

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

**Comprehensive Annual Financial Report**

**As of and for the Fiscal Year Ended June 30, 2015**

**Officials Issuing Report**

Lauren C. Hummel	Chief Operating Officer
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Barbara J. Peterson	Controller/Treasurer
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Dianne S. Cieslak	Accounting Supervisor
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**Department Issuing Report**

Business Office



Township High School District 211  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
As of and for the Fiscal Year Ended June 30, 2015

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November 20, 2015

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

Dear Members of the Board:

The Comprehensive Annual Financial Report (CAFR) of Township High School District 211 (the District), for the fiscal year ended June 30, 2015, is hereby submitted. Submittal of this report complies with the requirements of the Illinois School Code. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material aspects and represents the financial position and results of operations of the District as shown by the disclosure of all financial activity of its various funds; and that all disclosures necessary for public understanding of the District's financial status have been incorporated within this report.

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

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

### **History of the District**

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

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

In 1954, Schaumburg formed Elementary District 54 and joined Palatine Township High School District 211. After 1954, enrollments grew rapidly at all levels. A second addition was approved for Palatine High School and a second site of 40 acres was purchased at Quentin Road and

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

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

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

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

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

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

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



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

District 211 also has two therapeutic special education schools: District 211 Academy-North, located in Palatine, and District 211 Academy-South, located in Streamwood. Each of these facilities serve approximately 40 special needs students. Academy-South was originally founded during the 1975 school year and known as LEAP, Lifeskills Educational Alternatives Program, until changing its name to Academy-South in 2008. Academy-North was founded in 2005.

Currently, District 211 has a combined student enrollment of approximately 12,000. Each of the District's five high schools provide a comprehensive curriculum with over 600 academic courses in all subject areas with 30 Advanced Placement courses and 50 dual credit classes; recognized career certifications available for students including those in the automotive, nursing, construction, and early childhood education fields; over 100 clubs and extracurricular organizations; social, personal, academic, career, and college counseling services; an auditorium; dance and music practice rooms; computer reading, science and vocational laboratories; comprehensive programs of 30 interscholastic sports with facilities, including a swimming pool, gymnasiums, an athletic stadium with artificial surface, baseball, softball and soccer fields, running tracks and tennis courts; and a school cafeteria which serves hot lunch, breakfast, and snacks. The District is committed to integrating technology into the classroom curriculum using research-based instructional methods and ongoing professional development. To do so, students and staff have been have equipped with over 14,000 iPads and 8,800 computers.

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

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

The academic goals in Township High School District 211 are based on accelerating academic achievement for all students. Accelerating academic achievement for all students is based on the four District goals: 1) Students will demonstrate academic growth in high school; 2) Students will demonstrate attainment of knowledge and skills defined within local, state, and national high school standards; 3) Students will demonstrate on-time graduation from high school; and 4) Students will demonstrate college and career readiness while in high school. Monitoring of multiple measure indicators provides important guidance to review progress during the current school year (2014-2015), and to identify target areas for continued improvement during the upcoming school year.

Beginning in 2012-2013, the District established academic goals with yearly targets across multiple indicators for a span of five years. The five-year District academic goals emphasize accelerating academic achievement for all students with a focus on: 1) Student learning and growth; 2) High school standards attainment; 3) High school graduation rate; and 4) College and career readiness.

The District goals reflect significant changes in the Illinois State Board of Education (ISBE) accountability system from a single measurement of adequate yearly progress to a multiple measures accountability system consisting of four main categories: outcomes, achievement, progress and context. The outcome category specifically addresses the high school graduation rate. The achievement category focuses on the percentage of students meeting standards based on the Critical Learning Standards which are aligned with the Illinois state standards. This category also includes ACT and PARCC scores. The student progress category includes growth on the ACCESS assessment for English language learners. The context category focuses on increasing the percentage of students enrolled in accelerated and dual credit courses.

A balanced and multiple measures accountability system provides the catalyst for student learning and for reflective instructional practices. Multiple measures assist teachers in recognizing student performance variations in order to develop instructional strategies to increase student achievement for student success. Along with defining goals and measurements, a continuous focus on effort toward achieving the goals serves as a guide for teachers indicating what should be emphasized instructionally and defining how to gauge student academic success.

The Academic Goals approved by the Board of Education included baseline data as well as a five-year trajectory of yearly target levels of performance for each of various indicators. School improvement efforts examine and review the evidence of student achievement through data collection and analysis to make informed decisions on programs and interventions to assist and support students.

In working to achieve the District goals of individual student improvement, our teachers are actively engaged in collaborative professional learning teams to conduct purposeful analysis of student performance data. The teams meet to review student academic achievement, best practices, curriculum and progress towards meeting District goals. The teams use formative assessment results to guide instructional practice and foster continuous improvement for both students and educators. The professional learning teams focus on the following three questions:

1. What do we want students to know?
  - Rigorous standards-based curriculum defined as critical learning standards (CLS).
2. How do we know if they know it?
  - Through the use of consistent formative assessment and summative evaluation practices, classroom-based activities and assessment, and district/state assessments.
3. What do we do if they do not know it?
  - Provide multiple opportunities for student learning and demonstration of knowledge along with specific and timely academic interventions.

Professional learning teams in each school develop, implement, and assess the critical learning standards in their respective content areas. Critical learning standards define District 211's expectations for what every student should know and be able to do before graduation, regardless of program of study. These core standards are common to all schools in District 211 and both reflect and exceed expectations of the State of Illinois for academic standards in core areas. The development of critical learning standards reaffirms a commitment to developing a pyramid of interventions for any child who does not initially succeed in demonstrating success in any given standard.

Throughout the year, instructional strategies and interventions documented in School Improvement Plans were evaluated continuously for evidence of impact on students to meet proficiency on the critical learning standards. The evaluation will be accomplished through the use of local, state, and national assessments (such as ACT). Research has confirmed that focused assessment is necessary to modify instruction in a meaningful and timely fashion for students who are not successfully mastering course content. Action plans included in the School Improvement Plan detail specific instructional changes each department is implementing to develop and adopt best educational practices to meet District 211's academic goals of individual student academic performance.

During the 2014-2015 school year, the following summary highlights additional actions and accomplishments in the areas of curriculum, technology, and finance/budget:

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

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

- The Board supported the offering of several in-district courses for using technology in the classroom and other tools for enhancing instruction for teachers.

**Technology:**

- The Board authorized the expansion of the current one-to-one program from its current status and approved the purchase of materials and training to provide all students with an individual electronic device.
- The Board awarded business for computer, network, audio-visual equipment, software and supplies to several vendors.
- The Board authorized the implementation of new financial and human resource software systems

**Finance/Budget:**

- The Board conducted a public hearing and adopted the 2014-2015 budget.
- The Board held a public hearing and adopted the 2014 tax levy.
- The Board approved resolutions authorizing intervention in proceedings before the state property tax appeal board which seek assessed valuation reductions in excess of \$100,000 for property tax years 2007, 2009, 2011, 2012, and 2013.
- The Board approved a resolution authorizing intervention in tax objection complaint proceedings pending in the Circuit Court of Cook County which seek assessed valuation reductions that could lead to the issuance of real estate tax refunds that constitute a significant, ongoing, and detrimental expense to District 211.
- The Board approved continuation of the health insurance plan structure for union and non-union employees and retirees effective January 1, 2015. Health insurance plans were re-designed for active and under 65 year retirees. Health insurance options and incentives were developed to include six plan choices in addition to a cash-out option.
- The Board approved an employee wellness program with participation incentives tied to health insurance employee premium contribution rates.
- The Board adopted a resolution to partially abate and transfer monies from the Working Cash Fund to the Debt Service Fund for approved debt service abatement.
- The Board received recognition from the Illinois State Board of Education for its 2014 school year financial data. The recognition honors the District for its excellence in finance.
- The District completed planned life-safety improvement projects.
- The Board continued full implementation of the one-to-one program and executed a new four-year lease with Apple for the purchase of 3,000 iPads. The District has three additional three-year leases with a total of 14,000 iPads at a cost of approximately \$2 million annually.
- The Board received a report on post-bond issuance compliance.
- The Board approved the purchase of the off-campus Academy-North facility.
  
- The District transferred \$2.5 million and \$20 million from the Transportation and General Funds, respectively, to the Operations and Maintenance Fund during the year. Subsequently, \$26.5 million was transferred from the Operations and Maintenance Fund to the Capital Projects Funds to fund various capital projects. The District also transferred \$2 million during the year from the General Fund to the Debt Service Fund as

part of the debt abatement for the 2013 levy. All transfers were approved by the Board in the prior year.

### **Economic Condition and Outlook**

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

### **Long-Term Financial Planning**

The District's five-year financial projections point toward a growing trend of expenditures exceeding revenue, should CPI rates remain low. The District has committed to identifying and implementing a series of budget reductions to thwart this projected trend. Through the implementation of these budget reductions, the District anticipates continued overall financial stability, but will continue to monitor several key areas of concern and their probable adverse impact on operations. Key areas of concern include property tax refunds, state legislation regarding a property tax freeze, pension reform and state funding, collective bargaining agreement, slow CPI rates limiting revenue through the Property Tax Extension Limitation Law (Tax Cap Law), growing special education program needs, increasing and changing health care costs, low investment earnings, and overall impact of these unprecedented economic conditions.

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

The District has completed a long-term facility and capital improvements plan, identifying over \$50,000,000 in projects to be completed over the next four years. These projects include renovations at all five District swimming pools and related locker rooms, District-wide wireless access point expansion, athletic field upgrades, auditorium lighting and sound upgrades, media center renovations, the remodel of a leased office building for centralized special education use, and a Palatine High School addition to facilitate the relocation of the Alternative Transition Program. Currently, it is anticipated that all projects will be funded through reserves.

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

### **Relevant Financial Policies**

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

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

As of June 30, 2015, the District reported a favorable Educational Fund balance level of 50% of next year's expenditures and a cumulative operating fund balance level of 56% of next year's expenditures (calculated on a cash basis). The District assigned fund balance for transfers to the Debt Service Fund for planned abatements and technology leases and transfers to the Capital Projects Fund for construction projects. By accruing and safeguarding these positive levels of fund balance, the District will be afforded greater measures of financial certainty for both the short term and the long term. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

### **Internal Controls**

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

structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management.

As part of the audit of the District, the District's independent auditor considered the District's internal controls to determine auditing procedures for the purpose of expressing an opinion on the financial statements. The auditor also performed tests of the District's compliance with certain provisions of laws, regulations, contracts and grants. The results of the audit for the fiscal year ended June 30, 2015 are included.

### **Cash Management**

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

### **Other Information**

**Independent Audit** – The School Code of Illinois and the District's adopted policy require an annual audit by independent certified public accountants. The accounting firm of Baker Tilly Virchow Krause, LLP was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act Revisions of 1996 and related U.S. Office of Management and Budget's (OMB) Circular A-133, "*Audits of States, Local Governments, and Non-profit Organizations.*" The auditors' report on the general purpose financial statements is included in the financial section of this report.

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

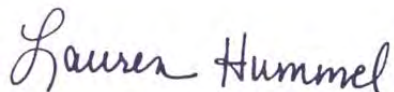
- Each of the District's five high schools has been recognized for excellence with the United States Department of Education's National Secondary School Recognition Program's Blue Ribbon Award.

- Palatine, William Fremd, and Schaumburg High Schools have been named among the nation's "Top High Schools" by *U.S. News & World Report*, and Palatine High School was named a "New American High School" by the United States Department of Education.
- District 211 schools have a tradition of excellence, service and leadership. For 2014-2015 the Board of Education recognized the achievement of 154 Academic Scholars; 11 perfect ACT scores; 1 perfect SAT score; 18 National Merit Scholars; 573 Illinois State Scholars; 7 Golden Apple Scholars; and 8 students named to the Daily Herald Academic and Leadership teams.
- One hundred thirty-four District 211 teachers and administrators have achieved National Board Certification.
- Two students received NCTE "Achievement Awards in Writing", the most prestigious national writers' recognition for high school juniors.
- A Fremd High School Applied Technology teacher was named Illinois Teacher of the Year.
- The District was named a "District of Distinction" by *District Administration* magazine for its discipline intervention programs.
- The District was named to College Board's 5<sup>th</sup> Annual AP District Honor Roll for its increased access to AP course work.
- Palatine, William Fremd, James B. Conant and Schaumburg High Schools were all recognized as Energy Star building recipients by the Environmental Protection Agency and the Department of Energy.

The Association for School Business Officials, International (ASBO) awarded a Certificate of Excellence in Financial Reporting to Township High School District 211 for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2014. In order to be awarded a Certificate of Excellence, the District had to prepare and issue a high-quality CAFR that met or exceeded the standards of the program. A Certificate of Excellence is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Excellence Program's requirements, and we are submitting it to the ASBO to determine its eligibility for another certificate.

**Acknowledgments** – I would like to extend my appreciation to the Board of Education for their support and direction in planning and conducting the financial affairs of the District for the 2015 fiscal year.

Respectfully submitted,

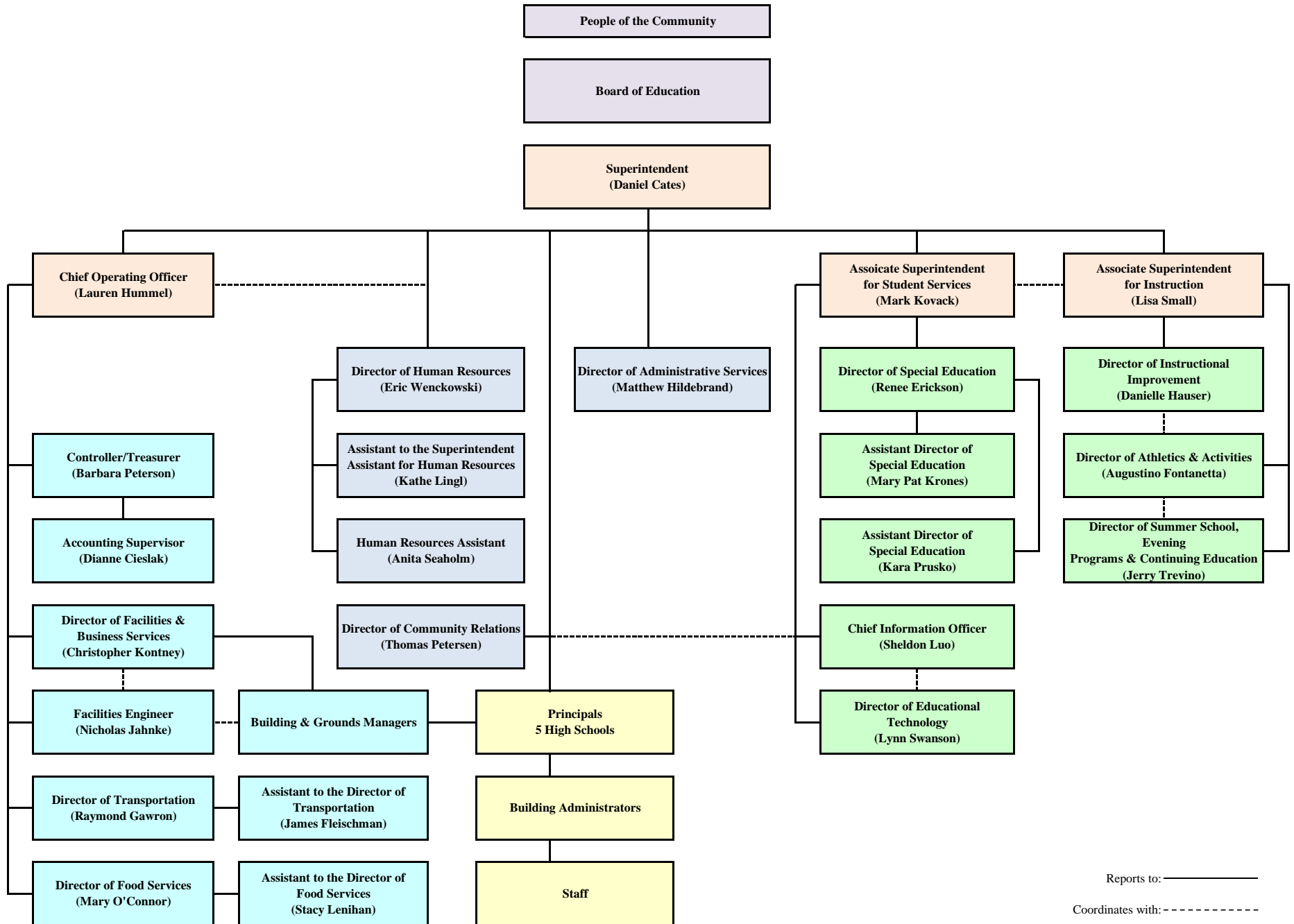


Lauren C. Hummel  
Chief Operating Officer and District Assistant Treasurer



# TOWNSHIP HIGH SCHOOL DISTRICT 211 ORGANIZATIONAL CHART

**2014-2015 School Year**



Reports to: \_\_\_\_\_  
Coordinates with: - - - - -

# TOWNSHIP HIGH SCHOOL DISTRICT 211

## Principal Officers and Advisors

June 30, 2015

### Board of Education Members

Mucia Burke	President
Robert J. LeFevre, Jr.	Vice President
Anna Klimkowicz	Secretary
Peter Dombrowski	Member
Will Hinshaw	Member
Lauanna Recker	Member
Mike Scharringhausen	Member

### District Administration

Superintendent	Daniel Cates
Associate Superintendent/Instruction	Lisa Small
Associate Superintendent/Student Services	Mark Kovack
Chief Operating Officer	Lauren Hummel
Chief Information Officer	Sheldon Luo
Director/Human Resources	Eric Wenckowski
Director/Special Education	Renee Erickson
Director/Summer School and Community Outreach	Jerry Trevino
Director/Transportation	Raymond Gawron
Director/Food Services	Mary O'Connor
Director/Facilities and Business Services	Christopher Kontney
Director/Community Relations	Thomas Petersen
Director/Athletics and Activities	Augustino Fontanetta
Director/Educational Technology	Lynn Swanson
Director/Instructional Improvement	Danielle Hauser
Controller/Treasurer	Barbara Peterson
Assistant to the Superintendent/Assistant for Human Resources	Kathe Lingl
Assistant Director of Special Education	Mary Pat Kronos
Assistant Director of Special Education	Kara Prusko
Assistant to the Director of Transportation	James Fleischman
Assistant to the Director of Food Services	Stacy Lenihan
Human Resources Assistant	Anita Seaholm
Facilities Engineer	Nicholas Jahnke
Accounting Supervisor	Dianne Cieslak

### Principals

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

# Association of School Business Officials International



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

## Township High School District 211

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, reading 'Terrie S. Simmons'.

Terrie S. Simmons, RSBA, CSBO  
President

A handwritten signature in black ink, reading 'John D. Musso'.

John D. Musso, CAE, RSBA  
Executive Director





Baker Tilly Virchow Krause, LLP  
1301 W 22nd St, Ste 400  
Oak Brook, IL 60523-3389  
tel 630 990 3131  
fax 630 990 0039  
bakertilly.com

## INDEPENDENT AUDITORS' REPORT

To the Board of Education  
Township High School District 211  
Palatine, 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 Township High School District 211, Illinois, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Township High School District 211's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

To the Board of Education  
Township High School District 211

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Township High School District 211, Illinois, as of June 30, 2015 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 P, Township High School District 211 adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pension - an Amendment of GASB Statement No. 27*, effective July 1, 2014. Net position as of June 30, 2014 has been restated as a result. Our opinions are not modified with respect to this matter.

Also, as discussed in Note P, Township High School District 211 adopted the provisions of GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*, effective July 1, 2014. Net position as of June 30, 2014 has been restated as a result. 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, 2015 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Township High School District 211's basic financial statements. The supplementary information for the year ended June 30, 2015 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, 2015, 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, 2015.

To the Board of Education  
Township High School District 211

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Township High School District 211 as of and for the year ended June 30, 2014 (not presented herein), and have issued our report thereon dated November 13, 2014, 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, 2014 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 2014 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2014 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, 2014.

*Other Information*

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

*Prior-Year Comparative Information*

We have previously audited Township High School District 211's 2014 financial statements, and we expressed unmodified audit opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information in our report dated November 13, 2014. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2014, 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 November 20, 2015 on our consideration of Township High School District 211's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Township High School District 211's internal control over financial reporting and compliance.

Oak Brook, Illinois  
November 20, 2015

*Baker Tilly Jackson Krause, LLP*





## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

The discussion and analysis of Township High School District 211's (the "District") financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2015. The management of the District encourages readers to consider the information presented herein, in conjunction with the transmittal letter found in the introductory section and the basic financial statements, to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior year is required to be presented in the Management's Discussion and Analysis ("MD&A").

### Financial Highlights

- The District's financial status continues to be strong. The net position of governmental activities increased \$5.8 million, which represents a 2 percent increase from fiscal year 2014.
- General revenues accounted for \$218.9 million, or 73.8 percent of all governmental activities revenue for the fiscal year. Program specific revenues in the form of charges for services and grants and contributions accounted for \$77.8 million, or 26.3 percent of total revenues of \$296.7 million.
- The District had \$290.9 million in expenses related to governmental activities, of which \$77.8 million of these expenses were offset by program specific charges for services or grants and contributions. General revenues of \$218.9 million were adequate to provide for the remaining costs of these programs.
- Among major funds, the General Fund had \$242.0 million in revenue for fiscal year 2015, which primarily consisted of property taxes and state aid, and \$235.0 million in expenditures. The General Fund includes the recognized revenue and expenditures of \$52.6 million in pension contributions that the state of Illinois paid directly to the Teachers' Retirement System (TRS) on behalf of the District's TRS-covered employees. The Operations and Maintenance Fund had \$29.5 million in revenue for fiscal year 2015, compared to \$27.4 million in expenditures. The Transportation Fund had \$11.5 million in revenue for fiscal year 2015, compared to \$10.8 million in expenditures. The excess of revenues over expenditures in these funds is attributed primarily to funds from state and federal grants being higher than anticipated, and lower than expected supply costs and usage.
- During the year, the Board of Education authorized the transfer of \$20,000,000 and \$2,500,000 from the General Fund and the Transportation Fund respectively, to the Operations and Maintenance Fund. The Operations and Maintenance Fund was then authorized to transfer \$26,500,000 to the Capital Projects Fund. A transfer of \$2,000,000 from the General Fund (Working Cash accounts) to the Debt Service Fund for approved debt service abatement was also approved. These transfers were authorized by proper resolution as part of the budget adoption.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

- For tax year 2014, payable in 2015, the District's aggregate equalized assessed value for all real property within the District's boundaries increased 1.2% from the prior year. The District will continue its abatement strategy, as the Board approved a \$2 million abatement of the 2014 Debt Service levy.
- The District spent almost \$32 million on capital and capital improvements during fiscal 2015 on a variety of projects including: purchase of an academy building previously rented under an operating lease; renovation of a new building under lease for use by special needs programs; paving work at all schools; office renovation work at James B. Conant High School; and on-going work to renovate all five district swimming pools.
- The District maintained a balanced budget and adequate fund balance in accordance with the District's Operating Fund Balance policy.
- The District achieved Financial Recognition status with the highest ranking of a 4.0 Financial Profile Score from the Illinois State Board of Education, based upon the 2014 Annual Financial Report data.
- The District received the Certificate of Excellence Award in Financial Reporting for the fiscal year ended June 30, 2014 from ASBO International. This award reflects the District's commitment to the highest standards of school system financial reporting.

### Overview of the Financial Statements

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

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

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

#### *Government-wide financial statements*

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

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

The statement of activities presents information showing how the District's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

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's governmental activities include instructional services (regular education, special education and other), supporting services, operations and maintenance of facilities and transportation services.

### *Fund Financial Statements*

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

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

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

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

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

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

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**
*Notes to basic financial statements*

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

*Other Information*

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

**District-wide Financial Analysis**

The District's combined net position as of June 30, 2015 increased \$5.8 million or 2 percent to \$274.9 million from the prior year (after the effects of the restatement of beginning net position for the implementation of GASB Statement No. 68 and 71).

<b>Table 1</b>			
<i>Condensed Statement of Net Position (in millions of dollars)</i>			
	<b>2015</b>	<b>2014*</b>	<b>% Inc. (Dec.)</b>
Current and other assets	\$264.1	\$278.7	(5.2%)
Capital assets	\$181.2	\$160.3	13.0%
<b>Total assets</b>	<b>\$445.3</b>	<b>\$439.0</b>	<b>1.4%</b>
<b>Total deferred outflows of resources</b>	<b>\$12.3</b>	<b>\$0.0</b>	100.0%
Long-term debt outstanding	\$65.6	\$39.1	67.8%
Other liabilities	\$11.6	\$11.7	(0.9%)
<b>Total liabilities</b>	<b>\$77.2</b>	<b>\$50.8</b>	<b>52.0%</b>
<b>Total deferred inflows of resources</b>	<b>\$10.5</b>	<b>\$101.0</b>	
Net investment in capital assets	\$171.2	\$148.6	15.2%
Restricted	\$32.8	\$38.8	(15.5%)
Unrestricted	\$70.9	\$99.8	(29.0%)
<b>Total net position</b>	<b>\$274.9</b>	<b>\$287.2</b>	<b>(4.3%)</b>

\*Prior year information has not been restated for the District's implementation of GASB Statement No. 68 and 71 in fiscal year 2015.

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

The decrease in current and other assets in fiscal year 2015 of \$14.6 million or 5.2 percent was due primarily to a decrease in cash and investments resulting from increased spending on capital projects. The District's fiscal year 2015 long-term debt outstanding includes a liability of \$17.3 million for other post-employment benefits (OPEB). The District's annual OPEB cost is calculated based on the annual required contribution of the employer, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The annual required contribution represents the level of employer contribution effort that is required on an ongoing basis to fund the benefit plan. The annual required contribution, less the contributions made by the District, represents a long-term liability.

Table 2, Changes in Net Position, illustrates in summary form revenues and expenses from fiscal year 2015 and the increase in net position. Comparative data from fiscal year 2014 is also illustrated.

<b>Table 2</b>				
<i>Changes in Net Position from Operating Results (in millions of dollars)</i>				
	<b>Governmental Activities 2015</b>	<b>% of Total</b>	<b>Governmental Activities 2014*</b>	<b>% Inc. (Dec.)</b>
<b>Revenues</b>				
<b>Program revenues</b>				
Charges for services	\$8.5	2.9%	\$9.1	(6.6%)
Operating Grants and Contributions	\$69.3	23.4%	\$54.3	27.6%
<b>General revenues</b>				
Property Taxes	\$211.6	71.3%	\$210.1	0.7%
State formula aid	\$5.9	2.0%	\$5.7	3.5%
Other	\$1.4	0.4%	\$1.0	40.0%
<b>Total revenues</b>	<b>\$296.7</b>	<b>100%</b>	<b>\$280.2</b>	<b>5.9%</b>
<b>Expenses</b>				
Instruction	\$195.9	67.3%	\$185.1	5.8%
Pupil and Instructional Services	\$23.3	8.0%	\$22.9	1.7%
Administration and Business	\$19.6	6.7%	\$20.0	(2.0%)
Operations and Maintenance	\$35.3	12.2%	\$33.7	4.7%
Transportation	\$12.3	4.3%	\$11.9	3.4%
Other	\$4.5	1.5%	\$4.0	12.5%
<b>Total expenses</b>	<b>\$290.9</b>	<b>100%</b>	<b>\$277.6</b>	<b>4.8%</b>
<b>Increase (decrease) in net position</b>	<b>\$5.8</b>		<b>\$2.6</b>	
<b>Net Position</b>				
<b>Net Position - beginning</b>	<b>\$269.1</b>		<b>\$284.6</b>	
<b>Net Position - ending</b>	<b>\$274.9</b>		<b>\$287.2</b>	

\*Prior year information has not been restated for the District's implementation of GASB Statements No. 68 and 71 in fiscal year 2015.

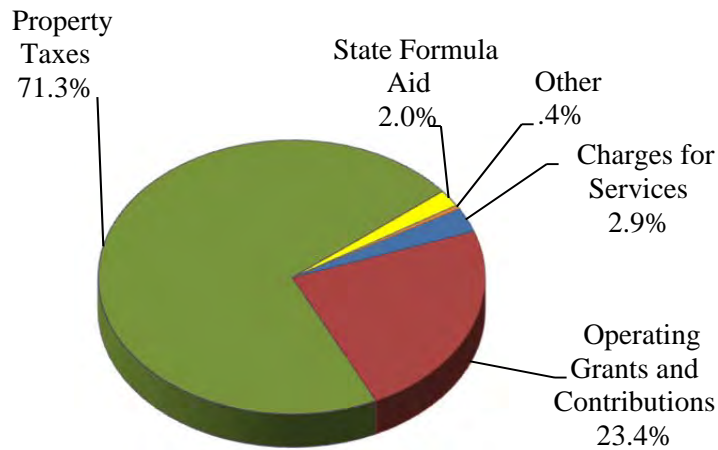
Revenues for the District's governmental activities were \$296.7 million and total expenses were \$290.9 million, resulting in net position increasing \$5.8 million in 2015. This favorable change in net position reflects the ongoing stability of the District's finances credited both to an established real estate tax base and budgetary controls put in place by the Board of Education.



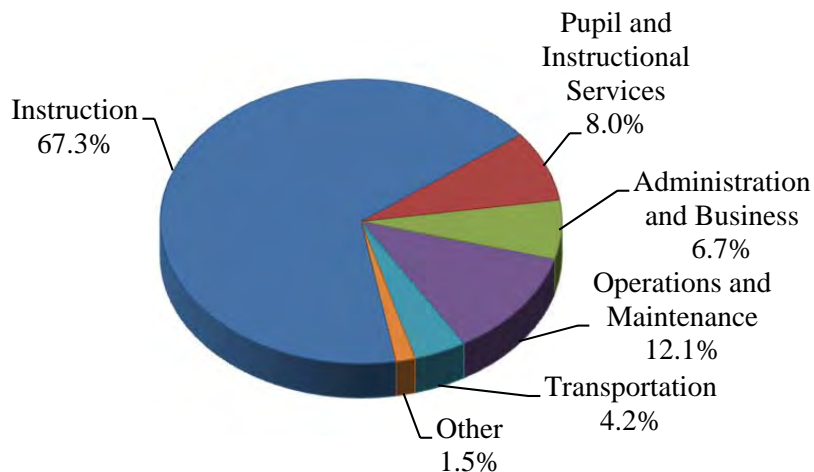
**MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)**

Property taxes accounted for the largest portion of the District’s revenue, contributing 71.3 percent despite the fact that property tax appeals continue to result in refund losses assessed against current year tax collections. The remainder of revenue came from state and federal aid for specific programs and fees charged for services and miscellaneous sources. The total cost of all District programs and services was \$290.9 million, a 4.8% increase over the prior year. The District’s expenses are predominately related to instructing, caring for (pupil services), and transporting students (79.6 percent). The District’s administrative and business activities accounted for 6.7 percent of total costs. Approximately \$15 million of the increase in the total expenses from the prior year is due to an increase in State Retirement Contributions expense. These expenses are offset 100% by State Contributions Revenue.

*District-Wide Revenues by Source - 2015*



*District-Wide Expenses by Function - 2015*





**MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)**

Table 3, Net Cost of Governmental Activities, illustrates in summary form the net costs (total cost less fees generated by the activities and intergovernmental aid provided for specific programs) for each of the District’s major activities from fiscal year 2015. Comparative data from fiscal year 2014 is also illustrated. The net cost shows the financial impact placed on the District’s taxpayers by each of these functions.

<b>Table 3</b>				
<i>Net Cost of Governmental Activities (in millions of dollars)</i>				
	<u>Total Cost</u>	<u>Net Cost</u>	<u>Total Cost</u>	<u>Net Cost</u>
	<u>of Services</u>	<u>of Services</u>	<u>of Services</u>	<u>of Services</u>
	<u>2015</u>		<u>2014</u>	
Instruction	\$195.9	\$128.7	\$185.1	\$132.6
Pupil and Instructional Services	\$23.3	\$23.1	\$22.9	\$22.7
Administration and Business	\$19.6	\$14.2	\$20.0	\$14.4
Operations and Maintenance	\$35.3	\$34.8	\$33.7	\$33.1
Transportation	\$12.3	\$7.8	\$11.9	\$7.4
Other	\$4.5	\$4.5	\$4.0	\$4.0
<b>Total</b>	<b>\$290.9</b>	<b>\$213.1</b>	<b>\$277.6</b>	<b>\$214.2</b>

- The cost of all governmental activities this year was \$290.9 million.
- Some of the cost was financed by the users of the District’s programs (\$8.5 million).
- The federal and state governments subsidized certain programs with grants and contributions (\$69.3 million).
- Most of the District’s costs (\$213.1 million), however, were financed by property taxes.

**Financial Analysis of the District’s Funds**

The District’s governmental funds reported fiscal year 2015 combined fund balances of \$148.4 million. This is a decrease from last year’s ending fund balance of \$17.2 million and is attributed primarily to a planned increase in capital outlay.

The fund balance in the General Fund decreased over \$15.3 million due to transfers of \$22 million in reserves to other funds during the year for use in funding capital projects and debt abatement.

The Operations and Maintenance fund balance decreased \$1.9 million during fiscal 2015. Revenues exceeded expenditures for the year by over \$2 million; however \$4 million in reserves was transferred to capital projects to fund construction in progress needs.

## MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)

Revenues in the Transportation Fund were higher than expected due to the unanticipated receipt of categorical state aid. Lower than anticipated gas and oil prices resulted in a favorable supplies and materials variance. Nine new school buses were purchased at a cost of almost \$700,000. Two and one-half million dollars was transferred to other funds during the year for use in funding capital projects. The net impact of these transactions was a \$1.7 million decrease to fund balance.

Property taxes and corporate personal property taxes were the primary source of revenue for the Municipal Retirement/Social Security Fund for the year. Actual revenues came in very close to budget. Expenditure variances were positive and resulted from a lower Illinois Municipal Retirement Fund contribution rate. The fund balance in this fund increased \$0.8 million over fiscal 2014.

The reported deficit in the Debt Service Fund of \$4.1 million (before transfers) was partially attributed to the planned levy abatement for the 2013 levy. As operating fund balances remain sound, the Board of Education approved continuation of a tax levy abatement plan that began in 2007. Through the 2014 levy, the Board of Education has reduced the Debt Service Levy by \$28.3 million by using existing Working Cash Fund reserves and Debt Service fund balance reserves to pay an apportionment of outstanding bonds.

In addition, the Debt Service Fund recognized over \$2 million of expense for the principal and interest payments on new capital leases relating to the new iPads. These capital leases were paid by a transfer from the General Fund.

The fund balance in the Capital Projects Fund increased \$4.5 million over the year. Transfers of \$26.5 million of reserves from the General, Operations and Maintenance, and Transportation Funds combined were offset by almost \$22 million in capital expenditures. Major capital projects accounted for in this fund include renovations to all five district swimming pools and related locker rooms; the build-out of a new leased space for use by special education programs; front office remodeling at James B. Conant High School; and media center renovations at two schools.

Fund balance in the Fire Prevention and Life Safety Fund decreased \$3.6 million during fiscal 2015 due to life safety work completed and in progress at Conant High Schools and other schools.

### General Fund Budgetary Highlights

The 2014-2015 budget was adopted by the Board of Education in September 2014. For 2014-2015, the largest category of revenue is local property taxes and reflected a \$1 million over-budget position, less than a 1/2% fluctuation from the amount anticipated. Overall, the General Fund revenue ended the year with a favorable \$19.4 million over-budget condition. However, \$16.9 million of this increase is attributable to the TRS on-behalf payments from the state being higher than anticipated. Expenditures were similarly over-budget in this category.

School districts and units of local government across Cook County continue to lose millions of dollars in property tax revenue every year from refunds resulting from assessment valuation challenges brought before the Illinois Property Tax Appeal Board or circuit court, exemption decisions of the Illinois Department of Revenue, or certificates of error issued by local assessing officials. Despite levies that are being properly approved and statutorily limited, schools and local governments do not receive the full amount of their extensions because taxpayers have won or settled these over-





**MANAGEMENT’S DISCUSSION AND ANALYSIS (Unaudited)**

assessment or exemption cases for prior tax years. These refunds for assessment errors and exemptions in prior years are taken out of current collections, leaving schools and local governments with less property tax revenue than they are legally entitled to each year. District 211 recognized refund losses of \$5.1 million during the 2014-2015 fiscal year.

General state aid and categorical state aid reflected a \$17.2 million over-budget condition and was due primarily to the TRS on-behalf payments which were \$16.9 million more than budgeted. Federal aid reflected a \$0.9 million over-budget condition and was due to receipt of unbudgeted aid such as USDA Food Commodities, as well as higher than anticipated receipts for the National school lunch program and the IDEA grant.

For 2014-2015, total expenditures were \$16.6 million over budget including contingency. An unfavorable variance in the amount of \$16.9 million was recognized relating to under-budgeting the expense of TRS on-behalf payments by the State of Illinois. As discussed earlier, the reverse over budget condition offsets this in revenue. Non-capitalized equipment of \$1.7 million was expensed in Instruction for the acquisition of 3,000 iPads. This transaction was not budgeted. A positive budget balance in purchased services and supplies was due in part to timing of appropriations and bid savings on contracted services and supply items.

**Capital Asset and Debt Administration**

Table 4 illustrates capital assets, net of depreciation. By the end of 2015, the District had invested \$181.2 million in a broad range of capital assets, including school buildings, building improvements, vehicles, and equipment. This amount represents a net increase of \$20.9 million from the prior year. (More detailed information about capital assets can be found in Note D to the financial statements.)

<i>Table 4</i>		
<i>Capital Assets (net of depreciation, in millions of dollars)</i>		
	<b>Governmental Activities</b>	<b>Governmental Activities</b>
	<u><b>2015</b></u>	<u><b>2014</b></u>
Land	\$1.5	\$1.5
Construction in progress	\$18.0	\$8.5
Depreciable buildings, property, and equipment, net	\$161.7	\$150.3
<b>Total</b>	<u>\$181.2</u>	<u>\$160.3</u>

**Long-Term Debt**

**MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

At year-end, the District had \$65.6 million in general obligation bonds and other long-term debt outstanding as shown in Table 5. (More detailed information about the District's long-term liabilities is presented in Note F to the financial statements.)

	<b>Total School District</b>	<b>Total School District</b>
	<b><u>2015</u></b>	<b><u>2014</u></b>
General Obligation Bonds	\$11.4	\$16.4
Unamortized Premium	\$0.2	\$0.4
Capital Lease	\$3.9	\$4.3
TRS Net Pension Liability	\$12.0	\$13.6
IMRF Net Pension Liability	\$19.1	\$8.0
Other Postemployment Benefits	\$17.3	\$16.4
Compensated Absences	\$1.7	\$1.6
<b>Total</b>	<b>\$65.6</b>	<b>\$60.7</b>

- The District continued to pay down its debt, retiring \$5.1 million of outstanding general obligation bonds, including a final payment on the Series 2006 bonds.
- The District entered into one new capital lease agreement during the year with proceeds of over \$1.7 million relating to the acquisition of over 3,000 new iPad devices.

**Factors Bearing on the District's Future**

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

- Property tax growth for the District is limited under the Property Tax Extension Limitation Law. For the 2015 levy, property tax increases will be limited to CPI of 0.8% plus new property growth. The current trending CPI for the 2016 levy is also low. Limited revenue growth year-over-year will put a significant strain on future budgets.
- Collective bargaining agreements for teachers, teacher assistants, and support staff personnel groups were in place through June 30, 2015. Four-year agreements were executed in the fall of 2014 with parameters set by the Board of Education.
- In fiscal year 2014, the District began incurring costs under the Health Care Reform laws. Projected costs are \$1.2 million over a three-year period. Due to the complexities of the Health Care Reform legislation, costs above this projection are possible, but unpredictable. Beginning January 1, 2015, all District health insurance plans offer a wellness program to employees, with discounted premiums available to those who participate.
- Pension obligations for certificated employees, including teachers and administrators, are funded by the state and active members of the Illinois Teachers' Retirement System. The State of Illinois continues its' long-standing debate on pensions and the need for funding reforms to address an increasing unfunded liability in the system. Currently, employers are mandated to contribute 0.58% of all creditable salary earnings to the Teachers' Retirement System. Due to

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**MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)**

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

- Each student in the District is issued an iPad as a collaborative learning device. Currently these devices are 100% funded by the District at an annual cost of approximately \$2 million. Alternative funding strategies are being explored.
- The District is in the early stages of preparing a new strategic plan which will include input from the community. The results of this study may impact revenues and expenses in the future.
- The State of Illinois is reviewing state funding alternatives, which may materially impact the amount of state funding received by the District and surrounding elementary school districts. Currently, approximately 6% of the District's revenues are from state sources and if reduced, would put an increased dependency on local property taxes.
- Student enrollment within the District is projected to decline slightly.

**Contacting the District's Financial Management**

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

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Township High School District 211  
**STATEMENT OF NET POSITION**  
As of June 30, 2015

ASSETS	
Cash and investments	\$ 152,462,334
Receivables (net of allowance for uncollectibles):	
Interest	21,622
Property Taxes	103,094,154
Replacement Taxes	535,701
Accounts	189,127
Intergovernmental	4,238,123
Inventory	2,946,531
Prepaid items	414,224
Other current assets	150,000
Capital assets:	
Land	1,456,291
Construction in progress	18,018,408
Depreciable buildings, property, and equipment, net	<u>161,747,147</u>
Total assets	<u>445,273,662</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	<u>12,252,997</u>
Total deferred outflows of resources	<u>12,252,997</u>
LIABILITIES	
Accounts Payable	9,207,796
Salaries and wages payable	736,161
Payroll deductions payable	78,295
Claims payable	1,171,960
Interest payable	12,304
Unearned revenue	431,594
Long-term liabilities:	
Due within one year	9,454,042
Due after one year	<u>56,122,931</u>
Total liabilities	<u>77,215,083</u>
DEFERRED INFLOWS OF RESOURCES	
Property taxes levied for a future period	103,782,846
Deferred inflows related to pensions	<u>1,617,553</u>
Total deferred inflows of resources	<u>105,400,399</u>
NET POSITION	
Net investment in capital assets	171,183,889
Restricted for:	
Operations and maintenance	13,588,832
Debt service	1,951,275
Student transportation	7,086,374
Retirement benefits	3,662,469
Capital projects	6,525,095
Unrestricted	<u>70,913,243</u>
Total net position	<u>\$ 274,911,177</u>

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

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Township High School District 211  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended June 30, 2015

Functions/Programs	Expenses	PROGRAM REVENUES		Net (Expenses) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
Governmental activities				
Instruction:				
Regular programs	\$ 80,541,382	\$ 1,327,018	\$ 9,044	\$ (79,205,320)
Special programs	33,197,249	43,171	8,690,655	(24,463,423)
Other instructional programs	29,598,584	3,109,656	1,423,022	(25,065,906)
State retirement contributions	52,585,220	-	52,585,220	-
Support services:				
Pupils	18,703,220	-	-	(18,703,220)
Instructional staff	4,583,084	-	179,445	(4,403,639)
General administration	2,003,264	-	-	(2,003,264)
School administration	10,648,441	-	-	(10,648,441)
Business	6,929,519	3,309,486	2,111,671	(1,508,362)
Transportation	12,280,607	287,752	4,215,709	(7,777,146)
Operations and maintenance	35,296,963	455,265	64,950	(34,776,748)
Central	4,469,675	-	-	(4,469,675)
Other supporting services	8,279	-	-	(8,279)
Community services	11,675	-	-	(11,675)
Interest on long-term debt	10,552	-	-	(10,552)
Total governmental activities	<u>\$ 290,867,714</u>	<u>\$ 8,532,348</u>	<u>\$ 69,279,716</u>	<u>(213,055,650)</u>
General Revenues:				
Taxes:				
				161,055,675
				43,861,647
				3,320,419
				117,394
				3,263,405
				5,883,843
				263,475
				<u>1,135,815</u>
				<u>218,901,673</u>
				5,846,023
				<u>269,065,154</u>
				<u>\$ 274,911,177</u>

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

Township High School District 211  
**Governmental Funds**  
**BALANCE SHEET**  
As of June 30, 2015  
With Comparative Totals as of June 30, 2014

	General	Operations and Maintenance	Transportation	Municipal Retirement/ Social Security
<b>ASSETS</b>				
Cash and investments	\$ 102,017,871	\$ 14,417,520	\$ 6,417,916	\$ 6,916,920
Receivables (net of allowance for uncollectibles):				
Interest	17,293	898	406	2,097
Property taxes	79,737,715	13,642,644	3,481,446	4,589,132
Replacement taxes	-	-	-	535,701
Accounts	167,148	20,777	1,202	-
Intergovernmental	3,215,654	-	1,022,469	-
Inventory	2,946,531	-	-	-
Prepaid items	-	355,569	58,655	-
Other current assets	150,000	-	-	-
Total assets	<u>\$ 188,252,212</u>	<u>\$ 28,437,408</u>	<u>\$ 10,982,094</u>	<u>\$ 12,043,850</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 3,163,063	\$ 1,073,400	\$ 233,717	\$ 21,345
Salaries and wages payable	538,527	40,070	157,564	-
Payroll deductions payable	-	-	-	78,295
Claims payable	1,171,960	-	-	-
Unearned revenue	431,594	-	-	-
Total liabilities	<u>5,305,144</u>	<u>1,113,470</u>	<u>391,281</u>	<u>99,640</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes levied for a future period	80,261,915	13,735,105	3,504,439	4,619,274
Unavailable revenue	279,819	898	406	1,284
Total deferred inflows of resources	<u>80,541,734</u>	<u>13,736,003</u>	<u>3,504,845</u>	<u>4,620,558</u>
<b>FUND BALANCES</b>				
Non-spendable fund balance:				
Inventory	2,946,531	-	-	-
Prepaid items	-	355,569	58,655	-
Deposit for employee benefits	150,000	-	-	-
Restricted fund balance	-	13,232,366	7,027,313	7,323,652
Assigned fund balance:				
For capital projects	-	-	-	-
For transfer to debt service fund	5,027,587	-	-	-
For transfer to operations and maintenance fund	12,000,000	-	-	-
Unassigned fund balance	82,281,216	-	-	-
Total fund balance	<u>102,405,334</u>	<u>13,587,935</u>	<u>7,085,968</u>	<u>7,323,652</u>
Total liabilities and fund balance	<u>\$ 188,252,212</u>	<u>\$ 28,437,408</u>	<u>\$ 10,982,094</u>	<u>\$ 12,043,850</u>

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



<u>Debt Service</u>	<u>Capital Projects</u>	<u>Fire Prevention and Life Safety</u>	<u>Total</u>	
			<u>2015</u>	<u>2014</u>
\$ 1,981,547	\$ 18,076,810	\$ 2,633,750	\$ 152,462,334	\$ 170,919,882
928	-	-	21,622	40,430
1,643,217	-	-	103,094,154	100,126,904
-	-	-	535,701	515,312
-	-	-	189,127	239,229
-	-	-	4,238,123	2,376,575
-	-	-	2,946,531	3,928,112
-	-	-	414,224	398,908
-	-	-	150,000	150,000
<u>\$ 3,625,692</u>	<u>\$ 18,076,810</u>	<u>\$ 2,633,750</u>	<u>\$ 264,051,816</u>	<u>\$ 278,695,352</u>
\$ -	\$ 3,597,151	\$ 1,119,120	\$ 9,207,796	\$ 7,344,171
-	-	-	736,161	975,794
-	-	-	78,295	96,132
-	-	-	1,171,960	2,640,787
-	-	-	431,594	588,958
-	<u>3,597,151</u>	<u>1,119,120</u>	<u>11,625,806</u>	<u>11,645,842</u>
1,662,113	-	-	103,782,846	100,998,641
928	-	-	283,335	450,824
<u>1,663,041</u>	-	-	<u>104,066,181</u>	<u>101,449,465</u>
-	-	-	2,946,531	3,928,112
-	-	-	414,224	398,908
-	-	-	150,000	150,000
1,962,651	6,500,000	1,514,630	37,560,612	43,577,045
-	7,979,659	-	7,979,659	3,853,715
-	-	-	5,027,587	6,313,042
-	-	-	12,000,000	20,000,000
-	-	-	82,281,216	87,379,223
<u>1,962,651</u>	<u>14,479,659</u>	<u>1,514,630</u>	<u>148,359,829</u>	<u>165,600,045</u>
<u>\$ 3,625,692</u>	<u>\$ 18,076,810</u>	<u>\$ 2,633,750</u>	<u>\$ 264,051,816</u>	<u>\$ 278,695,352</u>

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Township High School District 211  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL  
 FUNDS TO THE STATEMENT OF NET POSITION**  
For the Fiscal Year Ended June 30, 2015

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Total fund balances - governmental funds \$ 148,359,829

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. 181,221,846

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

Interest revenue	\$	20,727	
State and federal aid		262,608	
			283,335

Deferred outflows of resources related to pensions do not relate to current financial resources and are not included in the governmental funds balance sheet. 12,252,997

Deferred inflows of resources related to pensions do not relate to current financial resources and are not included in the governmental funds balance sheet. (1,617,553)

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

General obligation bonds	\$	(11,380,000)	
Capital lease		(3,858,294)	
Net other post employment benefits		(17,335,153)	
Net pension liability		(31,122,741)	
Unamortized premium		(147,492)	
Compensated absences		(1,733,293)	
			(65,576,973)

Interest on long-term liabilities (interest payable) accrued in the statement of net position will not be paid with current financial resources and, therefore, is not recognized in the governmental fund balance sheet. (12,304)

Net position of governmental activities \$ 274,911,177

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

Township High School District 211  
*Governmental Funds*  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
For the Fiscal Year Ended June 30, 2015  
With Comparative Actual Totals for the Fiscal Year Ended June 30, 2014

	General	Operations and Maintenance	Transportation	Municipal Retirement/ Social Security
<b>Revenues</b>				
Property taxes	\$ 161,055,675	\$ 27,592,081	\$ 6,995,208	\$ 9,274,358
Replacement taxes	1,443,016	600,000	-	1,220,389
State aid	64,434,923	64,950	4,215,709	-
Federal aid	6,603,896	-	-	-
Interest	198,572	24,772	12,083	11,304
Other	8,312,709	1,171,212	293,407	5,116
Total revenues	<u>242,048,791</u>	<u>29,453,015</u>	<u>11,516,407</u>	<u>10,511,167</u>
<b>Expenditures (Current)</b>				
<b>Instruction:</b>				
Regular programs	78,721,638	-	-	562,100
Special programs	23,283,738	-	-	1,553,000
Other instructional programs	28,390,473	-	-	903,200
State retirement contributions	52,585,220	-	-	-
<b>Support services:</b>				
Pupils	17,604,086	-	-	881,900
Instructional staff	4,297,804	-	-	225,600
General administration	1,924,688	-	-	63,200
School administration	9,894,458	-	-	603,000
Business	6,078,159	-	-	668,100
Transportation	-	-	10,041,258	1,163,200
Operations and maintenance	-	22,823,448	-	2,339,984
Central	3,755,017	-	-	410,400
Other supporting services	8,279	-	-	-
<b>Community services:</b>				
Other	11,675	-	-	-
Payments to other districts and government units	7,165,417	424,063	-	331,508
<b>Debt service:</b>				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	1,255,557	4,124,350	722,230	-
Total expenditures	<u>234,976,209</u>	<u>27,371,861</u>	<u>10,763,488</u>	<u>9,705,192</u>
Excess (deficiency) of revenues over expenditures	<u>7,072,582</u>	<u>2,081,154</u>	<u>752,919</u>	<u>805,975</u>
<b>Other financing sources (uses)</b>				
Transfers in	-	22,500,000	-	-
Transfers (out)	(22,000,000)	(26,500,000)	(2,500,000)	-
Transfer of principal on leases	(2,125,498)	-	-	-
Transfer of interest on leases	(34,127)	-	-	-
Capital lease proceeds	1,722,000	-	-	-
Total other financing sources (uses)	<u>(22,437,625)</u>	<u>(4,000,000)</u>	<u>(2,500,000)</u>	<u>-</u>
Net change in fund balance	(15,365,043)	(1,918,846)	(1,747,081)	805,975
Fund balance, beginning of year	<u>117,770,377</u>	<u>15,506,781</u>	<u>8,833,049</u>	<u>6,517,677</u>
Fund balance, end of year	<u>\$ 102,405,334</u>	<u>\$ 13,587,935</u>	<u>\$ 7,085,968</u>	<u>\$ 7,323,652</u>

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

Debt Service	Capital Projects	Fire Prevention and Life Safety	Total	
			2015	2014
\$ 3,320,419	\$ -	\$ -	\$ 208,237,741	\$ 206,492,140
-	-	-	3,263,405	3,035,673
-	-	-	68,715,582	53,731,745
-	-	-	6,603,896	6,308,746
2,005	15,820	10,489	275,045	314,688
3,113	-	-	9,785,557	10,351,436
<u>3,325,537</u>	<u>15,820</u>	<u>10,489</u>	<u>296,881,226</u>	<u>280,234,428</u>
-	-	-	79,283,738	83,886,093
-	-	-	24,836,738	23,508,531
-	-	-	29,293,673	28,413,731
-	-	-	52,585,220	37,614,395
-	-	-	18,485,986	18,376,355
-	-	-	4,523,404	4,498,799
-	-	-	1,987,888	2,093,686
-	-	-	10,497,458	10,471,755
-	-	-	6,746,259	7,427,500
-	-	-	11,204,458	11,280,337
-	-	-	25,163,432	24,986,661
-	-	-	4,165,417	3,711,575
-	-	-	8,279	101,689
-	-	-	11,675	6,479
-	-	-	7,920,988	8,732,895
7,175,498	-	-	7,175,498	10,702,371
232,127	-	-	232,127	461,031
-	21,989,876	3,629,191	31,721,204	19,206,738
<u>7,407,625</u>	<u>21,989,876</u>	<u>3,629,191</u>	<u>315,843,442</u>	<u>295,480,621</u>
<u>(4,082,088)</u>	<u>(21,974,056)</u>	<u>(3,618,702)</u>	<u>(18,962,216)</u>	<u>(15,246,193)</u>
2,000,000	26,500,000	-	51,000,000	38,600,000
-	-	-	(51,000,000)	(38,600,000)
2,125,498	-	-	-	-
34,127	-	-	-	-
-	-	-	1,722,000	6,409,020
<u>4,159,625</u>	<u>26,500,000</u>	<u>-</u>	<u>1,722,000</u>	<u>6,409,020</u>
77,537	4,525,944	(3,618,702)	(17,240,216)	(8,837,173)
<u>1,885,114</u>	<u>9,953,715</u>	<u>5,133,332</u>	<u>165,600,045</u>	<u>174,437,218</u>
<u>\$ 1,962,651</u>	<u>\$ 14,479,659</u>	<u>\$ 1,514,630</u>	<u>\$ 148,359,829</u>	<u>\$ 165,600,045</u>

Township High School District 211  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended June 30, 2015

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Net change in fund balances - total governmental funds. \$ (17,240,216)

Amounts reported for governmental activities in the statement of activities are different because: Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeds depreciation expense in the current period:

Capital outlay	\$ 31,721,204	
Depreciation expense	(10,721,654)	
		20,999,550

The net effect of various miscellaneous transactions involving capital assets, (sale, disposal, transfer, etc.) is to decrease net position. (66,963)

Certain revenues included in the Statement of Activities do not provide current financial resources and, therefore, are deferred in the fund statements:

Interest revenue	\$ (11,570)	
State and federal aid	<u>(155,919)</u>	
		(167,489)

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. 213,375

Interest payable on long-term debt does not require the use of current financial resources and, therefore, is not reported as an expenditure in the governmental funds. 8,200

In the statement of activities, operating expenses are measured by the amounts incurred during the year. However, certain expenditures are included in the governmental funds only to the extent that they require the expenditure of current financial resources:

Net OPEB obligation	\$ (937,235)	
Compensated absences	(112,822)	
Net pension liability	(9,472,120)	
Deferred outflows of resources due to pensions	8,785,798	
Deferred inflows of resources due to pensions	<u>(1,617,553)</u>	
		(3,353,932)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consume the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. 5,453,498

Change in net position of governmental activities. \$ 5,846,023

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

Township High School District 211  
*Agency Fund*  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
As of June 30, 2015

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	Student Activity Fund
<hr/>	
ASSETS	
Cash and investments	\$ <u>1,946,954</u>
LIABILITIES	
Due to student groups	\$ <u>1,946,954</u>

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

1. **Fund Accounting**

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

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

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

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

2. **Government-Wide and Fund Financial Statements**

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

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



Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

a. General Fund

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

b. Special Revenue Funds

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

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

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

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

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

c. Debt Service Fund

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

d. Capital Projects Funds

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

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

e. Fiduciary Fund

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

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

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

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

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

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

	<u>Unavailable</u>
Interest income receivable	\$ 20,727
Local state and federal aid receivable	262,608
Total unavailable revenue	\$ 283,335

4. Budgetary Data

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

5. Deposits and Investments

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

6. Personal Property Replacement Taxes

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7. Inventory

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

8. Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	20
Equipment	5 - 20
Vehicles	5

9. Prepaid Items

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

10. Deferred Outflows of Resources

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

11. Compensated Absences

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

11. Compensated Absences (Continued)

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

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

12. Comparative Total Data

The financial statements include summarized prior year comparative information. Such information does not constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2014.

13. Long-Term Obligations

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

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

14. Deferred Inflows of Resources

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Equity Classifications

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

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

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

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

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

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

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

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

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

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

15. Equity Classifications (Continued)

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

All fund balances presented as restricted are for the purpose of each of the respective funds as described above in the Government-Wide and Fund Financial Statements section of this note. At June 30, 2015, the assigned fund balance of \$5,027,587 and \$12,000,000 in the General Fund is cash to be transferred to the Debt Service Fund over the next two fiscal years for capital lease obligations and principal repayment, and to the Operations and Maintenance Fund for capital projects, respectively. Assigned fund balance in the Capital Projects Fund of \$7,979,659 is for capital project spending. The non-spendable fund balance of \$150,000 at June 30, 2015 in the General Fund is funds held by the District's flexible benefit plan provider as required under contract. The non-spendable fund balance of \$355,569 and \$53,927 in the Operations and Maintenance and Transportation Funds, respectively, is for prepaid insurance. Lastly, \$2,946,531 is non-spendable in the General Fund for inventory of student built residential homes held for sale.

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

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

16. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources 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.

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

17. Expenditures in Excess of Budget

The Operations & Maintenance Fund and Transportation Fund had expenditures in excess of the budgeted amount of \$345,959 and \$69,688, respectively, for the year ended June 30, 2015. These excesses were funded by available revenue and fund balance. The Capital Projects Fund had expenditures in excess of the budgeted amount of \$1,164,876 for the year ended June 30, 2015. This excess was funded by other financing sources. The General Fund had expenditures in excess of the budgeted amount of \$16,587,616 for the year ended June 30, 2015. This fluctuation is attributable to On-behalf payments to TRS from the State in excess of budget of \$16,921,970. Similarly, On-behalf revenues were over budget by the same amount.

NOTE B - DEPOSITS AND INVESTMENTS

At June 30, 2015, the District's cash and investments consisted of the following:

	<u>Governmental</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ 152,462,334	\$ 1,946,954	\$ 154,409,288

For disclosure purposes, this amount is classified into the following categories: cash on hand and deposits with financial institutions, which include amounts held in demand accounts, savings accounts, and nonnegotiable certificates of deposit.

	<u>Total</u>
Cash on hand	\$ 21,000
Deposits with financial institutions	154,388,288
	\$ 154,409,288

1. Interest Rate Risk

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



Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2. Credit Risk

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

3. Concentration of Credit Risk

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

4. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2015, the bank balance of the District's deposits with financial institutions totaled \$158,329,433, of which \$2,850,852 was uninsured and uncollateralized.

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

NOTE C - PROPERTY TAX RECEIVABLE

The District must file its tax levy ordinance by the last Tuesday in December of each year. The tax levy ordinance was approved by the Board on December 11, 2014. The District's property tax is levied each year on all taxable real property located in the District, and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date) in any year is liable for taxes of that year.

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE C - PROPERTY TAX RECEIVABLE (Continued)

The County Clerk adds the equalized assessed valuation of all real property in the County to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2014 tax levy was \$6,726,250,939.

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

The balance of the 2014 property tax levy not received as of June 30, net of 1% estimated uncollectable, is recorded as a receivable for fiscal 2015. The first installment of the 2014 levy and all receipts for levy years 2013 and prior received within 60 days of June 30 are recognized as revenue and are used to finance operations in fiscal 2015. The second installment of the 2014 levy and any other levy year receipts received after 60 days of June 30 are reflected as a deferred inflow of resources and will be used to finance operations in fiscal 2016.

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

NOTE D - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated				
Land	\$ 1,456,291	\$ -	\$ -	\$ 1,456,291
Construction in progress	<u>8,488,932</u>	<u>29,510,019</u>	<u>19,980,543</u>	<u>18,018,408</u>
Total capital assets not being depreciated	<u>9,945,223</u>	<u>29,510,019</u>	<u>19,980,543</u>	<u>19,474,699</u>
Capital assets, being depreciated				
Buildings	233,367,125	16,150,522	24,742	249,492,905
Site improvements	33,082,129	1,665,698	13,987	34,733,840
Equipment	31,165,277	3,653,278	357,624	34,460,931
Vehicles	<u>10,395,580</u>	<u>722,230</u>	<u>421,311</u>	<u>10,696,499</u>
Total capital assets being depreciated	<u>308,010,111</u>	<u>22,191,728</u>	<u>817,664</u>	<u>329,384,175</u>
Less accumulated depreciation for:				
Buildings	104,273,319	6,483,955	24,742	110,732,532
Site improvements	17,429,948	2,575,437	13,987	19,991,398
Equipment	26,938,107	953,253	357,624	27,533,736
Vehicles	<u>9,024,701</u>	<u>709,009</u>	<u>354,348</u>	<u>9,379,362</u>
Total accumulated depreciation	<u>157,666,075</u>	<u>10,721,654</u>	<u>750,701</u>	<u>167,637,028</u>
Total capital assets being depreciated, net	<u>150,344,036</u>	<u>11,470,074</u>	<u>66,963</u>	<u>161,747,147</u>
Governmental activities capital assets, net	<u>\$ 160,289,259</u>	<u>\$ 40,980,093</u>	<u>\$ 20,047,506</u>	<u>\$ 181,221,846</u>

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE D - CAPITAL ASSETS (Continued)

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

Governmental activities

General Government

Regular programs	\$ 126,626
Special programs	51,676
Other instructional programs	91,517
Instructional staff	3,714
Facilities acquisition and construction	9,052,655
Operations and maintenance	477,017
Transportation	709,009
Food services	10,935
Central	<u>198,505</u>
	<u>\$ 10,721,654</u>

As of June 30, 2015 the District had approximately \$21,635,500 in outstanding commitments to contractors relating to construction in progress.

NOTE E - OPERATING LEASES

The District leases equipment, building and office facilities under non-cancelable operating leases. Total costs for such leases were \$1,009,009 for the year ended June 30, 2015.

Commencing February 1, 2005, the District began leasing building and office space at 335 East Illinois Avenue, Palatine. Minimum lease payment under this ten year operating lease are \$64,880 annually, adjusted for CPI, plus real estate taxes. In March 2015, the District purchased this property from the lessor for a total purchase price of \$946,491. The District leases a portion of this building to an educational academy. The lease began August 1, 2006 and requires monthly lease payments of \$6,000, increasing annually, through July 2015. Rent received for this lease was \$89,702 for the year ended June 30, 2015.

In July 2014, the District entered into a ten-year, triple-net, operating lease agreement for the rental of an office building located at 1030 W. Higgins Road in Hoffman Estates, Illinois. This property was renovated in anticipation of its intended use as a special education facility opening in the fall of 2015. Annual base rent for this property commenced at \$72,000 with annual increases over the lease term. The District exercised its option to purchase this property in October 2015 for a pre-determined purchase price of \$1,510,000.

The District also leases building and office space at 1544 Brandy Parkway, Streamwood. The three year renewal began on July 15, 2010 and required monthly rent of \$3,600 plus real estate taxes. On October 18, 2012, the Board of Education authorized the extension of this lease for an additional three year term with monthly rent of \$3,850. In May 2015, the District provided the landlord with 6 months written notice of its intent to cancel the lease effective November 2015.

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE E - OPERATING LEASES (Continued)

In December, 2011 the District entered into a 48 month non-cancelable operating lease for various copy machines. Minimum monthly payments under this lease are \$57,434.

Future minimum lease payments under the operating leases are as follows:

Year ended June 30	Office Leases	Equipment Leases	Total Future Minimum Lease Payments
2016	\$ 110,750	\$ 344,604	\$ 455,354
2017	102,000	-	102,000
2018	114,000	-	114,000
2019	126,000	-	126,000
2020	129,150	-	129,150
Thereafter:	549,694	-	549,694
	<u>\$ 1,131,594</u>	<u>\$ 344,604</u>	<u>\$ 1,476,198</u>

The District currently rents three schools' stadium light poles and the ground at the base of the light poles for use by four mobile service providers for the operation of antenna facilities. Total rent received under these leases was \$162,270 for the year ended June 30, 2015. Lease terms are for 5 years, with a provision for three 5-year extensions.

Future projected receipts under the operating leases and building sublease are as follows:

Year ended June 30	Office Leases	Equipment Leases	Total Future Minimum Lease Payments
2016	\$ 7,509	\$ 126,148	\$ 133,657
2017	-	144,027	144,027
2018	-	148,348	148,348
2019	-	152,798	152,798
2020	-	157,383	157,383
	<u>\$ 7,509</u>	<u>\$ 728,704</u>	<u>\$ 736,213</u>

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

**NOTE F - LONG-TERM LIABILITIES**

The following is the long-term liability activity for the District for the year ended June 30, 2015:

	Balance June 30, 2014	Additions	Deletions	Balance June 30, 2015
General obligation bonds	\$ 16,430,000	\$ -	\$ 5,050,000	\$ 11,380,000
Unamortized premium	<u>360,867</u>	<u>-</u>	<u>213,375</u>	<u>147,492</u>
Total bonds payable	16,790,867	-	5,263,375	11,527,492
Capital lease	4,261,792	1,722,000	2,125,498	3,858,294
Net pension liability:				
TRS net pension liability	13,653,638	711,041	2,323,494	12,041,185
IMRF net pension liability	7,996,983	15,953,146	4,868,573	19,081,556
Other post employment benefits	16,397,918	1,692,754	755,519	17,335,153
Compensated absences	<u>1,620,471</u>	<u>1,733,293</u>	<u>1,620,471</u>	<u>1,733,293</u>
Total	<u>\$ 60,721,669</u>	<u>\$ 21,812,234</u>	<u>\$ 16,956,930</u>	<u>\$ 65,576,973</u>
	<u>Due within one year</u>			
General obligation bonds	\$ 5,150,000			
Capital lease	2,570,749			
Compensated absences	<u>1,733,293</u>			
	<u>\$ 9,454,042</u>			

The obligations for the compensated absences, TRS net pension liability and other post-employment benefits will be paid from the General Fund. The IMRF net pension liability will be paid from the Illinois Municipal Retirement Fund.

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

NOTE F - LONG-TERM LIABILITIES (Continued)

1. General Obligation Bonds

The summary of activity in bonds payable for the year ended June 30, 2015 is as follows:

	Bonds Payable June 30, 2014	Debt Issued	Debt Retired	Bonds Payable June 30, 2015
School Bonds, Series 2006 (original amount \$50,470,000 due December 2015, interest at 4.5% to 5.0%	\$ 580,000	\$ -	\$ 580,000	\$ -
School Bonds, Series 2012 (original amount \$9,995,000 due December 2017, interest at 1.0%	9,995,000	-	2,000,000	7,995,000
School Bonds, Series 2013 (original amount \$5,855,000 due December 2018, interest at 2.0%	5,855,000	-	2,470,000	3,385,000
<b>Total</b>	<b>\$ 16,430,000</b>	<b>\$ -</b>	<b>\$ 5,050,000</b>	<b>\$ 11,380,000</b>

At June 30, 2015, the District's future cash flow requirements for retirement of bond principal were as follows:

Year Ending June 30	Principal	Interest	Total
2016	\$ 5,150,000	\$ 106,150	\$ 5,256,150
2017	3,210,000	47,425	3,257,425
2018	3,020,000	15,100	3,035,100
	<b>\$ 11,380,000</b>	<b>\$ 168,675</b>	<b>\$ 11,548,675</b>

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE F - LONG-TERM LIABILITIES (Continued)

1. General Obligation Bonds (Continued)

These payments will be made from amounts budgeted from the debt service tax levies in future periods. There is \$1,962,651 in the Debt Service Fund to service the outstanding bonds payable. As of June 30, 2015, the District was in compliance with all significant bond covenants.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2015, the statutory debt limit for the District was \$464,111,315, of which \$448,873,021 is fully available.

2. Capital Leases

In a prior year, the District entered into a lease agreement for financing the acquisition of a mailing machine. The provisions of the lease agreement require monthly payments of \$785 for sixty months. The obligation for this loan was repaid from the Debt Service Fund. This lease ended in fiscal 2015.

In 2014, the District entered into two capital lease agreements with Apple, Inc. for the financing of approximately 13,300 iPad devices with combined proceeds of \$6,409,020. The provisions of the first lease agreement, executed in July 2013, requires three annual payments of \$1,127,696. The first payment was made upon execution of the lease, with subsequent payments to be made annually on the anniversary of the lease commencement date. Similarly, the second lease agreement, executed in May 2014, requires three annual payments of \$1,025,686. The first payment on this lease was made upon contract execution in May 2014 with subsequent payments to be made in May of the following two years. In April 2015, the District entered into a third capital lease with Apple, Inc. for the financing of an additional 3,000 iPad devices. The initial obligation of \$1,722,000 will be repaid over 4 years in equal payments of \$437,103 beginning in July 2015. The obligations for these leases will be paid out of the debt service fund. The iPad devices acquired under these lease agreements are not included in capital assets since the individual devices do not meet the District's capitalization threshold.

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

Year Ending	Principal	Interest	Total
<u>June 30</u>			
2016	\$ 2,570,749	\$ 19,735	\$ 2,590,484
2017	425,257	11,846	437,103
2018	429,170	7,933	437,103
2019	<u>433,118</u>	<u>3,985</u>	<u>437,103</u>
	<u>\$ 3,858,294</u>	<u>\$ 43,499</u>	<u>\$ 3,901,793</u>



Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

**NOTE G - RISK MANAGEMENT**

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

The District is self-insured for medical and dental coverage that is provided to District personnel. A third-party administrator processes claims for a monthly fee per participant. Expenditures are recorded as incurred in the form of direct contributions from the District to the third-party administrator for payment of employee health claims and administration fees. The District's liability will not exceed certain specified amounts per employee (\$250,000) or in the aggregate (125% of prior year claims), as provided by stop-loss provisions incorporated in the plan.

At June 30, 2015, total unpaid claims, including an estimate of claims that have been incurred but not reported to the administrative agent, totaled \$1,171,960. The estimates are developed based on reports prepared by the administrative agent. For the two years ended June 30, 2015 and June 30, 2014, changes in the liability reported in the General Fund for unpaid claims are summarized below:

	Claims Payable Beginning of Year	Claims and Changes in Estimates	Claims Payments	Claims Payable End of Year
Fiscal Year 2014	<u>\$ 2,524,699</u>	<u>\$ 28,472,579</u>	<u>\$ 28,356,491</u>	<u>\$ 2,640,787</u>
Fiscal Year 2015	<u>\$ 2,640,787</u>	<u>\$ 26,658,212</u>	<u>\$ 28,127,039</u>	<u>\$ 1,171,960</u>

**NOTE H - RETIREMENT FUND COMMITMENTS**

1. Teachers' Retirement System of the State of Illinois

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

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

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

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2015 was 9.4% of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after January 1, 2011. These contributions, which may be paid on behalf of the employees by the employer, are submitted to TRS by the employer.

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

On-behalf Contributions

The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2015, the State of Illinois contributions recognized by the District were based on the state's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$51,507,798 in pension contributions from the State of Illinois.

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

2.2 Formula Contributions

Employers contributed 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2015 were \$612,652, and are deferred because they were paid after the June 30, 2014 measurement date.

Federal and Trust Fund Contributions

When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an additional employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective beginning in the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS.

Public Act 98-0674 now requires the two rates to be the same. For the year ended June 30, 2015, the District pension contribution 33.00 percent of salaries paid from federal and special trust funds. Contributions for the year ended June 30, 2015 were \$207,138, which was equal to the District's required contribution. These contributions are deferred because they were paid after the June 30, 2014 measurement date.

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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**NOTE H - RETIREMENT FUND COMMITMENTS** (Continued)

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

Early Retirement Option (ERO)

The District is also required to make one-time employer contributions to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the age and salary of the member.

Public Act 94-0004 made changes in the ERO program that were in effect for all ERO retirements in fiscal years 2008 through 2010. The act increased member and employer contributions and eliminated the waiver of member and employer ERO contributions that had been in effect for members with 34 years of service.

The maximum employer ERO contributions is 117.5% and applies when the member is age 55 at retirement.

For the year ended June 30, 2015, the District incurred \$240,278 of TRS employer contributions under the ERO program.

Salary Increased Over 6% and Excess Sick Leave

Public Act 94-0004 added two additional employer contributions to TRS.

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

For the year ended June 30, 2015, the District incurred \$11,729 of TRS employer contributions due on salary increases in excess of 6%.

Salary Increased Over 6% and Excess Sick Leave

If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost rate (17.63% of salary during the year ended June 30, 2015, as recertified pursuant to Public Act 96-1511).

For the year ended June 30, 2015, the District made no payments to TRS for sick leave days granted in excess of the normal annual allotment.

*TRS Fiduciary Net Position*. Detailed information about the TRS's fiduciary net position as of June 30, 2014 is available in the separately issued TRS Comprehensive Annual Financial Report.

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

**NOTE H - RETIREMENT FUND COMMITMENTS** (Continued)

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

*Net Position Liability.* At June 30, 2015, 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	\$ 12,041,185
State's proportionate share of the collective net pension liability associated with the District	<u>639,764,048</u>
Total	<u>\$ 651,805,233</u>

The net position liability was measured as of June 30, 2014, and the total pension liability used to calculate the net position liability was determined by an actuarial valuation as of June 30, 2013, and rolled forward to June 30, 2014. 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, 2014, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2014, the District's proportion was 0.01978 percent.

The net pension liability as of the beginning of the measurement period was measured as of June 30, 2013, and the total pension liability was based on the June 30, 2013, actuarial valuation without any roll-up. The District's proportion of the net pension liability as of June 30, 2013, was based on the District's share of contributions to TRS for the measurement year ended June 30, 2013, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2013, the District's proportion was 0.0217938 percent.

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

*Actuarial Assumptions.* The assumptions used to measure the total pension liability in the June 30, 2014 actuarial valuation included (a) 7.50% investment rate of return net of pension plan investment expense, including inflation; (b) projected salary increases of 5.75%, average, including inflation; and (c) inflation of 3.00%.

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE H - RETIREMENT FUND COMMITMENTS** (Continued)

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

*Actuarial Assumptions* . (Continued)

The actuarial assumptions for the years ended June 30, 2014 and 2013 were assumed to be the same. However, for funding purposes, the actuarial valuations for those two years were different. The actuarial assumptions used in the June 30, 2014 valuation were based on updates to economic assumptions adopted in 2014 which lowered the investment return assumption for 8.0 percent to 7.5 percent. The salary increase and inflation assumptions were also lowered. The actuarial assumptions used in the June 30, 2013 valuation were based on the 2012 actuarial experience analysis and first adopted in the June 30, 2012 valuation. The investment return assumption was lowered for 8.5 percent to 8.0 percent and the salary increase and inflation assumptions were also lowered. Mortality assumptions were adjusted to anticipate continued improvement in mortality.

*Mortality* . Mortality rates were based on the RP-2000 White Collar Table with projections using scale AA that vary by member group.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. large cap	18.00%	8.23%
Global equity excluding U.S.	18.00%	8.58%
Aggregate bonds	16.00%	2.27%
U.S. TIPS	2.00%	3.52%
NCREIF	11.00%	5.81%
Opportunistic real estate	4.00%	9.79%
ARS	8.00%	3.27%
Risk parity	8.00%	5.57%
Diversified inflation strategy	1.00%	3.96%
Private equity	14.00%	13.03%

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**NOTE H - RETIREMENT FUND COMMITMENTS** (Continued)

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

*Discount Rate.* The discount rate used to measure the total pension liability was 7.50 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 was projected to be available to make all projected future benefit payments of current active and inactive members and all benefit recipients. Tier I's liability is partially-funded by Tier II members, as the Tier II member contribution is higher than the cost of Tier II benefits. Due to this subsidy, contributions from future members in excess of the service cost are also included in the determination of the discount rate. Therefore, 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.

*Discount Rate Sensitivity.* The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.5 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 (6.5 percent) or 1 percentage point higher (8.5 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
District's proportionate share of the collective net pension liability	\$ 14,870,273	\$ 12,041,185	\$ 9,698,378

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* For the year ended June 30, 2015, the District recognized pension expense of \$1,568,891 and on-behalf revenue of \$51,507,798 for support provided by the state. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,361	\$ -
Net difference between projected and actual earnings on pension plan investments	-	605,161
Changes in proportion and differences between District contributions and proportionate share of contributions	-	1,012,392
District contributions subsequent to the measurement date	819,790	-
Total	\$ 826,151	\$ 1,617,553

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

**NOTE H - RETIREMENT FUND COMMITMENTS** (Continued)

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

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*. (Continued)

The amount reported as deferred outflows resulting from contributions subsequent to the measurement date in the above table will be recognized as a reduction in the net pension liability for the year ending June 30, 2016. The remaining amounts reported as deferred outflows and inflows of resources related to pensions \$(1,611,192) will be recognized in pension expense as follows:

	Year Ending June 30,	Amount
2016		\$ (395,473)
2017		(395,473)
2018		(395,473)
2019		(395,473)
2020		<u>(29,300)</u>
		<u>\$ (1,611,192)</u>

TRS financial information, an explanation of TRS benefits, and descriptions of member, employer, and state funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2014. The report for the year ended June 30, 2015 is expected to be available in late 2015.

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

**THIS Fund Employer Contributions**

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

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

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

THIS Fund Employer Contributions (Continued)

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

On-behalf Contributions to the THIS Fund

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.02% of pay during the year ended June 30, 2015. State of Illinois contributions were \$1,077,422 and the District recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2014 and June 30, 2013 were 0.97% and 0.92%, respectively of pay. State contributions on behalf of District employees were \$1,005,699 and \$923,859 for those years, respectively.

The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.76% during the year ended June 30, 2015, and 0.72% and 0.69%, respectively during the years ended June 30, 2014 and June 30, 2013. For the year ended June 30, 2015 the District paid \$802,785 to the THIS Fund. For the years ended June 30, 2014 and June 20, 2013, the District paid \$746,498 and \$692,894, respectively to the THIS Fund, which was 100% of the required contribution.

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

2. Illinois Municipal Retirement Fund

*Plan Description*

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

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



Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

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

*Plan Membership*. At December 31, 2014, the measurement date, membership of the plan was as follows:

Retirees and beneficiaries	944
Inactive, non-retired members	760
Active members	1,064
Total	2,768

*Contributions*. As set by statute, District employees participating in IMRF are required to contribute 4.50 percent of their annual salary. The statute requires the District to contribute the amount necessary, in addition to the member contributions, to finance the retirement coverage of its own employees. The District's actuarially determined contribution rate for calendar year 2014 was 11.91 percent of annual covered payroll. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

*Net Pension Liability/(Asset)*. The net pension liability/(asset) was measured as of December 31, 2014, and the total pension liability used to calculate the net pension liability/(asset) was determined by an annual actuarial valuation as of that date.

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

*Actuarial Assumptions*. The assumptions used to measure the total pension liability in the December 31, 2014 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) inflation of 3.50% and 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.

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

*Mortality*. For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). 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-2014 (base year 2014). 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 an asset allocation study in which best-estimate ranges of expected future real rates of return (net of pension plan investment expense and inflation) were developed for each major asset class. These ranges were combined to produce long-term expected rate of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Projected Returns/Risk		
	Target Allocation	One Year Arithmetic	Ten Year Geometric
Equities	63.20%	9.15%	7.60%
International equities	2.60%	9.80%	7.80%
Fixed income	23.50%	3.05%	3.00%
Real estate	4.30%	7.35%	6.15%
Alternatives	4.50%		
Private equity		13.55%	8.50%
Hedge funds		5.55%	5.25%
Commodities		4.40%	2.75%
Cash equivalents	1.90%	2.25%	2.25%

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

NOTE H - RETIREMENT FUND COMMITMENTS (Continued)

2. Illinois Municipal Retirement Fund (Continued)

*Discount Rate.* The discount rate used to measure the total pension liability for IMRF was 7.49%. The discount rate calculated using the December 31, 2013 measurement date was 7.50%. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the fiduciary net position was projected not to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on investments of 7.50% was blended with the index rate of 3.56% for tax exempt 20-year general obligation municipal bonds with an average AA credit rating at December 31, 2014 to arrive at a discount rate of 7.49 used to determine the total pension liability. The year ending December 31, 2089 is the last year in the 2015 to 2114 projection period for which projected benefit payments are fully funded.

*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 7.49% 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	\$ 242,010,795	\$ 215,780,522	\$ 193,968,249
Plan fiduciary net position	<u>196,698,966</u>	<u>196,698,966</u>	<u>196,698,966</u>
Net pension liability/(asset)	<u>\$ 45,311,829</u>	<u>\$ 19,081,556</u>	<u>\$ (2,730,717)</u>

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

**NOTE H - RETIREMENT FUND COMMITMENTS** (Continued)

2. **Illinois Municipal Retirement Fund** (Continued)

*Changes in Net Position Liability/(Asset)*. The District's changes in net pension liability/(asset) for the calendar year ended December 31, 2014 was as follows:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (a) - (b)
Balances at December 31, 2013	\$ 197,071,009	\$ 189,074,026	\$ 7,996,983
Service cost	4,843,977	-	4,843,977
Interest on total pension liability	14,577,670	-	14,577,670
Differences between expected and actual experience of the total pension liability	346,948	-	346,948
Change of assumptions	9,189,050	-	9,189,050
Benefit payments, including refunds of employee contributions	(10,248,132)	(10,248,132)	-
Contributions - employer	-	4,868,573	(4,868,573)
Contributions - employee	-	1,892,214	(1,892,214)
Net investment income	-	11,427,152	(11,427,152)
Other (net transfer)	-	(314,867)	314,867
Balances at December 31, 2014	<u>\$ 215,780,522</u>	<u>\$ 196,698,966</u>	<u>\$ 19,081,556</u>

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

**NOTE H - RETIREMENT FUND COMMITMENTS** (Continued)

2. Illinois Municipal Retirement Fund (Continued)

*Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*. For the year ended June 30, 2015, the District recognized pension expense of \$7,063,536. The District reported deferred outflows and inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 247,439	\$ -
Assumption changes	6,553,517	-
Net difference between projected and actual earnings on pension plan investments	2,088,654	-
Contributions subsequent to the measurement date	2,537,236	-
Total	\$ 11,426,846	\$ -

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, 2016. The remaining amounts reported as deferred outflows and inflows of resources related to pensions (\$8,889,610) will be recognized in pension expense as follows:

	Year Ending December 31,	Amount
2015		\$ 3,257,205
2016		3,257,205
2017		1,853,034
2018		522,166
Total		\$ 8,889,610

3. Social Security/Medicare

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

**NOTE I - OTHER POST EMPLOYMENT BENEFITS**

*Plan Description*

The District administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement, provided they are on the group health insurance plan at the time of retirement. Effective in 2008, only Illinois Municipal Retirement Fund (IMRF) retirees may access the health insurance plan during retirement years. If a retiree elects to leave the health plan they may not return to the plan in a future year. Retirees are responsible to contribute a premium toward the cost of their insurance. Retirees may also access dental and life insurance benefits on a "direct pay" basis. For 2015, 879 former employees or spouses accessed a postemployment benefit(s) through the District.

*Funding Policy*

Retirees under the age of 65 contribute the full Consolidated Omnibus Budget Reconciliation Act (COBRA) equivalent rate. The contributions required by the District are negotiated between the District and union representatives. Retirees who are Medicare eligible may access a Medicare supplemental policy through the District. Currently, the District contributes 45% of the postemployment benefits. For fiscal year 2015, the District contributed \$755,519 toward the cost of the postemployment benefits for retirees.

*Annual OPEB Cost and Net OPEB Obligation*

The District's annual other postemployment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation to the Retiree Health Plan:

	June 30, 2015
Annual required contribution	\$ 1,583,434
Interest on net OPEB obligation	655,917
Adjustment to annual required contribution	(546,597)
Annual OPEB cost	1,692,754
Contributions made	755,519
Increase in net OPEB obligation	937,235
Net OPEB obligation beginning of year	16,397,918
Net OPEB obligation end of year	\$ 17,335,153

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE I - OTHER POST EMPLOYMENT BENEFITS (Continued)

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2015 and the two preceding fiscal years were as follows:

Fiscal Year End	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation
06/30/15	\$ 1,692,754	44.6%	\$ 17,335,153
06/30/14	\$ 3,655,086	26.5%	\$ 16,397,918
06/30/13	\$ 3,531,520	28.3%	\$ 13,713,244

*Funding Status and Funding Progress*

As of June 30, 2015, the actuarial accrued liability for benefits was \$22,820,018, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) was \$138,549,308 for the year ended June 30, 2015; and the ratio of the unfunded actuarial liability to the covered payroll was 16.5%.

The projection of future benefit payments for an ongoing plan involved estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

*Methods and Assumptions*

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE I - OTHER POST EMPLOYMENT BENEFITS (Continued)

The following simplifying assumptions were made:

Contribution rates	
District	0.55%
Plan members	0%
Actuarial valuation date	6/30/2015
Actuarial cost method	Entry age
Amortization period	Level percentage of pay, open
Remaining amortization period	30 years
Asset valuation method	Market
Actuarial assumptions:	
Investment rate of return*	4.00%
Projected salary increases	4.00%
Healthcare inflation rate	7.50% initial 5.50% ultimate
Mortality, Turnover, Disability, Retirement ages	Same rate utilized for IMRF
Percentage of active employees assumed to elect benefit	60%
Employer provided benefit	Age adjusted averages Represents the average of the averages \$.095/\$1000 of life insurance until age 65

\*Includes inflation at 3.00%



Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

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NOTE J - JOINT AGREEMENTS

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

NOTE K - INTERFUND TRANSFERS

The District transferred \$2,000,000 from the General Fund to the Debt Service Fund during the year ended June 30, 2015. This amount was used to pay bond principal. The District also transferred \$2,125,498 and \$34,127 from the General Fund to the Debt Service Fund during the year ended June 30, 2015. These amounts represent principal and interest, respectively, on capital leases.

The District transferred \$20,000,000 from the General Fund to the Operations and Maintenance Fund during the year ended June 30, 2015. This money was used to fund capital projects.

The District transferred \$2,500,000 from the Transportation Fund to the Operations and Maintenance Fund during the year ended June 30, 2015. This money was used to fund capital projects.

The District transferred \$26,500,000 from the Operations and Maintenance Fund to the Capital Projects Fund during the year ended June 30, 2015 to fund capital projects.

State law allows for the above transfers.

NOTE L - CONTINGENCIES

1. Litigation

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

2. Grants

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

Township High School District 211  
**NOTES TO THE FINANCIAL STATEMENTS**  
As of and for the Fiscal Year Ended June 30, 2015

NOTE M - SUBSEQUENT EVENT - OPERATING LEASE AGREEMENT

Management has evaluated subsequent events through November 20, 2015, the date that these financial statements were available to be issued. In October 2015, the District purchased an office building located at 1030 W. Higgins Road in Hoffman Estates, Illinois previously under a triple net operating lease for a purchase price of \$1,510,000. No other events or transactions have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

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

The Governmental Accounting Standards Board (GASB) has approved GASB Statement No. 72, *Fair Value Measurement and Application*, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68*, and *Amendments to Certain Provisions of GASB Statements 67 and 68*, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and GASB Statement No. 77, *Tax Abatement Disclosures*. Application of these standards may restate portions of these financial statements.

NOTE O - RESTATEMENT

In June 2012, the GASB issued statement No. 68 - *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No. 27*. The primary objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that are provided by other entities. This standard was implemented effective July 1, 2014.

In November 2013, the GASB issued statement No. 71 - *Pension Transition for Contributions Made Subsequent to the Measurement Date - an Amendment of GASB Statement No. 68*. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. This standard was implemented effective July 1, 2014.

Net position has been restated due to the implementation of GASB Statement No. 68 and GASB Statement No. 71. The restatement is necessary to record the prior year net pension liability as well as deferred outflows of resources related to employer contributions after the measurement date.

	Governmental Activities
Net position as previously reported, June 30, 2014	\$ 287,248,576
Adjustment to record the net pension liability as of June 30, 2014	(21,650,621)
Adjustment to record deferred outflows or resources related to pensions as of June 30, 2014	<u>3,467,199</u>
Net position as restated, June 30, 2014	<u>\$ 269,065,154</u>

Township High School District 211  
*Illinois Municipal Retirement Fund*  
**SCHEDULE OF CHANGES IN THE DISTRICT'S NET PENSION LIABILITY  
AND RELATED RATIOS**  
Most Recent Fiscal Year

	2015
Total pension liability	
Service cost	\$ 4,843,977
Interest	14,577,670
Differences between expected and actual experience	346,948
Changes of assumptions	9,189,050
Benefit payments, including refunds of member contributions	(10,248,132)
Net change in total pension liability	18,709,513
Total pension liability - beginning	197,071,009
Total pension liability - ending (a)	\$ 215,780,522
Plan fiduciary net position	
Employer contributions	4,868,573
Employee contributions	1,892,214
Net investment income	11,427,152
Benefit payments, including refunds of member contributions	(10,248,132)
Other (net transfer)	(314,867)
Net change in plan fiduciary net position	7,624,940
Plan fiduciary net position - beginning	189,074,026
Plan fiduciary net position - ending (b)	\$ 196,698,966
Employer's net pension liability - ending (a) - (b)	\$ 19,081,556
Plan fiduciary net position as a percentage of the total pension liability	91.16%
Covered-employee payroll	41,270,894
Employer's net pension liability as a percentage of covered-employee payroll	46.23%

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

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211  
*Illinois Municipal Retirement Fund*  
**SCHEDULE OF DISTRICT CONTRIBUTIONS**  
Most Recent Fiscal Year

	2015
Actuarially determined contribution	\$ 4,820,440
Contributions in relation to the actuarially determined contribution	(4,868,573)
Contribution deficiency (excess)	\$ (48,133)
Covered-employee payroll	\$ 41,270,894
Contributions as a percentage of covered-employee payroll	11.80%

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

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

*Methods and assumptions used to determine contribution rates:*

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll, closed
Remaining amortization period	29 years
Asset valuation method	5-Year Smooth Market
Inflation	3.00%
Salary increases	4.40% to 16.00% 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-2000 CHBCA

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

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211  
*Teachers' Retirement System*  
**SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE  
OF THE NET PENSION LIABILITY AND DISTRICT CONTRIBUTIONS**  
Most Recent Fiscal Year

	2015
District's proportion of the net pension liability	0.0197856181%
District's proportionate share of the net pension liability	\$ 12,041,185
State's proportionate share of the net pension liability	639,764,048
Total net pension liability	\$ 651,805,233
Covered-employee payroll	\$ 105,629,587
District's proportionate share of the net pension liability as a percentage of covered payroll	11.40%
Plan fiduciary net position as a percentage of the total pension liability	43.00%
Contractually required contribution	819,790
Contributions in relation to the contractually required contribution	\$ (821,346)
Contribution deficiency (excess)	\$ (1,556)
Contributions as a percentage of covered employee payroll	0.7776%

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

Amounts reported in 2014 reflect an investment rate of return of 7.50 percent, an inflation rate of 3.00 percent and real return of 4.50 percent, and a salary increase assumption of 5.75 percent. In 2013, assumptions used were an investment rate of return of 8.00 percent, an inflation rate of 3.25 percent and real return of 4.75 percent, and salary increases of 6.00 percent. However, the total pension liability at the beginning and end of the year was calculated using the same assumptions, so the difference due to actuarial assumptions was not calculated or allocated.

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211  
**SCHEDULE OF FUNDING PROGRESS**  
**OTHER POST EMPLOYMENT BENEFITS**  
As of June 30, 2015

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2) - (1)] / (5)
6/30/2015	\$ -	\$ 22,820,018	-	\$ 22,820,018	\$ 138,549,308	16.5%
6/30/2014	-	20,543,547	-	20,543,547	135,589,037	15.2%
6/30/2013	-	33,687,659	-	33,687,659	132,615,574	25.4%

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

*General Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
General levy	\$ 160,259,000	\$ 161,055,675	\$ 796,675	\$ 158,760,245
Corporate personal property replacement tax	1,200,000	1,443,016	243,016	1,049,441
Regular tuition from pupils or parents	87,000	23,104	(63,896)	80,486
Summer school tuition from pupils or parents	1,099,500	1,021,069	(78,431)	862,350
Summer school tuition from other districts	3,000	4,428	1,428	-
Special education tuition from other LEAs	85,900	43,171	(42,729)	84,911
Adult tuition from pupils or parents	127,500	94,937	(32,563)	126,903
Interest on investments	225,000	198,572	(26,428)	231,915
Sales to pupils - lunch	2,328,000	2,075,651	(252,349)	2,254,749
Sales to pupils - a la carte	534,000	570,546	36,546	914,239
Sales to adults	214,000	213,852	(148)	211,825
Other food service	359,000	449,437	90,437	497,205
Admissions - athletic	120,500	93,380	(27,120)	120,265
Other district/school activity revenue	558,250	594,885	36,635	567,981
Rentals - regular textbook	1,356,000	1,319,799	(36,201)	1,365,712
Other - textbooks	9,000	7,219	(1,781)	8,764
Contributions and donations from private sources	100,212	164,142	63,930	184,031
Refund of prior years' expenditures	65,000	103,878	38,878	119,032
Drivers' education fees	109,350	93,314	(16,036)	115,443
Sale of vocational projects	825,000	1,035,699	210,699	958,206
Other	55,400	404,198	348,798	59,735
Total local sources	<u>169,720,612</u>	<u>171,009,972</u>	<u>1,289,360</u>	<u>168,573,438</u>

Township High School District 211

*General Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
<b>State sources</b>				
General state aid	\$ 5,782,000	\$ 5,883,843	\$ 101,843	\$ 5,724,497
Special education - private facility tuition	625,600	693,616	68,016	625,605
Special education - extraordinary	1,552,200	1,516,310	(35,890)	1,552,192
Special education - personnel	2,459,000	2,322,548	(136,452)	2,458,422
Special education - orphanage - individual	212,000	533,457	321,457	417,013
Special education - orphanage - summer individual	24,000	17,482	(6,518)	24,048
Special education - summer school	27,300	30,682	3,382	27,215
CTE - secondary programs improvement (CTEI)	216,400	218,421	2,021	254,201
Bilingual education - downstate - TPI and TBE	231,000	145,234	(85,766)	187,037
State free lunch and breakfast	15,000	20,596	5,596	25,553
Driver education	180,000	203,101	23,101	228,599
Adult education (from ICCB)	212,000	240,369	28,369	210,169
Other restricted revenue from state sources	9,000	24,044	15,044	28,506
On behalf payments to TRS from the state	<u>35,663,250</u>	<u>52,585,220</u>	<u>16,921,970</u>	<u>37,614,395</u>
Total state sources	<u>47,208,750</u>	<u>64,434,923</u>	<u>17,226,173</u>	<u>49,377,452</u>
<b>Federal sources</b>				
National school lunch program	1,310,000	1,525,281	215,281	1,249,148
School breakfast program	315,000	360,086	45,086	307,916
Title I - low income	1,056,500	947,743	(108,757)	1,252,004
Federal special education - IDEA flow-through	1,869,000	1,921,493	52,493	1,904,801
Federal special education - IDEA room & board	122,000	410,620	288,620	276,035
CTE - Perkins - Title IIIIE tech prep	255,000	252,131	(2,869)	241,115
Federal - adult education	114,000	161,715	47,715	114,081
Race to the Top program	61,700	78,053	16,353	77,784
Title III - language inst program - (LIPLEP)	51,000	35,487	(15,513)	65,167
Title II - teacher quality	171,000	164,445	(6,555)	190,136
Medical matching funds - administrative outreach	248,400	254,737	6,337	260,566
Medicaid matching funds - Fee-for-service program	87,000	172,942	85,942	44,934
Other federal sources	<u>65,000</u>	<u>319,163</u>	<u>254,163</u>	<u>325,059</u>
Total federal sources	<u>5,725,600</u>	<u>6,603,896</u>	<u>878,296</u>	<u>6,308,746</u>
Total revenue	<u>222,654,962</u>	<u>242,048,791</u>	<u>19,393,829</u>	<u>224,259,636</u>

See Auditors' Report and Notes to Required Supplementary Information.



Township High School District 211

*General Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
<b>Expenditures</b>				
<b>Instruction</b>				
Regular programs				
Salaries	\$ 55,893,294	\$ 55,781,545	\$ 111,749	\$ 55,173,984
Employee benefits	18,272,406	18,778,095	(505,689)	18,874,343
On-behalf payments to TRS from the state	35,663,250	52,585,220	(16,921,970)	37,614,395
Purchased services	575,706	133,954	441,752	265,164
Supplies and materials	2,109,434	1,838,368	271,066	1,289,397
Capital outlay	-	61,547	(61,547)	-
Other objects	41,662	23,653	18,009	20,194
Non-capitalized equipment	994,304	2,163,535	(1,169,231)	7,638,480
Termination benefits	-	2,488	(2,488)	-
Total	<u>113,550,056</u>	<u>131,368,405</u>	<u>(17,818,349)</u>	<u>120,875,957</u>
Special education programs				
Salaries	17,362,981	17,686,290	(323,309)	16,694,311
Employee benefits	4,978,045	5,162,471	(184,426)	4,915,651
Purchased services	243,500	297,846	(54,346)	237,298
Supplies and materials	136,645	133,387	3,258	154,385
Other objects	2,550,697	297	2,550,400	-
Non-capitalized equipment	22,139	3,447	18,692	18,032
Total	<u>25,294,007</u>	<u>23,283,738</u>	<u>2,010,269</u>	<u>22,019,677</u>
Adult/continuing education programs				
Salaries	834,878	827,098	7,780	779,494
Employee benefits	27,204	22,042	5,162	15,849
Purchased services	43,300	35,689	7,611	42,764
Supplies and materials	41,200	44,242	(3,042)	43,945
Termination benefits	-	-	-	6,245
Total	<u>946,582</u>	<u>929,071</u>	<u>17,511</u>	<u>888,297</u>

Township High School District 211

*General Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
<b>CTE programs</b>				
Salaries	\$ 6,299,677	\$ 6,357,052	\$ (57,375)	\$ 6,224,489
Employee benefits	2,140,842	2,177,824	(36,982)	2,166,918
Purchased services	92,895	73,229	19,666	55,350
Supplies and materials	436,311	389,595	46,716	271,881
Capital outlay	-	181,740	(181,740)	407,821
Other objects	760,253	1,284,028	(523,775)	1,341,385
Non-capitalized equipment	289,048	82,268	206,780	45,832
<b>Total</b>	<b>10,019,026</b>	<b>10,545,736</b>	<b>(526,710)</b>	<b>10,513,676</b>
<b>Interscholastic programs</b>				
Salaries	7,144,630	7,210,730	(66,100)	6,638,637
Employee benefits	568,248	523,636	44,612	481,426
Purchased services	1,045,561	1,047,254	(1,693)	1,182,671
Supplies and materials	477,200	471,833	5,367	411,972
Capital outlay	-	-	-	54,756
Other objects	279,092	292,541	(13,449)	274,467
Non-capitalized equipment	69,041	81,409	(12,368)	115,306
<b>Total</b>	<b>9,583,772</b>	<b>9,627,403</b>	<b>(43,631)</b>	<b>9,159,235</b>
<b>Summer school program</b>				
Salaries	2,808,179	2,692,777	115,402	2,749,088
Employee benefits	232,385	203,060	29,325	200,996
Purchased services	69,000	57,857	11,143	67,740
Supplies and materials	20,000	17,888	2,112	20,980
<b>Total</b>	<b>3,129,564</b>	<b>2,971,582</b>	<b>157,982</b>	<b>3,038,804</b>
<b>Drivers' education program</b>				
Salaries	1,046,700	993,624	53,076	1,036,649
Employee benefits	358,333	343,917	14,416	365,764
Supplies and materials	1,509	975	534	1,550
Capital outlay	-	96,010	(96,010)	18,111
Non-capitalized equipment	155	106	49	-
<b>Total</b>	<b>1,406,697</b>	<b>1,434,632</b>	<b>(27,935)</b>	<b>1,422,074</b>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

*General Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Bilingual programs				
Salaries	\$ 2,209,800	\$ 2,295,646	\$ (85,846)	\$ 2,148,049
Employee benefits	656,668	705,915	(49,247)	661,416
Supplies and materials	2,425	1,454	971	1,374
Non-capitalized equipment	1,644	-	1,644	353
Total	<u>2,870,537</u>	<u>3,003,015</u>	<u>(132,478)</u>	<u>2,811,192</u>
Truants' alternative and optional programs				
Salaries	47,900	48,533	(633)	46,619
Employee benefits	4,972	3,936	1,036	4,240
Purchased services	110,000	104,315	5,685	103,166
Total	<u>162,872</u>	<u>156,784</u>	<u>6,088</u>	<u>154,025</u>
Total instruction	<u>166,963,113</u>	<u>183,320,366</u>	<u>(16,357,253)</u>	<u>170,882,937</u>
Support services				
Pupils				
Attendance and social work services				
Salaries	1,588,644	1,449,874	138,770	1,358,816
Employee benefits	439,473	454,845	(15,372)	432,703
Purchased services	736,811	738,065	(1,254)	720,751
Supplies and materials	10,828	6,921	3,907	7,438
Non-capitalized equipment	7,231	7,213	18	-
Total	<u>2,782,987</u>	<u>2,656,918</u>	<u>126,069</u>	<u>2,519,708</u>
Guidance services				
Salaries	6,311,100	6,208,352	102,748	6,178,360
Employee benefits	1,967,259	1,974,362	(7,103)	1,987,109
Purchased services	23,385	19,289	4,096	23,570
Supplies and materials	537,638	545,075	(7,437)	518,805
Other objects	3,447	2,482	965	2,025
Non-capitalized equipment	1,077	988	89	976
Total	<u>8,843,906</u>	<u>8,750,548</u>	<u>93,358</u>	<u>8,710,845</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

*General Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Health services				
Salaries	\$ 602,600	\$ 605,426	\$ (2,826)	\$ 551,221
Employee benefits	177,261	160,657	16,604	147,823
Purchased services	6,056	1,443	4,613	23,378
Supplies and materials	38,406	24,303	14,103	30,447
Non-capitalized equipment	5,568	4,861	707	3,416
Termination benefits	-	-	-	2,881
Total	<u>829,891</u>	<u>796,690</u>	<u>33,201</u>	<u>759,166</u>
Psychological services				
Salaries	1,422,300	1,352,634	69,666	1,407,951
Employee benefits	479,770	451,868	27,902	478,805
Total	<u>1,902,070</u>	<u>1,804,502</u>	<u>97,568</u>	<u>1,886,756</u>
Speech pathology and audiology services				
Salaries	963,714	901,880	61,834	955,285
Employee benefits	329,924	310,969	18,955	334,508
Total	<u>1,293,638</u>	<u>1,212,849</u>	<u>80,789</u>	<u>1,289,793</u>
Other support services				
Salaries	1,965,200	1,963,553	1,647	1,926,392
Employee benefits	401,350	419,026	(17,676)	391,902
Termination benefits	-	-	-	522
Total	<u>2,366,550</u>	<u>2,382,579</u>	<u>(16,029)</u>	<u>2,318,816</u>
Total pupils	<u>18,019,042</u>	<u>17,604,086</u>	<u>414,956</u>	<u>17,485,084</u>
Instructional staff				
Improvement of instruction services				
Salaries	1,397,114	1,465,127	(68,013)	1,427,685
Employee benefits	447,628	417,570	30,058	401,858
Purchased services	156,302	132,542	23,760	224,839
Supplies and materials	47,269	20,515	26,754	44,920
Other objects	-	89	(89)	-
Total	<u>2,048,313</u>	<u>2,035,843</u>	<u>12,470</u>	<u>2,099,302</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

*General Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Educational media services				
Salaries	\$ 1,467,700	\$ 1,520,012	\$ (52,312)	\$ 1,446,860
Employee benefits	422,901	448,553	(25,652)	430,968
Purchased services	139,737	144,854	(5,117)	55,880
Supplies and materials	116,655	89,866	26,789	93,317
Capital outlay	-	26,479	(26,479)	-
Non-capitalized equipment	32,504	20,881	11,623	36,400
Total	<u>2,179,497</u>	<u>2,250,645</u>	<u>(71,148)</u>	<u>2,063,425</u>
Assessment and testing				
Purchased services	-	5,000	(5,000)	-
Supplies and materials	115,000	32,795	82,205	114,018
Total	<u>115,000</u>	<u>37,795</u>	<u>77,205</u>	<u>114,018</u>
Total instructional staff	<u>4,342,810</u>	<u>4,324,283</u>	<u>18,527</u>	<u>4,276,745</u>
General administration				
Board of Education services				
Purchased services	500,000	465,637	34,363	437,814
Supplies and materials	1,000	1,377	(377)	697
Other objects	33,000	31,728	1,272	31,915
Total	<u>534,000</u>	<u>498,742</u>	<u>35,258</u>	<u>470,426</u>
Executive administration services				
Salaries	465,783	361,495	104,288	510,008
Employee benefits	127,371	108,447	18,924	142,774
Purchased services	9,600	12,699	(3,099)	8,895
Supplies and materials	3,500	2,837	663	3,391
Other objects	4,000	5,370	(1,370)	3,794
Total	<u>610,254</u>	<u>490,848</u>	<u>119,406</u>	<u>668,862</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

*General Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Special area administrative services				
Salaries	\$ 683,763	\$ 694,355	\$ (10,592)	\$ 668,184
Employee benefits	213,872	219,981	(6,109)	209,962
Purchased services	10,000	16,699	(6,699)	16,552
Supplies and materials	2,000	4,013	(2,013)	2,590
Other objects	200	50	150	180
Total	<u>909,835</u>	<u>935,098</u>	<u>(25,263)</u>	<u>897,468</u>
Total general administration	<u>2,054,089</u>	<u>1,924,688</u>	<u>129,401</u>	<u>2,036,756</u>
School administration				
Office of the principal services				
Salaries	6,559,950	6,522,028	37,922	6,482,241
Employee benefits	1,830,189	1,884,607	(54,418)	1,873,988
Purchased services	1,162,200	1,014,942	147,258	984,344
Supplies and materials	760,212	417,460	342,752	425,405
Other objects	27,675	11,925	15,750	19,056
Non-capitalized equipment	33,348	43,496	(10,148)	52,202
Termination benefits	-	-	-	17,865
Total school administration	<u>10,373,574</u>	<u>9,894,458</u>	<u>479,116</u>	<u>9,855,101</u>
Business				
Direction of business support services				
Salaries	248,350	193,504	54,846	312,607
Employee benefits	37,116	42,434	(5,318)	92,698
Purchased services	2,900	5,756	(2,856)	2,825
Supplies and materials	2,800	2,545	255	2,683
Other objects	1,100	1,320	(220)	1,582
Total	<u>292,266</u>	<u>245,559</u>	<u>46,707</u>	<u>412,395</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

*General Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
<b>Fiscal services</b>				
Salaries	\$ 583,800	\$ 582,530	\$ 1,270	\$ 633,778
Employee benefits	123,742	132,085	(8,343)	151,605
Purchased services	60,500	53,538	6,962	58,566
Supplies and materials	4,000	5,750	(1,750)	11,900
Other objects	1,000	1,459	(459)	1,366
<b>Total</b>	<b>773,042</b>	<b>775,362</b>	<b>(2,320)</b>	<b>857,215</b>
<b>Food services</b>				
Salaries	2,330,604	2,241,662	88,942	2,313,050
Employee benefits	477,257	495,516	(18,259)	494,986
Purchased services	50,000	34,315	15,685	33,804
Supplies and materials	2,441,500	2,096,695	344,805	2,395,446
Capital outlay	51,100	-	51,100	-
Other objects	26,000	32,966	(6,966)	25,497
Non-capitalized equipment	-	47,662	(47,662)	52,155
<b>Total</b>	<b>5,376,461</b>	<b>4,948,816</b>	<b>427,645</b>	<b>5,314,938</b>
<b>Internal services</b>				
Salaries	88,084	83,120	4,964	129,431
Employee benefits	17,093	17,482	(389)	26,331
Purchased services	9,400	5,923	3,477	8,784
Supplies and materials	2,500	1,897	603	779
<b>Total</b>	<b>117,077</b>	<b>108,422</b>	<b>8,655</b>	<b>165,325</b>
<b>Total business</b>	<b>6,558,846</b>	<b>6,078,159</b>	<b>480,687</b>	<b>6,749,873</b>
<b>Central</b>				
<b>Information services</b>				
Salaries	334,355	322,100	12,255	333,149
Employee benefits	64,882	68,568	(3,686)	67,775
Purchased services	21,500	21,845	(345)	21,523
Supplies and materials	290,000	287,842	2,158	296,480
Termination benefits	-	-	-	3,918
<b>Total</b>	<b>710,737</b>	<b>700,355</b>	<b>10,382</b>	<b>722,845</b>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

*General Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Staff services				
Salaries	\$ 372,095	\$ 381,781	\$ (9,686)	\$ 400,913
Employee benefits	60,853	97,412	(36,559)	99,806
Purchased services	41,500	52,733	(11,233)	38,606
Supplies and materials	10,000	7,599	2,401	7,429
Other objects	500	-	500	-
Total	<u>484,948</u>	<u>539,525</u>	<u>(54,577)</u>	<u>546,754</u>
Data processing services				
Salaries	1,406,179	1,283,745	122,434	1,200,527
Employee benefits	272,871	269,998	2,873	244,233
Purchased services	390,000	206,563	183,437	314,069
Supplies and materials	280,181	238,471	41,710	275,616
Capital outlay	705,000	889,781	(184,781)	-
Non-capitalized equipment	-	516,360	(516,360)	-
Total	<u>3,054,231</u>	<u>3,404,918</u>	<u>(350,687)</u>	<u>2,034,445</u>
Total central	<u>4,249,916</u>	<u>4,644,798</u>	<u>(394,882)</u>	<u>3,304,044</u>
Other support services				
Purchased services	-	8,279	(8,279)	94,620
Supplies and materials	11,488	-	11,488	7,069
Total other support services	<u>11,488</u>	<u>8,279</u>	<u>3,209</u>	<u>101,689</u>
Total support services	<u>45,609,765</u>	<u>44,478,751</u>	<u>1,131,014</u>	<u>43,809,292</u>
Community services				
Salaries	36,945	-	36,945	-
Employee benefits	3,835	-	3,835	-
Purchased services	7,085	5,408	1,677	2,621
Supplies and materials	7,850	6,267	1,583	3,858
Total community services	<u>55,715</u>	<u>11,675</u>	<u>44,040</u>	<u>6,479</u>

See Auditors' Report and Notes to Required Supplementary Information.



Township High School District 211

*General Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Payments to other districts and governmental units				
Payments for regular programs				
Other objects	<u>\$ 600,000</u>	<u>\$ 550,396</u>	<u>\$ 49,604</u>	<u>\$ 641,072</u>
Total	<u>600,000</u>	<u>550,396</u>	<u>49,604</u>	<u>641,072</u>
Payments for special education programs				
Other objects	<u>4,500,000</u>	<u>6,511,597</u>	<u>(2,011,597)</u>	<u>7,142,036</u>
Total	<u>4,500,000</u>	<u>6,511,597</u>	<u>(2,011,597)</u>	<u>7,142,036</u>
Payments for CTE programs				
Other objects	<u>160,000</u>	<u>103,424</u>	<u>56,576</u>	<u>153,796</u>
Total	<u>160,000</u>	<u>103,424</u>	<u>56,576</u>	<u>153,796</u>
Total payments to other districts and governmental units	<u>5,260,000</u>	<u>7,165,417</u>	<u>(1,905,417)</u>	<u>7,936,904</u>
Provision for contingencies	<u>500,000</u>	<u>-</u>	<u>500,000</u>	<u>-</u>
Total expenditures	<u>218,388,593</u>	<u>234,976,209</u>	<u>(16,587,616)</u>	<u>222,635,612</u>
Excess of revenues over expenditures	<u>4,266,369</u>	<u>7,072,582</u>	<u>2,806,213</u>	<u>1,624,024</u>
Other financing sources (uses)				
Permanent transfer to debt service fund	(2,000,000)	(2,000,000)	-	(2,500,000)
Fund balance transfers pledged to pay principal on capital leases	(2,125,499)	(2,125,498)	1	(1,563,132)
Fund balance transfers pledged to pay interest on capital leases	(34,167)	(34,127)	40	(431)
Permanent transfer to operations and maintenance fund	(20,000,000)	(20,000,000)	-	(15,000,000)
Capital lease proceeds	<u>-</u>	<u>1,722,000</u>	<u>1,722,000</u>	<u>6,409,020</u>
Total other financing sources (uses)	<u>(24,159,666)</u>	<u>(22,437,625)</u>	<u>1,722,041</u>	<u>(12,654,543)</u>
Net change in fund balance	<u>\$ (19,893,297)</u>	<u>(15,365,043)</u>	<u>\$ 4,528,254</u>	<u>(11,030,519)</u>
Fund balance, beginning of year		<u>117,770,377</u>		<u>128,800,896</u>
Fund balance, end of year		<u>\$ 102,405,334</u>		<u>\$ 117,770,377</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211  
*Operations and Maintenance Fund*  
**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Fiscal Year Ended June 30, 2015  
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
General levy	\$ 27,492,000	\$ 27,592,081	\$ 100,081	\$ 27,429,168
Corporate personal property replacement taxes	600,000	600,000	-	700,000
Interest on investments	27,500	24,772	(2,728)	27,238
Contributions and donations	-	31,516	-	28,583
Other district/school activity revenue	153,000	148,840	(4,160)	156,047
Rentals	487,300	455,265	(32,035)	485,956
Refund of prior years' expenditures	1,000	344,185	343,185	148,904
Other	70,000	191,406	121,406	93,079
Total local sources	<u>28,830,800</u>	<u>29,388,065</u>	<u>525,749</u>	<u>29,068,975</u>
State sources				
Other state sources	<u>355,000</u>	<u>64,950</u>	<u>(290,050)</u>	<u>69,903</u>
Total state sources	<u>355,000</u>	<u>64,950</u>	<u>(290,050)</u>	<u>69,903</u>
Total revenue	<u>29,185,800</u>	<u>29,453,015</u>	<u>235,699</u>	<u>29,138,878</u>
Expenditures				
Support services				
Facilities Acquisition & Construction Services				
Capital outlay	<u>-</u>	<u>946,491</u>	<u>(946,491)</u>	<u>-</u>
Total Facilities Acquisition & Construction Services	<u>-</u>	<u>946,491</u>	<u>(946,491)</u>	<u>-</u>

Township High School District 211  
*Operations and Maintenance Fund*  
**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Fiscal Year Ended June 30, 2015  
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
<b>Business</b>				
<b>Operations and maintenance of plant services</b>				
Salaries	10,882,402	10,773,485	108,917	10,404,517
Employer benefits	2,050,000	2,128,029	(78,029)	2,245,120
Purchased services	4,123,700	3,973,083	150,617	4,089,526
Supplies and materials	5,819,800	5,471,890	347,910	5,403,112
Capital outlay	3,450,000	3,177,859	272,141	2,609,904
Non-capitalized equipment	-	471,457	(471,457)	370,590
Termination benefits	-	5,504	(5,504)	46,067
Total	<u>26,325,902</u>	<u>26,001,307</u>	<u>324,595</u>	<u>25,168,836</u>
Total business	<u>26,325,902</u>	<u>26,001,307</u>	<u>324,595</u>	<u>25,168,836</u>
Total support services	<u>26,325,902</u>	<u>26,947,798</u>	<u>(621,896)</u>	<u>25,168,836</u>
<b>Payments to other districts and governmental units</b>				
<b>Payment to other governmental units (in-state)</b>				
<b>Payments for special education programs</b>				
Other objects	<u>500,000</u>	<u>424,063</u>	<u>75,937</u>	<u>456,960</u>
Total payments to other districts and governmental units	<u>500,000</u>	<u>424,063</u>	<u>75,937</u>	<u>456,960</u>
Provision for contingencies	<u>200,000</u>	<u>-</u>	<u>200,000</u>	<u>-</u>
Total expenditures	<u>27,025,902</u>	<u>27,371,861</u>	<u>(345,959)</u>	<u>25,625,796</u>
Excess of revenues over expenditures	<u>2,159,898</u>	<u>2,081,154</u>	<u>(110,260)</u>	<u>3,513,082</u>
<b>Other financing sources (uses)</b>				
Permanent transfer from general fund	20,000,000	20,000,000	-	15,000,000
Permanent transfer from transportation fund	2,500,000	2,500,000	-	-
Permanent transfer to capital projects fund	<u>(26,500,000)</u>	<u>(26,500,000)</u>	<u>-</u>	<u>(21,100,000)</u>
Total other financing sources (uses)	<u>(4,000,000)</u>	<u>(4,000,000)</u>	<u>-</u>	<u>(6,100,000)</u>
Net change in fund balance	<u>\$ (1,840,102)</u>	(1,918,846)	<u>\$ (110,260)</u>	(2,586,918)
Fund balance, beginning of year		<u>15,506,781</u>		<u>18,093,699</u>
Fund balance, end of year		<u>\$ 13,587,935</u>		<u>\$ 15,506,781</u>

See Auditors' Report and Notes to Required Supplementary Information

Township High School District 211  
*Transportation Fund*  
**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Fiscal Year Ended June 30, 2015  
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
General levy	\$ 6,922,000	\$ 6,995,208	\$ 73,208	\$ 6,849,248
Regular transportation fees from pupils or parents	85,000	100,093	15,093	89,961
Regular transportation fees from other districts	84,000	64,580	(19,420)	69,698
Regular transportation fees from co-curricular activities	40,000	55,497	15,497	44,744
Summer school transportation fees from pupils or parents	69,000	67,582	(1,418)	72,599
Interest on investments	13,900	12,083	(1,817)	14,155
Refund of prior years' expenditures	100	79	(21)	284
Other	1,000	5,576	4,576	8,047
Total local sources	<u>7,215,000</u>	<u>7,300,698</u>	<u>85,698</u>	<u>7,148,736</u>
State sources				
Transportation - regular/vocational	204,000	184,622	(19,378)	239,287
Transportation - special education	3,384,000	4,009,587	625,587	3,866,641
Other state sources	25,000	21,500	(3,500)	178,462
Total state sources	<u>3,613,000</u>	<u>4,215,709</u>	<u>602,709</u>	<u>4,284,390</u>
Total revenue	<u>10,828,000</u>	<u>11,516,407</u>	<u>688,407</u>	<u>11,433,126</u>

See Auditors' Report and Notes to Required Supplementary Information.

Township High School District 211

*Transportation Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Expenditures				
Support services				
Business				
Pupil transportation services				
Salaries	\$ 5,497,800	\$ 5,482,066	\$ 15,734	\$ 5,316,669
Employer benefits	1,600,000	1,819,636	(219,636)	1,735,927
Purchased services	1,456,000	1,623,085	(167,085)	1,770,008
Supplies and materials	1,290,000	1,075,053	214,947	1,236,407
Capital outlay	750,000	722,230	27,770	696,383
Other objects	-	260	(260)	1,646
Non-capitalized equipment	-	21,500	(21,500)	-
Termination benefits	-	19,658	(19,658)	-
Total	<u>10,593,800</u>	<u>10,763,488</u>	<u>(169,688)</u>	<u>10,757,040</u>
Total support services	<u>10,593,800</u>	<u>10,763,488</u>	<u>(169,688)</u>	<u>10,757,040</u>
Provision for contingencies	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Total expenditures	<u>10,693,800</u>	<u>10,763,488</u>	<u>(69,688)</u>	<u>10,757,040</u>
Excess of revenues over expenditures	<u>134,200</u>	<u>752,919</u>	<u>618,719</u>	<u>676,086</u>
Other financing sources (uses)				
Permanent transfer to operations & maintenance fund	<u>(2,500,000)</u>	<u>(2,500,000)</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(2,500,000)</u>	<u>(2,500,000)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	<u>\$ (2,365,800)</u>	<u>(1,747,081)</u>	<u>\$ 618,719</u>	<u>676,086</u>
Fund balance, beginning of year		<u>8,833,049</u>		<u>8,156,963</u>
Fund balance, end of year		<u>\$ 7,085,968</u>		<u>\$ 8,833,049</u>

See Auditors' Report and Notes to Required Supplementary Information.

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

For the Fiscal Year Ended June 30, 2015  
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
<b>Revenue</b>				
<b>Local sources</b>				
General levy	\$ 4,614,000	\$ 4,637,179	\$ 23,179	\$ 4,554,148
Social security/medicare levies	4,614,000	4,637,179	23,179	4,554,148
Corporate personal property replacement taxes	1,200,000	1,220,389	20,389	1,286,232
Interest on investments	12,200	11,304	(896)	12,072
Other	<u>-</u>	<u>5,116</u>	<u>5,116</u>	<u>-</u>
Total local sources	<u>10,440,200</u>	<u>10,511,167</u>	<u>70,967</u>	<u>10,406,600</u>
Total revenue	<u>10,440,200</u>	<u>10,511,167</u>	<u>70,967</u>	<u>10,406,600</u>
<b>Expenditures</b>				
<b>Instruction</b>				
Regular programs	590,600	562,100	28,500	624,531
Special education programs	1,631,900	1,553,000	78,900	1,488,854
Adult/continuing education programs	132,800	126,400	6,400	131,862
CTE programs	15,600	14,900	700	22,315
Interscholastic programs	497,300	472,800	24,500	452,528
Summer school programs	162,700	154,800	7,900	159,531
Bilingual programs	<u>141,100</u>	<u>134,300</u>	<u>6,800</u>	<u>140,880</u>
Total instruction	<u>3,172,000</u>	<u>3,018,300</u>	<u>153,700</u>	<u>3,020,501</u>

See Auditors' Report and Notes to Required Supplementary Information.

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

For the Fiscal Year Ended June 30, 2015  
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Support services				
Pupils				
Attendance and social work services	\$ 77,600	\$ 73,800	\$ 3,800	\$ 68,265
Guidance services	283,500	269,800	13,700	286,840
Health services	92,400	87,900	4,500	81,955
Psychological services	18,700	17,800	900	19,975
Other support services - pupils	<u>454,500</u>	<u>432,600</u>	<u>21,900</u>	<u>434,236</u>
Total pupils	<u>926,700</u>	<u>881,900</u>	<u>44,800</u>	<u>891,271</u>
Instructional staff				
Improvement of instruction services	109,600	104,300	5,300	104,010
Educational media services	<u>127,500</u>	<u>121,300</u>	<u>6,200</u>	<u>118,044</u>
Total instructional staff	<u>237,100</u>	<u>225,600</u>	<u>11,500</u>	<u>222,054</u>
General administration				
Executive administration services	33,300	31,700	1,600	31,525
Special area administrative services	<u>33,100</u>	<u>31,500</u>	<u>1,600</u>	<u>25,405</u>
Total general administration	<u>66,400</u>	<u>63,200</u>	<u>3,200</u>	<u>56,930</u>
School administration				
Office of the principal services	<u>633,600</u>	<u>603,000</u>	<u>30,600</u>	<u>616,654</u>
Total school administration	<u>633,600</u>	<u>603,000</u>	<u>30,600</u>	<u>616,654</u>
Business				
Direction of business support services	44,800	42,600	2,200	13,293
Fiscal services	118,400	112,700	5,700	115,349
Operations and maintenance of plant services	2,458,700	2,339,984	118,716	2,427,729
Pupil transportation services	1,222,300	1,163,200	59,100	1,219,680
Food services	519,600	494,500	25,100	519,864
Internal services	<u>19,200</u>	<u>18,300</u>	<u>900</u>	<u>29,121</u>
Total business	<u>4,383,000</u>	<u>4,171,284</u>	<u>211,716</u>	<u>4,325,036</u>

See Auditors' Report and Notes to Required Supplementary Information.

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

For the Fiscal Year Ended June 30, 2015  
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Central				
Information services	\$ 75,400	\$ 71,800	\$ 3,600	\$ 74,922
Staff services	58,800	55,900	2,900	62,494
Data processing services	<u>297,000</u>	<u>282,700</u>	<u>14,300</u>	<u>270,115</u>
Total central	<u>431,200</u>	<u>410,400</u>	<u>20,800</u>	<u>407,531</u>
Total support services	<u>6,678,000</u>	<u>6,355,384</u>	<u>322,616</u>	<u>6,519,476</u>
Payments to other districts and governmental units				
Payments for special education programs	<u>350,000</u>	<u>331,508</u>	<u>18,492</u>	<u>339,031</u>
Total payments to other districts and governmental units	<u>350,000</u>	<u>331,508</u>	<u>18,492</u>	<u>339,031</u>
Provision for contingencies	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Total expenditures	<u>10,300,000</u>	<u>9,705,192</u>	<u>594,808</u>	<u>9,879,008</u>
Net change in fund balance	<u>\$ 140,200</u>	805,975	<u>\$ 665,775</u>	527,592
Fund balance, beginning of year		<u>6,517,677</u>		<u>5,990,085</u>
Fund balance, end of year		<u>\$ 7,323,652</u>		<u>\$ 6,517,677</u>

See Auditors' Report and Notes to Required Supplementary Information.



Township High School District 211  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
As of and for the Fiscal Year Ended June 30, 2015

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1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy resolution is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) Budgetary control is maintained at line-item levels and built up into program and/or cost centers before being combined to form totals by fund. All actual activity compared to budget is available to the District's management in real time. These expenditure reports list each item's year-to-date expenditure, budget amount, and account balance.
- g) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 18, 2014.
- h) All budget appropriations lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF BUDGET

The Operations & Maintenance Fund and Transportation Fund had expenditures in excess of the budgeted amount of \$345,959 and \$69,688, respectively, for the year ended June 30, 2015. These excesses were funded by available revenue and fund balance. The General Fund had expenditures in excess of the budgeted amount of \$16,587,616 for the year ended June 30, 2015. This fluctuation is attributable to On-behalf payments to TRS from the State in excess of budget of \$16,921,970. Similarly, On-behalf revenues were over budget by the same amount.

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Township High School District 211

*Debt Service Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
General levy	\$ 3,326,000	\$ 3,320,419	\$ (5,581)	\$ 4,345,183
Interest on investments	6,200	2,005	(4,195)	5,880
Other local revenue	-	3,113	3,113	57
Total revenue	<u>3,332,200</u>	<u>3,325,537</u>	<u>(6,663)</u>	<u>4,351,120</u>
Expenditures				
Debt service				
Debt services - interest on long-term debt				
Bonds - interest	231,017	196,850	34,167	459,550
Capital leases - interest	-	34,127	(34,127)	431
Total debt services - interest on long-term debt	<u>231,017</u>	<u>230,977</u>	<u>40</u>	<u>459,981</u>
Debt services - payments of principal on long-term debt				
Bond principal retired	7,175,499	5,050,000	2,125,499	8,540,000
Capital lease principal retired	-	2,125,498	(2,125,498)	2,162,371
Total debt services - payments of principal on long-term debt	<u>7,175,499</u>	<u>7,175,498</u>	<u>1</u>	<u>10,702,371</u>
Other debt service				
Purchased services	-	-	-	1,050
Other objects	2,000	1,150	850	-
Total other debt service	<u>2,000</u>	<u>1,150</u>	<u>850</u>	<u>1,050</u>
Total debt service	<u>7,408,516</u>	<u>7,407,625</u>	<u>891</u>	<u>11,163,402</u>
Total expenditures	<u>7,408,516</u>	<u>7,407,625</u>	<u>891</u>	<u>11,163,402</u>
Excess (deficiency) of revenues over expenditures	<u>(4,076,316)</u>	<u>(4,082,088)</u>	<u>(5,772)</u>	<u>(6,812,282)</u>

Township High School District 211

*Debt Service Fund*

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

For the Fiscal Year Ended June 30, 2015

With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Other financing sources (uses)				
Permanent transfer from general fund	\$ 2,000,000	\$ 2,000,000	\$ -	\$ 2,500,000
Transfer to pay principal on capital leases	2,125,499	2,125,498	(1)	1,563,132
Transfer to pay interest on capital leases	<u>34,167</u>	<u>34,127</u>	<u>(40)</u>	<u>431</u>
Total other financing sources (uses)	<u>4,159,666</u>	<u>4,159,625</u>	<u>41</u>	<u>4,063,563</u>
Net change in fund balance	<u>\$ 83,350</u>	77,537	<u>\$ (5,731)</u>	(2,748,719)
Fund balance, beginning of year		<u>1,885,114</u>		<u>4,633,833</u>
Fund balance, end of year		<u>\$ 1,962,651</u>		<u>\$ 1,885,114</u>

Township High School District 211  
*Capital Projects Fund*  
**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Fiscal Year Ended June 30, 2015  
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
<b>Revenue</b>				
<b>Local sources</b>				
Interest on investments	\$ 12,200	\$ 15,820	\$ 3,620	\$ 11,769
Payments of Surplus Monies from TIF districts	-	-	-	621,640
Total local sources	<u>12,200</u>	<u>15,820</u>	<u>3,620</u>	<u>633,409</u>
Total revenue	<u>12,200</u>	<u>15,820</u>	<u>3,620</u>	<u>633,409</u>
<b>Expenditures</b>				
<b>Support services</b>				
<b>Business</b>				
<b>Facilities acquisition and construction services</b>				
Capital outlay	<u>20,825,000</u>	<u>21,989,876</u>	<u>(1,164,876)</u>	<u>9,527,679</u>
Total	<u>20,825,000</u>	<u>21,989,876</u>	<u>(1,164,876)</u>	<u>9,527,679</u>
Total expenditures	<u>20,825,000</u>	<u>21,989,876</u>	<u>(1,164,876)</u>	<u>9,527,679</u>
Excess (deficiency) of revenues over expenditures	<u>(20,812,800)</u>	<u>(21,974,056)</u>	<u>(1,161,256)</u>	<u>(8,894,270)</u>
<b>Other financing sources (uses)</b>				
Permanent transfer from				
Operations & Mainenance Fund	<u>26,500,000</u>	<u>26,500,000</u>	-	<u>21,100,000</u>
Total other financing sources (uses)	<u>26,500,000</u>	<u>26,500,000</u>	-	<u>21,100,000</u>
Net change in fund balance	<u>\$ 5,687,200</u>	4,525,944	<u>\$ (1,161,256)</u>	12,205,730
Fund balance, beginning of year		<u>9,953,715</u>		<u>(2,252,015)</u>
Fund balance, end of year		<u>\$ 14,479,659</u>		<u>\$ 9,953,715</u>

Township High School District 211  
*Fire Prevention and Life Safety Fund*  
**SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Fiscal Year Ended June 30, 2015  
With Comparative Actual Amounts for the Fiscal Year Ended June 30, 2014

	2015			2014 Actual
	Original and Final Budget	Actual	Variance	
Revenue				
Local sources				
Interest on investments	\$ 9,000	\$ 10,489	\$ 1,489	\$ 11,659
Total local sources	<u>9,000</u>	<u>10,489</u>	<u>1,489</u>	<u>11,659</u>
Total revenue	<u>9,000</u>	<u>10,489</u>	<u>1,489</u>	<u>11,659</u>
Expenditures				
Support services				
Business				
Operations and maintenance of plant services				
Purchased services	10,000	-	10,000	-
Capital outlay	<u>5,200,000</u>	<u>3,629,191</u>	<u>1,570,809</u>	<u>5,892,084</u>
Total	<u>5,210,000</u>	<u>3,629,191</u>	<u>1,580,809</u>	<u>5,892,084</u>
Total support services	<u>5,210,000</u>	<u>3,629,191</u>	<u>1,580,809</u>	<u>5,892,084</u>
Provision for contingencies	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Total expenditures	<u>5,310,000</u>	<u>3,629,191</u>	<u>1,680,809</u>	<u>5,892,084</u>
Net change in fund balance	<u>\$ (5,301,000)</u>	(3,618,702)	<u>\$ 1,682,298</u>	(5,880,425)
Fund balance, beginning of year		<u>5,133,332</u>		<u>11,013,757</u>
Fund balance, end of year		<u>\$ 1,514,630</u>		<u>\$ 5,133,332</u>

Township High School District 211  
**SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS - ACTIVITY FUNDS**

As of and for the Fiscal Year Ended June 30, 2015

	Balance June 30, 2014	Receipts	Disbursements	Transfers	Balance June 30, 2015
<b>Assets:</b>					
Cash and investments	<u>\$ 1,922,148</u>	<u>\$ 4,685,106</u>	<u>\$ 4,660,300</u>	<u>\$ -</u>	<u>\$ 1,946,954</u>
<b>Liabilities:</b>					
<b>Due to student groups</b>					
Palatine High School	\$ 592,689	\$ 950,817	\$ 988,502	\$ (13,236)	\$ 541,768
William Fremd High School	403,108	1,208,563	1,151,038	(1,538)	459,095
James B. Conant High School	282,913	932,482	905,883	3,287	312,799
Schaumburg High School	315,273	785,116	805,741	3,963	298,611
Hoffman Estates High School	281,435	788,824	761,759	(22,207)	286,293
District Administration	<u>46,730</u>	<u>19,304</u>	<u>47,377</u>	<u>29,731</u>	<u>48,388</u>
	<u>\$ 1,922,148</u>	<u>\$ 4,685,106</u>	<u>\$ 4,660,300</u>	<u>\$ -</u>	<u>\$ 1,946,954</u>

Township High School District 211  
**OPERATING COSTS AND TUITION CHARGE**  
As of and for the Fiscal Year Ended June 30, 2015

	2015	2014
<b>Operating costs per pupil</b>		
Average Daily Attendance (ADA):	<u>11,845</u>	<u>11,881</u>
Operating costs:		
Educational	\$ 182,390,989	\$ 178,612,197
Operations and Maintenance	27,371,861	25,625,796
Debt Service	7,407,625	11,163,402
Transportation	10,763,488	10,757,040
Municipal Retirement/Social Security	<u>9,705,192</u>	<u>9,879,008</u>
Subtotal	<u>237,639,155</u>	<u>236,037,443</u>
Less Revenues/Expenditures of Nonregular Programs:		
Payments to other districts and governmental units	7,920,988	8,732,895
Adult/continuing education	1,055,471	1,020,159
Summer school	3,126,382	3,198,335
Capital outlay	6,102,137	3,786,975
Non-capitalized equipment	3,465,183	1,924,722
Debt principal retired	7,175,498	10,702,371
Community services	11,675	6,479
Related revenues	<u>132,162</u>	<u>142,297</u>
Subtotal	<u>28,989,496</u>	<u>29,514,233</u>
Operating costs	<u>\$ 208,649,659</u>	<u>\$ 206,523,210</u>
Operating costs per pupil - based on ADA	<u>\$ 17,615</u>	<u>\$ 17,383</u>
<b>Tuition Charge</b>		
Operating costs:	\$ 208,649,659	\$ 206,523,210
Less - revenues from specific programs, such as special education or lunch programs	<u>22,532,795</u>	<u>23,094,797</u>
Net operating costs	186,116,864	183,428,413
Depreciation allowance	<u>11,068,172</u>	<u>10,702,786</u>
Allowance tuition costs	<u>\$ 197,185,036</u>	<u>\$ 194,131,199</u>
Tuition charge per pupil - based on ADA	<u>\$ 16,647</u>	<u>\$ 16,340</u>



## **Statistical Section (Unaudited)**

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

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	88
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
<b>Revenue Capacity</b>	100
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	
<b>Debt Capacity</b>	106
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.	
<b>Demographic and Economic Information</b>	111
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
<b>Operating Information</b>	115
These schedules contain information about the District's service and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.	

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

	2015	2014	2013	2012
<b>Governmental activities</b>				
Net investment in capital assets	\$ 171,183,889	\$ 148,610,964	\$ 136,218,876	\$ 130,244,202
Restricted	32,814,045	38,825,509	36,825,021	36,793,020
Unrestricted	<u>70,913,243</u>	<u>99,812,103</u>	<u>111,558,780</u>	<u>109,052,478</u>
Total governmental activities net position	<u>\$ 274,911,177</u>	<u>\$ 287,248,576</u>	<u>\$ 284,602,677</u>	<u>\$ 276,089,700</u>

**Source:** Audited financial statements for 2006 - 2015.

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

2011	2010	2009	2008	2007	2006
\$ 126,451,132	\$ 123,915,577	\$ 124,507,577	\$ 127,792,694	\$ 90,883,138	\$ 79,697,612
33,860,841	32,710,925	25,403,705	27,112,586	18,207,296	10,530,084
<u>105,266,355</u>	<u>105,065,810</u>	<u>95,568,083</u>	<u>76,601,714</u>	<u>92,427,925</u>	<u>77,105,004</u>
<u>\$ 265,578,328</u>	<u>\$ 261,692,312</u>	<u>\$ 245,479,365</u>	<u>\$ 231,506,994</u>	<u>\$ 201,518,359</u>	<u>\$ 167,332,700</u>

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

	2015	2014	2013	2012
<b>Expenses</b>				
Instruction:				
Regular programs	\$ 80,541,382	\$ 86,619,115	\$ 77,756,734	\$ 76,183,245
Special programs	33,197,249	32,340,462	30,752,846	29,215,684
Other instructional programs	29,598,584	28,501,098	27,884,199	26,441,992
State retirement contributions	52,585,220	37,614,395	29,050,370	25,458,056
Support services:				
Pupils	18,703,220	18,376,355	17,744,661	17,740,987
Instructional staff	4,583,084	4,502,240	4,093,144	4,300,139
General administration	2,003,264	2,093,686	1,761,009	1,675,105
School administration	10,648,441	10,471,755	10,360,558	10,860,408
Business	6,929,519	7,442,538	7,666,453	7,436,258
Transportation	12,280,607	11,943,912	11,667,420	10,964,147
Operations and maintenance	35,296,963	33,651,920	33,266,740	32,667,715
Central	4,469,675	3,904,987	4,058,567	4,121,897
Other supporting services	8,279	101,689	33,621	5,182
Community services	11,675	6,479	8,525	4,019
Interest on long-term debt	10,552	27,590	380,528	710,217
Unallocated depreciation	-	-	-	-
<b>Total expenses</b>	<b><u>\$ 290,867,714</u></b>	<b><u>\$ 277,598,221</u></b>	<b><u>\$ 256,485,375</u></b>	<b><u>\$ 247,785,051</u></b>
<b>Program Revenues</b>				
Charges for services				
Instruction:				
Regular programs	\$ 1,327,018	\$ 1,374,476	\$ 1,418,057	\$ 1,442,188
Special programs	43,171	82,002	172,937	184,316
Other instructional programs	3,109,656	2,990,590	3,213,816	2,778,339
Support services:				
Business	3,309,486	3,878,018	4,140,170	4,281,942
Transportation	287,752	277,002	302,543	252,037
Operations and maintenance	455,265	485,956	467,866	398,786
Operating Grants and Contributions	69,279,716	54,327,374	44,624,016	41,384,572
<b>Total program revenues</b>	<b><u>\$ 77,812,064</u></b>	<b><u>\$ 63,415,418</u></b>	<b><u>\$ 54,339,405</u></b>	<b><u>\$ 50,722,180</u></b>
<b>Net (expense)/revenue</b>	<b><u>\$ (213,055,650)</u></b>	<b><u>\$ (214,182,803)</u></b>	<b><u>\$ (202,145,970)</u></b>	<b><u>\$ (197,062,871)</u></b>
<b>General revenues</b>				
Taxes:				
Real estate taxes, levied for general purposes	\$ 161,055,675	\$ 158,760,245	\$ 153,273,721	\$ 150,472,472
Real estate taxes, levied for specific purposes	43,861,647	43,386,712	42,334,291	42,261,497
Real estate taxes, levied for debt service	3,320,419	4,345,183	5,403,829	5,447,550
Real estate taxes, TIF surplus	117,394	621,640	-	-
Personal property replacement taxes	3,263,405	3,035,673	3,000,856	2,936,977
State aid-formula grants	5,883,843	5,724,497	5,353,856	5,490,806
Investment earnings	263,475	313,000	422,545	376,702
Miscellaneous	1,135,815	641,752	869,849	588,239
<b>Total general revenues</b>	<b><u>218,901,673</u></b>	<b><u>216,828,702</u></b>	<b><u>210,658,947</u></b>	<b><u>207,574,243</u></b>
Special items:				
Loss on disposal of capital assets	-	-	-	-
<b>Change in net position</b>	<b><u>\$ 5,846,023</u></b>	<b><u>\$ 2,645,899</u></b>	<b><u>\$ 8,512,977</u></b>	<b><u>\$ 10,511,372</u></b>

**Source:** Audited financial statements for 2006 - 2015.

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

	2011	2010	2009	2008	2007	2006
\$	73,273,337	\$ 73,770,976	\$ 66,172,115	\$ 66,938,684	\$ 60,921,934	\$ 58,244,269
	29,089,750	27,817,736	26,430,672	24,389,676	22,882,484	20,091,945
	27,130,144	28,912,423	27,448,826	22,812,296	24,208,490	23,002,019
	23,517,114	23,200,434	16,802,224	12,307,149	8,476,192	5,753,845
	17,611,603	16,820,565	15,772,796	14,817,509	14,220,106	13,355,955
	8,966,768	7,906,596	8,163,988	7,678,944	7,756,938	7,180,495
	1,656,485	1,409,826	1,702,898	1,832,310	2,257,736	1,780,498
	9,181,564	9,061,815	8,796,475	8,670,984	8,457,678	8,140,815
	7,430,859	7,464,407	7,027,948	9,802,312	6,879,148	6,348,109
	10,702,429	10,459,100	9,333,848	9,535,500	8,931,378	8,627,980
	31,919,749	34,255,472	30,294,798	24,933,681	20,883,228	20,928,184
	5,041,532	4,072,549	3,084,902	2,943,909	3,129,891	3,008,845
	2,198	10,222	-	1,023,462	-	-
	2,024	-	-	-	-	-
	1,125,935	1,560,216	1,758,900	2,434,426	2,127,394	962,087
	-	-	-	-	3,841,140	3,305,331
\$	<u>246,651,491</u>	<u>\$ 246,722,337</u>	<u>\$ 222,790,390</u>	<u>\$ 210,120,842</u>	<u>\$ 194,973,737</u>	<u>\$ 180,730,377</u>
\$	1,556,378	\$ 1,621,937	\$ 1,725,276	\$ 2,444,327	\$ 2,190,970	\$ 2,756,318
	79,225	209,166	298,297	1,324,328	1,648,092	528,133
	2,738,859	3,388,838	3,760,409	2,138,063	3,370,175	2,206,585
	4,368,462	4,644,660	4,934,245	5,052,613	5,077,735	4,401,722
	263,631	248,561	228,417	244,194	235,922	240,321
	370,910	372,859	313,659	295,757	232,985	241,374
	40,662,761	40,838,114	30,703,841	25,016,186	19,587,195	16,609,853
\$	<u>50,040,226</u>	<u>\$ 51,324,135</u>	<u>\$ 41,964,144</u>	<u>\$ 36,515,468</u>	<u>\$ 32,343,074</u>	<u>\$ 26,984,306</u>
\$	<u>(196,611,265)</u>	<u>(195,398,202)</u>	<u>(180,826,246)</u>	<u>(173,605,374)</u>	<u>(162,630,663)</u>	<u>(153,746,071)</u>
\$	144,368,700	\$ 152,827,361	\$ 137,569,386	\$ 137,742,330	\$ 138,294,026	\$ 155,902,352
	41,129,292	43,808,101	38,888,719	36,746,257	31,030,694	4,540,052
	5,323,260	5,725,724	6,321,573	9,108,604	10,514,481	10,947,571
	-	-	-	-	-	-
	3,192,605	2,461,876	3,043,140	3,478,787	3,253,110	2,981,731
	5,556,505	5,388,326	5,216,940	4,996,969	4,718,173	4,756,198
	331,637	541,386	3,270,745	6,913,296	8,883,632	4,333,740
	595,282	858,375	875,963	5,337,409	576,993	949,983
	200,497,281	211,611,149	195,186,466	204,323,652	197,271,109	184,411,627
	-	-	(387,849)	(729,643)	(454,787)	(503,099)
\$	<u>3,886,016</u>	<u>\$ 16,212,947</u>	<u>\$ 13,972,371</u>	<u>\$ 29,988,635</u>	<u>\$ 34,185,659</u>	<u>\$ 30,162,457</u>

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

	2015	2014	2013	2012
<b>General Fund</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Non-spendable	3,096,531	4,078,112	4,817,865	5,715,545
Restricted	-	-	-	-
Assigned	17,027,587	26,313,042	22,278,461	1,200,000
Unassigned	<u>82,281,216</u>	<u>87,379,223</u>	<u>101,704,570</u>	<u>112,238,450</u>
Total general fund	<u>\$ 102,405,334</u>	<u>\$ 117,770,377</u>	<u>\$ 128,800,896</u>	<u>\$ 119,153,995</u>
<b>All other governmental funds</b>				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Debt service fund	-	-	-	-
Capital projects funds	-	-	-	-
Non-spendable, reported in:				
Special revenue funds	414,224	398,908	349,595	355,159
Debt service fund	-	-	599,238	-
Restricted, reported in:				
Special revenue funds	27,583,331	30,458,599	31,891,152	29,115,988
Debt service fund	1,962,651	1,885,114	4,034,595	6,295,316
Capital projects funds	8,014,630	11,233,332	11,013,757	203,005
Assigned, reported in:				
Capital projects funds	7,979,659	3,853,715	-	-
Unassigned, reported in:				
Capital projects funds	<u>-</u>	<u>-</u>	<u>(2,252,015)</u>	<u>-</u>
Total all other governmental funds	<u>\$ 45,954,495</u>	<u>\$ 47,829,668</u>	<u>\$ 45,636,322</u>	<u>\$ 35,969,468</u>

\*The District implemented GASB 54 in Fiscal 2011.

**Source:** Audited financial statements for 2006 - 2015.

2011*	2010	2009	2008	2007	2006
\$ -	\$ 6,348,922	\$ 7,022,195	\$ 7,736,242	\$ 5,779,148	\$ 5,497,507
-	87,348,432	69,584,690	65,652,555	56,797,226	40,798,010
5,691,465	-	-	-	-	-
-	-	-	-	-	-
3,700,000	-	-	-	-	-
104,592,535	-	-	-	-	-
<u>\$ 113,984,000</u>	<u>\$ 93,697,354</u>	<u>\$ 76,606,885</u>	<u>\$ 73,388,797</u>	<u>\$ 62,576,374</u>	<u>\$ 46,295,517</u>
\$ -	\$ 273,347	\$ 321,942	\$ 270,050	\$ 379,704	\$ 286,844
-	39,753,758	34,154,603	50,244,694	79,493,500	33,759,975
-	8,707,656	11,077,185	14,882,870	6,929,829	10,496,461
-	258,925	2,564,849	2,531,581	4,376,483	7,130,241
337,625	-	-	-	-	-
-	-	-	-	-	-
26,614,491	-	-	-	-	-
5,949,841	-	-	-	-	-
192,645	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 33,094,602</u>	<u>\$ 48,993,686</u>	<u>\$ 48,118,579</u>	<u>\$ 67,929,195</u>	<u>\$ 91,179,516</u>	<u>\$ 51,673,521</u>

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

	2015	2014	2013	2012
<b>Local Sources</b>				
Property taxes	\$ 208,237,741	\$ 206,492,140	\$ 201,011,841	\$ 198,181,519
Replacement taxes	3,263,405	3,035,673	3,000,856	2,936,977
Tuition	1,186,709	1,154,650	1,302,441	1,482,016
Earnings on investments	275,045	314,688	457,886	325,959
Other local sources	<u>8,598,848</u>	<u>9,196,786</u>	<u>9,282,796</u>	<u>8,417,816</u>
Total local sources	<u>221,561,748</u>	<u>220,193,937</u>	<u>215,055,820</u>	<u>211,344,287</u>
<b>State Sources</b>				
General state aid	5,883,843	5,724,497	5,353,856	5,490,806
Other state aid	<u>62,831,739</u>	<u>48,007,248</u>	<u>40,768,828</u>	<u>35,154,120</u>
Total state sources	<u>68,715,582</u>	<u>53,731,745</u>	<u>46,122,684</u>	<u>40,644,926</u>
<b>Federal Sources</b>				
ARRA - General state aid	-	-	-	-
Other federal sources	<u>6,603,896</u>	<u>6,308,746</u>	<u>7,083,443</u>	<u>5,068,285</u>
Total federal sources	<u>6,603,896</u>	<u>6,308,746</u>	<u>7,083,443</u>	<u>5,068,285</u>
Total	<u>\$ 296,881,226</u>	<u>\$ 280,234,428</u>	<u>\$ 268,261,947</u>	<u>\$ 257,057,498</u>

**Source:** Audited financial statements for 2006 - 2015.



2011	2010	2009	2008	2007	2006
\$ 190,821,252	\$ 202,361,186	\$ 182,779,678	\$ 183,597,191	\$ 179,839,201	\$ 171,389,975
3,192,605	2,461,876	3,043,140	3,478,787	3,253,110	2,981,731
1,390,249	1,330,639	1,546,525	2,847,698	2,876,398	1,423,360
368,731	632,133	4,534,618	7,096,531	7,631,283	4,166,759
<u>8,572,798</u>	<u>10,005,659</u>	<u>10,589,741</u>	<u>13,988,993</u>	<u>10,456,474</u>	<u>9,394,581</u>
<u>204,345,635</u>	<u>216,791,493</u>	<u>202,493,702</u>	<u>211,009,200</u>	<u>204,056,466</u>	<u>189,356,406</u>
5,556,505	4,406,605	4,026,567	4,996,969	4,718,173	4,756,198
<u>33,597,168</u>	<u>32,211,873</u>	<u>24,454,560</u>	<u>22,256,717</u>	<u>17,001,795</u>	<u>13,901,871</u>
<u>39,153,673</u>	<u>36,618,478</u>	<u>28,481,127</u>	<u>27,253,686</u>	<u>21,719,968</u>	<u>18,658,069</u>
-	981,721	1,190,373	-	-	-
<u>7,432,645</u>	<u>7,782,710</u>	<u>4,252,525</u>	<u>2,759,469</u>	<u>2,585,400</u>	<u>2,707,982</u>
<u>7,432,645</u>	<u>8,764,431</u>	<u>5,442,898</u>	<u>2,759,469</u>	<u>2,585,400</u>	<u>2,707,982</u>
<u>\$ 250,931,953</u>	<u>\$ 262,174,402</u>	<u>\$ 236,417,727</u>	<u>\$ 241,022,355</u>	<u>\$ 228,361,834</u>	<u>\$ 210,722,457</u>

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

	2015	2014	2013	2012
<b>Current:</b>				
Instruction				
Regular programs	\$ 79,283,738	\$ 83,886,093	\$ 74,932,979	\$ 73,011,871
Special programs	24,836,738	23,508,531	22,871,073	22,017,333
Other instructional programs	29,293,673	28,413,731	27,790,139	26,273,834
State retirement contributions	<u>52,585,220</u>	<u>37,614,395</u>	<u>29,050,370</u>	<u>25,458,056</u>
Total instruction	<u>185,999,369</u>	<u>173,422,750</u>	<u>154,644,561</u>	<u>146,761,094</u>
Supporting services				
Pupils	18,485,986	18,376,355	17,744,661	17,739,019
Instructional staff	4,523,404	4,498,799	4,089,703	4,296,699
General administration	1,987,888	2,093,686	1,761,009	1,675,105
School administration	10,497,458	10,471,755	10,360,558	10,428,023
Business	6,746,259	7,427,500	7,652,600	7,424,658
Transportation	11,204,458	11,280,337	10,927,709	10,230,644
Operations and maintenance	25,163,432	24,986,661	25,172,738	24,852,160
Central	4,165,417	3,711,575	3,865,155	3,992,987
Other supporting services	<u>8,279</u>	<u>101,689</u>	<u>33,621</u>	<u>5,182</u>
Total supporting services	<u>82,782,581</u>	<u>82,948,357</u>	<u>81,607,754</u>	<u>80,644,477</u>
Community services	<u>11,675</u>	<u>6,479</u>	<u>8,525</u>	<u>4,019</u>
Payments to other districts and government units	<u>7,920,988</u>	<u>8,732,895</u>	<u>7,782,736</u>	<u>7,099,314</u>
Total current	<u>276,714,613</u>	<u>265,110,481</u>	<u>244,043,576</u>	<u>234,508,904</u>
<b>Other:</b>				
Debt service				
Principal	7,175,498	10,702,371	8,143,646	7,840,063
Interest	232,127	461,031	755,673	1,058,744
Capital outlay	<u>31,721,204</u>	<u>19,206,738</u>	<u>12,209,072</u>	<u>5,630,941</u>
Total other	<u>39,128,829</u>	<u>30,370,140</u>	<u>21,108,391</u>	<u>14,529,748</u>
Total	<u>\$ 315,843,442</u>	<u>\$ 295,480,621</u>	<u>\$ 265,151,967</u>	<u>\$ 249,038,652</u>
<b>Debt service as a percentage of noncapital expenditures</b>	2.61%	4.04%	3.52%	3.66%

**Source:** Audited financial statements for 2006 - 2015.

	2011	2010	2009	2008	2007	2006
\$	69,746,916	\$ 66,584,334	\$ 62,092,198	\$ 61,537,444	\$ 59,643,429	\$ 57,070,342
	23,770,350	22,965,807	21,608,621	20,019,053	18,606,833	17,581,731
	26,963,713	28,170,394	27,246,748	22,620,938	24,039,485	22,828,239
	<u>23,517,114</u>	<u>23,200,434</u>	<u>16,802,224</u>	<u>12,307,149</u>	<u>8,476,192</u>	<u>5,753,845</u>
	<u>143,998,093</u>	<u>140,920,969</u>	<u>127,749,791</u>	<u>116,484,584</u>	<u>110,765,939</u>	<u>103,234,157</u>
	17,607,752	16,796,813	15,769,504	14,814,685	14,217,290	13,352,189
	8,964,502	7,874,045	8,159,880	7,676,041	7,755,496	7,179,072
	1,656,485	1,409,826	1,702,898	1,832,310	2,257,736	1,978,327
	8,898,199	8,599,517	8,486,124	8,515,411	8,437,038	8,110,105
	10,718,296	7,212,258	6,971,520	6,863,178	7,031,549	6,294,090
	8,801,577	9,644,342	8,534,874	8,761,499	8,143,951	7,903,665
	22,320,468	24,747,977	24,454,917	23,154,001	21,650,858	21,765,121
	4,993,106	3,984,695	3,064,685	2,927,935	3,115,079	2,996,608
	<u>2,198</u>	<u>10,222</u>	<u>-</u>	<u>1,023,462</u>	<u>-</u>	<u>-</u>
	<u>83,962,583</u>	<u>80,279,695</u>	<u>77,144,402</u>	<u>75,568,522</u>	<u>72,608,997</u>	<u>69,579,177</u>
	<u>2,024</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>5,220,363</u>	<u>4,739,602</u>	<u>4,809,502</u>	<u>4,360,696</u>	<u>4,267,663</u>	<u>2,490,490</u>
	<u>233,183,063</u>	<u>225,940,266</u>	<u>209,703,695</u>	<u>196,413,802</u>	<u>187,642,599</u>	<u>175,303,824</u>
	8,962,165	8,533,813	8,183,757	8,769,272	13,431,665	11,816,665
	1,478,088	1,910,660	2,328,098	2,643,717	2,479,940	974,893
	<u>2,930,775</u>	<u>7,874,885</u>	<u>32,799,742</u>	<u>47,070,944</u>	<u>22,149,143</u>	<u>9,316,083</u>
	<u>13,371,028</u>	<u>18,319,358</u>	<u>43,311,597</u>	<u>58,483,933</u>	<u>38,060,748</u>	<u>22,107,641</u>
\$	<u>246,554,091</u>	<u>244,259,624</u>	<u>253,015,292</u>	<u>254,897,735</u>	<u>225,703,347</u>	<u>197,411,465</u>
	4.29%	4.42%	4.77%	5.49%	7.82%	6.80%

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

	2015	2014	2013	2012
<b>Excess of revenues over (under) expenditures</b>	\$ (18,962,216)	\$ (15,246,193)	\$ 3,109,980	\$ 8,018,846
<b>Other financing sources (uses)</b>				
Principal on bonds sold	-	-	15,850,000	-
Accrued interest of bonds	-	-	-	-
Proceeds from tax debt certificates	-	-	-	-
Premium on bonds sold	-	-	353,775	-
Payments to escrow agent	-	-	-	-
Sale of capital assets	-	-	-	26,015
Capital lease proceeds	1,722,000	6,409,020	-	-
Accrued interest capital lease	-	-	-	-
Transfers in	51,000,000	38,600,000	6,922,621	3,709,894
Transfers out	<u>(51,000,000)</u>	<u>(38,600,000)</u>	<u>(6,922,621)</u>	<u>(3,709,894)</u>
Total	<u>1,722,000</u>	<u>6,409,020</u>	<u>16,203,775</u>	<u>26,015</u>
<b>Net change in fund balances</b>	<u>\$ (17,240,216)</u>	<u>\$ (8,837,173)</u>	<u>\$ 19,313,755</u>	<u>\$ 8,044,861</u>

**Source:** Audited financial statements for 2006 - 2015.

	2011	2010	2009	2008	2007	2006
\$	4,377,862	\$ 17,914,778	\$ (16,597,565)	\$ (13,875,380)	\$ 2,658,487	\$ 13,310,992
	-	-	-	-	50,470,000	4,075,000
	-	-	-	-	-	3,396
	-	-	-	-	-	2,500,000
	-	-	-	-	2,530,053	66,097
	-	-	-	-	-	(4,087,216)
	9,700	8,098	5,037	20,657	18,079	24,750
	-	42,700	-	1,416,825	-	-
	-	-	-	-	110,233	-
	2,028,221	6,091,391	48,461,077	44,349,288	8,952,821	403,544
	<u>(2,028,221)</u>	<u>(6,091,391)</u>	<u>(48,461,077)</u>	<u>(44,349,288)</u>	<u>(8,952,821)</u>	<u>(403,544)</u>
	<u>9,700</u>	<u>50,798</u>	<u>5,037</u>	<u>1,437,482</u>	<u>53,128,365</u>	<u>2,582,027</u>
\$	<u>4,387,562</u>	<u>\$ 17,965,576</u>	<u>\$ (16,592,528)</u>	<u>\$ (12,437,898)</u>	<u>\$ 55,786,852</u>	<u>\$ 15,893,019</u>

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

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Tax Levy Year	Beginning of Year Equalized Assessed Valuation	Plus New Property Value	Less Exemptions	Increase/(Decrease) in Value
2014	\$ 6,646,415,927	\$ 16,074,326	\$ 552,342,783	\$ (488,582,097)
2013	7,566,064,927	43,820,898	(565,877,936)	(397,591,962)
2012	8,189,710,378	19,512,369	(607,212,475)	(35,945,345)
2011	9,071,648,654	16,404,516	(566,052,913)	(332,289,879)
2010	10,138,488,007	26,012,067	(865,432,513)	(227,418,907)
2009	10,044,683,529	25,655,038	(1,451,895,731)	1,520,045,171
2008	9,516,690,016	37,037,714	(1,577,419,288)	2,068,375,087
2007	8,189,357,873	69,028,102	(1,716,711,322)	2,975,015,363
2006	8,143,076,872	64,637,246	(865,773,949)	847,417,704
2005	7,601,286,155	52,714,729	N/A	N/A

**Source:** Cook County Levy, Rate and Extension Reports for 2005 to 2014

\*Represents three times the Equalized Assessed Valuation.

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

End of Year Equalized Assessed Valuation	Amount of Increase/(Decrease) Over Previous Year	Percentage Increase/(Decrease) Over Previous Year	Actual Estimated Value*
\$ 6,726,250,939	\$ 79,835,012	1.20%	\$ 20,178,752,817
6,646,415,927	(919,649,000)	-12.15%	19,939,247,781
7,566,064,927	(623,645,451)	-7.61%	22,698,194,781
8,189,710,378	(881,938,276)	-9.72%	24,569,131,134
9,071,648,654	(1,066,839,353)	-10.52%	27,214,945,962
10,138,488,007	93,804,478	0.93%	30,415,464,021
10,044,683,529	527,993,513	5.55%	30,134,050,587
9,516,690,016	1,327,332,143	16.21%	28,550,070,048
8,189,357,873	46,281,001	0.57%	24,568,073,619
8,143,076,872	541,790,717	7.13%	24,429,230,616

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

	Tax Rate Ceiling	2014	2013	2012
<b>District direct rates</b>				
Educational	3.5000	2.4609	2.4399	2.0944
Special Education		-	-	-
Operation and Maintenance	0.5500	0.4252	0.4249	0.3690
Debt Service	N/A	0.0515	0.0520	0.0735
Transportation	N/A	0.1085	0.1066	0.0912
Illinois Municipal Retirement	N/A	0.0715	0.0711	0.0604
Social Security	N/A	0.0715	0.0711	0.0604
Working Cash	0.0500	<u>0.0238</u>	<u>0.0311</u>	<u>0.0228</u>
Total direct		<u>3.2129</u>	<u>3.1967</u>	<u>2.7717</u>
<b>Overlapping rates*</b>				
County of Cook		0.5680	0.5600	0.5310
Forest Preserve District of Cook County		0.0690	0.0690	0.0630
Consolidated Elections		-	0.0310	-
Town of Schaumburg		0.1150	0.1170	0.1000
Schaumburg Road and Bridge		0.0320	0.0310	0.0260
Schaumburg General Assistance		0.0160	0.0130	0.0110
Metropolitan Water Reclamation District		0.4300	0.4170	0.3700
N.W. Mosquito Abatement		0.0130	0.0130	0.0110
Harper Community College District 512		0.4510	0.4440	0.3730
Schaumburg Park District		0.7040	0.7000	0.6060
Hoffman Estates Park District		0.6730	0.6690	0.5850
Schaumburg Township District Public Library		0.3860	0.3840	0.3310
School District CC 54		<u>4.1680</u>	<u>4.1480</u>	<u>3.5780</u>
Total direct and overlapping rate		<u>10.8379</u>	<u>10.7927</u>	<u>9.3567</u>

**Source:** Office of the Cook County Clerk

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

\*Schaumburg Township

N/A - Not applicable



2011	2010	2009	2008	2007	2006	2005
1.8878	1.6504	1.4302	1.4104	1.4380	1.6662	1.6756
-	-	-	-	-	-	0.0163
0.3339	0.3151	0.2740	0.2721	0.2603	0.2688	0.2053
0.0679	0.0613	0.0548	0.0554	0.0805	0.1320	0.1294
0.0832	0.0684	0.0606	0.0600	0.0624	0.0679	0.0563
0.0544	0.0448	0.0397	0.0419	0.0442	0.0480	0.0385
0.0544	0.0448	0.0397	0.0419	0.0442	0.0480	0.0385
-	0.0191	0.0168	0.0462	0.0423	0.0300	0.0282
<u>2.4816</u>	<u>2.2039</u>	<u>1.9158</u>	<u>1.9279</u>	<u>1.9719</u>	<u>2.2609</u>	<u>2.1881</u>
0.4620	0.4230	0.3940	0.4150	0.4460	0.5000	0.5330
0.0580	0.0510	0.0490	0.0510	0.0530	0.0570	0.0600
0.0250	-	0.0210	-	0.0120	-	0.0140
0.0930	0.0820	0.0690	0.0660	0.0660	0.0800	0.0780
0.0230	0.0200	0.0170	0.0160	0.0160	0.0170	0.0160
0.0090	0.0080	0.0060	0.0070	0.0070	0.0070	0.0060
0.3200	0.2740	0.2610	0.2520	0.2630	0.2840	0.3150
0.0100	0.0090	0.0080	0.0080	0.0080	0.0090	0.0090
0.3340	0.2950	0.2580	0.2560	0.2600	0.2880	0.2810
0.5510	0.4880	0.4230	0.4090	0.4100	0.4770	0.4440
0.5210	0.4650	0.4130	0.4140	0.4200	0.4770	0.4780
0.3210	0.2950	0.2580	0.2540	0.2560	0.2870	0.2770
<u>3.1960</u>	<u>2.9960</u>	<u>2.5920</u>	<u>2.5590</u>	<u>2.5820</u>	<u>3.1040</u>	<u>3.0030</u>
<u>8.4046</u>	<u>7.6099</u>	<u>6.6848</u>	<u>6.6349</u>	<u>6.7709</u>	<u>7.8479</u>	<u>7.7021</u>

Township High School District 211  
**PRINCIPAL PROPERTY TAXPAYERS IN THE DISTRICT**  
 2014 AND NINE YEARS AGO

TAXPAYER	2014 Equalized Assessed Valuation*	Percentage of 2014 Equalized Assessed Valuation
Simon Property Group	\$ 256,316,307	3.81%
BRE Streets of Woodfield	40,021,080	0.59%
Martingale Road LLC	37,685,248	0.56%
BRE DDR Woodfield Vill	27,615,118	0.41%
ZNA Real Estate Dept (PIN 013)	26,801,307	0.40%
Motorola Inc	27,762,029	0.41%
KBS Woodfield Preserve (PIN 004)	25,928,743	0.39%
Thomson Property Tax	25,921,774	0.39%
MM Woodfield Martingale	24,950,481	0.37%
KBS Woodfield Preserve (PIN 003)	<u>23,011,500</u>	0.34%
 Total	 <u>\$ 516,013,587</u>	 <u>7.67%</u>

\*2014 Equalized Assessed Valuation is \$6,726,250,939.

Taxpayer	2005 Equalized Assessed Valuation*	Percentage of 2005 Equalized Assessed Valuation
Simon Property Group	\$ 158,466,947	1.95%
Streets of Woodfield	47,795,092	0.59%
Martingale Road LLC	35,424,204	0.44%
MM Woodfield Martingal	33,433,709	0.41%
Motorola Inc	31,385,759	0.39%
BRE DDR Woodfield Vill	28,730,487	0.35%
ZNA Real Estate Dept (PIN 013)	28,482,996	0.35%
KBS Woodfield Preserve (PIN 004)	27,109,313	0.33%
Experian North America	26,675,732	0.33%
Two Century LLC	<u>23,224,596</u>	0.29%
 Total	 <u>\$ 440,728,835</u>	 <u>5.41%</u>

\*2005 Equalized Assessed Valuation is \$8,143,076,872.

**Source:** Office of the Cook County Treasurer

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

Levy Year	Taxes Levied For The Levy Year	Collection Within The Fiscal Year of The Levy		Collections in Subsequent Years	Refunds in Subsequent Years	Total Net Collections to Date	
		Amount	Percentage of Levy			Amount	Percentage of Levy
2014	\$ 216,114,443	\$ 110,978,744	51.4%	\$ -	\$ -	\$ 110,978,744	51.4%
2013	212,485,917	109,669,981	51.6%	101,848,334	(1,040,018)	210,478,297	99.1%
2012	209,731,320	107,493,043	51.3%	102,704,411	(1,854,748)	208,342,706	99.3%
2011	203,268,612	104,601,628	51.5%	98,587,078	(2,729,334)	200,459,372	98.6%
2010	199,939,136	101,686,925	50.9%	98,338,410	(4,166,559)	195,858,776	98.0%
2009	194,253,430	101,836,453	52.4%	93,446,291	(7,224,940)	188,057,804	96.8%
2008	193,661,498	89,059,053	46.0%	104,871,629	(5,631,288)	188,299,394	97.2%
2007	187,669,127	88,618,957	47.2%	99,110,911	(6,024,787)	181,705,081	96.8%
2006	185,161,381	84,994,241	45.9%	100,212,804	(4,595,094)	180,611,951	97.5%
2005	178,344,179	79,050,449	44.3%	99,309,237	(5,214,633)	173,145,053	97.1%

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

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

Year	General Obligation Bonds	Capital Leases	Certificates of Participation	Total	Percentage of Personal Income	Outstanding Debt Per Capita
2015	\$ 11,380,000	\$ 3,858,294	-	\$ 15,238,294	N/A	N/A
2014	16,430,000	4,261,792	-	20,691,792	0.91%	106
2013	24,970,000	15,143	-	24,985,143	1.09%	128
2012	17,255,000	23,789	-	17,278,789	0.75%	89
2011	25,000,000	118,852	-	25,118,852	1.10%	129
2010	33,615,000	466,017	-	34,081,017	1.58%	174
2009	41,820,000	752,130	-	42,572,130	2.11%	221
2008	49,690,000	1,065,886	-	50,755,886	2.59%	264
2007	57,275,000	-	833,335	58,108,335	2.88%	303
2006	18,570,000	-	2,499,999	21,069,999	1.11%	110

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

N/A - Information is not available.

**Source:** US Census Bureau, and Village of Hoffman Estates, Village of Palatine, and Village of Schaumburg 2014 Comprehensive Annual Financial Reports, and District financial records.

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

Year	General Bonded Debt	Less: Amounts Available To Repay Principal	Net General Bonded Debt	Percentage of Net General Bonded Debt to Estimated Actual Valuation	Net General Bonded Debt Per Capita
2015	\$ 11,380,000	\$ 1,962,651	\$ 9,417,349	0.05%	48
2014	16,430,000	1,885,114	14,544,886	0.07%	75
2013	24,970,000	4,633,833	20,336,167	0.09%	104
2012	17,255,000	6,295,316	10,959,684	0.04%	56
2011	25,000,000	5,949,841	19,050,159	0.07%	97
2010	33,615,000	8,707,656	24,907,344	0.08%	129
2009	41,820,000	11,077,185	30,742,815	0.10%	160
2008	49,690,000	14,882,870	34,807,130	0.12%	181
2007	58,108,335	6,929,829	51,178,506	0.21%	267
2006	21,069,999	10,496,461	10,573,538	0.04%	55

**Source:** Cook County Levy, Rate and Extension Reports for 2005 to 2014 and District financial records

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Township High School District 211  
**COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT**  
As of June 30, 2015

Governmental Jurisdiction	Debt Outstanding	Overlapping Percent	Net Direct and Overlapping Debt
<b>Overlapping Debt</b>			
<b>County:</b>			
Cook County	\$ 3,466,976,750	5.258%	\$ 182,293,638
Cook County Forest Preserve	118,610,000 (2)	5.258%	6,236,514
Metropolitan Water Reclamation District	2,619,000,317 (1)	5.164%	135,245,176
<b>School Districts:</b>			
School District 15	20,633,433 (3)	85.795%	17,702,454
Community College District 509	187,887,831 (3)	0.865%	1,625,230
Community College District 512	170,935,000	39.479%	67,483,429
<b>Park Districts:</b>			
Arlington Heights Park District	22,825,000 (6)	0.060%	13,695
Elk Grove Village Park District	10,650,000	16.531%	1,760,552
Hanover Park Park District	1,449,000 (2)	15.307%	221,798
Hoffman Estates Park District	10,130,000 (2)(6)	68.239%	6,912,611
Inverness Park District	314,000	90.678%	284,729
Palatine Park District	10,255,000 (2)	99.214%	10,174,396
Rolling Meadows Park District	2,115,000	25.837%	546,453
Salt Creek Park District	659,000 (2)	71.975%	474,315
Schaumburg Park District	17,705,000 (2)	98.038%	17,357,628
South Barrington Park District	170,000 (2)	1.272%	2,162
<b>Municipalities:</b>			
Village of Arlington Heights	39,615,000 (5)	1.357%	537,576
Village of Elk Grove Village	79,370,000	17.685%	14,036,585
Village of Hanover Park	19,615,000	22.412%	4,396,114
Village of Hoffman Estates	99,825,000	68.252%	68,132,559
Village of Inverness	6,455,000	66.003%	4,260,494
Village of Palatine	97,010,317 (3)	99.920%	96,932,709
City of Rolling Meadows	12,530,000 (4)	39.172%	4,908,252
Village of Roselle	- (2)(6)	13.628%	-
Village of Schaumburg	282,040,000	97.898%	276,111,519
Village of Streamwood	6,570,000	3.250%	213,525
<b>Miscellaneous:</b>			
Palatine Special Service Area #5	5,705,000	100.000%	<u>5,705,000</u>
Total Overlapping Debt			923,569,109
<b>Direct Debt:</b>			
Township High School District 211	\$ 11,380,000	100.000%	<u>\$ 11,380,000</u>
Total Direct and Overlapping General Obligation Bonded Debt			<u>\$ 934,949,109</u>

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

**Source:** Cook County Clerk's Office

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

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Legal Debt Margin Calculation for Fiscal Year 2015

Assessed Valuation	<u>\$6,726,250,939</u>
Debt Limit - 6.9% of Assessed Valuation	\$ 464,111,315
Total Debt Outstanding	<u>15,238,294</u>
Total Debt Margin	<u>\$ 448,873,021</u>

	2015	2014	2013	2012
Debt Limit	\$ 464,111,315	\$ 458,602,699	\$ 522,058,480	\$ 565,090,016
Total Net Debt Applicable to Limit	<u>15,238,294</u>	<u>20,691,792</u>	<u>24,985,143</u>	<u>17,278,789</u>
Legal Debt Margin	<u>\$ 448,873,021</u>	<u>\$ 437,910,907</u>	<u>\$ 497,073,337</u>	<u>\$ 547,811,227</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	3.28%	4.51%	4.79%	3.06%

**Source:** Cook County Levy, Rate and Extension Reports for 2005 to 2014 and District financial records



<b>Fiscal Year</b>					
2011	2010	2009	2008	2007	2006
\$ 625,943,757	\$ 699,555,672	\$ 693,083,164	\$ 656,651,611	\$ 565,065,693	\$ 561,872,304
<u>25,118,852</u>	<u>34,081,017</u>	<u>42,572,130</u>	<u>50,755,887</u>	<u>58,108,335</u>	<u>21,069,999</u>
<u>\$ 600,824,905</u>	<u>\$ 665,474,655</u>	<u>\$ 650,511,034</u>	<u>\$ 605,895,724</u>	<u>\$ 506,957,358</u>	<u>\$ 540,802,305</u>
4.01%	4.87%	6.14%	7.73%	10.28%	3.75%

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

Year	Population*	Personal Income**	Per Capita Income**	Unemployment Rate**
2014	194,679	\$ 2,285,001,976	\$ 35,066	4.93%
2013	194,679	2,286,449,442	35,074	6.73%
2012	194,679	2,290,030,197	35,143	7.00%
2011	194,679	2,285,393,794	34,824	8.30%
2010	196,388	2,159,048,337	33,035	9.00%
2009	192,429	2,022,182,075	30,574	8.37%
2008	192,429	1,956,055,435	30,574	4.83%
2007	191,879	2,016,574,458	31,771	3.40%
2006	191,879	1,891,912,013	29,306	4.70%
2005	191,879	1,891,912,013	29,306	5.20%

**Source:** US Census Bureau, and Village of Hoffman Estates, Village of Palatine, and Village of Schaumburg 2014 Comprehensive Annual Financial Reports.

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

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

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

<u>2015</u>		
Employer	Employees	Percentage of Total Employment
Sears Holdings Corp. (HQ) <sup>(1)</sup>	6,200	32.3%
Zurich North America <sup>(2)</sup>	2,500	13.0%
AT&T Services, Inc. <sup>(1)</sup>	2,500	13.0%
St. Alexius Medical Center <sup>(1)</sup>	2,045	10.6%
Township High School District 211 <sup>(3)</sup>	1,999	10.4%
Motorola Solutions, Inc. (HQ) <sup>(2)</sup>	970	5.0%
William Rainey Harper College <sup>(3)</sup>	840	4.4%
Catamaran Corp. <sup>(2)</sup>	800	4.2%
Nation Pizza Products L.P. <sup>(2)</sup>	700	3.6%
Verizon Wireless, Inc. <sup>(2)</sup>	670	<u>3.5%</u>
	<u>19,224</u>	<u>100.0%</u>

<u>2006</u>		
Employer	Employees	Percentage of Total Employment
Sears Roebuck & Co. <sup>(1)</sup>	6,000	34.2%
SBC Illinois <sup>(1)</sup>	2,700	15.4%
Zurich US Insurance <sup>(2)</sup>	1,700	9.7%
St. Alexis Medical Center <sup>(1)</sup>	1,650	9.4%
Experian Information Solutions Inc. <sup>(2)</sup>	1,500	214.3%
Motorola, Inc. (HQ) <sup>(2)</sup>	950	5.4%
William Rainey Harper College <sup>(3)</sup>	816	4.6%
I B M Global Services <sup>(2)</sup>	800	4.6%
Allstate Financial Life Service Center <sup>(3)</sup>	750	4.3%
Automatic Data Processing, Inc. <sup>(1)</sup>	700	<u>4.0%</u>
	<u>17,566</u>	<u>305.7%</u>

<sup>(1)</sup> Hoffman Estates

<sup>(2)</sup> Schaumburg

<sup>(3)</sup> Palatine

**Source:** 2015 and 2006 Illinois Manufacturers Directory, and 2015 and 2006 Illinois Services Directory.

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

	2015	2014	2013	2012
<b>Administration:</b>				
Superintendent	1	1	1	1
Associate Superintendent	2	2	2	2
Assistant Superintendent	-	2	2	2
District Administrators	38	36	36	36
Principals and assistants	<u>25</u>	<u>25</u>	<u>25</u>	<u>25</u>
Total administration	<u><u>66</u></u>	<u><u>66</u></u>	<u><u>66</u></u>	<u><u>66</u></u>
<b>Teachers/Certified:</b>				
High school teachers	682	698	696	710
Instrumental music	15	13	12	13
Special education and bilingual	105	108	102	107
Psychologists	17	17	17	17
Social workers and counselors	63	65	63	64
Nurses	3	3	3	4
Learning center	<u>14</u>	<u>13</u>	<u>14</u>	<u>14</u>
Total teachers	<u><u>899</u></u>	<u><u>917</u></u>	<u><u>907</u></u>	<u><u>929</u></u>
<b>Other supporting staff:</b>				
Learning center assistants	21	22	23	23
Clerical 10/12 month	171	171	185	177
Teacher assistants/student supervisors	349	367	369	363
Transportation	154	151	149	147
Health assistants	5	5	5	5
Nurses	3	3	4	4
Maintenance, custodians and warehouse	180	180	186	185
Cafeteria workers	106	113	112	114
Other support staff	<u>45</u>	<u>52</u>	<u>51</u>	<u>50</u>
Total support staff	<u><u>1,034</u></u>	<u><u>1,064</u></u>	<u><u>1,084</u></u>	<u><u>1,068</u></u>
Total staff	<u><u>1,999</u></u>	<u><u>2,047</u></u>	<u><u>2,057</u></u>	<u><u>2,063</u></u>

**Source:** District personnel records.

2011	2010	2009	2008	2007	2006
1	1	1	1	1	1
2	2	2	2	2	2
2	2	2	2	2	1
36	36	36	37	36	31
25	25	25	25	25	25
<u>66</u>	<u>66</u>	<u>66</u>	<u>67</u>	<u>66</u>	<u>60</u>
699	714	707	696	683	645
13	13	8	8	8	8
105	113	129	131	123	134
16	17	16	15	15	13
61	60	58	61	58	61
3	3	3	3	3	3
14	14	15	15	15	15
<u>911</u>	<u>934</u>	<u>936</u>	<u>929</u>	<u>905</u>	<u>879</u>
24	25	22	23	18	18
177	185	205	207	232	210
349	356	310	290	279	269
149	145	143	141	139	137
5	5	5	5	5	5
4	4	3	3	3	2
182	183	181	178	176	173
110	112	110	110	110	108
49	50	21	16	15	20
<u>1,049</u>	<u>1,065</u>	<u>1,000</u>	<u>973</u>	<u>977</u>	<u>942</u>
<u>2,026</u>	<u>2,065</u>	<u>2,002</u>	<u>1,969</u>	<u>1,948</u>	<u>1,881</u>

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

Fiscal Year	Average Daily Attendance	Operating Expenditures	Cost Per Pupil	Percentage Change	Expenses
2015	11,845	\$ 208,649,659	\$ 17,615	1.33%	\$ 197,185,036
2014	11,880	206,523,210	17,384	3.54%	194,131,199
2013	12,005	201,566,760	16,790	5.25%	185,866,899
2012	12,326	196,636,941	15,953	-1.38%	185,453,618
2011	12,329	199,439,125	16,176	4.18%	185,204,679
2010	12,483	193,829,817	15,528	4.89%	180,742,069
2009	12,588	186,347,053	14,804	5.20%	176,217,477
2008	12,637	177,818,247	14,071	2.76%	165,270,937
2007	12,663	173,402,969	13,694	0.87%	161,162,530
2006	12,126	164,620,139	13,576	5.99%	153,607,706

**Source:** Operating Costs and Tuition Charge.

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	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage Free or Reduced Price-Meals
\$	16,647	1.87%	899	13.2	35.00%
	16,341	5.55%	917	13.0	30.80%
	15,482	2.90%	907	13.2	30.17%
	15,046	0.16%	929	13.3	27.58%
	15,022	3.75%	911	13.5	26.36%
	14,479	3.43%	934	13.4	23.00%
	13,999	7.04%	936	13.4	18.81%
	13,078	2.76%	929	13.6	17.00%
	12,727	0.47%	905	14.0	15.50%
	12,668	4.98%	879	13.8	14.50%

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

	2015	2014	2013	2012
<b>Palatine High School</b>				
Square Feet	445,045	445,045	445,045	445,045
Capacity (Students)	2,363 - 2,757	2,363 - 2,757	2,363 - 2,757	2,363 - 2,757
Enrollment	2,678	2,730	2,718	2,742
<b>William Fremd High School</b>				
Square Feet	411,047	411,047	411,047	411,047
Capacity (Students)	2,509 - 2,927	2,509 - 2,927	2,509 - 2,927	2,509 - 2,927
Enrollment	2,697	2,730	2,744	2,788
<b>James B. Conant High School</b>				
Square Feet	440,877	440,877	440,877	440,877
Capacity (Students)	2,379 - 2,775	2,379 - 2,775	2,379 - 2,775	2,379 - 2,775
Enrollment	2,375	2,366	2,353	2,403
<b>Schaumburg High School</b>				
Square Feet	486,279	486,279	486,279	486,279
Capacity (Students)	2,136 - 2,787	2,136 - 2,787	2,136 - 2,787	2,136 - 2,787
Enrollment	2,311	2,293	2,341	2,435
<b>Hoffman Estates High School</b>				
Square Feet	410,500	410,500	410,500	410,500
Capacity (Students)	2,325 - 2,713	2,325 - 2,713	2,325 - 2,713	2,325 - 2,713
Enrollment	1,938	1,908	1,968	2,019
<b>Academy South</b>				
Square Feet	5,000	5,000	5,000	5,000
Capacity (Students)	45	45	45	45
Enrollment	30	34	41	29
<b>Academy North</b>				
Square Feet	14,500	14,500	14,500	14,500
Capacity (Students)	60	60	60	60
Enrollment	34	35	35	37
<b>Higgins Education Center</b>				
Square Feet	25,962	N/A	N/A	N/A
Capacity (Students)	150	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A
<b>Administration Center</b>				
Square Feet	48,077	48,077	48,077	48,077
Capacity (Students)	N/A	N/A	N/A	N/A
Enrollment	N/A	N/A	N/A	N/A

**Source:** District building and enrollment records.



2011	2010	2009	2008	2007	2006
445,045	445,045	445,045	445,045	445,045	445,045
2,363 - 2,757	2,363 - 2,757	2,363 - 2,757	2,363 - 2,757	2,570 - 3,000	2,570 - 3,000
2,755	2,690	2,638	2,639	2,521	2,552
411,047	411,047	411,047	411,047	404,163	404,163
2,509 - 2,927	2,509 - 2,927	2,509 - 2,927	2,509 - 2,927	2,570 - 3,000	2,570 - 3,000
2,830	2,859	2,868	2,880	2,894	2,925
440,877	440,877	440,877	440,877	402,438	402,438
2,379 - 2,775	2,379 - 2,775	2,379 - 2,775	2,379 - 2,775	2,239 - 2,600	2,239 - 2,600
2,374	2,471	2,507	2,464	2,543	2,542
486,279	486,279	486,279	486,279	454,429	454,429
2,136 - 2,787	2,136 - 2,787	2,136 - 2,787	2,136 - 2,787	2,230 - 2,600	2,230 - 2,600
2,418	2,466	2,492	2,531	2,551	2,584
410,500	410,500	410,500	410,500	355,803	355,803
2,325 - 2,713	2,325 - 2,713	2,325 - 2,713	2,325 - 2,713	1,890 - 2,200	1,890 - 2,200
2,023	2,040	2,090	2,138	2,103	2,133
5,000	5,000	5,000	5,000	5,000	5,000
45	45	45	45	45	45
30	20	32	29	34	32
14,500	14,500	14,500	14,500	14,500	14,500
60	60	60	60	60	60
27	38	37	40	37	37
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
48,077	48,077	48,077	48,077	41,310	41,310
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

Township High School District 211  
**MISCELLANEOUS STATISTICS**  
JUNE 30, 2015

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<b>Location:</b>	Chicagoland
<b>Date of Organization:</b>	1875
<b>Number of Schools:</b>	5 High Schools 2 Alternative Schools
<b>Area Served:</b>	62 Square Miles <b>Townships of:</b> Palatine and Schaumburg <b>Communities of:</b> Hoffman Estates, Inverness, Palatine, and Schaumburg; as well as portions of Arlington Heights, Elk Grove Village, Hanover Park, Rolling Meadows, Roselle, Streamwood, and South Barrington
<b>*Median Home Value:</b>	Village of Palatine: \$277,700 Village of Schaumburg: \$243,500 Village of Hoffman Estates: \$261,000 Village of Inverness: \$631,500 Cook County: \$231,200 State of Illinois: \$182,300
<b>Student Enrollment:</b>	12,203
<b>Certified Teaching Staff:</b>	899
<b>Average Class Size:</b>	21.4
<b>Pupil/Teacher Ratio:</b>	13.6:1

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