE 30, 2018

SCHEDULE OF BONDS OUTSTANDING

YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2019	\$ -	\$ 174,250	\$ 174,250
2020	-	174,250	174,250
2021	-	174,250	174,250
2022	-	174,250	174,250
2023	-	174,250	174,250
2024	-	174,250	174,250
2025	-	174,250	174,250
2026	-	174,250	174,250
2027	-	174,250	174,250
2028	495,000	161,875	656,875
2029	<u>2,990,000</u>	<u>113,500</u>	<u>3,103,500</u>
Total	<u>\$ 3,485,000</u>	<u>\$ 1,843,625</u>	<u>\$ 5,328,625</u>

Paying Agent:

JP Morgan Chase

Principal payment date:

December 1st

Interest payment dates:

June 1st and December 1st

Interest rates:

1.00% to 5.00%

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
 GENERAL OBLIGATION SCHOOL REFUNDING BONDS SERIES 2009C
 AS OF JUNE 30, 2018

SCHEDULE OF BONDS OUTSTANDING

YEAR ENDED JUNE 30,	PRINCIPAL	INTEREST	TOTAL
2019	\$ 875,000	\$ 44,166	\$ 919,166
2020	<u>840,000</u>	<u>14,700</u>	<u>854,700</u>
Total	<u>\$ 1,715,000</u>	<u>\$ 58,866</u>	<u>\$ 1,773,866</u>

Paying Agent: JP Morgan Chase

Principal payment date: December 1st

Interest payment dates: June 1st and December 1st

Interest rates: 1.00% to 3.50%

Statistical Section

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	83
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	95
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	101
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within the District's financial activities take place.	104
Operating Information These schedules contain information about the District's service and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	111

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014
Governmental activities					
Net investment in capital assets	\$ 7,842,440	\$ 5,046,149	\$ 4,301,114	\$ 3,470,872	\$ 2,374,501
Restricted	2,867,571	2,411,870	2,468,647	4,256,751	4,422,436
Unrestricted	<u>14,886,424</u>	<u>30,663,673</u>	<u>27,771,988</u>	<u>23,614,406</u>	<u>20,015,134</u>
Total governmental activities, net position	<u>\$ 25,596,435</u>	<u>\$ 38,121,692</u>	<u>\$ 34,541,749</u>	<u>\$ 31,342,029</u>	<u>\$ 26,812,071</u>

NOTE: The District implemented GASB 68 in 2015 and restated 2014 balances. Balances prior to 2014 have not been adjusted.

Source: District financial statements 2009 - 2018.

2013	2012	2011	2010	2009
\$ 22,266	\$ 2,067,608	\$ 2,753,956	\$ 3,216,768	\$ 3,469,891
7,235,543	6,710,229	5,464,264	1,743,659	1,302,838
<u>20,008,359</u>	<u>17,516,517</u>	<u>16,024,559</u>	<u>18,377,774</u>	<u>15,079,051</u>
<u>\$ 27,266,168</u>	<u>\$ 26,294,354</u>	<u>\$ 24,242,779</u>	<u>\$ 23,338,201</u>	<u>\$ 19,851,780</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS

	2018	2017	2016	2015
Expenses				
Instruction-				
Regular programs	\$ 11,854,687	\$ 10,332,737	\$ 10,151,364	\$ 9,927,286
Special programs	3,140,709	3,294,013	3,401,733	3,212,155
Other instructional programs	326,292	313,217	315,675	299,364
State retirement contributions	8,748,337	10,388,795	6,527,127	5,860,543
Support services-				
Pupils	2,210,931	2,132,242	2,021,744	1,781,109
Instructional staff	1,200,498	1,053,329	1,090,725	1,037,748
General administration	795,384	789,808	729,243	854,191
School administration	1,055,021	995,813	978,067	900,891
Business	1,020,749	985,948	1,036,554	1,018,155
Operations and maintenance	3,062,620	3,472,359	3,134,699	2,633,119
Transportation	768,459	697,991	676,462	569,514
Central	68,187	71,664	59,976	58,317
Community services	691	-	-	-
Payments to other governmental units	46,349	28,831	26,015	20,675
Interest and fees	704,458	730,585	754,507	771,609
Total expenses	<u>\$ 35,003,372</u>	<u>\$ 35,287,332</u>	<u>\$ 30,903,891</u>	<u>\$ 28,944,676</u>
Program Revenues				
Charges for services				
Instruction-				
Regular programs	\$ 180,146	\$ 186,248	\$ 171,372	\$ 163,086
Other instructional programs	60,486	58,678	64,365	130,391
Support services-				
Business	157	739	782	2,751
Transportation	141,570	128,096	132,777	152,211
Operations and maintenance	162,287	128,987	135,623	141,910
Operating grants and contributions	9,492,922	11,296,580	7,425,328	7,092,383
Capital grants and contributions	875	75,000	-	-
Total program revenues	<u>\$ 10,038,443</u>	<u>\$ 11,874,328</u>	<u>\$ 7,930,247</u>	<u>\$ 7,682,732</u>
Net (expense)/revenue	<u>\$ (24,964,929)</u>	<u>\$ (23,413,004)</u>	<u>\$ (22,973,644)</u>	<u>\$ (21,261,944)</u>
General revenues				
Taxes:				
Real estate taxes, levied for general purposes	\$ 21,017,446	\$ 21,178,116	\$ 21,077,669	\$ 20,483,163
Real estate taxes, levied for specific purposes	3,638,176	3,272,781	2,797,205	3,001,949
Real estate taxes, levied for debt service	1,618,543	1,643,131	1,630,842	1,638,757
Personal property replacement taxes	191,551	204,136	161,183	201,892
State aid-formula grants	714,858	278,393	257,535	247,995
Investment earnings	301,736	288,454	72,369	35,662
Miscellaneous	152,107	127,936	176,561	182,484
Total general revenues	<u>\$ 27,634,417</u>	<u>\$ 26,992,947</u>	<u>\$ 26,173,364</u>	<u>\$ 25,791,902</u>
Change in net position	<u>\$ 2,669,488</u>	<u>\$ 3,579,943</u>	<u>\$ 3,199,720</u>	<u>\$ 4,529,958</u>

Source: District financial statements 2009 - 2018.

	2014	2013	2012	2011	2010	2009
\$	9,693,890	\$ 9,408,226	\$ 9,197,091	\$ 8,850,415	\$ 8,844,466	\$ 8,419,239
	3,426,905	3,728,770	4,178,820	4,357,441	4,851,677	3,961,330
	332,892	297,992	308,828	388,168	402,779	349,702
	4,258,414	3,244,859	2,956,987	2,728,364	2,666,480	1,855,399
	1,727,662	1,645,363	1,758,004	1,632,445	1,613,336	1,523,466
	1,038,502	1,298,666	1,186,247	1,215,260	1,170,853	1,118,530
	934,023	1,039,903	790,986	757,595	718,671	707,036
	933,146	929,003	945,134	855,896	840,213	904,871
	990,232	1,266,760	1,033,945	967,236	382,184	527,473
	3,812,508	3,677,683	3,139,938	3,219,639	2,502,366	2,162,724
	593,511	552,827	505,591	681,373	628,963	817,566
	96,892	81,916	63,508	90,243	69,519	51,703
	-	-	-	-	-	-
	24,378	26,100	17,143	14,889	70,604	-
	1,193,384	1,024,191	993,632	1,014,278	922,695	511,897
\$	<u>29,056,339</u>	<u>28,222,259</u>	<u>27,075,854</u>	<u>26,773,242</u>	<u>25,684,806</u>	<u>22,910,936</u>
\$	114,984	\$ 180,830	\$ 217,222	\$ 171,654	\$ 196,169	\$ 239,104
	146,807	1,471	108,233	3,566	102,133	62,352
	1,337	13,311	3,118	4,101	3,781	11,324
	141,136	135,853	122,023	146,244	155,395	241,776
	82,862	192,569	7,019	9,648	6,860	19,238
	5,272,912	4,343,654	4,162,907	3,791,190	4,085,675	3,040,786
	-	-	-	-	-	-
\$	<u>5,760,038</u>	<u>4,867,688</u>	<u>4,620,522</u>	<u>4,126,403</u>	<u>4,550,013</u>	<u>3,614,580</u>
\$	<u>(23,296,301)</u>	<u>(23,354,571)</u>	<u>(22,455,332)</u>	<u>(22,646,839)</u>	<u>(21,134,793)</u>	<u>(19,296,356)</u>
\$	19,363,625	\$ 18,262,918	\$ 18,644,777	\$ 17,596,345	\$ 18,362,751	\$ 16,621,078
	3,419,361	3,531,304	3,630,666	3,447,885	3,596,849	3,140,088
	1,625,757	1,595,899	1,676,441	1,600,595	1,775,169	1,667,517
	187,804	185,650	181,697	197,513	152,305	188,265
	257,487	260,496	276,668	289,646	231,246	220,984
	14,527	95,103	36,793	61,219	233,088	338,250
	159,465	395,015	59,865	358,214	269,806	397,392
\$	<u>25,028,026</u>	<u>24,326,385</u>	<u>24,506,907</u>	<u>23,551,417</u>	<u>24,621,214</u>	<u>22,573,574</u>
\$	<u>1,731,725</u>	<u>971,814</u>	<u>2,051,575</u>	<u>904,578</u>	<u>3,486,421</u>	<u>3,277,218</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
FUND BALANCES OF GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015
General Fund				
Restricted	\$ 402,610	\$ 351,919	\$ 324,147	\$ 304,391
Unassigned	35,612,629	35,107,405	31,345,318	27,647,680
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total general fund	<u>\$ 36,015,239</u>	<u>\$ 35,459,324</u>	<u>\$ 31,669,465</u>	<u>\$ 27,952,071</u>
All other governmental funds				
Restricted, reported in:				
Special revenue funds	\$ 1,667,599	\$ 1,543,234	\$ 1,538,836	\$ 2,815,290
Debt service fund	1,018,139	975,741	906,143	853,439
Assigned, reported in:				
Capital projects fund	-	-	-	-
Unassigned	(1,166,608)	(1,075,814)	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Debt service fund	-	-	-	-
Capital projects fund	-	-	-	-
Total all other governmental funds	<u>\$ 1,519,130</u>	<u>\$ 1,443,161</u>	<u>\$ 2,444,979</u>	<u>\$ 3,668,729</u>
Total all funds	<u>\$ 37,534,369</u>	<u>\$ 36,902,485</u>	<u>\$ 34,114,444</u>	<u>\$ 31,620,800</u>

Source: District financial statements 2009 - 2018.

Note: The District implemented GASB 54 in the fiscal year ended June 30, 2011.

2014	2013	2012	2011	2010	2009
\$ 277,047	\$ 282,442	\$ 292,557	\$ 307,501	\$ -	\$ -
23,670,629	22,460,121	22,940,789	23,582,854	-	-
-	-	-	-	-	-
-	-	-	-	15,471,093	13,054,781
<u>\$ 23,947,676</u>	<u>\$ 22,742,563</u>	<u>\$ 23,233,346</u>	<u>\$ 23,890,355</u>	<u>\$ 15,471,093</u>	<u>\$ 13,054,781</u>
\$ 3,419,570	\$ 6,274,483	\$ 5,711,353	\$ 4,552,243	\$ -	\$ -
792,706	746,788	775,512	674,567	-	-
-	156,166	205,556	-	-	-
-	-	-	(702,261)	-	-
-	-	-	-	12,517,886	2,695,248
-	-	-	-	640,067	670,501
-	-	-	-	(202,258)	-
<u>\$ 4,212,276</u>	<u>\$ 7,177,437</u>	<u>\$ 6,692,421</u>	<u>\$ 4,524,549</u>	<u>\$ 12,955,695</u>	<u>\$ 3,365,749</u>
<u>\$ 28,159,952</u>	<u>\$ 29,920,000</u>	<u>\$ 29,925,767</u>	<u>\$ 28,414,904</u>	<u>\$ 28,426,788</u>	<u>\$ 16,420,530</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GOVERNMENTAL FUNDS REVENUES
 LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014
Local Sources					
Property taxes	\$ 26,274,165	\$ 26,094,028	\$ 25,505,716	\$ 25,123,869	\$ 24,408,743
Replacement taxes	191,551	204,136	161,183	201,892	187,804
Earnings on investments	160,247	225,243	23,913	23,943	23,567
Other local sources	<u>696,753</u>	<u>630,684</u>	<u>681,480</u>	<u>772,833</u>	<u>646,591</u>
Total local sources	<u>27,322,716</u>	<u>27,154,091</u>	<u>26,372,292</u>	<u>26,122,537</u>	<u>25,266,705</u>
State sources					
General state aid	714,858	278,393	257,535	247,995	257,487
State retirement contributions	8,748,337	10,388,795	6,527,127	5,860,543	4,258,414
Other state aid	<u>378,160</u>	<u>648,176</u>	<u>439,055</u>	<u>884,613</u>	<u>598,836</u>
Total state sources	<u>9,841,355</u>	<u>11,315,364</u>	<u>7,223,717</u>	<u>6,993,151</u>	<u>5,114,737</u>
Federal sources					
	<u>424,253</u>	<u>338,102</u>	<u>313,082</u>	<u>347,227</u>	<u>415,662</u>
Total	<u>\$ 37,588,324</u>	<u>\$ 38,807,557</u>	<u>\$ 33,909,091</u>	<u>\$ 33,462,915</u>	<u>\$ 30,797,104</u>

Source: District financial statements 2008 - 2017. Illinois School District Annual Financial Reports 2009 - 2018.

2013	2012	2011	2010	2009
\$ 23,390,121	\$ 23,951,884	\$ 22,644,825	\$ 23,734,769	\$ 21,428,683
185,650	181,697	197,513	152,305	188,265
84,450	56,126	61,458	255,970	341,696
<u>919,049</u>	<u>517,480</u>	<u>693,427</u>	<u>734,144</u>	<u>971,186</u>
<u>24,579,270</u>	<u>24,707,187</u>	<u>23,597,223</u>	<u>24,877,188</u>	<u>22,929,830</u>
260,496	276,668	289,646	231,246	194,853
3,244,859	2,956,987	2,739,323	2,666,480	1,855,399
<u>938,690</u>	<u>770,849</u>	<u>803,021</u>	<u>634,261</u>	<u>805,253</u>
<u>4,444,045</u>	<u>4,004,504</u>	<u>3,831,990</u>	<u>3,531,987</u>	<u>2,855,505</u>
<u>353,781</u>	<u>437,147</u>	<u>274,476</u>	<u>608,676</u>	<u>361,141</u>
<u>\$ 29,377,096</u>	<u>\$ 29,148,838</u>	<u>\$ 27,703,689</u>	<u>\$ 29,017,851</u>	<u>\$ 26,146,476</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014
Current:					
Instruction					
Regular programs	\$ 10,724,737	\$ 10,194,699	\$ 10,013,354	\$ 9,805,940	\$ 9,573,237
Special programs	2,411,295	2,471,379	2,271,411	2,195,241	2,364,437
Other instructional programs	314,051	311,010	307,048	298,571	331,461
State retirement contributions	<u>8,748,337</u>	<u>10,388,795</u>	<u>6,527,127</u>	<u>5,860,543</u>	<u>4,258,414</u>
Total instruction	<u>22,198,420</u>	<u>23,365,883</u>	<u>19,118,940</u>	<u>18,160,295</u>	<u>16,527,549</u>
Supporting Services					
Pupils	2,171,368	2,118,402	1,962,557	1,786,024	1,715,242
Instructional staff	1,107,447	1,075,128	1,086,760	1,040,635	1,021,409
General administration	801,745	793,398	772,945	866,633	926,345
School administration	1,042,331	995,942	953,660	927,991	924,816
Business	474,485	448,740	425,572	401,364	402,153
Transportation	775,069	693,538	665,946	570,994	592,181
Operations and maintenance	2,977,357	3,094,262	2,502,016	2,463,237	4,209,687
Central	<u>68,878</u>	<u>71,664</u>	<u>59,976</u>	<u>58,317</u>	<u>96,892</u>
Total supporting services	<u>9,418,680</u>	<u>9,291,074</u>	<u>8,429,432</u>	<u>8,115,195</u>	<u>9,888,725</u>
Payments to other governmental units	<u>914,383</u>	<u>775,993</u>	<u>946,601</u>	<u>992,601</u>	<u>1,068,554</u>
Total current	<u>32,531,483</u>	<u>33,432,950</u>	<u>28,494,973</u>	<u>27,268,091</u>	<u>27,484,828</u>
Other:					
Debt service:					
Principal	1,080,909	1,002,434	1,024,104	947,970	959,457
Interest	729,628	756,340	780,747	798,259	816,721
Capital outlay	<u>3,201,666</u>	<u>827,792</u>	<u>1,115,623</u>	<u>1,157,647</u>	<u>3,660,275</u>
Total other	<u>5,012,203</u>	<u>2,586,566</u>	<u>2,920,474</u>	<u>2,903,876</u>	<u>5,436,453</u>
Total	<u>\$ 37,543,686</u>	<u>\$ 36,019,516</u>	<u>\$ 31,415,447</u>	<u>\$ 30,171,967</u>	<u>\$ 32,921,281</u>
Debt service as a percentage of noncapital expenditures	5.27%	5.12%	5.96%	6.02%	6.07%

Source: District financial statements 2008 - 2017. Illinois School District Annual Financial Reports 2009 - 2018.

2013	2012	2011	2010	2009
\$ 9,176,223	\$ 9,067,129	\$ 8,733,152	\$ 8,373,132	\$ 7,712,887
2,364,767	2,593,290	2,705,882	2,933,417	2,661,636
296,658	307,317	388,168	402,779	349,702
<u>3,244,859</u>	<u>2,956,987</u>	<u>2,728,364</u>	<u>2,666,480</u>	<u>1,855,399</u>
<u>15,082,507</u>	<u>14,924,723</u>	<u>14,555,566</u>	<u>14,375,808</u>	<u>12,579,624</u>
1,636,012	1,747,644	1,622,553	1,555,632	1,512,737
1,282,833	1,174,529	1,201,905	1,149,918	1,094,983
1,028,895	783,501	749,305	710,739	697,062
920,375	935,369	848,178	832,373	893,204
380,353	349,277	371,304	379,337	505,174
551,615	504,305	674,992	622,981	664,434
3,509,804	2,846,264	2,931,181	2,308,729	2,081,171
<u>81,916</u>	<u>63,508</u>	<u>90,243</u>	<u>69,519</u>	<u>51,703</u>
<u>9,391,803</u>	<u>8,404,397</u>	<u>8,489,661</u>	<u>7,629,228</u>	<u>7,500,468</u>
<u>1,348,249</u>	<u>1,584,160</u>	<u>1,647,127</u>	<u>1,947,916</u>	<u>1,290,720</u>
<u>25,822,559</u>	<u>24,913,280</u>	<u>24,692,354</u>	<u>23,952,952</u>	<u>21,370,812</u>
941,361	953,357	912,125	1,399,622	1,377,332
880,111	849,408	869,923	1,057,635	514,904
<u>1,813,773</u>	<u>921,930</u>	<u>1,691,408</u>	<u>278,353</u>	<u>462,998</u>
<u>3,635,245</u>	<u>2,724,695</u>	<u>3,473,456</u>	<u>2,735,610</u>	<u>2,355,234</u>
<u>\$ 29,457,804</u>	<u>\$ 27,637,975</u>	<u>\$ 28,165,810</u>	<u>\$ 26,688,562</u>	<u>\$ 23,726,046</u>
6.59%	6.75%	6.73%	9.30%	8.13%

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014
Excess of revenues over (under) expenditures	\$ 44,638	\$ 2,788,041	\$ 2,493,644	\$ 3,290,948	\$ (2,124,177)
Other financing sources (uses)					
Transfers in	2,734,668	182,791	226,416	167,907	1,838,369
Transfers out	(2,734,668)	(182,791)	(226,416)	(167,907)	(1,838,369)
Principal on bonds sold	-	-	-	-	-
Premium on bonds sold	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-
Capital lease value	-	-	-	169,900	364,129
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>169,900</u>	<u>364,129</u>
Net change in fund balances	<u>\$ 44,638</u>	<u>\$ 2,788,041</u>	<u>\$ 2,493,644</u>	<u>\$ 3,460,848</u>	<u>\$ (1,760,048)</u>

Source: District financial statements 2009 - 2018.

2013	2012	2011	2010	2009
\$ (80,708)	\$ 1,510,863	\$ (462,121)	\$ 2,329,289	\$ 2,420,430
2,695,035	2,726,148	2,028,794	1,772,854	315,415
(2,695,035)	(2,726,148)	(2,028,794)	(1,772,854)	(315,415)
-	-	-	20,425,000	-
-	-	-	411,410	-
-	-	-	(11,159,441)	-
<u>74,941</u>	<u>-</u>	<u>450,237</u>	<u>-</u>	<u>-</u>
<u>74,941</u>	<u>-</u>	<u>450,237</u>	<u>9,676,969</u>	<u>-</u>
<u>\$ (5,767)</u>	<u>\$ 1,510,863</u>	<u>\$ (11,884)</u>	<u>\$ 12,006,258</u>	<u>\$ 2,420,430</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
ASSESSED VALUATION AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN LEVY YEARS

LEVY YEAR	EQUALIZED ASSESSED VALUATION			
	RESIDENTIAL	COMMERCIAL	INDUSTRIAL	RAILROAD
2016	\$ 880,210,315	\$ 28,248,418	\$ -	\$ 663,221
2015	715,568,886	24,105,257	-	651,822
2014	740,457,640	24,452,957	-	542,900
2013	730,575,230	26,067,278	91,142	520,657
2012	810,662,494	30,140,463	96,179	421,505
2011	867,835,419	32,502,461	101,835	372,627
2010	965,177,747	40,182,999	113,655	350,686
2009	1,151,193,140	41,157,891	226,170	280,527
2008	1,073,089,645	38,785,480	585,438	232,952
2007	1,016,172,644	38,337,165	558,962	213,095

Source: Cook County Clerk's office. 2016 levy year is the most recent available.

Note: The County assesses property at approximately 33.3% of actual value for all types of real property. Estimated actual value is calculated by dividing assessed value by that percentage. Tax rates are per \$100 of assessed value. Information is presented for latest year available.

	TOTAL ASSESSED VALUE	TOTAL DIRECT RATE		ESTIMATED ACTUAL VALUE
\$	909,121,954	2.9310	\$	2,727,365,862
	740,325,965	3.5561		2,220,977,895
	765,453,497	3.3780		2,296,360,491
	757,254,307	3.3380		2,271,762,921
	900,812,342	2.9430		2,702,437,026
	1,005,825,087	2.6585		3,017,475,261
	1,192,857,728	2.3281		3,578,573,184
	1,112,693,515	1.9006		3,338,080,545
	1,055,281,866	1.9966		3,165,845,598
	772,216,642	1.9989		2,316,649,926

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
PROPERTY TAX RATES - ALL DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN TAX LEVY YEARS

	2016	2015	2014	2013	2012
District direct rates					
Educational	\$ 2.3299	\$ 2.9307	\$ 2.7807	\$ 2.6759	\$ 2.2931
Special education	0.0075	0.0093	0.0088	0.0082	0.0068
Operations and maintenance	0.2566	0.2306	0.2188	0.2932	0.3163
Tort immunity	0.0233	0.0306	0.0290	0.0270	0.0224
Transportation	0.0616	0.0438	0.0415	0.0386	0.0439
Illinois municipal retirement	0.0188	0.0233	0.0222	0.0206	0.0171
Social security	0.0497	0.0616	0.0584	0.0544	0.0451
Bond and interest & Limited Bonds	<u>0.1835</u>	<u>0.2262</u>	<u>0.2180</u>	<u>0.2201</u>	<u>0.1982</u>
Total direct	\$ <u>2.9309</u>	\$ <u>3.5561</u>	\$ <u>3.3774</u>	\$ <u>3.3380</u>	\$ <u>2.9429</u>
as rounded and published by Cook County	<u>\$2.931</u>	<u>\$3.556</u>	<u>\$3.378</u>	<u>\$3.338</u>	<u>\$2.943</u>
Overlapping rates					
Cook County	\$ 0.5330	\$ 0.5520	\$ 0.5680	\$ 0.5600	\$ 0.5310
Cook County forest preserve	0.0630	0.0690	0.0690	0.0690	0.0630
Metropolitan Water Reclamation District	0.4060	0.4260	0.4300	0.4170	0.3700
North Shore Mosquito Abatement	0.0100	0.0120	0.0110	0.0070	0.0100
New Trier Township	0.0490	0.0580	0.0550	0.0540	0.0470
New Trier General Assistance	0.0070	0.0080	0.0070	0.0070	0.0060
Consolidated Elections	-	0.0340	-	0.0310	-
Village of Glencoe/Library	1.4830	1.7390	1.6520	1.6230	1.4300
Glencoe Park District	0.5850	0.7100	0.6770	0.6800	0.5780
Township High School District 203	1.9740	2.3800	2.2680	2.1110	1.8640
Community College District 535	<u>0.2310</u>	<u>0.2710</u>	<u>0.2580</u>	<u>0.2560</u>	<u>0.2190</u>
Total direct and overlapping rate	\$ <u>8.2720</u>	\$ <u>9.8150</u>	\$ <u>9.3730</u>	\$ <u>9.1530</u>	\$ <u>8.0610</u>
as rounded and published by Cook County	<u>\$8.272</u>	<u>\$9.815</u>	<u>\$9.373</u>	<u>\$9.153</u>	<u>\$8.061</u>

Source: Cook County Clerk's office.

Note 1: Tax rates are per \$100 of assessed value.

Note 2: Tax Year 2016 Equalized Assessed Valuations were used in the preparation of this statement.

2011	2010	2009	2008	2007
\$ 2.0668	\$ 1.8031	\$ 1.4697	\$ 1.5415	\$ 1.5529
0.0061	0.0051	0.0042	0.0044	0.0044
0.2850	0.2371	0.1932	0.2026	0.1861
0.0202	0.0168	0.0137	0.0144	0.0146
0.0396	0.0329	0.0268	0.0282	0.0245
0.0154	0.0338	0.0275	0.0289	0.0294
0.0406	0.0338	0.0275	0.0289	0.0294
<u>0.1848</u>	<u>0.1655</u>	<u>0.1380</u>	<u>0.1476</u>	<u>0.1576</u>
<u>\$ 2.6585</u>	<u>\$ 2.3281</u>	<u>\$ 1.9006</u>	<u>\$ 1.9965</u>	<u>\$ 1.9989</u>
<u>\$2.659</u>				
\$ 0.4620	\$ 0.4230	\$ 0.3940	\$ 0.4150	\$ 0.4460
0.0580	0.0510	0.0490	0.0510	0.0530
0.3200	0.2740	0.2610	0.2520	0.2630
0.0100	0.0090	0.0080	0.0080	0.0080
0.0420	0.0370	0.0300	0.0310	0.0310
0.0050	0.0040	0.0030	0.0030	0.0030
0.0250	-	0.0210	-	0.0120
1.2800	1.1940	1.0310	1.0860	1.0680
0.5500	0.4840	0.3980	0.4170	0.4200
1.6740	1.4740	1.2370	1.2900	1.2990
<u>0.1960</u>	<u>0.1600</u>	<u>0.1400</u>	<u>0.1400</u>	<u>0.1410</u>
<u>\$ 7.2805</u>	<u>\$ 6.4381</u>	<u>\$ 5.4726</u>	<u>\$ 5.6895</u>	<u>\$ 5.7429</u>
<u>\$7.281</u>				

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
PRINCIPAL PROPERTY TAXPAYERS IN THE DISTRICT
 CURRENT YEAR AND NINE YEARS AGO

TAXPAYER	2016 EQUALIZED ASSESSED VALUATION*	PERCENTAGE OF DISTRICT'S 2016 EQUALIZED ASSESSED VALUATION
50 Glade LLC	\$ 4,625,277	0.51%
United Investors Inc	4,172,709	0.46%
Lakeshore Country Club	3,875,712	0.43%
Silverstein Glencoe I & II & III*	3,770,903	0.41%
Skokie Country Club	3,483,470	0.38%
Citow	2,993,713	0.33%
H Earl Hoover	2,378,938	0.26%
Avy Stein	2,300,516	0.25%
Caroline Grossinger	1,990,000	0.22%
A Youkhana	<u>1,981,862</u>	<u>0.22%</u>
Total	<u>\$ 31,573,100</u>	<u>3.47%</u>

*Includes only those parcels with equalized assessed valuations of approximately \$100,000 and over as recorded in the County Assessor's Office.

Source: Cook County Clerk and Assessor's Offices

TAXPAYER	2009 EQUALIZED ASSESSED VALUATION**	PERCENTAGE OF TOTAL 2006 EQUALIZED ASSESSED VALUATION
Skokie Country Club	\$ 5,398,632	0.49%
Lakeshore County Club	5,082,117	0.46%
United Investors Mngmt	4,228,117	0.38%
CTLTC	4,132,784	0.37%
Taxpayer	3,240,717	0.29%
Taxpayer	2,922,412	0.26%
Taxpayer	2,551,987	0.23%
Taxpayer of 50 Glade Road	2,524,101	0.23%
Silverstein Glencoe I & II	2,494,545	0.22%
Harris NA CRE	<u>2,368,559</u>	<u>0.21%</u>
Total	<u>\$ 34,943,971</u>	<u>3.14%</u>

*Includes only those parcels with equalized assessed valuations of approximately \$330,000 and over as recorded in the County Assessor's Office.

**2007 Equalized Assessed Valuation not available. Used 2008 as it is 8 years prior from current year.

Source: Cook County Clerk and Assessor's Offices

Note 1: The figures above are totals of numerous, occasionally small, parcel valuations as recorded in the County Assessor's office. They were compiled from a meticulous page by page search of a listing of such records and are believed to be reflective of the total valuations of the taxpayers listed herein. It is possible, however, that certain properties have been overlooked.

Note 2: Tax Year 2016 Equalized Assessed Valuations were used in the preparation of this statement.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
PROPERTY TAX LEVIES AND COLLECTIONS
 LAST TEN LEVY YEARS

LEVY YEAR	TAXES LEVIED FOR THE LEVY YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
		AMOUNT	PERCENTAGE OF LEVY		AMOUNT	PERCENTAGE OF LEVY
2017	\$ 27,466,410	\$ 13,963,078	50.8%	\$ -	\$ 13,963,078	50.8%
2016	26,645,821	13,601,680	51.0%	12,313,353	25,915,033	97.3%
2015	26,319,373	13,160,739	50.0%	12,488,300	25,649,039	97.5%
2014	25,852,159	12,935,516	50.0%	12,844,126	25,779,642	99.7%
2013	25,277,113	12,742,133	50.4%	12,409,141	25,151,274	99.5%
2012	24,759,169	12,132,490	49.0%	12,451,066	24,583,556	99.3%
2011	23,948,418	12,130,959	50.7%	11,480,891	23,611,850	98.6%
2010	23,416,804	11,654,819	49.8%	11,209,264	22,864,083	97.6%
2009	22,672,219	11,499,592	50.7%	10,237,434	21,737,026	95.9%
2008	22,234,296	9,841,784	44.3%	11,704,536	21,546,320	96.9%

Source: Agency tax rate reports and District financial statements 2008 - 2018.

Note: Information is presented for latest levy year available.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

RATIO OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

YEAR	GENERAL OBLIGATION BONDS	CAPITAL LEASES	TOTAL	PERCENTAGE OF OUTSTANDING DEBT TO TOTAL PROPERTY ASSESSED VALUE	ESTIMATED POPULATION	OUTSTANDING TOTAL DEBT PER CAPITA
2018	\$ 13,825,000	\$ 413,319	\$ 14,238,319	0.52%	8,900	\$ 1,600
2017	14,675,000	56,982	14,731,982	0.66%	8,854	1,664
2016	15,500,000	234,416	15,734,416	0.69%	8,854	1,777
2015	16,305,000	453,520	16,758,520	0.74%	8,854	1,893
2014	17,090,000	446,590	17,536,590	0.69%	8,990	1,951
2013	17,860,000	271,918	18,131,918	0.67%	8,990	2,017
2012	18,615,000	383,338	18,998,338	0.63%	8,990	2,113
2011	19,360,000	591,695	19,951,695	0.56%	8,990	2,219
2010	20,035,000	378,583	20,413,583	0.61%	8,792	2,322
2009	11,135,000	603,205	11,738,205	0.37%	8,792	1,335

Source: 2009 - 2018 financial statements.

Note: See Demographic and Economic Statistics table for personal and population data. Personal income data not available at time of issuance.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

FISCAL YEAR	GENERAL BONDED DEBT	LESS: AMOUNTS AVAILABLE TO REPAY PRINCIPAL	NET GENERAL BONDED DEBT	PERCENTAGE OF NET GENERAL BONDED DEBT TO ESTIMATED ACTUAL VALUATION	ESTIMATED ACTUAL VALUE	ESTIMATED POPULATION	NET GENERAL BONDED DEBT PER CAPITA
2018	\$ 13,825,000	\$ 1,018,139	\$ 12,806,861	0.47%	\$ 2,727,365,862	8,900	\$ 1,439
2017	14,675,000	975,741	13,699,259	0.62%	2,220,977,895	8,854	1,547
2016	15,500,000	906,143	14,593,857	0.64%	2,296,360,491	8,854	1,648
2015	16,305,000	788,106	15,516,894	0.68%	2,271,762,921	8,854	1,753
2014	17,090,000	725,819	16,364,181	0.65%	2,523,961,923	8,990	1,820
2013	17,860,000	746,788	17,113,212	0.63%	2,702,437,026	8,990	1,904
2012	18,615,000	775,512	17,839,488	0.59%	3,017,475,261	8,990	1,984
2011	19,360,000	674,567	18,685,433	0.52%	3,578,573,184	8,762	2,133
2010	20,035,000	640,067	19,394,933	0.58%	3,338,080,545	8,762	2,214
2009	11,135,000	670,501	10,464,499	0.33%	3,165,845,598	8,762	1,194

Source: 2009 - 2018 financial statements.

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

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
COMPUTATION OF DIRECT AND OVERLAPPING DEBT*

JUNE 30, 2018

GOVERNMENTAL JURISDICTION	2016 Real Estate Valuation	2016 Assessed Value in Dist 35	DEBT OUTSTANDING	OVERLAPPING PERCENT	NET DIRECT AND OVERLAPPING DEBT
Overlapping debt:					
County					
Cook County	\$143,113,373,400	\$908,458,733	\$3,085,186,750	0.635%	\$19,584,227
Cook County Forest Preserve	143,113,373,400	908,458,733	150,960,000	0.635%	958,268
Metropolitan Water Reclamation District	140,401,735,157	908,458,733	2,480,560,091 (1)	0.647%	16,050,275
School Districts					
High School District 203	5,464,744,146	908,458,733	91,890,000 (2)	16.624%	15,275,788
Community College Districts					
Community College District 535	22,273,708,426	908,458,733	34,150,000 (3)	4.079%	1,392,847
Park Districts					
Glencoe Park District	919,810,205	908,444,714	7,540,000	98.764%	7,446,833
Municipalities					
Village of Glencoe	944,498,257	908,444,714	19,290,000	96.183%	<u>18,553,659</u>
Total overlapping debt					<u>\$79,261,897</u>
Direct debt:					
Glencoe Elementary School District 35	908,458,733	908,458,733	13,825,000	100.000%	<u>13,825,000</u>
Total Direct and Overlapping Debt					<u>93,086,897</u>

(1) - Includes IEPA Revolving Loan Fund Bonds.

(2) - Excludes principal amounts of outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation.

(3) - Excludes outstanding debt certificates

Source: Offices of the Cook County Clerk, Comptroller and Treasurer of the Metropolitan Water Reclamation District.

Note 1: Percent applicable to School District calculated using assessed valuation of the School District area value contained within the noted governmental unit divided by assessed valuation of the governmental unit.

Note 2: Overlapping governments with no outstanding debt are not reflected.

Note 3: Tax Year 2016 Equalized Assessed Valuations were used in the preparation of this statement.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN YEARS

LEVY YEAR	POPULATION(1)	ESTIMATED ASSESSED PROPERTY VALUATION(2)	PER CAPITA TO ASSESSED PROPERTY VALUATION	UNEMPLOYMENT RATE(3)	PER CAPITA INCOME(4)
2016	8,900	\$ 2,727,365,862	\$ 306,446	3.5%	\$ 107,056
2015	8,894	2,220,977,895	249,716	4.0%	106,649
2014	8,923	2,296,360,491	257,353	4.9%	94,605
2013	8,854	2,271,762,921	256,580	5.7%	99,036
2012	8,812	2,702,437,026	306,677	5.7%	N/A
2011	8,760	2,702,437,026	308,497	6.4%	N/A
2010	8,723	3,017,475,261	345,922	6.1%	N/A
2009	8,762	3,578,573,184	408,420	6.1%	N/A
2008	8,762	3,338,080,545	380,972	3.6%	N/A
2007	8,762	3,165,845,598	361,315	2.8%	N/A

Sources:

- (1) U.S. Census Bureau Quickfacts for Village of Glencoe
- (2) Cook County Clerk's office.
- (3) Illinois Department of Employment Security for Village of Glencoe
- (4) U.S. Census Bureau Quickfacts for Village of Glencoe
Per Capita money income in past 12 months (2016 dollars), 2012-2016.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2018

Equalized Assessed Valuation	<u>\$ 929,743,324</u>	
Debt Limit - 6.9% of Assessed Valuation		\$ 64,152,289
Total Debt Outstanding	\$ 14,238,319	
Less: Exempted Debt	<u>\$ -</u>	
Net Subject to 6.9% Limit		<u>\$ 14,238,319</u>
Total Debt Margin		<u>\$ 49,913,970</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit		22%

	Fiscal Year					
	2018	2017	2016	2015	2014	2013
Debt Limit	\$ 64,152,289	\$ 62,729,415	\$ 52,816,291	\$ 52,250,547	\$ 58,051,124	\$ 62,156,052
Total Net Debt Applicable to Limit	<u>14,238,319</u>	<u>14,731,982</u>	<u>16,758,520</u>	<u>17,536,590</u>	<u>18,131,918</u>	<u>18,998,338</u>
Legal Debt Margin	<u>\$ 49,913,970</u>	<u>\$ 47,997,433</u>	<u>\$ 36,057,771</u>	<u>\$ 34,713,957</u>	<u>\$ 39,919,206</u>	<u>\$ 43,157,714</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	22%	23%	32%	34%	31%	31%

Source: 2009 - 2018 financial statements.

<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 69,401,931	\$ 76,775,853	\$ 76,775,853	\$ 72,814,449
<u>20,125,389</u>	<u>20,350,017</u>	<u>11,738,205</u>	<u>13,115,537</u>
<u>\$ 49,276,542</u>	<u>\$ 56,425,836</u>	<u>\$ 65,037,648</u>	<u>\$ 59,698,912</u>
29%	27%	15%	18%

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

2018

EMPLOYER	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT***
Botanic Gardens - Cook County Forest Preserve	650 *	16.8%
Glencoe Park District	258 *	6.7%
Glencoe School District No. 35	200	5.2%
Lake Shore Country Club	100	2.6%
Village of Glencoe	95	2.4%
BMO Harris Bank	85	2.2%
Car Max Auto Superstore	70	1.8%
Fields Auto Group	55	1.8%
Coldwell Banker Residential Brokerage	50	1.3%
North Shore Coungregational Israel	50	1.3%
Pascal Pour Elle	50	1.3%
Optima, Inc.	45	1.2%
The Grand Food Center	30	0.8%
Total	<u>1,683</u>	<u>45.20%</u>

*Includes full time and part-time seasonal.

Data Source

- (1) IDES Reports that the number of employed within the District in 2017 was 3,878.
- (2) 2018 Illinois Services Directory
- (3) Employer Website
- (4) Reference USA.com database

2009

EMPLOYER	EMPLOYEES	PERCENTAGE OF TOTAL EMPLOYMENT
Botanic Gardens	280	N/A*****
Glencoe Park District	200	
Dee Jay Foods Inc.	140	
Glencoe School District No. 35	134	
Village of Glencoe	122	
Coldwell Banker Residential Brokerage	100	
Harris Bank	92	
Optima, Inc.	45	
Fields Infiniti	40	
Broadcas Engineering Services Corp	25	
Total	<u>1,178</u>	

****Includes full and part-time year around. Excludes approximately 200 seasonal employees

*****Total Employment numbers not available.

GLENCOE ELEMENTARY SCHOOL DISTRICT 35

NUMBER OF EMPLOYEES BY TYPE

LAST TEN FISCAL YEARS

	2017- 2018	2016- 2017	2015- 2016	2014- 2015	2013- 2014
Administration:					
Superintendent	1	1	1	1	1
District Administrators	4	4	4	4	4
Principals and assistants	4	4	4	4	4
Total administration	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>	<u>9</u>
Teachers:					
Classroom	53	55	57	54	55
Arts and Crafts	3	3	3	3	3
Music	7	6	6	6	6
Foreign Language	6	6	6	6	6
Physical Education	8	9	9	9	9
Technology	2	2	2	2	2
Learning Center	3	3	3	3	3
Extended Math	1	1	1	1	1
Remedial	11	11	11	11	10
Learning Disabled	14	14	13	13	14
Speech/Language	7	7	7	6	6
Counselor/Social Worker	7	6	6	6	6
Total teachers	<u>122</u>	<u>123</u>	<u>124</u>	<u>120</u>	<u>120</u>
Other supporting staff:					
Nurses	1	1	1	1	1
Total support staff	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
Total staff	<u>132</u>	<u>133</u>	<u>134</u>	<u>130</u>	<u>130</u>

Source of Information: District Personnel Records

Note: Information includes full-time employees only. It does not include part-time maintenance and custodial employees.

2012- 2013	2011- 2012	2010- 2011	2009- 2010	2008 - 2009
1	1	1	1	1
4	3	3	3	4
<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>3</u>
<u>9</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>
55	61	63	65	65
3	3	3	3	3
6	6	6	6	6
6	6	6	6	6
9	9	9	8	8
2	2	2	2	2
3	3	3	3	3
1	1	2	2	2
10	7	3	3	3
15	15	18	18	18
6	6	4	4	4
<u>6</u>	<u>7</u>	<u>6</u>	<u>6</u>	<u>6</u>
<u>121</u>	<u>125</u>	<u>125</u>	<u>126</u>	<u>126</u>
1	1	1	1	1
<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
<u>131</u>	<u>134</u>	<u>134</u>	<u>135</u>	<u>135</u>

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES	OPERATING COST PER PUPIL	PERCENTAGE CHANGE	TOTAL EXPENDITURES
2018	1,172	\$ 23,510,728	20,068	2.44%	\$ 37,543,686
2017	1,171	22,926,932	19,578	8.87%	36,019,516
2016	1,216	21,695,672	17,842	1.33%	31,415,447
2015	1,208	21,101,384	17,468	0.95%	30,171,967
2014	1,200	21,125,851	17,605	1.72%	32,921,281
2013	1,215	21,022,285	17,302	5.42%	29,457,804
2012	1,237	20,242,295	16,364	4.32%	27,637,975
2011	1,279	20,024,721	15,657	5.52%	28,133,681
2010	1,327	19,632,576	14,793	7.17%	26,688,562
2009	1,357	18,634,467	13,732	-14.64%	23,726,046

Source: 2008 - 2018 Illinois State Board of Education Annual Financial Reports and District records.

TOTAL COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	PUPIL - TEACHER RATIO
32,034	23.99%	122	9.6
30,760	23.15%	123	9.5
25,835	-5.83%	124	9.8
24,977	3.02%	120	10.1
27,434	13.15%	120	10.0
24,245	8.51%	121	10.0
22,343	1.57%	125	9.9
21,997	9.37%	125	10.2
20,112	15.03%	126	10.5
17,484	11.09%	126	10.8

GLENCOE ELEMENTARY SCHOOL DISTRICT 35
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

	2018	2017	2016	2015	2014	2013	2012
South School							
Square Feet	65,695	65,695	65,695	65,695	65,695	65,695	65,695
Capacity (Students)	575	575	575	575	575	575	575
Enrollment	393	358	358	358	346	370	370
West School							
Square Feet	58,375	58,375	58,375	58,375	58,375	58,375	58,375
Capacity (Students)	400	400	400	400	400	400	400
Enrollment	245	232	232	232	292	287	287
Central School							
Square Feet	170,646	170,646	170,646	170,646	170,646	170,646	170,646
Capacity (Students)	1,225	1,225	1,225	1,225	1,225	1,225	1,225
Enrollment	534	614	614	614	562	625	625
Total District Enrollment	1,172	1,171	1,216	1,208	1,200	1,215	1,237

Source: District records.

2011	2010	2009
65,695	65,695	65,695
575	575	575
370	387	426
58,375	58,375	58,375
400	400	400
287	292	319
170,646	170,646	170,646
1,225	1,225	1,225
625	648	612
1,279	1,327	1,357