



**TOWNSHIP HIGH SCHOOL  
DISTRICT 214**  
Arlington Heights, IL 60005  
Cook County  
[www.d214.org](http://www.d214.org)

**ANNUAL BUDGET  
FISCAL YEAR 2017 - 2018**

**Dr. David Schuler  
Superintendent**

**Cathy Johnson  
Associate Superintendent  
for Finance and Operations**

# Table of Contents

<b>SECTION 1: INTRODUCTORY SECTION</b> .....	<b>1</b>
<i>Executive Summary</i> .....	<i>1</i>
<i>District Background</i> .....	<i>2</i>
<i>Board of Education</i> .....	<i>3</i>
<i>District Administration</i> .....	<i>3</i>
<i>Mission and Vision</i> .....	<i>3</i>
<i>District 214 Board of Education Goals</i> .....	<i>4</i>
<i>District 214 Instructional Goals</i> .....	<i>5</i>
<i>Performance Results</i> .....	<i>6</i>
<i>Chart 1.01 School District Comparisons</i> .....	<i>9</i>
<i>Student Enrollment Trends</i> .....	<i>11</i>
<i>Chart 1.02 Student Enrollment</i> .....	<i>12</i>
<i>Chart 1.03 Fast Facts</i> .....	<i>13</i>
<i>Chart 1.04 ACT Composite Score Means by Graduating Class</i> .....	<i>13</i>
<i>Surveys</i> .....	<i>15</i>
<i>District Departments</i> .....	<i>16</i>
<i>Meritorious Budget Award (MBA)</i> .....	<i>24</i>
<i>Certificate of Excellence Award in Financial Reporting</i> .....	<i>26</i>
<i>Certificate of Financial Recognition</i> .....	<i>28</i>
<i>Fiscal and Business Management Policy</i> .....	<i>29</i>
<i>Governmental Funds Summary</i> .....	<i>34</i>
<i>Chart 1.05 Governmental Funds Budget Summary</i> .....	<i>34</i>
<i>Description of Governmental Funds</i> .....	<i>34</i>
<i>Overview of Revenues and Expenditures for Governmental Funds</i> .....	<i>35</i>
<i>Chart 1.06 Governmental Funds – Revenues</i> .....	<i>36</i>
<i>Chart 1.07 Budgeted Revenues by Source</i> .....	<i>36</i>
<i>Property Taxes</i> .....	<i>36</i>
<i>Chart 1.08 Property Tax Rate History</i> .....	<i>38</i>
<i>Tax Increment Financing Districts (TIF)</i> .....	<i>38</i>
<i>Chart 1.09 TIF Summary</i> .....	<i>39</i>
<i>Chart 1.10 Maximum Tax Rates</i> .....	<i>41</i>
<i>Chart 1.11 Extended Tax Rates</i> .....	<i>41</i>
<i>Chart 1.12 Extended Tax Rate Chart</i> .....	<i>42</i>
<i>Chart 1.13 Governmental Funds - Expenditures</i> .....	<i>43</i>
<i>Chart 1.14 Budgeted Expense by Object</i> .....	<i>43</i>
<i>Major Salary Agreements</i> .....	<i>44</i>
<i>Chart 1.15 Contract Salary Increases and Length of Contract</i> .....	<i>45</i>
<i>Debt</i> .....	<i>446</i>
<i>Chart 1.16 Calculation of Statutory Debt Limitation and Debt Margin</i> .....	<i>47</i>
<i>Budget Outlook</i> .....	<i>47</i>
<i>Chart 1.17 Projected Surpluses (Deficits) and Fund Balance (All Funds)</i> .....	<i>48</i>
<i>Chart 1.18 Projected Fund Balances (All Funds)</i> .....	<i>48</i>
<i>Chart 1.19 Cost Containment Initiatives</i> .....	<i>48</i>

<i>Budget Additions/Changes 2017-18</i> .....	50
<b>Budget Funds</b> .....	50
Chart 1.20 <i>Budgeted Revenue Allocation by Fund</i> .....	51
Chart 1.21 <i>Budgeted Expenditure Allocation by Fund</i> .....	541
Chart 1.22 <i>Historical IMRF Rates</i> .....	544
<b>Budget Development Process</b> .....	57
<b>Budget Presentation</b> .....	57
<b>Budget Process</b> .....	58
<b>Budgetary Control</b> .....	59
<b>Budget Closing</b> .....	60
<b>SECTION 2: ORGANIZATIONAL SECTION</b> .....	62
<b>Board of Education</b> .....	62
<b>District Administration</b> .....	62
<b>Board of Education Goals</b> .....	62
<b>Building Information</b> .....	63
<b>District Map</b> .....	82
<b>Legal Structure of the District</b> .....	835
<b>Mission and Vision</b> .....	86
<b>District 214 Board of Education Goals</b> .....	87
<b>District 214 Instructional Goals</b> .....	87
<b>Performance Results</b> .....	89
Chart 2.01 <i>Summary of Fund Balances</i> .....	92
Chart 2.02 <i>Report Card Statistics</i> .....	92
Chart 2.03 <i>Operating Expense Per Pupil</i> .....	93
Chart 2.04 <i>Cost Containment Initiative</i> .....	93
Chart 2.05 <i>ACT Composite Score Means by Graduating Class</i> .....	94
<b>Surveys</b> .....	95
<b>District Departments</b> .....	96
<b>Meritorious Budget Award (MBA)</b> .....	104
<b>Certificate of Excellence Award in Financial Reporting</b> .....	106
<b>Certificate of Financial Recognition</b> .....	108
Chart 2.06 <i>ISBE Financial Recognition Score</i> .....	108
<b>Fiscal and Business Management Policy</b> .....	109
<b>District Funds</b> .....	113
Chart 2.07 <i>Historical IMRF Rates</i> .....	116
<b>District Budget Policies/Process</b> .....	119
<b>Budget Development Process</b> .....	120
<b>Budget Presentation</b> .....	120
<b>Budget Process</b> .....	121
<b>Budgetary Control</b> .....	123
<b>Fund Structure and Measurement Basis</b> .....	124
<b>SECTION 3: FINANCIAL SECTION</b> .....	130
<b>GOVERNMENTAL FUNDS</b> .....	130
Chart 3.01 <i>Governmental Funds Budget Summary</i> .....	130
Chart 3.02 <i>Budgeted Revenue by Fund</i> .....	131
Chart 3.03 <i>Budgeted Expenditure by Fund</i> .....	131

<b>Governmental Funds .....</b>	<b>132</b>
Chart 3.04 Revenues by Source and Expenditures by Object Chart.....	132
Chart 3.05 Revenues by Source Graph .....	133
Chart 3.06 Governmental Funds - Revenues .....	133
Chart 3.07 Governmental Funds - Expenditures .....	133
Chart 3.08 Expenditures by Object Graph.....	135
Chart 3.09 Expenditures by Function Chart.....	136
Chart 3.10 Instructional Expenditures Analysis Graph.....	137
Chart 3.11 Budgeted Expenditure Analysis .....	138
Chart 3.12 Projected Fund Balance – Government Funds.....	139
<b>OPERATING FUNDS .....</b>	<b>140</b>
Chart 3.13 Operating Funds Budget Summary.....	140
<b>Operating Funds .....</b>	<b>142</b>
Chart 3.14 Revenues by Source and Expenditures by Object Chart.....	142
Chart 3.15 Revenues by Source Graph .....	143
Chart 3.16 Expenditures by Object Graph.....	144
Chart 3.17 Expenditures by Function Chart.....	145
Chart 3.18 Instructional Expenditures Analysis Graph.....	146
Chart 3.19 Budgeted Expenditure Analysis .....	147
Chart 3.20 Projected Fund Balance – Operating Fund.....	148
<b>EDUCATIONAL FUND .....</b>	<b>149</b>
<b>Revenue .....</b>	<b>149</b>
<b>Expenditures.....</b>	<b>149</b>
<b>Fund Balance .....</b>	<b>153</b>
<b>Educational Fund.....</b>	<b>148</b>
Chart 3.21 Revenues by Source and Expenditures by Object .....	154
Chart 3.22 Revenues by Source Graph .....	155
Chart 3.23 Expenditure by Object Graph .....	156
Chart 3.24 Expenditures by Function Chart.....	157
Chart 3.25 Instructional Expenditures Analysis Graph.....	158
Chart 3.26 Projected Fund Balance – Educational Fund .....	159
<b>OPERATIONS &amp; MAINTENANCE FUND.....</b>	<b>160</b>
<b>Revenue .....</b>	<b>160</b>
<b>Expenditures.....</b>	<b>160</b>
<b>Fund Balance.....</b>	<b>162</b>
<b>Operations and Maintenance Fund .....</b>	<b>163</b>
Chart 3.27 Revenues by Source and Expenditures by Object Chart.....	163
Chart 3.28 Revenue by Source Graph.....	164
Chart 3.29 Expenditures by Object Graph.....	165
Chart 3.30 Expenditures by Function Chart.....	166
Chart 3.31 Projected Fund Balance – Operation and Maintenance Fund.....	167
<b>DEBT SERVICE FUND.....</b>	<b>168</b>
<b>Revenue .....</b>	<b>168</b>
<b>Expenditures.....</b>	<b>168</b>
<b>Debt Margin .....</b>	<b>169</b>
<b>Fund Balance.....</b>	<b>171</b>

<i>Debt Service Fund Summary</i> .....	172
Chart 3.32 <i>Revenue by Source and Expenditures by Object Chart</i> .....	172
Chart 3.33 <i>Revenues by Source Graph</i> .....	173
Chart 3.34 <i>Expenditures by Object Graph</i> .....	174
Chart 3.35 <i>Expenditures by Function Chart</i> .....	175
Chart 3.36 <i>Projected Fund Balance – Debt Service Fund</i> .....	176
<b>TRANSPORTATION FUND</b> .....	<b>177</b>
<i>Revenue</i> .....	177
<i>Expenditures</i> .....	177
<i>Fund Balance</i> .....	177
<i>Transportation Fund</i> .....	179
Chart 3.37 <i>Revenues by Source and Expenditures by Object Chart</i> .....	179
Chart 3.38 <i>Revenues by Source Graph</i> .....	180
Chart 3.39 <i>Expenditures by Object Graph</i> .....	181
Chart 3.40 <i>Expenditures by Function Chart</i> .....	182
Chart 3.41 <i>Projected Fund Balance – Transportation Fund</i> .....	183
<b>MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND</b> .....	<b>184</b>
<i>Revenue</i> .....	184
<i>Expenditures</i> .....	184
<i>Fund Balance</i> .....	184
<i>Municipal Retirement/Social Security Fund</i> .....	186
Chart 3.42 <i>Revenues by Source and Expenditures by Object Chart</i> .....	186
Chart 3.43 <i>Revenues by Source Graph</i> .....	187
Chart 3.44 <i>Expenditures by Object Graph</i> .....	188
Chart 3.45 <i>Expenditures by Function Chart</i> .....	189
Chart 3.46 <i>Instructional Expenditures Analysis Graph</i> .....	190
Chart 3.47 <i>Budgeted Expenditure Analysis</i> .....	191
Chart 3.48 <i>Projected Year-End Balances – Municipal Retirement/Social Security Fund</i> .....	192
<b>CAPITAL PROJECTS FUND</b> .....	<b>193</b>
<i>Revenue</i> .....	193
<i>Expenditures</i> .....	193
<i>Fund Balance</i> .....	195
<i>Capital Projects Fund</i> .....	196
Chart 3.49 <i>Revenues by Source and Expenditures by Object Chart</i> .....	196
Chart 3.50 <i>Revenues by Source Graph</i> .....	197
Chart 3.51 <i>Expenditures by Object Graph</i> .....	198
Chart 3.52 <i>Expenditures by Function Chart</i> .....	199
Chart 3.53 <i>Projected Fund Balance – Capital Projects Fund</i> .....	200
<b>WORKING CASH FUND</b> .....	<b>201</b>
<i>Revenue</i> .....	201
<i>Expenditures</i> .....	201
<i>Fund Balance</i> .....	201
<i>Working Cash Fund</i> .....	202
Chart 3.54 <i>Revenues by Source and Expenditures by Object Chart</i> .....	202
Chart 3.55 <i>Revenues by Source Graph</i> .....	203
Chart 3.56 <i>Projected Fund Balance – Working Cash Fund</i> .....	204

<b>TORT FUND</b> .....	<b>205</b>
<i>Revenue</i> .....	205
<i>Expenditures</i> .....	205
<i>Fund Balance</i> .....	205
<b>LIFE SAFETY FUND</b> .....	<b>206</b>
<i>Revenue</i> .....	206
<i>Expenditures</i> .....	206
<i>Fund Balance</i> .....	206
<b>SECTION 4: INFORMATIONAL SECTION</b> .....	<b>208</b>
<b><i>Governmental Funds Source of Revenue Increases</i></b> .....	<b>208</b>
Chart 4.01 <i>Changes in Source of Revenue (In Percentages) Chart</i> .....	208
Chart 4.02 <i>Government Funds - Fund Balance Graph</i> .....	209
Chart 4.03 <i>Governmental Funds – Expenditure by Program and Object</i> .....	210
Chart 4.04 <i>Tax Levy Projections</i> .....	215
Chart 4.05 <i>Tax Levy EAV Graphs</i> .....	215
<b><i>Local Property Tax Rates</i></b> .....	<b>217</b>
Chart 4.06 <i>Property Tax Rate History</i> .....	218
<b><i>Tax Increment Financing Districts (TIF)</i></b> .....	<b>218</b>
Chart 4.07 <i>TIF Summary</i> .....	218
Chart 4.08 <i>Maximum Tax Rates</i> .....	221
Chart 4.09 <i>Extended Tax Rates</i> .....	221
Chart 4.10 <i>Extended Tax Rate Chart</i> .....	222
<b><i>Major Revenue Assumptions</i></b> .....	<b>222</b>
Chart 4.11 <i>Projected Property Tax Revenue</i> .....	223
<b><i>Corporate Personal Property Replacement Tax</i></b> .....	<b>223</b>
Chart 4.12 <i>Corporate Personal Property Replacement Tax</i> .....	223
<b><i>Evidence-Based Funding</i></b> .....	<b>223</b>
<b><i>Other Categorical State</i></b> .....	<b>224</b>
<b><i>Significant Expenditures</i></b> .....	<b>225</b>
<b><i>Salaries and Benefits</i></b> .....	<b>225</b>
Chart 4.13 <i>Contract Salary Increases &amp; Length of Contract</i> .....	226
Chart 4.14 <i>Cost Containment Initiative</i> .....	227
<b><i>Bonded Debt Amortization Schedules</i></b> .....	<b>227</b>
Chart 4.15 <i>Long-Term Debt Amortization Schedule</i> .....	228
<b><i>Property Tax Assessment Rate and Collections</i></b> .....	<b>229</b>
Chart 4.16 <i>Property Taxes Assessed and Collected</i> .....	229
Chart 4.17 <i>Property Taxes Collected</i> .....	229
<b><i>Property Tax Assessed Value and Market Value</i></b> .....	<b>230</b>
Chart 4.18 <i>Property Taxes Assessed and Market Value</i> .....	230
Chart 4.19 <i>Assessed Value</i> .....	230
<b><i>Impact on Taxpayers</i></b> .....	<b>231</b>
Chart 4.20 <i>Property Tax on Home Valued at \$300,000</i> .....	231
Chart 4.21 <i>Annual Property Tax on Home Valued at \$300,000</i> .....	231
<b><i>Governmental Funds</i></b> .....	<b>232</b>
Chart 4.22 <i>Five Year Comparison and Three Year Financial Projection Chart</i> .....	232
Chart 4.23 <i>Projected Year-End Balances Graph</i> .....	233

<b>Operating Funds .....</b>	<b>234</b>
Chart 4.24 Five Year Comparison and Three Year Financial Projection Chart .....	234
Chart 4.25 Projected Year-End Balances Graph.....	235
<b>Educational Fund .....</b>	<b>236</b>
Chart 4.26 Five Year Comparison and Three Year Financial Projection Chart .....	236
Chart 4.27 Projected Year-End Balances Graph.....	237
<b>Operations and Maintenance Fund .....</b>	<b>238</b>
Chart 4.28 Five Year Comparison and Three Year Financial Projection Chart .....	238
Chart 4.29 Projected Year-End Balances Graph.....	239
<b>Debt Service Fund.....</b>	<b>240</b>
Chart 4.30 Five Year Comparison and Three Year Financial Projection Chart .....	240
Chart 4.31 Projected Year-End Balances Graph.....	241
<b>Transportation Fund.....</b>	<b>242</b>
Chart 4.32 Five Year Comparison and Three Year Financial Projection Chart .....	242
Chart 4.33 Projected Year-End Balances Graph.....	243
<b>Municipal Retirement/Social Security Fund .....</b>	<b>244</b>
Chart 4.34 Five Year Comparison and Three Year Financial Projection Chart .....	244
Chart 4.35 Projected Year-End Balances Graph.....	245
<b>Capital Projects Fund.....</b>	<b>246</b>
Chart 4.36 Five Year Comparison and Three Year Financial Projection Chart .....	246
Chart 4.37 Projected Year-End Balances Graph.....	247
<b>Working Cash Fund.....</b>	<b>248</b>
Chart 4.38 Five Year Comparison and Three Year Financial Projection Chart .....	248
Chart 4.39 Projected Year-End Balances Graph.....	249
<b>Enrollment Methodology .....</b>	<b>250</b>
Chart 4.40 Student Enrollment Projection Accuracy.....	251
Chart 4.41 Student Enrollment History for Six High Schools.....	251
Chart 4.42 On-Site Schools .....	251
Chart 4.43 Enrollment – Buffalo Grove High School.....	253
Chart 4.44 Enrollment – Elk Grove High School .....	254
Chart 4.45 Enrollment – John Hersey High School.....	255
Chart 4.46 Enrollment – Prospect High School .....	256
Chart 4.47 Enrollment – Rolling Meadows High School.....	257
Chart 4.48 Enrollment – Wheeling High School.....	258
Chart 4.49 Employee Head Count .....	259
<b>Personnel Demographics.....</b>	<b>260</b>
Chart 4.50 Employee Demographic.....	259
Chart 4.51 Teacher Education .....	259
Chart 4.52 Teacher Retention .....	259
Chart 4.53 High School Students per Teacher.....	259
<b>Surveys.....</b>	<b>262</b>
<b>Performance Measures .....</b>	<b>264</b>
Chart 4.54 Student Demographics .....	264
Chart 4.55 Low Income Population .....	264
Chart 4.56 English Learner Population.....	264
Chart 4.57 Drop Out Rate.....	264

<i>Chart 4.58</i>	<i>Free/Reduced</i> .....	264
<i>Chart 4.59</i>	<i>Instructional and Operational Spending compared to State</i> .....	268
<i>Chart 4.60</i>	<i>School District Comparisons</i> .....	269
<b>Goal-Related Findings</b>	.....	<b>270</b>
<i>Chart 4.61</i>	<i>Course Success Rate (D &amp; F Report)</i> .....	271
<i>Chart 4.62</i>	<i>AP Course Participation – Graduating Senior Cohort</i> .....	272
<i>Chart 4.63</i>	<i>AP Course Performance (Graduating Senior Students)</i> .....	274
<i>Chart 4.64</i>	<i>Overall AP Performance – All Students</i> .....	275
<i>Chart 4.65</i>	<i>ACT Composite Score Means by Graduating Class</i> .....	276
<i>Chart 4.66</i>	<i>College Course Ready</i> .....	278
<i>Chart 4.67</i>	<i>SAT Results</i> .....	279
<b>GLOSSARY</b>	.....	<b>280</b>
<b>REFERENCES</b>	.....	<b>284</b>



# **INTRODUCTORY SECTION**

December 14, 2017

The Honorable Board of Education  
Township High School District 214  
2121 Goebbert Road  
Arlington Heights IL 60005

Dear Board Members:

The Fiscal Year 2017-2018 annual budget for Township High School District 214 (the District) is submitted for your review. This budget presents the District's finance and operations plan, and all necessary disclosures.

### ***Budget Presentation***

The budget includes the operating, working cash, debt service, and capital project funds of the District. The District Superintendent and the Associate Superintendent for Finance and Operations assume responsibility for the data, accuracy, and completeness of this budget. The budget presents the District's finance and operations plan and all necessary disclosures and reflects the financial support of the goals and objectives of the District.

The budget document is the primary vehicle to present the financial plan and the result of operations of Township High School District 214.

The budget document is presented in four main sections: Introductory Section, Organizational Section, Financial Section, and Informational Section. The Introductory Section provides an executive summary of the sections which are to follow. The Organizational Section includes a discussion of the major goals and objectives of the school district, an organizational chart, and a review of the budget process. The Financial Section presents the annual budget of revenues and expenditures for all funds, including budget comparisons with the previous year. The Informational Section presents important data and information of high public interest, such as tax rates.

## ***District Background***

Township High School District 214's creation in 1914 can, in part, be attributed to the Women's Suffrage Movement. As the creation of the District was a hotly contested election issue, men's ballots opposed the proposition while women's ballots supported the proposition. With the subsequent validation of the Women's Suffrage Act came the creation of Township High School District 214.

The district was established on March 28, 1914. In 1922, the school board adopted plans for construction of nine classrooms, an auditorium, and a gymnasium. Arlington High School opened to students in 1923. Increasing enrollment necessitated that several additions were constructed. The second high school constructed was Prospect High School in Mt. Prospect in 1957. In 1962, Forest View High School in Arlington Heights was constructed due to district enrollment topping over 6,300 students. Wheeling High School was constructed in 1964, Elk Grove High School in 1966, John Hersey High School in 1968, Rolling Meadows High School in 1971, and Buffalo Grove High School in 1973. By 1973, there were 19,000 students enrolled in the district. The district's enrollment peaked at 19,823 students during the 1975-1976 school year. Due to declining enrollment, Arlington High School closed in June 1984, and Forest View closed in June 1986. Forest View currently houses the administration offices and alternative programs.

Township High School District 214 is recognized as a Blue Ribbon High School District by the United States Department of Education. Located approximately 25 miles northwest of Chicago in a 68.3 square mile area, we are the state's second largest high school district serving students from Arlington Heights, Buffalo Grove, Des Plaines, Elk Grove, Mount Prospect, Prospect Heights, Rolling Meadows, and Wheeling. Nearly 300,000 residents comprise our diverse middle to upper middle-class demographic. More than 67 languages are spoken in the homes of our students. With the new regulations being determined at the state level regarding enrollment, the ISBE estimated fall enrollment is 11,789.

Township High School District 214 currently has seven campuses. The six comprehensive high schools include: Buffalo Grove, Elk Grove, John Hersey, Prospect, Rolling Meadows, and Wheeling. The Forest View Educational Center houses: The Academy at Forest View, Vanguard School, Newcomer Center, Community Education, and the District 214 administration offices.

Transforming a great school district into an elite learning organization for all is the primary focus of Township High School District 214. Working collaboratively in the spirit of "WE", all staff, administration, and Board of Education have committed to the systemic student-centered focus of continuous, rigorous academic excellence for all students. As a "lighthouse district", Township High School District continues to serve as an accessible resource for other learning organizations to model.

Township High School District 214 students matriculate from several elementary districts including: District 15, District 21, District 23, District 25, District 26, District 57, and District 59. District 214 is a member of Northwest Suburban Special Education Organization (NSSEO) which provides specific special needs services to our qualifying students.

Approximately 97% of our students graduate and 80% enroll in two- or four-year colleges. In addition, we offer more than 10 certificate programs in high-demand career areas, including manufacturing, early childhood education, culinary, networking, nursing, building trades, cosmetology, and many automotive specialties. Our students graduate college and career ready.

Township High School District 214 currently has sixteen Tax Increment Financing (TIF) districts within our boundaries. The Equalized Assessed Valuation (EAV) for the District for tax year 2014 was \$7.5 billion. The EAV for tax year 2015 was \$7.4 billion. The EAV for tax year 2016 was \$8.5 billion.

Very active Booster Clubs, Alumni Associations, and Parent Teacher Organizations provide the schools with both financial and volunteer support. Partnerships with local park districts and other organizations increase opportunities for students at many levels.

The District offers an extensive and comprehensive program for students who have special needs. As this program continues to expand and the services become enhanced, the District anticipates enrollment to continue to increase in this area.

Township High School District 214 is fully accredited by the Illinois State Board of Education.

### ***Board of Education***

Todd Younger	President	August 2011 - April 2021
F. Daniel Petro	Vice President	April 2011 - April 2019
William Dussling	Member	May 1998 - April 2019
Mark Hineman	Member	April 2009 - April 2021
Alva Kreutzer	Member	November 1999 - April 2019
Mildred (Millie) Palmer	Member	April 2017 - April 2021
Leonard (Lenny) Walker	Member	April 2017 - April 2021

### ***District Administration***

David Schuler	Superintendent
Cathy Johnson	Associate Superintendent for Finance & Operations
Kurt Laakso	Associate Superintendent for Human Resources
Lazaro Lopez	Associate Superintendent for Teaching and Learning
Marni Johnson	Assistant Superintendent for Student Services

### ***Mission and Vision***

Township High School District 214's **primary mission** is to help all students learn the skills, acquire the knowledge, and develop the behaviors necessary for them to reach their full potential as citizens who can meet the challenges of a changing society. Our **secondary mission** is to provide residents with opportunities for lifelong learning. The District 214 vision embraces continuous improvement and includes:

**Students who demonstrate...**

- analytic capabilities
- communication skills including reading, writing, speaking, listening, and numeracy
- creative expression and educated response to the creative works of others
- ethical judgment and decision-making ability
- career and life planning skills
- responsible citizenship
- understanding of ways to participate in an interdependent world
- problem solving skills
- concern, understanding, and respect in social interactions
- technological literacy
- ability to develop and maintain wellness

**An environment in which people are...**

- physically, psychologically, and emotionally safe
- treated fairly and ethically
- valued for their unique backgrounds and contributions

**Staff members who...**

- are active, lifelong learners committed to continuing professional and personal development
- are leaders in instructional practices
- create school work which engages and challenges students
- are innovative, take risks, and share what is learned from successes and failures
- are concerned, caring, and compassionate
- cooperate as partners with parents and the community in the education of students
- use student learning data to inform instructional decisions and practices

**A Board of Education that...**

- provides high quality resources for students and staff
- respects successful programs and practices
- encourages continual improvement through risk-taking and innovation
- cooperates and communicates as a partner with parents and the community in the education of students
- celebrates student and staff success
- promotes lifelong learning
- involves school and community members in decision-making processes

***District 214 Board of Education Goals***

1. **Provide quality education** that is relevant to membership in a global society and economy while maintaining a balanced operating budget and serving the student population.
2. **Increase student learning** through engagement and innovative programs to ensure students will develop self-awareness, self-management, interpersonal, and decision-making skills as measured by social and emotional learning growth objectives to establish and maintain positive relationships and achieve school and life success in a global society and economy.

3. **Promote and expand life-long learning** opportunities for residents of all ages through positive relationships, community involvement, community engagement and outreach, and collaborative planning in the efficient use of resources.

### ***District 214 Instructional Goals***

1. As measured by the Board-approved College/Career Readiness indicators, the District will **increase student success annually or will exceed a threshold** established by the Board after two years of data are collected and analyzed.

#### **College Ready Indicators**

Students are College Ready if they meet either the academic or standardized testing benchmarks listed below.

**GPA 2.8 out of 4.0** and one or more of the following benchmarks:

- Advanced Placement Exam (3+)
- Advanced Placement Course (A, B or C)
- Dual Credit College English and/or Math (A, B or C)
- College Developmental/Remedial English and/or Math (A, B or C)
- Algebra II (A, B or C)
- International Baccalaureate Exam (4+)
- College Readiness Placement Assessment (Standardized test benchmarks minimum score)  
SAT Exam: Math (530) / Reading and Writing (480)  
ACT Exam: English (18) / Reading (22) / Science (23) / Math (22)

**Additional Factors that Contribute to College Success:** Earning As, Bs, Cs; FAFSA completion; enrollment in career pathway course sequence; college academic advising; participation in college bound bridge programs; senior year math class; completion of a math class after Algebra II.

#### **Career Ready Indicators**

Students are Career Ready if they have identified a career interest and meet two of the behavioral and experiential benchmarks listed below. In addition, students entering the military upon graduation must meet the passing scores on the Armed Services Vocational Aptitude Battery (ASVAB) for each branch of the military.

**Career Cluster Identified** and **two or more** of the following benchmarks:

- 90% Attendance
- 25 hours of Community Service
- Workplace Learning Experience
- Industry Experience
- Dual Credit Career Pathway Course
- Two or more organized Co-Curricular Activities

2. As measured by the growth from PSAT to SAT, **the percent of students meeting or exceeding national growth norms from PSAT to SAT will increase annually or will**

**exceed a threshold** established by the Board after two years of data are collected and analyzed.\*

\*For the transitional years as the new SAT suite of assessments are being completely implemented, the District will use national norm data for comparison purposes.

The measurable goal related findings in the supplemental section of this document demonstrate the increase in student success in District 214. The fiscal and human capital costs related to the measurable goals are incorporated in the total operating cost per pupil. As the District achieves its goals within our educational program we are, at the same time through cost containments and efficiencies, reducing our Operational Expense per Pupil, which is quite an accomplishment.

### ***Performance Results***

The District's primary mission is to help all students learn the skills, acquire the knowledge, and develop the behaviors necessary for them to reach their full potential as citizens who can meet the challenges of a changing society. Our secondary mission is to provide residents with opportunities for lifelong learning.

Township High School District 214 has a complete academic program with more than 600 courses, as well as many programs and services for students with special needs. District 214 offers courses in language arts, mathematics, science, computer science, world language, social science, business, technology, life studies, fine arts, physical education, health, driver education, and NJROTC. Advanced Placement courses are available in English, U. S. History, European History, World History, Biology, Chemistry, Physics, Environmental Science, Computer Science, Calculus, Chinese, German, French, Spanish, Art, Psychology, Statistics, Economics, Government and Politics, Human Geography, and Music. World Language programs of study are provided in French, German, Spanish, Italian, Japanese, Mandarin Chinese, and American Sign Language.

Each school participates in the Talent Development Program. The Young Adult Education Program (YAP) is offered to students who are unable to attend day school. An English Language Learner/Bilingual program is provided if needed. Social, academic, and career counseling is provided at each school. Each school has a psychologist, social worker, police counselor, nurse, and school counselor available.

The District has equipped all students with an iPad since the 2015-2016 school year. This iPad deployment and teaching concept has been extremely well received by students and staff, with 24/7 iPad access. This has broken down walls, so students can learn at their own pace.

District 214 committed to offering students a variety of opportunities to earn early college credits while they are in high school, with an ultimate goal of ensuring our students leave our doors poised to excel. Most credits transfer to any public college or university in the nation, offering our students a low-cost head start on their postsecondary journey. Our partner higher education institutions include Arizona State University, Eastern Illinois University, Harper College, National Louis University, and Northeastern Illinois University. Each institution establishes its own fees for credit or course enrollment. In all instances, these fees represent a significant value savings to families compared to typical tuition rates on campus. District 214 offers nearly 60

dual credit course opportunities, partnering with college to provide classes that simultaneously offer both high school and college credit. These classes tie directly into District 214's Career Pathways, allowing students to explore career interests with college-level classwork.

District 214 offers more than 30 Advanced Placement courses. These classes are rigorous, mirroring college-level work, and successful completion prepares the students for a corresponding Advanced Placement examination. During the 2016-17 school year, students completed approximately 9,000 Advanced Placement courses, positioning them for college credits following the successful completion of an exam. Students who earn a score of "3" or higher on the 5-point exam are guaranteed various levels of college credit at any public state college or university in Illinois.

The Power of 15 Partnership with Harper College provides new opportunities for college credit. District 214 offers a number of college-level courses taught by our teachers. Research shows that students who enter college with 15 or more college credits are twice as likely to graduate with a degree. So, in addition to Advanced Placement courses, dual-credit classes, and career pathways, this partnership also offers students opportunities to earn college credit while in high school.

District 214 students have the opportunity by meeting strict eligibility requirements to earn up to two years free Harper tuition through the Harper Promise Scholarship Program. Promise students can miss no more than 5 days of school their freshman year, 9 days sophomore year, 8 days junior year, and 7 days senior year. They must maintain a minimum 'C' average as freshmen. The minimum grade-point average progressively increases to 2.3 on a 4.0 scale and 3.3 on a 5.0 scale by students' senior year. The program also requires 5 hours of community service for freshmen, increasing incrementally to 20 hours for seniors. The program has already changed the way some students see their life's journey, as 67% of freshmen have applied for the program.

The Career Pathways program provides students with rigorous courses, access to early college credits, industry certifications and personalized, career-specific learning experiences. There are 44 career pathways to choose from, and 2,700 annual student workplace learning experiences. In one year students earned over 34,000 early college credits.

The District also has a comprehensive extra-curricular offering including drama, service clubs, special interest clubs, music groups, and a full slate of athletic offerings available to the students. Each school has a football field, gymnasium, baseball field, tennis courts, and running track. All schools have access to swimming pools.

The Community Education department has many offerings for the lifelong learners. Over 500 courses are offered annually, and over 57,000 adults participated in the program during 2016-2017.

Four District 214 high schools, Buffalo Grove, John Hersey, Prospect, and Rolling Meadows were ranked in the top 25 high schools in the state in the US News and World Report rankings.



The list recognizes schools that perform well and uses those schools as models for others to inspire educators and communities to do well.

Five of the District 214 schools rank in the top 20 most challenging schools in Illinois, by The Washington Post.

Redefining Ready introduces a new multi-metric, research based approach to determine what it means to be college ready, career ready, and life ready. It is designed to change the narrative of public education from a standardized test philosophy to a focus on global readiness for public school students, who are driven by ideas and innovation. In considering the whole child, redefining readiness focuses on three main areas of importance: college readiness, career readiness, and life readiness.

Township High School District 214 is proud to have Dr. David Schuler as our Superintendent, for the thirteenth year. In 2009, Dr. Schuler was named one of the Top Educational Leaders in the Country under 40, by *Scholastic Administrator*. Dr. Schuler has served as president of the Suburban School Superintendents Association, and the School Superintendents Association, a national professional organization. Dr. Schuler was president of The School Superintendents Association (AASA) for the 2015-2016 school year, which champions high quality public education. Dr. Schuler champions the Redefining Ready initiative across the nation.

Dr. Schuler was the 2016 recipient of the Bob Grossman Leadership in School Communications Award. This prestigious award from the National School Public Relations Association (NSPRA) recognizes a practicing superintendent of schools for outstanding leadership in school public relations and communications. From his visionary approach to redesigning the district's communication department and engaging the community, to his personal commitment as an education leader in using communication tools and strategies to create new opportunities for students and impact the national dialogue on education, there is no doubt that he is setting a new standard for superintendents everywhere.

Dr. Schuler was just named the 2018 Illinois Superintendent of the Year by the Illinois Association of School Administrators.

The Associate Superintendent of Teaching and Learning, Dr. Lazaro Lopez, is a board member of The Partnership for College Completion in Chicago, the 10<sup>th</sup> Congressional District Educational Advisory Board, and the Northwest Educational Council for Student Success (NECSS). Dr. Lopez is also the Chairman of the Illinois Community College Board. He speaks nationally as an advocate for relevancy in schools, business partnerships, and career pathways.

For the eighth year in a row, District 214 is among the top-ranked school districts in the nation using cutting edge technology to enhance learning and curriculum. The achievement recognizes exemplary school boards' and districts' use of technology to govern their district, communicate with students, parents and community, and improve learning.

Performance data between school districts can be compared using the School Report Card data. In previous years, the School Report Card focused on student performance on state standardized

tests. The School Report Card has been completely redesigned to access important information about the school. The report has a cleaner look and design. It has at-a-glance information about school performance, school climate and learning conditions, school awards and extra-curricular programs, measures of college and career readiness, and growth measurements showing academic improvements.

**Chart 1.01 School District Comparisons**

2016-2017 School District Comparisons						
District	ACT Performance Results	Total Enrollment	% Low Income	Attendance Rate	Graduation Rate	Operating Expense Per Pupil
Niles Twp CHSD 219	22.5	4,587	32%	94%	93%	\$26,951
New Trier Twp HSD 203	27.8	4,006	3%	95%	98%	\$25,007
Twp HSD 113	25.7	3,710	10%	96%	95%	\$24,762
Lake Forest CHSD 115	26.3	1,676	3%	91%	96%	\$24,392
Northfield Twp HSD 225	26.3	5,072	14%	95%	97%	\$22,941
Evanston Twp HSD 202	23.4	3,329	41%	95%	92%	\$22,742
CHSD 128	25.6	3,308	8%	95%	98%	\$22,420
Oak Park - River Forest SD 200	24.5	3,301	19%	92%	95%	\$22,283
<b>Township HSD 214</b>	<b>23.0</b>	<b>11,978</b>	<b>24%</b>	<b>93%</b>	<b>93%</b>	<b>\$20,674</b>
Ridgewood CHSD 234	20.9	847	33%	92%	93%	\$20,135
Main Township HSD 207	22.0	6,352	28%	93%	92%	\$19,219
Fenton CHSD 100	20.4	1,499	54%	94%	92%	\$19,216
Hinsdale Twp HSD 86	25.0	4,318	16%	94%	93%	\$19,113
Adlai E. Stevenson HSD 125	26.9	4,038	5%	96%	97%	\$18,918
Dupage HSD 88	20.7	3,973	49%	93%	88%	\$18,404
Township HSD 211	22.7	11,874	35%	95%	94%	\$18,196
Oak Lawn CHSD 229	20.0	1,744	39%	94%	91%	\$17,890
Lyons Twp HSD 204	24.1	3,998	14%	95%	93%	\$17,635
Lyden CHSD 212	19.1	3,321	55%	92%	88%	\$17,595
Riverside-Brookfield Twp SD 208	22.6	1,620	20%	94%	95%	\$15,130

Source: ISBE 2017 Report Card Data

Of the twenty districts listed, District 214 statistics:

- 11th out of 20 in 2016-2017 ACT Performance Results (there is a correlation between the ACT Performance Results and Operating Expense per Pupil).
- 9th out of the top 20 districts listed in operating expense per pupil.
- 10th out of 20 in highest Low Income % (even with the higher percentage of low income students at District 214, the ACT results still remain high).

The average ACT composite score for the District 214 class of 2017 overall (23.6) for non-extended time accommodated scores continues to significantly exceed the Illinois average (21.7) and national average (21.1). The average ACT composite score for the District 214 class of 2017 overall (23.0) with the inclusion of accommodated scores continues to significantly exceed the Illinois average (21.4) and national average (21.0).

The Operating Expense Per Pupil (OEPP) is the gross operating cost of a school district (excepting summer school, adult education, bond principal retired, and capital expenditures)

divided by the nine-month ADA for the regular school term. District 214 has initiated over \$70 million in cost containments over the past ten years to help to control the Instructional Expense per pupil and achieve academic efficiency in relation to continuing increased student academic performance.

The Per Capita Tuition Charge (PCTC) is the amount a local school district charges as tuition to nonresident students. The per capita tuition charge is determined by totaling all expenses of a school district in its Educational, Operations and Maintenance, Debt Service, Transportation, Municipal Retirement / Social Security, and Tort Funds for the preceding school year less expenditures not applicable to the regular K-12 program (such as adult education and summer school), less offsetting revenues from state sources, except those from the Common School Fund, less offsetting revenues from federal sources except those from federal Impactation Aid, less revenues from student and community services, plus a depreciation allowance and dividing this amount by the nine-month ADA for the year.

The method used to fund school districts in Illinois changed with the passage of Senate Bill 1947 in August 2017, which includes the Evidence-Based Funding for Student Success Act. The Evidence Based Model contains the core values which recognize individual student needs, accounts for differences in local resources, closes funding gaps and keeps them closed, and provides a stable, sustainable system that gets districts across the state to adequacy over time. The highlights of SB1947 include:

- Funding is tied to evidence-based best practices that research shows enhance student achievement.
- Each school district is assigned an Adequacy Target based on the needs of its student body.
- New dollars go to the neediest districts first.
- Illinois state funding for students will be similar statewide, including Chicago.
- No district loses money.

The details of this new funding mechanism are being reviewed, researched, and finalized by ISBE during fall 2017 and early spring 2018.

<b>Operating Expense Per Pupil</b>	
2015 - 2016	\$20,673.85
2014 - 2015	\$19,850.00
2013 - 2014	\$19,733.62
2012 - 2013	\$19,300.72
2011 - 2012	\$17,922.80
2010 - 2011	\$17,611.11
2009 - 2010	\$17,735.03
2008 - 2009	\$16,999.66
2007 - 2008	\$15,756.95
2006 - 2007	\$15,044.06
2005 - 2006	\$14,453.07
2004 - 2005	\$14,166.75
2003 - 2004	\$14,167.16

Source: District 2017 AFR

### ***Student Enrollment Trends***

The projection is based on a two-year cohort survival ratio that averages two years of the number of students in one grade level to the subsequent grade level the following year. This ratio is then applied to the current actual year enrollment to project the fall housing count for next year. Ninth grade enrollment projections are based on a similar methodology applied to fall housing counts for the sender middle schools obtained through the ISBE IWAS Fall Housing report. Sender school students are then ‘assigned’ to the relevant high schools.

The District total enrollment has decreased since the 2011-2012 school year, but moved slightly up in 2016-2017 and is projected to remain fairly consistent in 2017-2018. Enrollment projection based on two-year enrollment history provides a better estimate of enrollment for the near future. Our projection history has shown that it projects the District total better than the enrollment for each school.

The 4 year and 9 year Cohort Survival Ratios are projecting a trend of decreasing enrollments through 2019-2020; these enrollment projections are NOT predictions. These figures are a best estimate based upon historical and current information. As the future differs from the past, the reliability of these projections will be directly affected. Changes in the economy, sociological patterns of behavior, state and/or federal legislative educational reform initiatives, the enrollment numbers from the elementary districts, etc. could significantly alter the assumptions that trigger these projections. Therefore, District 214 completes projections based on stable enrollment projections.

**Chart 1.02 Student Enrollment**

SCHOOL	2012	2013	2014	2015	2016	2017	2018 PROJ
BGHS	2091	2020	1930	1899	1960	1978	2022
EGHS	2004	1977	1935	1906	1925	1922	1928
JHHS	2029	2037	2019	1946	1897	1907	1903
PHS	2128	2087	2104	2166	2179	2165	2149
RMHS	1861	1828	1810	1904	1927	1969	1961
WHS	1798	1766	1781	1728	1793	1837	1837
<b>On-Site</b>	<b>11911</b>	<b>11715</b>	<b>11579</b>	<b>11549</b>	<b>11681</b>	<b>11778</b>	<b>11789</b>

The Two-Year Cohort Survival Ratio model has proven to be fairly accurate in aggregate for the district overall in recent years. Unfortunately, these projections are less accurate at the building and grade levels.

Enrollments are predicted to remain fairly consistent for the district, with variation by school. A few schools have projected increases (BGHS, EGHS) while others show slight decreases (JHHS, PHS, RMHS). Buffalo Grove High School is projected to experience the largest increase, of 44 students, in 2018. Prospect High School is projected to experience the largest drop, of 16 students, in 2018.

This report contains tables that show the enrollment history from 2011-2012 to 2016-2017 and the projected enrollments for 2017-2018. The projected total District enrollment for 2017-2018 school year is 11,789, a possible increase of 11 students. This year the methodology has shifted from a sender school supplied data to an ISBE IWAS data acquisition and a series of prorated projections. These data are the projection upon which staffing decisions are based. Enrollments are expected to remain fairly consistent across the district.

Based on departmental transitioning, the Enrollment Projections prepared for 2017-2018 demonstrate the history and the projections for 2017–2018. District 214 assumes consistent enrollment for financial projections.

The Superintendent, Associate Superintendents, and Principals/Directors meet in early spring to determine the correct staffing based on the staffing formula. The formula is proportionate to building specific enrollment. Each building must have a pre-determined number of FTE for specific programs, such as nurse, psychologist, trainer, innovative technology, student remediation, social worker, special education coordinator. Based on student enrollment remaining relatively constant over the next several years, staffing will also remain relatively constant at approximately 1,620.

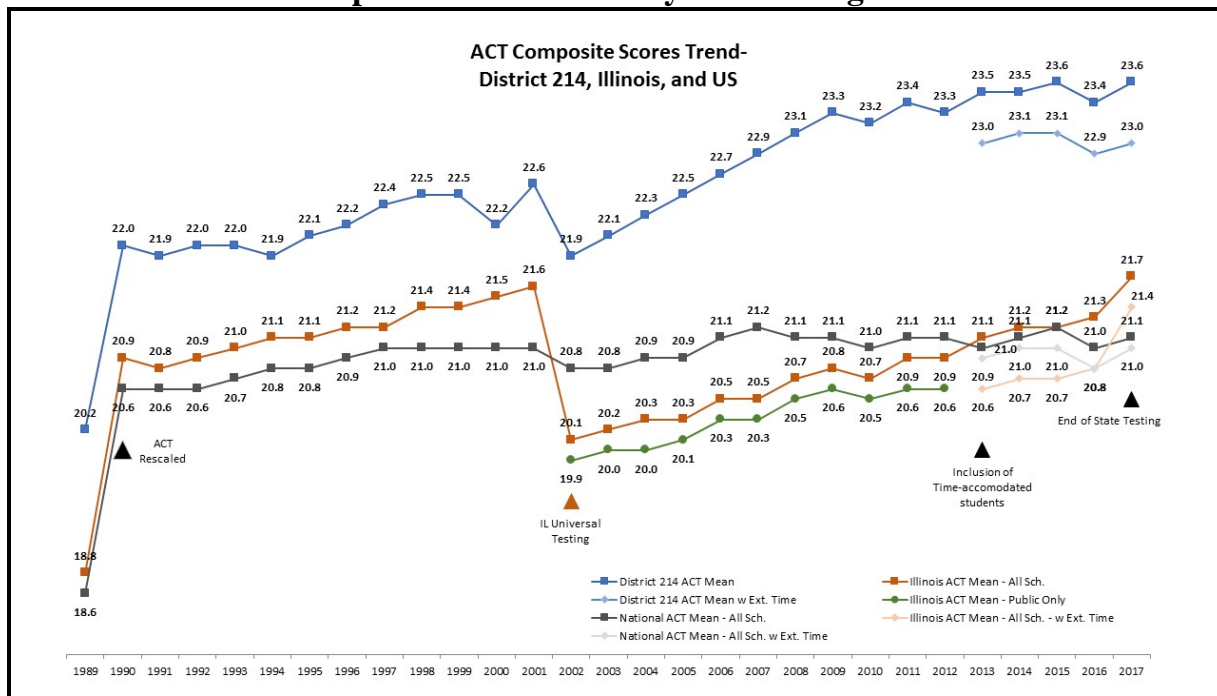
<b>Table 2 Enrollment Projection Accuracy</b>					
<b>Six School Enrollment</b>	<b>2Y CSR Enrollment Projection</b>	<b>Fall Housing Enrollment</b>	<b>Difference</b>	<b>% Different</b>	<b>% Diff (Old Methodology)</b>
2011-12	11796	11911	115	1.0%	2.7%
2012-13	11749	11715	-34	-0.3%	0.3%
2013-14	11652	11579	-73	-0.6%	-0.4%
2014-15	11540	11549	9	0.1%	-0.1%
2015-16	11598	11681	83	0.7%	1.8%
2016-17	11711	11778	67	0.6%	

**Chart 1.03 Fast Facts**

<b>Report Card Statistics</b>		
	<b>District 214</b>	<b>State of Illinois</b>
Average Class Size	21.1	20.2
High School Students per Teacher	19:1	19.5:1
Graduation Rate 4 Year	95%	87%
Graduation Rate 5 Year	97%	88%
Ready for College Coursework (meet or exceed ACT college readiness benchmarks)	66%	51%
Postsecondary Enrollment	80%	70%

Source: 2017 Illinois Report Card

**Chart 1.04 ACT Composite Score Means by Graduating Class**



The Class of 2017 maintained an average composite ACT score of 23.6. The ACT is a powerful measure of student performance, and a meaningful assessment for students who count on high scores for postsecondary participation.

The average ACT composite score for the District 214 class of 2017 overall (23.6) for non-extended time accommodated scores continues to significantly exceed the Illinois average (21.7) and national average (21.1).

ACT scores are based on the last test taken by the student, this may be the PSAE-ACT administered by District 214 as part of state requirements or it may be a national exam. Prior to the Class of 2013, ACT did not include scores for students who receive extended time accommodations to complete the test. These are now included, and the reader will notice scores remaining steady in the most recent years, even with this methodological change.

While the larger trend graph displays both these accommodated and non-accommodated scores for the past three years, data provided by ACT at the student record level does not allow for disaggregation when analyzing individual subject sub/scores. The remaining figures are based upon all assessments and do not exclude the accommodated extended time scores

The average ACT composite score for the District 214 class of 2017 overall (23.0) with the inclusion of accommodated scores continues to significantly exceed the Illinois average (21.4) and national average (21.0).

## *Surveys*

### **General Surveys**

- The Freshman Survey is administered annually in the fall to freshmen students in some schools. Information collected in this survey is used by the Student Services department to identify students who are socially and emotionally at-risk, and for planning purposes for appropriate speaker topics and counseling needs.
- The Senior Survey is administered annually to the senior class. It is a satisfaction survey that rates the quality of the student's high school experience, resources, curriculum, activities, and counseling services offered. It also surveys post-secondary plans of military, college, trade school or direct employment and, new this year, asked questions aimed at gauging interest in a District alumni program. This data is used to plan/adjust service offerings in the future.
- The Student Career Activities Survey is administered annually to the entire student body. It is a state-mandated ISBE report used when submitting the Career Technical Education Improvement Grant (CTEI)/Perkins Grant. Students rank the activities and programs offered by District 214. The results assist in curricular planning, advising career pathways, selecting appropriate speakers for our students and determining how counselors can most effectively assist our students. The survey is also effective for identifying students who should be considered for our special programs, such as Education Academy, Medical Academy, Culinary Arts Program, or Project Lead the Way, among others.
- The Needs Assessment Survey is administered to parents and staff of special needs students to determine satisfaction and concerns regarding supports and services provided by District 214 and the Northwest Suburban Special Education Organization (NSSEO). The results are used to make adjustments and improvements in future program offerings and guide professional development.

### **School Calendar/Start Time Survey**

In the fall of 2015, District 214 surveyed community members, parents, students, and staff regarding school calendars and school start times, following decisions by other districts. Approximately 6,500 individuals responded to the survey. Parents, students, and staff preferred keeping a traditional calendar, which would mean starting school in mid-August and having first semester exams prior to winter break (collegiate-style).

Parents, students, and staff also preferred to start the school day later and end the day at a reasonable time, so we will be looking to adjust bell times to approximately 8:00 am – 3:20 pm. The survey shared that Parent Teacher Conferences are viewed as valuable, so time will continued to be set aside to accommodate these. Spring Break will continue to take place the last full week in March, which has been our long-standing practice. We will finish school with final exams for underclassmen the week after Memorial Day Weekend.



Graduation will continue to occur the weekend prior to the school year ending, which would now occur on the Sunday of Memorial Day weekend. This is consistent with many other school districts, and allows travel time for extended families. The Calendar Committee also recommends that specific weekends and/or scheduled breaks become times for students and staff to focus on themselves and family.

Based on these survey results and extensive work by the committee, a pilot program encompassing the 2017-18 and 2018-19 school years will measure the impact of student attendance and achievement with the new school calendar and start times. Appropriate adjustments will be made as needed.

### ***District Departments***

District 214's departments are both informed and vested in their specialized roles to achieve the District goals. Communicating the progress toward these goals is essential for ongoing work process improvement. Examples of how various work processes advance the District 214 goals include:

#### **Teaching and Learning**

The Teaching and Learning department provides instructional leadership and coordinates District curriculum, instruction, and instructional materials for the purpose of student achievement and learning. Teaching and Learning encompasses many departments, including: academic programs, instructional materials and media, summer school, fine arts, and Navy Junior Reserve Officer Training (NJROTC).

#### **Career and Technical Education**

The Career and Technical Education department oversees several instructional opportunities for students. The District CTE Internship Program works with students to fully explore and consider the extent of their career development, outside the conventional classroom, working with employers who serve as inspirational role-models. The District Practical Architecture Program (PAC) provides students with actual on-site work experience in the construction trades. Project Lead the Way (PLTW) is a sequential engineering program that can potentially lead to 15 college credits. Students completing the Cosmetology program during Junior and Senior year are prepared to take the Illinois State Board Licensing Exam. Many other opportunities are also available.

### **Center for Career Discovery**

The Center for Career Discovery facilitates the development and coordination of customized, authentic learning experiences which provide opportunities to support students' skill development, decision-making, post-secondary goals and future career path. These experiences provide students the opportunity to observe and engage with professionals in their typical work setting. They learn specific job tasks, gain insight into the career planning process, identify potential career opportunities with possible areas of study, develop critical thinking competencies and problem solving abilities. The program gives students the opportunity to improve communication, including developing and utilizing networking skills. From internships to micro-internships to community-based supported work sites, all students have access to workplace learning experiences which aligns with their individual career interests, passions, and needs.

### **Driver Education**

Each student must pass the classroom portion of Driver Education in order to graduate high school. Participation in the laboratory portion of Driver Education is elective.

### **English Language Learner Program (ELL)**

Newcomer Center is designed to meet the learning and acculturation needs of students who 1) are recent arrivals to the United States, 2) are at the beginning level of English fluency, and 3) might have gaps in their formal education. The center provides a flexible program of instruction combining comprehensive diagnostic and placement assessment, intensive English language and content instruction, and counseling with a strong emphasis on transitioning students to their home high schools.

### **Grants and Special Programs**

The Grants and Special Programs department provides a variety of services to the district. The primary role is to secure external funding for developing new programs and sustaining existing programs through federal, state, and private grants. The department works closely with the District 214 Education Foundation for obtaining corporate funding. Partnerships are also cultivated with state and local agencies to provide grant funded services to students, staff, and the community.

### **Professional Learning**

The primary mission is to promote the continuous improvement of district staff and increase student achievement. We provide assistance to all members to plan and actively participate in a variety of experiences that will lead to continued professional growth and renewal.

### **Research and Evaluation**

The Department of Research and Evaluation provides information about student performance to enhance student learning and school improvement. We provide services and support to schools for test-taking, overseeing testing, processing and analyzing test data, conducting timely applied research and promoting accountability by linking school and departmental practice to performance in the classroom and on standardized tests.

## **Human Resources**

The Human Resources Department is dedicated to promoting a positive work environment that encourages employees to perform at the highest level of achievement and to contribute in meaningful ways to the district.

- Recruitment, development, and retention of high caliber staff are key components in enabling District 214 to perform at the highest level of achievement.
- Assists and guides staff on work-related matters.
- Facilitates positive employee relationships and creates a workplace that reflects the values of the District.
- District 214 utilizes Global Compliance Network (GCN) online training modules as a component of yearly staff orientation related to compliance issues, such as, blood-borne pathogens, crisis plan, drug/alcohol policy, internet policy, mandated reporter policy, and general/sexual harassment. In addition, custodial maintenance employees are required on a yearly basis to review hazard communications, personal protection equipment, and slip & fall prevention videos.
- Aesop is the electronic absence reporting and substitute system that can be accessed 24 hours a day, seven days a week. The system accurately tracks sick, personal, and vacation time for employees.
- Manages work group negotiations, FMLA, staff evaluations, and unemployment issues.
- Reviews and updates job descriptions.
- Completes ISBE state reporting.
- Coordinates the District Wellness Days.

## **Student Services**

The Student Services Department provides information that pertains to a student's legal rights and responsibilities. The department provides support and direction to district counselors, special education teams, nurses, data processors, and registrars. Township High School District 214 is committed to serving all students with special needs. The Bridge program allows for an extended educational experience in the way of daily living skills and community connections for students with special needs between the ages of 18 – 21. To meet the needs of our alternative school students, instructional coaches were hired to observe and coach new and experienced teachers as they assist in the implementation of school and district instructional goals.

### **The Career Life Skills Program (CLS)**

CLS provides students with significant cognitive delays, an opportunity for academic, vocational, and social growth.

### **The Academy at Forest View (TAFV)**

The Academy at Forest View gives students an opportunity to deal with significant emotional or behavioral challenges through a therapeutic approach while continuing their progress toward a high school diploma. Students focus on developing independence, belonging, mastery, and generosity in the school and community.

### **Vanguard School**

Vanguard School is an alternative program that provides a nontraditional educational experience for District 214 students who are not meeting the educational credits. Through social emotional support we build positive relationships that help students find their pathway to success. Vanguard is a pioneering effort that provides a nontraditional education where a

team of teachers implements new instructional techniques, uses innovative curriculum, and utilizes community resources to meet the academic needs and career aspirations of students.

### **Newcomer Center**

Newcomer Center is designed to meet the learning needs of high school aged second language learners who recently arrived in the United States. After completing the program, students are transitioned to their home high school.

### **Young Adult Program**

The Young Adult Program is designed to help young adults earn their high school diploma in the evening. It also offers credit recovery for students who are currently enrolled in day school.

### **Community Engagement and Outreach**

- The Community Engagement and Outreach Department focuses on raising awareness of and creating a dialogue among internal and external stakeholders regarding the innovative examples of teaching and learning in the District.
- The department is charged with enhancing the national narrative of public education to include examples, as illustrated by District 214, in which public education is working.
- The department develops strategic communications and community engagement solutions, including overseeing the District 214 Education Foundation, to support the vision and goals of the District and works to promote the achievements of District 214 students, faculty and staff.
- Coordinates communication between the district and community.
- Handles media requests and work to promote the achievements of District 214 students, faculty, and staff.

### **Community Education**

- The mission of Community Education is to provide opportunities for lifelong learning and improve the quality of life in our community.
- The Continuing Education program offers more than 500 courses annually in the following categories: Arts, Culinary, Finance, Law and Real Estate, Fitness and Athletics, Health and Wellness, Hobbies and Leisure, Home and Garden, Languages, Professional Development, Technology and Youth and Family Programs.
- The Adult Education & Family Literacy program provides basic educational services to adults who are English-as-a-Second-Language (ESL) learners, the undereducated, the unemployed or underemployed or low income and who reside or work in this community. Services include preparation to take the Illinois High School Equivalency test, U.S. Citizenship Training, Basic Reading and Math and one-to-one tutoring for beginning adult readers.
- Shows, performances and festivals, through the Cultural & Performing Arts program, promote diversity and provide access to quality and affordable events. To keep the arts alive in our community, Community Education partners with community organizations, produces a concert series and provides a platform for local talents through The Theater Lab, a grassroots community theater that was launched in the fall of 2015.
- The Community Education Travel program, referred to as CET, provides a one-stop and hassle-free service, offering day trips, motor coach tours or worldwide travel and cruises.

- The department provides community connections through various communication materials including the Continuing Education program guide, Gold Card Club newsletter, Community Education Travel newsletter and website and collaboration through the Community Education Advisory Council and our partnerships with local organizations.
- Through Intergenerational programs, the department spearheads the annual Senior Celebration Day and provides help to low-income seniors through the Acts of Kindness (A-OK) Maintenance program that is offered in the spring and fall.
- Participation in all Community Education programs, workshops, the advisory council, service learning activities, committees and volunteers involves approximately 57,000 people annually.

**Finance and Operations**

The Finance and Operations Department has been recognized for financial excellence by receiving the Meritorious Budget Award from ASBO International for the budget documents from 2010-2011 through 2016-2017. The Department strives for excellence in financial reporting. District 214 has received the Certificate of Excellence Award in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) from 2009 through 2016. The District has received the Certificate of Financial Recognition from the Illinois State Board of Education (ISBE) “School District Financial Profile” scoring system since 2003.

The District received a 4.0 School District Financial Profile score from ISBE since 2010.

**Food and Nutrition Services**

- Since 2014-2015, the District has opted out of the National School Lunch Program, but still participates in the Special Milk Program.
- Provides safe, nutritious, and appetizing meals and snacks at a fair price to promote and encourage the development of sound nutrition habits that will foster academic success.
- Provide student meals that contain adequate calories and a variety of foods to support growth, development, and a healthy weight.
- The School Breakfast Program is available to all students every weekday morning school is in session.
- Food is prepared on site at our buildings.

**Operations**

- On a yearly basis, update and implement the long range capital projects program. The District prides itself on outstanding and continual upkeep and improvement to all facilities. The District is comprised of seven campuses.

Name of Bldg	Year Built	Square Footage
Prospect	1957	359,828
Forest View	1962	322,184
Wheeling	1964	337,357
Elk Grove	1966	338,102
John Hersey	1968	364,847
Rolling Meadows	1971	379,629
Buffalo Grove	1973	419,068

- Responsible for life safety, security, operations, maintenance, cleanliness, design, construction, and renovation of District facilities.

- Annually the Operations Department reviews infrastructure and facilities-related academic priorities of the District and incorporates these priorities in the five-year planning process.
- District 214 boasts state of the art facilities with an ice system in place which makes ice at night when electricity costs are lower, to assist in cooling the buildings during the day. The electrical air conditioning units do not come on during the day until the ice has melted, which is environmentally friendly.
- Energy and Environmental Committee includes citizens/parents of our communities.
- Continue to explore and expand our intergovernmental partnerships as they relate to cost savings and facility usage and development.
- Maintain in-house trades professionals that help us reduce costs and repair response times on a multitude of electrical, plumbing, mechanical, equipment and carpentry work.
- Continue to expand our efforts to reuse, recycle and reduce our waste stream in many areas.
- Continue to increase revenues through a facilities rental program that seeks to balance community needs with appropriate facilities stewardship.
- Continue to plan for future upgrades by developing roofing/curtain wall, mechanical and other facility improvement priority lists which include basic scope of work, potential year of implementation and projected costs.
- Continue purchasing of “green” custodial equipment and supplies, and train staff on proper usage.
- Two of our buildings, Buffalo Grove High School in 2010 and Elk Grove High School in 2015, have earned the prestigious ENERGY STAR rating from the United States Environmental Protection Agency. To qualify for the ENERGY STAR rating, a building’s energy performance must score in the top 25% based on the EPA’s National Energy Performance Rating System. Commercial buildings that earn the ENERGY STAR rating use an average of 35% less energy than typical buildings and also release 35% less carbon dioxide into the atmosphere.
- Achieved LEED Silver certification from the United States Green Building Council for major building additions: The Buffalo Grove High School Natatorium in 2015, and the Prospect High School Natatorium in 2017. LEED Operations and Maintenance (O & M) certification is pending for Elk Grove High School.
- Several comprehensive facilities use and/or intergovernmental agreements have been developed and implemented for effective resource utilization, including:
  - District 214 and Robert Morris University have developed a comprehensive Facility Use Agreement for fifteen years, through June 30, 2027.
  - District 214 and the Mount Prospect Park District, Wheeling Park District, Rolling Meadows Park District, Elk Grove Park District, Buffalo Grove Park District, and Arlington Heights Park District have developed intergovernmental agreements for the mutual use of facilities that benefit both agencies, providing substantial cost savings to District 214 and increased access to our students for activities and athletics.
  - District 214 and the City of Rolling Meadows have developed an intergovernmental agreement for the emergency use of Rolling Meadows High School as an emergency shelter for the community, if needed in a crisis or disaster.

## **Technology**

- Recognized as a leader for the fullest implementation of technology benchmarks in the evolution of digital education.
- The District is committed to the use of technology to enhance learning opportunities of all learners to develop the 21<sup>st</sup> century skills of inventive thinking, effective communication, high productivity, and digital-age literacy to create innovative solutions to real world problems.
- By using technology to track and analyze incoming data, District 214 is better able to identify emerging student needs, both for opportunities and interventions.
- Students contribute to wikis, write blogs, create YouTube videos, and engage in a wide variety of other interactive online activities.
- The Technology Department follows the Information Technology Infrastructure Library to improve technology efficiencies, effectiveness, and processes.
- District 214 uses a mass notification system called “School Messenger” which allows the District to communicate the goals and support achievement by informing community, parents, and students through emails or voice messages.
- District 214 is preparing students for technology-based careers with options of taking Java, A+ Certification, and Cisco Networking courses.
- District 214 was named a 2010 Technology Leadership Network Salute District.
- District 214 was ranked in the top 10 school districts in the nation for the past 7 years by the Center for Digital Education and the National School Boards Association in the Digital School District Surveys.
- National School Boards Association named Township High School 214 as the recipient of the 2010 Salute Trailblazer Award honoring the use of technology to promote student achievement.
- The Instructional Technology Innovation That Works Program was selected as an Apple Distinguished Program for the 2012-13 and 2015-16 school years, for its teacher driven, student focused iPad deployment.
- Upgraded its network to provide the bandwidth necessary for students and staff to access 21<sup>st</sup> century cloud-based curriculum.
- Named a “Top 10 District” by the Learning Counsel. The District’s responses to a Curriculum Survey assessment, among other criteria, organizational practices, digital curriculum tactics and usage ranked it as one of the 10 best school districts in the nation.

## **Business Services**

- The Business Office performs the day-to-day financial activity of the District.
- The Business Office encompasses: accounting, accounts payable, insurance (health, liability, and risk management), payroll, purchasing, transportation, treasury function, workers compensation, data production services, and mailroom.
- Work with PMA Financial Network and Forecast5 on long range projection models.
- Increased the programs using the electronic/paperless payment of registration fees.
- Immediate reviews regarding Workers’ Compensation accidents and student accidents.
- Continuing Safety Committees at each building to decrease Workers’ Compensation accidents and student accidents.
- Secondary School Cooperative Risk Management Program (SSCRMP) with District 211, District 207, and District 225. We have contracted with a full time dedicated adjuster and

safety director who are both placed on site at District 214. It has proved that the expanded workers compensation model reduces the number of student, staff, visitor, and transportation accidents, saving District 214 (and SSCRMP in its entirety) significant money.

- SSCRMP has agreed to pool for the purpose of leveraging our size. The pooling approach improves service and position to weather the many health care initiatives and increased coverage paid for by the employer over the next several years.
- The District utilizes an outside appraisal service for the appraisal, control and inventory of capital assets. Industrial Appraisal Company completed a comprehensive appraisal of the District's assets in November 2013. Appraisals are used for verification and updating of replacement values for inventory and insurance purposes. The District maintains a set of procedures and an approval process for the disposal, removal, loan or hire of District property in Section 3551 of the Board of Education Policy Manual. The policy is in compliance with ILCS 5/10-22.8.
- The District maintains a set of procedures and approval process for contract approval, bid requirements and awards and for purchasing in accordance with 105 ILCS 5/10-20.21 in section 3310 of the Board of Education Policy Manual. The policy includes:
  - Guidelines and dollar amounts for bids and quotes.
  - Guidelines and dollar amounts for contract approvals.
  - Pre-approval of purchase orders before purchasing.
  - Purchasing within budgetary limitations.
  - Board approval of lease agreements.
  - Cooperative purchasing.
  - Conflict of interest and ethical guidelines.
- Data Production Services (DPS) provides complete production capabilities for district office and individual school requests.
- Mailroom provides courier service between buildings for collection/distribution of internal and external documents and mail.



### ***Meritorious Budget Award (MBA)***

The District received the Meritorious Budget Award (MBA) for fiscal year 2010-2011 through the 2016-2017 budgets from the Association of School Business Officials (ASBO) International. The MBA recognizes excellence in school budget presentation and is conferred on school districts that have met or exceeded strict guidelines. The guidelines provide a means for the business management staff, school board, and community to use the budget document as an effective decision-making and communications tool.



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

This Meritorious Budget Award is presented to

## TOWNSHIP HIGH SCHOOL DISTRICT 214

for excellence in the preparation and issuance of its budget  
for the Fiscal Year 2016-2017.

The budget adheres to the principles and standards  
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

**Mark C. Pepera, MBA, RSBO, SFO**  
Acting President

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

**John D. Musso, CAE, RSBA**  
Executive Direct

### ***Certificate of Excellence Award in Financial Reporting***

The District received the Certificate of Excellence Award in Financial Reporting for fiscal years ending June 30, 2009 through June 30, 2016 from the Association of School Business Officials (ASBO) International. This award represents a very significant achievement and reflects the District's commitment to the highest standards of school system financial reporting. The Certificate of Excellence is the highest recognition for school district financial operations offered by ASBO International and confirms that the District's Comprehensive Annual Financial Reports (CAFR) have met or exceeded the standards set by ASBO International.



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

**Township High School District 214**

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

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



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

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

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

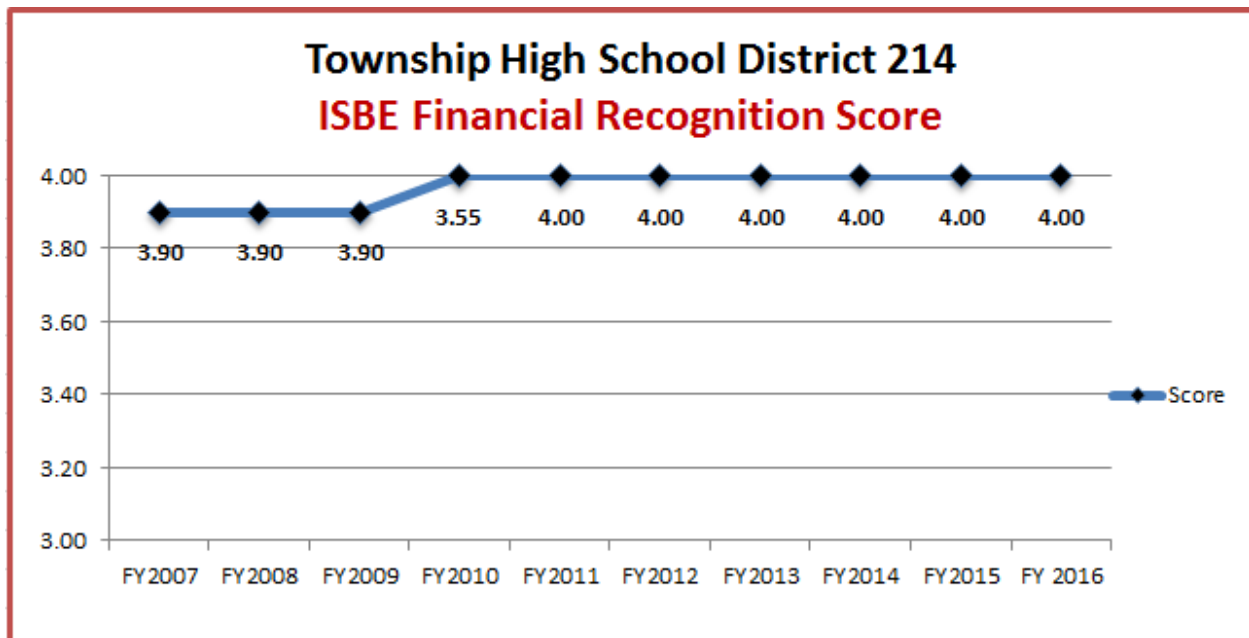
**John D. Musso, CAE, RSBA**  
Executive Director

## ***Certificate of Financial Recognition***

Since the spring of 2003, the Illinois State Board of Education (ISBE) has utilized a new system for assessing a school district's financial health. The new financial assessment system is referred to as the "School District Financial Profile". The new system uses five indicators which are individually scored and weighted in order to arrive at a composite district financial profile. The indicators are as follows: fund balance to revenue ratio; expenditures to revenue ratio; day's cash on hand; percent of short-term borrowing ability remaining; and percent of long-term margin remaining. The best category of financial strength is Financial Recognition. A school district with a score of 3.54 – 4.00 is assigned to this category. These districts require minimal or no active monitoring by ISBE unless requested by the district. The District received the Certificate of Financial Recognition for fiscal year ending June 30, 2009 with a score of 3.9. For FY 2010 through FY 2016, ISBE awarded District 214 with the highest designation of 4.0. This award recognizes the strong financial position of the District in its management of annual resources and fund balances.

Annually, ISBE publishes District 214's financial profile which generates from our Annual Financial Report (AFR), form 50-35. As shown below, over the past ten years, the District has received Financial Recognition status and our financial score has been on a lateral or upward move in spite of the difficult economic times our state and District have been facing. The past seven years, we have been given a perfect 4.0 Financial Score.

Township High School District 214 will continue to implement cost containment initiatives and innovative ideas with minimal impact to student programs. The District strives for continuous financial improvement, accountability and recognitions.



## ***Fiscal and Business Management Policy***

- District shall prepare and adopt a balanced Operating Budget.
- District shall maintain long term financial projections. District 214 uses the Financial Planning Program (FPP) which provides the ability to address “what if” scenarios.
- District shall maintain a fund balance of minimally five to six months of expenditures.
- District will find cost savings to delay deficit spending.
- District maintains an investment policy consistent with statute.
- District maintains a debt policy consistent with statute.
- District maintains a long term capital facilities plan.
- District maintains a long term life safety plan.
- District maintains a technology implementation plan.
- District developed a replacement schedule for long-life assets to allocate annual costs and assist in projecting future needs.
- District has not issued tax anticipation warrants or revenue anticipation notes.
- District has no record of default and has met its debt repayment obligations promptly.

### **Accounting Systems and Budget Control**

The District administration is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles. The internal controls are designed to provide reasonable 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.

The financial statements are prepared 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. The presentation allows the reader to obtain an overview of the District’s financial operations by viewing the combined statements. Detailed representations of the combined statements are available throughout the remainder of the report.

### **Cash Management and Treasury Function**

Cash and investments of the District are maintained by the District Treasurer. The Board of Education appointed the Associate Superintendent for Finance and Operations to serve as the District Treasurer. District 214 has administered the Wheeling Township Intergovernmental Treasury Agreement, since July 1, 1996 at the abolishment of the Wheeling Township School Treasurer. District 214 provides investment and banking related services for District 214, District 21, District 23, District 25, District 26, and Northwest Suburban Special Education Organization 805. This pooling of investment dollars enhances our ability to maximize investment yields.

The Treasurer is responsible for the investment of funds. Investments are maintained in deposits with financial institutions, savings and checking accounts and non-negotiable certificates of

deposit, repurchase agreements, and U. S. Treasury obligations. Certificates of deposits are covered under FDIC insurance limits for privately insured or collateralized. The Treasurer submits monthly investment reports to the Board of Education. The District secures investment bids prior to investing funds. Investment strategies are structured to obtain the best yield for all invested funds while meeting the District's goals of safety and liquidity.

### **Investment Policy**

The District maintains a set of procedures for the investment of School District funds that includes the following elements in Section 4:30 of the Board of Education Policy Manual. The policy is in compliance with the Public Funds Investment Act.

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

### **Risk Management/Insurance**

District 214 is a member of the Secondary School Cooperative Risk Management Program (SSCRMP). District 214 along with District 211, District 207, and District 225 participate in this comprehensive risk management pool. The pool provides comprehensive insurance coverage at a lower cost than the school districts can obtain individually. Coverage includes property casualty, general liability, school board liability, vehicle liability, professional liability, workers compensation, and health insurance. District 214 is self-insured for employees' medical, vision, and dental insurance. Independent third-party companies administer benefit claims for the District's self-insurance plans.

In the fall of 2012, District 214 had a security audit completed by RETA Security during which the following improvements were noted:

- the entire detection camera system has been replaced by a digital internet protocol based system
- schools are locking and monitoring entry doors
- the visibility around buildings has improved, including new signs and appropriately trimmed landscaping
- several exterior areas have improved lighting, including the addition of LED fixtures
- hand-held radios and associated infrastructure has been replaced by a state-of-the-art Motorola system
- schools used a visitor management credential exchange system
- all buildings have been re-keyed and door fobs were replaced by an ID badge with access capabilities

District 214 will continue working with local authorities and appropriate security companies to maximize school safety within budget parameters.

### **O'Hare Noise Compatibility Commission (ONCC)**

The goal of the O'Hare School Sound Insulation Program (SSIP) is to reduce aircraft noise levels in schools and create a quieter learning environment for students in the O'Hare area. As the largest and one of the oldest programs in the world, it has provided over \$300 million in federal and airport funds to sound-insulate over 120 schools. In 1996, the O'Hare Noise Compatibility Commission (ONCC) was formed to provide input and oversight to the implementation of noise programs, including the SSIP.

The O'Hare Noise Compatibility Commission (ONCC) notified District 214 that the Federal Aviation Administration (FAA) approved Elk Grove High School for funding to reduce aircraft noise in the school. Township High School District 214 received a \$13.4 million grant from the Federal Aviation Administration for Elk Grove High School renovations to mitigate sound levels for student learning. The FAA paid 80% of the improvement costs and the city of Chicago paid the remaining 20%. The project allowed renovation in 85+ spaces, including 71 classrooms, cafeteria, and gymnasium. The sound abatement results in a quieter school due to double-paned glass with thicker outside windows, new insulated roofing, high noise reduction ceiling tile, and unit ventilators with sound baffles. This will have a positive effect on the learning environment. Final reimbursement from the grant was received by the District in fall 2014.

### **Capital Assets**

The District utilizes an outside appraisal service for the appraisal, control and inventory of capital assets. Appraisals are used for verification and updating of replacement values for inventory and insurance purposes. In October of 2013, Industrial Appraisal conducted a follow-up appraisal for the District. After receiving the final report, the District completed the requests and reconciled the fixed asset module. The financial software system includes a fixed asset module to assist with the accuracy of the capital asset data. Each year the audit firm reviews the fixed asset additions/deletions and depreciation calculations.



## **Bond Issuance**

Historically, the District has bonded for capital programs to match long-term assets with long-term debt. The Capital Projects fund bond proceeds are restricted for capital and maintenance projects to improve sites, build and equip additions, and alter, repair and equip buildings.

During 2016, the Board of Education authorized the sale of Refunding Bonds in the approximate amount of \$9,800,000. Under current market conditions, this refinancing initiative by the sale of the refunding bonds will result in an approximate present value savings of \$1,500,000 (15.9%). The factors leading to this recommendation are as follows:

- The Series 2007 Bonds are callable on December 1, 2017, a portion of which may be refunded on an advance basis.
- Short-term interest rates are currently low and the Series 2016 Refunding Bonds would not extend the debt beyond the current Series 2007 final payment of December 1, 2026.
- This is a Debt Service savings and will not provide new monies to the District.
- The savings from the reduced interest costs creates additional Debt Service Extension Base (DSEB) capacity in future years, adding flexibility for future borrowing needs.

During 2017, the Board of Education authorized the sale of Refunding Bonds in the approximate amount of \$9,900,000. Under current market conditions plus 0.25%, this refinancing initiative by the sale of the refunding bonds will result in an approximate present value savings of \$640,000 (7.05%). The factors leading to this recommendation are as follows:

- The Series 2007 Bonds are callable on June 1, 2017 and may be refunded on a current basis (within 90 days of the call date or after).
- The Series 2008 Bonds are callable on December 1, 2017 and may be refunded on a current basis.
- Short-term interest rates are currently low and the Series 2017 Refunding Bonds would not extend the debt beyond the current Series 2007 and Series 2008 final payment of December 1, 2026.
- This is a Debt Service savings and will not provide new monies to the District.
- The savings from the reduced interest costs creates additional Debt Service Extension Base (DSEB) capacity in future years, adding flexibility for future borrowing needs.

## **Capital Projects Program**

District 214 is comprised of seven campuses. The oldest building in the District is Prospect High School, which was built in 1957. District 214 prides itself on outstanding and continual upkeep and improvement to all facilities. The Capital Projects Program (CPP), formerly known as the Facilities Improvement Program and Major Maintenance, has been in operation since 1985. The purpose of the CPP is to identify and fund large capital expenditures for additions, renovation, remodeling or renewal of our facilities. Projects that fall under the CPP include: roof replacement, tuck-pointing, parking lots, sidewalks, fencing, carpeting and other flooring, fire alarms, additional facilities, modernization of instructional spaces, improvement of grounds spaces, and other capital improvement work.

The District's five-year Capital Projects Program is a budget planning tool in which the projects are determined by budget, instructional needs, school requests, and maintenance concerns. The

plan is a proactive approach to facilitate the highest priority curricular and maintenance needs over a five-year period. Data is collected from the instructional leadership regarding curricular-driven renovations or enhancements. Recommendations are sought from the Buildings and Grounds staff concerning building maintenance and repair. District architects, engineers, and specialty consultants assist to prioritize the CPP. Data is updated annually and adjusted based on current need.

Projects solicited for inclusion into the CPP are reviewed against the Facility Priority Matrix and ranked using a four-pass system. Each project is assigned a project number for tracking and accountability purposes, and then individually scored for placement in the long-range capital plan against other competing projects. Proposed projects are reviewed by the Director of Operations, Associate Superintendent for Finance and Operations, and the Superintendent. The Superintendent makes a recommendation to the Board of Education for final approval of projects.

District 214 has entered into turf field partnership agreements with four park districts, a soccer organization, and a university for turf fields at six of our seven facilities. The partners have agreed to reimburse the District for a portion of the costs of the Turf Project in exchange for certain commitments from the District for use of the Stadium during agreed upon hours. The constituencies of the partnerships will be more effectively and economically served by sharing the costs of the Turf Project.

District 214 entered into an agreement with Robert Morris University (RMU) in which RMU will have extensive use of the District 214 facilities:

- construction of certain Stadium improvements
  - the installation of a turf surface at the Stadium
  - improvements to the press box at the Stadium, including handicap accessibility
  - replacement and installation of a new scoreboard
  - RMU's expanded use of the Stadium
- construction and RMU's use of the Field House
- RMU's continued use of the Training Facility
- RMU's use of certain classrooms

### **Capital Projects Feasibility Projects**

In October, 2013, the District reviewed its long-term financial situation and identified potential capital projects to directly support and further enhanced the teaching and learning environment across the District. The capital feasibility project provided a unique opportunity to consider enhancements to the infrastructure of our schools with the help of direct and valued input from students, staff, and public without decreasing the percent of funding that we already spend on student education. It was determined that approximately \$45 million will be expended through 2018-2019 for projects at our facilities.

## Governmental Funds Summary

The chart summarizes budgeted revenue and expenses for the 2017-2018 fiscal year in the District Governmental funds. The beginning and ending balances for each fund, as well as the total for all funds, are also shown. The total ending fund balance is projected to be \$162,076,032 as of June 30, 2018.

**Chart 1.05 Governmental Funds Budget Summary 2017-2018**

Summary of Fund Balances						
All Funds						
	Beginning Balance	Revenue	Expenditure	Excess (Deficit)	Financing Sources (Uses)	Ending Balance
Educational	\$74,745,370	\$200,900,000	\$199,900,000	\$1,000,000	\$0	\$75,745,370
Operations and Maintenance	\$30,716,260	\$30,850,000	\$23,585,000	\$7,265,000	(\$8,265,000)	\$29,716,260
Debt Service	\$1,031,543	\$3,535,000	\$6,800,000	(\$3,265,000)	\$3,265,000	\$1,031,543
Transportation	\$12,768,499	\$12,200,000	\$12,200,000	\$0	\$0	\$12,768,499
Municipal Retirement	\$7,165,680	\$9,250,000	\$8,350,000	\$900,000	\$0	\$8,065,680
Capital Projects	\$26,800,596	\$1,300,000	\$15,800,000	(\$14,500,000)	\$12,000,000	\$24,300,596
Working Cash	\$17,348,084	\$100,000	\$0	\$100,000	(\$7,000,000)	\$10,448,084
Tort	\$0	\$0	\$0	\$0	\$0	\$0
Life Safety	\$0	\$0	\$0	\$0	\$0	\$0
	<u>\$170,576,032</u>	<u>\$258,135,000</u>	<u>\$266,635,000</u>	<u>(\$8,500,000)</u>	<u>\$0</u>	<u>\$162,076,032</u>

## Description of Governmental Funds

- **Educational Fund:** To account for direct costs of instructional, health and attendance services, lunch programs, cost of administration, and related insurance costs.
- **Operations and Maintenance Fund (O&M):** To account for costs of maintaining or repairing school buildings and property, renting buildings and property for school purposes, and utilities.
- **Transportation Fund:** To account for costs of transporting pupils, whether buses are purchased or contracted service providers are hired to provide transportation.
- **IMRF Fund:** To account for the District's portion of personnel pension costs related to the Illinois Municipal Retirement Fund (IMRF).
- **Working Cash Fund:** To account for taxes levied for working cash purposes or if bonds are sold for this purpose and to account for inter-fund borrowing.
- **Debt Service Fund:** To account for the District providing cash to retire and pay principal and interest on bond issues or outstanding debt.

- Capital Projects Fund: To account for actual costs related to construction projects.
- Life Safety Fund: To account for state approved Life Safety projects financed through bonds.

Budgets and financial projections are snapshots using the most current available information. School finance, however, is conducted in a dynamic environment rather than in a vacuum. Financial planning and management are affected by internal and external events. Some of these factors include:

- Future state and federal legislation affecting state aid, reimbursement, and other factors
- Volatility of the Consumer Price Index (CPI)
- Delays in receiving state funding
- Interest rates
- Enrollment growth and the additional personnel needed to accommodate the students
- Special education services needed for educationally or physically challenged students
- Number of retirees, leaving openings for newer teachers at lower salary costs
- Retiree benefits
- Pension reform
- Property tax variables
- Insurance costs and claims
- Health care reform initiatives

The District has compiled this budget using the most recent information available and estimates for unknown items using historical trend information. Some State and Federal grants have not yet been awarded a specific amount by the respective government agency given the current economic situation and uncertainty about the future funding of these programs.

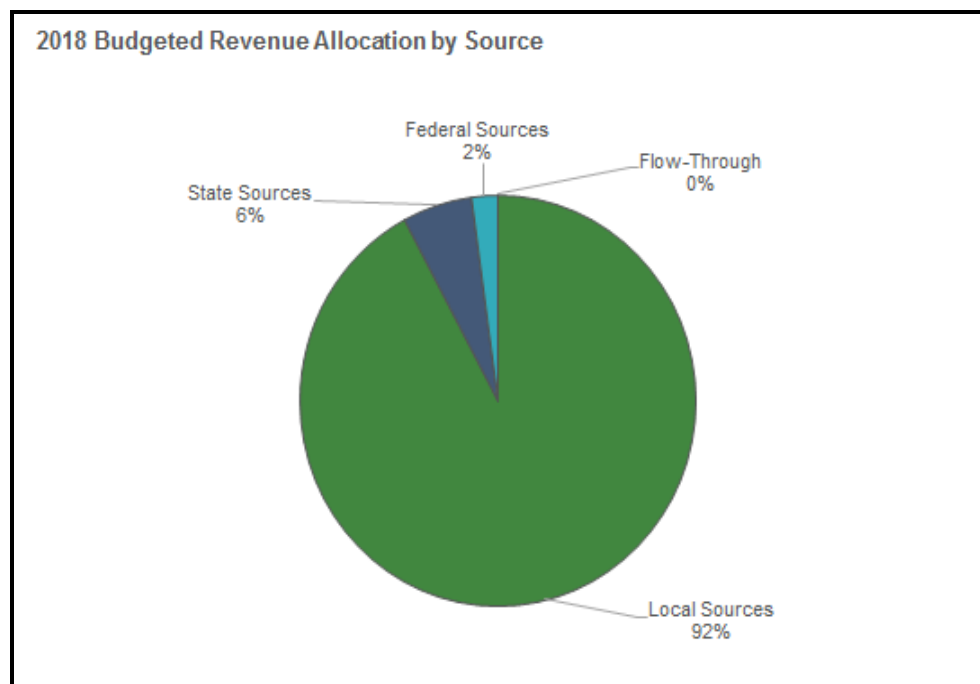
### ***Overview of Revenues and Expenditures for Governmental Funds***

The following schedule summarizes the revenues (excluding Other Financing Sources/Uses) for the Educational, Operations and Maintenance, Transportation, IMRF, Working Cash, Debt Service, Capital Projects, and Life Safety Funds. The prior year and the proposed budget year are shown, along with the percent change.

**Chart 1.06 Governmental Funds – Revenues**

Governmental Funds - Revenues			
	FY 2017 ACTUAL	FY 2018 BUDGET	% Δ
Educational	\$193,585,671	\$200,900,000	3.78%
Operations and Maintenance	\$32,181,014	\$30,850,000	-4.14%
Transportation	\$9,986,529	\$12,200,000	22.16%
Municipal Retirement	\$9,083,902	\$9,250,000	1.83%
Capital Projects	\$3,012,291	\$1,300,000	-56.84%
Debt Service	\$3,484,963	\$3,535,000	1.44%
Tort	\$0	\$0	
Life Safety	\$0	\$0	
Working Cash	\$135,778	\$100,000	-26.35%
<b>Total</b>	<b>\$251,470,148</b>	<b>\$258,135,000</b>	<b>2.65%</b>

**Chart 1.07 Budgeted Revenues by Source**



***Property Taxes***

State law and the School Code of Illinois govern the policies and procedures of school finance. Property taxes are the primary revenue source, representing 82.5% of the District’s total revenue,

including TIF distributions. The property tax cycle extends over two years. The tax year is the year of assessment and reflects the value of property as of January 1<sup>st</sup>. The tax bills are distributed and the taxes are paid in the year following the tax year.

Illinois real property values and related taxes are established on a calendar-year basis. Township High School District 214 is a municipal corporation governed by a Board of Education, which has the exclusive responsibility and accountability for certifying an annual levy to the respective county clerk. School districts in Illinois levy for each Governmental Fund. The county clerk is responsible for the extension of taxes levied by the school district within the Property Tax Extension Limitation Law (PTELL), better known as the “Tax Cap”. The County Treasurer has the responsibility of mailing the tax bills, collecting the property taxes, and remitting the revenues back to the taxing districts.

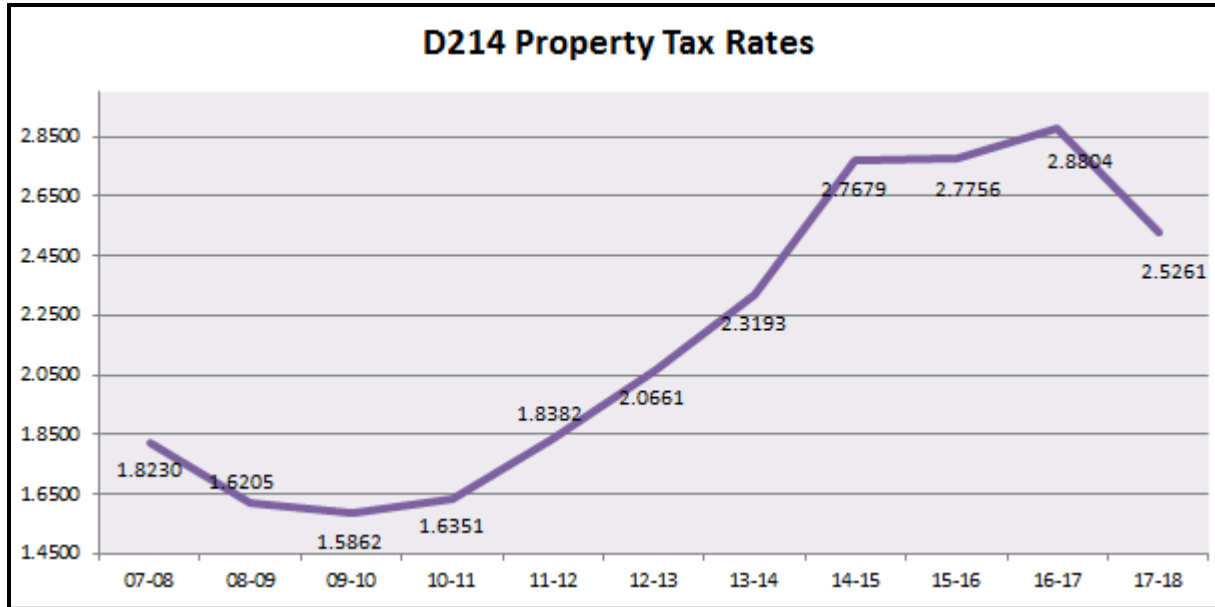
Cook County distributes their tax receipt collections in primarily two installments, the first in March and the second in late August. The CPI used for the 2014 Tax Levy was 1.5%. The CPI used for the 2015 Tax Levy was .8%. The CPI used for the 2016 Tax Levy was .7%. In preparation of the 2017 Tax Levy, the December 2016 CPI of 2.1% will be used to estimate the levy. Each levy also includes an increase in revenue generated by new property added to the tax base. For District 214 we are using projections of new property at \$25 million per year. The Board of Education will adopt the final levy in December 2017. The levy will be filed with the Cook County Clerk by December 26, 2017 (the last Tuesday in December).

<b>CPI History</b>	
2016	2.10%
2015	0.7%
2014	0.8%
2013	1.5%
2012	1.7%
2011	3.0%
2010	1.5%
2009	2.7%
2008	0.1%
2007	4.1%
2006	2.5%
2005	3.4%
2004	3.3%
2003	1.9%

The State of Illinois Department of Revenue is responsible for calculating an equalization factor for each county. This calculation is made annually using a multi-year comparison of property assessments and sales prices in each county called the assessment/sales ratio study. Once the Illinois Department of Revenue has certified the final Cook County equalization factor, the Cook County Clerk applies the factor to the final assessed values determined by the Assessor and

modified by the Board of Review. The new value is called the equalized assessed value (EAV). This value is the final taxable value of the property unless homeowner exemptions are applied.

**Chart 1.08 Property Tax Rate History**



The tax cap has had an effect of eroding the taxing body's tax rate because the equalized assessed valuation has historically increased at rates greater than the consumer price index. The result has lowered the tax rates annually. Tax rates are per \$100 of Equalized Assessed Valuation (EAV). The 2014 and 2015 EAV decreased due to the economic conditions, which caused the tax rate, as a factor in the formula, to increase. Beginning in 2016, EAV increased, which decreased the tax rate.

### ***Tax Increment Financing Districts (TIF)***

Currently, there are sixteen active Tax Increment Financing (TIF) districts within the District's boundaries:

- Arlington Heights #3 (Southwest corner Rand & Arlington Heights Road)
- Arlington Heights #4 (Northeast corner Golf and Arlington Heights Road)
- Arlington Heights (Hickory/Kensington)
- Arlington Heights #5 (Southpoint/Town & Country)
- Des Plaines #3 (Mount Prospect & Wilke Roads)
- Elk Grove (Busse/Elmhurst)
- Elk Grove (Elk Grove Town Center)
- Prospect Heights (Milwaukee/Palatine)
- Prospect Heights (Palatine Road)
- Rolling Meadows #2 (Kirchoff & Owl Drive)
- Rolling Meadows #4 (Golf Road Conservation)
- Wheeling #1 (Wheeling Crossroads)
- Wheeling #2 (South Milwaukee/Manchester Drive)

- Wheeling #3 (North Milwaukee)
- Wheeling (Southeast II)
- Wheeling (Town Center II)

TIF is a program designed to create economic growth in areas of a community where redevelopment likely would not occur without public investment. When a TIF is created, the Equalized Assessed Value (EAV) of the TIF district is frozen, and the school district does not receive additional tax dollars produced within the TIF district during the duration of the TIF. Therefore, incremental EAV accumulates within the TIF district and tax revenue generated is redirected to the respective village for economic development purposes within the TIF boundaries.

### Chart 1.09 TIF Summary

214 HIGH SCHOOL DISTRICT		District 214 TIF Summary									
Community	Tax Code	Agency Tax Code	TIF #	Location	First Tax Year	Year Expires	Extension Expiration	Frozen EAV	2016 EAV	TIF Extensions and/or Comments	
Arlington Hts	38176	03-0020-502	#3	SW corner Rand & AH Rds	1994	2017		\$923,618	\$4,497,280		
Arlington Hts	16117	03-0020-504	#4	NE corner Golf & AH Rds	2002	2026		\$5,971,996	\$11,602,859		
Arlington Hts	38229	03-0020-506		Hickory/Kensington	2014	2037		\$8,634,983	\$13,655,082		
Arlington Hts	38205	03-0020-505	#5	Southpoint/Town & Country (Palatine & Ranc	2005	2028		\$30,180,546	\$31,236,640		
Des Plaines	16115	03-0290-502	#3	Mt Prospect & Wille Rds	2000	2035		\$3,807,465	\$18,411,261	Extension Approved April 2009	
Elk Grove	16136, 16137, 16138	03-03-50-501		Busse/Elmhurst	2015	2038		\$302,233,159	\$350,356,021	2015 Frozen EAV was \$301,170,852. It went up	
Elk Grove	16114	03-03-50-500		Elk Grove Town Center	1997	2020		\$656,127	\$16,471,132		
Mt Prospect										Reset 2016	
Prospect Heights	38181, 38182	03-1040-500		Milwaukee / Palatine	1997	2020		\$14,770,722	\$19,829,624		
Prospect Heights	38183/4/5	03-1040-501		Palatine Road	1997	2020		\$2,376,261	\$1,278,786	Was a \$0 EAV in 2015 due to being Municipal property. 2016 has an EAV.	
Rolling Meadows	23156	03-1110-501	#2	Kirchoff & Owl Dr	2002	2026		\$1,541,944	\$4,047,848		
Rolling Meadows	16133	03-1110-503	#4	Golf Rd Conservation - NEW 7/28/15	2015	2038		\$13,057,833	\$24,720,505		
Wheeling	113/14/ 15/16/17	03-1310-500	#1	Wheeling Crossroads	1985	2008	2019	\$12,923,635	\$36,443,938	11.6 yr approved	
Wheeling	38199/200	03-1310-501	#2	S Milwaukee/Manchester Dr	2000	2023		\$1,694,510	\$14,269,301		
Wheeling	38202/3	03-1310-502	#3	N Milwaukee	2002	2024		\$24,748,756	\$65,310,497	Expansion Discussion 6/24/08	
Wheeling	38223/4/5/6	03-1310-505		Southeast II	2014	2037		\$41,639,362	\$47,493,560	Reset of Southeast (industrial Lane)	
Wheeling	38228	03-1310-506		Town Center II	2014	2037		\$36,124,041	\$42,773,531	Reset of Town Center	
								\$501,284,958	\$702,397,865		

The Wheeling Crossroads TIF #1 was scheduled to expire in May 2008. In 2005, the Wheeling Village Board approved intergovernmental agreements with School Districts 21 and 214 related to extending the life of the Crossroads TIF to 2019. The Village agreed to declare an annual surplus of TIF funds and mail checks to all taxing districts in December of each year. After receiving letters of support from the schools, the Illinois legislature and the Governor approved special legislation officially extending the TIF district. The intergovernmental agreements require the Village of Wheeling to do the following:

- Beginning in 2005 and continuing each year until the extended Crossroads TIF District expires on December 31, 2019, declare a surplus in the Crossroads TIF District equal to 72% (i.e. the present value of the tax proceeds each district would have received had the TIF expired in Tax Year 2008) of the annual increment.
- Distribute to each district in December of each year its pro-rata share of the surplus based on its tax rate for that tax year.

Township High School District 214 approved a position paper regarding Tax increment financing districts and related programs on September 6, 2007:



## **TOWNSHIP HIGH SCHOOL DISTRICT 214**

### **POSITION PAPER**

#### **TAX INCREMENT FINANCING DISTRICTS AND RELATED PROGRAMS**

Tax Increment Financing (TIF) Districts and related programs critically impact funding available for Township High School District 214. As the Equalized Assessed Valuation (EAV) of the property within a TIF district increases, schools do not receive any increase in tax funds for education until the TIF expires. A TIF may remain in effect up to 23 years and may be extended beyond 23 years. In addition, related programs or agreements could also have an impact on the amount of tax funds received.

Township High School District 214 is a community member of municipalities within our district boundary. The Board of Education understands that there is a need for municipalities to rejuvenate blighted business areas in order to enhance community and commercial viability; and specifically, we look to see whether an area would develop without the implementation of a TIF or related program. A vibrant community is critical for attracting businesses, thereby maintaining a tax base that will support municipalities' social services, park districts, and schools. Municipalities, which are able to demonstrate high levels of social services, park district offerings, and quality schools, are an attraction for potential residents.

It is the position of the High School District 214 Board of Education to request that municipalities provide adequate advanced notification, when reviewing whether to enact a TIF or related program, and to consider the impact on school districts. In particular, we request that municipalities consider and utilize types of project financing other than TIFs. If TIF financing is decided upon, we request municipalities limit the duration of a TIF to significantly less than 23 years and to share a significant amount of increased revenue with school districts during the TIF.

The position of High School District 214's Board of Education about TIF extensions is that without a substantial annual allocation of the increased tax increment being made available to District 214, a TIF should not be changed or modified in order to extend it beyond the original expiration date. Further, the request for a TIF extension or related program in which the extension or related program is being requested, must originate with the municipality, supported by a majority vote of council members.

Approved by the Board of Education of Township High School District 214 on September 6, 2007.

Equalized Assessed Valuations (EAV) is designed to assure equal valuation treatment across Illinois. EAV represents the taxable property base for schools as certified by the Illinois Department of Revenue. Each Board of Education determines an annual levy in terms of dollar amounts and certifies this levy to the county clerk. The county clerk is responsible for making extensions of taxes levied within the constraints of the school district limitations. Tax rates for school districts are related to specific purposes. School districts in Illinois are subject to various

limitations in property tax rates for each purpose (see table below). These rates can be increased through voter referendum, but not exceeding a maximum statutory tax rate. A tax rate in Illinois reflects the dollars levied per \$100 of EAV of real property. Dividing the dollar amount of the tax levy by total EAV of the taxing district and multiplying the product by 100 calculates the tax rate.

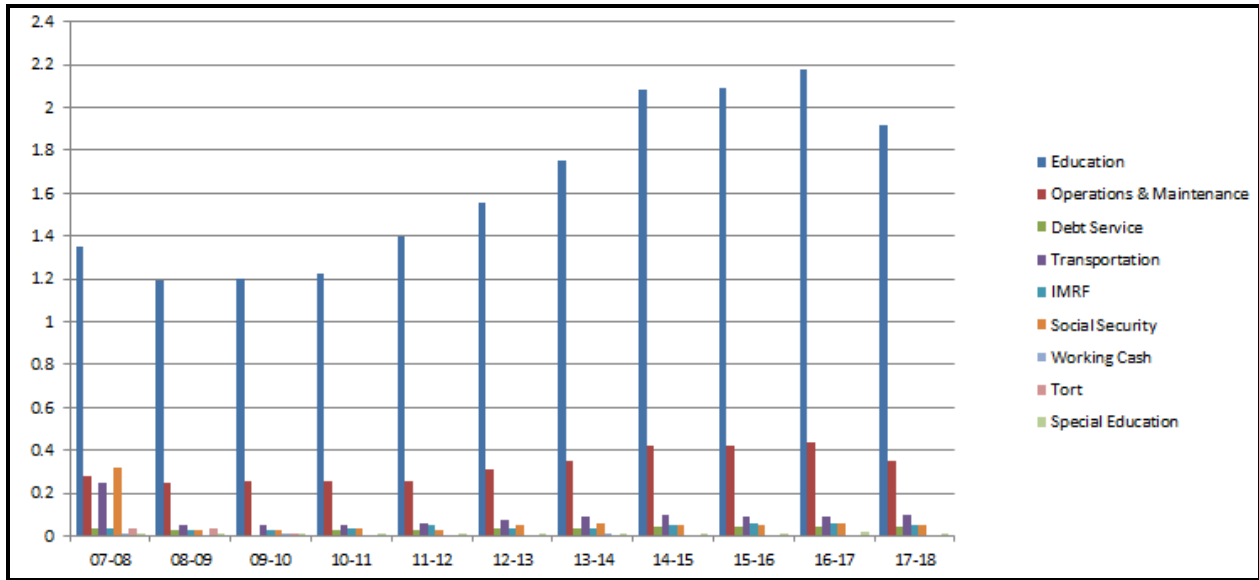
**Chart 1.10 Maximum Tax Rates**

Fund	Education	Operations & Maintenance	Debt Service	Transportation	IMRF	Social Security	Working Cash	Tort	Special Education
Limit	No limit	0.550	No limit	No limit	No limit	No limit	0.050	No limit	0.400

**Chart 1.11 Extended Tax Rates**

Tax Year	Fiscal Year	Education	Operations & Maintenance	Debt Service	Transportation	IMRF	Social Security	Working Cash	Tort	Special Education	Total
1997	98-99	1.5900	0.3750	0.0556	0.0724	0.034	0.0268	0.0500	0.054	0.0200	2.277
1998	99-00	1.5019	0.3542	0.0566	0.1056	0.044	0.0342	0.0472	0.041	0.0189	2.203
1999	00-01	1.5418	0.3618	0.0544	0.0787	0.0440	0.0378	0.0328	0.013	0.0189	2.1830
2000	01-02	1.5900	0.3750	0.0546	0.0831	0.0456	0.0391	0.0358	0.0130	0.0200	2.2562
2001	02-03	1.3894	0.3277	0.0516	0.0739	0.039	0.0338	0.0422	0.013	0.0175	1.9882
2002	03-04	1.3757	0.3132	0.0390	0.0639	0.026	0.0256	0.0228	0.004	0.0179	1.888
2003	04-05	1.4729	0.3261	0.0452	0.0500	0.0270	0.0270	0.0193	0.0043	0.0094	1.9820
2004	05-06	1.3486	0.2985	0.0537	0.0458	0.0247	0.0247	0.0088	0.0040	0.0086	1.8180
2005	06-07	1.3309	0.2839	0.0330	0.0437	0.0273	0.0273	0.0000	0.0038	0.0082	1.7581
2006	07-08	1.3468	0.2808	0.0326	0.2514	0.032	0.3222	0.0008	0.038	0.0086	1.8230
2007	08-09	1.1919	0.2508	0.0281	0.0479	0.03	0.0295	0.0000	0.035	0.0078	1.6205
2008	09-10	1.1982	0.2546	0.0000	0.0483	0.031	0.0307	0.0079	0.008	0.0079	1.5862
2009	10-11	1.2254	0.2563	0.0269	0.0493	0.034	0.0344	0.0000	0.0000	0.0084	1.6351
2010	11-12	1.3978	0.2595	0.0301	0.0610	0.0509	0.0298	0.0000	0.0000	0.0091	1.8382
2011	12-13	1.5520	0.3078	0.0338	0.0775	0.0318	0.0531	0.0000	0.0000	0.0101	2.0661
2012	13-14	1.7480	0.3466	0.0338	0.0866	0.0347	0.0578	0.0002	0.0000	0.0116	2.3193
2013	14-15	2.0829	0.4244	0.0450	0.1010	0.0539	0.0472	0.0000	0.0000	0.0135	2.7679
2014	15-16	2.0923	0.4173	0.0449	0.0927	0.061	0.0543	0.0000	0.0000	0.0132	2.7756
2015	16-17	2.1786	0.4345	0.046	0.0883	0.06	0.057	0.0000	0.0000	0.0163	2.8804
2016	17-18	1.9131	0.3511	0.0402	0.1012	0.054	0.0515	0.0000	0.0000	0.0152	2.5261

**Chart 1.12 Extended Tax Rate Chart**



The property tax is a fairly consistent tax, but with the passage of the Property Tax Extension Limitation Law (PTELL or “tax cap”) in 1995, the growth of revenue is now limited to the lesser of 5% or the Consumer Price Index (CPI). A fundamental structural imbalance exists in this funding formula because most of the costs related to the delivery of public education exceed CPI. The PTELL coupled with the lack of new Equalized Assessed Value (EAV) revenue generated by new construction, will eventually cause the need for the District to request a referendum property tax increase.

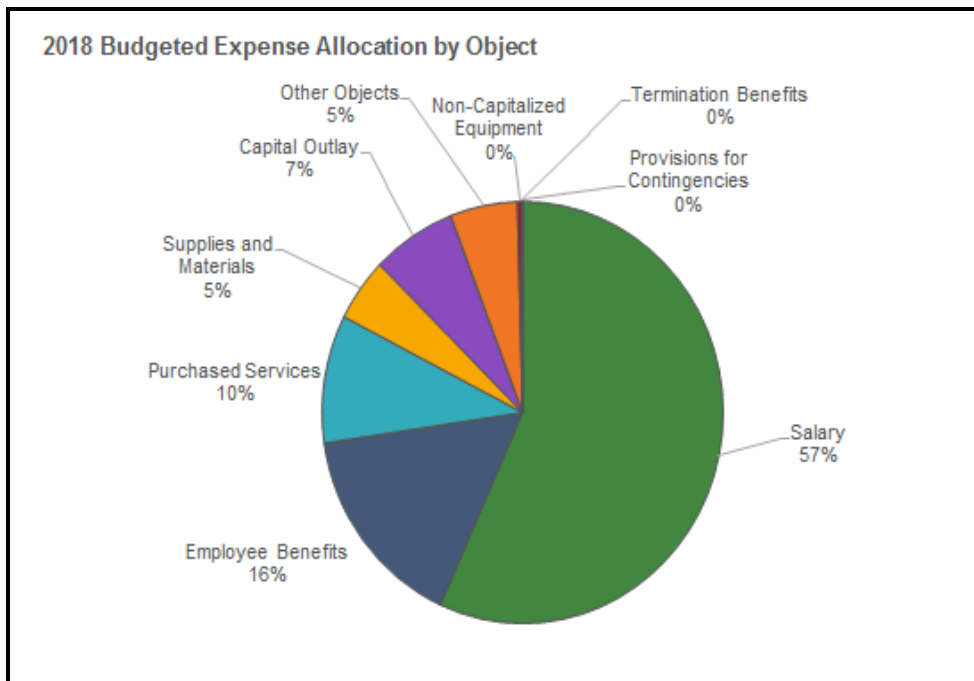
The “tax cap” law was designed to reduce the rate of growth of property taxes for the individual taxpayer. The law allows the District to seek referendum approval to increase the total tax rate. This reliance on taxes makes the District vulnerable to political pressures to limit property taxes.

Tax extension increases are governed by the increase in the (EAV) and the PTELL. The total tax extended by the County Clerk may increase by a limited amount each year. Within that aggregate increase, the District has authority to distribute the tax to the prescribed individual funds as long as the distribution stays below the fund rate ceiling that is prescribed by law. The “Tax Cap,” slows the growth of revenues to school districts and reduces the tax rates when property values and assessments increase faster than the rate of inflation.

**Chart 1.13 Governmental Funds – Expenditures**

Governmental Funds - Expenditures			
	FY 2017 ACTUAL	FY 2018 BUDGET	% Δ
Educational	\$189,556,175	\$199,900,000	5.46%
Operations and Maintenance	\$23,387,702	\$23,585,000	0.84%
Transportation	\$9,132,355	\$12,200,000	33.59%
Municipal Retirement	\$8,206,313	\$8,350,000	1.75%
Capital Projects	\$6,379,560	\$15,800,000	147.67%
Debt Service	\$6,768,047	\$6,800,000	0.47%
Tort	\$0	\$0	
Life Safety	\$0	\$0	
Working Cash	\$0	\$0	
<b>Total</b>	<b>\$243,430,152</b>	<b>\$266,635,000</b>	<b>9.53%</b>

**Chart 1.14 Budgeted Expense by Object**



## *Major Salary Agreements*

The District has a Cumulative Agreement with the Education Association which will expire June 30, 2019. The District has a Cumulative Agreement with the Educational Support Personnel Association which will expire June 30, 2021.

- The District 214 Education Association (EA) is the teachers' union. The District has a five year contract through June 2019. The following language is included in the District 214 Education Association Agreement.
  - **2017-2018:** increase base by .75 of CPI, with a minimum/maximum of 1%/4%; all other steps adjusted as index of base as listed; salaries at the top of the schedule will increase by full CPI, with a minimum/maximum of 1%/4%, based on Step 25 of the previous year.
  - **2018-2019:** increase base by .75 of CPI, with a minimum/maximum of 1%/4%; all other steps adjusted as index of base as listed; salaries at the top of the schedule will increase by full CPI, with a minimum/maximum of 1%/4%, based on Step 25 of the previous year.

Should pension "cost shift" occur during the time frame of this Cumulative Agreement, the total salary increase will be offset by the percent shift each year to absorb the financial impact of pension costs shifting from the State to the District. The effect of cost shift will be limited by a minimum/maximum of 1%/4%.

- The Educational Support Personnel Association (IEA-NEA) includes clerical, technical, security, and instructional assistant positions. The District has a three year contract through June 2017. The following language is included in the District 214 Educational Support Personnel Association Agreement.
  - The **2017-2018** wage schedule shall be determined by increasing the 2016-17 wage schedule by 2.0%. All employees who started work prior to July 1, 2017 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2017-18 fiscal year.
  - The **2018-2019** wage schedule shall be determined by increasing the 2017-18 wage schedule by 2.0%. All employees who started work prior to July 1, 2018 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2018-19 fiscal year.
  - The **2019-2020** wage schedule shall be determined by increasing the 2018-19 wage schedule by 2.0%. All employees who started work prior to July 1, 2019 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2019-20 fiscal year.
  - The **2020-2021** wage schedule shall be determined by increasing the 2019-20 wage schedule by 2.0%. All employees who started work prior to July 1, 2020 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2020-21 fiscal year.
- The District and the Custodial Maintenance Association (CMA) have a four year agreement through June 2019. The following language regarding salaries is included in the District 214 Custodial Maintenance Association Agreement.

- The **2017-2018** wage schedule shall be determined by increasing the 2016-17 wage schedule by 1.8%. All employees will receive the 1.8% increase plus the step progression on the wage schedule effective July 1, 2017.
- The **2018-2019** wage schedule shall be determined by increasing the 2017-18 wage schedule by 1.7%. All employees will receive the 1.7% increase plus the step progression on the wage schedule effective July 1, 2018.

**Chart 1.15 Contract Salary Increases & Length of Contract**

	FY 2018	FY 2019	FY 2020	FY 2021
Education Association	increase base by .75 of CPI, with a min/max of 1%/4%;	increase base by .75 of CPI, with a min/max of 1%/4%;		
Educational Support	increase base by 2%, plus a 2% progression	increase base by 2%, plus a 2% progression	increase base by 2%, plus a 2% progression	increase base by 2%, plus a 2% progression
Custodial Maintenance	increase base by 1.8%	increase base by 1.7%		

Please note: The Custodial Maintenance salaries and benefits are paid out of the Operations & Maintenance Fund.

The District’s PPO, HMO, pharmacy, and dental plans are self-funded through Blue Cross/Blue Shield (BCBS) of Illinois, Allied Dental and a Drug Card. The Insurance Committee is comprised of union representatives, District administrators, employees, and a District 214 Board of Education member. Over the past several years, significant cost containments and efficiencies have been implemented to control insurance expenses year to year. Moving to BCBS of Illinois allowed the plan to benefit from the additional discounts and providers offered by the Blue Cross Blue Shield of Illinois (BCBS).

Beginning January 1, 2015, the District offers a High Deductible Health Plan (HDHP) along with a Health Savings Account (HSA) as an option to our employees. With a HDHP the employee becomes a smarter shopper for health care, which is why these plans are considered a “consumer-directed health care plan”. A HSA is a tax-advantaged savings account designated for qualified medical expenses, which allows one to pay for current qualified medical expenses on a tax-favored basis. Unused HSA dollars roll over from year to year. The funds in the HSA belong to the employee, are non-forfeitable, and portable, making HSAs an easy way to save and invest for future qualified medical expenses.

## ***Debt***

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

Series 2007 General Obligation Limited Tax Bonds dated May 10, 2007 are due in annual installments through December 1, 2026, face amount of \$18.3 million. During December 2016 and mid 2017 the District will be refunding the Series 2007 bonds. Due to the refunding bond, the last series 2007 bond payment will be made December 2017.

Series 2008 General Obligation Limited Tax School Bonds dated July 30, 2008 are due in annual installments through December 1, 2026, face amount of \$9.5 million. Mid 2017 the District will be refunding the Series 2008 bonds. Due to the refunding bond, the last series 2008 bond payment will be made December 2017.

Series 2009B Taxable Debt Certificates (Build America Bonds) dated December 8, 2009 are due in annual installments December 2015 through December 2019, face amount of \$15.4 million.

Series 2011 General Obligation Limited School Bonds dated December 1, 2011 are due in annual installments through December 2031, face amount of \$10 million.

Series 2012 General Obligation Limited School Bonds dated February 9, 2012 are due in annual installments through December 2031, face amount of \$10 million.

Series 2016 General Obligation Limited Tax Refunding School Bonds, dated November 2016, is a \$9.7 million refunding bond.

Series 2017 General Obligation Limited Tax Refunding School Bonds, dated September 2017, is a \$8.9 million refunding bond.

The Operations & Maintenance Fund levy is used to generate the revenue necessary for payment of the debt certificates. During fiscal year 2017, \$3.3 million will be transferred from the Operations and Maintenance Fund to the Debt Service Fund to fund the debt certificate payment. The debt certificates were issued to fund capital projects as part of a long-range strategic plan. Debt certificates were issued as Build America Bonds to take advantage of the federal stimulus program that subsidizes a portion of the interest cost.

Historically, the District has bonded for capital programs to match long-term assets with long-term debt. The Capital Projects fund bond proceeds are restricted for capital and maintenance projects to improve sites, build and equip additions, and alter, repair and equip buildings.

During 2016, the Board of Education authorized the sale of Refunding Bonds in the approximate amount of \$9,800,000. Under current market conditions, this refinancing initiative by the sale of the refunding bonds will result in an approximate present value savings of \$1,500,000 (15.9%). The factors leading to this recommendation are as follows:

- The Series 2007 Bonds are callable on December 1, 2017, a portion of which may be refunded on an advance basis.
- Short-term interest rates are currently low and the Series 2016 Refunding Bonds would not extend the debt beyond the current Series 2007 final payment of December 1, 2026.
- This is a Debt Service savings and will not provide new monies to the District.
- The savings from the reduced interest costs creates additional Debt Service Extension Base (DSEB) capacity in future years, adding flexibility for future borrowing needs.

During 2017, the Board of Education authorized the sale of Refunding Bonds in the approximate amount of \$9,900,000. Under current market conditions plus 0.25%, this refinancing initiative by the sale of the refunding bonds will result in an approximate present value savings of \$640,000 (7.05%). The factors leading to this recommendation are as follows:

- The Series 2007 Bonds are callable on June 1, 2017 and may be refunded on a current basis (within 90 days of the call date or after).
- The Series 2008 Bonds are callable on December 1, 2017 and may be refunded on a current basis.
- Short-term interest rates are currently low and the Series 2017 Refunding Bonds would not extend the debt beyond the current Series 2007 and Series 2008 final payment of December 1, 2026.
- This is a Debt Service savings and will not provide new monies to the District.

The savings from the reduced interest costs creates additional Debt Service Extension Base (DSEB) capacity in future years, adding flexibility for future borrowing needs.

**Chart 1.16 Calculation of Statutory Debt Limitation and Debt Margin**

Legal Debt Margin Calculation for Fiscal Year 2017	
Assessed Valuation	\$ 8,544,564,082
Debt Limit - 6.9% of AV	\$ 589,574,922
Debt Subject to 6.9% Limit	\$ 49,565,502
Total Debt Margin	\$ 540,009,420

***Budget Outlook***

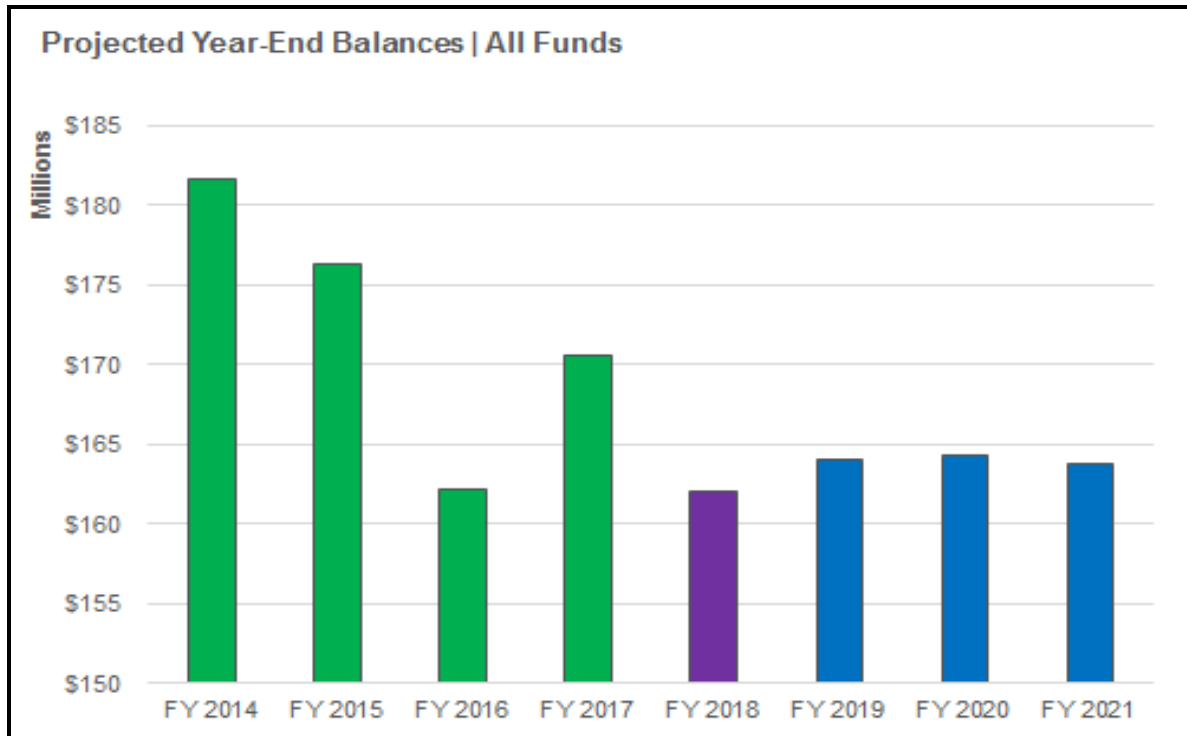
The budget shows an ending fund balance of approximately \$162.1 million for the 2017-2018 fiscal year for all funds. This fund balance serves to cover any state and federal shortfall of revenues and provides approximately six months of operating expenses which meets the Board of Education financial guideline. Below is a chart showing District 214’s projected fund balance.



**Chart 1.17 Projected Surpluses (Deficits) and Fund Balance (All Funds)**

All Governmental Funds															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	%Δ	ACTUAL FY 2016	%Δ	ACTUAL FY 2017	%Δ	BUDGET FY 2018	%Δ	PROJECTED FY 2019	%Δ	PROJECTED FY 2020	%Δ	PROJECTED FY 2021	%Δ
<b>REVENUES</b>															
Local Sources	\$224,769,559	\$226,124,461	0.60%	\$231,023,399	2.17%	\$232,178,065	0.50%	\$238,000,900	2.51%	\$244,048,000	2.54%	\$247,176,381	1.28%	\$251,301,871	1.67%
State Sources	\$16,618,290	\$17,029,634	2.48%	\$12,848,822	-24.55%	\$14,202,879	10.54%	\$14,621,100	2.94%	\$15,078,100	3.13%	\$15,078,100	0.00%	\$15,078,100	0.00%
Federal Sources	\$6,857,611	\$6,535,849	-4.69%	\$5,550,020	-15.08%	\$5,089,204	-8.30%	\$5,513,000	8.33%	\$5,513,000	0.00%	\$5,513,000	0.00%	\$5,363,000	-2.72%
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$248,245,460</b>	<b>\$249,689,944</b>	<b>0.58%</b>	<b>\$249,422,241</b>	<b>-0.11%</b>	<b>\$251,470,148</b>	<b>0.82%</b>	<b>\$258,135,000</b>	<b>2.65%</b>	<b>\$264,639,100</b>	<b>2.52%</b>	<b>\$267,767,481</b>	<b>1.18%</b>	<b>\$271,742,971</b>	<b>1.48%</b>
<b>EXPENDITURES</b>															
Salary	\$137,720,549	\$140,795,675	2.23%	\$145,234,261	3.15%	\$146,125,512	0.61%	\$151,193,415	3.47%	\$152,282,849	0.72%	\$156,668,094	2.88%	\$161,172,136	2.87%
Employee Benefits	\$35,228,142	\$37,516,784	6.50%	\$37,031,391	-1.29%	\$36,453,576	-1.56%	\$42,564,901	16.76%	\$45,117,116	6.00%	\$47,415,312	5.09%	\$49,805,636	5.04%
Purchased Services	\$21,138,282	\$21,165,874	0.13%	\$21,753,828	2.78%	\$23,019,101	5.82%	\$26,314,790	14.32%	\$26,925,861	2.32%	\$27,552,825	2.33%	\$28,196,132	2.33%
Supplies and Materials	\$13,924,836	\$15,929,563	14.40%	\$13,239,732	-16.89%	\$12,507,952	-5.53%	\$12,981,458	3.79%	\$13,220,074	1.84%	\$13,463,699	1.84%	\$13,712,464	1.85%
Capital Outlay	\$25,007,807	\$23,465,149	-6.17%	\$30,533,527	30.12%	\$9,777,139	-67.98%	\$18,069,480	84.81%	\$9,307,655	-48.49%	\$6,346,561	-31.81%	\$6,386,211	0.62%
Other Objects	\$16,137,252	\$15,351,503	-4.87%	\$15,125,936	-1.47%	\$13,408,676	-11.35%	\$14,372,202	7.19%	\$14,635,386	1.83%	\$14,907,782	1.86%	\$11,832,741	-20.63%
Non-Capitalized Equipment	\$621,573	\$1,106,716	78.05%	\$1,012,115	-8.55%	\$2,138,196	111.26%	\$1,138,754	-46.74%	\$1,156,808	1.59%	\$1,175,152	1.59%	\$1,193,791	1.59%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$249,778,441</b>	<b>\$255,331,264</b>	<b>2.22%</b>	<b>\$263,930,790</b>	<b>3.37%</b>	<b>\$243,430,152</b>	<b>-7.77%</b>	<b>\$266,635,000</b>	<b>9.53%</b>	<b>\$262,645,749</b>	<b>-1.50%</b>	<b>\$267,529,424</b>	<b>1.86%</b>	<b>\$272,299,112</b>	<b>1.78%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(\$1,532,981)</b>	<b>(\$5,641,320)</b>		<b>(\$14,508,549)</b>		<b>\$8,039,996</b>		<b>(\$8,500,000)</b>		<b>\$1,993,351</b>		<b>\$238,057</b>		<b>(\$556,141)</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$3,852,140	\$14,418,824		\$33,023,381		\$30,853,659		\$15,265,000		\$6,830,000		\$5,850,000		\$2,500,000	
Other Financing Uses	(\$3,852,140)	(\$14,125,610)		(\$32,638,281)		(\$30,471,143)		(\$15,265,000)		(\$6,830,000)		(\$5,850,000)		(\$2,500,000)	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>\$0</b>	<b>\$293,214</b>		<b>\$385,100</b>		<b>\$382,516</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>(\$1,532,981)</b>	<b>(\$5,348,106)</b>		<b>(\$14,123,449)</b>		<b>\$8,422,512</b>		<b>(\$8,500,000)</b>		<b>\$1,993,351</b>		<b>\$238,057</b>		<b>(\$556,141)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$183,158,056</b>	<b>\$181,625,075</b>		<b>\$176,276,969</b>		<b>\$162,153,520</b>		<b>\$170,576,032</b>		<b>\$162,076,032</b>		<b>\$164,069,383</b>		<b>\$164,307,440</b>	
<b>ENDING FUND BALANCE</b>	<b>\$181,625,075</b>	<b>\$176,276,969</b>		<b>\$162,153,520</b>		<b>\$170,576,032</b>		<b>\$162,076,032</b>		<b>\$164,069,383</b>		<b>\$164,307,440</b>		<b>\$163,751,289</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>72.71%</b>	<b>69.04%</b>		<b>61.44%</b>		<b>70.07%</b>		<b>60.79%</b>		<b>62.47%</b>		<b>61.42%</b>		<b>60.14%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>8.73</b>	<b>8.28</b>		<b>7.37</b>		<b>8.41</b>		<b>7.29</b>		<b>7.50</b>		<b>7.37</b>		<b>7.22</b>	

**Chart 1.18 Projected Fund Balances (All Funds)**



The District utilizes a long term projection model which estimates revenues and expenditures over time, presently to the year 2021. Due to the structural imbalance of public school financing in Illinois and PTELL tax caps, it is necessary for the District to accumulate fund balances. Building specific, as well as District-wide Cost Containment Committees address the issue of cost containment initiatives as expenditures continue to outpace revenues.

Over the past several years, District 214 implemented many cost containment initiatives:

**Chart 1.19 Cost Containment Initiatives**

<b>Cost Containment Initiative</b>	<b>Estimated Savings</b>
Staff	2,700,000
Insurance	50,000,000
Technology	7,500,000
Food Service	650,000
Transportation	1,400,000
Operations & Maintenance	3,500,000
<b>Total Cost Containment</b>	<b>65,750,000</b>
<b>Increased Revenue Sources</b>	
Partnerships Field Turf	2,500,000
Other Partnerships	1,000,000
Increased revenue sources	750,000
<b>Total</b>	<b>70,000,000</b>

The insurance saving in the 2006 – 2007 fiscal year has allowed increased savings in the years leading up to the 2017 – 2018 year; therefore, the insurance savings line item is an accumulation of many years. Cost containment initiatives will be continually reviewed and implemented as needed based on the financial projections for upcoming years.

As Township High School District 214 has developed long-range financial projections, it has considered enrollment projections, staffing plans, program evaluation and needs, special education services, technology, and facilities improvement and maintenance on both a short-term and long-term basis. These factors have been evaluated with an overall goal to maintain quality educational programs.

The District will continue to implement cost containment initiatives, explore revenue opportunities, improve cost efficiencies, and control expenses within the financial resources that are available to Township High School District 214. The Board and Administration are dedicated to excellence in education, seeking to balance educational needs with sound fiscal practices.

The method used to fund school districts in Illinois changed with the passage of Senate Bill 1947 in August 2017, which includes the Evidence-Based Funding for Student Success Act. The

Evidence Based Model contains the core values which recognize individual student needs, accounts for differences in local resources, closes funding gaps and keeps them closed, and provides a stable, sustainable system that gets districts across the state to adequacy over time. The highlights of SB1947 include:

- Funding is tied to evidence-based best practices that research shows enhance student achievement.
- Each school district is assigned an Adequacy Target based on the needs of its student body.
- New dollars go to the neediest districts first.
- Illinois state funding for students will be similar statewide, including Chicago.
- No district loses money.

The details of this new funding mechanism are being reviewed, researched, and finalized by ISBE during fall 2017 and early spring 2018.

### ***Budget Additions/Changes 2017-18***

The following items represent, which impact the budget:

An estimated \$4.0 million in Capital Projects Program work was approved by the Board of Education for FY 2017 which is budgeted for in the Capital Projects Fund.

An estimated \$7.0 million is budgeted in Fund 60 for Capital feasibility work.

Due to the economic climate, interest income revenues will remain extremely limited during FY 2017.

Continual Cost Containment initiatives are being reviewed during the 2017-2018 fiscal year. Many stakeholders at all facilities are involved in this process.

The District continues its commitment to narrow the achievement gap and to meet the needs of special education students.

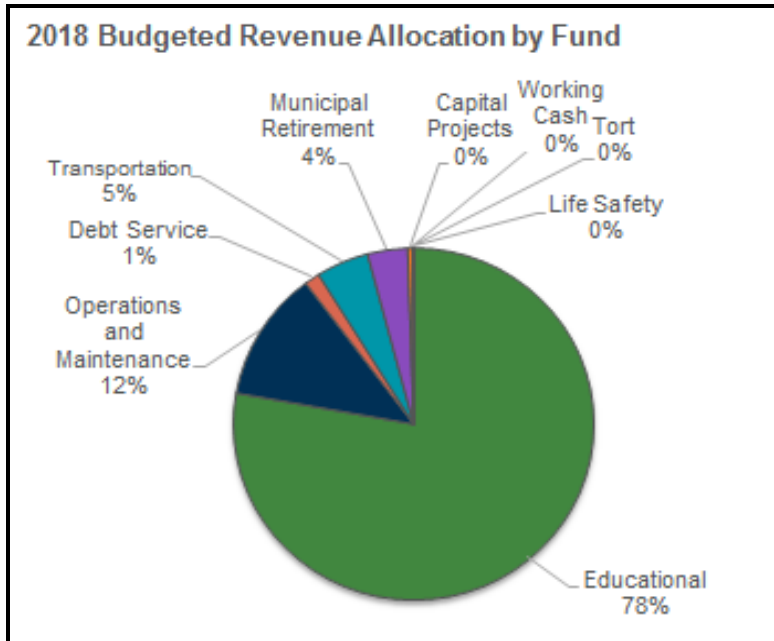
Effective for FY 2009, the Illinois State Board of Education changed several components of the Illinois Program Accounting Manual (IPAM). These changes impact the categories in which certain revenue and expenditures are recognized. The FY 2018 budget format and presentation continue to reflect the changes implemented. The changes that significantly alter the District financial statements include:

- The Tort Fund revenues and expenditures have been reallocated to the Education Fund based on auditor recommendations. Tort expenditures which were basically for security staff, workers comp insurance, liability insurance, unemployment insurance, and legal bills are now classified as Education Fund expenditures. In the FY 2018 budget, \$0 was budgeted for revenue and \$0 was budgeted for expenditures for liability insurance in the Tort Fund.
- During 2010, District 214 experienced an Illinois Municipal Retirement Fund (IMRF) audit. During this audit IMRF determined that Fund 50 should be split into two sub

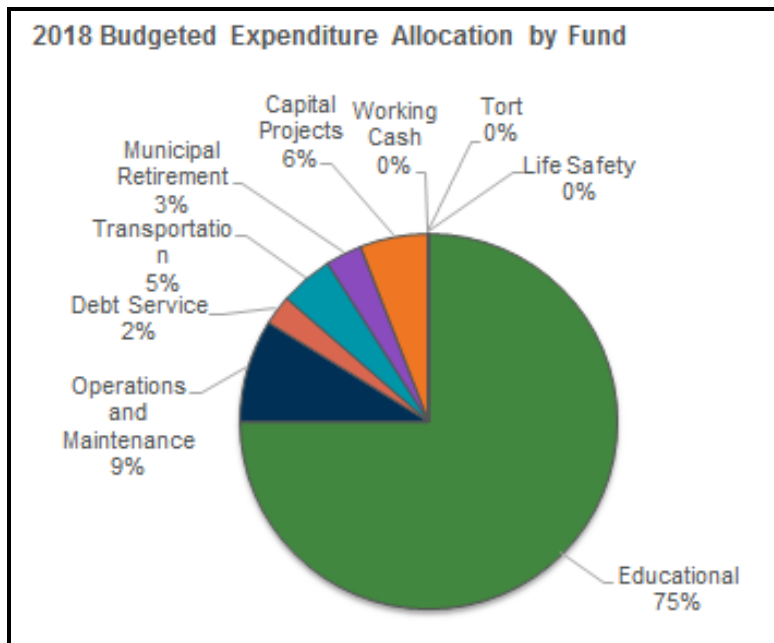
funds to more accurately track the IMRF revenue and the FICA/Medicare revenue separately. However, for ISBE purposes Fund 50 will continue to be reported as one fund in total. In budgeting for FY 2018, District 214 did budget separately for the two sub funds.

***Budget Funds***

**Chart 1.20 Budgeted Revenue Allocation by Fund**



**Chart 1.21 Budgeted Expenditure Allocation by Fund**



The District receives the majority of its revenue and also expends the majority of the budget from the Educational Fund and Operations and Maintenance Fund.

Brief summaries of selected individual fund budgets follow. Between funds, the surplus/deficit for FY 2018 varies, but total operating funds are balanced (excluding Capital Projects Funds and Life Safety Funds which are spending down previously issued debt proceeds).

### **Education Fund**

The Educational Fund is utilized to account for most of the instructional, co-curricular, special education, pupil support and administrative aspects of the District's educational operations on a day to day basis. The Educational Fund consists of two separate funds, which are combined together for purposes of reporting to the Illinois State Board of Education, but are viewed separately for internal District management purposes. The two separate funds are the Education Fund and the Insurance Reserve Fund.

The District continues its commitment to narrow the achievement gap and to meet the needs of special education students. The financial resources required to address these issues are significant. The Board of Education carefully considers and reviews school achievement initiatives. The Board will continue to put student achievement as its top priority when establishing annual goals.

The District 214 Fall Housing Report, as of September 2009, demonstrated an enrollment of 12,343. The FY 2018 enrollment is projected at 11,789. During the past several years, the number of low income students has been decreasing.

### **Operations and Maintenance (O & M) Fund**

The Operations and Maintenance Fund (O & M Fund) is for revenue and expenditures related to the operations and maintenance of the grounds and facilities including utilities and maintenance projects.

The Operations and Maintenance Fund will expend approximately \$1.0 million for major maintenance projects in FY 2018, such as scheduled roofing repairs, district parking lots and concrete repairs, fencing, irrigation projects, and various equipment purchases. The Build America Bond debt certificate payment of \$3.3 million will be transferred from Operations & Maintenance to Debt Service.

The Central Maintenance Department has established a rolling rotation cycle for aged equipment to assist in keeping Central Maintenance budgets more consistent year to year. The rolling rotation cycles include: snow removal equipment, lawn care equipment, and vehicles used by the Central Maintenance staff.

### **Debt Service Fund**

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

The Operations & Maintenance Fund levy is used to generate the revenue necessary for payment of the debt certificates. During fiscal year 2018, \$3.3 million will be transferred from the

Operations and Maintenance Fund to the Debt Service Fund to fund the debt certificate payment. The debt certificates were issued to fund capital projects as part of a long-range strategic plan. Debt certificates were issued as Build America Bonds to take advantage of the federal stimulus program that subsidizes a portion of the interest cost.

The Aa1 rating, assigned by Moody's Investors Service, is indicative of sound financial management supported by ample reserves and a modest debt burden. The District is located within the large tax base in the Chicago metropolitan region.

### **Transportation Fund**

The Transportation Fund is for revenue and expenditures relating to the transportation of regular and special education students to and from school, off campus field trips, and athletic and activity events.

The District presently owns 26 activity buses, five special education wheel chair equipped mini-buses and 20 vans for transporting small groups of students for activities and special education programs. These vehicles have greatly reduced the cost of transportation for small groups of students. The District also owns ten vehicles utilized for the Drivers' Education program. The District has a rolling replacement cycle to keep the activity buses and vans from accumulating excess mileage and to keep the budgeted expenditures more consistent.

The District is presently under contract for our transportation services. In December 2016, District 214 put a bid out for a 3-year transportation contractor. In early 2017, the bid was awarded to First Student and Grand Prairie. With the bell time changes during the 2017-2018 school year, transportation pairings will be eliminated, resulting in increasing transportation costs for the district beginning with the 2017-2018 school year.

Students with disabilities ages 3-21 with an Individualized Education Program (IEP) who require transportation as a necessary related service shall be provided as the child's disability or the program location may require. Transportation reimbursement claims are transmitted to ISBE on or before August 15. Reimbursement is based on prior-year costs and a formula determined by the state following the passage of Evidence-based funding in 2017.

### **IMRF (Illinois Municipal Retirement) Fund**

The District plans to maintain a fund balance adequate to fund increases in the IMRF rate. During 2010, District 214 experienced an IMRF audit. During this audit IMRF determined that Fund 50 should be split into two sub funds to more accurately track the IMRF revenue and the FICA/Medicare revenue separately. However, for ISBE reporting purposes Fund 50 will continue to be reported as one fund in total. At the finalization of the IMRF audit (after much discussion between attorneys, D214, and IMRF), an appropriate beginning fund balance for the IMRF sub fund and the FICA/Medicare sub fund was determined. A journal entry was made to adjust for these appropriate beginning fund balances as of July 1, 2010. The levies for IMRF and Social Security are being reviewed to keep the fund balances in these two sub funds more precise. In budgeting for FY 2018, District 214 did budget separately for the two sub funds.

The District plans to levy to adequately fund IMRF and FICA/Medicare sub-funds on a yearly basis. The FICA and Medicare contribution rates have remained constant for many years at 6.2% and 1.45% respectively.

The IMRF rate, imposed by the State of Illinois, had also remained fairly constant for several years. Unfortunately, the assets held by the IMRF were impaired during the recent economic downturn. The IMRF rate has become a complicating factor in maintaining a positive fund balance.

**Chart 1.22 Historical IMRF rates**

Calendar Year	Rate
2005	8.37
2006	9.25
2007	9.16
2008	8.93
2009	8.64
2010	12.45
2011	12.57
2012	12.69
2013	13.23
2014	13.11
2015	12.25
2016	12.79
2017	11.71

**Capital Project Fund**

District 214 is comprised of seven campuses. The oldest building in the District is Prospect High School, which was built in 1957. District 214 prides itself on outstanding and continual upkeep and improvement to its facilities. The Capital Projects Program (CPP), formerly known as the Facilities Improvement Program and Major Maintenance has been in operation since 1985. Its purpose has been to identify and fund large capital expenditures for additions, renovation, remodeling or renewal of our facilities. Projects that fall under the CPP include, for example, roof replacement, tuck-pointing, parking lots, sidewalks, fencing, carpeting and other flooring, fire alarms, additional facilities, modernization of instructional spaces, improvement of grounds spaces, and other capital improvement work.

Name of Bldg	Year Built	Square Footage
Prospect	1957	359,828
Forest View	1962	322,184
Wheeling	1964	337,357
Elk Grove	1966	338,102
John Hersey	1968	364,847
Rolling Meadows	1971	379,629
Buffalo Grove	1973	419,068

The District's five-year Capital Projects Program is a budget planning tool in which the projects are determined by budget, instructional needs, school requests, and maintenance concerns. The plan is a proactive approach to facilitate the highest priority curricular and maintenance needs over a five-year period. Data is collected from the instructional leadership regarding curricular-driven renovations or enhancements. Recommendations are sought from the Buildings and Grounds staff concerning building maintenance and repair. District architects, engineers, and specialty consultants assist to prioritize the CPP. Data is updated annually and adjusted based on current need.

District 214 entered into an agreement with Robert Morris University (RMU) in which RMU will have extensive use of the District 214 facilities:

- construction of certain Stadium improvements
  - the installation of a turf surface at the Stadium
  - improvements to the press box at the Stadium, including handicap accessibility
  - replacement and installation of a new scoreboard
  - RMU's expanded use of the Stadium
- construction and RMU's use of the Field House
- RMU's continued use of the Training Facility
- RMU's use of certain classrooms.

### **Working Cash Fund**

The Working Cash Fund is to account for financial resources held by the District which may be temporarily loaned to other funds.

### **Tort Immunity Fund**

The Tort fund revenues and expenditures were gradually reallocated to the Education Fund based on auditor recommendations due to legal decisions. Tort expenditures which were basically for security staff, workers comp insurance, liability insurance, unemployment insurance, and legal bills are now classified as Education Fund expenditures. In the FY 2018 budget, \$0 was budgeted for revenue and \$0 was budgeted for expenditures in the Tort Fund.

### **Life Safety Fund**

The Life Safety Fund is to account for state approved fire prevention and safety construction projects through the issuance of general obligation bonded debt. During FY 2018, \$0 is budgeted in the Life Safety Fund.

### **Long-term Financial Projections**

The most complex and also most critical area of the five year projection is the estimation of property tax revenue. Property taxes are the District's largest revenue source and the calculation process is quite detailed. Variables that must be analyzed include equalized assessed valuation (EAV), new property additions, and the Consumer Price Index (CPI). Additionally, due to the fact that the District's fiscal year ends on June 30, each fiscal year represents the collection of one installment from each of two tax levy years. In 1995, the passage of the Property Tax Extension Limitation Law (PTELL or "tax cap"), limited the growth in revenue from property taxes for school districts to the lesser of 5% or the CPI-U. The PTELL allows a taxing district to



receive a limited inflationary increase in tax extensions on existing property, plus an additional amount for new construction. The limit slows the growth of revenues to taxing districts when property values and assessments are increasing faster than the rate of inflation.

State revenue includes Evidence based funding, transportation reimbursement, and grants. The method used to fund school districts in Illinois changed with the passage of Senate Bill 1947 in August 2017, which includes the Evidence-Based Funding for Student Success Act. The Evidence Based Model contains the core values which recognize individual student needs, accounts for differences in local resources, closes funding gaps and keeps them closed, and provides a stable, sustainable system that gets districts across the state to adequacy over time. The highlights of SB1947 include:

- Funding is tied to evidence-based best practices that research shows enhance student achievement.
- Each school district is assigned an Adequacy Target based on the needs of its student body.
- New dollars go to the neediest districts first.
- Illinois state funding for students will be similar statewide, including Chicago.
- No district loses money.

The details of this new funding mechanism are being reviewed, researched, and finalized by ISBE during fall 2017 and early spring 2018.

The District receives minimal federal aid, the majority of which is special education reimbursement through Medicaid and IDEA. Because of its political nature, it is difficult to project state and federal aid beyond the current year due to the uncertainty of funding in Springfield and Washington. The District assumes the status quo in funding unless there is information to the contrary.

The District's projections include: enrollment projections and the staffing levels required to meet those enrollments while maintaining appropriate class sizes. The District utilizes projection software to analyze historical survival data, parochial school matriculation, and current elementary district class sizes. Assuming that future fertility rates remain constant and turnover of existing housing units and family migration remain the same, the District enrollment is projected to remain consistent. The Superintendent, Associate Superintendents, and Principals/Directors meet in early spring to determine the correct staffing based on the staffing formula. The formula is proportionate to building specific enrollment. Each building must have a pre-determined number of FTE for specific programs, such as nurse, psychologist, trainer, innovative technology, student remediation, social worker, special education coordinator. Based on student enrollment remaining relatively consistent over the next several years, staffing will also remain relatively consistent at approximately 1,620.

Estimated salaries and benefits are based on anticipated staffing requirements using the enrollment trends and negotiated salary increases. The District has approximately 1,620 employees of whom 960 are certified and 660 are non-certified. The District considers its relationship with employees to be stable. The Education Association Cumulative Agreement expires June 30, 2019. The Educational Support Personnel Association Agreement expires June 30, 2021. The Custodial and Maintenance Personnel Agreement expires June 30, 2019. The

District 214 projections include an estimate of future negotiation increases linked to CPI. Health and medical benefits are estimated to increase annually. Other types of expenditures are estimated to increase at various rates based on the type of expenditure and the volatility of the economic conditions.

### ***Budget Development Process***

A school district budget is a financial document used to project future revenues and expenses. It is a plan for responsibly receiving and spending limited monetary funds for educational programs. Budgeting for the District is becoming a more detailed process as economic times become more volatile; however, many of the expenses are known due to contractual agreements. Salaries and benefits control a major portion of the budget, so it is possible to budget those expenses and their related costs closely. For the budget process, the District continued to utilize a cost containment philosophy. Each program administrator is required to submit a detailed budget request including program review. The budget requests are reviewed for completeness and accuracy. The Director of Business Services and, if necessary, the Associate Superintendent of Finance and Operations meet with individual program administrators to discuss their budget requests in detail. Budget requests are modified as appropriate and then compiled. Cost savings were found in the areas of salaries, benefits, supplies, purchased services, furniture, equipment replacement, and technology, without curtailing the current programming.

### ***Budget Presentation***

The development of the budget was completed with a detailed review of revenue and expenditure items within the context of the District's Goals and Objectives. The budget includes the Educational Fund, Operations and Maintenance Fund (O&M), Debt Service Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Capital Projects Fund, and Working Cash Fund. The Tort Fund and Life Safety Fund are no longer being budgeted, as the expenditures have appropriately been moved to the Education Fund and Operations and Maintenance/Capital Projects funds, as recommended by the auditor. Information on each of the funds' budgets is provided in this budget document.

A fund is described as a fiscal and accounting entity with a self-balancing set of accounts. Each fund is established under state law to report specific activities or to attain certain objectives in accordance with special regulations, restrictions or limitations. It is important to note that transfers between funds can only be made when authorized by state law. Certain taxes and state aid are provided for specific purposes and must be accounted for within the specific fund established for that purpose.

The priority in the presentation of the budget data is to convey information to our communities about the educational programs and services, which have been translated into a financial budget plan. The material in the budget document incorporates decisions made by the Board and administration throughout the planning process.

This budget document and the year-end Comprehensive Annual Financial Report (CAFR) are the primary vehicles to present the financial plan and results of operations. The District received the

Certificate of Excellence in Financial Reporting from the Association of School Business Officials International (ASBO) from fiscal year 2009 through 2016. A similar recognition is available for the budget report. The District received the ASBO Meritorious Budget Award (MBA) from ASBO International from fiscal year 2011 through 2017. The information included in this budget document is to structure the 2018 budget report to meet the stringent requirements of the 2018 ASBO Meritorious Budget Award.

### ***Budget Process***

The budget process is comprised of three distinct phases – long-term financial projections, collection of data and compilation for presentation to the Board, and a public hearing and Board adoption.

The District begins the budgeting process in January with the academic Division Heads and other supervisors acting as budget administrators. The budget reflects the financial support of the goals and objectives of the District. Budget administrators provide information and budget requests in order to continue programs and, in some cases, expand programs. Budget administrators are also responsible for providing information about various grants that the District receives.

Budget administrators submit their requests to the Associate Superintendent for Finance and Operations and the Director of Business Services who then compile the budget. During this time, the Associate Superintendent for Finance and Operations discusses the general financial condition with the Superintendent and the Board of Education. The Board of Education directs the District to maintain an Operating and Working Cash Fund balance of a minimum of five to six months expenditures.

The District shall maintain a five year long term financial projection. The District uses the Financial Planning Program (FPP) which provides the ability to address “what if” scenarios. The Board, Superintendent, Associate Superintendent for Finance and Operations, and Director of Business Services constantly review the budget preparation to see that the budget is in accordance with these guidelines.

### **Budget Adoption and Publication**

The District will prepare and present a Tentative Budget to the Board of Education in August. The Board approves the Tentative Budget to be placed on display for a period of 30 days. The Board sets the date and time for the Public Hearing on the Official Budget. After the Public Hearing, the Official Budget is approved at the September Board meeting. The Board of Education shall approve the Official Budget no later than the end of the first quarter of the fiscal year, as provided for in the Illinois School Code.

## ***Budgetary Control***

Budgetary control is maintained at the department/division level by each program administrator. Electronic requisitions are initiated by the employee/division making the purchase. Requisitions automatically route through the approval process workflow in the software system. After final approval by the Business Office, the requisition becomes a purchase order and the funds have been encumbered. Purchase orders which exceed the available account balances, are not approved until the program administrator reappropriates his/her budget. Those responsible for budgetary compliance may view their budgets online via the District's financial software system. Monthly fund expenditure and revenue reports are provided to the Board of Education along with a monthly Treasurer's Report.

### **Budget Calendar 2017 – 2018**

<b>DATE RANGE</b>	<b>BUDGET PROCESS</b>
10/12/17	Board approves 2018-19 Budget Calendar
11/2/17	Board approves 2017 Tentative Property Tax Levy
12/7/17	Board holds public hearing on 2017 Tentative Property Tax Levy
	Board approves 2017 Property Tax Levy
1/3/18 - 1/31/18	Business Office develops 2018-19 Preliminary Financial Guidelines/ Assumptions
2/22/18	Board discusses 2018-19 Preliminary Financial Guidelines/Assumptions
3/22/18	Board approves 2018-19 Preliminary Financial Guidelines/Assumptions
3/22/18	Board approves encumbrance and expenditure authorization
3/26/18 - 4/13/18	Program administrators develop tentative building budgets
4/3/18 - 4/20/18	Administrators submit tentative budgets into Apecs.net
4/23/18 - 5/2/18	Budget Meetings with Budget Administrators
4/3/18 - 6/29/18	Business Office assembles 2018-19 Tentative Budget
7/16/18	Superintendency reviews Tentative Budget
8/2/18*	Board reviews and approves 2018-19 Tentative Budget
	Set date for Public Hearing on Final Budget
8/6/18 - 8/31/18	Business Office prepares 2018-19 Final Budget
8/6/18 - 9/19/18	Board Secretary places 2018-19 Tentative Budget on public display
9/20/18*	Board holds public hearing on 2018-19 Final Budget
	Board approves 2018-19 Final Budget


## ***Budget Closing***

The FY 2018 Annual Budget has been prepared to provide a comprehensive financial presentation to our Board of Education, local citizens, and interested outside parties. We extend our appreciation to the members of the Board of Education for their interest and support in planning and conducting the financial operations of District 214 in a responsible and progressive manner. We will continue to update our long range planning and implement timely financial strategies. District 214 will weather the current economic storm by preparing, planning, and partnering. We will look to reduce and reallocate expenditures, as we continually strive to tap into new revenue sources. We will continue to implement cost containment initiatives and look to our constituents for new and innovative ideas to implement cost containment with minimal impact to our student programs. District 214 will continue to excel in financial reporting through the Annual Budget achieving the Meritorious Budget Award, Comprehensive Annual Financial Report receiving the Certificate of Excellence in Financial Reporting, ISBE Financial Recognition, fiscal transparency, and financial accountability.

Respectfully,



Dr. David R. Schuler  
Superintendent



Ms. Cathy Johnson  
Associate Superintendent for Finance and Operations



Ms. Sherry Koerner  
Director of Business Services

# **ORGANIZATIONAL SECTION**



**TOWNSHIP HIGH SCHOOL  
DISTRICT 214**  
Arlington Heights, IL

***Board of Education***

Todd Younger	President	August 2011 - April 2021
F. Daniel Petro	Vice President	April 2011 - April 2019
William Dussling	Member	May 1998 - April 2019
Mark Hineman	Member	April 2009 - April 2021
Alva Kreutzer	Member	November 1999 - April 2019
Mildred (Millie) Palmer	Member	April 2017 - April 2021
Leonard (Lenny) Walker	Member	April 2017 - April 2021

***District Administration***

David Schuler	Superintendent
Cathy Johnson	Associate Superintendent for Finance & Operations
Kurt Laakso	Associate Superintendent for Human Resources
Lazaro Lopez	Associate Superintendent for Teaching and Learning
Marni Johnson	Assistant Superintendent for Student Services

***Board of Education Goals***

1. Provide quality education while maintaining a balanced budget and serving increasing numbers of students.
2. Increase student learning through engagement, positive relationships, and innovative programs.
3. Expand lifelong learning opportunities for residents of all ages through positive relationships, community involvement, and collaborative planning in the efficient use of resources.

## ***Building Information***

### **Buffalo Grove High School**

1100 W. Dundee Road  
Buffalo Grove IL 60089

**Principal: Jeff Wardle**

### **The Academy at Forest View**

2121 S. Goebbert Road  
Arlington Heights IL 60005

**Director: Kara Kendrick**

### **Newcomer Center**

2121 S. Goebbert Road Room A337  
Arlington Heights IL 60005

**Director: Angela Sisi**

### **Rolling Meadows High School**

2901 W. Central Road  
Rolling Meadows IL 60008

**Principal: Eileen Hart**

### **Wheeling High School**

900 S. Elmhurst Road  
Wheeling IL 60090

**Principal: Jerry Cook**

### **Elk Grove High School**

500 W. Elk Grove Blvd.  
Elk Grove IL 60007

**Principal: Paul Kelly**

### **John Hersey High School**

1900 E. Thomas Street  
Arlington Heights IL 60004

**Principal: Gordon Sisson**

### **Prospect High School**

801 W. Kensington Road  
Mount Prospect IL 60056

**Principal: Michelle Dowling**

### **Vanguard School**

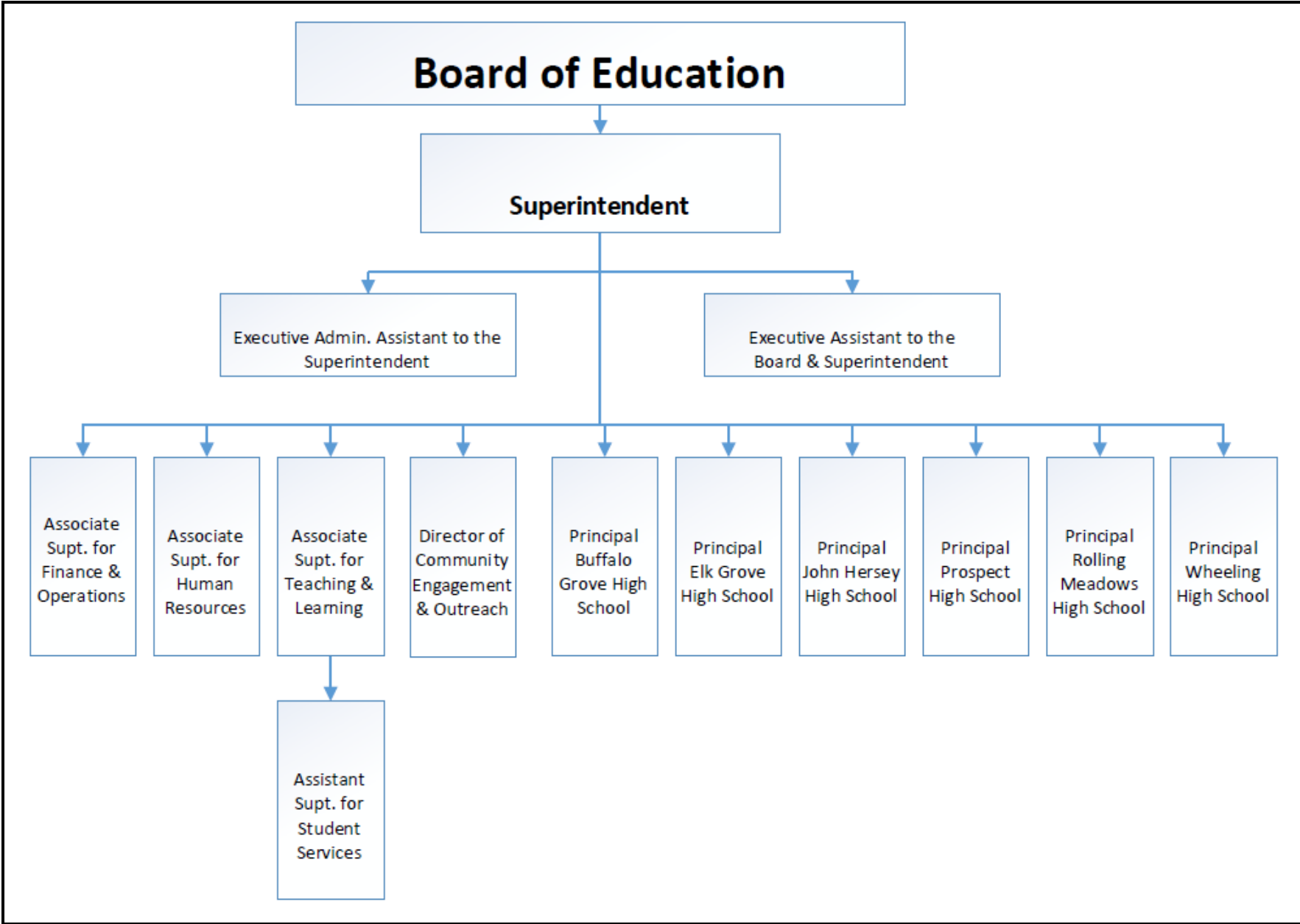
2121 S. Goebbert Road  
Arlington Heights IL 60005

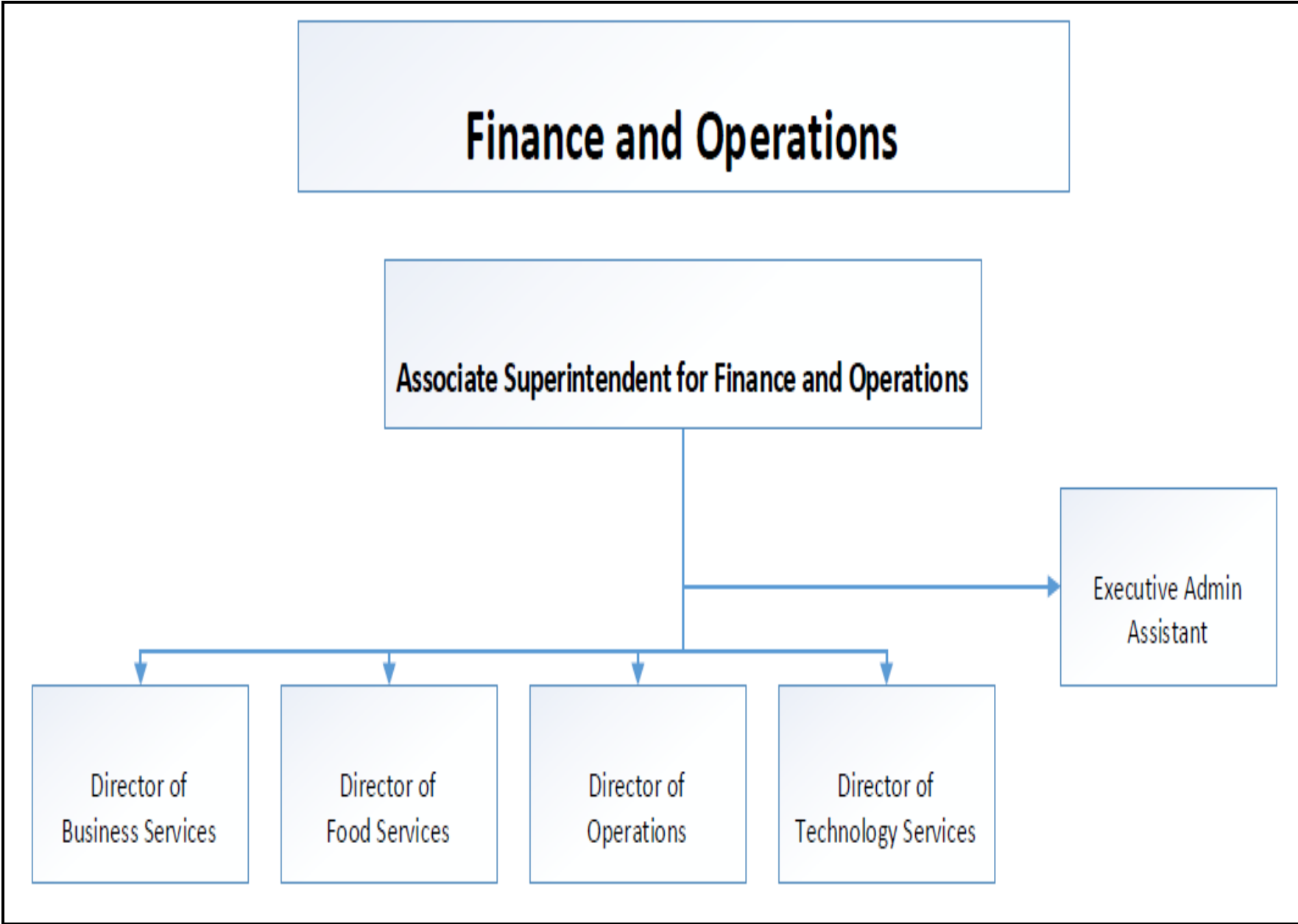
**Director: Kate Kraft**

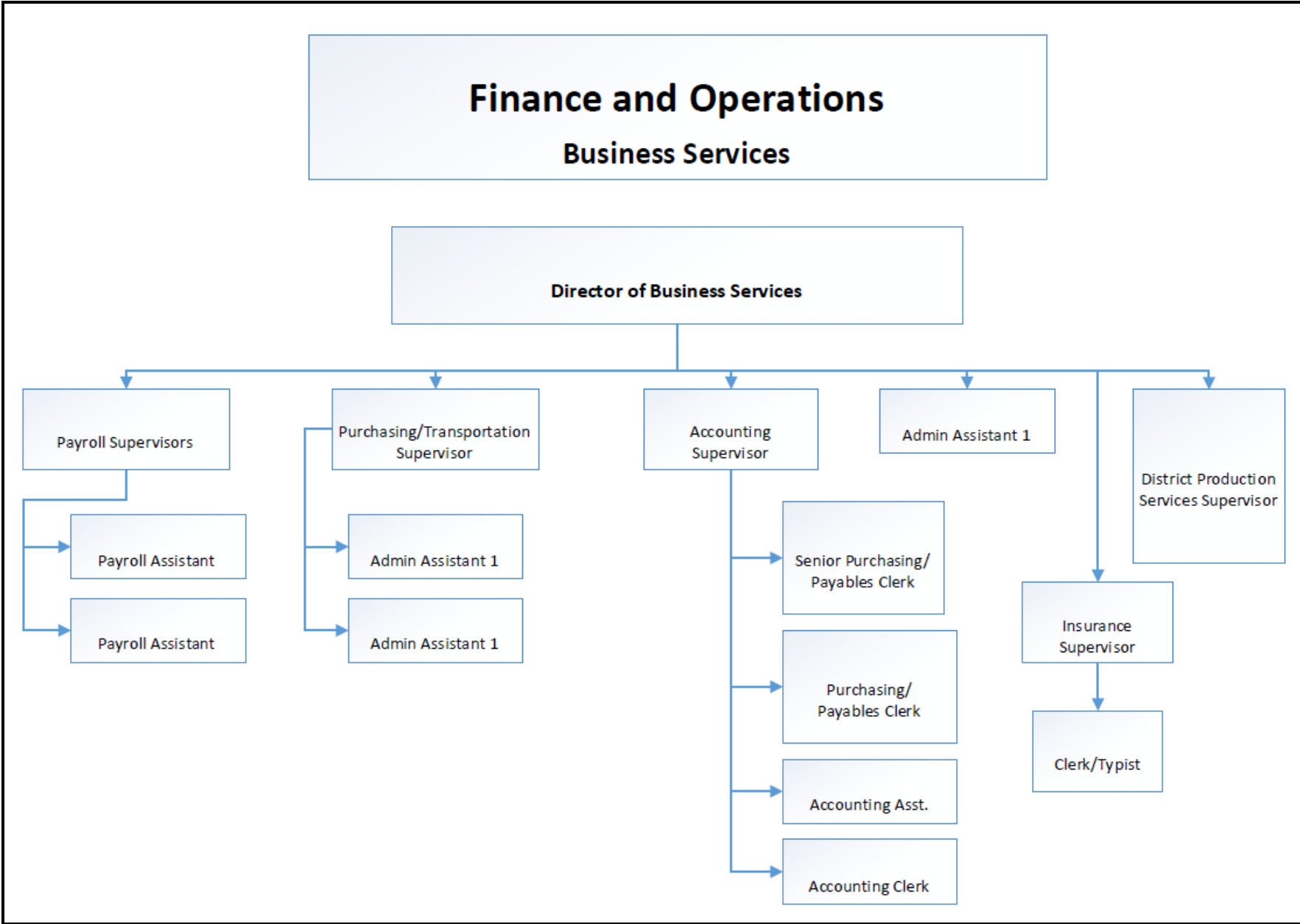
### **Forest View Educational Center**

2121 S. Goebbert Road  
Arlington Heights IL 60005









# Finance and Operations

## District Production Services

District Production Services Supervisor

Admin Assistant I

### Mailroom Staff

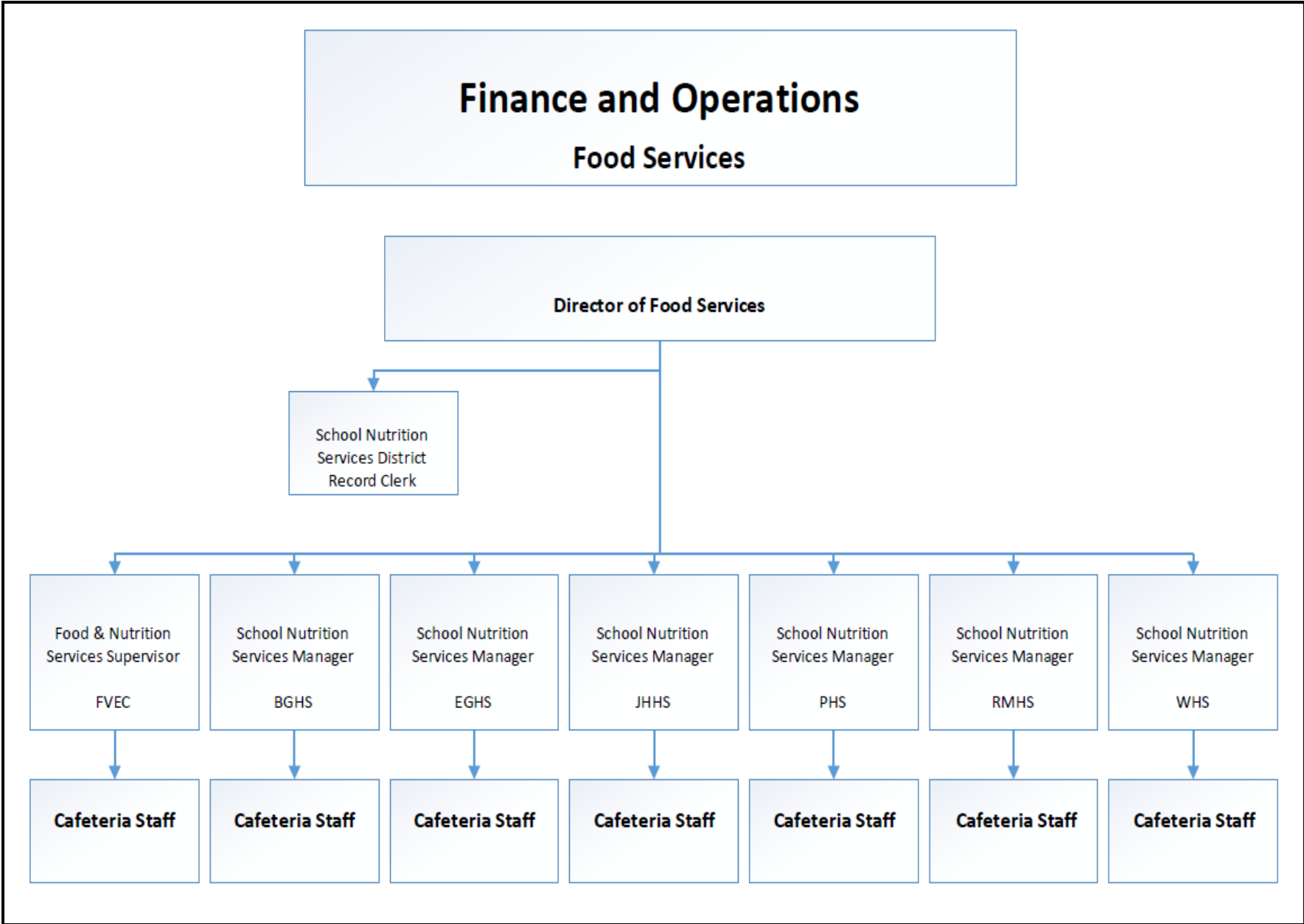
Prod/Mail Tech

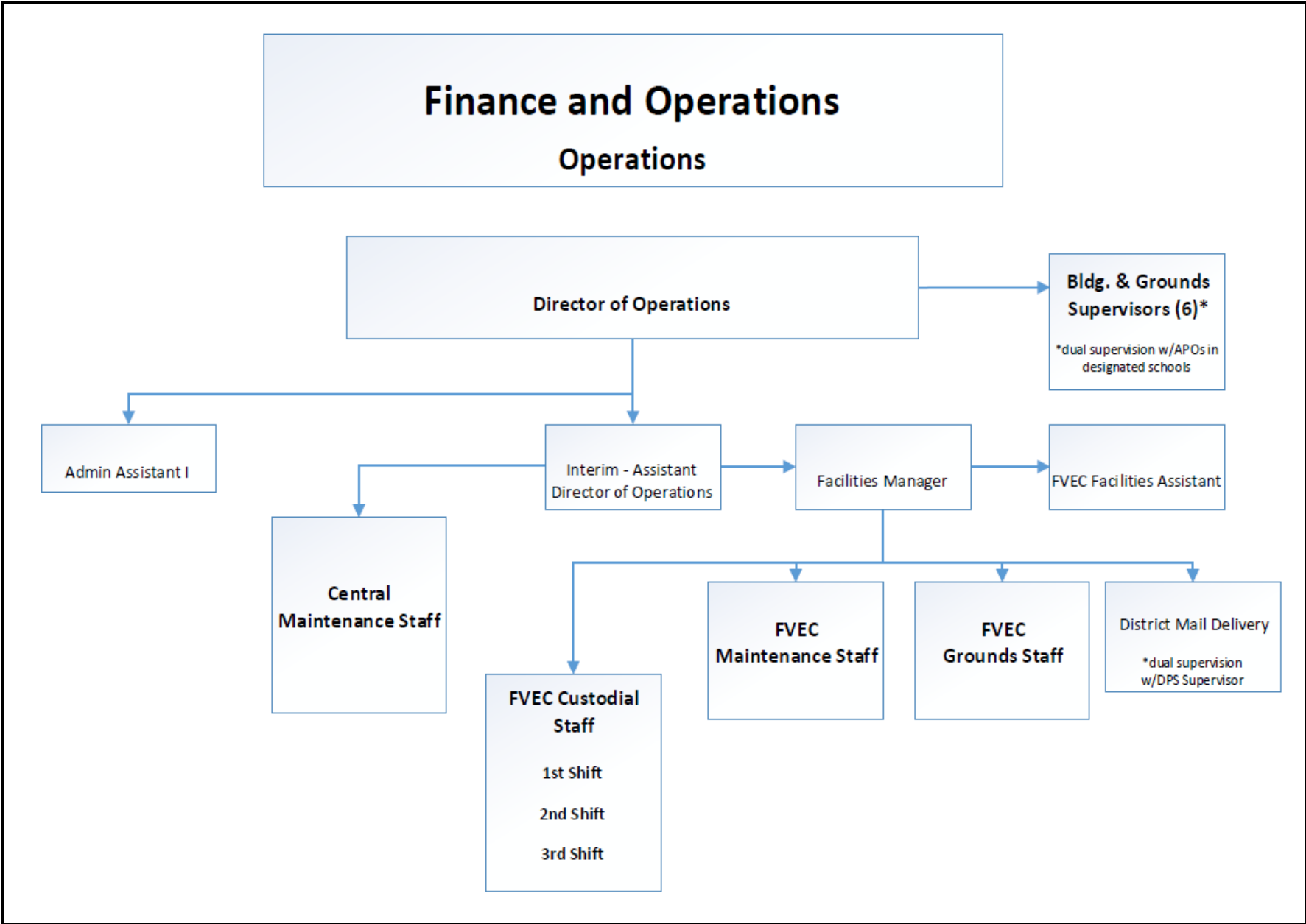
Prod/Mail Tech

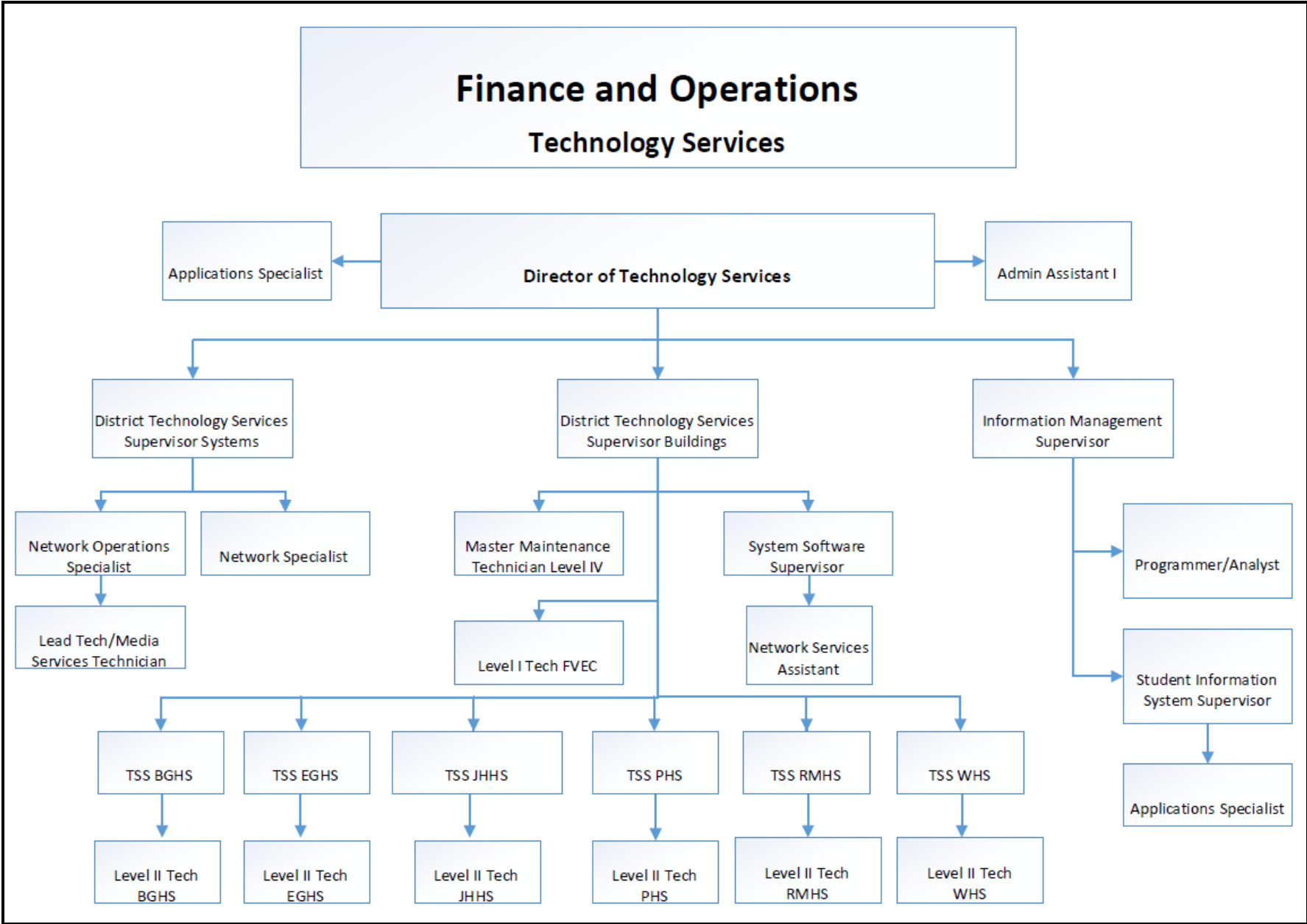
District Mail Delivery  
\*dual supervision  
w/Facilities Manager

Graphic Designer

Production  
Technician

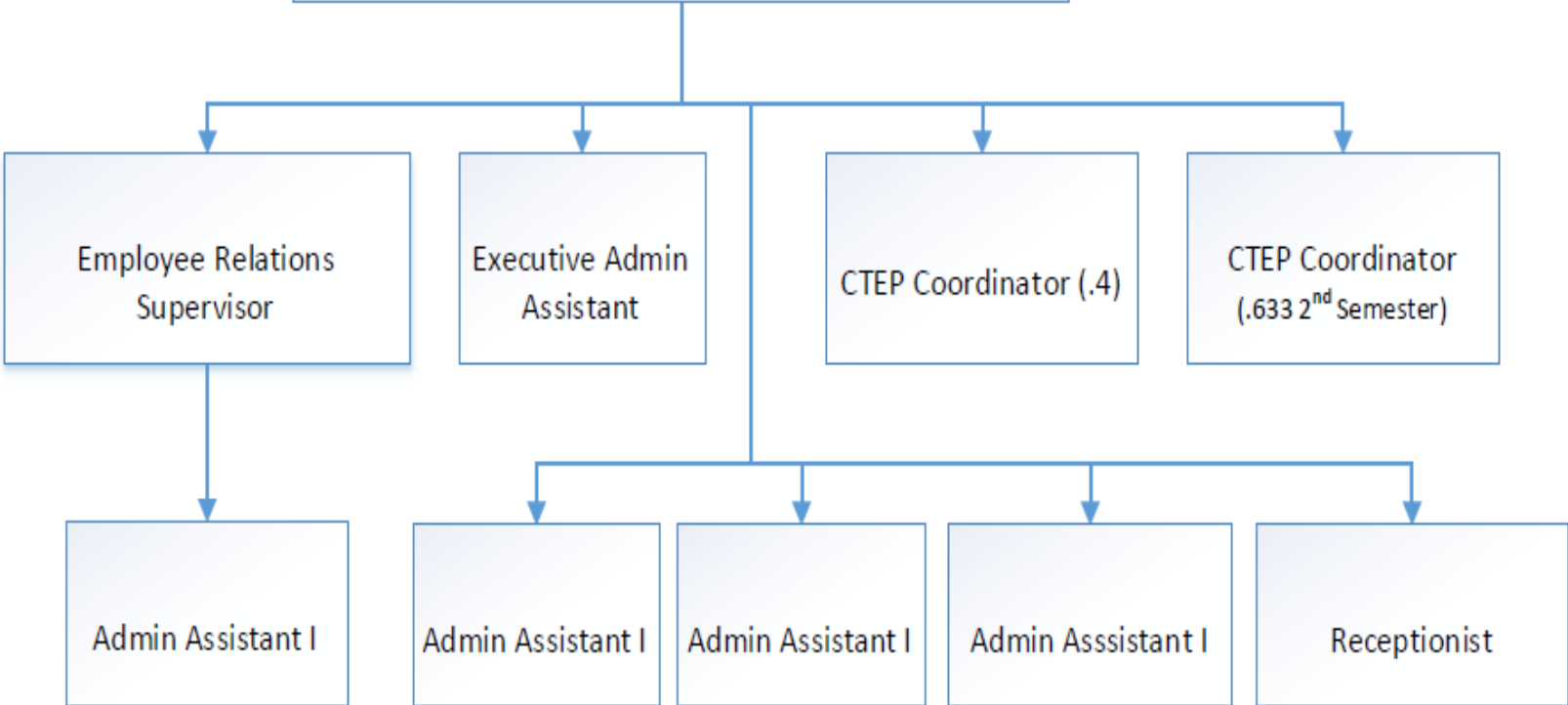




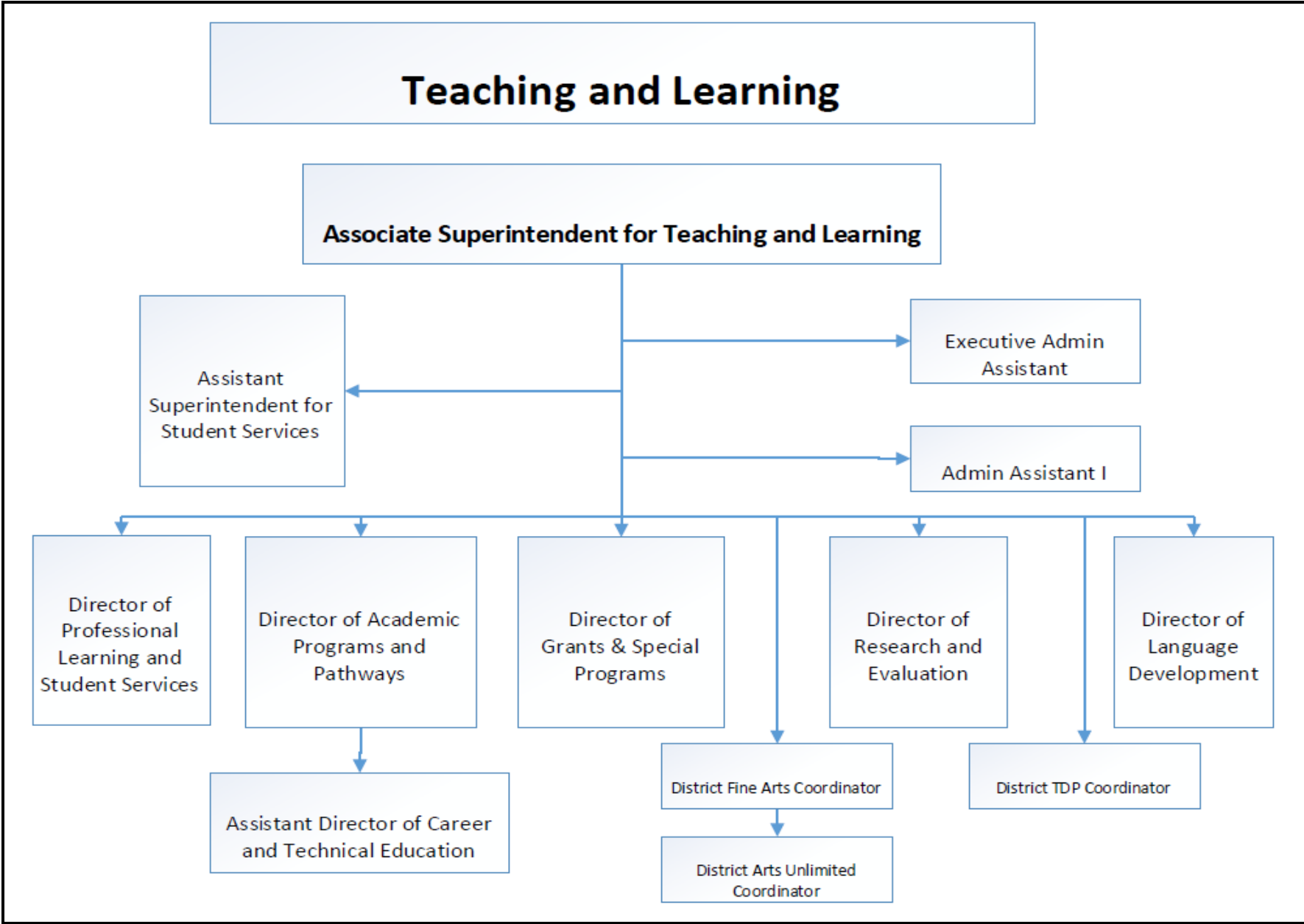


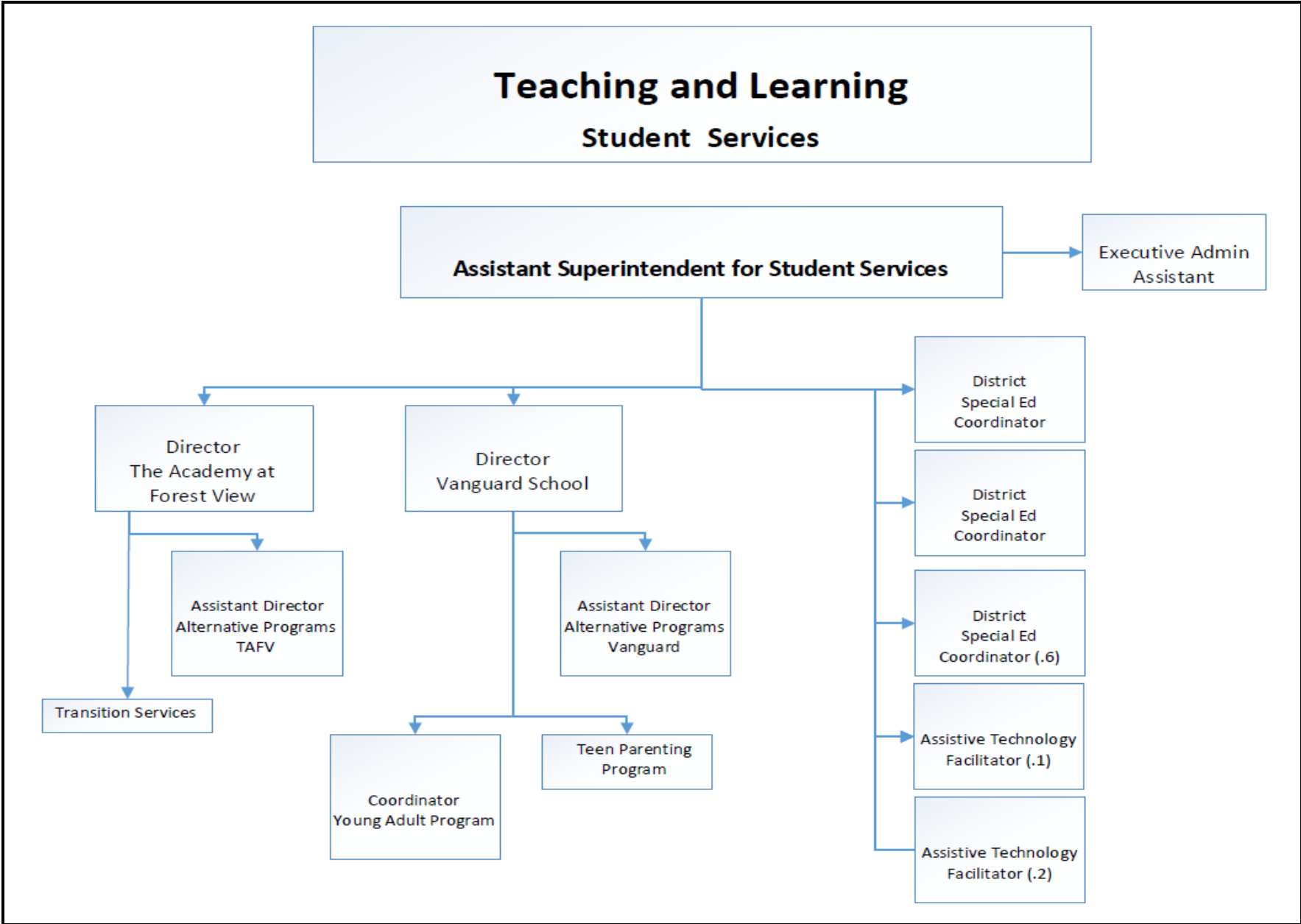
# Human Resources

## Associate Superintendent for Human Resources









# Teaching and Learning

## Professional Learning and Student Services

Director of Professional Learning & Student Services

Assistant Director of Professional Learning

Professional Learning Programs Assistant

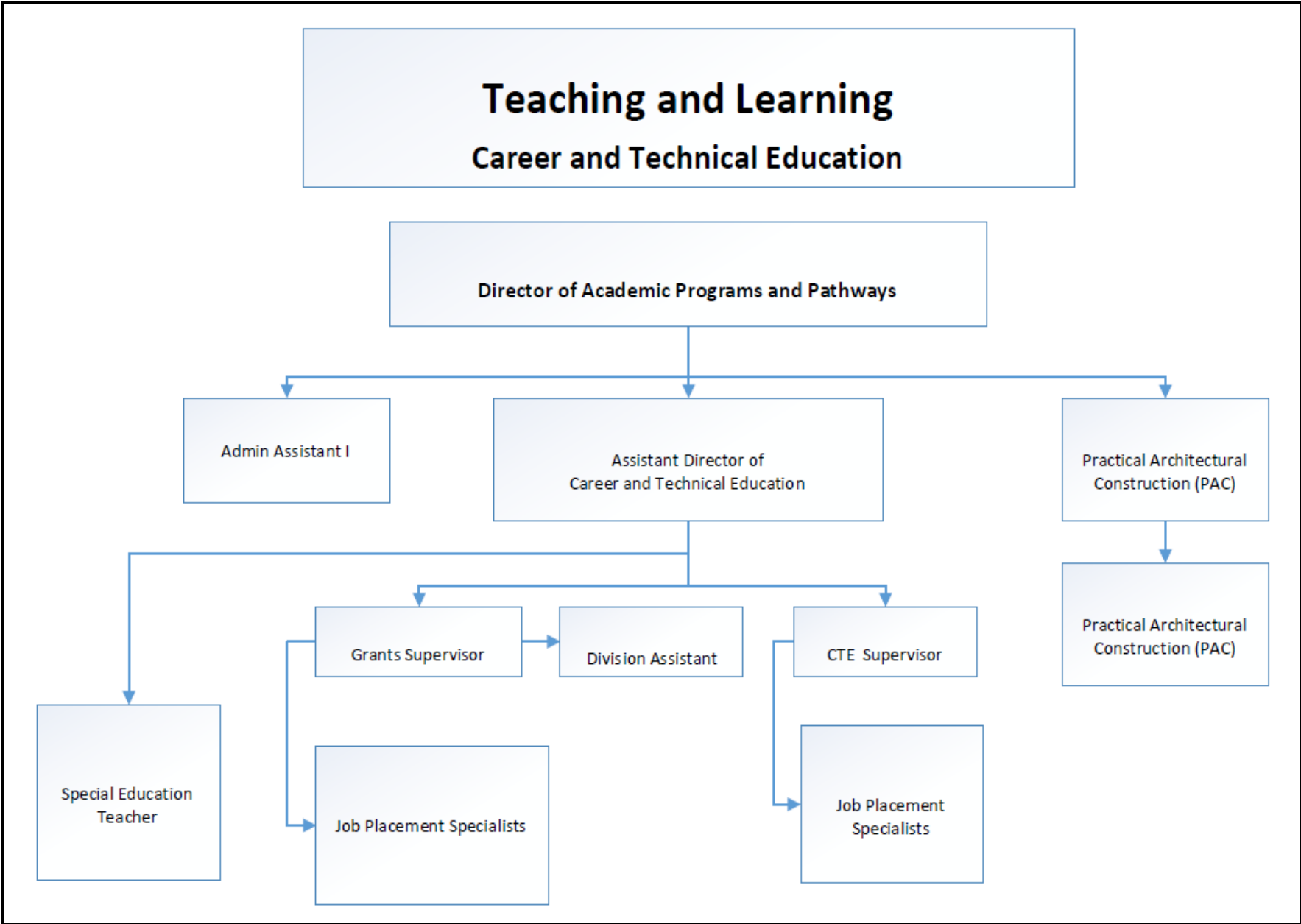
Admin Assistant II

Staff Development Coordinator (.6) & CTEP Coordinator (.4)

### Teaching & Learning Facilitators\*

BGHS  
EGHS  
JHHS  
PHS  
RMHS  
WHS

(\*Dual Supervision w/APIs)



# Teaching and Learning

## Grants & Program Development

Director of Grants & Special Programs

Admin Assistant I

Grants Supervisor

Student Services  
Admin Assistant

Cataloging Operator I

# Teaching and Learning

## Research & Evaluation

Director of Research & Evaluation

Admin Assistant I

District Assessment  
Coordinator

Research & Assessment  
Programmer/Analyst

# Teaching and Learning

## English Language Learner (ELL) Program

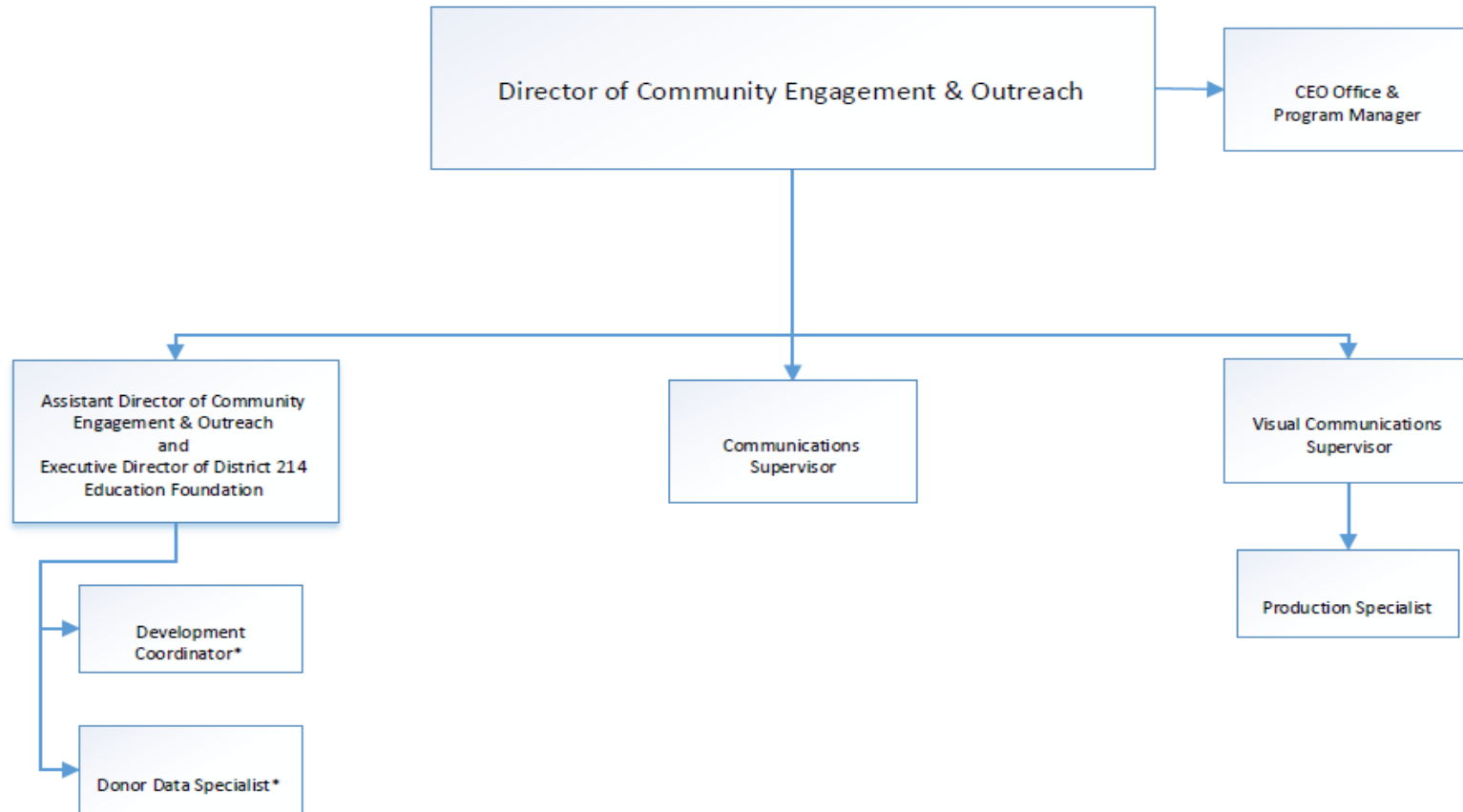
Director of Language Development

Admin Assistant I

Newcomer Center  
Coordinator

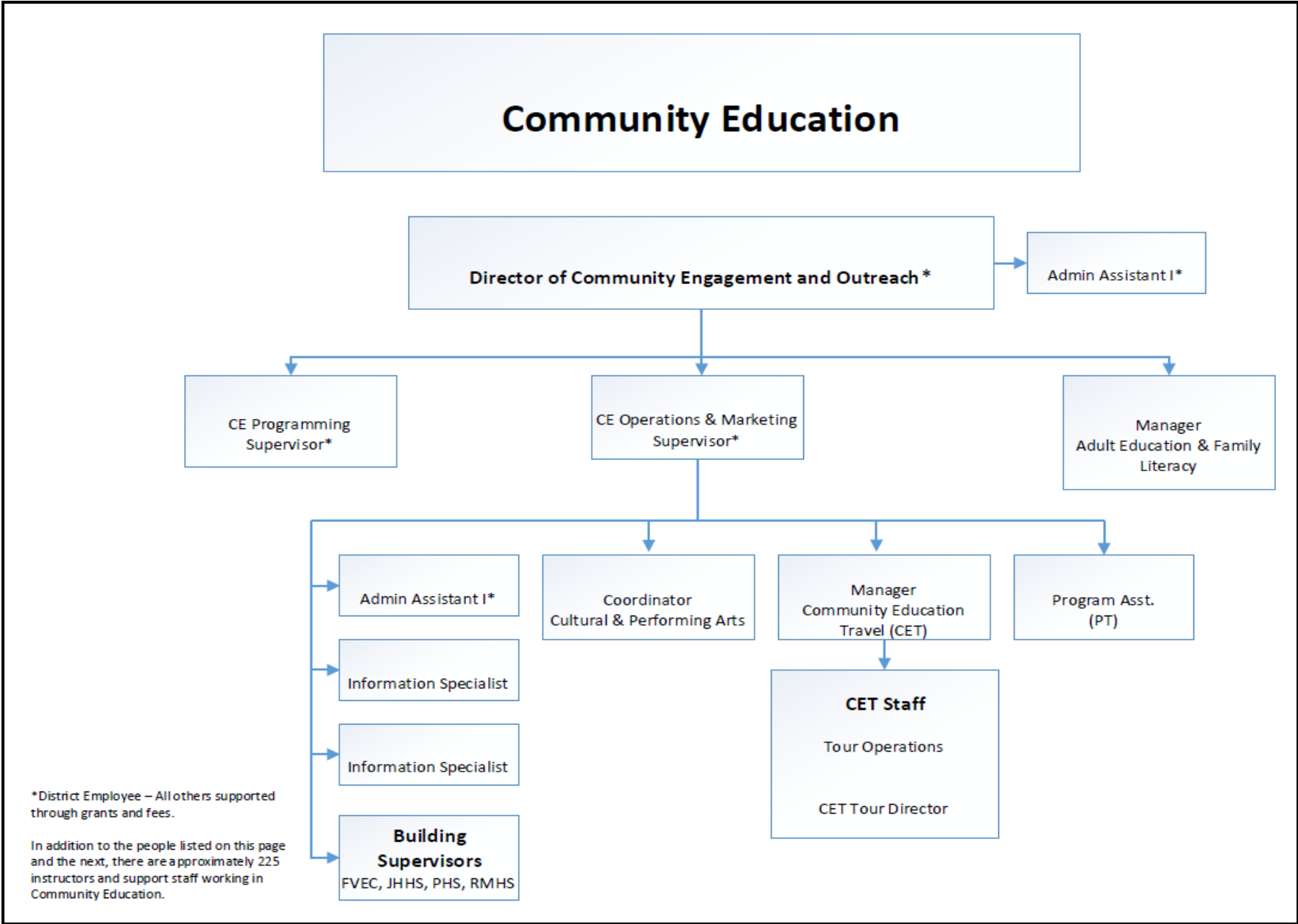
Newcomer Center  
Staff

# Community Engagement and Outreach



\*Foundation paid employee

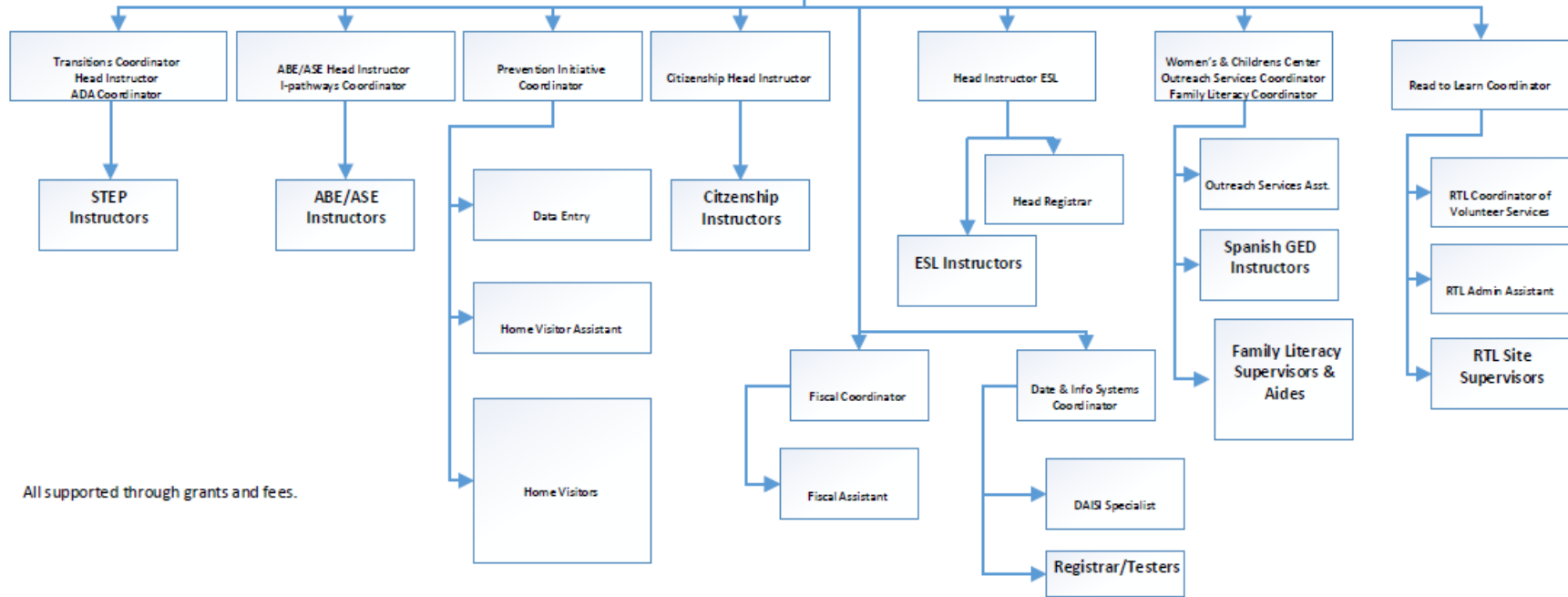




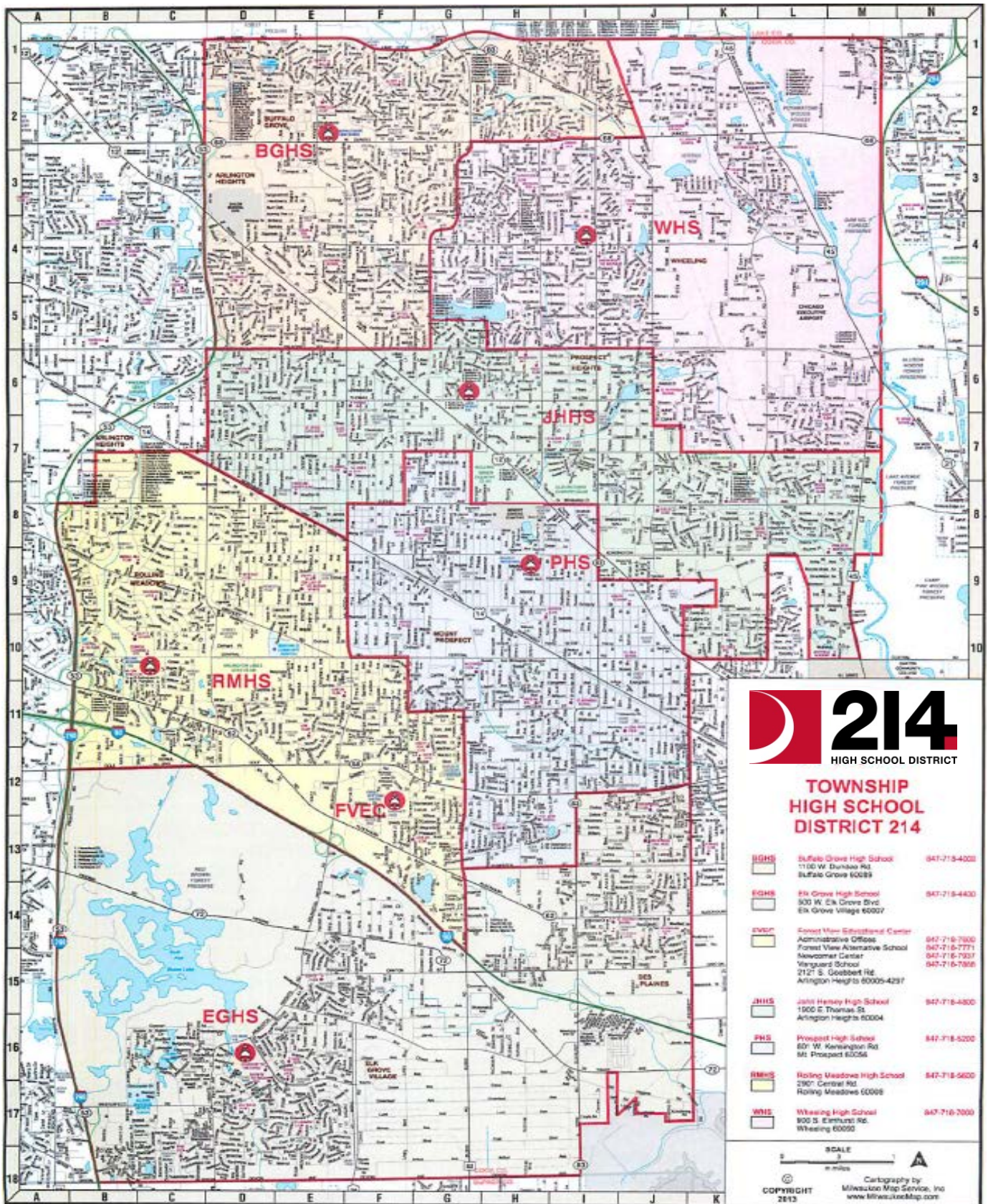
# Community Education

## Adult Education & Family Literacy

Manager, Adult Education & Family Literacy



# District Map



## ***District Background***

Township High School District 214's creation in 1914 can, in part, be attributed to the Women's Suffrage Movement. As the creation of the District was a hotly contested election issue, men's ballots opposed the proposition while women's ballots supported the proposition. With the subsequent validation of the Women's Suffrage Act came the creation of Township High School District 214.

The district was established on March 28, 1914. In 1922, the school board adopted plans for construction of nine classrooms, an auditorium, and a gymnasium. Arlington High School opened to students in 1923. Increasing enrollment necessitated that several additions were constructed. The second high school constructed was Prospect High School in Mt. Prospect in 1957. In 1962, Forest View High School in Arlington Heights was constructed due to district enrollment topping over 6,300 students. Wheeling High School was constructed in 1964, Elk Grove High School in 1966, John Hersey High School in 1968, Rolling Meadows High School in 1971, and Buffalo Grove High School in 1973. By 1973, there were 19,000 students enrolled in the district. The district's enrollment peaked at 19,823 students during the 1975-1976 school year. Due to declining enrollment, Arlington High School closed in June 1984, and Forest View closed in June 1986. Forest View currently houses the administration offices and alternative programs.

Township High School District 214 is recognized as a Blue Ribbon High School District by the United States Department of Education. Located approximately 25 miles northwest of Chicago in a 68.3 square mile area, we are the state's second largest high school district serving students from Arlington Heights, Buffalo Grove, Des Plaines, Elk Grove, Mount Prospect, Prospect Heights, Rolling Meadows, and Wheeling. Nearly 300,000 residents comprise our diverse middle to upper middle-class demographic. More than 67 languages are spoken in the homes of our students. With the new regulations being determined at the state level regarding enrollment, the estimated 2018 enrollment is 11,789.

Township High School District 214 currently has seven campuses. The six comprehensive high schools include: Buffalo Grove, Elk Grove, John Hersey, Prospect, Rolling Meadows, and Wheeling. The Forest View Educational Center houses: The Academy at Forest View, Vanguard School, Newcomer Center, Community Education, and the District 214 administration offices.

Transforming a great school district into an elite learning organization for all is the primary focus of Township High School District 214. Working collaboratively in the spirit of "WE", all staff, administration, and Board of Education have committed to the systemic student-centered focus of continuous, rigorous academic excellence for all students. As a "lighthouse district", Township High School District continues to serve as an accessible resource for other learning organizations to model.

Township High School District 214 students matriculate from several elementary districts including: District 15, District 21, District 23, District 25, District 26, District 57, and District

59. District 214 is a member of Northwest Suburban Special Education Organization (NSSEO) which provides specific special needs services to our qualifying students.

Approximately 97% of our students graduate and 80% enroll in two- or four-year colleges. In addition, we offer more than 10 certificate programs in high-demand career areas, including manufacturing, early childhood education, culinary, networking, nursing, building trades, cosmetology, and many automotive specialties. Our students graduate college and career ready.

Township High School District 214 currently has sixteen Tax Increment Financing (TIF) districts within our boundaries. The Equalized Assessed Valuation (EAV) for the District for tax year 2014 was \$7.5 billion. The EAV for tax year 2015 was \$7.4 billion. The EAV for tax year 2016 was \$8.5 billion.

Very active Booster Clubs, Alumni Associations, and Parent Teacher Organizations provide the schools with both financial and volunteer support. Partnerships with local park districts and other organizations increase opportunities for students at many levels.

The District offers an extensive and comprehensive program for students who have special needs. As this program continues to expand and the services become enhanced, the District anticipates enrollment to continue to increase in this area.

Township High School District 214 is fully accredited by the Illinois State Board of Education.

### Major milestones in District 214 History

Year	Milestone	District Enrollment
1922	Arlington High School is opened	101
1928	Arlington High School gets an addition	251
1938	Arlington High School gets another addition	517
1946	Arlington High School gets another addition	669
1949-1950	Arlington High School gets another addition	904
1952-1953	Arlington High School gets another addition	1,169
1956	Arlington High School gets another addition	2,235
1957	Prospect High School is opened	2,773
1962	Forest View High School is opened	6,323
1964	Wheeling High School is opened	8,276
1966	Elk Grove High School is opened	10,784
1968	John Hersey High School is opened	13,520
1971	Rolling Meadows High School is opened	17,419
1973	Buffalo Grove High School is opened	19,000
1984	Arlington High School is closed	13,742
1986	Forest View High School is closed	12,447
1988	Edward Gilbert Administrative Complex is dedicated	10,848
1989	Maryville Education Center/Nipper School MEC joins District 214	10,381
1992	STEP becomes Forest View Alternative School	10,597
1996	MEC/Nipper School becomes Nipper Career Education Center	11,243
1998	Vanguard School is opened	11,443
2002	Newcomer Center is opened	12,102
2004	Nipper Center Education Center is closed	12,500
2014	Forest View Alternative School becomes The Academy at Forest View	12,000

## ***Legal Structure of the District***

The District is a municipal corporation governed by a Board of Education, which is elected by the public and has the exclusive responsibility and accountability for the decisions it makes. The District has the statutory authority to adopt its own budget, levy taxes, and issue bonded debt without the approval of another government. It has the right to sue and be sued, and has the right to buy, sell, lease, or mortgage property in its own name. Based on these criteria, the District is considered a primary government and there are no other organizations or agencies whose budgets should be combined and presented with this budget.

### **Interesting facts**

- Township High School District 214 is the second largest high school district in Illinois.
- Total student enrollment for 2016-17 was 12,118 in grades 9 through 12.
- 18 National Merit Finalists in the Class of 2017.
- Average class size is 21.1.
- ACT Class of 2017 has a Composite score of 23.6, compared to the state average of 21.7.
- As of September 30, 2017, the approximate enrollment of 9<sup>th</sup> through 12<sup>th</sup> grade students is 11,789.
- 9,000 Advanced Placement Exams taken in 2016-17.
- 73.9% of the Advanced Placement Exams taken scored a 3 or above.
- Starting with the 2017-18 school year, the Grade Point Average (GPA) in District 214 will change from a 5.0 scale to a 4.0 scale. This creates consistency and will make it easier to families to understand college admissions and requirement for scholarships.
- In 2017-18, District 214 moved to a collegiate model school calendar, moving up the start date to mid-August with first semester final exams scheduled before winter break, as well as a curb on homework being assigned during holiday breaks.
- In 2017-18, District 214 delayed the start of the day each morning by 45 minutes. Research has shown that high school age students will benefit by the later start times.
- Each school has a football field, gymnasium, baseball field, tennis courts, and running track. All schools have access to swimming pools.
- Each school is equipped with a language laboratory, library, college/career center, computer laboratories, a writing laboratory, and a technology center.
- There are approximately 225,000 resource items housed in the District's libraries. Student can also access magazines, newspapers, and specialized reference databases through the online subscription sites. Materials are available in a variety of media, including videotapes, DVDs, and audio books at each school and the District's library processing center.
- Each school serves hot lunches in its cafeteria, as well as lighter fare.
- Approximately 50,000 adults participated in the District's Community Education programs in 2016 – 2017. Community Education provided over 20,000 volunteer hours to the community.
- Students in every school have access to approximately 140 co-curricular activities consisting of inter-scholastic sports, fine and performing arts, student government, and interest-related clubs.
- District 214 provides free bus transportation to students who live 1.5 miles or more from their assigned school.

- Transportation is available to students who live within the 1.5 mile limit but wish to pay for it.
- Late (activity) bus service is available to students who stay after school with teacher supervision.
- The District 214 Newcomer Center is one of 10 programs in the nation selected for a case study of its exemplary practices in promoting academic rigor and putting newly-arrived adolescent learners on the path to high school graduation and postsecondary opportunities. Students remain at the Center for up to a year and then transition to their home school.
- Township High School District 214 serves a diverse student body.

### ***Mission and Vision***

Township High School District 214's **primary mission** is to help all students learn the skills, acquire the knowledge, and develop the behaviors necessary for them to reach their full potential as citizens who can meet the challenges of a changing society. Our **secondary mission** is to provide residents with opportunities for lifelong learning. The District 214 vision embraces continuous improvement and includes:

#### **Students who demonstrate...**

- analytic capabilities
- communication skills including reading, writing, speaking, listening, and numeracy
- creative expression and educated response to the creative works of others
- ethical judgment and decision-making ability
- career and life planning skills
- responsible citizenship
- understanding of ways to participate in an interdependent world
- problem solving skills
- concern, understanding, and respect in social interactions
- technological literacy
- ability to develop and maintain wellness

#### **An environment in which people are...**

- physically, psychologically, and emotionally safe
- treated fairly and ethically
- valued for their unique backgrounds and contributions

#### **Staff members who...**

- are active, lifelong learners committed to continuing professional and personal development
- are leaders in instructional practices
- create school work which engages and challenges students
- are innovative, take risks, and share what is learned from successes and failures
- are concerned, caring, and compassionate
- cooperate as partners with parents and the community in the education of students
- use student learning data to inform instructional decisions and practices

#### **A Board of Education that...**

- provides high quality resources for students and staff
- respects successful programs and practices
- encourages continual improvement through risk-taking and innovation
- cooperates and communicates as a partner with parents and the community in the education of students
- celebrates student and staff success
- promotes lifelong learning
- involves school and community members in decision-making processes

### ***District 214 Board of Education Goals***

1. **Provide quality education** that is relevant to membership in a global society and economy while maintaining a balanced operating budget and serving the student population.
2. **Increase student learning** through engagement and innovative programs to ensure students will develop self-awareness, self-management, interpersonal, and decision-making skills as measured by social and emotional learning growth objectives to establish and maintain positive relationships and achieve school and life success in a global society and economy.
3. **Promote and expand life-long learning** opportunities for residents of all ages through positive relationships, community involvement, community engagement and outreach, and collaborative planning in the efficient use of resources.

### ***District 214 Instructional Goals***

3. As measured by the Board-approved College/Career Readiness indicators, the District will **increase student success annually or will exceed a threshold** established by the Board after two years of data are collected and analyzed.

#### **College Ready Indicators**

Students are College Ready if they meet either the academic or standardized testing benchmarks listed below.

**GPA 2.8 out of 4.0** and one or more of the following benchmarks:

- Advanced Placement Exam (3+)
- Advanced Placement Course (A, B or C)
- Dual Credit College English and/or Math (A, B or C)
- College Developmental/Remedial English and/or Math (A, B or C)
- Algebra II (A, B or C)
- International Baccalaureate Exam (4+)
- College Readiness Placement Assessment (Standardized test benchmarks minimum score)  
SAT Exam: Math (530) / Reading and Writing (480)  
ACT Exam: English (18) / Reading (22) /Science (23) / Math (22)

**Additional Factors that Contribute to College Success:** Earning As, Bs, Cs; FAFSA



completion; enrollment in career pathway course sequence; college academic advising; participation in college bound bridge programs; senior year math class; completion of a math class after Algebra II.

**Career Ready Indicators**

Students are Career Ready if they have identified a career interest and meet two of the behavioral and experiential benchmarks listed below. In addition, students entering the military upon graduation must meet the passing scores on the Armed Services Vocational Aptitude Battery (ASVAB) for each branch of the military.

**Career Cluster Identified** and **two or more** of the following benchmarks:

- 90% Attendance
- 25 hours of Community Service
- Workplace Learning Experience
- Industry Experience
- Dual Credit Career Pathway Course
- Two or more organized Co-Curricular Activities

4. As measured by the growth from PSAT to SAT, **the percent of students meeting or exceeding national growth norms from PSAT to SAT will increase annually or will exceed a threshold** established by the Board after two years of data are collected and analyzed.\*

\*For the transitional years as the new SAT suite of assessments are being completely implemented, the District will use national norm data for comparison purposes.

The measurable goal related findings in the supplemental section of this document demonstrate the increase in student success in District 214. The fiscal and human capital costs related to the measurable goals are incorporated in the total operating cost per pupil. As the District achieves its goals within our educational program we are, at the same time through cost containments and efficiencies, reducing our Operational Expense per Pupil, which is quite an accomplishment.

<b>Operating Expense Per Pupil</b>	
2016 - 2017	\$19,920.58
2015 - 2016	\$20,673.85
2014 - 2015	\$19,850.00
2013 - 2014	\$19,733.62
2012 - 2013	\$19,300.72
2011 - 2012	\$17,922.80
2010 - 2011	\$17,611.11
2009 - 2010	\$17,735.03
2008 - 2009	\$16,999.66
2007 - 2008	\$15,756.95
2006 - 2007	\$15,044.06
2005 - 2006	\$14,453.07
2004 - 2005	\$14,166.75
2003 - 2004	\$14,167.16

## ***Performance Results***

The District's primary mission is to help all students learn the skills, acquire the knowledge, and develop the behaviors necessary for them to reach their full potential as citizens who can meet the challenges of a changing society. Our secondary mission is to provide residents with opportunities for lifelong learning.

Township High School District 214 has a complete academic program with more than 600 courses, as well as many programs and services for students with special needs. District 214 offers courses in language arts, mathematics, science, computer science, world language, social science, business, technology, life studies, fine arts, physical education, health, driver education, and NJROTC. Advanced Placement courses are available in English, U. S. History, European History, World History, Biology, Chemistry, Physics, Environmental Science, Computer Science, Calculus, Chinese, German, French, Spanish, Art, Psychology, Statistics, Economics, Government and Politics, Human Geography, and Music. World Language programs of study are provided in French, German, Spanish, Italian, Japanese, Mandarin Chinese, and American Sign Language.

Each school participates in the Talent Development Program. The Young Adult Education Program (YAP) is offered to students who are unable to attend day school. An English Language Learner/Bilingual program is provided if needed. Social, academic, and career counseling is provided at each school. Each school has a psychologist, social worker, police counselor, nurse, and school counselor available.

The District has equipped all students with an iPad since the 2015-2016 school year. This iPad deployment and teaching concept has been extremely well received by students and staff, with 24/7 iPad access. This has broken down walls, so students can learn at their own pace.

District 214 committed to offering students a variety of opportunities to earn early college credits while they are in high school, with an ultimate goal of ensuring our students leave our doors poised to excel. Most credits transfer to any public college or university in the nation, offering our students a low-cost head start on their postsecondary journey. Our partner higher education institutions include Arizona State University, Eastern Illinois University, Harper College, National Louis University, and Northeastern Illinois University. Each institution establishes its own fees for credit or course enrollment. In all instances, these fees represent a significant value savings to families compared to typical tuition rates on campus. District 214 offers nearly 60 dual credit course opportunities, partnering with college to provide classes that simultaneously offer both high school and college credit. These classes tie directly into District 214's Career Pathways, allowing students to explore career interests with college-level classwork.

District 214 offers more than 30 Advanced Placement courses. These classes are rigorous, mirroring college-level work, and successful completion prepares the students for a corresponding Advanced Placement examination. During the 2016-17 school year, students completed approximately 9,000 Advanced Placement courses, positioning them for college credits following the successful completion of an exam. Students who earn a score of "3" or higher on the 5-point exam are guaranteed various levels of college credit at any public state college or university in Illinois.

The Power of 15 Partnership with Harper College provides new opportunities for college credit. District 214 offers a number of college-level courses taught by our teachers. Research shows that students who enter college with 15 or more college credits are twice as likely to graduate with a degree. So, in addition to Advanced Placement courses, dual-credit classes, and career pathways, this partnership also offers students opportunities to earn college credit while in high school.

District 214 students have the opportunity by meeting strict eligibility requirements to earn up to two years free Harper tuition through the Harper Promise Scholarship Program. Promise students can miss no more than 5 days of school their freshman year, 9 days sophomore year, 8 days junior year, and 7 days senior year. They must maintain a minimum 'C' average as freshmen. The minimum grade-point average progressively increases to 2.3 on a 4.0 scale and 3.3 on a 5.0 scale by students' senior year. The program also requires 5 hours of community service for freshmen, increasing incrementally to 20 hours for seniors. The program has already changed the way some students see their life's journey, as 67% of freshmen have applied for the program.

The Career Pathways program provides students with rigorous courses, access to early college credits, industry certifications and personalized, career-specific learning experiences. There are 44 career pathways to choose from, and 2,700 annual student workplace learning experiences. In one year students earned over 34,000 early college credits.

The District also has a comprehensive extra-curricular offering including drama, service clubs, special interest clubs, music groups, and a full slate of athletic offerings available to the students. Each school has a football field, gymnasium, baseball field, tennis courts, and running track. All schools have access to swimming pools.

The Community Education department has many offerings for the lifelong learners. Over 500 courses are offered annually, and over 57,000 adults participated in the program during 2016-2017.

Four District 214 high schools, Buffalo Grove, John Hersey, Prospect, and Rolling Meadows were ranked in the top 25 high schools in the state in the US News and World Report rankings. The list recognizes schools that perform well and uses those schools as models for others to inspire educators and communities to do well.

Five of the District 214 schools rank in the top 20 most challenging schools in Illinois, by The Washington Post.

Redefining Ready introduces a new multi-metric, research based approach to determine what it means to be college ready, career ready, and life ready. It is designed to change the narrative of public education from a standardized test philosophy to a focus on global readiness for public school students, who are driven by ideas and innovation. In considering the whole child, redefining readiness focuses on three main areas of importance: college readiness, career readiness, and life readiness.

Township High School District 214 is proud to have Dr. David Schuler as our Superintendent, for the thirteenth year. In 2009, Dr. Schuler was named one of the Top Educational Leaders in the Country under 40, by *Scholastic Administrator*. Dr. Schuler has served as president of the Suburban School Superintendents Association, and the School Superintendents Association, a national professional organization. Dr. Schuler was president of The School Superintendents Association (AASA) for the 2015-2016 school year, which champions high quality public education. Dr. Schuler champions the Redefining Ready initiative across the nation.

Dr. Schuler was the 2016 recipient of the Bob Grossman Leadership in School Communications Award. This prestigious award from the National School Public Relations Association (NSPRA) recognizes a practicing superintendent of schools for outstanding leadership in school public relations and communications. From his visionary approach to redesigning the district's communication department and engaging the community, to his personal commitment as an education leader in using communication tools and strategies to create new opportunities for students and impact the national dialogue on education, there is no doubt that he is setting a new standard for superintendents everywhere.

Dr. Schuler was just named the 2018 Illinois Superintendent of the Year by the Illinois Association of School Administrators.

The Associate Superintendent of Teaching and Learning, Dr. Lazaro Lopez, is a board member of The Partnership for College Completion in Chicago, the 10<sup>th</sup> Congressional District Educational Advisory Board, and the Northwest Educational Council for Student Success (NECSS). Dr. Lopez is also the Chairman of the Illinois Community College Board. He speaks nationally as an advocate for relevancy in schools, business partnerships, and career pathways.

For the eighth year in a row, District 214 is among the top-ranked school districts in the nation using cutting edge technology to enhance learning and curriculum. The achievement recognizes exemplary school boards' and districts' use of technology to govern their district, communicate with students, parents and community, and improve learning.

Performance data between school districts can be compared using the School Report Card data. In previous years, the School Report Card focused on student performance on state standardized tests. The School Report Card has been completely redesigned to access important information about the school. The report has a cleaner look and design. It has at-a-glance information about school performance, school climate and learning conditions, school awards and extra-curricular programs, measures of college and career readiness, and growth measurements showing academic improvements.

The performance results also include the financial state of the District. Revenue sources include Local, State, and Federal. Expenditure objects include: salaries, benefits, purchased services, supplies, equipment, dues and fees, and tuition costs. A summary, by fund, explains the 2017-2018 fund balances for District 214.

**Chart 2.01 Summary of Fund Balances**

<b>Summary of Fund Balances</b>						
<b>All Funds</b>						
	<b>Beginning Balance</b>	<b>Revenue</b>	<b>Expenditure</b>	<b>Excess (Deficit)</b>	<b>Financing Sources (Uses)</b>	<b>Ending Balance</b>
Educational	\$74,745,370	\$200,900,000	\$199,900,000	\$1,000,000	\$0	\$75,745,370
Operations and Maintenance	\$30,716,260	\$30,850,000	\$23,585,000	\$7,265,000	(\$8,265,000)	\$29,716,260
Debt Service	\$1,031,543	\$3,535,000	\$6,800,000	(\$3,265,000)	\$3,265,000	\$1,031,543
Transportation	\$12,768,499	\$12,200,000	\$12,200,000	\$0	\$0	\$12,768,499
Municipal Retirement	\$7,165,680	\$9,250,000	\$8,350,000	\$900,000	\$0	\$8,065,680
Capital Projects	\$26,800,596	\$1,300,000	\$15,800,000	(\$14,500,000)	\$12,000,000	\$24,300,596
Working Cash	\$17,348,084	\$100,000	\$0	\$100,000	(\$7,000,000)	\$10,448,084
Tort	\$0	\$0	\$0	\$0	\$0	\$0
Life Safety	\$0	\$0	\$0	\$0	\$0	\$0
	<b>\$170,576,032</b>	<b>\$258,135,000</b>	<b>\$266,635,000</b>	<b>(\$8,500,000)</b>	<b>\$0</b>	<b>\$162,076,032</b>

**Chart 2.02 Report Card Statistics**

<b>Report Card Statistics</b>		
	<b>District 214</b>	<b>State of Illinois</b>
Average Class Size	21.1	20.2
High School Students per Teacher	19:1	19.5:1
Graduation Rate 4 Year	95%	87%
Graduation Rate 5 Year	97%	88%
Ready for College Coursework (meet or exceed ACT college readiness benchmarks)	66%	51%
Postsecondary Enrollment	80%	70%

Source: 2016-2017 Illinois Report Card

The Operating Expense per pupil is the gross operating cost of a school district (excepting summer school, adult education, bond principal retired, and capital expenditures) divided by the nine-month ADA for the regular school term.

**Chart 2.03 Operating Expense Per Pupil**

<b>Operating Expense Per Pupil</b>	
2016 - 2017	\$19,920.58
2015 - 2016	\$20,673.85
2014 - 2015	\$19,850.00
2013 - 2014	\$19,733.62
2012 - 2013	\$19,300.72
2011 - 2012	\$17,922.80
2010 - 2011	\$17,611.11
2009 - 2010	\$17,735.03
2008 - 2009	\$16,999.66
2007 - 2008	\$15,756.95
2006 - 2007	\$15,044.06
2005 - 2006	\$14,453.07
2004 - 2005	\$14,166.75
2003 - 2004	\$14,167.16

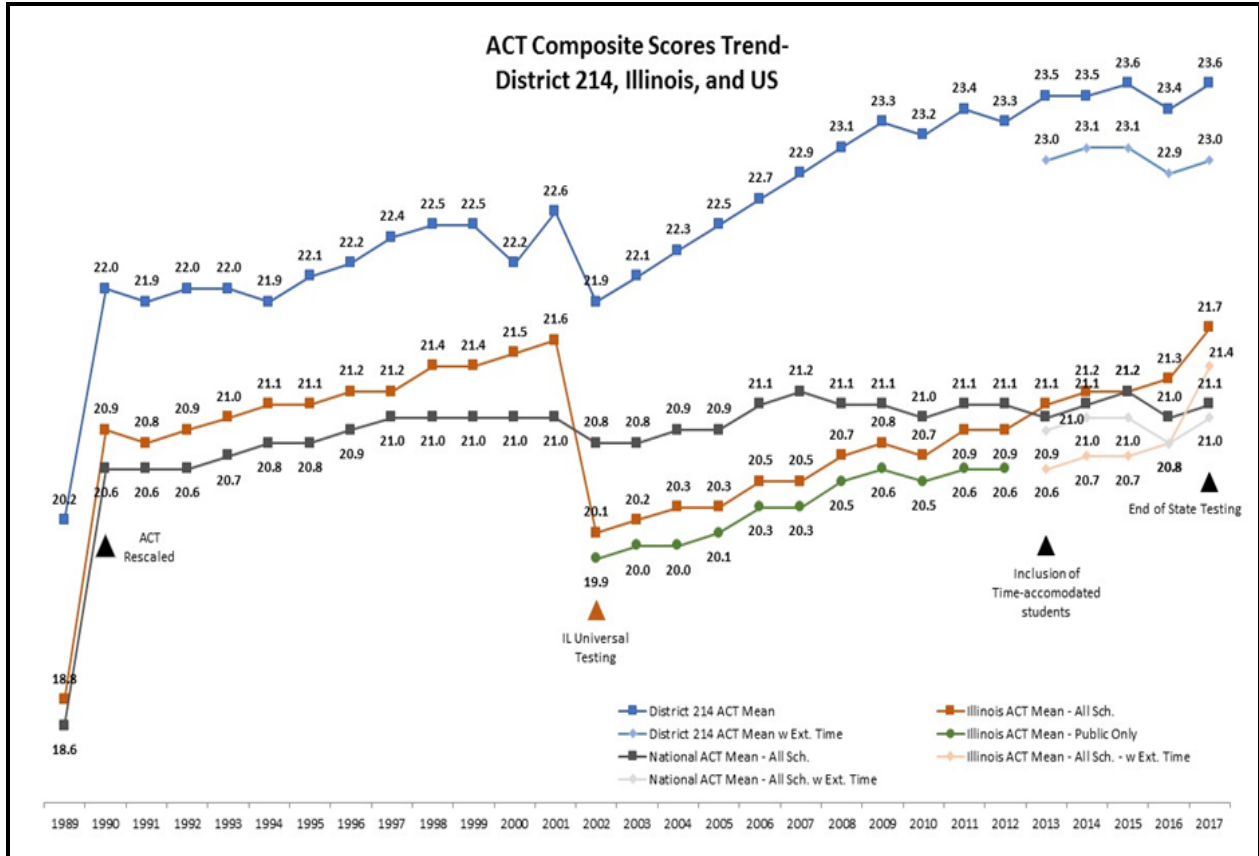
District 214 has initiated over \$70 million in cost containments over the past ten years to help to control the Instructional Expense per pupil and achieve academic efficiency in relation to continuing increased student academic performance.

**Chart 2.04 Cost Containment Initiative**

<b>Cost Containment Initiative</b>	<b>Estimated Savings</b>
Staff	2,700,000
Insurance	50,000,000
Technology	7,500,000
Food Service	650,000
Transportation	1,400,000
Operations & Maintenance	3,500,000
<b>Total Cost Containment</b>	<b>65,750,000</b>
<b>Increased Revenue Sources</b>	
Partnerships Field Turf	2,500,000
Other Partnerships	1,000,000
Increased revenue sources	750,000
<b>Total</b>	<b>70,000,000</b>

As cost containment initiatives are achieved, the assessment scores of our students are increasing.

**Chart 2.05 ACT Composite Score Means by Graduating Class**



The Class of 2017 increased to an average composite ACT score of 23.6. The ACT is a powerful measure of student performance, and a meaningful assessment for students who count on high scores for postsecondary participation.

The average ACT composite score for the District 214 class of 2017 overall (23.6) for non-extended time accommodated scores continues to significantly exceed the Illinois average (21.7) and national average (21.1).

ACT scores are based on the last test taken by the student, this may be the PSAE-ACT administered by District 214 as part of state requirements or it may be a national exam. Prior to the Class of 2013, ACT did not include scores for students who receive extended time accommodations to complete the test. These are now included, and the reader will notice scores remaining steady in the most recent years, even with this methodological change.

Additionally, the graduating class of 2017 was the first year that all students had not been required to take the state ACT. While the district provided the test for these students the increase

in the state average is likely due to previously included students not taking the test starting with this class.

The average ACT composite score for the District 214 class of 2017 overall (23.0) with the inclusion of accommodated scores continues to significantly exceed the Illinois average (21.4) and national average (21.0).

As noted in the introduction above, ACT began including extended-time accommodation scores beginning with the class of 2013. This has a significant impact on overall results and the reader will notice a dip in scores in the most recent years.

## *Surveys*

### **General Surveys**

- The Freshman Survey is administered annually in the fall to freshmen students in some schools. Information collected in this survey is used by the Student Services department to identify students who are socially and emotionally at-risk, and for planning purposes for appropriate speaker topics and counseling needs.
- The Senior Survey is administered annually to the senior class. It is a satisfaction survey that rates the quality of the student's high school experience, resources, curriculum, activities, and counseling services offered. It also surveys post-secondary plans of military, college, trade school or direct employment and, new this year, asked questions aimed at gauging interest in a District alumni program. This data is used to plan/adjust service offerings in the future.
- The Student Career Activities Survey is administered annually to the entire student body. It is a state-mandated ISBE report used when submitting the Career Technical Education Improvement Grant (CTEI)/Perkins Grant. Students rank the activities and programs offered by District 214. The results assist in curricular planning, advising career pathways, selecting appropriate speakers for our students and determining how counselors can most effectively assist our students. The survey is also effective for identifying students who should be considered for our special programs, such as Education Academy, Medical Academy, Culinary Arts Program, or Project Lead the Way, among others.
- The Needs Assessment Survey is administered to parents and staff of special needs students to determine satisfaction and concerns regarding supports and services provided by District 214 and the Northwest Suburban Special Education Organization (NSSEO). The results are used to make adjustments and improvements in future program offerings and guide professional development.



## **School Calendar/Start Time Survey**

In the fall of 2015, District 214 surveyed community members, parents, students, and staff regarding school calendars and school start times, following decisions by other districts. Approximately 6,500 individuals responded to the survey. Parents, students, and staff preferred keeping a traditional calendar, which would mean starting school in mid-August and having first semester exams prior to winter break (collegiate-style).

Parents, students, and staff also preferred to start the school day later and end the day at a reasonable time, so we will be looking to adjust bell times to approximately 8:00 am – 3:20 pm. The survey shared that Parent Teacher Conferences are viewed as valuable, so time will continue to be set aside to accommodate these. Spring Break will continue to take place the last full week in March, which has been our long-standing practice. We will finish school with final exams for underclassmen the week after Memorial Day Weekend.

Graduation will continue to occur the weekend prior to the school year ending, which would now occur on the Sunday of Memorial Day weekend. This is consistent with many other school districts, and allows travel time for extended families. The Calendar Committee also recommends that specific weekends and/or scheduled breaks become times for students and staff to focus on themselves and family.

Based on these survey results and extensive work by the committee, a pilot program encompassing the 2017-18 and 2018-19 school years will measure the impact of student attendance and achievement with the new school calendar and start times. Appropriate adjustments will be made as needed.

## ***District Departments***

District 214's departments are both informed and vested in their specialized roles to achieve the District goals. Communicating the progress toward these goals is essential for ongoing work process improvement. Examples of how various work processes advance the District 214 goals include:

### **Teaching and Learning**

The Teaching and Learning department provides instructional leadership and coordinates District curriculum, instruction, and instructional materials for the purpose of student achievement and learning. Teaching and Learning encompasses many departments, including: academic programs, instructional materials and media, summer school, fine arts, and Navy Junior Reserve Officer Training (NJROTC).

### **Career and Technical Education**

The Career and Technical Education department oversees several instructional opportunities for students. The District CTE Internship Program works with students to fully explore and consider the extent of their career development, outside the conventional classroom, working with employers who serve as inspirational role-models. The District Practical Architecture Program (PAC) provides students with actual on-site work experience in the construction trades. Project Lead the Way (PLTW) is a sequential engineering program that can

potentially lead to 15 college credits. Students completing the Cosmetology program during Junior and Senior year are prepared to take the Illinois State Board Licensing Exam. Many other opportunities are also available.

### **Center for Career Discovery**

The Center for Career Discovery facilitates the development and coordination of customized, authentic learning experiences which provide opportunities to support students' skill development, decision-making, post-secondary goals and future career path. These experiences provide students the opportunity to observe and engage with professionals in their typical work setting. They learn specific job tasks, gain insight into the career planning process, identify potential career opportunities with possible areas of study, develop critical thinking competencies and problem solving abilities. The program gives students the opportunity to improve communication, including developing and utilizing networking skills. From internships to micro-internships to community-based supported work sites, all students have access to workplace learning experiences which aligns with their individual career interests, passions, and needs.

### **Driver Education**

Each student must pass the classroom portion of Driver Education in order to graduate high school. Participation in the laboratory portion of Driver Education is elective.

### **English Language Learner Program (ELL)**

Newcomer Center is designed to meet the learning and acculturation needs of students who 1) are recent arrivals to the United States, 2) are at the beginning level of English fluency, and 3) might have gaps in their formal education. The center provides a flexible program of instruction combining comprehensive diagnostic and placement assessment, intensive English language and content instruction, and counseling with a strong emphasis on transitioning students to their home high schools.

### **Grants and Special Programs**

The Grants and Special Programs department provides a variety of services to the district. The primary role is to secure external funding for developing new programs and sustaining existing programs through federal, state, and private grants. The department works closely with the District 214 Education Foundation for obtaining corporate funding. Partnerships are also cultivated with state and local agencies to provide grant funded services to students, staff, and the community.

### **Professional Learning**

The primary mission is to promote the continuous improvement of district staff and increase student achievement. We provide assistance to all members to plan and actively participate in a variety of experiences that will lead to continued professional growth and renewal.

### **Research and Evaluation**

The Department of Research and Evaluation provides information about student performance to enhance student learning and school improvement. We provide services and support to schools for test-taking, overseeing testing, processing and analyzing test data, conducting timely applied research and promoting accountability by linking school and departmental practice to performance in the classroom and on standardized tests.

## **Human Resources**

The Human Resources Department is dedicated to promoting a positive work environment that encourages employees to perform at the highest level of achievement and to contribute in meaningful ways to the district.

- Recruitment, development, and retention of high caliber staff are key components in enabling District 214 to perform at the highest level of achievement.
- Assists and guides staff on work-related matters.
- Facilitates positive employee relationships and creates a workplace that reflects the values of the District.
- District 214 utilizes Global Compliance Network (GCN) online training modules as a component of yearly staff orientation related to compliance issues, such as, blood-borne pathogens, crisis plan, drug/alcohol policy, internet policy, mandated reporter policy, and general/sexual harassment. In addition, custodial maintenance employees are required on a yearly basis to review hazard communications, personal protection equipment, and slip & fall prevention videos.
- Aesop is the electronic absence reporting and substitute system that can be accessed 24 hours a day, seven days a week. The system accurately tracks sick, personal, and vacation time for employees.
- Manages work group negotiations, FMLA, staff evaluations, and unemployment issues.
- Reviews and updates job descriptions.
- Completes ISBE state reporting.
- Coordinates the District Wellness Days.

## **Student Services**

The Student Services Department provides information that pertains to a student's legal rights and responsibilities. The department provides support and direction to district counselors, special education teams, nurses, data processors, and registrars. Township High School District 214 is committed to serving all students with special needs. The Bridge program allows for an extended educational experience in the way of daily living skills and community connections for students with special needs between the ages of 18 – 21. To meet the needs of our alternative school students, instructional coaches were hired to observe and coach new and experienced teachers as they assist in the implementation of school and district instructional goals.

### **The Career Life Skills Program (CLS)**

CLS provides students with significant cognitive delays, an opportunity for academic, vocational, and social growth.

### **The Academy at Forest View (TAFV)**

The Academy at Forest View gives students an opportunity to deal with significant emotional or behavioral challenges through a therapeutic approach while continuing their progress toward a high school diploma. Students focus on developing independence, belonging, mastery, and generosity in the school and community.

### **Vanguard School**

Vanguard School is an alternative program that provides a nontraditional educational experience for District 214 students who are not meeting the educational credits. Through social emotional support we build positive relationships that help students find their pathway to success. Vanguard is a pioneering effort that provides a nontraditional education where a

team of teachers implements new instructional techniques, uses innovative curriculum, and utilizes community resources to meet the academic needs and career aspirations of students.

### **Newcomer Center**

Newcomer Center is designed to meet the learning needs of high school aged second language learners who recently arrived in the United States. After completing the program, students are transitioned to their home high school.

### **Young Adult Program**

The Young Adult Program is designed to help young adults earn their high school diploma in the evening. It also offers credit recovery for students who are currently enrolled in day school.

### **Community Engagement and Outreach**

- The Community Engagement and Outreach Department focuses on raising awareness of and creating a dialogue among internal and external stakeholders regarding the innovative examples of teaching and learning in the District.
- The department is charged with enhancing the national narrative of public education to include examples, as illustrated by District 214, in which public education is working.
- The department develops strategic communications and community engagement solutions, including overseeing the District 214 Education Foundation, to support the vision and goals of the District and works to promote the achievements of District 214 students, faculty and staff.
- Coordinates communication between the district and community.
- Handles media requests and work to promote the achievements of District 214 students, faculty, and staff.

### **Community Education**

- The mission of Community Education is to provide opportunities for lifelong learning and improve the quality of life in our community.
- The Continuing Education program offers more than 500 courses annually in the following categories: Arts, Culinary, Finance, Law and Real Estate, Fitness and Athletics, Health and Wellness, Hobbies and Leisure, Home and Garden, Languages, Professional Development, Technology and Youth and Family Programs.
- The Adult Education & Family Literacy program provides basic educational services to adults who are English-as-a-Second-Language (ESL) learners, the undereducated, the unemployed or underemployed or low income and who reside or work in this community. Services include preparation to take the Illinois High School Equivalency test, U.S. Citizenship Training, Basic Reading and Math and one-to-one tutoring for beginning adult readers.
- Shows, performances and festivals, through the Cultural & Performing Arts program, promote diversity and provide access to quality and affordable events. To keep the arts alive in our community, Community Education partners with community organizations, produces a concert series and provides a platform for local talents through The Theater Lab, a grassroots community theater that was launched in the fall of 2015.
- The Community Education Travel program, referred to as CET, provides a one-stop and hassle-free service, offering day trips, motor coach tours or worldwide travel and cruises.

- The department provides community connections through various communication materials including the Continuing Education program guide, Gold Card Club newsletter, Community Education Travel newsletter and website and collaboration through the Community Education Advisory Council and our partnerships with local organizations.
- Through Intergenerational programs, the department spearheads the annual Senior Celebration Day and provides help to low-income seniors through the Acts of Kindness (A-OK) Maintenance program that is offered in the spring and fall.
- Participation in all Community Education programs, workshops, the advisory council, service learning activities, committees and volunteers involves approximately 57,000 people annually.

### **Finance and Operations**

The Finance and Operations Department has been recognized for financial excellence by receiving the Meritorious Budget Award from ASBO International for the budget documents from 2010-2011 through 2016-2017. The Department strives for excellence in financial reporting. District 214 has received the Certificate of Excellence Award in Financial Reporting for the Comprehensive Annual Financial Report (CAFR) from 2009 through 2016. The District has received the Certificate of Financial Recognition from the Illinois State Board of Education (ISBE) “School District Financial Profile” scoring system since 2003.

The District received a 4.0 School District Financial Profile score from ISBE since 2010.

### **Food and Nutrition Services**

- Since 2014-2015, the District has opted out of the National School Lunch Program, but still participates in the Special Milk Program.
- Provides safe, nutritious, and appetizing meals and snacks at a fair price to promote and encourage the development of sound nutrition habits that will foster academic success.
- Provide student meals that contain adequate calories and a variety of foods to support growth, development, and a healthy weight.
- The School Breakfast Program is available to all students every weekday morning school is in session.
- Food is prepared on site at our buildings.

### **Operations**

- On a yearly basis, update and implement the long range capital projects program. The District prides itself on outstanding and continual upkeep and improvement to all facilities. The District is comprised of seven campuses.

<b>Name of Bldg</b>	<b>Year Built</b>	<b>Square Footage</b>
Prospect	1957	359,828
Forest View	1962	322,184
Wheeling	1964	337,357
Elk Grove	1966	338,102
John Hersey	1968	364,847
Rolling Meadows	1971	379,629
Buffalo Grove	1973	419,068

- Responsible for life safety, security, operations, maintenance, cleanliness, design, construction, and renovation of District facilities.

- Annually the Operations Department reviews infrastructure and facilities-related academic priorities of the District and incorporates these priorities in the five-year planning process.
- District 214 boasts state of the art facilities with an ice system in place which makes ice at night when electricity costs are lower, to assist in cooling the buildings during the day. The electrical air conditioning units do not come on during the day until the ice has melted, which is environmentally friendly.
- Energy and Environmental Committee includes citizens/parents of our communities.
- Continue to explore and expand our intergovernmental partnerships as they relate to cost savings and facility usage and development.
- Maintain in-house trades professionals that help us reduce costs and repair response times on a multitude of electrical, plumbing, mechanical, equipment and carpentry work.
- Continue to expand our efforts to reuse, recycle and reduce our waste stream in many areas.
- Continue to increase revenues through a facilities rental program that seeks to balance community needs with appropriate facilities stewardship.
- Continue to plan for future upgrades by developing roofing/curtain wall, mechanical and other facility improvement priority lists which include basic scope of work, potential year of implementation and projected costs.
- Continue purchasing of “green” custodial equipment and supplies, and train staff on proper usage.
- Two of our buildings, Buffalo Grove High School in 2010 and Elk Grove High School in 2015, have earned the prestigious ENERGY STAR rating from the United States Environmental Protection Agency. To qualify for the ENERGY STAR rating, a building’s energy performance must score in the top 25% based on the EPA’s National Energy Performance Rating System. Commercial buildings that earn the ENERGY STAR rating use an average of 35% less energy than typical buildings and also release 35% less carbon dioxide into the atmosphere.
- Achieved LEED Silver certification from the United States Green Building Council for major building additions: The Buffalo Grove High School Natatorium in 2015, and the Prospect High School Natatorium in 2017. LEED Operations and Maintenance (O & M) certification is pending for Elk Grove High School.
- Several comprehensive facilities use and/or intergovernmental agreements have been developed and implemented for effective resource utilization, including:
  - District 214 and Robert Morris University have developed a comprehensive Facility Use Agreement for fifteen years, through June 30, 2027.
  - District 214 and the Mount Prospect Park District, Wheeling Park District, Rolling Meadows Park District, Elk Grove Park District, Buffalo Grove Park District, and Arlington Heights Park District have developed intergovernmental agreements for the mutual use of facilities that benefit both agencies, providing substantial cost savings to District 214 and increased access to our students for activities and athletics.
  - District 214 and the City of Rolling Meadows have developed an intergovernmental agreement for the emergency use of Rolling Meadows High School as an emergency shelter for the community, if needed in a crisis or disaster.

## **Technology**

- Recognized as a leader for the fullest implementation of technology benchmarks in the evolution of digital education.
- The District is committed to the use of technology to enhance learning opportunities of all learners to develop the 21<sup>st</sup> century skills of inventive thinking, effective communication, high productivity, and digital-age literacy to create innovative solutions to real world problems.
- By using technology to track and analyze incoming data, District 214 is better able to identify emerging student needs, both for opportunities and interventions.
- Students contribute to wikis, write blogs, create YouTube videos, and engage in a wide variety of other interactive online activities.
- The Technology Department follows the Information Technology Infrastructure Library to improve technology efficiencies, effectiveness, and processes.
- District 214 uses a mass notification system called “School Messenger” which allows the District to communicate the goals and support achievement by informing community, parents, and students through emails or voice messages.
- District 214 is preparing students for technology-based careers with options of taking Java, A+ Certification, and Cisco Networking courses.
- District 214 was named a 2010 Technology Leadership Network Salute District.
- District 214 was ranked in the top 10 school districts in the nation for the past 7 years by the Center for Digital Education and the National School Boards Association in the Digital School District Surveys.
- National School Boards Association named Township High School 214 as the recipient of the 2010 Salute Trailblazer Award honoring the use of technology to promote student achievement.
- The Instructional Technology Innovation That Works Program was selected as an Apple Distinguished Program for the 2012-13 and 2015-16 school years, for its teacher driven, student focused iPad deployment.
- Upgraded its network to provide the bandwidth necessary for students and staff to access 21<sup>st</sup> century cloud-based curriculum.
- Named a “Top 10 District” by the Learning Counsel. The District’s responses to a Curriculum Survey assessment, among other criteria, organizational practices, digital curriculum tactics and usage ranked it as one of the 10 best school districts in the nation.

## **Business Services**

- The Business Office performs the day-to-day financial activity of the District.
- The Business Office encompasses: accounting, accounts payable, insurance (health, liability, and risk management), payroll, purchasing, transportation, treasury function, workers compensation, data production services, and mailroom.
- Work with PMA Financial Network and Forecast5 on long range projection models.
- Increased the programs using the electronic/paperless payment of registration fees.
- Immediate reviews regarding Workers’ Compensation accidents and student accidents.
- Continuing Safety Committees at each building to decrease Workers’ Compensation accidents and student accidents.
- Secondary School Cooperative Risk Management Program (SSCRMP) with District 211, District 207, and District 225. We have contracted with a full time dedicated adjuster and

safety director who are both placed on site at District 214. It has proved that the expanded workers compensation model reduces the number of student, staff, visitor, and transportation accidents, saving District 214 (and SSCRMP in its entirety) significant money.

- SSCRMP has agreed to pool for the purpose of leveraging our size. The pooling approach improves service and position to weather the many health care initiatives and increased coverage paid for by the employer over the next several years.
- The District utilizes an outside appraisal service for the appraisal, control and inventory of capital assets. Industrial Appraisal Company completed a comprehensive appraisal of the District's assets in November 2013. Appraisals are used for verification and updating of replacement values for inventory and insurance purposes. The District maintains a set of procedures and an approval process for the disposal, removal, loan or hire of District property in Section 3551 of the Board of Education Policy Manual. The policy is in compliance with ILCS 5/10-22.8.
- The District maintains a set of procedures and approval process for contract approval, bid requirements and awards and for purchasing in accordance with 105 ILCS 5/10-20.21 in section 3310 of the Board of Education Policy Manual. The policy includes:
  - Guidelines and dollar amounts for bids and quotes.
  - Guidelines and dollar amounts for contract approvals.
  - Pre-approval of purchase orders before purchasing.
  - Purchasing within budgetary limitations.
  - Board approval of lease agreements.
  - Cooperative purchasing.
  - Conflict of interest and ethical guidelines.
- Data Production Services (DPS) provides complete production capabilities for district office and individual school requests.
- Mailroom provides courier service between buildings for collection/distribution of internal and external documents and mail.



### ***Meritorious Budget Award (MBA)***

The District received the Meritorious Budget Award (MBA) for fiscal year 2010-2011 through the 2016-2017 budgets from the Association of School Business Officials (ASBO) International. The MBA recognizes excellence in school budget presentation and is conferred on school districts that have met or exceeded strict guidelines. The guidelines provide a means for the business management staff, school board, and community to use the budget document as an effective decision-making and communications tool.



This Meritorious Budget Award is presented to

## TOWNSHIP HIGH SCHOOL DISTRICT 214

for excellence in the preparation and issuance of its budget  
for the Fiscal Year 2016-2017.

The budget adheres to the principles and standards  
of ASBO International's Meritorious Budget Award criteria.



A handwritten signature in blue ink, appearing to read 'M. Pepera', written over a horizontal line.

**Mark C. Pepera, MBA, RSBO, SFO**  
Acting President

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

**John D. Musso, CAE, RSBA**  
Executive Direct

### ***Certificate of Excellence Award in Financial Reporting***

The District received the Certificate of Excellence Award in Financial Reporting for fiscal years ending June 30, 2009 through June 30, 2016 from the Association of School Business Officials (ASBO) International. This award represents a very significant achievement and reflects the District's commitment to the highest standards of school system financial reporting. The Certificate of Excellence is the highest recognition for school district financial operations offered by ASBO International and confirms that the District's Comprehensive Annual Financial Reports (CAFR) have met or exceeded the standards set by ASBO International.



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

## **Township High School District 214**

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

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



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

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

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

**John D. Musso, CAE, RSBA  
Executive Director**

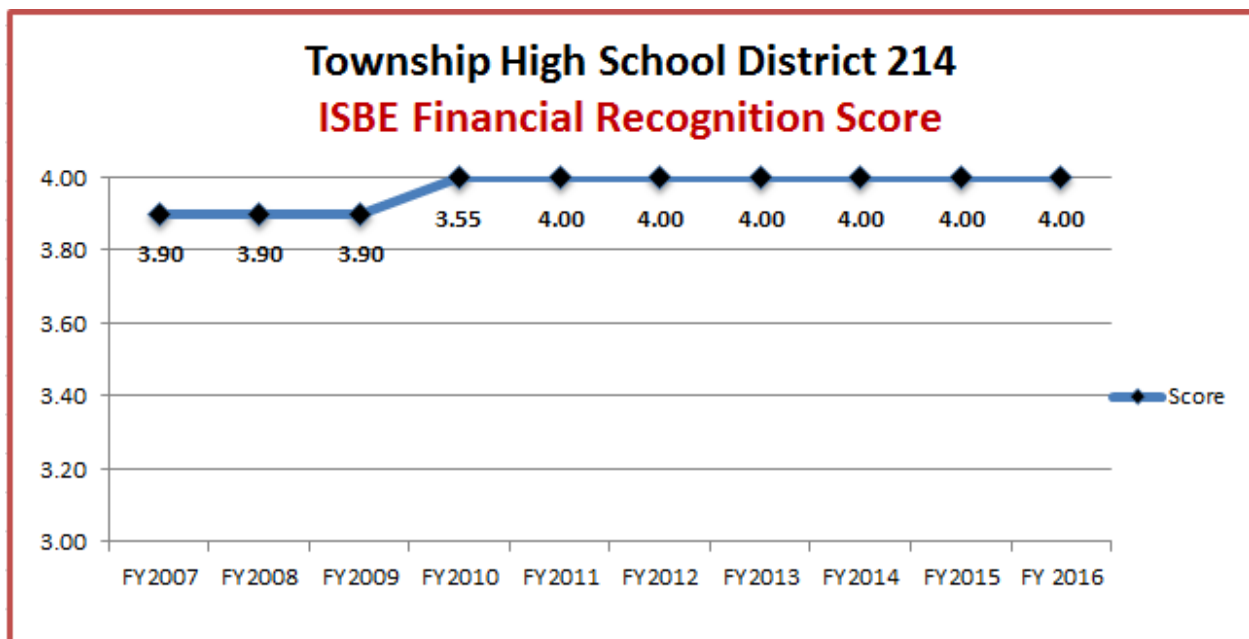
## ***Certificate of Financial Recognition***

Since the spring of 2003, the Illinois State Board of Education (ISBE) has utilized a new system for assessing a school district's financial health. The new financial assessment system is referred to as the "School District Financial Profile". The new system uses five indicators which are individually scored and weighted in order to arrive at a composite district financial profile. The indicators are as follows: fund balance to revenue ratio; expenditures to revenue ratio; day's cash on hand; percent of short-term borrowing ability remaining; and percent of long-term margin remaining. The best category of financial strength is Financial Recognition. A school district with a score of 3.54 – 4.00 is assigned to this category. These districts require minimal or no active monitoring by ISBE unless requested by the district. The District received the Certificate of Financial Recognition for fiscal year ending June 30, 2009 with a score of 3.9. For FY 2010 through FY 2016, ISBE awarded District 214 with the highest designation of 4.0. This award recognizes the strong financial position of the District in its management of annual resources and fund balances.

Annually, ISBE publishes District 214's financial profile which generates from our Annual Financial Report (AFR), form 50-35. As shown below, over the past ten years, the District has received Financial Recognition status and our financial score has been on a lateral or upward move in spite of the difficult economic times our state and District have been facing. The past seven years, we have been given a perfect 4.0 Financial Score.

Township High School District 214 will continue to implement cost containment initiatives and innovative ideas with minimal impact to student programs. The District strives for continuous financial improvement, accountability and recognitions.

**Chart 2.06 ISBE Financial Recognition Score**



## ***Fiscal and Business Management Policy***

- District shall prepare and adopt a balanced Operating Budget.
- District shall maintain long term financial projections. District 214 uses projection software, which provides the ability to address “what if” scenarios.
- District shall maintain a fund balance of minimally five to six months of expenditures.
- District will find cost savings to delay deficit spending.
- District maintains an investment policy consistent with statute.
- District maintains a debt policy consistent with statute.
- District maintains a long term capital facilities plan.
- District maintains a long term life safety plan.
- District maintains a technology implementation plan.
- District developed a replacement schedule for long-life assets to allocate annual costs and assist in projecting future needs.
- District has not issued tax anticipation warrants or revenue anticipation notes.
- District has no record of default and has met its debt repayment obligations promptly.

### **Accounting Systems and Budget Control**

The District administration is responsible for establishing and maintaining internal controls designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles. The internal controls are designed to provide reasonable 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.

The financial statements are prepared 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. The presentation allows the reader to obtain an overview of the District’s financial operations by viewing the combined statements. Detailed representations of the combined statements are available throughout the remainder of the report.

### **Cash Management and Treasury Function**

Cash and investments of the District are maintained by the District Treasurer. The Board of Education appointed the Associate Superintendent for Finance and Operations to serve as the District Treasurer. District 214 has administered the Wheeling Township Intergovernmental Treasury Agreement, since July 1, 1996 at the abolishment of the Wheeling Township School Treasurer. District 214 provides investment and banking related services for District 214, District 21, District 23, District 25, District 26, and Northwest Suburban Special Education Organization 805. This pooling of investment dollars enhances our ability to maximize investment yields.

The Treasurer is responsible for the investment of funds. Investments are maintained in deposits with financial institutions, savings and checking accounts and non-negotiable certificates of

deposit, repurchase agreements, and U. S. Treasury obligations. Certificates of deposits are covered under FDIC insurance limits for privately insured or collateralized. The Treasurer submits monthly investment reports to the Board of Education. The District secures investment bids prior to investing funds. Investment strategies are structured to obtain the best yield for all invested funds while meeting the District's goals of safety and liquidity.

### **Investment Policy**

The District maintains a set of procedures for the investment of School District funds that includes the following elements in Section 4:30 of the Board of Education Policy Manual. The policy is in compliance with the Public Funds Investment Act.

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

### **Risk Management/Insurance**

District 214 is a member of the Secondary School Cooperative Risk Management Program (SSCRMP). District 214 along with District 211, District 207, and District 225 participate in this comprehensive risk management pool. The pool provides comprehensive insurance coverage at a lower cost than the school districts can obtain individually. Coverage includes property casualty, general liability, school board liability, vehicle liability, professional liability, workers compensation, and health insurance. District 214 is self-insured for employees' medical, vision, and dental insurance. Independent third-party companies administer benefit claims for the District's self-insurance plans.

In the fall of 2012, District 214 had a security audit completed by RETA Security during which the following improvements were noted:

- the entire detection camera system has been replaced by a digital internet protocol based system
- schools are locking and monitoring entry doors
- the visibility around buildings has improved, including new signs and appropriately trimmed landscaping
- several exterior areas have improved lighting, including the addition of LED fixtures
- hand-held radios and associated infrastructure has been replaced by a state-of-the-art Motorola system
- schools used a visitor management credential exchange system
- all buildings have been re-keyed and door fobs were replaced by an ID badge with access capabilities

District 214 will continue working with local authorities and appropriate security companies to maximize school safety within budget parameters.

### **O'Hare Noise Compatibility Commission (ONCC)**

The goal of the O'Hare School Sound Insulation Program (SSIP) is to reduce aircraft noise levels in schools and create a quieter learning environment for students in the O'Hare area. As the largest and one of the oldest programs in the world, it has provided over \$300 million in federal and airport funds to sound-insulate over 120 schools. In 1996, the O'Hare Noise Compatibility Commission (ONCC) was formed to provide input and oversight to the implementation of noise programs, including the SSIP.

The O'Hare Noise Compatibility Commission (ONCC) notified District 214 that the Federal Aviation Administration (FAA) approved Elk Grove High School for funding to reduce aircraft noise in the school. Township High School District 214 received a \$13.4 million grant from the Federal Aviation Administration for Elk Grove High School renovations to mitigate sound levels for student learning. The FAA paid 80% of the improvement costs and the city of Chicago paid the remaining 20%. The project allowed renovation in 85+ spaces, including 71 classrooms, cafeteria, and gymnasium. The sound abatement results in a quieter school due to double-paned glass with thicker outside windows, new insulated roofing, high noise reduction ceiling tile, and unit ventilators with sound baffles. This will have a positive effect on the learning environment. Final reimbursement from the grant was received by the District in fall 2014.

### **Capital Assets**

The District utilizes an outside appraisal service for the appraisal, control and inventory of capital assets. Appraisals are used for verification and updating of replacement values for inventory and insurance purposes. In October of 2013, Industrial Appraisal conducted a follow-up appraisal for the District. After receiving the final report, the District completed the requests and reconciled the fixed asset module. The financial software system includes a fixed asset module to assist with the accuracy of the capital asset data. Each year the audit firm reviews the fixed asset additions/deletions and depreciation calculations.



## **Bond Issuance**

Historically, the District has bonded for capital programs to match long-term assets with long-term debt. The Capital Projects fund bond proceeds are restricted for capital and maintenance projects to improve sites, build and equip additions, and alter, repair and equip buildings.

During 2016, the Board of Education authorized the sale of Refunding Bonds in the approximate amount of \$9,800,000. Under current market conditions, this refinancing initiative by the sale of the refunding bonds will result in an approximate present value savings of \$1,500,000 (15.9%). The factors leading to this recommendation are as follows:

- The Series 2007 Bonds are callable on December 1, 2017, a portion of which may be refunded on an advance basis.
- Short-term interest rates are currently low and the Series 2016 Refunding Bonds would not extend the debt beyond the current Series 2007 final payment of December 1, 2026.
- This is a Debt Service savings and will not provide new monies to the District.
- The savings from the reduced interest costs creates additional Debt Service Extension Base (DSEB) capacity in future years, adding flexibility for future borrowing needs.

During 2017, the Board of Education authorized the sale of Refunding Bonds in the approximate amount of \$9,900,000. Under current market conditions plus 0.25%, this refinancing initiative by the sale of the refunding bonds will result in an approximate present value savings of \$640,000 (7.05%). The factors leading to this recommendation are as follows:

- The Series 2007 Bonds are callable on June 1, 2017 and may be refunded on a current basis (within 90 days of the call date or after).
- The Series 2008 Bonds are callable on December 1, 2017 and may be refunded on a current basis.
- Short-term interest rates are currently low and the Series 2017 Refunding Bonds would not extend the debt beyond the current Series 2007 and Series 2008 final payment of December 1, 2026.
- This is a Debt Service savings and will not provide new monies to the District.
- The savings from the reduced interest costs creates additional Debt Service Extension Base (DSEB) capacity in future years, adding flexibility for future borrowing needs.

## **Capital Projects Program**

District 214 is comprised of seven campuses. The oldest building in the District is Prospect High School, which was built in 1957. District 214 prides itself on outstanding and continual upkeep and improvement to all facilities. The Capital Projects Program (CPP), formerly known as the Facilities Improvement Program and Major Maintenance, has been in operation since 1985. The purpose of the CPP is to identify and fund large capital expenditures for additions, renovation, remodeling or renewal of our facilities. Projects that fall under the CPP include: roof replacement, tuck-pointing, parking lots, sidewalks, fencing, carpeting and other flooring, fire alarms, additional facilities, modernization of instructional spaces, improvement of grounds spaces, and other capital improvement work.

The District's five-year Capital Projects Program is a budget planning tool in which the projects are determined by budget, instructional needs, school requests, and maintenance concerns. The

plan is a proactive approach to facilitate the highest priority curricular and maintenance needs over a five-year period. Data is collected from the instructional leadership regarding curricular-driven renovations or enhancements. Recommendations are sought from the Buildings and Grounds staff concerning building maintenance and repair. District architects, engineers, and specialty consultants assist to prioritize the CPP. Data is updated annually and adjusted based on current need.

Projects solicited for inclusion into the CPP are reviewed against the Facility Priority Matrix and ranked using a four-pass system. Each project is assigned a project number for tracking and accountability purposes, and then individually scored for placement in the long-range capital plan against other competing projects. Proposed projects are reviewed by the Director of Operations, Associate Superintendent for Finance and Operations, and the Superintendent. The Superintendent makes a recommendation to the Board of Education for final approval of projects.

District 214 has entered into turf field partnership agreements with four park districts, a soccer organization, and a university for turf fields at six of our seven facilities. The partners have agreed to reimburse the District for a portion of the costs of the Turf Project in exchange for certain commitments from the District for use of the Stadium during agreed upon hours. The constituencies of the partnerships will be more effectively and economically served by sharing the costs of the Turf Project.

District 214 entered into an agreement with Robert Morris University (RMU) in which RMU will have extensive use of the District 214 facilities:

- construction of certain Stadium improvements
  - the installation of a turf surface at the Stadium
  - improvements to the press box at the Stadium, including handicap accessibility
  - replacement and installation of a new scoreboard
  - RMU's expanded use of the Stadium
- construction and RMU's use of the Field House
- RMU's continued use of the Training Facility
- RMU's use of certain classrooms

### **Capital Projects Feasibility Projects**

In October, 2013, the District reviewed its long-term financial situation and identified potential capital projects to directly support and further enhanced the teaching and learning environment across the District. The capital feasibility project provided a unique opportunity to consider enhancements to the infrastructure of our schools with the help of direct and valued input from students, staff, and public without decreasing the percent of funding that we already spend on student education. It was determined that approximately \$45 million will be expended through 2018-2019 for projects at our facilities.

### ***District Funds***

The District receives the majority of its revenue and also expends the majority of the budget from the Educational Fund and Operations and Maintenance Fund.

Brief summaries of selected individual fund budgets follow. Between funds, the surplus/deficit for FY 2018 varies, but total operating funds are balanced (excluding Capital Projects Funds and Life Safety Funds which are spending down previously issued debt proceeds).

### **Education Fund**

The Educational Fund is utilized to account for most of the instructional, co-curricular, special education, pupil support and administrative aspects of the District's educational operations on a day to day basis. The Educational Fund consists of two separate funds, which are combined together for purposes of reporting to the Illinois State Board of Education, but are viewed separately for internal District management purposes. The two separate funds are the Education Fund and the Insurance Reserve Fund.

The District continues its commitment to narrow the achievement gap and to meet the needs of special education students. The financial resources required to address these issues are significant. The Board of Education carefully considers and reviews school achievement initiatives. The Board will continue to put student achievement as its top priority when establishing annual goals.

The District 214 Fall Housing Report, as of September 2009, demonstrated an enrollment of 12,343. The FY 2018 enrollment is projected at 11,789. During the past several years, the number of low income students has been decreasing.

### **Operations and Maintenance (O & M) Fund**

The Operations and Maintenance Fund (O & M Fund) is for revenue and expenditures related to the operations and maintenance of the grounds and facilities including utilities and maintenance projects.

The Operations and Maintenance Fund will expend approximately \$1.0 million for major maintenance projects in FY 2018, such as scheduled roofing repairs, district parking lots and concrete repairs, fencing, irrigation projects, and various equipment purchases. The Build America Bond debt certificate payment of \$3.3 million will be transferred from Operations & Maintenance to Debt Service.

The Central Maintenance Department has established a rolling rotation cycle for aged equipment to assist in keeping Central Maintenance budgets more consistent year to year. The rolling rotation cycles include: snow removal equipment, lawn care equipment, and vehicles used by the Central Maintenance staff.

### **Debt Service Fund**

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

The Operations & Maintenance Fund levy is used to generate the revenue necessary for payment of the debt certificates. During fiscal year 2018, \$3.3 million will be transferred from the Operations and Maintenance Fund to the Debt Service Fund to fund the debt certificate payment. The debt certificates were issued to fund capital projects as part of a long-range strategic plan.

Debt certificates were issued as Build America Bonds to take advantage of the federal stimulus program that subsidizes a portion of the interest cost.

The Aa1 rating, assigned by Moody's Investors Service, is indicative of sound financial management supported by ample reserves and a modest debt burden. The District is located within the large tax base in the Chicago metropolitan region.

### **Transportation Fund**

The Transportation Fund is for revenue and expenditures relating to the transportation of regular and special education students to and from school, off campus field trips, and athletic and activity events.

The District presently owns 26 activity buses, five special education wheel chair equipped mini-buses and 20 vans for transporting small groups of students for activities and special education programs. These vehicles have greatly reduced the cost of transportation for small groups of students. The District also owns ten vehicles utilized for the Drivers' Education program. The District has a rolling replacement cycle to keep the activity buses and vans from accumulating excess mileage and to keep the budgeted expenditures more consistent.

The District is presently under contract for our transportation services. In December 2016, District 214 put a bid out for a 3-year transportation contractor. In early 2017, the bid was awarded to First Student and Grand Prairie. With the bell time changes during the 2017-2018 school year, transportation pairings will be eliminated, resulting in increasing transportation costs for the district beginning with the 2017-2018 school year.

Students with disabilities ages 3-21 with an Individualized Education Program (IEP) who require transportation as a necessary related service shall be provided as the child's disability or the program location may require. Transportation reimbursement claims are transmitted to ISBE on or before August 15. Reimbursement is based on prior-year costs and a formula determined by the state following the passage of Evidence-based funding in 2017.

### **IMRF (Illinois Municipal Retirement) Fund**

The District plans to maintain a fund balance adequate to fund increases in the IMRF rate. During 2010, District 214 experienced an IMRF audit. During this audit IMRF determined that Fund 50 should be split into two sub funds to more accurately track the IMRF revenue and the FICA/Medicare revenue separately. However, for ISBE reporting purposes Fund 50 will continue to be reported as one fund in total. At the finalization of the IMRF audit (after much discussion between attorneys, D214, and IMRF), an appropriate beginning fund balance for the IMRF sub fund and the FICA/Medicare sub fund was determined. A journal entry was made to adjust for these appropriate beginning fund balances as of July 1, 2010. The levies for IMRF and Social Security are being reviewed to keep the fund balances in these two sub funds more precise. In budgeting for FY 2018, District 214 did budget separately for the two sub funds.

The District plans to levy to adequately fund IMRF and FICA/Medicare sub-funds on a yearly basis. The FICA and Medicare contribution rates have remained constant for many years at 6.2% and 1.45% respectively.

The IMRF rate, imposed by the State of Illinois, had also remained fairly constant for several years. Unfortunately, the assets held by the IMRF were impaired during the recent economic downturn. The IMRF rate has become a complicating factor in maintaining a positive fund balance.

**Chart 2.07 Historical IMRF rates**

Calendar Year	Rate
2005	8.37
2006	9.25
2007	9.16
2008	8.93
2009	8.64
2010	12.45
2011	12.57
2012	12.69
2013	13.23
2014	13.11
2015	12.25
2016	12.79
2017	11.71

**Capital Project Fund**

District 214 is comprised of seven campuses. The oldest building in the District is Prospect High School, which was built in 1957. District 214 prides itself on outstanding and continual upkeep and improvement to its facilities. The Capital Projects Program (CPP), formerly known as the Facilities Improvement Program and Major Maintenance has been in operation since 1985. Its purpose has been to identify and fund large capital expenditures for additions, renovation, remodeling or renewal of our facilities. Projects that fall under the CPP include, for example, roof replacement, tuck-pointing, parking lots, sidewalks, fencing, carpeting and other flooring, fire alarms, additional facilities, modernization of instructional spaces, improvement of grounds spaces, and other capital improvement work.

Name of Bldg	Year Built	Square Footage
Prospect	1957	359,828
Forest View	1962	322,184
Wheeling	1964	337,357
Elk Grove	1966	338,102
John Hersey	1968	364,847
Rolling Meadows	1971	379,629
Buffalo Grove	1973	419,068

The District’s five-year Capital Projects Program is a budget planning tool in which the projects are determined by budget, instructional needs, school requests, and maintenance concerns. The plan is a proactive approach to facilitate the highest priority curricular and maintenance needs over a five-year period. Data is collected from the instructional leadership regarding curricular-driven renovations or enhancements. Recommendations are sought from the Buildings and

Grounds staff concerning building maintenance and repair. District architects, engineers, and specialty consultants assist to prioritize the CPP. Data is updated annually and adjusted based on current need.

District 214 entered into an agreement with Robert Morris University (RMU) in which RMU will have extensive use of the District 214 facilities:

- construction of certain Stadium improvements
  - the installation of a turf surface at the Stadium
  - improvements to the press box at the Stadium, including handicap accessibility
  - replacement and installation of a new scoreboard
  - RMU's expanded use of the Stadium
- construction and RMU's use of the Field House
- RMU's continued use of the Training Facility
- RMU's use of certain classrooms.

### **Working Cash Fund**

The Working Cash Fund is to account for financial resources held by the District which may be temporarily loaned to other funds.

### **Tort Immunity Fund**

The Tort fund revenues and expenditures were gradually reallocated to the Education Fund based on auditor recommendations due to legal decisions. Tort expenditures which were basically for security staff, workers comp insurance, liability insurance, unemployment insurance, and legal bills are now classified as Education Fund expenditures. In the FY 2018 budget, \$0 was budgeted for revenue and \$0 was budgeted for expenditures in the Tort Fund.

### **Life Safety Fund**

The Life Safety Fund is to account for state approved fire prevention and safety construction projects through the issuance of general obligation bonded debt. During FY 2018, \$0 is budgeted in the Life Safety Fund.

### **Long-term Financial Projections**

Local revenue is comprised mainly of property tax and registration fees. The most complex and also most critical area of the five year projection is the estimation of property tax revenue. Property taxes are the District's largest revenue source, and the calculation process is quite detailed. Variables that must be analyzed include equalized assessed valuation (EAV), new property additions, and the Consumer Price Index (CPI). Additionally, due to the fact that the District's fiscal year ends on June 30, each fiscal year represents the collection of one installment from each of two tax levy years. In 1995, the passage of the Property Tax Extension Limitation Law (PTELL or "tax cap"), limited the growth in revenue from property taxes for school districts to the lesser of 5% or the CPI-U. The PTELL allows a taxing district to receive a limited inflationary increase in tax extensions on existing property, plus an additional amount for new construction. The limit slows the growth of revenues to taxing districts when property values and assessments are increasing faster than the rate of inflation.

State revenue includes Evidence based funding, transportation reimbursement, and grants. The method used to fund school districts in Illinois changed with the passage of Senate Bill 1947 in August 2017, which includes the Evidence-Based Funding for Student Success Act. The Evidence Based Model contains the core values which recognize individual student needs, accounts for differences in local resources, closes funding gaps and keeps them closed, and provides a stable, sustainable system that gets districts across the state to adequacy over time. The highlights of SB1947 include:

- Funding is tied to evidence-based best practices that research shows enhance student achievement.
- Each school district is assigned an Adequacy Target based on the needs of its student body.
- New dollars go to the neediest districts first.
- Illinois state funding for students will be similar statewide, including Chicago.
- No district loses money.

The details of this new funding mechanism are being reviewed, researched, and finalized by ISBE during fall 2017 and early spring 2018.

The District receives minimal federal aid, the majority of which is special education reimbursement through Medicaid and Individuals with Disabilities Education Act (IDEA). Because of its political nature, it is difficult to project state and federal aid beyond the current year due to the uncertainty of funding in Springfield and Washington. The District assumes the status quo in funding unless there is information to the contrary.

The District's projections include: enrollment projections and the staffing levels required to meet those enrollments while maintaining appropriate class sizes. The District utilizes projection software to analyze historical survival data, parochial school matriculation, and current elementary district class sizes. Assuming that future fertility rates remain constant and turnover of existing housing units and family migration remain the same, the District enrollment is projected to remain consistent. The Superintendent, Associate Superintendents, and Principals/Directors meet in early spring to determine the correct staffing based on the staffing formula. The formula is proportionate to building specific enrollment. Each building must have a pre-determined number of FTE for specific programs, such as nurse, psychologist, trainer, innovative technology, student remediation, social worker, special education coordinator. Based on student enrollment remaining relatively consistent over the next several years, staffing will also remain relatively consistent at approximately 1,620.

Estimated salaries and benefits are based on anticipated staffing requirements using the enrollment trends and negotiated salary increases. The District has approximately 1,620 employees of whom 960 are certified and 660 are non-certified. The District considers its relationship with employees to be stable. The Education Association Cumulative Agreement expires June 30, 2019. The Educational Support Personnel Association Agreement expires June 30, 2021. The Custodial and Maintenance Personnel Agreement expires June 30, 2019. The District 214 projections include an estimate of future negotiation increases linked to CPI. Health and medical benefits are estimated to increase annually.

Beginning January 1, 2015, the District offered a High Deductible Health Plan (HDHP) along with a Health Savings Account (HSA) as an option to our employees. An HDHP plan encourages the employee to be a smarter shopper for health care, which is why these plans are considered a “consumer-directed health care plan”. A HSA is a tax-advantaged savings account designated for qualified medical expenses, which allows one to pay for current qualified medical expenses on a tax-favored basis. Unused HSA dollars roll over from year to year. The funds in the HSA belong to the employee, are non-forfeitable, and portable, making HSAs an easy way to save and invest for future qualified medical expenses.

Other types of expenditures, including purchased services, supplies, equipment, and tuition, are estimated to increase at various rates based on the type of expenditure and the volatility of the economic conditions.

## ***District Budget Policies/Process***

### **State Budget Requirements**

[Section 105 Illinois Compiled Statutes 5/17-1]

*Annual Budget.* The board of education of each school district under 500,000 inhabitants shall, within or before the first quarter of each fiscal year, adopt an annual budget which it deems necessary to defray all necessary expenses and liabilities of the district, and in such annual budget shall specify the objects and purposes of each item and amount needed for each object and purpose.

The budget shall be entered upon a School District Budget form prepared and provided by the State Board of Education and therein shall contain a statement of the cash on hand at the beginning of the fiscal year, an estimate of the cash expected to be received during such fiscal year from all sources, an estimate of the expenditures contemplated for such fiscal year, and a statement of the estimated cash expected to be on hand at the end of such fiscal year. The estimate of taxes to be received may be based upon the amount of actual cash receipts that may reasonably be expected by the district during such fiscal year, estimated from the experience of the district in prior years and with due regard for other circumstances that may substantially affect such receipts. Nothing in this section shall be construed as requiring any district to change or preventing any district from changing from a cash basis of financing to a surplus or deficit basis of financing; or as requiring any district to change or preventing any district from changing its system of accounting.

The board of education of each district shall fix a fiscal year. If the beginning of the fiscal year of a district is subsequent to the time that the tax levy for such fiscal year shall be made, then such annual budget shall be adopted prior to the time such tax levy shall be made.

Such budget shall be prepared in tentative form by some person or persons designated by the board, and in such tentative form shall be made conveniently



available to public inspection for at least 30 days before final action thereon. At least one public hearing shall be held as to such budget prior to final action thereon. Notice of availability for public inspection and of such public hearing shall be given by publication in a newspaper published in such district, at least 30 days prior to the time of such hearing. If there is no newspaper published in such district, notice of such public hearing shall be given by posting notices thereof in five of the most public places in such district. It shall be the duty of the secretary of such board to make such tentative budget available to public inspection, and to arrange for such public hearing. The board may from time to time make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget. The board may from time to time amend such budget by the same procedure as is herein provided for its original adoption.

### ***Budget Development Process***

A school district budget is a financial document used to project future revenues and expenses. It is a plan for responsibly receiving and spending limited monetary funds for educational programs. Budgeting for the District is becoming a more detailed process as economic times become more volatile; however, many of the expenses are known due to contractual agreements. Salaries and benefits control a major portion of the budget, so it is possible to budget those expenses and their related costs closely. For the budget process, the District continued to utilize a cost containment philosophy. Each program administrator is required to submit a detailed budget request including program review. The budget requests are reviewed for completeness and accuracy. The Director of Business Services and, if necessary, the Associate Superintendent of Finance and Operations meet with individual program administrators to discuss their budget requests in detail. Budget requests are modified as appropriate and then compiled. Cost savings were found in the areas of salaries, benefits, supplies, purchased services, furniture, equipment replacement, and technology, without curtailing the current programming.

### ***Budget Presentation***

The development of the budget was completed with a detailed review of revenue and expenditure items within the context of the District's Goals and Objectives. The budget includes the Educational Fund, Operations and Maintenance Fund (O&M), Debt Service Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Capital Projects Fund, and Working Cash Fund. The Tort Fund and Life Safety Fund are no longer being budgeted, as the expenditures have appropriately been moved to the Education Fund and Operations and Maintenance/Capital Projects funds, as recommended by the auditor. Information on each of the funds' budgets is provided in this budget document.

A fund is described as a fiscal and accounting entity with a self-balancing set of accounts. Each fund is established under state law to report specific activities or to attain certain objectives in accordance with special regulations, restrictions or limitations. It is important to note that transfers between funds can only be made when authorized by state law. Certain taxes and state aid are provided for specific purposes and must be accounted for within the specific fund established for that purpose.

The priority in the presentation of the budget data is to convey information to our communities about the educational programs and services, which have been translated into a financial budget plan. The material in the budget document incorporates decisions made by the Board and administration throughout the planning process.

This budget document and the year-end Comprehensive Annual Financial Report (CAFR) are the primary vehicles to present the financial plan and results of operations. The District received the Certificate of Excellence in Financial Reporting from the Association of School Business Officials International (ASBO) from fiscal year 2009 through 2016. A similar recognition is available for the budget report. The District received the ASBO Meritorious Budget Award (MBA) from ASBO International from fiscal year 2011 through 2017. The information included in this budget document is to structure the 2018 budget report to meet the stringent requirements of the 2018 ASBO Meritorious Budget Award.

### ***Budget Process***

The budget process is comprised of three distinct phases – long-term financial projections, collection of data and compilation for presentation to the Board, and a public hearing and Board adoption.

The District begins the budgeting process in January with the academic Division Heads and other supervisors acting as budget administrators. The budget reflects the financial support of the goals and objectives of the District. Budget administrators provide information and budget requests in order to continue programs and, in some cases, expand programs. Budget administrators are also responsible for providing information about various grants that the District receives.

Budget administrators submit their requests to the Associate Superintendent for Finance and Operations and the Director of Business Services who then compile the budget. During this time, the Associate Superintendent for Finance and Operations discusses the general financial condition with the Superintendent and the Board of Education. The Board of Education directs the District to maintain an Operating and Working Cash Fund balance of a minimum of five to six months expenditures.

The District shall maintain a five year long term financial projection. The District uses the Financial Planning Program (FPP) which provides the ability to address “what if” scenarios. The Board, Superintendent, Associate Superintendent for Finance and Operations, and Director of Business Services constantly review the budget preparation to see that the budget is in accordance with these guidelines.

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**Township High School District 214 Board of Education Fund Balance Position Paper  
Approved: August 9, 2012**

**The District 214 Board of Education recognizes the importance of sound financial planning and being fiscally responsible stewards of its revenue. As a result, the Board of Education has taken the following position with regards to the district’s Fund Balance.**

- A unit of local government, based on its own policies, reserves a fund balance through intentional actions. Local government maintains fund balances which are not intended to loan, underwrite, or otherwise subsidize another governmental body.
- It is essential that governments maintain adequate levels of fund balance to mitigate current and future risks (e.g., revenue shortfalls and unanticipated expenditures) and to maintain stable tax rates. The largest source of income for many school districts is property tax revenues, which flow to the district twice throughout the year. As a result, it is imperative that districts have cash on hand to meet expenses until property tax revenue is received. Fund balances are affected by inconsistent tax distributions. Technically, Illinois law requires the Fall tax bills to be paid by August 1, but that has been impossible for more than three decades (three of the last four years property taxes in Cook County were due in December rather than August). This delay is compounded by debt service payments due on December 1, which could cause taxing districts to borrow money, which is an expensive proposition in a volatile economy.
- Building and maintaining an adequate fund balance is a prudent fiscal policy with increasingly critical benefits for any governmental body. These include the ability of the body to:
  - stabilize year-after-year educational performance,
  - minimize educational service disruptions,
  - maintain cash on hand to counter unanticipated cash flow shortfalls,
  - address emergency situations, particularly those that threaten health and life safety
  - fund educational facility growth and re-purposing opportunities,
  - enhance credit rating strength and increase access to debt markets at lower interest costs, and
  - increase long-term fiscal performance.
- Fund balances can be temporarily affected by a district's need to meet its obligations, such as by using inter-fund loans, abolishment of the Working Cash Fund, or by issuing Tax Anticipation Warrants or Working Cash Bonds.
- An appropriate level of fund balance is determined based on multi-year analysis of the district's finances and with an expectation of consistent funding.
- To be considered for the Illinois State Board of Education (ISBE) Certificate of Financial Recognition's 4.0 score, a minimum of 180 days cash on hand must be achieved (this is a minimum of 6 months requirement). Financial Recognition directly impacts the assignment of the district's bond rating and affects interest rates for short-term and long-term debt. ISBE requires any district budgeting a deficit to have three times the deficit in fund balance to avoid filing a deficit reduction plan.
- Fund balance and cash flow can be affected by inconsistent tax distribution. Inadequate fund balances may force a district to issue tax anticipation warrants to meet obligations should their fund balance not be enough to cover outstanding obligations requiring the issuance of additional debt and increasing the amount of interest paid on that debt.
- A district's credit rating, as determined by Moody's or Standard & Poor's, is impacted by its fund balance and can potentially increase both the need for short-term borrowing and the interest paid on that debt. Under the most adverse circumstances, fund balance implications can also impact whether a district can issue debt or not. The D214 Moody's bond rating report of Aa1 in September 2011 indicated that "maintenance and further enhancement of reserve levels" could positively affect future bond ratings. The bond

rating report also indicated that “substantial declines in operating reserves and erosion of liquidity” could adversely affect future bond ratings.

Due to Moody’s recommendation that reserve levels should be maintained and enhanced, the Board should target a fund balance to be in the 50% to 55% range representing approximately six to seven months of operation.

If the audited, end-of-fiscal-year operating and working cash fund balance percentage falls below 50% or exceeds 55%, the Administration will establish a committee consisting of the Superintendent, Associate Superintendent for Finance and Operations, Director of Business Services, Director of Facilities and Operations, a Principal, and a representative from the Board to develop a plan to maintain the target fund balance of 50% to 55% while considering capital project expenditures as part of the long-term facility improvement planning and life safety requirements of the district.

The Board of Education continues to be prudent and fiscally responsible with regard to District 214’s Fund Balance and the ever-changing financial situation facing Illinois school districts.

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### **Budget Adoption and Publication**

The District will prepare and present a Tentative Budget to the Board of Education in August. The Board approves the Tentative Budget to be placed on display for a period of 30 days. The Board sets the date and time for the Public Hearing on the Official Budget. After the Public Hearing, the Official Budget is approved at the September Board meeting. The Board of Education shall approve the Official Budget no later than the end of the first quarter of the fiscal year, as provided for in the Illinois School Code.

### ***Budgetary Control***

Budgetary control is maintained at the department/division level by each program administrator. Electronic requisitions are initiated by the employee/division making the purchase. Requisitions automatically route through the approval process workflow in the software system. After final approval by the Business Office, the requisition becomes a Purchase Order and the funds have been encumbered. Purchase orders which exceed the available account balances, are not approved until the program administrator reappropriates his/her budget. Those responsible for budgetary compliance may view their budgets online via the District’s financial software system. Monthly fund expenditure and revenue reports are provided to the Board of Education along with a monthly Treasurer’s Report.

**Budget Calendar 2017 – 2018**

DATE RANGE	BUDGET PROCESS
10/12/17	Board approves 2018-19 Budget Calendar
11/2/17	Board approves 2017 Tentative Property Tax Levy
12/7/17	Board holds public hearing on 2017 Tentative Property Tax Levy
	Board approves 2017 Property Tax Levy
1/3/18 - 1/31/18	Business Office develops 2018-19 Preliminary Financial Guidelines/ Assumptions
2/22/18	Board discusses 2018-19 Preliminary Financial Guidelines/Assumptions
3/22/18	Board approves 2018-19 Preliminary Financial Guidelines/Assumptions
3/22/18	Board approves encumbrance and expenditure authorization
3/26/18 - 4/13/18	Program administrators develop tentative building budgets
4/3/18 - 4/20/18	Administrators submit tentative budgets into Apecs.net
4/23/18 - 5/2/18	Budget Meetings with Budget Administrators
4/3/18 - 6/29/18	Business Office assembles 2018-19 Tentative Budget
7/16/18	Superintendency reviews Tentative Budget
8/2/18*	Board reviews and approves 2018-19 Tentative Budget
	Set date for Public Hearing on Final Budget
8/6/18 - 8/31/18	Business Office prepares 2018-19 Final Budget
8/6/18 - 9/19/18	Board Secretary places 2018-19 Tentative Budget on public display
9/20/18*	Board holds public hearing on 2018-19 Final Budget
	Board approves 2018-19 Final Budget

***Fund Structure and Measurement Basis***

The accounts of the District are organized and operated on the basis of funds and account groups. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund balances, revenues and expenditures as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid administration in demonstrating compliance with finance-related legal and contractual provisions.

The District has the following fund types.

**Governmental Funds** are used to account for the District's general governmental activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available." "Measurable" means that the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the related fund liability is incurred, except for un-matured principal and interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Governmental funds include the following fund types.

**General Funds** – The General Funds are the general operating funds of the District. They are used to account for all financial resources except those required to be accounted for in another fund. The General Funds consist of the following:

***Educational Fund*** – This fund is used for most of the instructional and administrative aspects of the District's operations. The revenues consist primarily of local property taxes, state government aid, and Corporate Personal Property Replacement Tax (CPPRT).

***Insurance Reserve Fund*** – This fund accounts for expenditures made for excessive insurance claims in a particular year. For audit purposes, the Insurance Reserve Fund will be combined with the Education Fund.

***Operations and Maintenance Fund*** – This fund is used for expenditures made for repair and maintenance of District property. Revenues consist primarily of local property taxes and District rentals.

**Special Revenue Funds** – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than those accounted for in the Debt Service Fund, Capital Projects Funds 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 that are restricted to specific purposes. A brief description of the District's Special Revenue Funds follows:

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

***Illinois Municipal Retirement Fund (IMRF)*** – This fund accounts for the District’s portion of pension contributions to the Illinois Municipal Retirement Fund. Revenue to finance the contributions is derived from local property taxes and CPPRT taxes.

**Debt Service Fund** – The Debt Service Fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and related costs. This fund accounts for the periodic principal and interest payments on the bond issues of the District. The primary revenue source is local property taxes levied specifically for debt service.

**Capital Projects Funds** – Capital Projects Funds are used to account for the financial resources to be used for the acquisition or construction of and/or additions to, major capital facilities. The District’s Capital Projects Funds are:

***Capital Projects Fund*** – This fund is used to account for The District’s Facility Improvement Plan projects determined through the District Capital Plan.

***Fire Prevention and Life Safety Fund*** – This fund is used to account for state approved Life Safety projects financed through serial bond issues or local property taxes. At this time District 214, is not budgeting the Fire Prevention and Life Safety Fund.

**Fiduciary Fund Types (Trust and Agency Funds)** – Fiduciary Funds (Trust and Agency Funds) are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

***Expendable Trust Fund (Working Cash Fund)*** – The Working Cash Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. The fund accounts for assets where both the principal and interest may be spent. A portion of the fund may be abated to other funds, or the entire fund may be permanently abolished to the General Fund in accordance with state statutes.

***Agency Funds*** – The Agency Funds are custodial in nature and do not involve the measurement of results of operations. These funds are used to account for assets that the District holds for others in an agency capacity. The District’s agency funds are made up of student activity accounts, faculty/staff convenience accounts and the employee flexible spending account.

**Departure from GAAP** – The District’s budget departs from Generally Accepted Accounting Principles (GAAP) in that the District does not budget for contributions made to the Teachers’ Retirement System by the State of Illinois. These “on-behalf” payments are reported as offsetting revenue and expenditure items in the District’s Comprehensive Annual Financial Report in accordance with GASB Statement No. 24, but due to the inability to predict the amount of state funding during the budget process, the District believes that inclusion of the “on-behalf” payments would make the budget less meaningful.

## Account Structure

Revenues of the District are classified by fund and source. The three primary categories are Local Sources, State Sources, and Federal Sources. Major revenues within each category include: Local Sources – Property Taxes, Corporate Personal Property Replacement Taxes (CPPRT), Student Fees, Interest Earnings; State Sources – Base Funding Minimum (through Evidence-Based Funding) and Transportation Reimbursement; Federal Sources – Title I Low Income; IDEA Special Education.

ACCOUNT NUMBER		DESCRIPTION			
<b>Fund</b>			<b>Independent Fiscal Accounting Entity</b>		
	XX - X - XX - XXXX - XXXX - XXX	10	Educational Fund	60	Capital Projects Fund
		12	Insurance Reserve	61	EGHS Sound Insulation Project
		20	Operations & Maintenance Fund	62	Capital Projects Special
		30	Debt Service Fund	63	FVEC/RMU Renovation
		40	Transportation Fund	70	Working Cash Fund
		50	Municipal Retirement	80	Tort Fund
		51	FICA/Medicare	90	Fire Prevention & Safety Fund
<b>Ledger</b>			<b>General Ledger - Revenue Ledger - Expenditure Account</b>		
	XX - X - XX - XXXX - XXXX - XXX	1	Asset Account		
		2	Liability Account		
		3	Fund Balance Account		
		4	Revenue Account		
		5	Expenditure Account		
<b>Location</b>			<b>Six Schools and District Administered Programs</b>		
	XX - X - XX - XXXX - XXXX - XXX	00	District	19	Districtwide Programs
		01	FVEC	21	District for FVEC
		02	Prospect High School	22	District for Prospect
		03	The Academy at Forest View	23	District for TAFV
		04	Wheeling High School	24	District for Wheeling
		05	Elk Grove High School	25	District for Elk Grove
		06	John Hersey High School	26	District for John Hersey
		07	Rolling Meadows High School	27	District for Rolling Meadows
		08	Buffalo Grove High School	28	District for Buffalo Grove
		09	CLS/Sigwalt House	29	District for CLS/Sigwalt House
		10	Vanguard	30	District for Vanguard
		11	Newcomer	31	District for Newcomer
		14	District Central Maintenance		
		15	Community Education		
		17	Northwest Educational Council for Student Success		
<b>Function</b>	XX - X - XX - XXXX - XXXX - XXX		<b>State Code</b>		<b>IPAM Compliant</b>
<b>Object</b>	XX - X - XX - XXXX - XXXX - XXX		<b>Service or Commodity Acquired</b>		
		1	Salaries	5	Capital Outlay
		2	Employee Benefits	6	Other Objects/Tuition
		3	Purchased Services	7	Non-capitalized Equipment
		4	Supplies & Materials	8	Termination Benefits
<b>Program Type</b>	XX - X - XX - XXXX - XXXX - XXX	1	Regular Instructional Program	6	Instructional Support Program
		2	Special Ed Program	7	Administrative Support Program
		3	Vocational Program	8	Building Support Program
		4	Other Instructional Program	9	Other Support Program
		5	Pupil Support Program		

The budgeted expenditures of the District are classified by fund, ledger type, location, function, object, and department. The State budget and financial reporting requirements are at the fund-function-object level. The primary working budget of the District is at the departmental level. Examples of department classifications include: Mathematics, Technology, and Learning Disabled.



**Function classifications include:**

Instruction – includes regular, special education, adult education, continuing education, vocational, co-curricular, summer school, gifted, driver’s education, and bilingual programs.

Support Services – includes attendance, social work, guidance, and health services for students, instructional staff, general administration, school administration, business operations, transportation, and central administration.

Community Services – includes community related activities.

Non-programmed Charges – includes payments to other LEAs for tuition, transportation, etc.

Debt Service - includes servicing the debts of the District.

**Object classifications include:**

Salaries – includes amount paid to employees on the payroll of the District.

Employee Benefits – includes amounts paid by the District on behalf of employees, such as taxes and fringe benefits.

Purchased Services – includes amounts paid for personal services rendered by personnel who are not on the payroll of the District.

Supplies – includes amounts paid for supply items of an expendable nature that are consumed, worn out, or deteriorated in used in a short timeframe.

Capital Outlay – includes expenditures for the acquisition of fixed assets or additions to fixed assets (e.g. inventorable assets, land).

Other Objects – includes expenditures related to dues and fees and tuition expenditures.

Non-capital Expenditures – includes expenditures related to assets costing under the threshold for inventorable assets.

The charts and narrative in the following Financial Section begins with a discussion of the total Governmental Funds and then progresses to individual funds.

# **FINANCIAL SECTION**

## GOVERNMENTAL FUNDS

The Governmental Funds analysis is a compilation of all District funds combined together. The compilation of the total funds is for discussion purposes only, due to restrictions that exist limiting the uses of some funds and the ability to transfer dollars between funds. Total revenues for all funds, without transfers, are budgeted at an increase of .4% in FY 2018 while expenditures, without the transfers, are budgeted at an increase of .6%.

Local revenue sources comprise 92.3% of total revenue. Local revenue consists of property taxes, corporate taxes, investment earnings, and other local revenue. Local property taxes comprise approximately 82.5% of total revenue for the District in fiscal year ending June 30, 2018. Corporate taxes represent 3.3% of total revenue. Other local sources of revenue represent 6.5% of total revenue.

State sources, which are comprised of the Base Funding Minimum (through Evidence-Based Funding) and Transportation Reimbursement, are estimated to be 5.7% of total revenue.

Federal Sources of revenue will provide 2% of total revenue.

Expenditures in total are expected to be greater than revenues due to the Board approved capital feasibility project expenditures over the next several years.

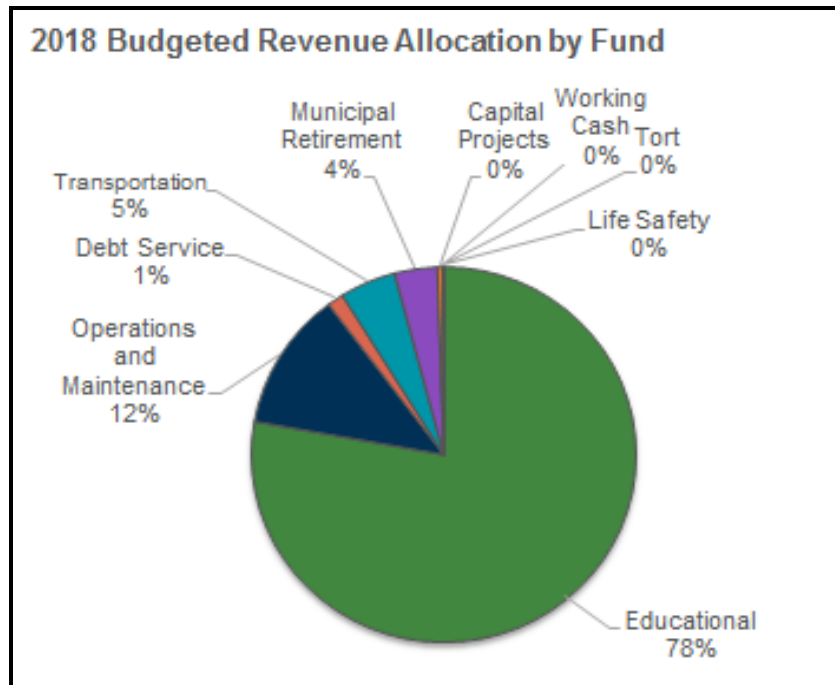
There will be an annual transfer of approximately \$3.3 million from the O & M Fund to the Debt Service Fund to help cover the cost of yearly bond payments for the Build America Bond (BABS) payments.

**Chart 3.01 Governmental Funds Budget Summary 2017-2018**

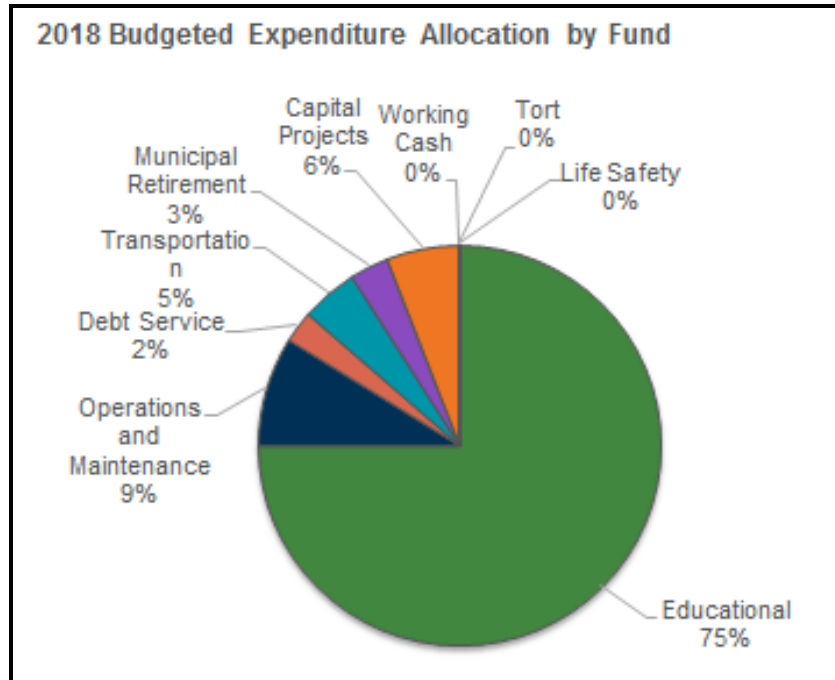
Summary of Fund Balances						
All Funds						
	Beginning Balance	Revenue	Expenditure	Excess (Deficit)	Financing Sources (Uses)	Ending Balance
Educational	\$74,745,370	\$200,900,000	\$199,900,000	\$1,000,000	\$0	\$75,745,370
Operations and Maintenance	\$30,716,260	\$30,850,000	\$23,585,000	\$7,265,000	(\$8,265,000)	\$29,716,260
Debt Service	\$1,031,543	\$3,535,000	\$6,800,000	(\$3,265,000)	\$3,265,000	\$1,031,543
Transportation	\$12,768,499	\$12,200,000	\$12,200,000	\$0	\$0	\$12,768,499
Municipal Retirement	\$7,165,680	\$9,250,000	\$8,350,000	\$900,000	\$0	\$8,065,680
Capital Projects	\$26,800,596	\$1,300,000	\$15,800,000	(\$14,500,000)	\$12,000,000	\$24,300,596
Working Cash	\$17,348,084	\$100,000	\$0	\$100,000	(\$7,000,000)	\$10,448,084
Tort	\$0	\$0	\$0	\$0	\$0	\$0
Life Safety	\$0	\$0	\$0	\$0	\$0	\$0
	<u>\$170,576,032</u>	<u>\$258,135,000</u>	<u>\$266,635,000</u>	<u>(\$8,500,000)</u>	<u>\$0</u>	<u>\$162,076,032</u>

The chart summarizes budgeted revenue and expenses for the 2017-2018 fiscal year in the District Governmental funds. The beginning and ending balances for each fund, as well as the total for all funds, are also shown. The total ending fund balance is projected to be \$162,076,032 as of June 30, 2018.

**Chart 3.02 Budgeted Revenue by Fund**



**Chart 3.03 Budgeted Expenditure by Fund**



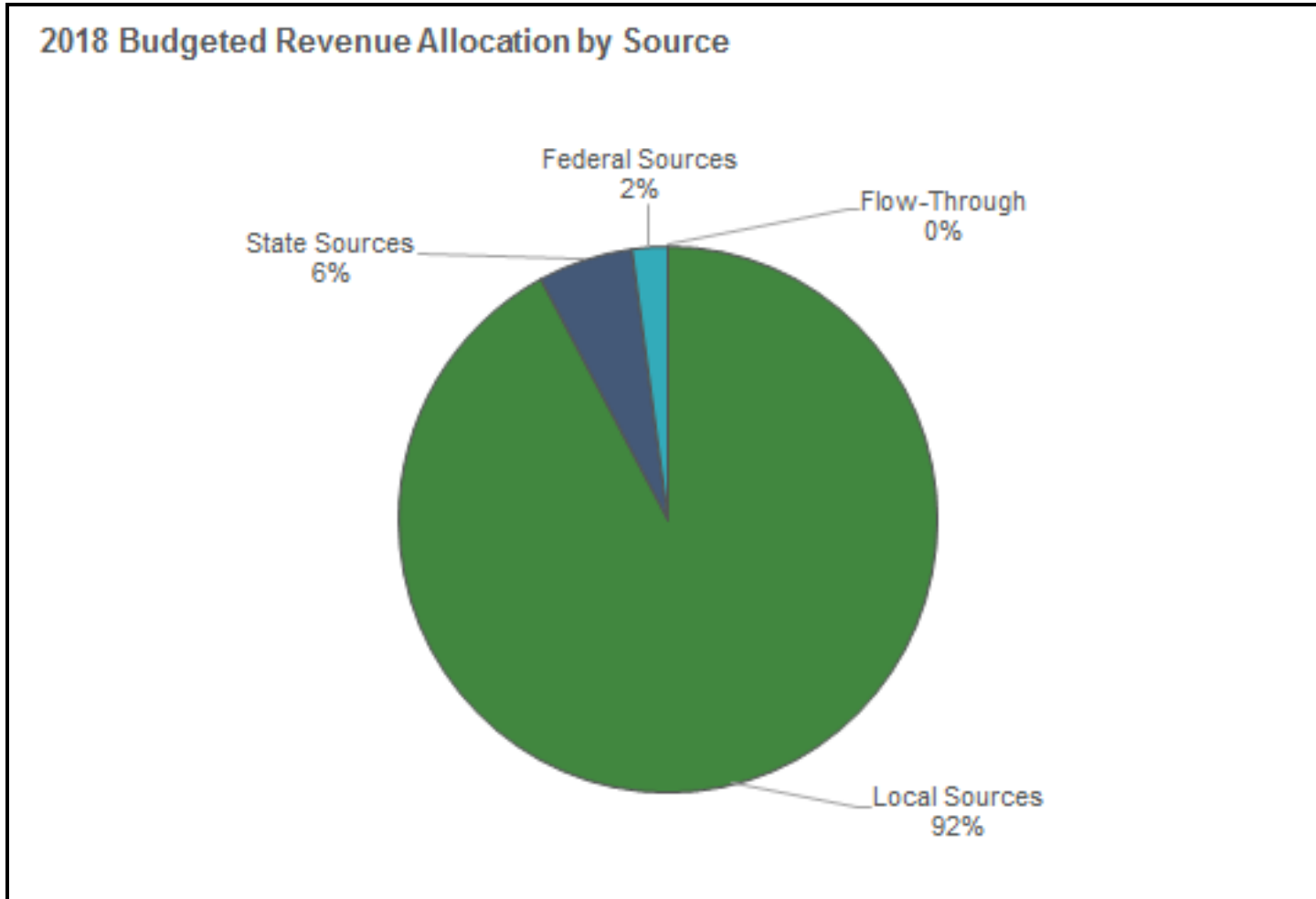
Governmental Funds

Chart 3.04 Revenues by Source and Expenditures by Object Chart

All Governmental Funds															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$224,769,559	\$226,124,461	0.60%	\$231,023,399	2.17%	\$232,178,065	0.50%	\$238,000,900	2.51%	\$244,048,000	2.54%	\$247,176,381	1.28%	\$251,301,871	1.67%
State Sources	\$16,618,290	\$17,029,634	2.48%	\$12,848,822	-24.55%	\$14,202,879	10.54%	\$14,621,100	2.94%	\$15,078,100	3.13%	\$15,078,100	0.00%	\$15,078,100	0.00%
Federal Sources	\$6,857,611	\$6,535,849	-4.69%	\$5,550,020	-15.08%	\$5,089,204	-8.30%	\$5,513,000	8.33%	\$5,513,000	0.00%	\$5,513,000	0.00%	\$5,363,000	-2.72%
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$248,245,460</b>	<b>\$249,689,944</b>	<b>0.58%</b>	<b>\$249,422,241</b>	<b>-0.11%</b>	<b>\$251,470,148</b>	<b>0.82%</b>	<b>\$258,135,000</b>	<b>2.65%</b>	<b>\$264,639,100</b>	<b>2.52%</b>	<b>\$267,767,481</b>	<b>1.18%</b>	<b>\$271,742,971</b>	<b>1.48%</b>
<b>EXPENDITURES</b>															
Salary	\$137,720,549	\$140,795,675	2.23%	\$145,234,261	3.15%	\$146,125,512	0.61%	\$151,193,415	3.47%	\$152,282,849	0.72%	\$156,668,094	2.88%	\$161,172,136	2.87%
Employee Benefits	\$35,228,142	\$37,516,784	6.50%	\$37,031,391	-1.29%	\$36,453,576	-1.56%	\$42,564,901	16.76%	\$45,117,116	6.00%	\$47,415,312	5.09%	\$49,805,636	5.04%
Purchased Services	\$21,138,282	\$21,165,874	0.13%	\$21,753,828	2.78%	\$23,019,101	5.82%	\$26,314,790	14.32%	\$26,925,861	2.32%	\$27,552,825	2.33%	\$28,196,132	2.33%
Supplies and Materials	\$13,924,836	\$15,929,563	14.40%	\$13,239,732	-16.89%	\$12,507,952	-5.53%	\$12,981,458	3.79%	\$13,220,074	1.84%	\$13,463,699	1.84%	\$13,712,464	1.85%
Capital Outlay	\$25,007,807	\$23,465,149	-6.17%	\$30,533,527	30.12%	\$9,777,139	-67.98%	\$18,069,480	84.81%	\$9,307,655	-48.49%	\$6,346,561	-31.81%	\$6,386,211	0.62%
Other Objects	\$16,137,252	\$15,351,503	-4.87%	\$15,125,936	-1.47%	\$13,408,676	-11.35%	\$14,372,202	7.19%	\$14,635,386	1.83%	\$14,907,782	1.86%	\$11,832,741	-20.63%
Non-Capitalized Equipment	\$621,573	\$1,106,716	78.05%	\$1,012,115	-8.55%	\$2,138,196	111.26%	\$1,138,754	-46.74%	\$1,156,808	1.59%	\$1,175,152	1.59%	\$1,193,791	1.59%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$249,778,441</b>	<b>\$255,331,264</b>	<b>2.22%</b>	<b>\$263,930,790</b>	<b>3.37%</b>	<b>\$243,430,152</b>	<b>-7.77%</b>	<b>\$266,635,000</b>	<b>9.53%</b>	<b>\$262,645,749</b>	<b>-1.50%</b>	<b>\$267,529,424</b>	<b>1.86%</b>	<b>\$272,299,112</b>	<b>1.78%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(\$1,532,981)</b>	<b>(\$5,641,320)</b>		<b>(\$14,508,549)</b>		<b>\$8,039,996</b>		<b>(\$8,500,000)</b>		<b>\$1,993,351</b>		<b>\$238,057</b>		<b>(\$556,141)</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$3,852,140	\$14,418,824		\$33,023,381		\$30,853,659		\$15,265,000		\$6,830,000		\$5,850,000		\$2,500,000	
Other Financing Uses	(\$3,852,140)	(\$14,125,610)		(\$32,638,281)		(\$30,471,143)		(\$15,265,000)		(\$6,830,000)		(\$5,850,000)		(\$2,500,000)	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>\$0</b>	<b>\$293,214</b>		<b>\$385,100</b>		<b>\$382,516</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>(\$1,532,981)</b>	<b>(\$5,348,106)</b>		<b>(\$14,123,449)</b>		<b>\$8,422,512</b>		<b>(\$8,500,000)</b>		<b>\$1,993,351</b>		<b>\$238,057</b>		<b>(\$556,141)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$183,158,056</b>	<b>\$181,625,075</b>		<b>\$176,276,969</b>		<b>\$162,153,520</b>		<b>\$170,576,032</b>		<b>\$162,076,032</b>		<b>\$164,069,383</b>		<b>\$164,307,440</b>	
<b>ENDING FUND BALANCE</b>	<b>\$181,625,075</b>	<b>\$176,276,969</b>		<b>\$162,153,520</b>		<b>\$170,576,032</b>		<b>\$162,076,032</b>		<b>\$164,069,383</b>		<b>\$164,307,440</b>		<b>\$163,751,299</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>72.71%</b>	<b>69.04%</b>		<b>61.44%</b>		<b>70.07%</b>		<b>60.79%</b>		<b>62.47%</b>		<b>61.42%</b>		<b>60.14%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>8.73</b>	<b>8.28</b>		<b>7.37</b>		<b>8.41</b>		<b>7.29</b>		<b>7.50</b>		<b>7.37</b>		<b>7.22</b>	

*Governmental Funds*

**Chart 3.05 Revenues by Source Graph**



**Chart 3.06 Governmental Funds - Revenues**

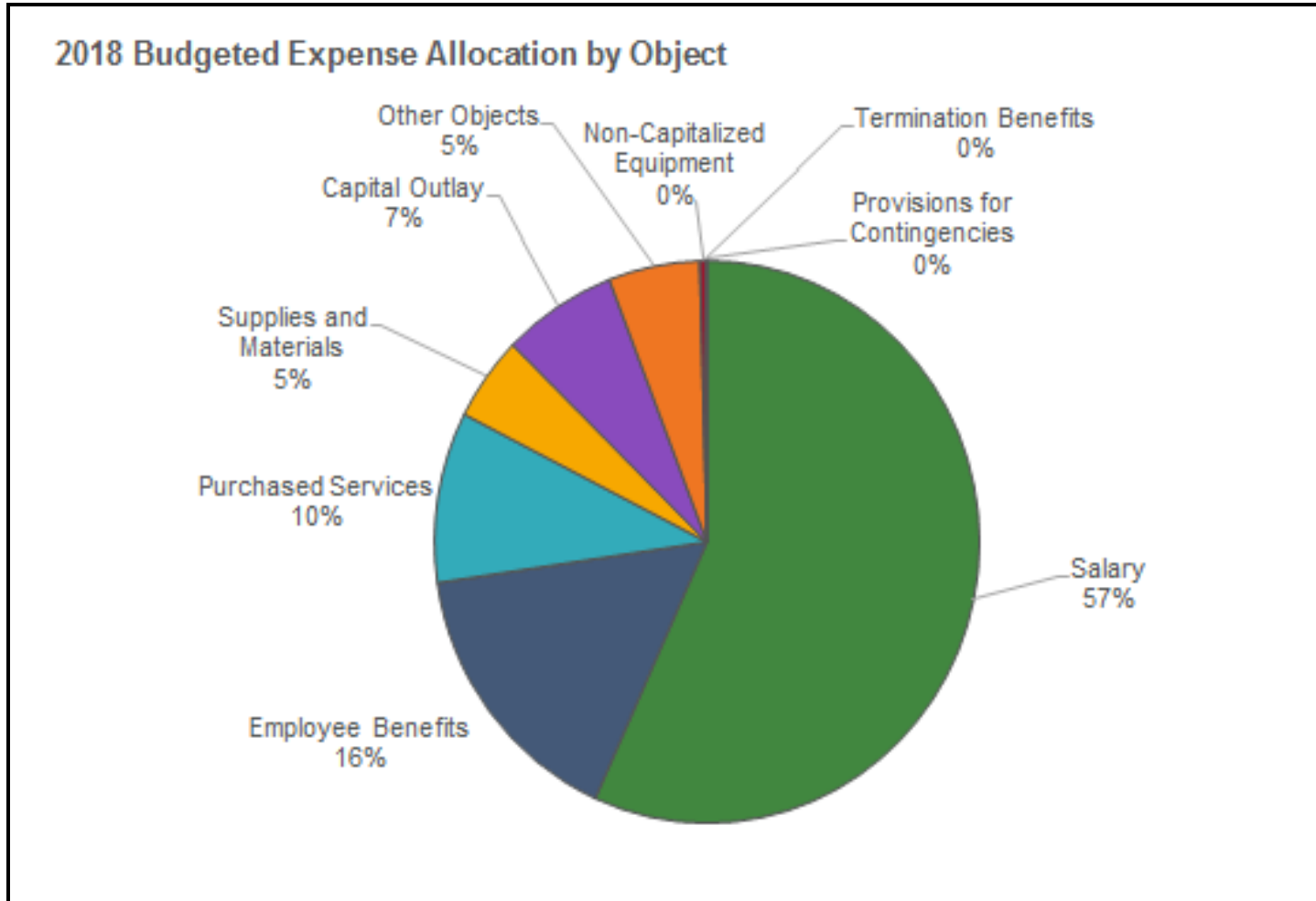
Governmental Funds - Revenues			
	FY 2017 ACTUAL	FY 2018 BUDGET	% Δ
Educational	\$193,585,671	\$200,900,000	3.78%
Operations and Maintenance	\$32,181,014	\$30,850,000	-4.14%
Transportation	\$9,986,529	\$12,200,000	22.16%
Municipal Retirement	\$9,083,902	\$9,250,000	1.83%
Capital Projects	\$3,012,291	\$1,300,000	-56.84%
Debt Service	\$3,484,963	\$3,535,000	1.44%
Tort	\$0	\$0	
Life Safety	\$0	\$0	
Working Cash	\$135,778	\$100,000	-26.35%
<b>Total</b>	<b>\$251,470,148</b>	<b>\$258,135,000</b>	<b>2.65%</b>

**Chart 3.07 Governmental Funds - Expenditures**

Governmental Funds - Expenditures			
	FY 2017 ACTUAL	FY 2018 BUDGET	% Δ
Educational	\$189,556,175	\$199,900,000	5.46%
Operations and Maintenance	\$23,387,702	\$23,585,000	0.84%
Transportation	\$9,132,355	\$12,200,000	33.59%
Municipal Retirement	\$8,206,313	\$8,350,000	1.75%
Capital Projects	\$6,379,560	\$15,800,000	147.67%
Debt Service	\$6,768,047	\$6,800,000	0.47%
Tort	\$0	\$0	
Life Safety	\$0	\$0	
Working Cash	\$0	\$0	
<b>Total</b>	<b>\$243,430,152</b>	<b>\$266,635,000</b>	<b>9.53%</b>

*Governmental Funds*

**Chart 3.08 Expenditures by Object Graph**





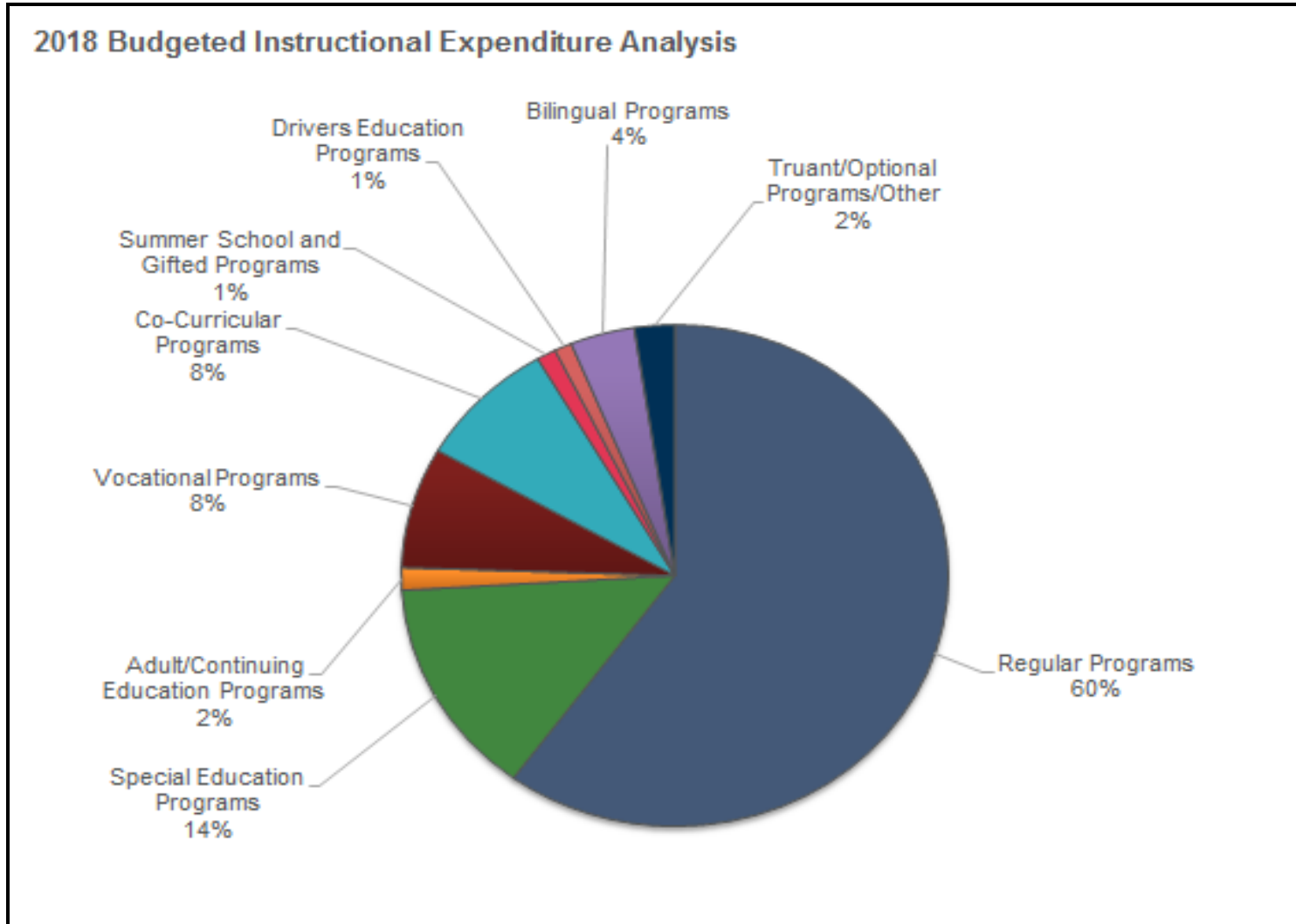
Governmental Funds

Chart 3.09 Expenditures by Function Chart

All Governmental Funds															
Expenditures By Function															
INSTRUCTION	ACTUAL	ACTUAL		ACTUAL		ACTUAL		BUDGET		PROJECTED		PROJECTED		PROJECTED	
	FY 2014	FY 2015	% Δ	FY 2016	% Δ	FY 2017	% Δ	FY 2018	% Δ	FY 2019	% Δ	FY 2020	% Δ	FY 2021	
Regular Programs	\$74,821,199	\$76,426,539	2.15%	\$78,173,859	2.29%	\$78,642,462	0.60%	\$83,265,521	5.88%	\$84,609,751	1.61%	\$87,377,498	3.27%	\$90,358,706	3.41%
Special Education Programs	\$24,794,130	\$24,561,090	-0.94%	\$18,607,073	-24.24%	\$17,830,694	-4.17%	\$19,378,414	8.68%	\$19,816,648	2.26%	\$20,505,583	3.48%	\$21,221,995	3.49%
Adult/Continuing Education Programs	\$1,870,295	\$1,956,963	4.63%	\$1,755,627	-10.29%	\$1,942,324	10.63%	\$1,995,054	2.71%	\$2,058,417	3.18%	\$2,114,856	2.74%	\$2,166,341	2.43%
Vocational Programs	\$8,641,491	\$9,183,363	6.27%	\$9,671,042	5.31%	\$10,231,399	5.79%	\$10,763,322	5.20%	\$10,938,828	1.63%	\$11,280,736	3.13%	\$11,648,219	3.26%
Co-Curricular Programs	\$10,181,393	\$10,646,220	4.57%	\$10,783,772	1.29%	\$10,752,885	-0.29%	\$11,536,249	7.29%	\$11,328,980	-1.80%	\$11,702,835	3.30%	\$12,087,874	3.29%
Summer School and Gifted Programs	\$1,472,406	\$1,497,690	1.72%	\$1,555,711	3.87%	\$1,422,535	-8.56%	\$1,595,437	12.15%	\$1,606,683	0.70%	\$1,658,398	3.22%	\$1,711,022	3.17%
Drivers Education Programs	\$1,505,018	\$1,410,840	-6.26%	\$1,359,215	-3.66%	\$1,394,806	2.62%	\$1,429,352	2.48%	\$1,445,290	1.12%	\$1,494,499	3.40%	\$1,548,655	3.62%
Bilingual Programs	\$5,634,391	\$5,521,205	-2.01%	\$5,353,519	-3.04%	\$5,555,420	3.77%	\$5,306,926	-4.47%	\$5,420,966	2.15%	\$5,615,847	3.59%	\$5,819,804	3.63%
Truant/Optional Programs/Other	\$763,719	\$948,811	24.24%	\$3,581,400	277.46%	\$3,666,073	2.36%	\$3,308,730	-9.75%	\$3,410,578	3.08%	\$3,528,296	3.45%	\$3,651,231	3.48%
<b>TOTAL INSTRUCTION</b>	<b>\$129,684,042</b>	<b>\$132,152,721</b>	<b>1.90%</b>	<b>\$130,841,218</b>	<b>-0.99%</b>	<b>\$131,438,598</b>	<b>0.46%</b>	<b>\$138,579,004</b>	<b>5.43%</b>	<b>\$140,636,141</b>	<b>1.48%</b>	<b>\$145,278,548</b>	<b>3.30%</b>	<b>\$150,213,847</b>	<b>3.40%</b>
<b>SUPPORT SERVICES</b>															
Pupils	\$19,071,570	\$19,393,540	1.69%	\$19,189,694	-1.05%	\$19,128,519	-0.32%	\$20,206,670	5.64%	\$20,714,061	2.51%	\$21,465,244	3.63%	\$22,249,120	3.65%
Instructional Staff	\$11,961,787	\$12,277,794	2.64%	\$12,218,251	-0.48%	\$12,264,124	0.38%	\$13,288,561	8.35%	\$13,529,327	1.81%	\$13,908,217	2.80%	\$14,257,492	2.51%
General Administration	\$3,473,673	\$5,231,431	50.60%	\$3,612,174	-30.95%	\$3,912,038	8.30%	\$4,314,604	10.29%	\$4,397,481	1.92%	\$4,491,567	2.14%	\$4,572,450	1.80%
School Administration	\$8,837,491	\$8,791,013	-0.53%	\$9,060,217	3.06%	\$9,633,619	6.33%	\$9,799,138	1.72%	\$10,024,657	2.30%	\$10,339,791	3.14%	\$10,612,996	2.64%
Business Operations	\$62,581,506	\$62,012,683	-0.91%	\$66,672,219	7.51%	\$46,903,376	-29.65%	\$59,570,823	27.01%	\$52,089,478	-12.56%	\$50,356,942	-3.33%	\$51,655,017	2.58%
Central Administration	\$5,889,383	\$7,284,368	23.69%	\$10,098,261	38.63%	\$7,559,671	-25.14%	\$8,546,128	13.05%	\$8,781,483	2.75%	\$9,066,859	3.25%	\$9,320,522	2.80%
Other	\$104,069	\$115,314	10.81%	\$122,344	6.10%	\$79,983	-34.62%	\$159,745	99.72%	\$166,958	4.52%	\$174,190	4.33%	\$180,749	3.77%
<b>TOTAL SUPPORT SERVICES</b>	<b>\$111,919,479</b>	<b>\$115,106,143</b>	<b>2.85%</b>	<b>\$120,973,160</b>	<b>5.10%</b>	<b>\$99,481,330</b>	<b>-17.77%</b>	<b>\$115,885,669</b>	<b>16.49%</b>	<b>\$109,703,445</b>	<b>-5.33%</b>	<b>\$109,802,809</b>	<b>0.09%</b>	<b>\$112,848,346</b>	<b>2.77%</b>
<b>COMMUNITY SERVICES</b>	<b>\$188,350</b>	<b>\$148,434</b>	<b>-21.19%</b>	<b>\$185,913</b>	<b>25.25%</b>	<b>\$307,430</b>	<b>65.36%</b>	<b>\$365,309</b>	<b>18.83%</b>	<b>\$373,501</b>	<b>2.24%</b>	<b>\$384,006</b>	<b>2.81%</b>	<b>\$394,554</b>	<b>2.75%</b>
<b>PAYMENTS TO OTHER GOVERNMENTAL UNITS</b>	<b>\$666,816</b>	<b>\$657,848</b>	<b>-1.34%</b>	<b>\$5,093,804</b>	<b>674.31%</b>	<b>\$5,434,747</b>	<b>6.69%</b>	<b>\$5,005,018</b>	<b>-7.91%</b>	<b>\$5,132,662</b>	<b>2.55%</b>	<b>\$5,264,061</b>	<b>2.56%</b>	<b>\$5,399,334</b>	<b>2.57%</b>
<b>DEBT SERVICES</b>	<b>\$7,319,754</b>	<b>\$7,266,118</b>	<b>-0.73%</b>	<b>\$6,836,695</b>	<b>-5.91%</b>	<b>\$6,768,047</b>	<b>-1.00%</b>	<b>\$6,800,000</b>	<b>0.47%</b>	<b>\$6,800,000</b>	<b>0.00%</b>	<b>\$6,800,000</b>	<b>0.00%</b>	<b>\$3,443,030</b>	<b>-49.37%</b>
<b>PROVISIONS FOR CONTINGENCIES</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>TOTAL EXPENDITURES</b>	<b>\$249,778,441</b>	<b>\$255,331,264</b>	<b>2.22%</b>	<b>\$263,930,790</b>	<b>3.37%</b>	<b>\$243,430,152</b>	<b>-7.77%</b>	<b>\$266,635,000</b>	<b>9.53%</b>	<b>\$262,645,749</b>	<b>-1.50%</b>	<b>\$267,529,424</b>	<b>1.86%</b>	<b>\$272,299,112</b>	<b>1.78%</b>

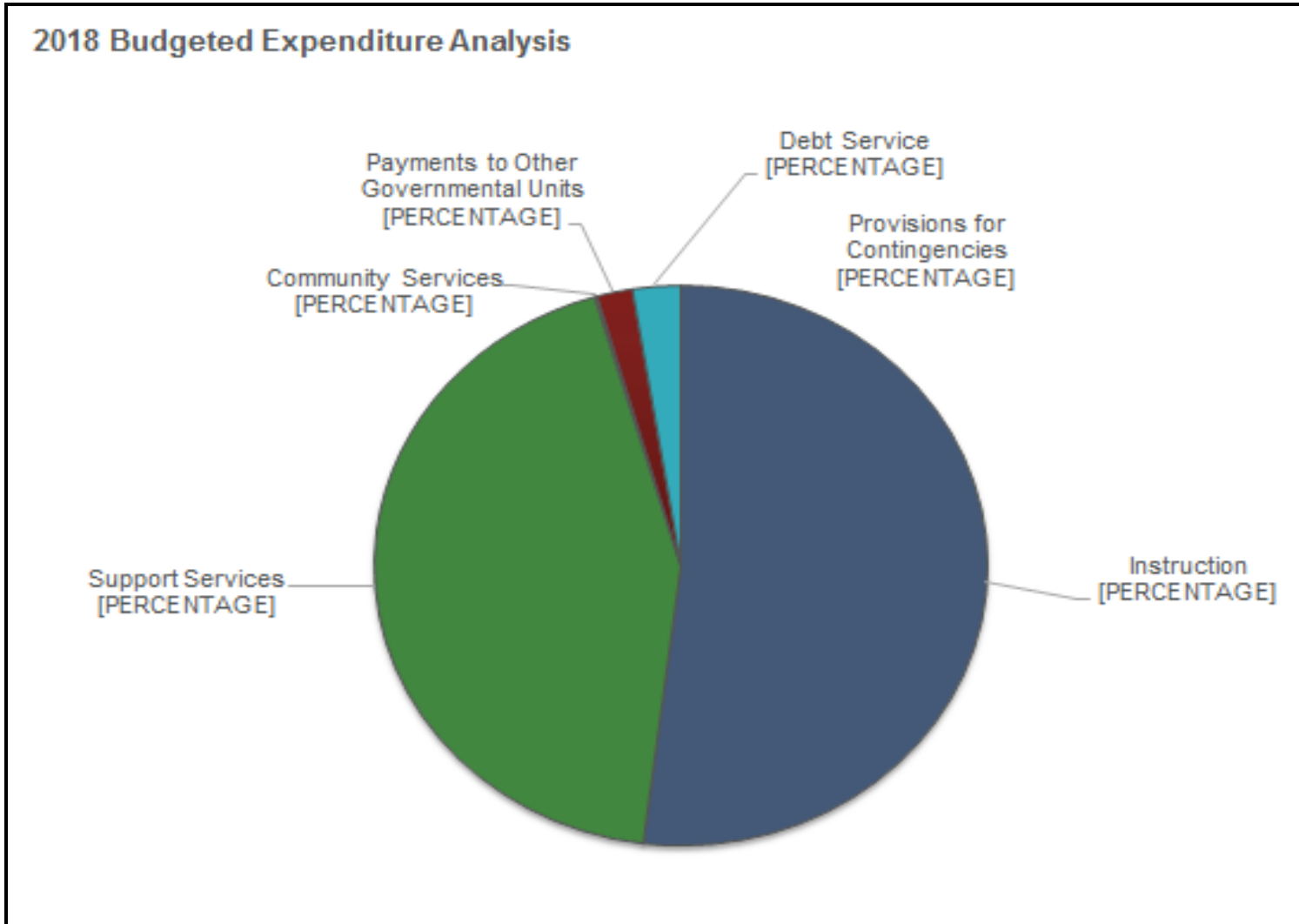
*Governmental Funds*

**Chart 3.10 Instructional Expenditures Analysis Graph**



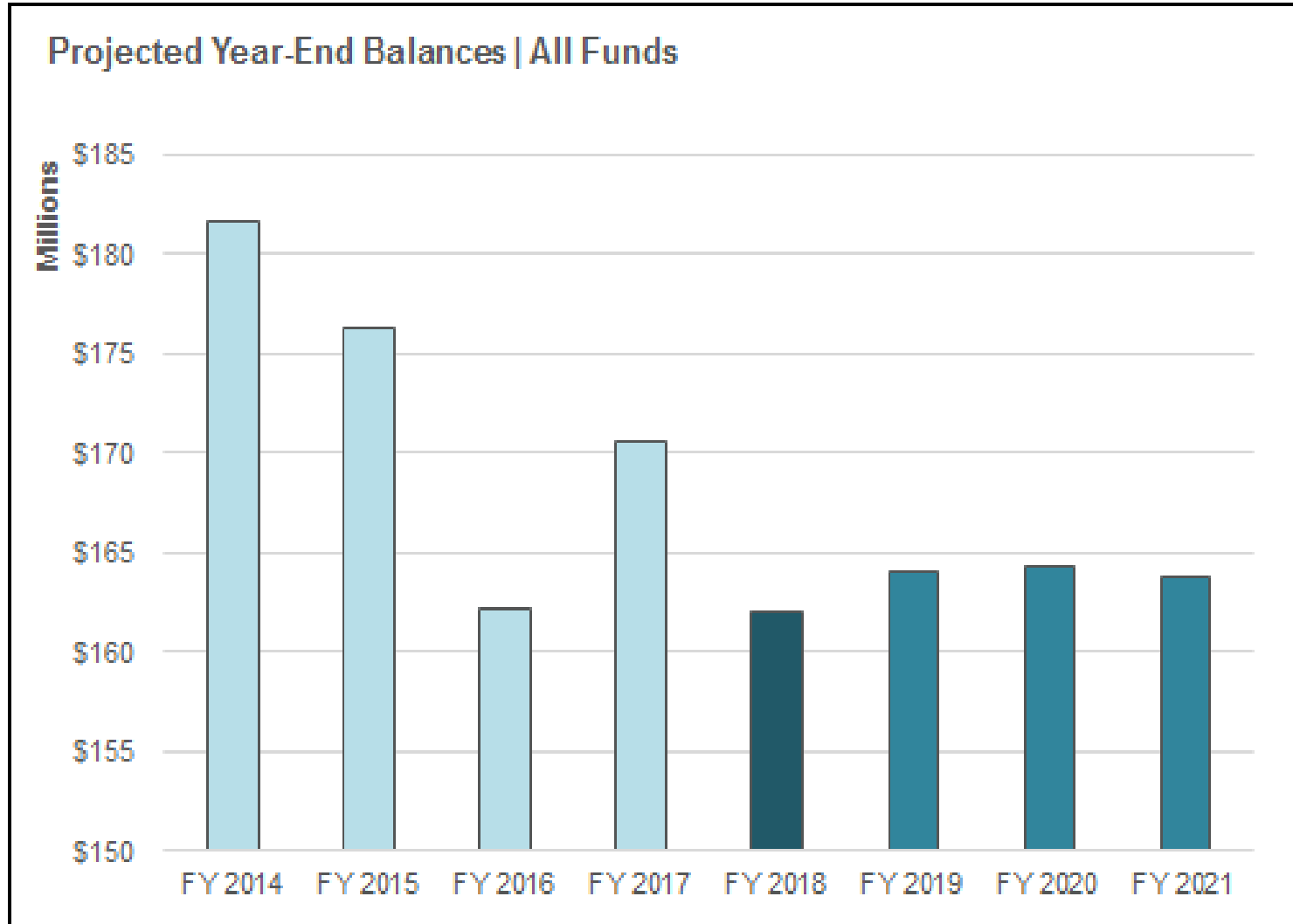
*Governmental Funds*

**Chart 3.11 Budgeted Expenditure Analysis**



*Governmental Funds*

**Chart 3.12 Projected Fund Balance – Government Funds**



## OPERATING FUNDS

The Operating Funds analysis is a compilation of the Educational, Operations and Maintenance, Transportation, Municipal Retirement, Tort, and Working Cash funds. Total revenues for Operating Funds are budgeted at an increase of 1.0% in FY 2018 while expenditures, are budgeted at an increase of 1.2%.

For MBA purposes, five funds are included in the Operating Fund section of the report: Educational, Operations and Maintenance, Transportation, Municipal Retirement and Working Cash. However, the Illinois State Board of Education (ISBE) does not include the Municipal Retirement Fund (unless it has a negative balance) when determining the indicators for the Financial Profile Score. For purposes of the 2017–2018 budget and future budgets, District 214 has determined that the total “Operating Funds” will be determined including the Municipal Retirement Fund. This may cause slight discrepancies when looking at the Operating Fund section of this report compared to the ISBE State Budget report.

**Chart 3.13 Operating Funds Budget Summary 2017-2018**

Summary of Fund Balances						
Operating Funds						
	Beginning Balance	Revenue	Expenditure	Excess (Deficit)	Financing Sources (Uses)	Ending Balance
Educational	\$74,745,370	\$200,900,000	\$199,900,000	\$1,000,000	\$0	\$75,745,370
Operations and Maintenance	\$30,716,260	\$30,850,000	\$23,585,000	\$7,265,000	(\$8,265,000)	\$29,716,260
Debt Service	\$0	\$0	\$0	\$0	\$0	\$0
Transportation	\$12,768,499	\$12,200,000	\$12,200,000	\$0	\$0	\$12,768,499
Municipal Retirement	\$7,165,680	\$9,250,000	\$8,350,000	\$900,000	\$0	\$8,065,680
Capital Projects	\$0	\$0	\$0	\$0	\$0	\$0
Working Cash	\$17,348,084	\$100,000	\$0	\$100,000	(\$7,000,000)	\$10,448,084
Tort	\$0	\$0	\$0	\$0	\$0	\$0
Life Safety	\$0	\$0	\$0	\$0	\$0	\$0
	<u>\$142,743,893</u>	<u>\$253,300,000</u>	<u>\$244,035,000</u>	<u>\$9,265,000</u>	<u>(\$15,265,000)</u>	<u>\$136,743,893</u>

The chart summarizes budgeted revenue and expenses for the 2017-2018 fiscal year in the District Operating funds. The beginning and ending balances for each fund, as well as the total for all funds, are also shown. The total operating ending fund balance is projected to be \$136,743,893 at June 30, 2018.

Local revenue sources comprise 92.1% of operating revenue. Local revenue consists of property taxes, corporate taxes, investment earnings, and other local revenue. Local property taxes will comprise approximately 82.9% of operating revenue for the District in fiscal year ending June 30, 2018. Corporate taxes represent 2.3% of operating revenue. Other local sources of revenue represent 6.9% of operating revenue.

State sources, which are comprised of the Base Funding Minimum (through Evidence-Based Funding) and Transportation Reimbursement, are estimated to be 5.8% of operating revenue.

Federal Sources of revenue will provide 2.1% of operating revenue.

There will be an annual transfer of approximately \$3.3 million from the O & M Fund to the Debt Service Fund to help cover the cost of yearly bond payments for the Build America Bond (BABS) payments.

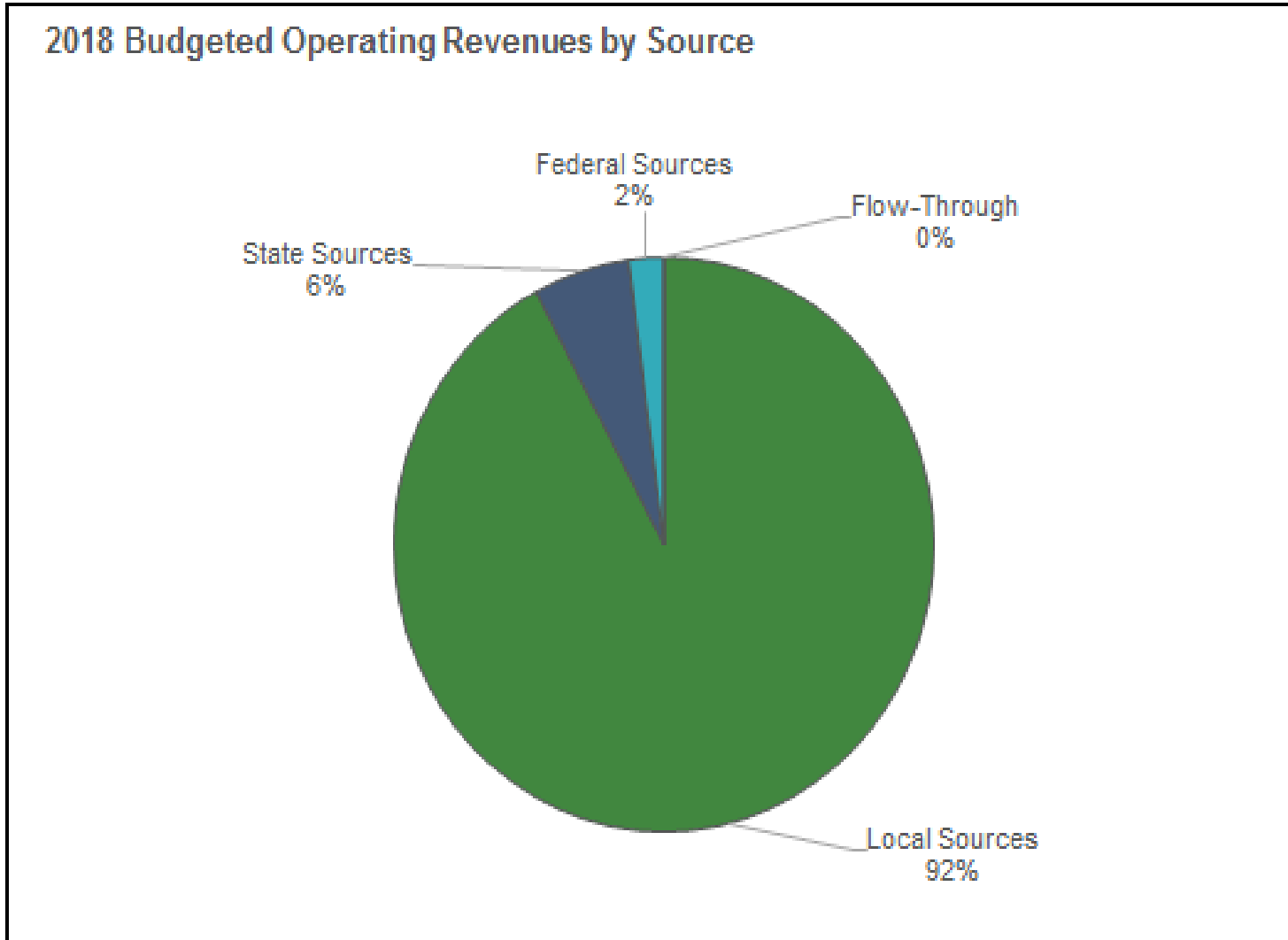
## Operating Funds

### Chart 3.14 Revenues by Source and Expenditures by Object Chart

Operating Funds															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$216,029,563	\$221,416,695	2.49%	\$222,827,547	0.64%	\$225,826,168	1.35%	\$233,305,900	3.31%	\$240,472,695	3.07%	\$243,580,793	1.29%	\$247,690,797	1.69%
State Sources	\$16,518,290	\$16,929,634	2.49%	\$12,848,822	-24.10%	\$14,202,879	10.54%	\$14,621,100	2.94%	\$15,078,100	3.13%	\$15,078,100	0.00%	\$15,078,100	0.00%
Federal Sources	\$6,270,646	\$5,671,036	-9.56%	\$5,371,476	-5.28%	\$4,943,847	-7.96%	\$5,373,000	8.68%	\$5,373,000	0.00%	\$5,373,000	0.00%	\$5,373,000	0.00%
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$238,818,499</b>	<b>\$244,017,365</b>	<b>2.18%</b>	<b>\$241,047,845</b>	<b>-1.22%</b>	<b>\$244,972,894</b>	<b>1.63%</b>	<b>\$253,300,000</b>	<b>3.40%</b>	<b>\$260,923,795</b>	<b>3.01%</b>	<b>\$264,031,893</b>	<b>1.19%</b>	<b>\$268,141,897</b>	<b>1.56%</b>
<b>EXPENDITURES</b>															
Salary	\$137,714,987	\$140,785,439	2.23%	\$145,189,559	3.13%	\$146,125,512	0.64%	\$151,193,415	3.47%	\$152,282,849	0.72%	\$156,668,094	2.88%	\$161,172,136	2.87%
Employee Benefits	\$35,228,142	\$37,516,784	6.50%	\$37,031,391	-1.29%	\$36,453,576	-1.56%	\$42,564,901	16.76%	\$45,117,116	6.00%	\$47,415,312	5.09%	\$49,805,636	5.04%
Purchased Services	\$20,805,952	\$21,066,115	1.25%	\$21,778,048	3.38%	\$23,019,101	5.70%	\$26,314,790	14.32%	\$26,925,861	2.32%	\$27,552,825	2.33%	\$28,196,132	2.33%
Supplies and Materials	\$13,924,836	\$15,900,923	14.19%	\$13,230,214	-16.80%	\$12,507,952	-5.46%	\$12,981,458	3.79%	\$13,220,074	1.84%	\$13,463,699	1.84%	\$13,712,464	1.85%
Capital Outlay	\$5,173,623	\$4,167,883	-19.44%	\$4,103,787	-1.54%	\$3,397,579	-17.21%	\$2,269,480	-33.20%	\$2,307,655	1.68%	\$2,346,561	1.69%	\$2,386,211	1.69%
Other Objects	\$8,817,498	\$8,085,385	-8.30%	\$8,289,241	2.52%	\$6,640,629	-19.89%	\$7,572,202	14.03%	\$7,835,386	3.48%	\$8,107,782	3.48%	\$8,389,711	3.48%
Non-Capitalized Equipment	\$621,573	\$1,106,716	78.05%	\$1,012,115	-8.55%	\$2,138,196	111.26%	\$1,138,754	-46.74%	\$1,156,808	1.59%	\$1,175,152	1.59%	\$1,193,791	1.59%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$222,286,611</b>	<b>\$228,629,245</b>	<b>2.85%</b>	<b>\$230,634,355</b>	<b>0.88%</b>	<b>\$230,282,545</b>	<b>-0.15%</b>	<b>\$244,035,000</b>	<b>5.97%</b>	<b>\$248,845,749</b>	<b>1.97%</b>	<b>\$256,729,424</b>	<b>3.17%</b>	<b>\$264,856,082</b>	<b>3.17%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$16,531,888</b>	<b>\$15,388,120</b>		<b>\$10,413,490</b>		<b>\$14,690,349</b>		<b>\$9,265,000</b>		<b>\$12,078,046</b>		<b>\$7,302,469</b>		<b>\$3,285,815</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$3,193,214		\$385,100		\$426,844		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$3,852,140)	(\$14,125,610)		(\$32,638,281)		(\$20,956,321)		(\$15,265,000)		(\$6,830,000)		(\$5,850,000)		(\$2,500,000)	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(\$3,852,140)</b>	<b>(\$10,932,396)</b>		<b>(\$32,253,181)</b>		<b>(\$20,529,477)</b>		<b>(\$15,265,000)</b>		<b>(\$6,830,000)</b>		<b>(\$5,850,000)</b>		<b>(\$2,500,000)</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>\$12,679,748</b>	<b>\$4,455,724</b>		<b>(\$21,839,691)</b>		<b>(\$5,839,128)</b>		<b>(\$6,000,000)</b>		<b>\$5,248,046</b>		<b>\$1,452,469</b>		<b>\$785,815</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$153,187,240</b>	<b>\$165,866,988</b>		<b>\$170,322,712</b>		<b>\$148,483,021</b>		<b>\$142,643,893</b>		<b>\$136,643,893</b>		<b>\$141,891,939</b>		<b>\$143,344,408</b>	
<b>ENDING FUND BALANCE</b>	<b>\$165,866,988</b>	<b>\$170,322,712</b>		<b>\$148,483,021</b>		<b>\$142,643,893</b>		<b>\$136,643,893</b>		<b>\$141,891,939</b>		<b>\$143,344,408</b>		<b>\$144,130,223</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>74.62%</b>	<b>74.50%</b>		<b>64.38%</b>		<b>61.94%</b>		<b>55.99%</b>		<b>57.02%</b>		<b>55.83%</b>		<b>54.42%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>8.95</b>	<b>8.94</b>		<b>7.73</b>		<b>7.43</b>		<b>6.72</b>		<b>6.84</b>		<b>6.70</b>		<b>6.53</b>	

*Operating Funds*

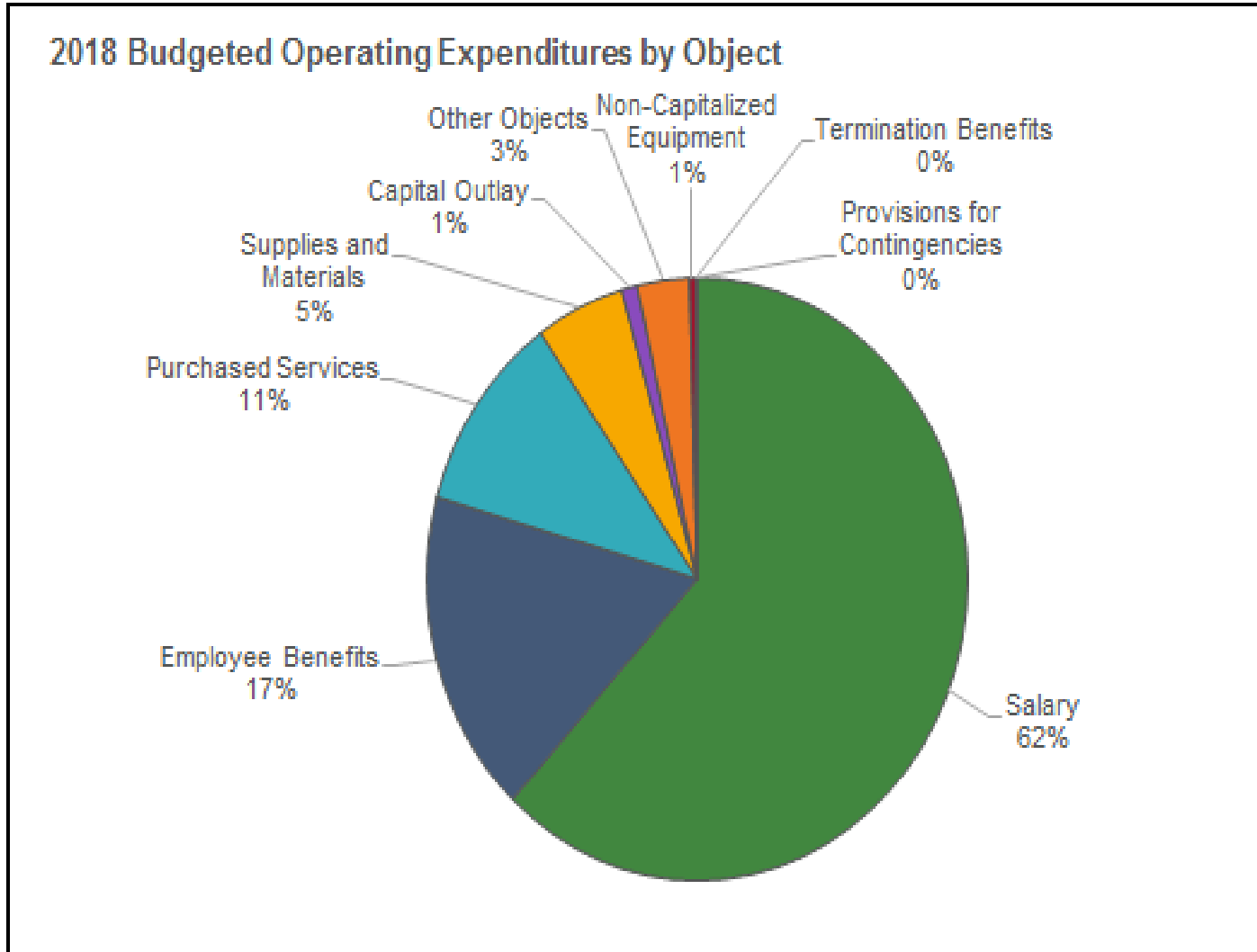
**Chart 3.15 Revenues by Source Graph**





*Operating Funds*

**Chart 3.16 Expenditures by Object Graph**



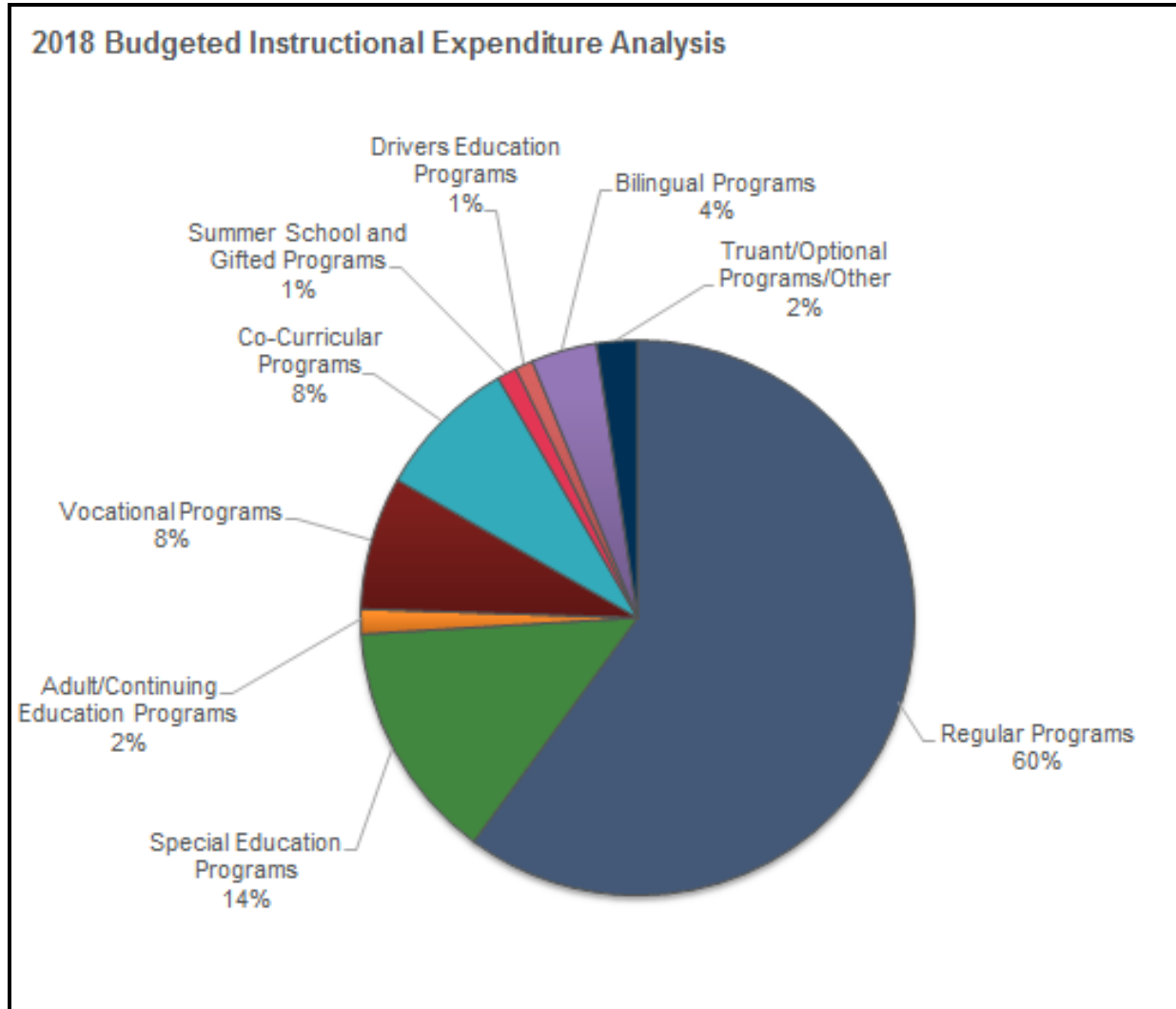
## Operating Funds

### Chart 3.17 Expenditures by Function Chart

Operating Funds															
Expenditures By Function															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>INSTRUCTION</b>															
Regular Programs	\$74,821,199	\$76,426,539	2.15%	\$78,173,859	2.29%	\$78,642,462	0.60%	\$83,265,521	5.88%	\$84,609,751	1.61%	\$87,377,498	3.27%	\$90,358,706	3.41%
Special Education Programs	\$24,794,130	\$24,561,090	-0.94%	\$18,607,073	-24.24%	\$17,830,694	-4.17%	\$19,378,414	8.68%	\$19,816,648	2.26%	\$20,505,583	3.48%	\$21,221,995	3.49%
Adult/Continuing Education Programs	\$1,870,295	\$1,956,963	4.63%	\$1,755,627	-10.29%	\$1,942,324	10.63%	\$1,995,054	2.71%	\$2,058,417	3.18%	\$2,114,856	2.74%	\$2,166,341	2.43%
Vocational Programs	\$8,641,491	\$9,183,363	6.27%	\$9,671,042	5.31%	\$10,231,399	5.79%	\$10,763,322	5.20%	\$10,938,828	1.63%	\$11,280,736	3.13%	\$11,648,219	3.26%
Co-Curricular Programs	\$10,181,393	\$10,646,220	4.57%	\$10,783,772	1.29%	\$10,752,885	-0.29%	\$11,536,249	7.29%	\$11,328,980	-1.80%	\$11,702,835	3.30%	\$12,087,874	3.29%
Summer School and Gifted Programs	\$1,472,406	\$1,497,690	1.72%	\$1,555,711	3.87%	\$1,422,535	-8.56%	\$1,595,437	12.15%	\$1,606,683	0.70%	\$1,658,398	3.22%	\$1,711,022	3.17%
Drivers Education Programs	\$1,505,018	\$1,410,840	-6.26%	\$1,359,215	-3.66%	\$1,394,806	2.62%	\$1,429,352	2.48%	\$1,445,290	1.12%	\$1,494,499	3.40%	\$1,548,655	3.62%
Bilingual Programs	\$5,634,391	\$5,521,205	-2.01%	\$5,353,519	-3.04%	\$5,555,420	3.77%	\$5,306,926	-4.47%	\$5,420,966	2.15%	\$5,615,847	3.59%	\$5,819,804	3.63%
Truant/Optional Programs/Other	\$763,719	\$948,811	24.24%	\$3,581,400	277.46%	\$3,666,073	2.36%	\$3,308,730	-9.75%	\$3,410,578	3.08%	\$3,528,296	3.45%	\$3,651,231	3.48%
<b>TOTAL INSTRUCTION</b>	<b>\$129,684,042</b>	<b>\$132,152,721</b>	<b>1.90%</b>	<b>\$130,841,218</b>	<b>-0.99%</b>	<b>\$131,438,598</b>	<b>0.46%</b>	<b>\$138,579,004</b>	<b>5.43%</b>	<b>\$140,636,141</b>	<b>1.48%</b>	<b>\$145,278,548</b>	<b>3.30%</b>	<b>\$150,213,847</b>	<b>3.40%</b>
<b>SUPPORT SERVICES</b>															
Pupils	\$19,071,570	\$19,393,540	1.69%	\$19,189,694	-1.05%	\$19,128,519	-0.32%	\$20,206,670	5.64%	\$20,714,061	2.51%	\$21,465,244	3.63%	\$22,249,120	3.65%
Instructional Staff	\$11,961,787	\$12,277,794	2.64%	\$12,218,251	-0.48%	\$12,264,124	0.38%	\$13,288,561	8.35%	\$13,529,327	1.81%	\$13,908,217	2.80%	\$14,257,492	2.51%
General Administration	\$3,210,920	\$5,231,431	62.93%	\$3,612,174	-30.95%	\$3,912,038	8.30%	\$4,314,604	10.29%	\$4,397,481	1.92%	\$4,491,567	2.14%	\$4,572,450	1.80%
School Administration	\$8,837,491	\$8,791,013	-0.53%	\$9,060,217	3.06%	\$9,633,619	6.33%	\$9,799,138	1.72%	\$10,024,657	2.30%	\$10,339,791	3.14%	\$10,612,996	2.64%
Business Operations	\$42,672,183	\$42,576,782	-0.22%	\$40,212,479	-5.55%	\$40,523,816	0.77%	\$43,770,823	8.01%	\$45,089,478	3.01%	\$46,356,942	2.81%	\$47,655,017	2.80%
Central Administration	\$5,889,383	\$7,284,368	23.69%	\$10,098,261	38.63%	\$7,559,671	-25.14%	\$8,546,128	13.05%	\$8,781,483	2.75%	\$9,066,859	3.25%	\$9,320,522	2.80%
Other	\$104,069	\$115,314	10.81%	\$122,344	6.10%	\$79,983	-34.62%	\$159,745	99.72%	\$166,958	4.52%	\$174,190	4.33%	\$180,749	3.77%
<b>TOTAL SUPPORT SERVICES</b>	<b>\$91,747,403</b>	<b>\$95,670,242</b>	<b>4.28%</b>	<b>\$94,513,420</b>	<b>-1.21%</b>	<b>\$93,101,770</b>	<b>-1.49%</b>	<b>\$100,085,669</b>	<b>7.50%</b>	<b>\$102,703,445</b>	<b>2.62%</b>	<b>\$105,802,809</b>	<b>3.02%</b>	<b>\$108,848,346</b>	<b>2.88%</b>
<b>COMMUNITY SERVICES</b>	<b>\$188,350</b>	<b>\$148,434</b>	<b>-21.19%</b>	<b>\$185,913</b>	<b>25.25%</b>	<b>\$307,430</b>	<b>65.36%</b>	<b>\$365,309</b>	<b>18.83%</b>	<b>\$373,501</b>	<b>2.24%</b>	<b>\$384,006</b>	<b>2.81%</b>	<b>\$394,554</b>	<b>2.75%</b>
<b>PAYMENTS TO OTHER GOVERNMENTAL UNITS</b>	<b>\$666,816</b>	<b>\$657,848</b>	<b>-1.34%</b>	<b>\$5,093,804</b>	<b>674.31%</b>	<b>\$5,434,747</b>	<b>6.69%</b>	<b>\$5,005,018</b>	<b>-7.91%</b>	<b>\$5,132,662</b>	<b>2.55%</b>	<b>\$5,264,061</b>	<b>2.56%</b>	<b>\$5,399,334</b>	<b>2.57%</b>
<b>PROVISIONS FOR CONTINGENCIES</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>TOTAL EXPENDITURES</b>	<b>\$222,286,611</b>	<b>\$228,629,245</b>	<b>2.85%</b>	<b>\$230,634,355</b>	<b>0.88%</b>	<b>\$230,282,545</b>	<b>-0.15%</b>	<b>\$244,035,000</b>	<b>5.97%</b>	<b>\$248,845,749</b>	<b>1.97%</b>	<b>\$256,729,424</b>	<b>3.17%</b>	<b>\$264,856,082</b>	<b>3.17%</b>

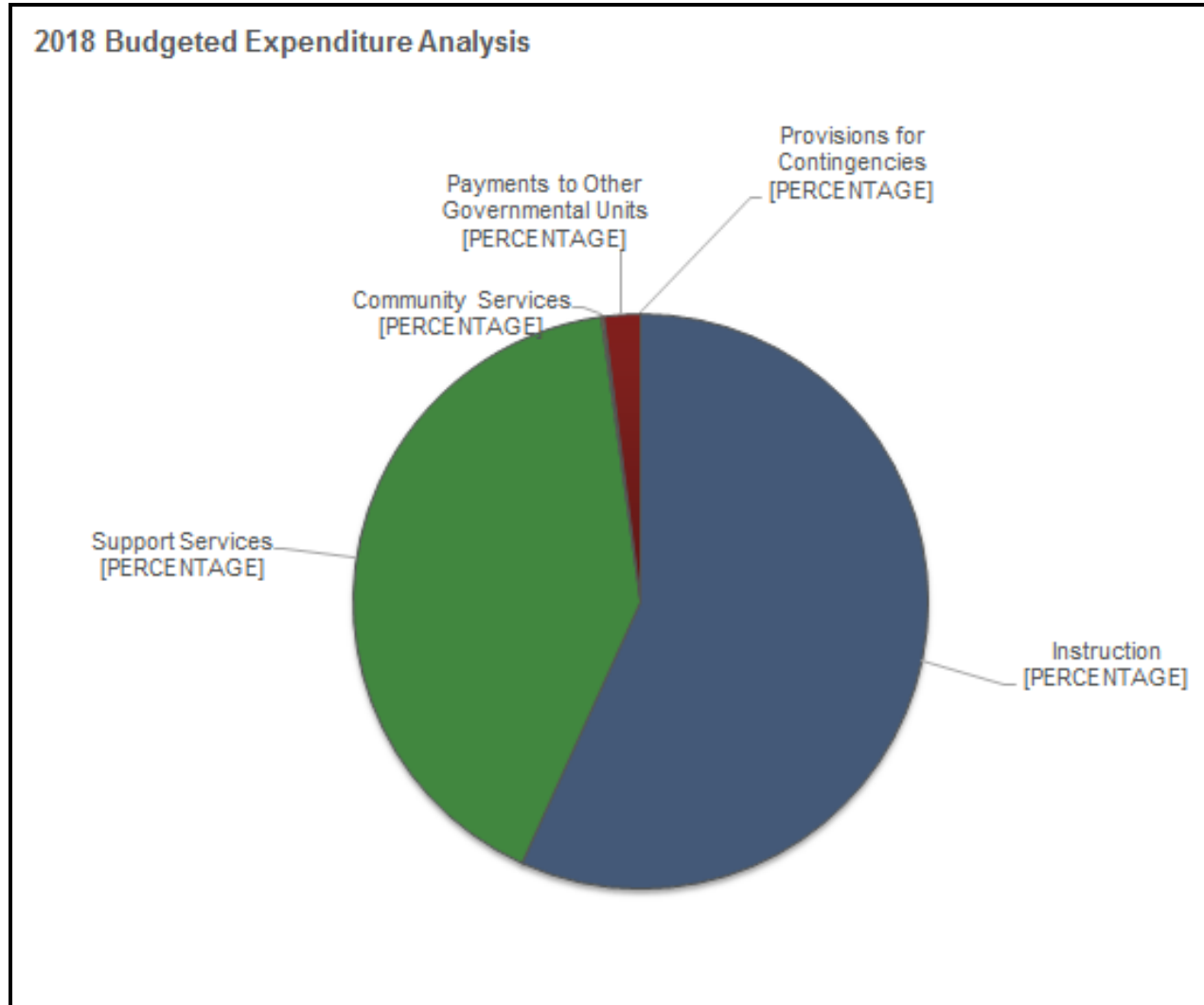
*Operating Funds*

**Chart 3.18 Instructional Expenditures Analysis Graph**



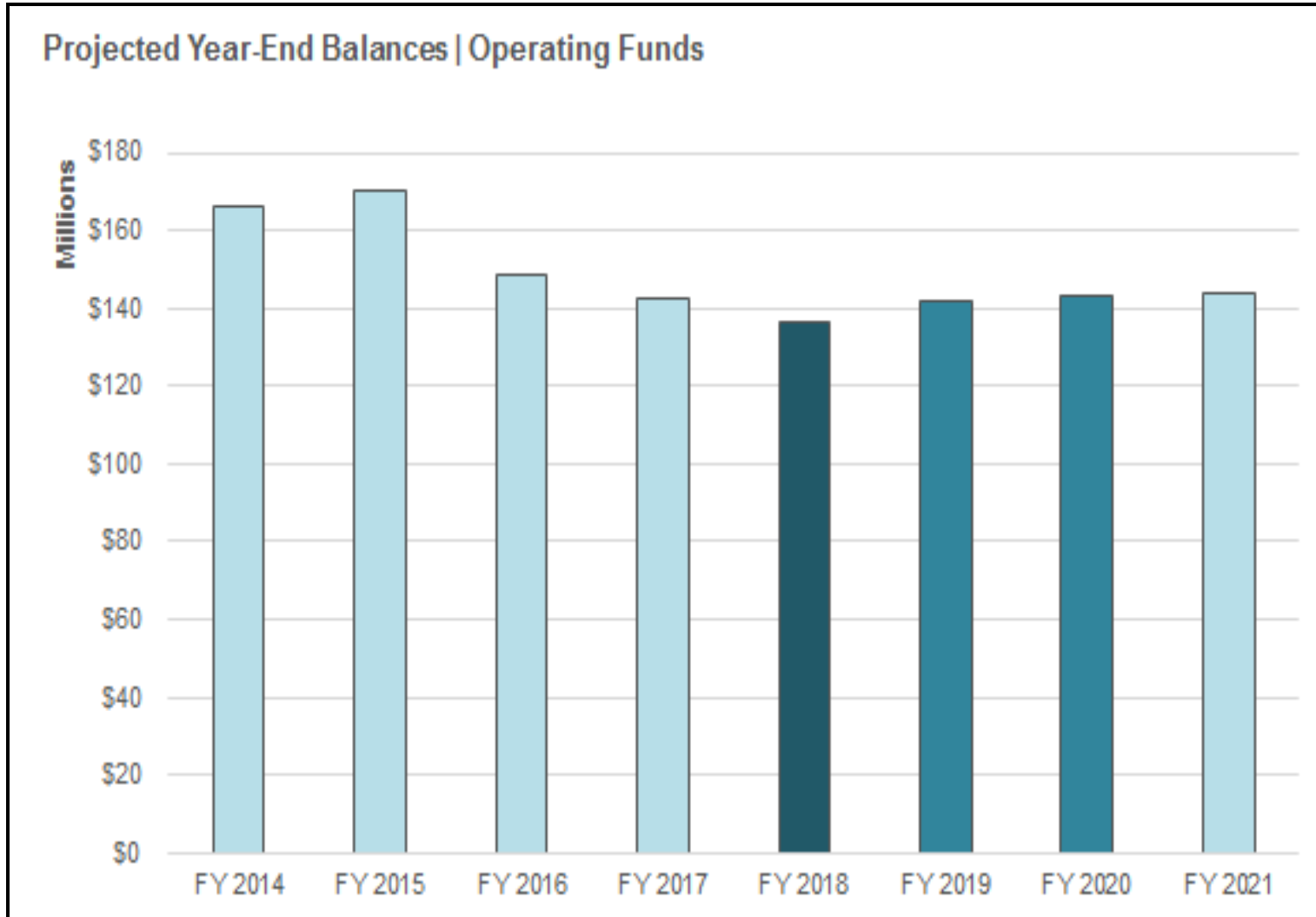
*Operating Funds*

**Chart 3.19 Budgeted Expenditure Analysis**



*Operating Funds*

**Chart 3.20 Projected Fund Balance – Operating Fund**



## **EDUCATIONAL FUND**

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The Educational Fund is utilized to account for most of the instructional, co-curricular, special education, pupil support and administrative aspects of the District's educational operations on a day to day basis. The Educational Fund consists of two separate funds, which are combined together for purposes of reporting to the Illinois State Board of Education, but are viewed separately for internal District management purposes. The two separate funds are the Education Fund and the Insurance Reserve Fund

The District continues its commitment to narrow the achievement gap and to meet the needs of special education students. In addition, the State of Illinois has increased graduation requirements. The financial resources required to address these three issues are significant. The Board will continue to put student achievement as its top priority when establishing annual goals.

### ***Revenue***

Local sources of revenue are budgeted to increase in Fiscal Year 2018. Revenue for the Education Fund is provided from many sources. Revenue for the Education Fund is primarily provided from local property taxes. The Education Fund is a fund limited by the "tax caps". Other Local Sources of revenue include: Corporate Personal Property Replacement Taxes (CPPRT), TIF payments, insurance premiums, athletic event revenues, donations, tuition, summer camp fees, registration fees, printing revenue, food sales, rental revenue, parking fees, and investment earnings.

State sources of revenue are budgeted to increase slightly in Fiscal Year 2018. State sources are comprised of the Base Funding Minimum (through Evidence-Based Funding) and Transportation Reimbursement. Other State Sources of revenue include: Adult Education grants, Career and Technical Education (CTE), and the State Lunch program reimbursement. Categorical grants are generally received from the State as a reimbursement of expenditures incurred in the previous fiscal year.

Federal sources of revenue are budgeted to decrease slightly in Fiscal Year 2018. Federal sources of revenue include: NCLB Title II, Adult Education grants, IDEA reimbursement, Perkins grant, and Medicaid reimbursement. The District is still awaiting formal approval of some grant applications and confirmation of the federally funded amounts.

### ***Expenditures***

Total education fund expenditures for FY 2018 will be greater than the FY 2017 budget. This is due to several factors including: increase in salary and benefits, increase in special education and remedial programs, increase in adult education, and increase in tuition expenditures. Cost containment efforts in the past year include:

- 2% decrease in building budgets
- Reduction in furniture and equipment purchases
- Staffing levels held constant

The majority of the increases in expenditures relate to salary increases. The salaries and benefits reflect the results of contract negotiations with all bargaining units. The District has a Cumulative Agreement with the Education Association which will expire June 30, 2019. The District has a Cumulative Agreement with the Educational Support Personnel Association which will expire June 30, 2021.

- The District 214 Education Association (EA) is the teachers' union. The District has a five year contract through June 2019. The following language is included in the District 214 Education Association Agreement.
  - **2017-2018:** increase base by .75 of CPI, with a minimum/maximum of 1%/4%; all other steps adjusted as index of base as listed; salaries at the top of the schedule will increase by full CPI, with a minimum/maximum of 1%/4%, based on Step 25 of the previous year.
  - **2018-2019:** increase base by .75 of CPI, with a minimum/maximum of 1%/4%; all other steps adjusted as index of base as listed; salaries at the top of the schedule will increase by full CPI, with a minimum/maximum of 1%/4%, based on Step 25 of the previous year.

Should pension "cost shift" occur during the time frame of this Cumulative Agreement, the total salary increase will be offset by the percent shift each year to absorb the financial impact of pension costs shifting from the State to the District. The effect of cost shift will be limited by a minimum/maximum of 1%/4%.

- The Educational Support Personnel Association (IEA-NEA) includes clerical, technical, security, and instructional assistant positions. The District has a three year contract through June 2017. The following language is included in the District 214 Educational Support Personnel Association Agreement.
  - The **2017-2018** wage schedule shall be determined by increasing the 2016-17 wage schedule by 2.0%. All employees who started work prior to July 1, 2017 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2017-18 fiscal year.
  - The **2018-2019** wage schedule shall be determined by increasing the 2017-18 wage schedule by 2.0%. All employees who started work prior to July 1, 2018 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2018-19 fiscal year.
  - The **2019-2020** wage schedule shall be determined by increasing the 2018-19 wage schedule by 2.0%. All employees who started work prior to July 1, 2019 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2019-20 fiscal year.
  - The **2020-2021** wage schedule shall be determined by increasing the 2019-20 wage schedule by 2.0%. All employees who started work prior to July 1, 2020 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2020-21 fiscal year.

### **Employee Medical/Dental Coverage**

The District's PPO, HMO, pharmacy, and dental plans are self-funded through Blue Cross/Blue Shield (BCBS) of Illinois, Allied Dental and a Drug Card. The Insurance Committee is

comprised of union representatives, District administrators, employees, and a District 214 Board of Education member. Over the past several years, significant cost containments and efficiencies have been implemented to control insurance expenses year to year. Moving to BCBS of Illinois allowed the plan to benefit from the additional discounts and providers offered by the Blue Cross Blue Shield of Illinois (BCBS).

Beginning January 1, 2015, the District offers a High Deductible Health Plan (HDHP) along with a Health Savings Account (HSA) as an option to our employees. With a HDHP the employee becomes a smarter shopper for health care, which is why these plans are considered a “consumer-directed health care plan”. A HSA is a tax-advantaged savings account designated for qualified medical expenses, which allows one to pay for current qualified medical expenses on a tax-favored basis. Unused HSA dollars roll over from year to year. The funds in the HSA belong to the employee, are non-forfeitable, and portable, making HSAs an easy way to save and invest for future qualified medical expenses.

#### **Other Post-Employment Benefits (OPEB)**

The District hires a vendor for determining liabilities and expenses for Other Post-Employment Benefits. The Annual OPEB Cost is projected to be \$1,090,844 and the Net OPEB obligation for the 2017 fiscal year is projected to be \$6,288,572.

Actuarial valuations of an ongoing plan involve estimates for the value of reported amounts and assumptions about the probability of occurrence of events far into the futures. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

#### **Patient Protection and Affordable Care Act**

The Patient Protection and Affordable Care Act (PPACA), along with the Health Care and Education Reconciliation Act of 2010, make up the new health care reform law. This legislation creates a number of issues for employers that sponsor group health plans. These issues include:

- Extended dependent coverage for adult children up to age 26
- Restrictions on annual benefit limits and elimination of lifetime limits
- Elimination of pre-existing condition exclusions for children
- Prohibitions on rescission of health care coverage
- Limits on reimbursing over-the-counter medications
- Compliance with nondiscrimination rules for fully-insured plans

The Patient-Centered Outcomes Comparative Effectiveness Fee/Research Institute (PCORI) or “Belly Button” tax is paid directly to the IRS. This is a per covered member fee that is a progressive fee beginning at \$1.00 per person and scheduled to increase annually. The first payment of \$3,600 was made in July 2014. The next payment will be due in July 2018, with a fee of \$2.26 per person, District 214 will owe approximately \$5,200.



### **Other Expenditures**

The Tort fund revenues and expenditures have been reallocated to the Education Fund based on auditor recommendations. Tort expenditures which were basically for security staff, workers comp insurance, liability insurance, unemployment insurance, and legal bills are now classified as Education Fund expenditures.

Tuition is expected to increase from the 2017 budget due to increased NSSEO and private placement tuition costs.

The Workforce Grant received by District 214 allows career exploration, vocational training, and work experience for our students. It also allows post-secondary follow up and exposure to other federal grant opportunities.

### **Cash Management**

Cash and investments of the District are maintained by the District Treasurer. The Board of Education appoints the Associate Superintendent for Finance and Operations to serve as the District Treasurer. The members of the Wheeling Township Schools Intergovernmental Agreement include: Township High School District 214, Community Consolidated School District 21, Prospect Heights School District 23, Arlington Heights School District 25, River Trails District 26, and Northwest Suburban Special Education Organization 805.

The Treasurer is responsible for the investment of funds. Investments are maintained in deposits with financial institutions, savings and checking accounts and non-negotiable certificates of deposit, repurchase agreements, and U. S. Treasury obligations. Certificates of deposits are covered under FDIC insurance limits for privately insured or collateralized. The Treasurer submits monthly investment reports to the Board of Education. The District secures investment bids prior to investing funds. Investment strategies are structured to obtain the best yield for all invested funds while meeting the District's goals of safety and liquidity. All transactions involving the District's funds and related activity of any funds shall be administered in accordance with the provisions of this procedure and the canons of the "prudent person rule". The objectives of investments include: safety of principal, liquidity, return on investments, and maintaining the Public's trust.

The Wheeling Township School Treasurer's office was abolished on July 1, 1996. Because of this abolishment, Districts 21, 23, 25, 26, and NSSEO requested Township High School District 214 to perform the Township School Treasurer's duties. The Wheeling Township Schools Intergovernmental Agreement was signed April 11, 1996. District 214 has been acting in the capacity of the Treasurer and providing the following programs and services without cost to the Elementary Districts and NSSEO since July 1, 1996:

- Deposit of funds
- Disbursement of funds
- Investment and management of funds
- Debt service
- Financial records
- Financial reporting

## ***Fund Balance***

Cost containment initiatives over the past several years have slowed the decline in the fund balance. The District challenges itself every year to continue looking to new cost containments and efficiencies, as well as new sources of revenue, such as turf partnerships, Robert Morris University partnership, and cell tower partnerships. We realize that the longer we can sustain our fund balance, the more beneficial it will be to the District. In this economic climate, the administration will be continuing cost containment committees to achieve greater input from our constituents.

The auditor has determined approximately \$0.3 million is categorized as non-spendable and \$2.1 million is categorized as committed in the Education Fund Balance.

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

Nonspendable – includes amounts not in spendable form, such as inventory, or amounts required to be maintained intact legally or contractually (e.g. inventory, pre-paid items).

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

Committed – includes amounts constrained for a specific purpose by a government using its highest level of decision making authority, the Board of Education. This formal action (a resolution) must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraint.

Assigned – includes general fund amounts constrained for a specific purpose by the Board of Education or by an official that has been delegated authority to assign amounts. Remaining positive spendable amounts in governmental funds, other than the General Fund, that are neither restricted nor committed are considered assigned.

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

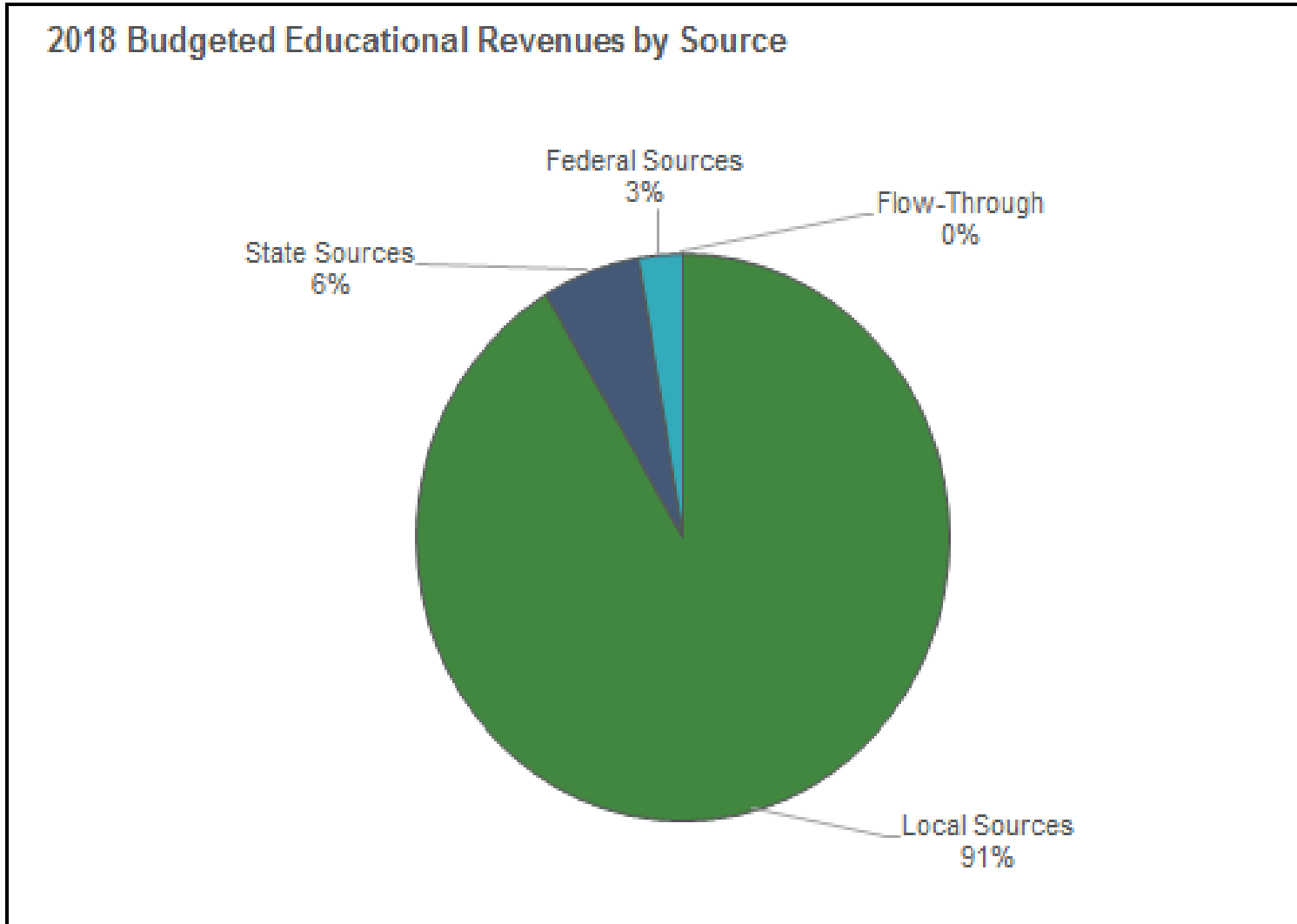
Educational Fund

Chart 3.21 Revenues by Source and Expenditures by Object

Educational Fund															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$169,147,344	\$173,538,513	2.60%	\$173,807,207	0.15%	\$177,087,565	1.89%	\$183,625,900	3.69%	\$189,825,532	3.38%	\$192,241,190	1.27%	\$195,435,544	1.66%
State Sources	\$13,288,241	\$13,780,441	3.70%	\$10,602,531	-23.06%	\$11,554,259	8.98%	\$11,901,100	3.00%	\$12,358,100	3.84%	\$12,358,100	0.00%	\$12,358,100	0.00%
Federal Sources	\$6,270,646	\$5,671,036	-9.56%	\$5,371,476	-5.28%	\$4,943,847	-7.96%	\$5,373,000	8.68%	\$5,373,000	0.00%	\$5,373,000	0.00%	\$5,373,000	0.00%
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$188,706,231</b>	<b>\$192,989,990</b>	<b>2.27%</b>	<b>\$189,781,214</b>	<b>-1.66%</b>	<b>\$193,585,671</b>	<b>2.00%</b>	<b>\$200,900,000</b>	<b>3.78%</b>	<b>\$207,556,632</b>	<b>3.31%</b>	<b>\$209,972,290</b>	<b>1.16%</b>	<b>\$213,166,644</b>	<b>1.52%</b>
<b>EXPENDITURES</b>															
Salary	\$126,249,989	\$129,092,997	2.25%	\$134,251,821	4.00%	\$135,147,469	0.67%	\$139,931,110	3.54%	\$140,847,272	0.65%	\$144,995,810	2.95%	\$149,225,498	2.92%
Employee Benefits	\$24,315,071	\$26,618,860	9.47%	\$26,245,520	-1.40%	\$25,581,977	-2.53%	\$31,023,709	21.27%	\$32,708,573	5.43%	\$34,533,987	5.58%	\$36,471,631	5.61%
Purchased Services	\$10,875,656	\$10,933,148	0.53%	\$11,530,913	5.47%	\$12,052,279	4.52%	\$12,682,967	5.23%	\$12,873,211	1.50%	\$13,066,310	1.50%	\$13,262,304	1.50%
Supplies and Materials	\$8,436,407	\$10,417,270	23.48%	\$8,560,324	-17.83%	\$7,783,193	-9.08%	\$7,355,608	-5.49%	\$7,465,942	1.50%	\$7,577,931	1.50%	\$7,691,600	1.50%
Capital Outlay	\$703,853	\$121,121	-82.79%	\$400,946	231.03%	\$538,881	34.40%	\$442,800	-17.83%	\$449,442	1.50%	\$456,184	1.50%	\$463,026	1.50%
Other Objects	\$8,791,786	\$8,032,785	-8.63%	\$8,235,530	2.52%	\$6,590,748	-19.97%	\$7,519,552	14.09%	\$7,782,736	3.50%	\$8,055,132	3.50%	\$8,337,061	3.50%
Non-Capitalized Equipment	\$525,601	\$830,276	57.97%	\$829,007	-0.15%	\$1,861,628	124.56%	\$944,254	-49.28%	\$958,418	1.50%	\$972,794	1.50%	\$987,386	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$179,898,363</b>	<b>\$186,046,457</b>	<b>3.42%</b>	<b>\$190,054,061</b>	<b>2.15%</b>	<b>\$189,556,175</b>	<b>-0.26%</b>	<b>\$199,900,000</b>	<b>5.46%</b>	<b>\$203,085,594</b>	<b>1.59%</b>	<b>\$209,658,147</b>	<b>3.24%</b>	<b>\$216,438,507</b>	<b>3.23%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$8,807,868</b>	<b>\$6,943,533</b>		<b>(\$272,847)</b>		<b>\$4,029,496</b>		<b>\$1,000,000</b>		<b>\$4,471,038</b>		<b>\$314,143</b>		<b>(\$3,271,863)</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$293,214		\$385,100		\$426,844		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$216,366)	(\$3,062,062)		(\$197,506)		(\$288,369)		\$0		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(\$216,366)</b>	<b>(\$2,768,848)</b>		<b>\$187,594</b>		<b>\$140,475</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>\$8,591,502</b>	<b>\$4,174,685</b>		<b>(\$85,253)</b>		<b>\$4,169,971</b>		<b>\$1,000,000</b>		<b>\$4,471,038</b>		<b>\$314,143</b>		<b>(\$3,271,863)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$57,894,465</b>	<b>\$66,485,967</b>		<b>\$70,660,652</b>		<b>\$70,575,399</b>		<b>\$74,745,370</b>		<b>\$75,745,370</b>		<b>\$80,216,408</b>		<b>\$80,530,551</b>	
<b>ENDING FUND BALANCE</b>	<b>\$66,485,967</b>	<b>\$70,660,652</b>		<b>\$70,575,399</b>		<b>\$74,745,370</b>		<b>\$75,745,370</b>		<b>\$80,216,408</b>		<b>\$80,530,551</b>		<b>\$77,258,688</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>36.96%</b>	<b>37.98%</b>		<b>37.13%</b>		<b>39.43%</b>		<b>37.89%</b>		<b>39.50%</b>		<b>38.41%</b>		<b>35.70%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>4.43</b>	<b>4.56</b>		<b>4.46</b>		<b>4.73</b>		<b>4.55</b>		<b>4.74</b>		<b>4.61</b>		<b>4.28</b>	

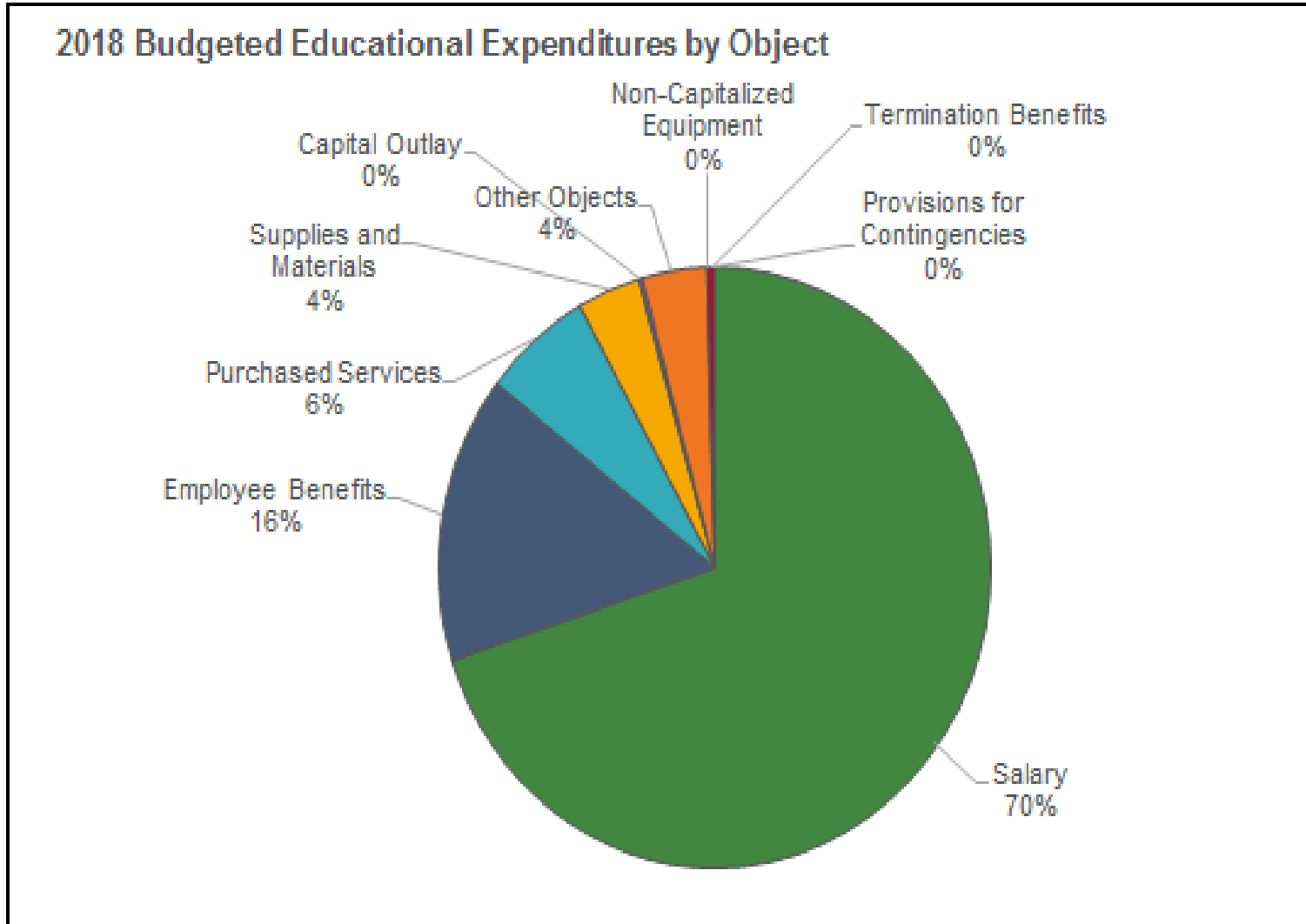
*Educational Fund*

**Chart 3.22 Revenues by Source Graph**



*Educational Fund*

**Chart 3.23 Expenditure by Object Graph**



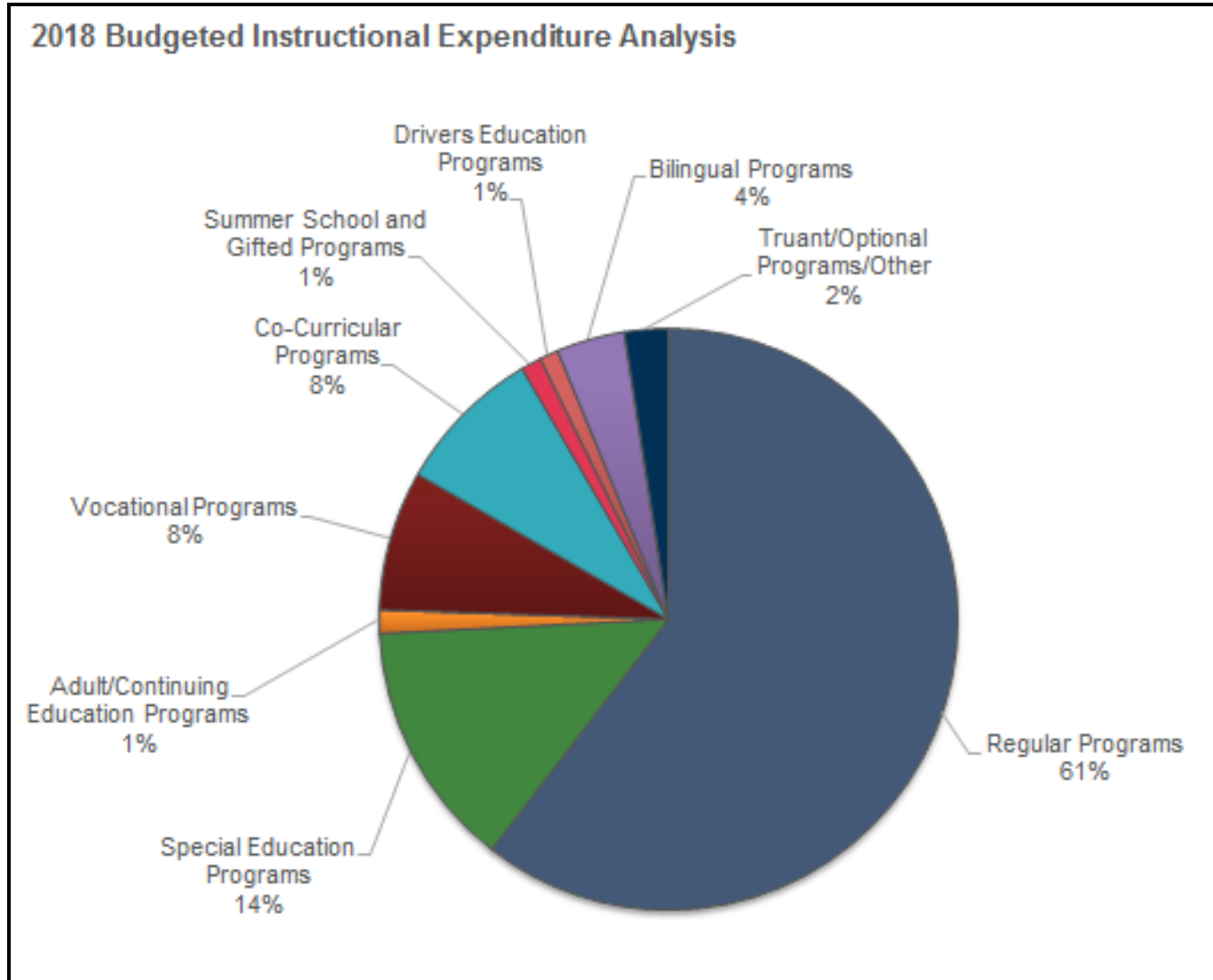
## Educational Fund

**Chart 3.24 Expenditures by Function Chart**

Educational Fund														
Expenditures By Function														
	ACTUAL	ACTUAL		ACTUAL	ACTUAL		BUDGET		PROJECTED		PROJECTED		PROJECTED	
	FY 2014	FY 2015	% Δ	FY 2016	FY 2017	% Δ	FY 2018	% Δ	FY 2019	% Δ	FY 2020	% Δ	FY 2021	% Δ
<b>INSTRUCTION</b>														
Regular Programs	\$73,273,595	\$74,919,707	2.25%	\$76,620,232	\$77,100,694	0.63%	\$81,701,382	5.97%	\$82,964,306	1.55%	\$85,683,904	3.28%	\$88,620,093	3.43%
Special Education Programs	\$24,273,471	\$23,976,474	-1.22%	\$17,888,742	\$17,109,624	-4.36%	\$18,627,598	8.87%	\$19,004,288	2.02%	\$19,668,876	3.50%	\$20,363,779	3.53%
Adult/Continuing Education Programs	\$1,638,817	\$1,711,590	4.44%	\$1,535,255	\$1,737,721	13.19%	\$1,757,909	1.16%	\$1,800,260	2.41%	\$1,848,822	2.70%	\$1,893,559	2.42%
Vocational Programs	\$8,509,950	\$9,037,009	6.19%	\$9,494,155	\$10,043,653	5.79%	\$10,568,294	5.22%	\$10,734,348	1.57%	\$11,070,452	3.13%	\$11,432,499	3.27%
Co-Curricular Programs	\$9,811,838	\$10,255,974	4.53%	\$10,361,616	\$10,333,924	-0.27%	\$11,141,372	7.81%	\$10,910,435	-2.07%	\$11,271,628	3.31%	\$11,645,357	3.32%
Summer School and Gifted Programs	\$1,407,115	\$1,431,631	1.74%	\$1,484,805	\$1,357,918	-8.55%	\$1,527,362	12.48%	\$1,534,089	0.44%	\$1,583,610	3.23%	\$1,634,285	3.20%
Drivers Education Programs	\$1,488,101	\$1,394,313	-6.30%	\$1,342,652	\$1,378,294	2.65%	\$1,414,894	2.66%	\$1,430,726	1.12%	\$1,479,507	3.41%	\$1,533,224	3.63%
Bilingual Programs	\$5,439,741	\$5,329,065	-2.03%	\$5,159,379	\$5,368,654	4.06%	\$5,138,986	-4.28%	\$5,240,500	1.98%	\$5,429,924	3.61%	\$5,628,995	3.67%
Truant/Optional Programs/Other	\$749,572	\$934,579	24.68%	\$3,566,811	\$3,649,989	2.33%	\$3,297,672	-9.65%	\$3,398,724	3.06%	\$3,516,085	3.45%	\$3,638,697	3.49%
<b>TOTAL INSTRUCTION</b>	<b>\$126,592,200</b>	<b>\$128,990,342</b>	<b>1.89%</b>	<b>\$127,453,647</b>	<b>\$128,080,471</b>	<b>0.49%</b>	<b>\$135,175,469</b>	<b>5.54%</b>	<b>\$137,017,676</b>	<b>1.36%</b>	<b>\$141,552,809</b>	<b>3.31%</b>	<b>\$146,390,488</b>	<b>3.42%</b>
<b>SUPPORT SERVICES</b>														
Pupils	\$18,109,918	\$18,449,295	1.87%	\$18,275,177	\$18,247,378	-0.15%	\$19,280,718	5.66%	\$19,708,667	2.22%	\$20,429,320	3.66%	\$21,186,418	3.71%
Instructional Staff	\$11,482,250	\$11,809,284	2.85%	\$11,739,632	\$11,782,882	0.37%	\$12,829,880	8.89%	\$13,031,963	1.58%	\$13,395,748	2.79%	\$13,731,784	2.51%
General Administration	\$3,082,891	\$5,103,170	65.53%	\$3,483,394	\$3,785,495	8.67%	\$4,189,773	10.68%	\$4,261,193	1.70%	\$4,351,126	2.11%	\$4,428,427	1.78%
School Administration	\$8,474,135	\$8,436,281	-0.45%	\$8,700,674	\$9,270,477	6.55%	\$9,429,842	1.72%	\$9,625,320	2.07%	\$9,928,349	3.15%	\$10,190,846	2.64%
Business Operations	\$5,866,001	\$5,601,329	-4.51%	\$5,483,733	\$5,590,701	1.95%	\$5,459,680	-2.34%	\$5,573,131	2.08%	\$5,715,503	2.55%	\$5,834,494	2.08%
Central Administration	\$5,453,378	\$6,852,574	25.66%	\$9,649,329	\$7,122,191	-26.19%	\$8,160,412	14.58%	\$8,357,634	2.42%	\$8,630,072	3.26%	\$8,872,673	2.81%
Other	\$91,147	\$102,711	12.69%	\$109,835	\$70,622	-35.70%	\$139,689	97.80%	\$144,874	3.71%	\$151,431	4.53%	\$157,415	3.95%
<b>TOTAL SUPPORT SERVICES</b>	<b>\$52,559,720</b>	<b>\$56,354,644</b>	<b>7.22%</b>	<b>\$57,441,774</b>	<b>\$55,869,746</b>	<b>-2.74%</b>	<b>\$59,489,993</b>	<b>6.48%</b>	<b>\$60,702,783</b>	<b>2.04%</b>	<b>\$62,601,548</b>	<b>3.13%</b>	<b>\$64,402,056</b>	<b>2.88%</b>
<b>COMMUNITY SERVICES</b>														
	\$79,627	\$43,623	-45.22%	\$64,836	\$171,211	164.07%	\$229,520	34.06%	\$232,473	1.29%	\$239,730	3.12%	\$246,628	2.88%
<b>PAYMENTS TO OTHER GOVERNMENTAL UNITS</b>														
	\$666,816	\$657,848	-1.34%	\$5,093,804	\$5,434,747	6.69%	\$5,005,018	-7.91%	\$5,132,662	2.55%	\$5,264,061	2.56%	\$5,399,334	2.57%
<b>PROVISIONS FOR CONTINGENCIES</b>														
	\$0	\$0		\$0	\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$179,898,363</b>	<b>\$186,046,457</b>	<b>3.42%</b>	<b>\$190,054,061</b>	<b>\$189,556,175</b>	<b>-0.26%</b>	<b>\$199,900,000</b>	<b>5.46%</b>	<b>\$203,085,594</b>	<b>1.59%</b>	<b>\$209,658,147</b>	<b>3.24%</b>	<b>\$216,438,507</b>	<b>3.23%</b>

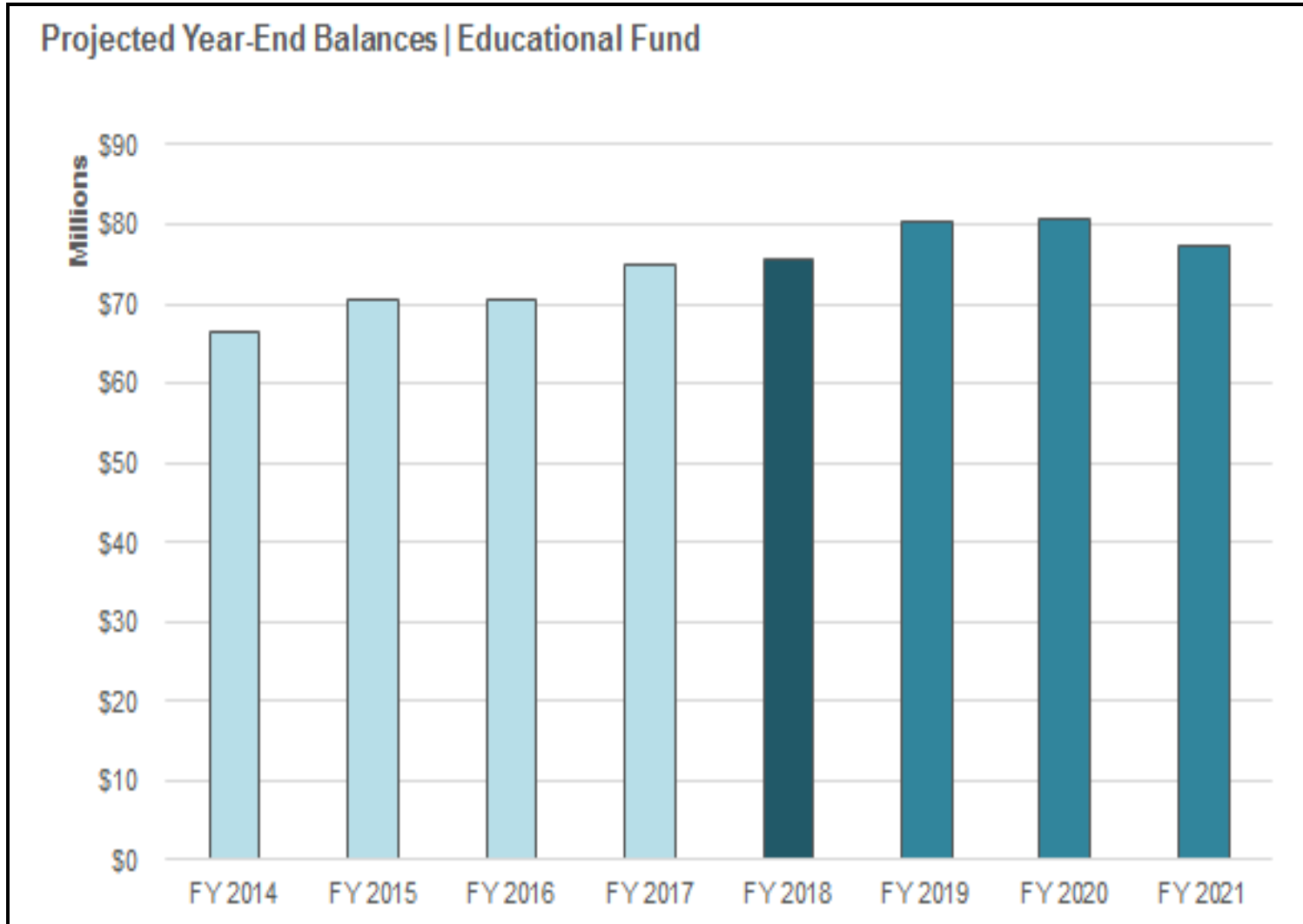
*Educational Fund*

**Chart 3.25 Instructional Expenditures Analysis Graph**



*Educational Fund*

**Chart 3.26 Projected Fund Balance – Educational Fund**





## **OPERATIONS & MAINTENANCE FUND**

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The Operations and Maintenance Fund (O & M Fund) is for revenue and expenditures related to the operations and maintenance of the grounds and facilities including utilities and maintenance projects.

### ***Revenue***

Revenue for the O & M Fund is primarily provided from local property taxes. The O & M Fund is a fund limited by the “tax caps”. Other local sources of revenue are interest income and facility rental income. Interest income revenue has slightly increased due to the improving economic climate. The comprehensive Facility Use Agreement with Robert Morris University (RMU) has increased the facility rental income beginning in FY 2014. The RMU agreement is scheduled to be in effect through June 30, 2027.

### ***Expenditures***

Expenditures in the O & M Fund are for purposes of maintenance, cleaning and upkeep, and refurbishing of the District facilities. These expenditures include salaries, supplies, contracted services, equipment needed to provide these services and construction costs.

- The District and the Custodial Maintenance Association (CMA) have a four year agreement through June 2019. The following language regarding salaries is included in the District 214 Custodial Maintenance Association Agreement.
  - The **2017-2018** wage schedule shall be determined by increasing the 2016-17 wage schedule by 1.8%. All employees will receive the 1.8% increase plus the step progression on the wage schedule effective July 1, 2017.
  - The **2018-2019** wage schedule shall be determined by increasing the 2017-18 wage schedule by 1.7%. All employees will receive the 1.7% increase plus the step progression on the wage schedule effective July 1, 2018.

The District’s PPO, HMO, pharmacy, and dental plans are self-funded through Blue Cross/Blue Shield (BCBS) of Illinois, Allied Dental and a Drug Card. The Insurance Committee is comprised of union representatives, District administrators, employees, and a District 214 Board of Education member. Over the past several years, significant cost containments and efficiencies have been implemented to control insurance expenses year to year. Moving to BCBS of Illinois allowed the plan to benefit from the additional discounts and providers offered by the Blue Cross Blue Shield of Illinois (BCBS).

Beginning January 1, 2015, the District offers a High Deductible Health Plan (HDHP) along with a Health Savings Account (HSA) as an option to our employees. With a HDHP the employee becomes a smarter shopper for health care, which is why these plans are considered a “consumer-directed health care plan”. A HSA is a tax-advantaged savings account designated for qualified medical expenses, which allows one to pay for current qualified medical expenses on a tax-favored basis. Unused HSA dollars roll over from year to year. The funds in the HSA belong to the employee, are non-forfeitable, and portable, making HSAs an easy way to save and invest for future qualified medical expenses.

District 214 is comprised of seven campuses. The oldest building in the District is Prospect High School, which was built in 1957. District 214 prides itself on outstanding and continual upkeep and improvement to all facilities. The Capital Projects Program (CPP), formerly known as the Facilities Improvement Program and Major Maintenance has been in operation since 1985. Its purpose has been to identify and fund large capital expenditures for additions, renovation, remodeling or renewal of our facilities.

Name of Bldg	Year Built	Square Footage
Prospect	1957	359,828
Forest View	1962	322,184
Wheeling	1964	337,357
Elk Grove	1966	338,102
John Hersey	1968	364,847
Rolling Meadows	1971	379,629
Buffalo Grove	1973	419,068

Projects that fall under major maintenance include, for example, parking lot repairs, tennis court repairs, gym floor repairs, outdoor track repairs, roofing repairs, fire alarm work, concrete repairs, and upgrades of security and building automation systems. The District’s five-year Capital Projects Program is a budget planning tool in which the projects are determined by budget, instructional needs, school requests, and maintenance concerns. The plan is a proactive approach to facilitate the highest priority curricular and maintenance needs over a five-year period. Data is collected from the instructional leadership regarding curricular-driven renovations or enhancements. Recommendations are sought from the Buildings and Grounds staff concerning building maintenance and repair. District architects, engineers, and specialty consultants assist to prioritize the CPP. Data is updated annually and adjusted based on current need.

Projects solicited for inclusion into the CPP will be reviewed against the Facility Priority Matrix and ranked using a four-pass system. Each project will be assigned a project number for tracking and accountability purposes, and then individually scored for placement in the long-range capital plan against other competing projects. Proposed projects are reviewed by the Director of Operations, Associate Superintendent for Finance and Operations, and the Superintendent. The Superintendent makes a recommendation to the Board of Education for final approval of projects.

Scheduled replacement cycles have been developed for many areas, including: outdoor tracks, gym floors, tennis courts, field house floors, chillers/air conditioning systems, central maintenance vehicles, and parking lot repair/replacement. It will be important to sustain cost containment in the O & M Fund in order to ensure that facility maintenance is not deferred, thereby significantly depreciating the value of the District’s and communities’ valuable assets.

The Operations & Maintenance Fund levy is used to generate the revenue necessary for payment of the debt certificates. During fiscal year 2018, \$3.3 million will be transferred from the Operations and Maintenance Fund to the Debt Service Fund to fund the debt certificate payment.

The debt certificates were issued to fund capital projects as part of a long-range strategic plan. Debt certificates were issued as Build America Bonds to take advantage of the federal stimulus program that subsidizes a portion of the interest cost.

During fiscal 2018, a transfer of \$5.0 million will be made from the O & M Fund to the Capital Projects Fund.

### ***Fund Balance***

It will be important to sustain cost containment in the O & M Fund in order to ensure that facility maintenance is not deferred, thereby significantly depreciating the value of the District's and communities' valuable assets.

The auditor has determined approximately \$16.9 million is categorized as restricted and \$13.8 million is categorized as assigned in the Operations and Maintenance Fund Balance.

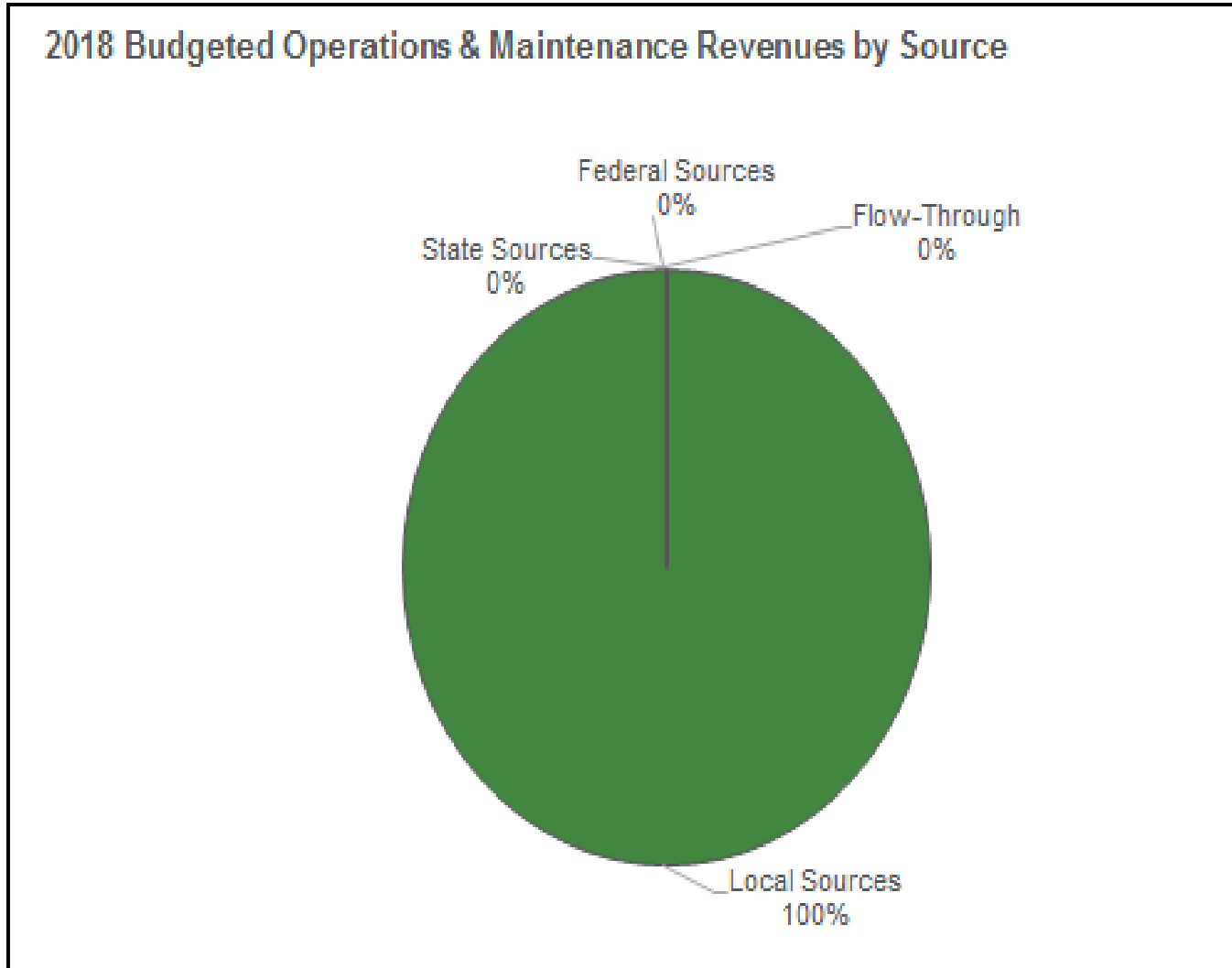
*Operations and Maintenance Fund*

**Chart 3.27 Revenues by Source and Expenditures by Object Chart**

Operations and Maintenance Fund															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$31,371,470	\$32,203,714	2.65%	\$33,013,367	2.51%	\$31,916,485	-3.32%	\$30,850,000	-3.34%	\$29,281,646	-5.08%	\$29,680,176	1.36%	\$30,207,172	1.78%
State Sources	\$28,875	\$0	-100.00%	\$0		\$264,529		\$0	-100.00%	\$0		\$0		\$0	
Federal Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$31,400,345</b>	<b>\$32,203,714</b>	<b>2.56%</b>	<b>\$33,013,367</b>	<b>2.51%</b>	<b>\$32,181,014</b>	<b>-2.52%</b>	<b>\$30,850,000</b>	<b>-4.14%</b>	<b>\$29,281,646</b>	<b>-5.08%</b>	<b>\$29,680,176</b>	<b>1.36%</b>	<b>\$30,207,172</b>	<b>1.78%</b>
<b>EXPENDITURES</b>															
Salary	\$11,348,615	\$11,572,057	1.97%	\$10,801,221	-6.66%	\$10,854,233	0.49%	\$11,123,804	2.48%	\$11,294,637	1.54%	\$11,526,839	2.06%	\$11,798,984	2.36%
Employee Benefits	\$2,596,885	\$2,589,294	-0.29%	\$2,436,045	-5.92%	\$2,619,876	7.55%	\$3,163,066	20.73%	\$3,351,223	5.95%	\$3,550,669	5.95%	\$3,762,082	5.95%
Purchased Services	\$2,479,354	\$2,776,195	11.97%	\$2,193,673	-20.98%	\$2,609,329	18.95%	\$2,374,250	-9.01%	\$2,457,349	3.50%	\$2,543,356	3.50%	\$2,632,373	3.50%
Supplies and Materials	\$4,831,165	\$5,010,570	3.71%	\$4,360,010	-12.98%	\$4,326,802	-0.76%	\$5,100,350	17.88%	\$5,202,357	2.00%	\$5,306,404	2.00%	\$5,412,532	2.00%
Capital Outlay	\$4,124,636	\$3,807,727	-7.68%	\$3,436,521	-9.75%	\$2,651,013	-22.86%	\$1,576,680	-40.53%	\$1,608,213	2.00%	\$1,640,377	2.00%	\$1,673,185	2.00%
Other Objects	\$25,647	\$52,535	104.84%	\$53,646	2.11%	\$49,881	-7.02%	\$52,350	4.95%	\$52,350	0.00%	\$52,350	0.00%	\$52,350	0.00%
Non-Capitalized Equipment	\$95,972	\$276,440	188.04%	\$183,108	-33.76%	\$276,568	51.04%	\$194,500	-29.67%	\$198,390	2.00%	\$202,358	2.00%	\$206,405	2.00%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$25,502,274</b>	<b>\$26,084,818</b>	<b>2.28%</b>	<b>\$23,464,224</b>	<b>-10.05%</b>	<b>\$23,387,702</b>	<b>-0.33%</b>	<b>\$23,585,000</b>	<b>0.84%</b>	<b>\$24,164,518</b>	<b>2.46%</b>	<b>\$24,822,353</b>	<b>2.72%</b>	<b>\$25,537,911</b>	<b>2.88%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$5,898,071</b>	<b>\$6,118,896</b>		<b>\$9,549,143</b>		<b>\$8,793,312</b>		<b>\$7,265,000</b>		<b>\$5,117,128</b>		<b>\$4,857,823</b>		<b>\$4,669,261</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$2,900,000		\$0		\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$3,185,774)	(\$9,313,548)		(\$7,740,775)		(\$8,769,952)		(\$8,265,000)		(\$6,830,000)		(\$5,850,000)		(\$2,500,000)	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(\$3,185,774)</b>	<b>(\$6,413,548)</b>		<b>(\$7,740,775)</b>		<b>(\$8,769,952)</b>		<b>(\$8,265,000)</b>		<b>(\$6,830,000)</b>		<b>(\$5,850,000)</b>		<b>(\$2,500,000)</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>\$2,712,297</b>	<b>(\$294,652)</b>		<b>\$1,808,368</b>		<b>\$23,360</b>		<b>(\$1,000,000)</b>		<b>(\$1,712,872)</b>		<b>(\$992,177)</b>		<b>\$2,169,261</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$26,466,887</b>	<b>\$29,179,184</b>		<b>\$28,884,532</b>		<b>\$30,692,900</b>		<b>\$30,716,260</b>		<b>\$29,716,260</b>		<b>\$28,003,388</b>		<b>\$27,011,210</b>	
<b>ENDING FUND BALANCE</b>	<b>\$29,179,184</b>	<b>\$28,884,532</b>		<b>\$30,692,900</b>		<b>\$30,716,260</b>		<b>\$29,716,260</b>		<b>\$28,003,388</b>		<b>\$27,011,210</b>		<b>\$29,180,471</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>114.42%</b>	<b>110.73%</b>		<b>130.81%</b>		<b>131.34%</b>		<b>126.00%</b>		<b>115.89%</b>		<b>108.82%</b>		<b>114.26%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>13.73</b>	<b>13.29</b>		<b>15.70</b>		<b>15.76</b>		<b>15.12</b>		<b>13.91</b>		<b>13.06</b>		<b>13.71</b>	

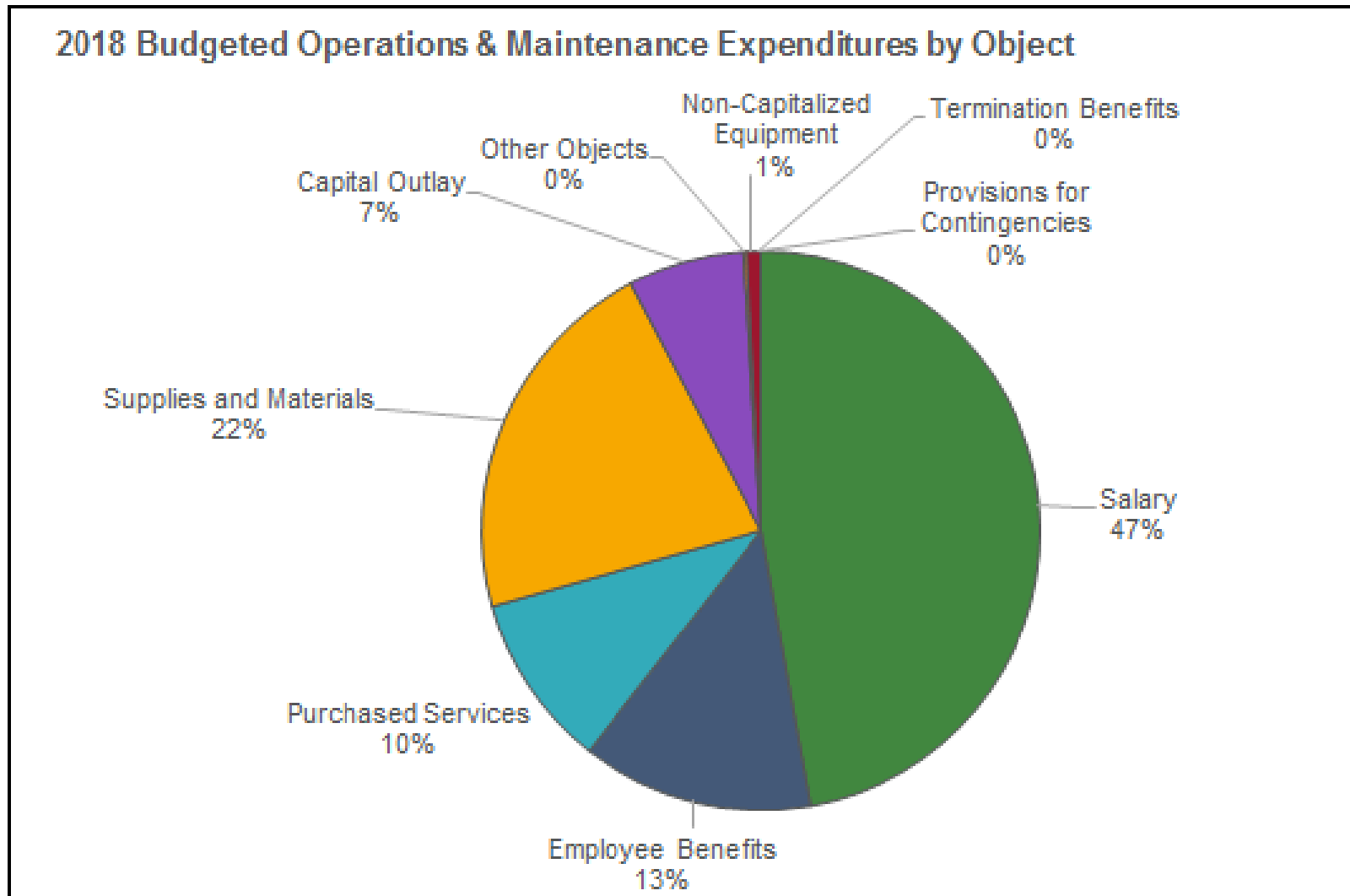
*Operations and Maintenance Fund*

**Chart 3.28 Revenue by Source Graph**



*Operations and Maintenance Fund*

**Chart 3.29 Expenditures by Object Graph**



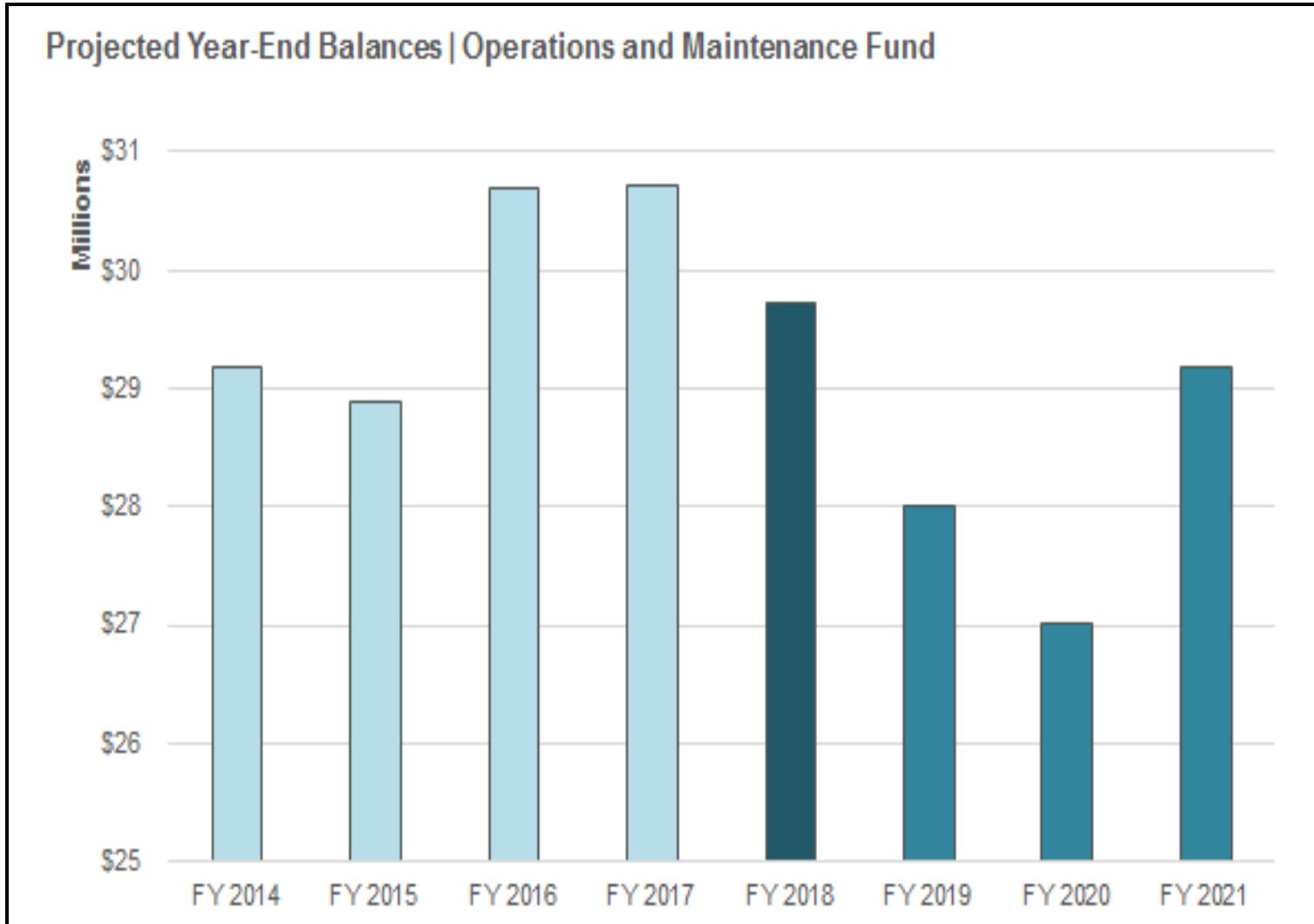
*Operations and Maintenance Fund*

**Chart 3.30 Expenditures by Function Chart**

Operations and Maintenance Fund															
Expenditures By Function															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>INSTRUCTION</b>															
Regular Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Special Education Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Adult/Continuing Education Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Vocational Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Co-Curricular Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Summer School and Gifted Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Drivers Education Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Bilingual Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Truant/Optional Programs/Other	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL INSTRUCTION</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SUPPORT SERVICES</b>															
Pupils	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Instructional Staff	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
General Administration	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
School Administration	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Business Operations	\$25,411,507	\$25,995,750	2.30%	\$23,356,768	-10.15%	\$23,279,530	-0.33%	\$23,486,450	0.89%	\$24,064,363	2.46%	\$24,720,196	2.73%	\$25,433,172	2.88%
Central Administration	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL SUPPORT SERVICES</b>	<b>\$25,411,507</b>	<b>\$25,995,750</b>	<b>2.30%</b>	<b>\$23,356,768</b>	<b>-10.15%</b>	<b>\$23,279,530</b>	<b>-0.33%</b>	<b>\$23,486,450</b>	<b>0.89%</b>	<b>\$24,064,363</b>	<b>2.46%</b>	<b>\$24,720,196</b>	<b>2.73%</b>	<b>\$25,433,172</b>	<b>2.88%</b>
<b>COMMUNITY SERVICES</b>	<b>\$90,767</b>	<b>\$89,068</b>	<b>-1.87%</b>	<b>\$107,456</b>	<b>20.64%</b>	<b>\$108,172</b>	<b>0.67%</b>	<b>\$98,550</b>	<b>-8.90%</b>	<b>\$100,156</b>	<b>1.63%</b>	<b>\$102,157</b>	<b>2.00%</b>	<b>\$104,739</b>	<b>2.53%</b>
<b>PAYMENTS TO OTHER GOVERNMENTAL UNITS</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>TOTAL EXPENDITURES</b>	<b>\$25,502,274</b>	<b>\$26,084,818</b>	<b>2.28%</b>	<b>\$23,464,224</b>	<b>-10.05%</b>	<b>\$23,387,702</b>	<b>-0.33%</b>	<b>\$23,585,000</b>	<b>0.84%</b>	<b>\$24,164,518</b>	<b>2.46%</b>	<b>\$24,822,353</b>	<b>2.72%</b>	<b>\$25,537,911</b>	<b>2.88%</b>

*Operations and Maintenance Fund*

**Chart 3.31 Projected Fund Balance – Operation and Maintenance Fund**





## **DEBT SERVICE FUND**

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

### ***Revenue***

Revenue for the Debt Service Fund is provided from local property taxes. The Debt Service Fund is not limited by “tax caps”. However, it is limited by the amount of debt service that can be paid by the District on an annual basis. The legal maximum allowable amount was established with the PTELL law of 1995 and restricts future bond issuances to the aggregate debt service extension base arising from the 1994 tax levy. Approximately \$3.3 million will be transferred from the Operations and Maintenance Fund for payment of the Build America Bond Debt Certificates.

### ***Expenditures***

Expenditures are for debt service commitments only.

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

Series 2007 General Obligation Limited Tax Bonds dated May 10, 2007 are due in annual installments through December 1, 2026, face amount of \$18.3 million. During December 2016 and mid 2017 the District will be refunding the Series 2007 bonds. Due to the refunding bond, the last series 2007 bond payment will be made December 2017.

Series 2008 General Obligation Limited Tax School Bonds dated July 30, 2008 are due in annual installments through December 1, 2026, face amount of \$9.5 million. Mid 2017 the District will be refunding the Series 2008 bonds. Due to the refunding bond, the last series 2008 bond payment will be made December 2017.

Series 2009B Taxable Debt Certificates (Build America Bonds) dated December 8, 2009 are due in annual installments December 2015 through December 2019, face amount of \$15.4 million.

Series 2011 General Obligation Limited School Bonds dated December 1, 2011 are due in annual installments through December 2031, face amount of \$10 million.

Series 2012 General Obligation Limited School Bonds dated February 9, 2012 are due in annual installments through December 2031, face amount of \$10 million.

Series 2016 General Obligation Limited Tax Refunding School Bonds, dated November 2016, is a \$9.7 million refunding bond.

Series 2017 General Obligation Limited Tax Refunding School Bonds, dated September 2017, is a \$8.9 million refunding bond.

The Operations & Maintenance Fund levy is used to generate the revenue necessary for payment of the debt certificates. During fiscal year 2017, \$3.3 million will be transferred from the Operations and Maintenance Fund to the Debt Service Fund to fund the debt certificate payment. The debt certificates were issued to fund capital projects as part of a long-range strategic plan. Debt certificates were issued as Build America Bonds to take advantage of the federal stimulus program that subsidizes a portion of the interest cost.

Historically, the District has bonded for capital programs to match long-term assets with long-term debt. The Capital Projects fund bond proceeds are restricted for capital and maintenance projects to improve sites, build and equip additions, and alter, repair and equip buildings.

During 2016, the Board of Education authorized the sale of Refunding Bonds in the approximate amount of \$9,800,000. Under current market conditions, this refinancing initiative by the sale of the refunding bonds will result in an approximate present value savings of \$1,500,000 (15.9%). The factors leading to this recommendation are as follows:

- The Series 2007 Bonds are callable on December 1, 2017, a portion of which may be refunded on an advance basis.
- Short-term interest rates are currently low and the Series 2016 Refunding Bonds would not extend the debt beyond the current Series 2007 final payment of December 1, 2026.
- This is a Debt Service savings and will not provide new monies to the District.
- The savings from the reduced interest costs creates additional Debt Service Extension Base (DSEB) capacity in future years, adding flexibility for future borrowing needs.

During 2017, the Board of Education authorized the sale of Refunding Bonds in the approximate amount of \$9,900,000. Under current market conditions plus 0.25%, this refinancing initiative by the sale of the refunding bonds will result in an approximate present value savings of \$640,000 (7.05%). The factors leading to this recommendation are as follows:

- The Series 2007 Bonds are callable on June 1, 2017 and may be refunded on a current basis (within 90 days of the call date or after).
- The Series 2008 Bonds are callable on December 1, 2017 and may be refunded on a current basis.
- Short-term interest rates are currently low and the Series 2017 Refunding Bonds would not extend the debt beyond the current Series 2007 and Series 2008 final payment of December 1, 2026.
- This is a Debt Service savings and will not provide new monies to the District.
- The savings from the reduced interest costs creates additional Debt Service Extension Base (DSEB) capacity in future years, adding flexibility for future borrowing needs.

### ***Debt Margin***

According to the Illinois School Code, school districts maintaining grades K through 8, or 9 through 12 shall become indebted in any manner or for any purpose to an amount, including existing indebtedness, in the aggregate not exceeding 6.9% on the value of the taxable property. Unit districts shall not become indebted in any manner or for any purpose to an amount,

including existing indebtedness, in the aggregate exceeding 13.8% on the value of the taxable property.

Additional indebtedness may be incurred in an amount not to exceed the estimated cost of acquiring or improving school sites or constructing and equipping additional building facilities under the following conditions:

- There is an increase in enrollment by not less than 35% or by not less than 200 students.
- The Regional Superintendent of Schools and the State Superintendent of Education concur in enrollment projections and the estimated costs of the new buildings.
- The voters in the school district approve a proposition for the issuance of the bonds

**Calculation of Statutory Debt Limitation and Debt Margin**

<b>Legal Debt Margin Calculation for Fiscal Year 2017</b>	
Assessed Valuation	\$ 8,544,564,082
Debt Limit - 6.9% of AV	\$ 589,574,922
Debt Subject to 6.9% Limit	\$ 49,565,502
Total Debt Margin	\$ 540,009,420

### ***Fund Balance***

The fund balance is intended for cash flow purposes for future debt payments.

The auditor has determined approximately \$0.8 million is categorized as restricted and \$0.2 million is categorized as assigned in the Debt Service Fund Balance.

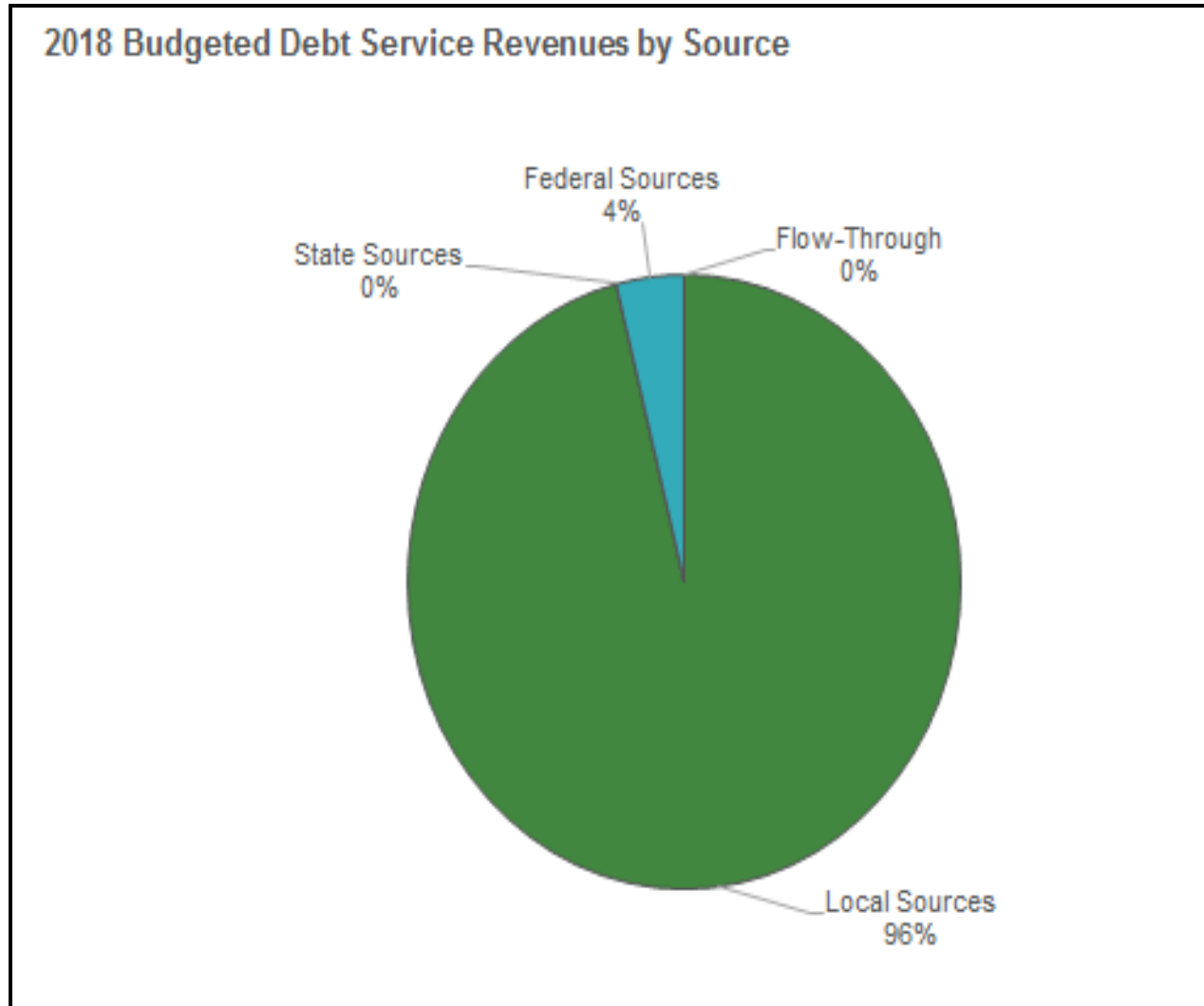
Debt Service Fund

Chart 3.32 Revenue by Source and Expenditures by Object Chart

Debt Service Fund															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$3,228,988	\$3,290,383	1.90%	\$3,358,751	2.08%	\$3,339,606	-0.57%	\$3,395,000	1.66%	\$3,475,305	2.37%	\$3,495,588	0.58%	\$3,511,074	0.44%
State Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Federal Sources	\$230,245	\$206,424	-10.35%	\$178,544	-13.51%	\$145,357	-18.59%	\$140,000	-3.69%	\$140,000	0.00%	\$140,000	0.00%	(\$10,000)	-107.14%
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$3,459,233</b>	<b>\$3,496,807</b>	<b>1.09%</b>	<b>\$3,537,295</b>	<b>1.16%</b>	<b>\$3,484,963</b>	<b>-1.48%</b>	<b>\$3,535,000</b>	<b>1.44%</b>	<b>\$3,615,305</b>	<b>2.27%</b>	<b>\$3,635,588</b>	<b>0.56%</b>	<b>\$3,501,074</b>	<b>-3.70%</b>
<b>EXPENDITURES</b>															
Salary	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Employee Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Purchased Services	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Supplies and Materials	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$7,319,754	\$7,266,118	-0.73%	\$6,836,695	-5.91%	\$6,768,047	-1.00%	\$6,800,000	0.47%	\$6,800,000	0.00%	\$6,800,000	0.00%	\$3,443,030	-49.37%
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$7,319,754</b>	<b>\$7,266,118</b>	<b>-0.73%</b>	<b>\$6,836,695</b>	<b>-5.91%</b>	<b>\$6,768,047</b>	<b>-1.00%</b>	<b>\$6,800,000</b>	<b>0.47%</b>	<b>\$6,800,000</b>	<b>0.00%</b>	<b>\$6,800,000</b>	<b>0.00%</b>	<b>\$3,443,030</b>	<b>-49.37%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(\$3,860,521)</b>	<b>(\$3,769,311)</b>		<b>(\$3,299,400)</b>		<b>(\$3,283,084)</b>		<b>(\$3,265,000)</b>		<b>(\$3,184,695)</b>		<b>(\$3,164,412)</b>		<b>\$58,044</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$3,852,140	\$3,725,610		\$3,438,281		\$13,026,815		\$3,265,000		\$3,330,000		\$3,350,000		\$0	
Other Financing Uses	\$0	\$0		\$0		(\$9,514,822)		\$0		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>\$3,852,140</b>	<b>\$3,725,610</b>		<b>\$3,438,281</b>		<b>\$3,511,993</b>		<b>\$3,265,000</b>		<b>\$3,330,000</b>		<b>\$3,350,000</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>(\$8,381)</b>	<b>(\$43,701)</b>		<b>\$138,881</b>		<b>\$228,909</b>		<b>\$0</b>		<b>\$145,305</b>		<b>\$185,588</b>		<b>\$58,044</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$815,835</b>	<b>\$707,454</b>		<b>\$663,753</b>		<b>\$802,634</b>		<b>\$1,031,543</b>		<b>\$1,031,543</b>		<b>\$1,176,848</b>		<b>\$1,362,436</b>	
<b>ENDING FUND BALANCE</b>	<b>\$807,454</b>	<b>\$663,753</b>		<b>\$802,634</b>		<b>\$1,031,543</b>		<b>\$1,031,543</b>		<b>\$1,176,848</b>		<b>\$1,362,436</b>		<b>\$1,420,480</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>11.03%</b>	<b>9.13%</b>		<b>11.74%</b>		<b>15.24%</b>		<b>15.17%</b>		<b>17.31%</b>		<b>20.04%</b>		<b>41.26%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>1.32</b>	<b>1.10</b>		<b>1.41</b>		<b>1.83</b>		<b>1.82</b>		<b>2.08</b>		<b>2.40</b>		<b>4.95</b>	

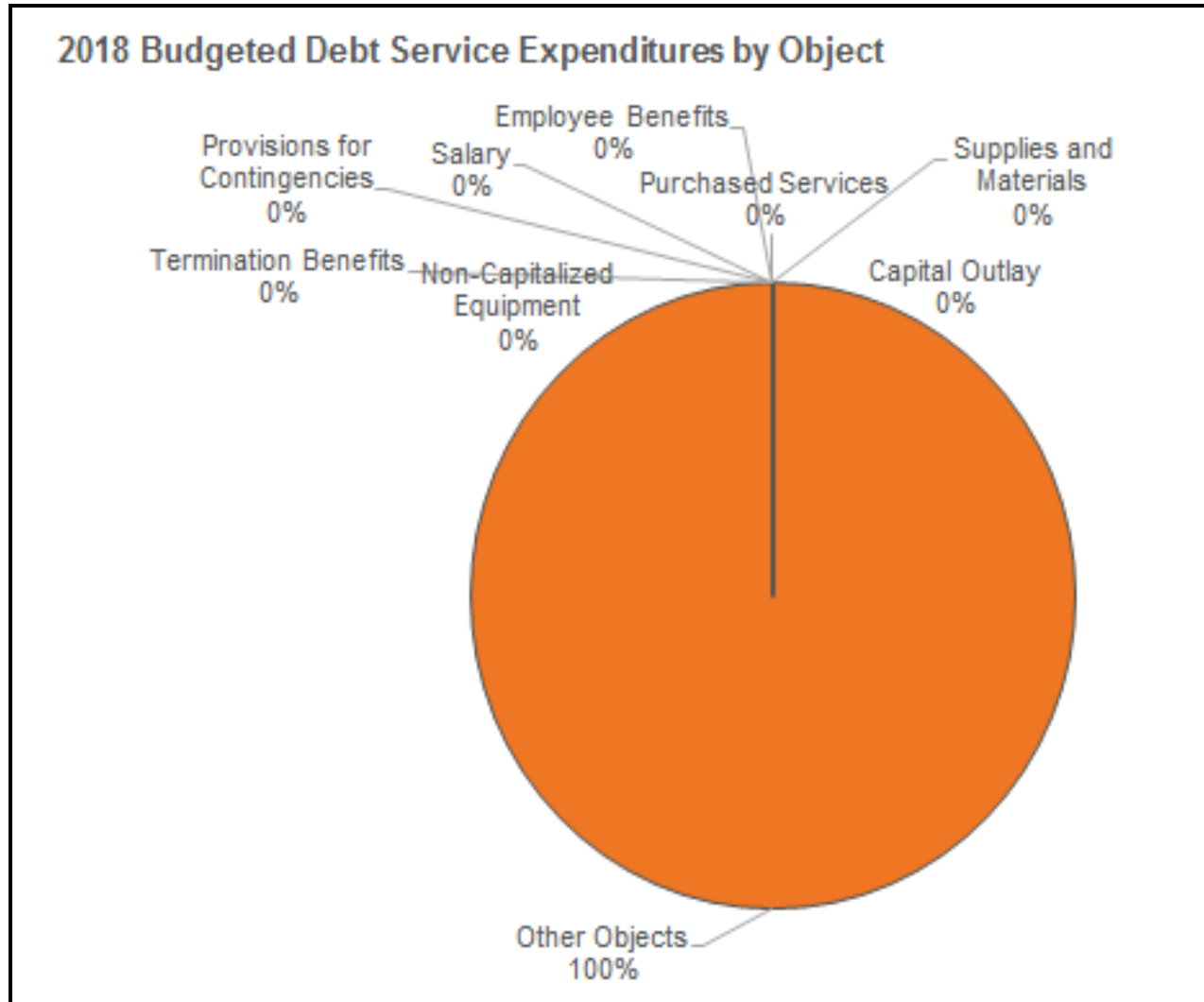
*Debt Service Fund*

**Chart 3.33 Revenues by Source Graph**



*Debt Service Fund*

**Chart 3.34 Expenditures by Object Graph**



*Debt Service Fund*

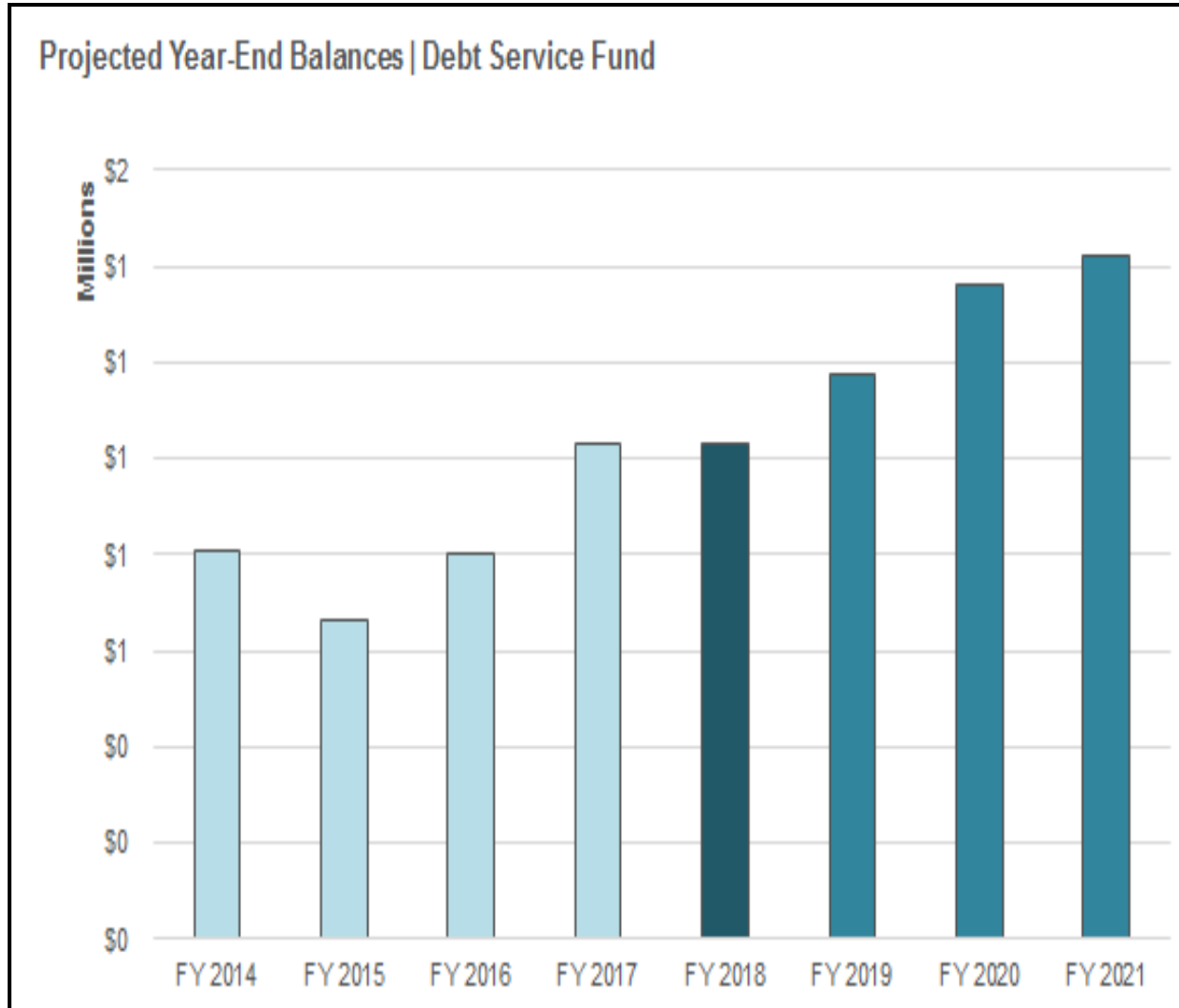
**Chart 3.35 Expenditures by Function Chart**

Debt Service Fund														
Expenditures By Function														
	ACTUAL		% Δ	ACTUAL		% Δ	ACTUAL		% Δ	BUDGET	PROJECTED		PROJECTED	
	FY 2014	FY 2015		FY 2016	FY 2017		FY 2018	FY 2019		FY 2020	FY 2021			
<b>INSTRUCTION</b>														
Regular Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Special Education Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Adult/Continuing Education Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Vocational Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Co-Curricular Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Summer School and Gifted Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Drivers Education Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Bilingual Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Truant/Optional Programs/Other	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
<b>TOTAL INSTRUCTION</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>SUPPORT SERVICES</b>														
Pupils	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Instructional Staff	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
General Administration	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
School Administration	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Business Operations	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Central Administration	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
<b>TOTAL SUPPORT SERVICES</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>COMMUNITY SERVICES</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>PAYMENTS TO OTHER GOVERNMENTAL UNITS</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>DEBT SERVICES</b>	<b>\$7,319,754</b>	<b>\$7,266,118</b>	<b>-0.73%</b>	<b>\$6,836,695</b>	<b>\$6,768,047</b>	<b>-1.00%</b>	<b>\$6,800,000</b>	<b>\$6,800,000</b>	<b>0.47%</b>	<b>\$6,800,000</b>	<b>\$6,800,000</b>	<b>\$6,800,000</b>	<b>\$3,443,030</b>	<b>-49.37%</b>
<b>TOTAL EXPENDITURES</b>	<b>\$7,319,754</b>	<b>\$7,266,118</b>	<b>-0.73%</b>	<b>\$6,836,695</b>	<b>\$6,768,047</b>	<b>-1.00%</b>	<b>\$6,800,000</b>	<b>\$6,800,000</b>	<b>0.47%</b>	<b>\$6,800,000</b>	<b>\$6,800,000</b>	<b>\$6,800,000</b>	<b>\$3,443,030</b>	<b>-49.37%</b>



*Debt Service Fund*

**Chart 3.36 Projected Fund Balance – Debt Service Fund**



## **TRANSPORTATION FUND**

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The Transportation Fund is for revenue and expenditures relating to the transportation of regular and special education students to and from school, off campus field trips, and athletic and activity events.

### ***Revenue***

Revenue for the Transportation Fund is primarily provided from local property taxes. The Transportation Fund is a fund limited by “tax caps”. The District also receives a state reimbursement for regular, vocational, and special education transportation. The category titled Other Local Sources of revenue is interest income.

In the past, the District was reimbursed for Special Education transportation by the State at the rate of 80%. The District’s Transportation Aid is budgeted at approximately 1.0% of total revenue. The State funding is paid in the year following the expenditure.

### ***Expenditures***

The District presently owns 26 activity buses, five special education wheel chair equipped mini-buses and 20 vans for transporting small groups of students for activities and special education programs. These vehicles have greatly reduced the cost of transportation for small groups of students. With the passage of Public Act 97-0896 there is no change for non-curricular trips, such as sports; the drivers need a valid driver’s license and this type of trip is still not reimbursable. The District also owns ten vehicles utilized for the Drivers’ Education program. The District has a rolling replacement cycle to keep the activity buses and vans from accumulating excess mileage and to keep the budgeted expenditures more consistent.

The District is presently under contract for our transportation services. In December 2016, District 214 put a bid out for a 3-year transportation contractor. In early 2017, the bid was awarded to First Student and Grand Prairie. With the bell time changes during the 2017-2018 school year transportation pairings will be eliminated, resulting in increasing transportation costs for the district beginning with the 2017-2018 school year.

Students with disabilities ages 3-21 with an Individualized Education Program (IEP) who require transportation as a necessary related service shall be provided as the child’s disability or the program location may require. Transportation reimbursement claims are transmitted to ISBE on or before August 15. Reimbursement is based on prior-year costs and is calculated as the difference between a district’s allowable costs and the computed minimum local taxes, determined by a district’s General State Aid assessed valuation multiplied by a statutory qualifying rate assigned to each district type. With the fiscal crisis in Illinois and recent reductions in regular transportation funding, there has been increased concern about the state’s ability to continue to support a formula based upon cost reimbursement. Reductions in state funding impact the local school district’s ability to sustain providing free transportation in certain districts.

### ***Fund Balance***

The Fund balance is intended for transportation expenditures, unanticipated transportation expenditures, and for cash flow purposes.

The auditor has determined approximately \$12.0 million is categorized as restricted and \$1.0 million is categorized as assigned in the Transportation Fund Balance.

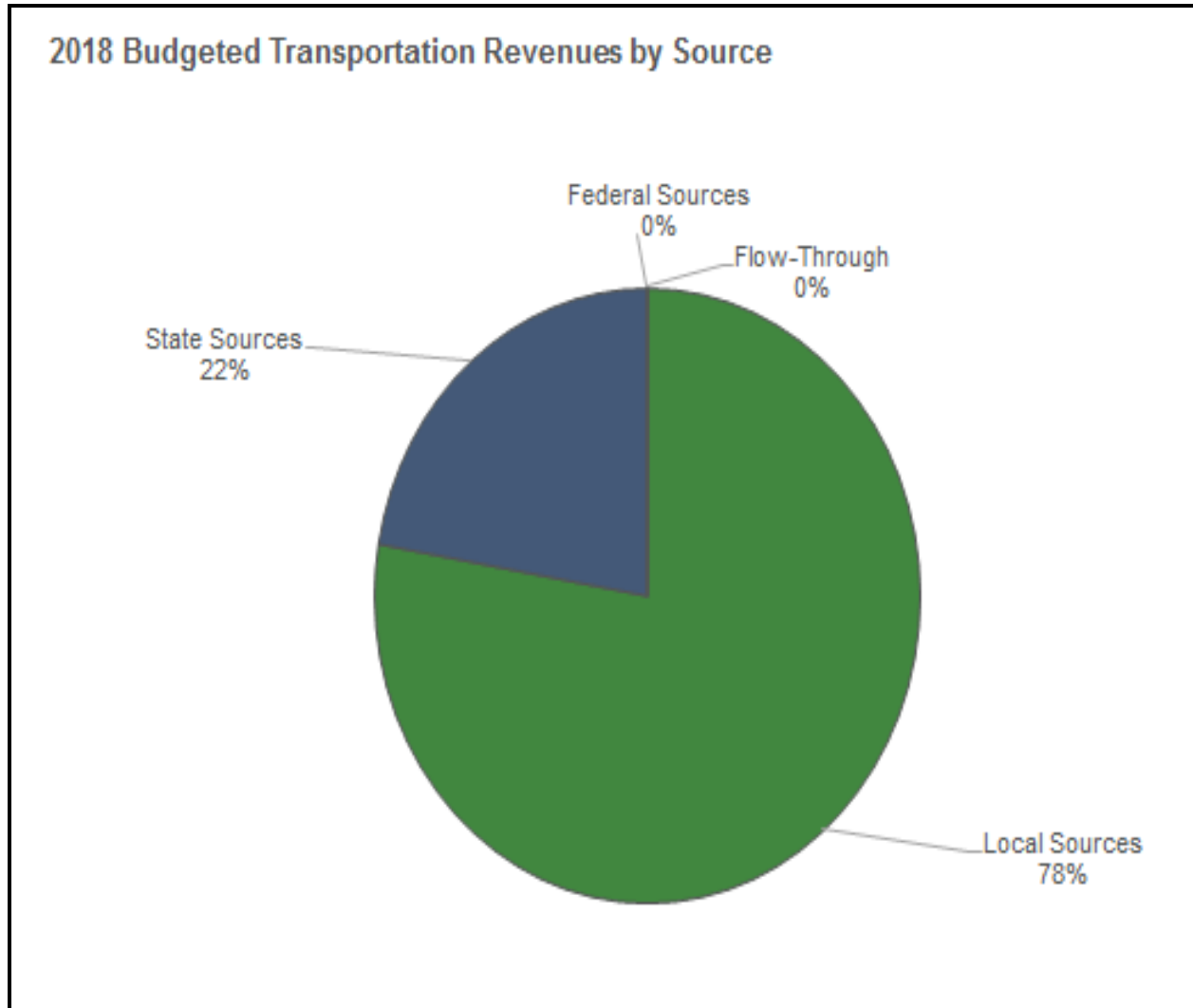
**Transportation Fund**

**Chart 3.37 Revenues by Source and Expenditures by Object Chart**

<b>Transportation Fund</b>															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$7,381,598	\$7,137,658	-3.30%	\$6,784,003	-4.95%	\$7,602,438	12.06%	\$9,480,000	24.70%	\$9,793,754	3.31%	\$9,932,561	1.42%	\$10,116,114	1.85%
State Sources	\$3,201,174	\$3,149,193	-1.62%	\$2,246,291	-28.67%	\$2,384,091	6.13%	\$2,720,000	14.09%	\$2,720,000	0.00%	\$2,720,000	0.00%	\$2,720,000	0.00%
Federal Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$10,582,772</b>	<b>\$10,286,851</b>	<b>-2.80%</b>	<b>\$9,030,294</b>	<b>-12.22%</b>	<b>\$9,986,529</b>	<b>10.59%</b>	<b>\$12,200,000</b>	<b>22.16%</b>	<b>\$12,513,754</b>	<b>2.57%</b>	<b>\$12,652,561</b>	<b>1.11%</b>	<b>\$12,836,114</b>	<b>1.45%</b>
<b>EXPENDITURES</b>															
Salary	\$116,383	\$120,385	3.44%	\$136,517	13.40%	\$123,810	-9.31%	\$138,501	11.87%	\$140,941	1.76%	\$145,445	3.20%	\$147,655	1.52%
Employee Benefits	\$51,540	\$51,294	-0.48%	\$41,640	-18.82%	\$45,410	9.05%	\$28,126	-38.06%	\$29,814	6.00%	\$31,602	6.00%	\$33,499	6.00%
Purchased Services	\$7,450,942	\$7,356,772	-1.26%	\$8,053,462	9.47%	\$8,357,493	3.78%	\$11,257,573	34.70%	\$11,595,301	3.00%	\$11,943,160	3.00%	\$12,301,454	3.00%
Supplies and Materials	\$657,264	\$473,083	-28.02%	\$309,880	-34.50%	\$397,957	28.42%	\$525,500	32.05%	\$551,775	5.00%	\$579,364	5.00%	\$608,332	5.00%
Capital Outlay	\$345,134	\$239,035	-30.74%	\$266,320	11.41%	\$207,685	-22.02%	\$250,000	20.37%	\$250,000	0.00%	\$250,000	0.00%	\$250,000	0.00%
Other Objects	\$65	\$65	0.00%	\$65	0.00%	\$0	-100.00%	\$300		\$300	0.00%	\$300	0.00%	\$300	0.00%
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$8,621,328</b>	<b>\$8,240,634</b>	<b>-4.42%</b>	<b>\$8,807,884</b>	<b>6.88%</b>	<b>\$9,132,355</b>	<b>3.68%</b>	<b>\$12,200,000</b>	<b>33.59%</b>	<b>\$12,568,130</b>	<b>3.02%</b>	<b>\$12,949,871</b>	<b>3.04%</b>	<b>\$13,341,239</b>	<b>3.02%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$1,961,444</b>	<b>\$2,046,217</b>		<b>\$222,410</b>		<b>\$854,174</b>		<b>\$0</b>		<b>(\$54,376)</b>		<b>(\$297,310)</b>		<b>(\$505,125)</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>\$1,961,444</b>	<b>\$2,046,217</b>		<b>\$222,410</b>		<b>\$854,174</b>		<b>\$0</b>		<b>(\$54,376)</b>		<b>(\$297,310)</b>		<b>(\$505,125)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$7,684,254</b>	<b>\$9,645,698</b>		<b>\$11,691,915</b>		<b>\$11,914,325</b>		<b>\$12,768,499</b>		<b>\$12,768,499</b>		<b>\$12,714,123</b>		<b>\$12,416,813</b>	
<b>ENDING FUND BALANCE</b>	<b>\$9,645,698</b>	<b>\$11,691,915</b>		<b>\$11,914,325</b>		<b>\$12,768,499</b>		<b>\$12,768,499</b>		<b>\$12,714,123</b>		<b>\$12,416,813</b>		<b>\$11,911,688</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>111.88%</b>	<b>141.88%</b>		<b>135.27%</b>		<b>139.82%</b>		<b>104.66%</b>		<b>101.16%</b>		<b>95.88%</b>		<b>89.28%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>13.43</b>	<b>17.03</b>		<b>16.23</b>		<b>16.78</b>		<b>12.56</b>		<b>12.14</b>		<b>11.51</b>		<b>10.71</b>	

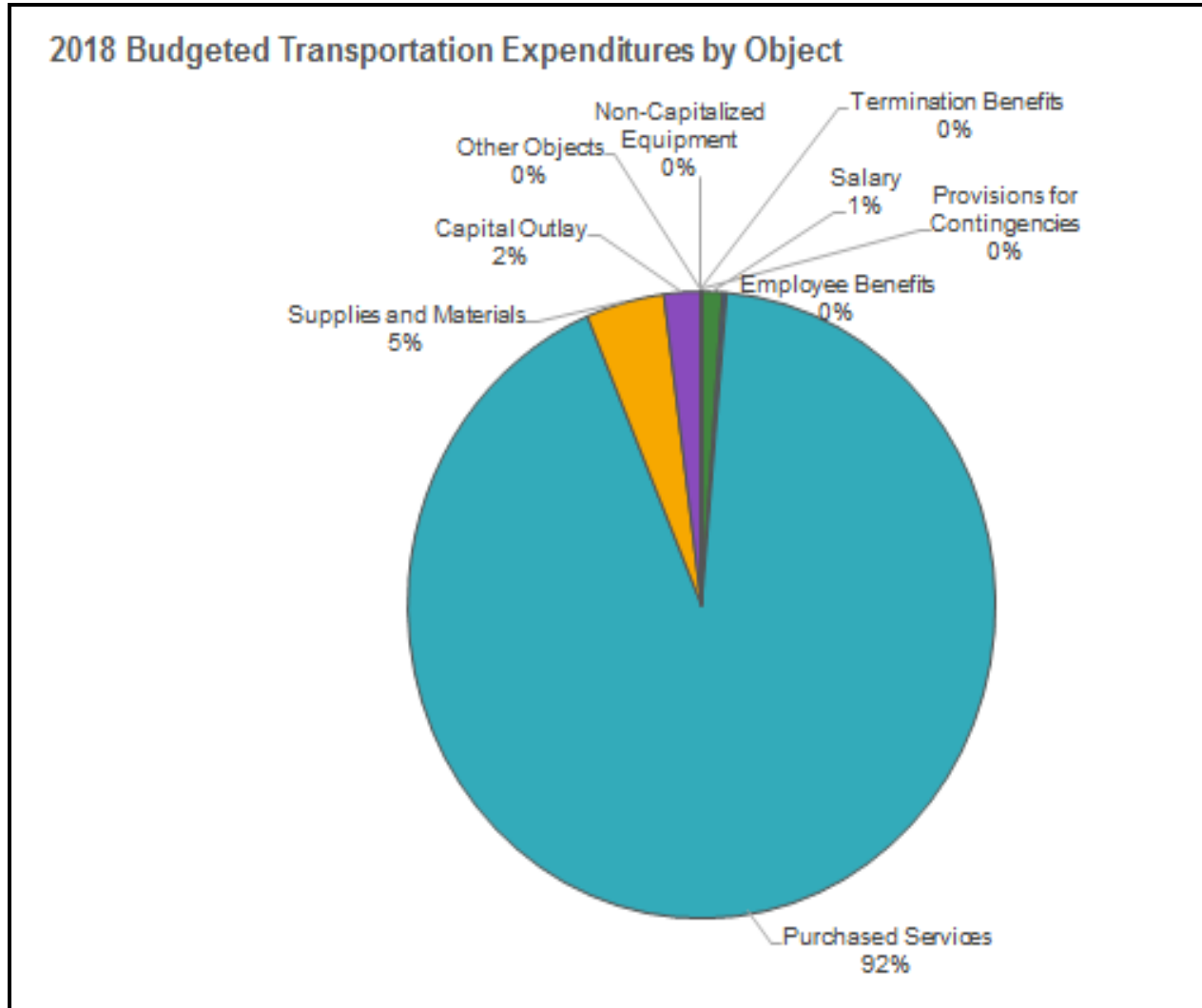
*Transportation Fund*

**Chart 3.38 Revenues by Source Graph**



*Transportation Fund*

**Chart 3.39 Expenditures by Object Graph**



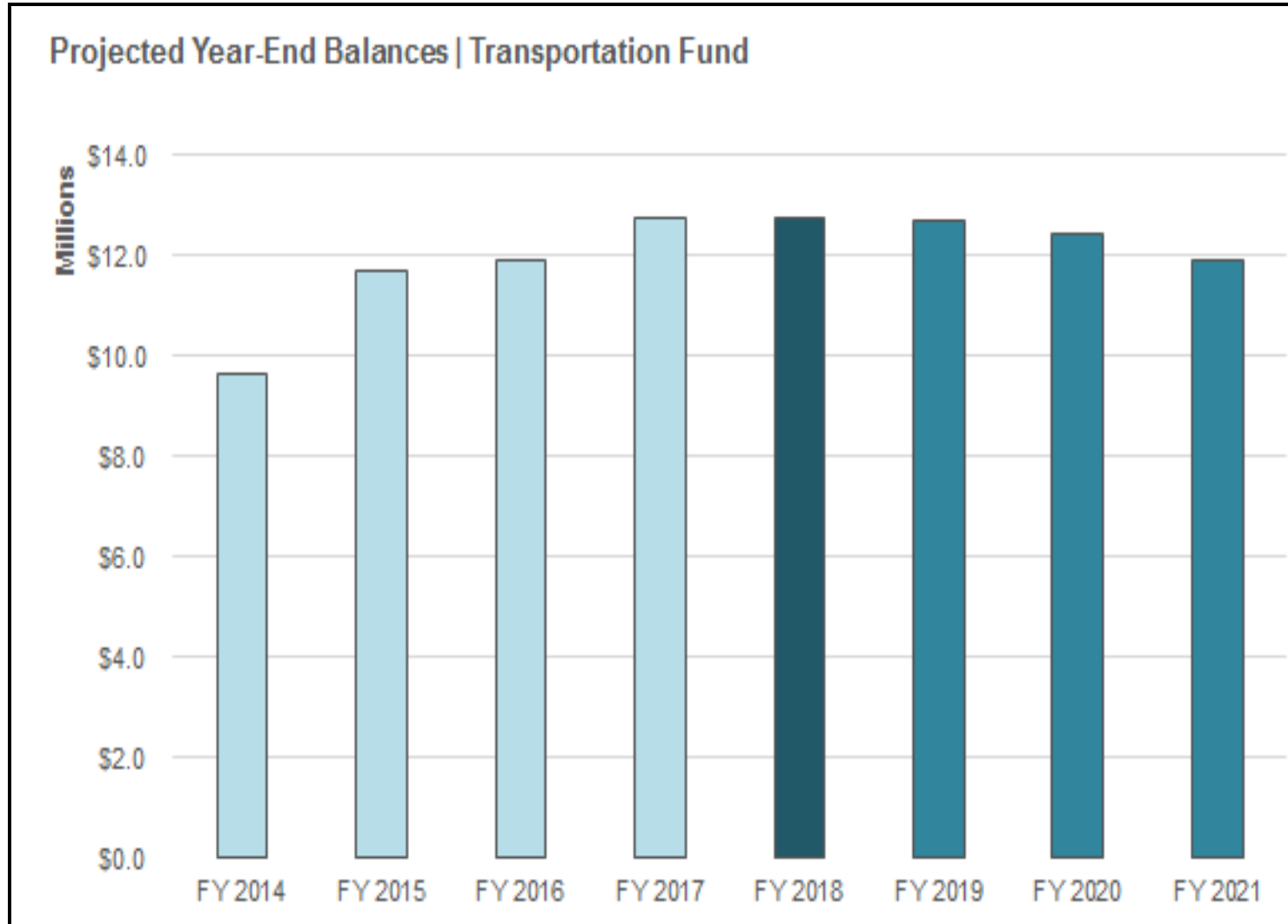
*Transportation Fund*

**Chart 3.40 Expenditures by Function Chart**

Transportation Fund														
Expenditures By Function														
	ACTUAL		% Δ	ACTUAL		% Δ	ACTUAL		% Δ	BUDGET	PROJECTED		PROJECTED	
	FY 2014	FY 2015		FY 2016	FY 2017		FY 2018	FY 2019		FY 2020	FY 2021			
<b>INSTRUCTION</b>														
Regular Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Special Education Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Adult/Continuing Education Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Vocational Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Co-Curricular Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Summer School and Gifted Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Drivers Education Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Bilingual Programs	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Truant/Optional Programs/Other	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
<b>TOTAL INSTRUCTION</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>SUPPORT SERVICES</b>														
Pupils	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Instructional Staff	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
General Administration	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
School Administration	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Business Operations	\$8,621,328	\$8,240,634	-4.42%	\$8,807,884	\$9,132,355	6.88%	\$12,200,000	\$12,568,130	33.59%	\$12,568,130	\$12,949,871	\$12,949,871	\$13,341,239	3.02%
Central Administration	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
<b>TOTAL SUPPORT SERVICES</b>	<b>\$8,621,328</b>	<b>\$8,240,634</b>	<b>-4.42%</b>	<b>\$8,807,884</b>	<b>\$9,132,355</b>	<b>6.88%</b>	<b>\$12,200,000</b>	<b>\$12,568,130</b>	<b>33.59%</b>	<b>\$12,568,130</b>	<b>\$12,949,871</b>	<b>\$12,949,871</b>	<b>\$13,341,239</b>	<b>3.02%</b>
<b>COMMUNITY SERVICES</b>														
	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
<b>PAYMENTS TO OTHER GOVERNMENTAL UNITS</b>														
	\$0	\$0		\$0	\$0		\$0	\$0		\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$8,621,328</b>	<b>\$8,240,634</b>	<b>-4.42%</b>	<b>\$8,807,884</b>	<b>\$9,132,355</b>	<b>6.88%</b>	<b>\$12,200,000</b>	<b>\$12,568,130</b>	<b>33.59%</b>	<b>\$12,568,130</b>	<b>\$12,949,871</b>	<b>\$12,949,871</b>	<b>\$13,341,239</b>	<b>3.02%</b>

*Transportation Fund*

**Chart 3.41 Projected Fund Balance – Transportation Fund**





## **MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND**

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The IMRF Fund is to account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund and for Social Security benefits for non-certified employees.

### ***Revenue***

Revenue for the IMRF Fund is primarily provided from local property taxes. Although there is no tax rate limit, the IMRF Fund is a part of the "tax cap" extension limitation and is therefore limited much the same as the other funds under the "tax cap". The category titled Other Local Sources of revenue is revenue from CPPRT and interest income.

### ***Expenditures***

Annual expenditures in the IMRF/Social Security Fund are for payments to the Illinois Municipal Retirement Fund and for Social Security payments to the IRS on behalf of non-certified personnel. This is the history of the IMRF rates District 214 has experienced.

<b>Calendar Year</b>	<b>Rate</b>
2005	8.37
2006	9.25
2007	9.16
2008	8.93
2009	8.64
2010	12.45
2011	12.57
2012	12.69
2013	13.23
2014	13.11
2015	12.25
2016	12.79
2017	11.71

### ***Fund Balance***

The District plans to maintain a fund balance adequate to fund the IMRF rate.

### **Note:**

During 2010, District 214 experienced an IMRF audit. During this audit, IMRF determined that Fund 50 should be split into two sub funds to more accurately track the IMRF revenue and the FICA/Medicare revenue separately. However, for ISBE purposes Fund 50 will continue to be reported as one fund in total. In budgeting for FY 2018, District 214 did budget separately for the two sub funds. At the finalization of the IMRF audit (after much discussion between

attorneys, D214, and IMRF), an appropriate beginning fund balance for the IMRF sub fund and the FICA/Medicare sub fund was determined. A journal entry was made to adjust for these appropriate beginning fund balances as of July 1, 2010. The levies for IMRF and Social Security are being reviewed to keep the fund balances in these two sub funds more precise.

The District plans to levy the separate sub fund balances to adequately fund IMRF and FICA/Medicare on a yearly basis. The FICA/Medicare rate has remained constant for many years at 6.2% for FICA and 1.45% for Medicare.

The auditor has determined approximately \$6.7 million is categorized as restricted and \$0.4 million is categorized as assigned in the Municipal Retirement/Social Security Fund Balance.

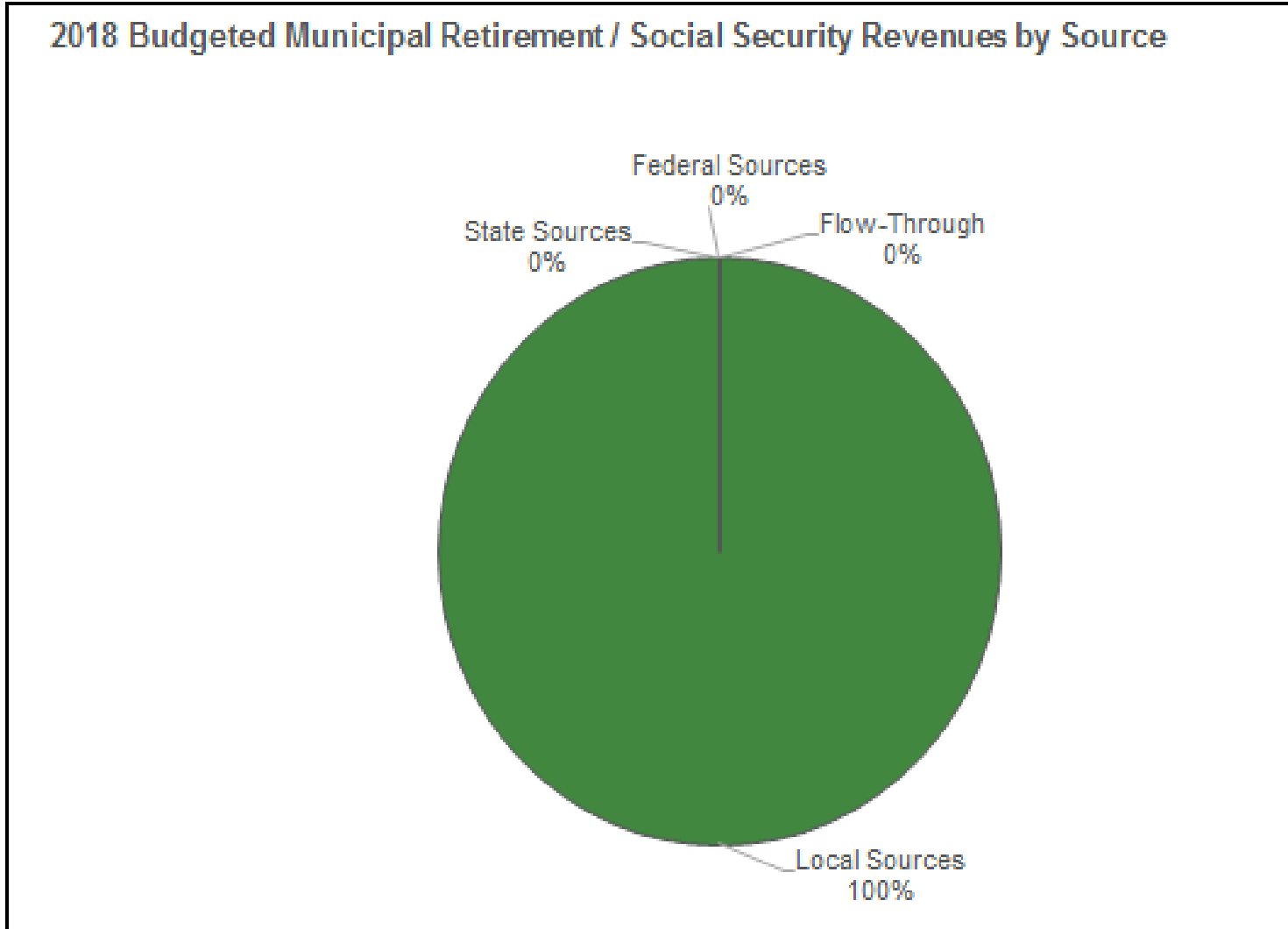
*Municipal Retirement/Social Security Fund*

**Chart 3.42 Revenues by Source and Expenditures by Object Chart**

<b>Municipal Retirement / Social Security Fund</b>															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$8,005,379	\$8,397,041	4.89%	\$9,055,101	7.84%	\$9,083,902	0.32%	\$9,250,000	1.83%	\$9,483,562	2.52%	\$9,610,195	1.34%	\$9,777,650	1.74%
State Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Federal Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$8,005,379</b>	<b>\$8,397,041</b>	<b>4.89%</b>	<b>\$9,055,101</b>	<b>7.84%</b>	<b>\$9,083,902</b>	<b>0.32%</b>	<b>\$9,250,000</b>	<b>1.83%</b>	<b>\$9,483,562</b>	<b>2.52%</b>	<b>\$9,610,195</b>	<b>1.34%</b>	<b>\$9,777,650</b>	<b>1.74%</b>
<b>EXPENDITURES</b>															
Salary	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Employee Benefits	\$8,264,646	\$8,257,336	-0.09%	\$8,308,186	0.62%	\$8,206,313	-1.23%	\$8,350,000	1.75%	\$9,027,506	8.11%	\$9,299,053	3.01%	\$9,538,425	2.57%
Purchased Services	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Supplies and Materials	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$8,264,646</b>	<b>\$8,257,336</b>	<b>-0.09%</b>	<b>\$8,308,186</b>	<b>0.62%</b>	<b>\$8,206,313</b>	<b>-1.23%</b>	<b>\$8,350,000</b>	<b>1.75%</b>	<b>\$9,027,506</b>	<b>8.11%</b>	<b>\$9,299,053</b>	<b>3.01%</b>	<b>\$9,538,425</b>	<b>2.57%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(\$259,267)</b>	<b>\$139,705</b>		<b>\$746,915</b>		<b>\$877,589</b>		<b>\$900,000</b>		<b>\$456,056</b>		<b>\$311,142</b>		<b>\$239,225</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>(\$259,267)</b>	<b>\$139,705</b>		<b>\$746,915</b>		<b>\$877,589</b>		<b>\$900,000</b>		<b>\$456,056</b>		<b>\$311,142</b>		<b>\$239,225</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$5,660,738</b>	<b>\$5,401,471</b>		<b>\$5,541,176</b>		<b>\$6,288,091</b>		<b>\$7,165,680</b>		<b>\$8,065,680</b>		<b>\$8,521,736</b>		<b>\$8,832,878</b>	
<b>ENDING FUND BALANCE</b>	<b>\$5,401,471</b>	<b>\$5,541,176</b>		<b>\$6,288,091</b>		<b>\$7,165,680</b>		<b>\$8,065,680</b>		<b>\$8,521,736</b>		<b>\$8,832,878</b>		<b>\$9,072,103</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>65.36%</b>	<b>67.11%</b>		<b>75.69%</b>		<b>87.32%</b>		<b>96.59%</b>		<b>94.40%</b>		<b>94.99%</b>		<b>95.11%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>7.84</b>	<b>8.05</b>		<b>9.08</b>		<b>10.48</b>		<b>11.59</b>		<b>11.33</b>		<b>11.40</b>		<b>11.41</b>	

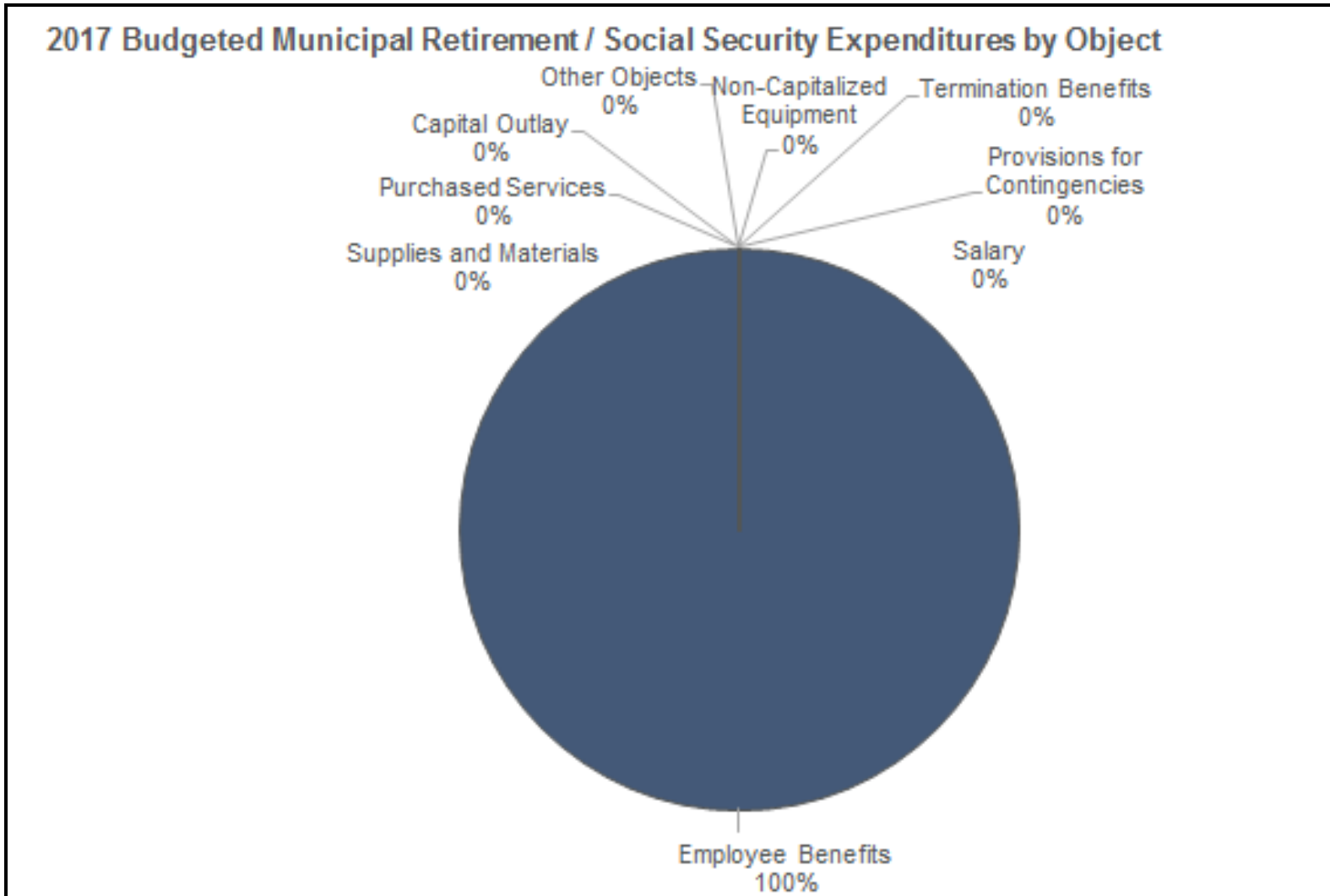
*Municipal Retirement/Social Security Fund*

**Chart 3.43 Revenues by Source Graph**



*Municipal Retirement/Social Security Fund*

**Chart 3.44 Expenditures by Object Graph**



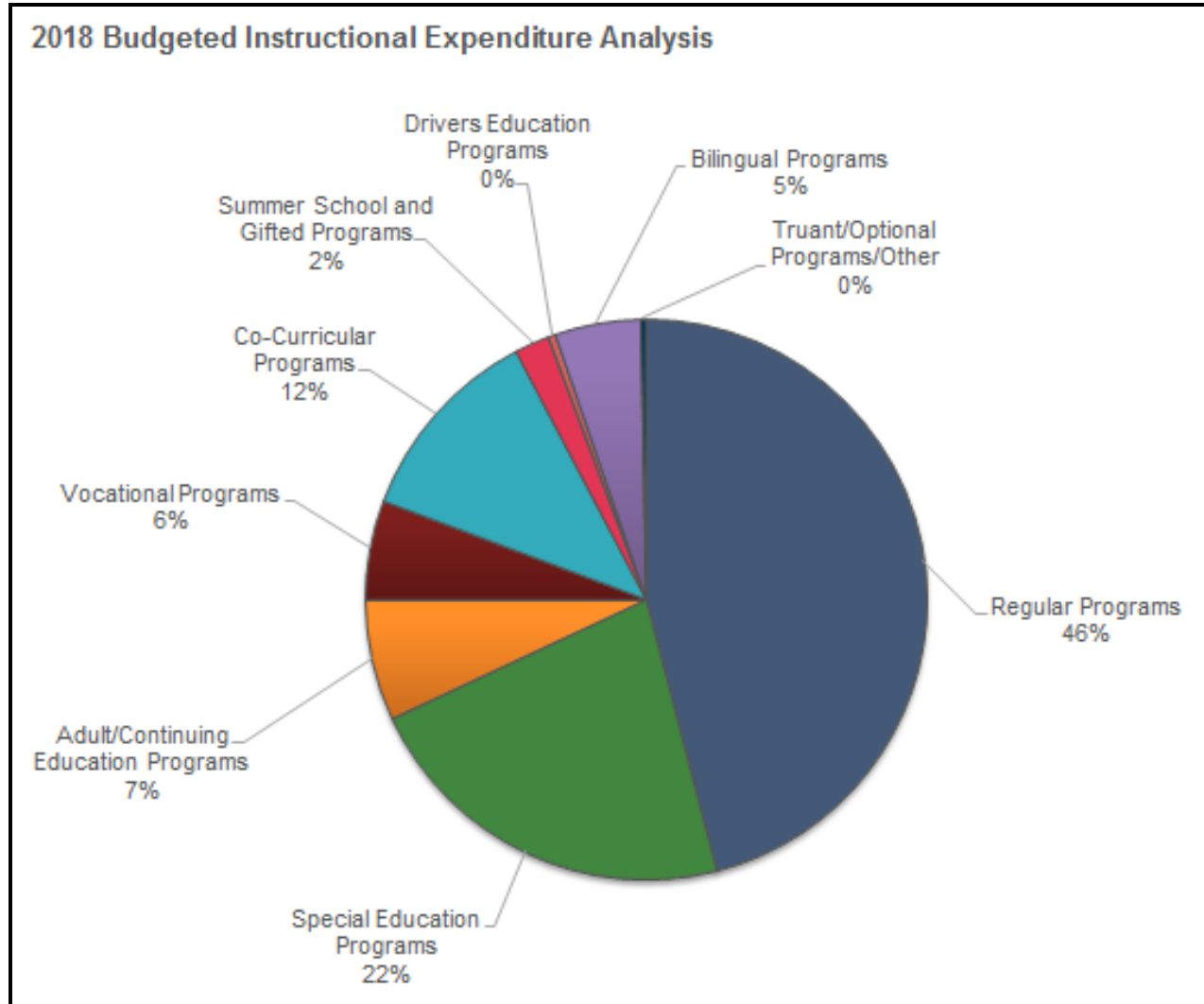
**Municipal Retirement/Social Security Fund**

**Chart 3.45 Expenditures by Function Chart**

<b>Municipal Retirement / Social Security Fund</b>															
Expenditures By Function															
	ACTUAL	ACTUAL		ACTUAL		ACTUAL		BUDGET		PROJECTED		PROJECTED		PROJECTED	
	FY 2014	FY 2015	% Δ	FY 2016	% Δ	FY 2017	% Δ	FY 2018	% Δ	FY 2019	% Δ	FY 2020	% Δ	FY 2021	% Δ
<b>INSTRUCTION</b>															
Regular Programs	\$1,547,604	\$1,506,832	-2.63%	\$1,553,627	3.11%	\$1,541,768	-0.76%	\$1,564,139	1.45%	\$1,645,445	5.20%	\$1,693,594	2.93%	\$1,738,613	2.66%
Special Education Programs	\$520,659	\$584,616	12.28%	\$718,331	22.87%	\$721,070	0.38%	\$750,816	4.13%	\$812,360	8.20%	\$836,707	3.00%	\$858,216	2.57%
Adult/Continuing Education Programs	\$231,478	\$245,373	6.00%	\$220,372	-10.19%	\$204,603	-7.16%	\$237,145	15.90%	\$258,157	8.86%	\$266,034	3.05%	\$272,782	2.54%
Vocational Programs	\$131,541	\$146,354	11.26%	\$176,887	20.86%	\$187,746	6.14%	\$195,027	3.88%	\$204,480	4.85%	\$210,283	2.84%	\$215,720	2.59%
Co-Curricular Programs	\$369,555	\$390,246	5.60%	\$422,156	8.18%	\$418,961	-0.76%	\$394,877	-5.75%	\$418,545	5.99%	\$431,208	3.03%	\$442,516	2.62%
Summer School and Gifted Programs	\$65,291	\$66,059	1.18%	\$70,906	7.34%	\$64,617	-8.87%	\$68,075	5.35%	\$72,594	6.64%	\$74,788	3.02%	\$76,737	2.61%
Drivers Education Programs	\$16,917	\$16,527	-2.31%	\$16,563	0.22%	\$16,512	-0.31%	\$14,459	-12.44%	\$14,565	0.73%	\$14,992	2.93%	\$15,431	2.93%
Bilingual Programs	\$194,650	\$192,140	-1.29%	\$194,140	1.04%	\$186,766	-3.80%	\$167,941	-10.08%	\$180,466	7.46%	\$185,922	3.02%	\$190,809	2.63%
Truant/Optional Programs/Other	\$14,147	\$14,232	0.60%	\$14,589	2.51%	\$16,084	10.25%	\$11,057	-31.25%	\$11,854	7.20%	\$12,211	3.02%	\$12,534	2.64%
<b>TOTAL INSTRUCTION</b>	<b>\$3,091,842</b>	<b>\$3,162,379</b>	<b>2.28%</b>	<b>\$3,387,571</b>	<b>7.12%</b>	<b>\$3,358,127</b>	<b>-0.87%</b>	<b>\$3,403,535</b>	<b>1.35%</b>	<b>\$3,618,465</b>	<b>6.31%</b>	<b>\$3,725,740</b>	<b>2.96%</b>	<b>\$3,823,359</b>	<b>2.62%</b>
<b>SUPPORT SERVICES</b>															
Pupils	\$961,652	\$944,245	-1.81%	\$914,517	-3.15%	\$881,141	-3.65%	\$925,952	5.09%	\$1,005,394	8.58%	\$1,035,924	3.04%	\$1,062,702	2.58%
Instructional Staff	\$479,537	\$468,510	-2.30%	\$478,619	2.16%	\$481,242	0.55%	\$458,681	-4.69%	\$497,363	8.43%	\$512,469	3.04%	\$525,707	2.58%
General Administration	\$128,029	\$128,261	0.18%	\$128,780	0.40%	\$126,543	-1.74%	\$124,830	-1.35%	\$136,288	9.18%	\$140,441	3.05%	\$144,023	2.55%
School Administration	\$363,356	\$354,732	-2.37%	\$359,543	1.36%	\$363,142	1.00%	\$369,296	1.69%	\$399,337	8.13%	\$411,443	3.03%	\$422,150	2.60%
Business Operations	\$2,773,347	\$2,739,069	-1.24%	\$2,564,094	-6.39%	\$2,521,230	-1.67%	\$2,624,693	4.10%	\$2,883,854	9.87%	\$2,971,372	3.03%	\$3,046,113	2.52%
Central Administration	\$436,005	\$431,794	-0.97%	\$448,932	3.97%	\$437,480	-2.55%	\$385,716	-11.83%	\$423,849	9.89%	\$436,786	3.05%	\$447,849	2.53%
Other	\$12,922	\$12,603	-2.47%	\$12,509	-0.75%	\$9,361	-25.17%	\$20,057	114.26%	\$22,084	10.11%	\$22,759	3.05%	\$23,334	2.53%
<b>TOTAL SUPPORT SERVICES</b>	<b>\$5,154,848</b>	<b>\$5,079,214</b>	<b>-1.47%</b>	<b>\$4,906,994</b>	<b>-3.39%</b>	<b>\$4,820,139</b>	<b>-1.77%</b>	<b>\$4,909,226</b>	<b>1.85%</b>	<b>\$5,368,169</b>	<b>9.35%</b>	<b>\$5,531,194</b>	<b>3.04%</b>	<b>\$5,671,879</b>	<b>2.54%</b>
<b>COMMUNITY SERVICES</b>	<b>\$17,956</b>	<b>\$15,743</b>	<b>-12.32%</b>	<b>\$13,621</b>	<b>-13.48%</b>	<b>\$28,047</b>	<b>105.91%</b>	<b>\$37,239</b>	<b>32.77%</b>	<b>\$40,872</b>	<b>9.76%</b>	<b>\$42,119</b>	<b>3.05%</b>	<b>\$43,187</b>	<b>2.54%</b>
<b>PAYMENTS TO OTHER GOVERNMENTAL UNITS</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>TOTAL EXPENDITURES</b>	<b>\$8,264,646</b>	<b>\$8,257,336</b>	<b>-0.09%</b>	<b>\$8,308,186</b>	<b>0.62%</b>	<b>\$8,206,313</b>	<b>-1.23%</b>	<b>\$8,350,000</b>	<b>1.75%</b>	<b>\$9,027,506</b>	<b>8.11%</b>	<b>\$9,299,053</b>	<b>3.01%</b>	<b>\$9,538,425</b>	<b>2.57%</b>

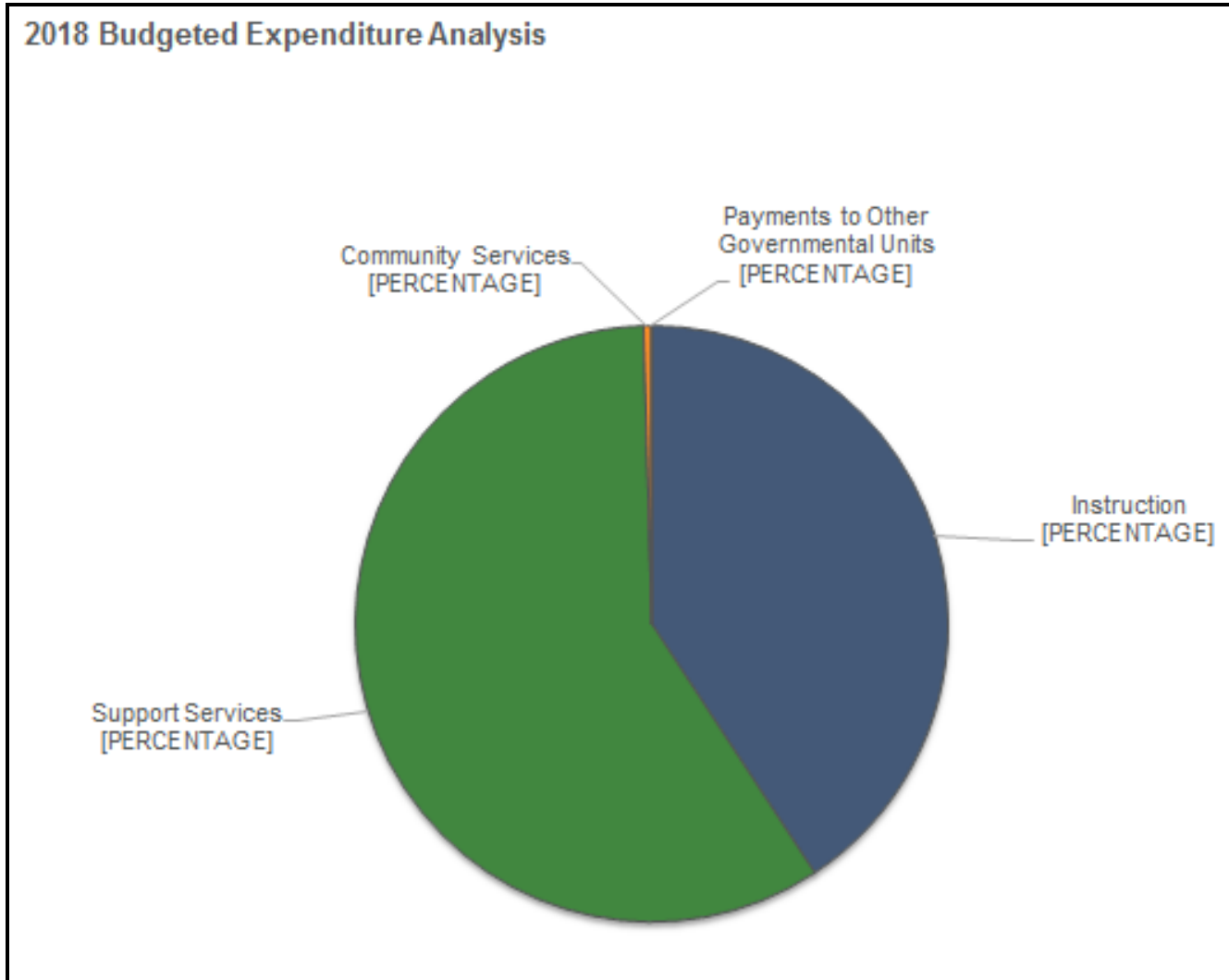
*Municipal Retirement/Social Security Fund*

**Chart 3.46 Instructional Expenditures Analysis Graph**



*Municipal Retirement/Social Security Fund*

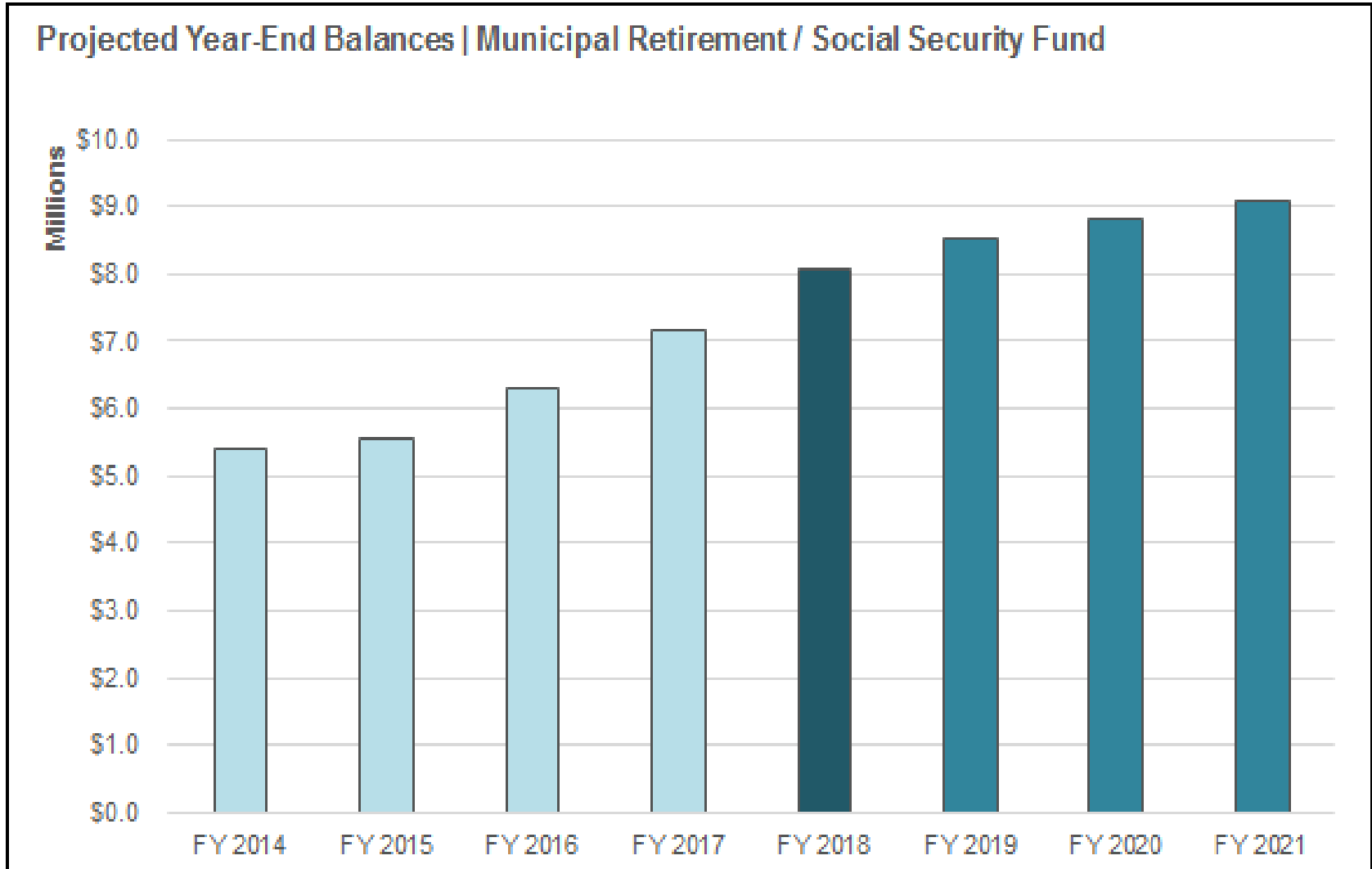
**Chart 3.47 Budgeted Expenditure Analysis**





*Municipal Retirement/Social Security Fund*

**Chart 3.48 Projected Year-End Balances – Municipal Retirement/Social Security Fund**



## **CAPITAL PROJECTS FUND**

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The Capital Projects Fund is for revenue and expenditures relating to construction costs.

### ***Revenue***

Revenue for the Capital Projects Fund is not provided from local property taxes. The funding source is generally bonding or debt certificate issuance. In November 2009, debt certificates were issued to fund capital projects as part of a long-range strategic plan. Debt certificates were issued as Build America Bonds to take advantage of the federal stimulus program that subsidizes a portion of the interest cost. District 214 took advantage of low interest rates and the federal stimulus subsidy to fund capital projects.

Historically, the District has bonded for capital programs to match long-term assets with long-term debt. The Capital Projects fund bond proceeds would be restricted for capital and maintenance projects to improve sites, build and equip additions, and alter, repair and equip buildings.

As the Capital Projects Fund cannot be levied for, and bonding for Capital Projects is not an option at this time, other sources of funding have been determined. Cost containment initiatives not affecting programs, reallocating a portion of CPPRT revenue, and a transfer from the O & M Fund will be used to fund Capital Projects for the next few years.

### ***Expenditures***

Expenditures include actual construction costs, purchase of land and other site costs, new landscaping, newly built parking lots, sidewalks, utility connections, and other items directly related to the construction project.

District 214 is comprised of seven campuses. The oldest building in the District is Prospect High School, which was built in 1957. District 214 prides itself on outstanding and continual upkeep and improvement to its facilities. The Capital Projects Program (CPP), formerly known as the Facilities Improvement Program and Major Maintenance has been in operation since 1985. Its purpose has been to identify and fund large capital expenditures for additions, renovation, remodeling or renewal of our facilities. Projects that fall under the CPP include, for example, roof replacement, tuck-pointing, parking lots, sidewalks, fencing, carpeting and other flooring, fire alarms, additional facilities, modernization of instructional spaces, improvement of grounds spaces, and other capital improvement work.

Name of Bldg	Year Built	Square Footage
Prospect	1957	359,828
Forest View	1962	322,184
Wheeling	1964	337,357
Elk Grove	1966	338,102
John Hersey	1968	364,847
Rolling Meadows	1971	379,629
Buffalo Grove	1973	419,068

The District's five-year Capital Projects Program is a budget planning tool in which the projects are determined by budget, instructional needs, school requests, and maintenance concerns. The plan is a proactive approach to facilitate the highest priority curricular and maintenance needs over a five-year period. Data is collected from the instructional leadership regarding curricular-driven renovations or enhancements. Recommendations are sought from the Buildings and Grounds staff concerning building maintenance and repair. District architects, engineers, and specialty consultants assist to prioritize the CPP. Data is updated annually and adjusted based on current need.

Projects solicited for inclusion into the CPP will be reviewed against the Facility Priority Matrix and ranked using a four-pass system. Each project will be assigned a project number for tracking and accountability purposes, and then individually scored for placement in the long-range capital plan against other competing projects. Proposed projects are reviewed by the Director of Operations, Associate Superintendent for Finance and Operations, and the Superintendent. The Superintendent makes a recommendation to the Board of Education for final approval of projects.

District 214 has entered into turf field partnership agreements with four park districts, a soccer organization, and a university for turf fields at six of our seven facilities. The partners have agreed to reimburse the District for a portion of the costs of the Turf Project in exchange for certain commitments from the District for use of the Stadium during agreed upon hours. The constituencies of the partnerships will be more effectively and economically served by sharing the costs of the Turf Project.

District 214 entered into an agreement with Robert Morris University (RMU) in which RMU will have extensive use of the District 214 facilities:

- construction of certain Stadium improvements
  - the installation of a turf surface at the Stadium
  - improvements to the press box at the Stadium, including handicap accessibility
  - replacement and installation of a new scoreboard
  - RMU's expanded use of the Stadium
- construction and RMU's use of the Field House
- RMU's continued use of the Training Facility
- RMU's use of certain classrooms.

### **Capital Projects Feasibility Projects**

In October, 2013, the District reviewed its long-term financial situation and identified potential capital projects to directly support and further enhance the teaching and learning environment across the District. The capital feasibility project provided a unique opportunity to consider enhancements to the infrastructure of our schools with the help of direct and valued input from students, staff, and public without decreasing the percent of funding that we already spend on student education. It was determined that approximately \$45 million will be expended through 2018-2019 for projects at our facilities.

\*The Illinois State Board of Education, through the Regional Office of Education (ROE), has traditionally approved all school construction in the state. Since school districts such as ours that serve multiple jurisdictions encounter different zoning laws within each municipality, the ROE knows the needs of schools and ensures consistency in the development of educational facilities.

### **Summary of Capital Feasibility/Capital Project work planned during 2017-2018**

Buffalo Grove: minor maintenance projects

Elk Grove: theater renovation, gymnasium addition, music area renovation, fieldhouse floor work, pool facility renovation, minor maintenance projects

John Hersey: fieldhouse floor work, minor maintenance projects

Prospect: completion of pool roofing project, minor maintenance projects

Rolling Meadows: minor maintenance projects

Wheeling: gymnasium addition, music area addition and renovation, pool facility renovation, tennis court renovation, exterior lighting replacement, library renovation, minor maintenance projects.

### ***Fund Balance***

The fund balance in this fund is depleted as capital projects are completed. The Capital Projects Feasibility work started during the 2015-2016 year. Budgeted transfers will be made from the Working Cash Fund to the Capital Projects Fund to fund the Capital Feasibility projects.

The auditor has determined approximately \$26.8 million is categorized as assigned in the Capital Projects Fund Balance.

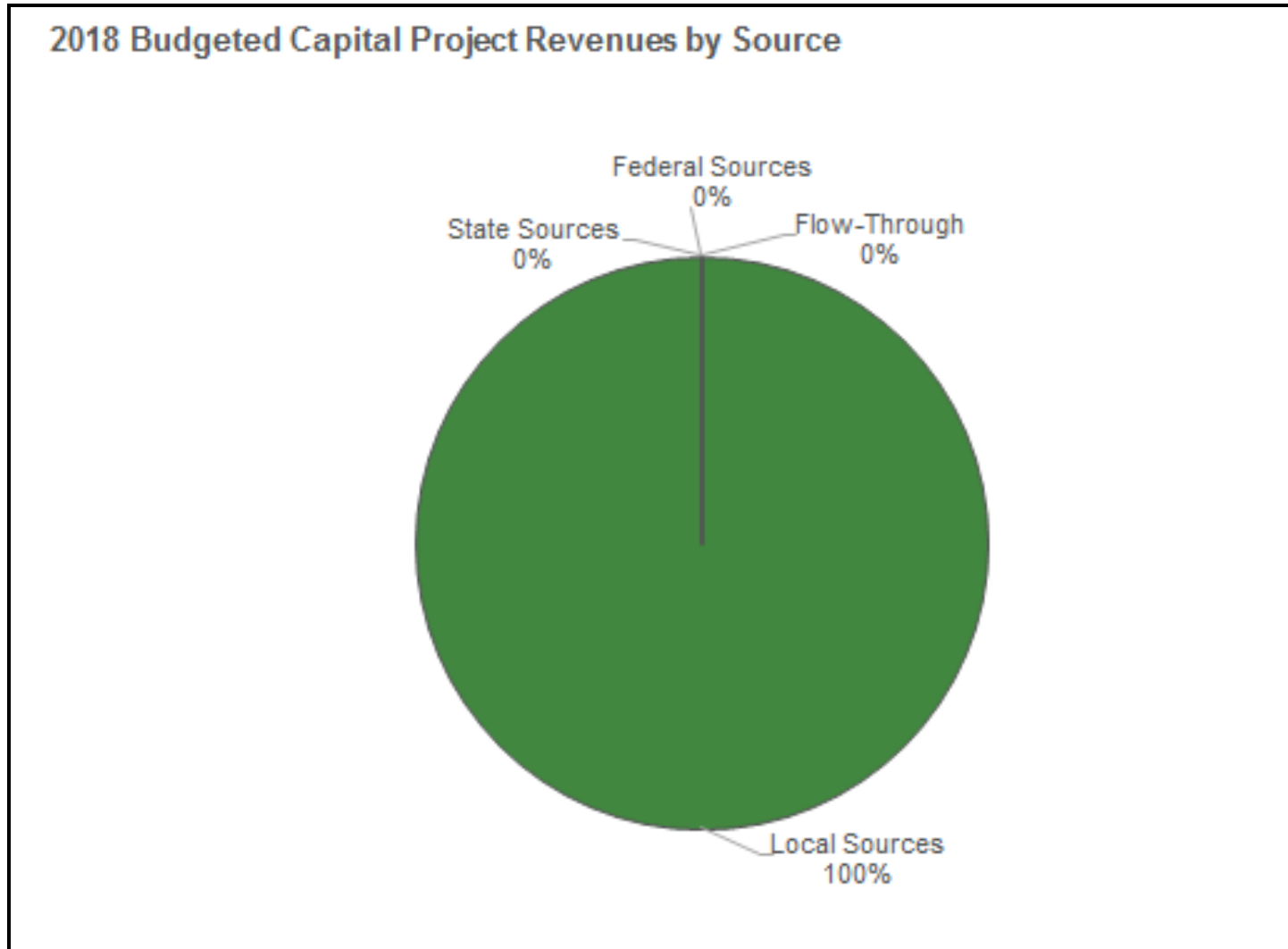
*Capital Projects Fund*

**Chart 3.49 Revenues by Source and Expenditures by Object Chart**

<b>Capital Projects Fund</b>															
Revenues By Source and Expenditures By Object															
	ACTUAL	ACTUAL	% Δ	ACTUAL	% Δ	ACTUAL	% Δ	BUDGET	% Δ	ESTIMATE	% Δ	ESTIMATE	% Δ	ESTIMATE	% Δ
	FY 2014	FY 2015		FY 2016		FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
<b>REVENUES</b>															
Local Sources	\$5,511,008	\$1,417,383	-74.28%	\$4,837,101	241.27%	\$3,012,291	-37.73%	\$1,300,000	-56.84%	\$100,000	-92.31%	\$100,000	0.00%	\$100,000	0.00%
State Sources	\$100,000	\$100,000	0.00%	\$0	-100.00%	\$0		\$0		\$0		\$0		\$0	
Federal Sources	\$356,720	\$658,389	84.57%	\$0	-100.00%	\$0		\$0		\$0		\$0		\$0	
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$5,967,728</b>	<b>\$2,175,772</b>	<b>-63.54%</b>	<b>\$4,837,101</b>	<b>122.32%</b>	<b>\$3,012,291</b>	<b>-37.73%</b>	<b>\$1,300,000</b>	<b>-56.84%</b>	<b>\$100,000</b>	<b>-92.31%</b>	<b>\$100,000</b>	<b>0.00%</b>	<b>\$100,000</b>	<b>0.00%</b>
<b>EXPENDITURES</b>															
Salary	\$5,562	\$10,236	84.03%	\$44,702	336.71%	\$0	-100.00%	\$0		\$0		\$0		\$0	
Employee Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Purchased Services	\$69,577	\$99,759	43.38%	(\$24,220)	-124.28%	\$0	-100.00%	\$0		\$0		\$0		\$0	
Supplies and Materials	\$0	\$28,640		\$9,518	-66.77%	\$0	-100.00%	\$0		\$0		\$0		\$0	
Capital Outlay	\$19,515,678	\$19,297,266	-1.12%	\$26,429,740	36.96%	\$6,379,560	-75.86%	\$15,800,000	147.67%	\$7,000,000	-55.70%	\$4,000,000	-42.86%	\$4,000,000	0.00%
Other Objects	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$19,590,817</b>	<b>\$19,435,901</b>	<b>-0.79%</b>	<b>\$26,459,740</b>	<b>36.14%</b>	<b>\$6,379,560</b>	<b>-75.89%</b>	<b>\$15,800,000</b>	<b>147.67%</b>	<b>\$7,000,000</b>	<b>-55.70%</b>	<b>\$4,000,000</b>	<b>-42.86%</b>	<b>\$4,000,000</b>	<b>0.00%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(\$13,623,089)</b>	<b>(\$17,260,129)</b>		<b>(\$21,622,639)</b>		<b>(\$3,367,269)</b>		<b>(\$14,500,000)</b>		<b>(\$6,900,000)</b>		<b>(\$3,900,000)</b>		<b>(\$3,900,000)</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$7,500,000		\$29,200,000		\$17,400,000		\$12,000,000		\$3,500,000		\$2,500,000		\$2,500,000	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>\$0</b>	<b>\$7,500,000</b>		<b>\$29,200,000</b>		<b>\$17,400,000</b>		<b>\$12,000,000</b>		<b>\$3,500,000</b>		<b>\$2,500,000</b>		<b>\$2,500,000</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>(\$13,623,089)</b>	<b>(\$9,760,129)</b>		<b>\$7,577,361</b>		<b>\$14,032,731</b>		<b>(\$2,500,000)</b>		<b>(\$3,400,000)</b>		<b>(\$1,400,000)</b>		<b>(\$1,400,000)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$28,573,722</b>	<b>\$14,950,633</b>		<b>\$5,190,504</b>		<b>\$12,767,865</b>		<b>\$26,800,596</b>		<b>\$24,300,596</b>		<b>\$20,900,596</b>		<b>\$19,500,596</b>	
<b>ENDING FUND BALANCE</b>	<b>\$14,950,633</b>	<b>\$5,190,504</b>		<b>\$12,767,865</b>		<b>\$26,800,596</b>		<b>\$24,300,596</b>		<b>\$20,900,596</b>		<b>\$19,500,596</b>		<b>\$18,100,596</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>76.31%</b>	<b>26.71%</b>		<b>48.25%</b>		<b>420.10%</b>		<b>153.80%</b>		<b>298.58%</b>		<b>487.51%</b>		<b>452.51%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>9.16</b>	<b>3.20</b>		<b>5.79</b>		<b>50.41</b>		<b>18.46</b>		<b>35.83</b>		<b>58.50</b>		<b>54.30</b>	

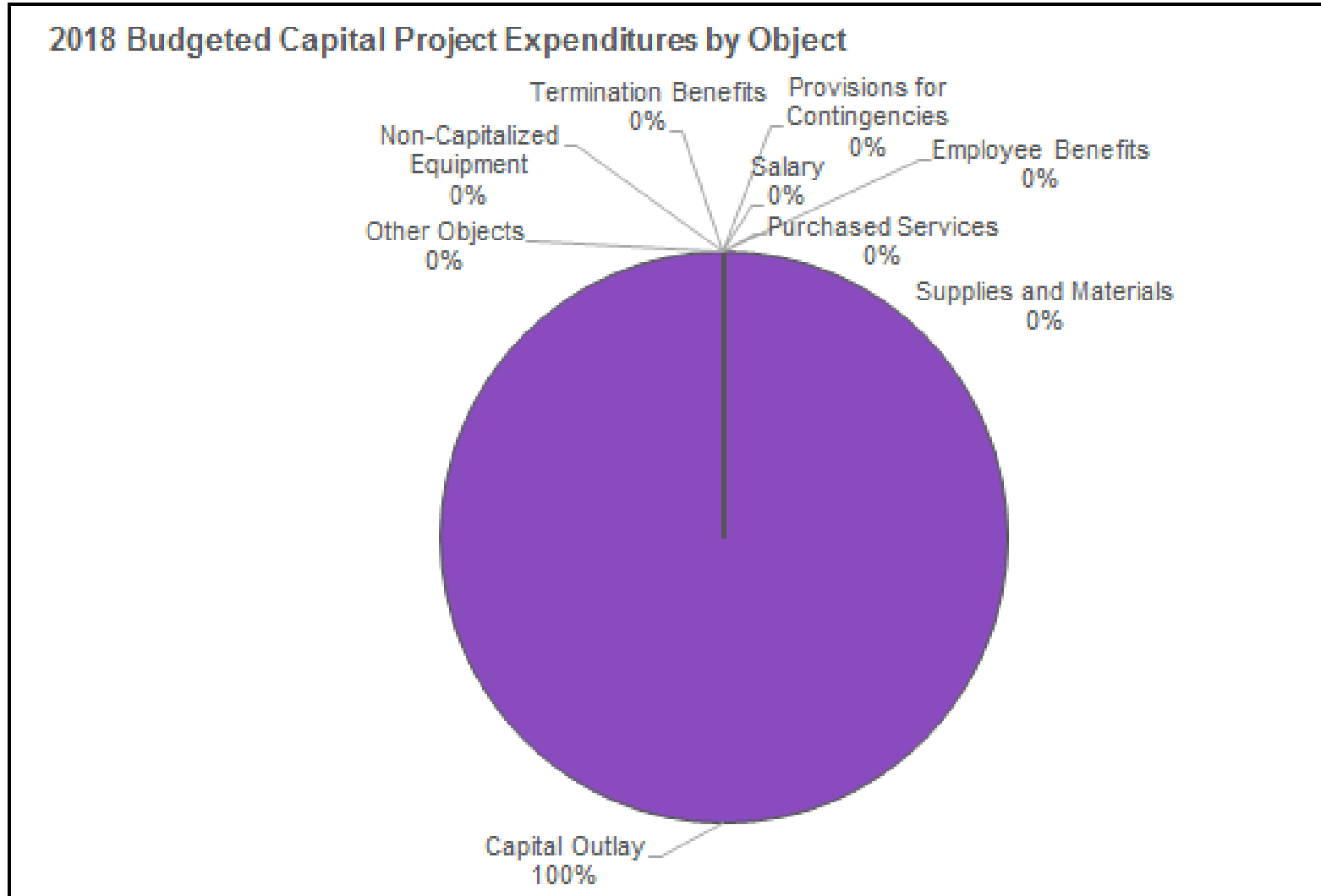
*Capital Projects Fund*

**Chart 3.50 Revenues by Source Graph**



*Capital Projects Fund*

**Chart 3.51 Expenditures by Object Graph**



*Capital Projects Fund*

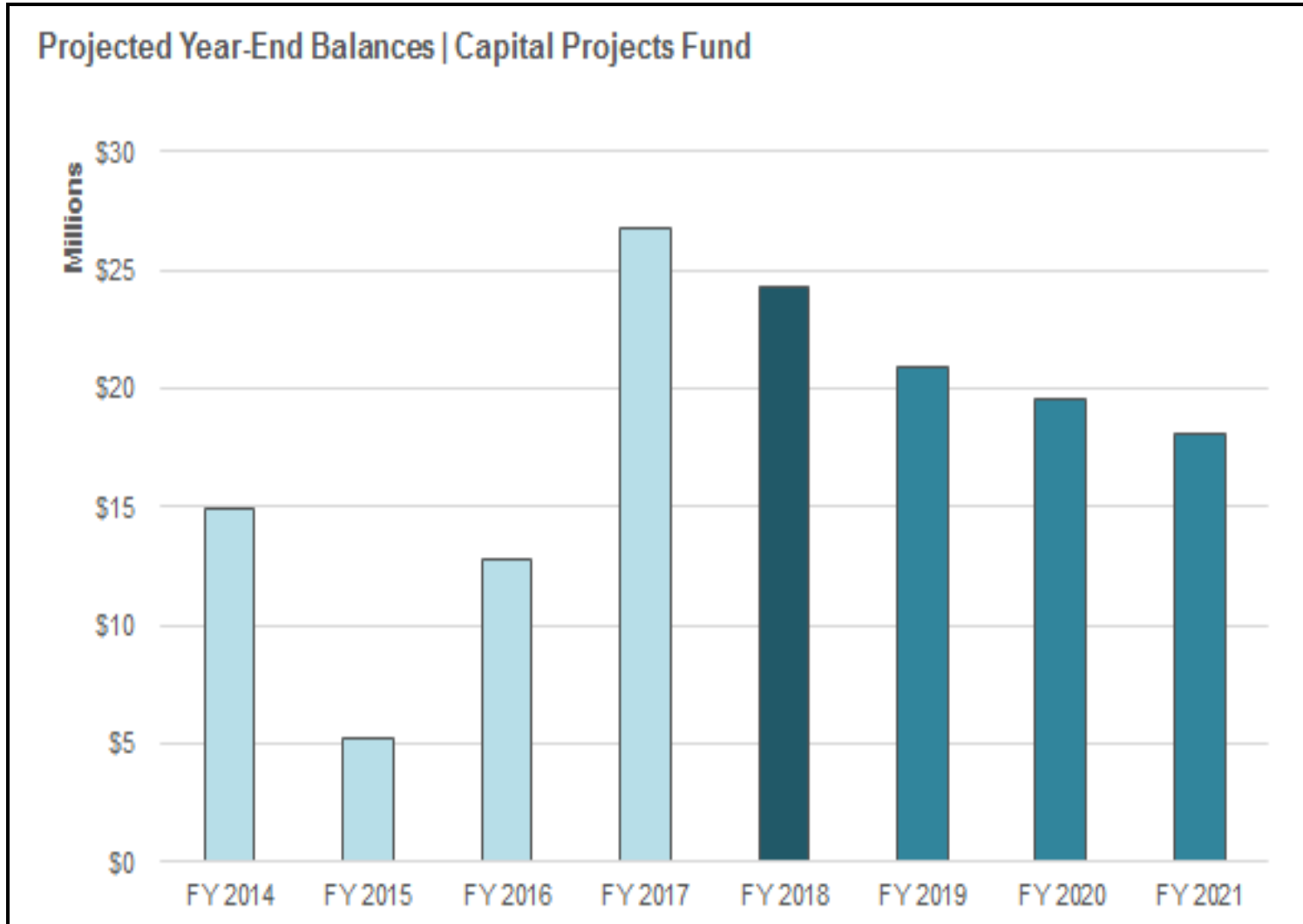
**Chart 3.52 Expenditures by Function Chart**

<b>Capital Projects Fund</b>															
Expenditures By Function															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>INSTRUCTION</b>															
Regular Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Special Education Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Adult/Continuing Education Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Vocational Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Co-Curricular Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Summer School and Gifted Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Drivers Education Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Bilingual Programs	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Truant/Optional Programs/Other	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL INSTRUCTION</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SUPPORT SERVICES</b>															
Pupils	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Instructional Staff	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
General Administration	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
School Administration	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Business Operations	\$19,590,817	\$19,435,901	-0.79%	\$26,459,740	36.14%	\$6,379,560	-75.89%	\$15,800,000	147.67%	\$7,000,000	-55.70%	\$4,000,000	-42.86%	\$4,000,000	0.00%
Central Administration	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL SUPPORT SERVICES</b>	<b>\$19,590,817</b>	<b>\$19,435,901</b>	<b>-0.79%</b>	<b>\$26,459,740</b>	<b>36.14%</b>	<b>\$6,379,560</b>	<b>-75.89%</b>	<b>\$15,800,000</b>	<b>147.67%</b>	<b>\$7,000,000</b>	<b>-55.70%</b>	<b>\$4,000,000</b>	<b>-42.86%</b>	<b>\$4,000,000</b>	<b>0.00%</b>
<b>COMMUNITY SERVICES</b>															
	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>PAYMENTS TO OTHER GOVERNMENTAL UNITS</b>															
	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$19,590,817</b>	<b>\$19,435,901</b>	<b>-0.79%</b>	<b>\$26,459,740</b>	<b>36.14%</b>	<b>\$6,379,560</b>	<b>-75.89%</b>	<b>\$15,800,000</b>	<b>147.67%</b>	<b>\$7,000,000</b>	<b>-55.70%</b>	<b>\$4,000,000</b>	<b>-42.86%</b>	<b>\$4,000,000</b>	<b>0.00%</b>



*Capital Projects Fund*

**Chart 3.53 Projected Fund Balance – Capital Projects Fund**



## **WORKING CASH FUND**

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The Working Cash Fund is to account for financial resources held by the District which may be temporarily loaned to other funds.

### ***Revenue***

Revenue for the Working Cash Fund is provided from local property taxes and investment earnings. The Working Cash Fund is a fund limited by “tax caps”. The legal maximum allowable rate is \$.05 per \$100 of EAV. In the “Resolution Authorizing Reduction of Certain Fund Levies for the levy year”, Section 3, it states that the Board of Education further authorizes and directs the County Clerk that if any additional reductions are required to be made to the School District’s tax levy beyond those projected and specified by the Board of Education, that such reductions shall be made to the following fund as indicated: Working Cash Fund 50% and Education Fund 50%. Since the actual tax extension will be reduced by the tax cap, the amount of property tax revenue actually received in the Working Cash Fund is \$0, which is the amount budgeted.

### ***Expenditures***

In previous years, transfers of Working Cash Interest have been made to the operating funds. In fiscal year 2018, there is a transfer budgeted from this fund to fund the Capital Feasibility work.

### **Capital Projects Feasibility Projects**

In October, 2013, the District reviewed its long-term financial situation and identified potential capital projects to directly support and further enhance the teaching and learning environment across the District. The capital feasibility project provided a unique opportunity to consider enhancements to the infrastructure of our schools with the help of direct and valued input from students, staff, and public without decreasing the percent of funding that we already spend on student education. It was determined that approximately \$45 million will be expended through 2018-2019 for projects at our facilities. As projects are completed, transfers will be made from the Working Cash Fund to the Capital Projects Fund to fund these identified projects.

### ***Fund Balance***

Due to the heavy reliance on property taxes, the District receives its primary revenue in two installments, one installment in the spring and one in the fall. This creates a need for fund balances in order to meet the operating demands of the District between property tax payments. The Working Cash Fund is to account for financial resources held by the District which may be temporarily loaned to other funds. The Capital Projects Feasibility work began in the 2015-2016 year. Budgeted transfers will be made from the Working Cash Fund to the Capital Projects Fund to fund these planned projects.

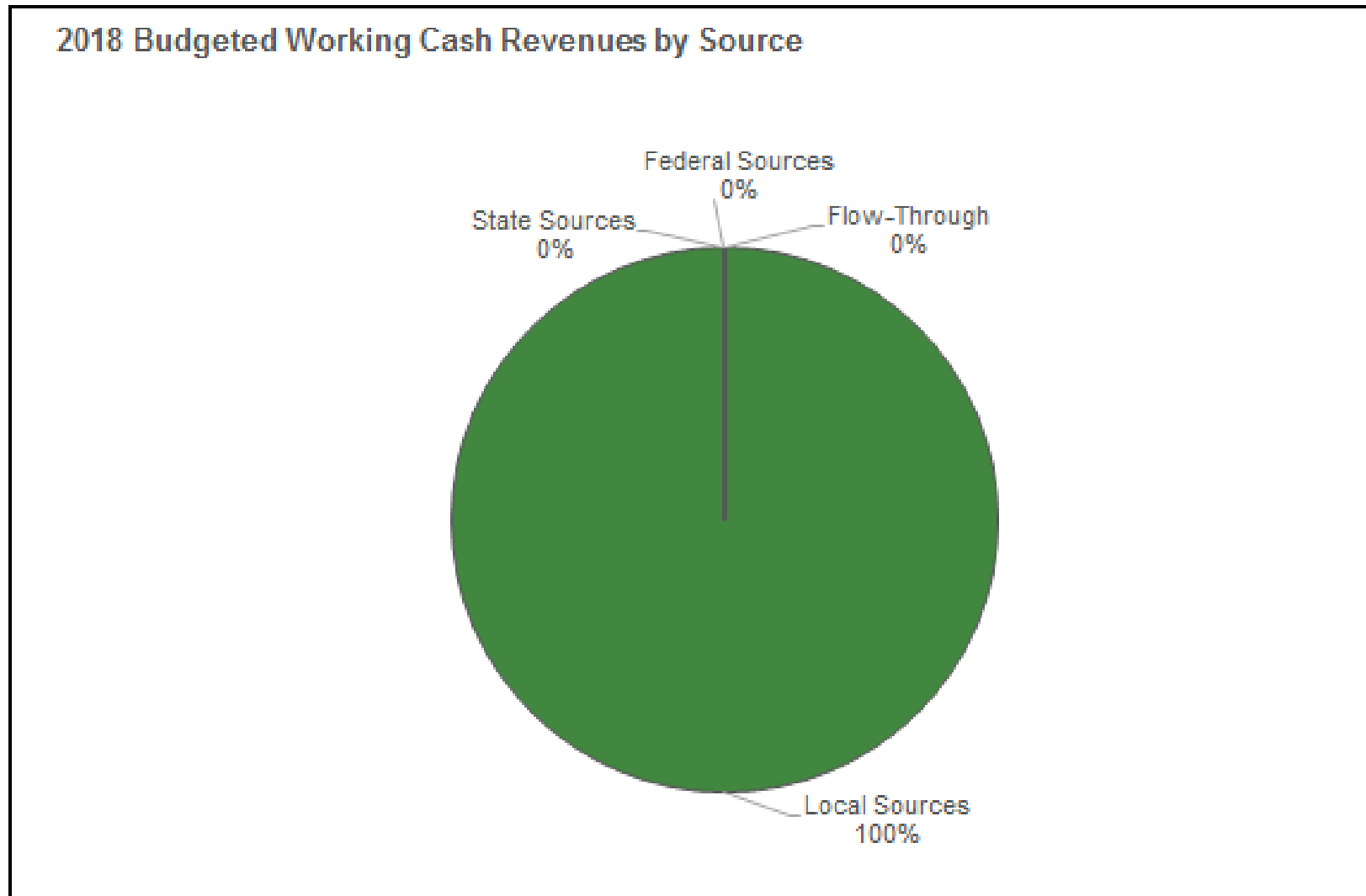
**Working Cash Fund**

**Chart 3.54 Revenues by Source and Expenditures by Object Chart**

Working Cash Fund															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$123,772	\$139,769	12.92%	\$167,869	20.10%	\$135,778	-19.12%	\$100,000	-26.35%	\$2,088,201	1988.20%	\$2,116,671	1.36%	\$2,154,317	1.78%
State Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Federal Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$123,772</b>	<b>\$139,769</b>	<b>12.92%</b>	<b>\$167,869</b>	<b>20.10%</b>	<b>\$135,778</b>	<b>-19.12%</b>	<b>\$100,000</b>	<b>-26.35%</b>	<b>\$2,088,201</b>	<b>1988.20%</b>	<b>\$2,116,671</b>	<b>1.36%</b>	<b>\$2,154,317</b>	<b>1.78%</b>
<b>EXPENDITURES</b>															
Salary	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Employee Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Purchased Services	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Supplies and Materials	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT)</b>	<b>\$123,772</b>	<b>\$139,769</b>		<b>\$167,869</b>		<b>\$135,778</b>		<b>\$100,000</b>		<b>\$2,088,201</b>		<b>\$2,116,671</b>		<b>\$2,154,317</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$450,000)	(\$1,750,000)		(\$24,700,000)		(\$11,900,000)		(\$7,000,000)		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(\$450,000)</b>	<b>(\$1,750,000)</b>		<b>(\$24,700,000)</b>		<b>(\$11,900,000)</b>		<b>(\$7,000,000)</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>(\$326,228)</b>	<b>(\$1,610,231)</b>		<b>(\$24,532,131)</b>		<b>(\$11,764,222)</b>		<b>(\$6,900,000)</b>		<b>\$2,088,201</b>		<b>\$2,116,671</b>		<b>\$2,154,317</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$55,480,896</b>	<b>\$55,254,668</b>		<b>\$53,644,437</b>		<b>\$29,112,306</b>		<b>\$17,348,084</b>		<b>\$10,448,084</b>		<b>\$12,536,285</b>		<b>\$14,652,956</b>	
<b>ENDING FUND BALANCE</b>	<b>\$55,154,668</b>	<b>\$53,644,437</b>		<b>\$29,112,306</b>		<b>\$17,348,084</b>		<b>\$10,448,084</b>		<b>\$12,536,285</b>		<b>\$14,652,956</b>		<b>\$16,807,273</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>0.00%</b>	<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>	

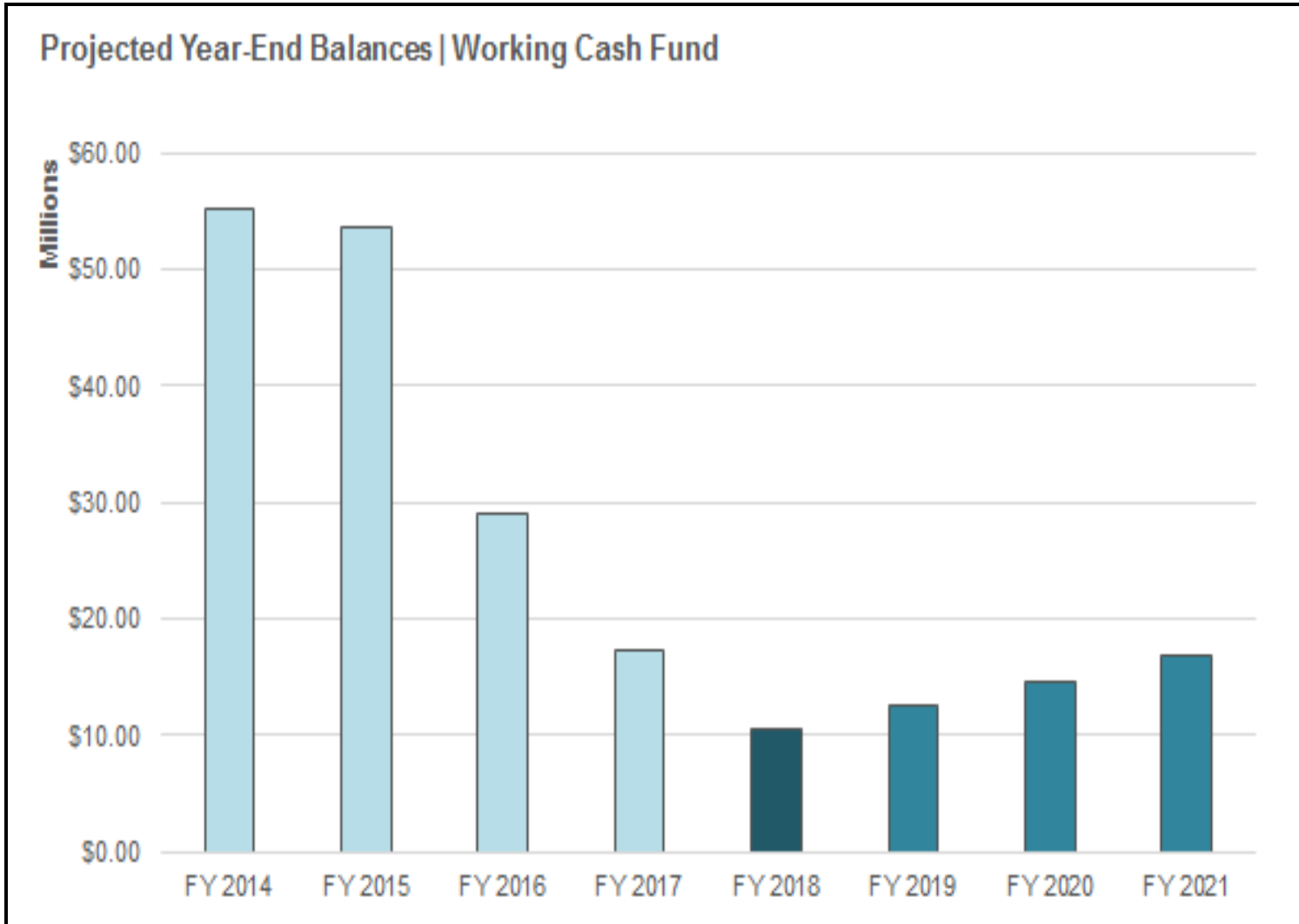
*Working Cash Fund*

**Chart 3.55 Revenues by Source Graph**



*Working Cash Fund*

**Chart 3.56 Projected Fund Balance – Working Cash Fund**



## **TORT FUND**

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The Tort Fund is for revenue and expenditures related to legal and insurance needs of the District. Beginning in FY2009 ISBE required school districts to report their separate Tort Immunity tax levies and accumulated reserves in a separate fund rather than as a component of the Education Fund.

### ***Revenue***

Revenue for the Tort Immunity Fund is provided from local property taxes. Although there is no tax rate limit, the Tort Immunity Fund is a part of the “tax cap” extension limitation and is therefore limited much the same as the other funds under the “tax cap.” The Tort Fund revenues and expenditures have been reallocated to the Education fund based on auditor recommendations. During fiscal year 2018, \$0 are levied and budgeted in the Tort Fund revenue.

### ***Expenditures***

The Tort Fund revenues and expenditures have been reallocated to the Education fund based on auditor recommendations. During fiscal year 2018, \$0 are levied and budgeted in the Tort Fund expenditure.

### ***Fund Balance***

The Tort Fund balance will continue to be \$0 during FY 2018

## **LIFE SAFETY FUND**

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The Life Safety Fund is to account for state approved fire prevention and safety construction projects through the issuance of general obligation bonded debt.

### ***Revenue***

Revenue for the Life Safety Fund is not provided from local property taxes. The funding source is generally bonding or debt certificate issuance. The Life Safety Fund is a fund limited by “tax caps.” The new legal maximum allowable rate is \$0.10 per \$100 of EAV. The category titled “Other Local Sources” is interest earnings. The District must have Life Safety amendments approved and on file at the State to collect the Life Safety levy.

During fiscal year 2018, \$0 are levied and budgeted in the Life Safety Fund revenue.

### ***Expenditures***

The District completed the fiscal year 2014 projects that were approved in the life safety master plan. These projects included miscellaneous work to reach substantial completion on the life safety projects. During fiscal year 2018, \$0 are levied and budgeted in the Life Safety Fund expenditure.

### ***Fund Balance***

The Life Safety Fund balance will continue to be \$0 during FY 2018

**INFORMATIONAL  
SECTION**



*Governmental Funds Source of Revenue Increases*

**Chart 4.01 Changes in Source of Revenue (In Percentages) Chart**

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
<b>Local Funds</b>	2.63%	3.39%	0.60%	2.17%	0.50%	2.51%
<b>State Funds</b>	9.50%	-4.50%	2.48%	-24.55%	10.54%	2.94%
<b>Federal Funds</b>	190.57%	-61.19%	-4.69%	-15.08%	-8.30%	8.33%
<b>Total Government Funds</b>	7.94%	-1.67%	0.58%	-0.11%	0.82%	2.65%

This represents the history of the change in revenue for the past six years.

**Chart 4.02 Government Funds - Fund Balance Graph 2017-2018**

<b>Summary of Fund Balances</b>						
<b>All Funds</b>						
	<u>Beginning Balance</u>	<u>Revenue</u>	<u>Expenditure</u>	<u>Excess (Deficit)</u>	<u>Financing Sources (Uses)</u>	<u>Ending Balance</u>
Educational	\$74,745,370	\$200,900,000	\$199,900,000	\$1,000,000	\$0	\$75,745,370
Operations and Maintenance	\$30,716,260	\$30,850,000	\$23,585,000	\$7,265,000	(\$8,265,000)	\$29,716,260
Debt Service	\$1,031,543	\$3,535,000	\$6,800,000	(\$3,265,000)	\$3,265,000	\$1,031,543
Transportation	\$12,768,499	\$12,200,000	\$12,200,000	\$0	\$0	\$12,768,499
Municipal Retirement	\$7,165,680	\$9,250,000	\$8,350,000	\$900,000	\$0	\$8,065,680
Capital Projects	\$26,800,596	\$1,300,000	\$15,800,000	(\$14,500,000)	\$12,000,000	\$24,300,596
Working Cash	\$17,348,084	\$100,000	\$0	\$100,000	(\$7,000,000)	\$10,448,084
Tort	\$0	\$0	\$0	\$0	\$0	\$0
Life Safety	\$0	\$0	\$0	\$0	\$0	\$0
	<u>\$170,576,032</u>	<u>\$258,135,000</u>	<u>\$266,635,000</u>	<u>(\$8,500,000)</u>	<u>\$0</u>	<u>\$162,076,032</u>

The ending fund balance for Government Funds as of June 30, 2018 is \$162,076,032.

**Chart 4.03 Governmental Funds – Expenditure by Program and Object**

All Governmental Funds															
Expenditures By Program and Object															
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	BUDGET	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED	PROJECTED		
	FY 2014	FY 2015	% Δ	FY 2016	% Δ	FY 2017	% Δ	FY 2018	% Δ	FY 2019	% Δ	FY 2020	% Δ	FY 2021	% Δ
<b>Instruction</b>															
<b>Regular Programs</b>															
Salaries	\$57,105,631	\$58,057,338	1.67%	\$60,485,095	4.18%	\$60,351,724	-0.22%	\$63,124,620	4.59%	\$63,560,531	0.69%	\$65,397,858	2.89%	\$67,401,932	3.06%
Employee Benefits	\$12,807,984	\$11,553,824	-9.79%	\$11,329,400	-1.94%	\$12,035,887	6.24%	\$14,708,775	22.21%	\$15,534,658	5.61%	\$16,381,373	5.45%	\$17,273,511	5.45%
Purchased Services	\$852,780	\$1,334,430	56.48%	\$1,495,936	12.10%	\$1,250,183	-16.43%	\$1,559,396	24.73%	\$1,582,787	1.50%	\$1,606,529	1.50%	\$1,630,627	1.50%
Supplies and Materials	\$3,568,939	\$5,210,924	46.01%	\$4,429,975	-14.99%	\$3,548,996	-19.89%	\$3,271,335	-7.82%	\$3,320,405	1.50%	\$3,370,211	1.50%	\$3,420,764	1.50%
Capital Outlay	\$286,780	\$9,325	-96.75%	\$89,493	859.71%	\$41,309	-53.84%	\$45,800	10.87%	\$46,487	1.50%	\$47,184	1.50%	\$47,892	1.50%
Other Objects	\$46,503	\$55,505	19.36%	\$51,211	-7.74%	\$40,833	-20.27%	\$47,695	16.81%	\$49,364	3.50%	\$51,092	3.50%	\$52,880	3.50%
Non-Capitalized Equipment	\$152,582	\$205,193	34.48%	\$292,749	42.67%	\$1,373,530	369.18%	\$507,900	-63.02%	\$515,519	1.50%	\$523,251	1.50%	\$531,100	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Regular Programs</b>	<b>\$74,821,199</b>	<b>\$76,426,539</b>	<b>2.15%</b>	<b>\$78,173,859</b>	<b>2.29%</b>	<b>\$78,642,462</b>	<b>0.60%</b>	<b>\$83,265,521</b>	<b>5.88%</b>	<b>\$84,609,751</b>	<b>1.61%</b>	<b>\$87,377,498</b>	<b>3.27%</b>	<b>\$90,358,706</b>	<b>3.41%</b>
<b>Special Education Programs</b>															
Salaries	\$11,616,881	\$12,199,435	5.01%	\$13,038,232	6.88%	\$13,496,176	3.51%	\$13,460,885	-0.26%	\$13,600,415	1.04%	\$14,013,769	3.04%	\$14,444,082	3.07%
Employee Benefits	\$2,713,236	\$2,649,701	-2.34%	\$3,049,273	15.08%	\$3,343,821	9.66%	\$3,756,277	12.33%	\$3,990,919	6.25%	\$4,200,372	5.25%	\$4,418,204	5.19%
Purchased Services	\$2,390,635	\$2,276,278	-4.78%	\$314,753	-86.17%	\$280,245	-10.96%	\$377,759	34.80%	\$383,425	1.50%	\$389,177	1.50%	\$395,014	1.50%
Supplies and Materials	\$273,061	\$479,247	75.51%	\$204,240	-57.38%	\$179,183	-12.27%	\$175,594	-2.00%	\$178,227	1.50%	\$180,901	1.50%	\$183,614	1.50%
Capital Outlay	\$0	\$0		\$11,982		\$17,993	50.17%	\$0	-100.00%	\$0		\$0		\$0	
Other Objects	\$7,783,083	\$6,923,365	-11.05%	\$1,958,853	-71.71%	\$481,655	-75.41%	\$1,582,100	228.47%	\$1,637,474	3.50%	\$1,694,785	3.50%	\$1,754,103	3.50%
Non-Capitalized Equipment	\$17,234	\$33,064	91.85%	\$29,740	-10.05%	\$31,621	6.32%	\$25,800	-18.41%	\$26,187	1.50%	\$26,580	1.50%	\$26,979	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Special Education Programs</b>	<b>\$24,794,130</b>	<b>\$24,561,090</b>	<b>-0.94%</b>	<b>\$18,607,073</b>	<b>-24.24%</b>	<b>\$17,830,694</b>	<b>-4.17%</b>	<b>\$19,378,414</b>	<b>8.68%</b>	<b>\$19,816,648</b>	<b>2.26%</b>	<b>\$20,505,583</b>	<b>3.48%</b>	<b>\$21,221,995</b>	<b>3.49%</b>
<b>Adult/Continuing Education Programs</b>															
Salaries	\$1,164,879	\$1,253,343	7.59%	\$1,128,676	-9.95%	\$1,280,007	13.41%	\$1,292,539	0.98%	\$1,324,884	2.50%	\$1,363,110	2.89%	\$1,397,165	2.50%
Employee Benefits	\$312,457	\$331,712	6.16%	\$278,668	-15.99%	\$255,573	-8.29%	\$303,215	18.64%	\$328,192	8.24%	\$340,270	3.68%	\$351,473	3.29%
Purchased Services	\$316,744	\$284,928	-10.04%	\$284,992	0.02%	\$308,962	8.41%	\$332,700	7.68%	\$337,691	1.50%	\$342,756	1.50%	\$347,897	1.50%
Supplies and Materials	\$68,012	\$79,272	16.56%	\$46,395	-41.47%	\$85,254	83.76%	\$62,000	-27.28%	\$62,930	1.50%	\$63,874	1.50%	\$64,832	1.50%
Capital Outlay	\$4,310	\$4,354	1.02%	\$0	-100.00%	\$0		\$0		\$0		\$0		\$0	
Other Objects	\$2,694	\$2,259	-16.15%	\$740	-67.24%	\$300	-59.46%	\$2,600	766.67%	\$2,691	3.50%	\$2,785	3.50%	\$2,883	3.50%
Non-Capitalized Equipment	\$1,199	\$1,095	-8.67%	\$16,156	1375.43%	\$12,228	-24.31%	\$2,000	-83.64%	\$2,030	1.50%	\$2,060	1.50%	\$2,091	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Adult/Continuing Education Programs</b>	<b>\$1,870,295</b>	<b>\$1,956,963</b>	<b>4.63%</b>	<b>\$1,755,627</b>	<b>-10.29%</b>	<b>\$1,942,324</b>	<b>10.63%</b>	<b>\$1,995,054</b>	<b>2.71%</b>	<b>\$2,058,417</b>	<b>3.18%</b>	<b>\$2,114,856</b>	<b>2.74%</b>	<b>\$2,166,341</b>	<b>2.43%</b>
<b>Vocational Programs</b>															
Salaries	\$5,780,259	\$6,127,733	6.01%	\$6,482,471	5.79%	\$6,920,366	6.76%	\$7,384,298	6.70%	\$7,438,816	0.74%	\$7,657,118	2.93%	\$7,895,493	3.11%
Employee Benefits	\$1,072,335	\$1,122,244	4.65%	\$1,202,470	7.15%	\$1,339,966	11.43%	\$1,603,610	19.68%	\$1,694,508	5.67%	\$1,787,450	5.48%	\$1,885,309	5.47%
Purchased Services	\$503,146	\$502,886	-0.05%	\$570,208	13.39%	\$569,127	-0.19%	\$458,350	-19.46%	\$465,225	1.50%	\$472,204	1.50%	\$479,287	1.50%
Supplies and Materials	\$627,927	\$747,654	19.07%	\$575,332	-23.05%	\$659,040	14.55%	\$686,013	4.09%	\$696,303	1.50%	\$706,748	1.50%	\$717,349	1.50%
Capital Outlay	\$142,377	\$1,694	-35.60%	\$279,481	204.80%	\$392,906	40.58%	\$375,000	-4.56%	\$380,625	1.50%	\$386,334	1.50%	\$392,129	1.50%
Other Objects	\$309,237	\$266,575	-13.80%	\$227,951	-14.49%	\$110,806	-51.39%	\$173,000	56.13%	\$179,055	3.50%	\$185,322	3.50%	\$191,808	3.50%
Non-Capitalized Equipment	\$206,210	\$324,577	57.40%	\$333,129	2.63%	\$239,188	-28.20%	\$83,050	-65.28%	\$84,296	1.50%	\$85,560	1.50%	\$86,844	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Vocational Programs</b>	<b>\$8,641,491</b>	<b>\$9,183,363</b>	<b>6.27%</b>	<b>\$9,671,042</b>	<b>5.31%</b>	<b>\$10,231,399</b>	<b>5.79%</b>	<b>\$10,763,322</b>	<b>5.20%</b>	<b>\$10,938,828</b>	<b>1.63%</b>	<b>\$11,280,736</b>	<b>3.13%</b>	<b>\$11,648,219</b>	<b>3.26%</b>

cont

	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>Instruction - Continued</b>															
<b>Co-Curricular Programs</b>															
Salaries	\$8,393,514	\$8,747,196	4.21%	\$8,910,734	1.87%	\$8,864,798	-0.52%	\$9,451,572	6.62%	\$9,180,038	-2.87%	\$9,498,781	3.47%	\$9,828,513	3.47%
Employee Benefits	\$555,055	\$567,325	2.21%	\$606,889	6.97%	\$632,749	4.26%	\$664,070	4.95%	\$702,016	5.71%	\$730,239	4.02%	\$758,072	3.81%
Purchased Services	\$651,147	\$702,628	7.91%	\$667,861	-4.95%	\$640,589	-4.08%	\$775,606	21.08%	\$787,240	1.50%	\$799,049	1.50%	\$811,034	1.50%
Supplies and Materials	\$326,319	\$377,322	15.63%	\$353,414	-6.34%	\$368,656	4.31%	\$384,500	4.30%	\$390,268	1.50%	\$396,122	1.50%	\$402,063	1.50%
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$253,108	\$246,636	-2.56%	\$244,874	-0.71%	\$246,093	0.50%	\$250,501	1.79%	\$259,268	3.50%	\$268,342	3.50%	\$277,734	3.50%
Non-Capitalized Equipment	\$2,250	\$5,113	127.24%	\$0	-100.00%	\$0		\$10,000		\$10,150	1.50%	\$10,302	1.50%	\$10,457	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Co-Curricular Programs</b>	<b>\$10,181,393</b>	<b>\$10,646,220</b>	<b>4.57%</b>	<b>\$10,783,772</b>	<b>1.29%</b>	<b>\$10,752,885</b>	<b>-0.29%</b>	<b>\$11,536,249</b>	<b>7.29%</b>	<b>\$11,328,980</b>	<b>-1.80%</b>	<b>\$11,702,835</b>	<b>3.30%</b>	<b>\$12,087,874</b>	<b>3.29%</b>
<b>Summer School and Gifted Programs</b>															
Salaries	\$1,363,528	\$1,400,089	2.68%	\$1,458,549	4.18%	\$1,328,758	-8.90%	\$1,467,105	10.41%	\$1,471,865	0.32%	\$1,519,245	3.22%	\$1,567,667	3.19%
Employee Benefits	\$85,448	\$85,877	0.50%	\$91,210	6.21%	\$88,100	-3.41%	\$98,082	11.33%	\$104,109	6.14%	\$107,978	3.72%	\$111,708	3.45%
Purchased Services	\$11,379	\$1,342	-88.21%	\$784	-41.58%	\$883	12.63%	\$11,400	1191.05%	\$11,571	1.50%	\$11,745	1.50%	\$11,921	1.50%
Supplies and Materials	\$11,883	\$10,263	-13.63%	\$5,168	-49.64%	\$4,794	-7.24%	\$18,800	287.98%	\$18,879	1.50%	\$19,162	1.50%	\$19,450	1.50%
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$168	\$119	-29.17%	\$0	-100.00%	\$0		\$250		\$259	3.50%	\$268	3.50%	\$277	3.50%
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Summer School and Gifted Program</b>	<b>\$1,472,406</b>	<b>\$1,497,690</b>	<b>1.72%</b>	<b>\$1,555,711</b>	<b>3.87%</b>	<b>\$1,422,535</b>	<b>-8.56%</b>	<b>\$1,595,437</b>	<b>12.15%</b>	<b>\$1,606,683</b>	<b>0.70%</b>	<b>\$1,658,398</b>	<b>3.22%</b>	<b>\$1,711,022</b>	<b>3.17%</b>
<b>Driver's Education Programs</b>															
Salaries	\$1,201,501	\$1,176,618	-2.07%	\$1,178,618	0.17%	\$1,181,095	0.21%	\$1,152,755	-2.40%	\$1,154,951	0.19%	\$1,189,201	2.97%	\$1,227,535	3.22%
Employee Benefits	\$157,029	\$155,501	-0.97%	\$161,172	3.65%	\$198,777	23.33%	\$238,697	20.08%	\$251,871	5.52%	\$266,252	5.71%	\$281,489	5.72%
Purchased Services	\$5,702	\$15,676	174.92%	\$5,209	-66.77%	\$4,458	-14.42%	\$14,100	216.29%	\$14,312	1.50%	\$14,526	1.50%	\$14,744	1.50%
Supplies and Materials	\$32,464	\$63,045	94.20%	\$14,216	-77.45%	\$10,476	-26.31%	\$23,800	127.19%	\$24,157	1.50%	\$24,519	1.50%	\$24,887	1.50%
Capital Outlay	\$108,322	\$0	-100.00%	\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Driver's Education Programs</b>	<b>\$1,505,018</b>	<b>\$1,410,840</b>	<b>-6.26%</b>	<b>\$1,359,215</b>	<b>-3.66%</b>	<b>\$1,394,806</b>	<b>2.62%</b>	<b>\$1,429,352</b>	<b>2.48%</b>	<b>\$1,445,290</b>	<b>1.12%</b>	<b>\$1,494,499</b>	<b>3.40%</b>	<b>\$1,548,655</b>	<b>3.62%</b>
<b>Bilingual Programs</b>															
Salaries	\$4,408,852	\$4,418,148	0.21%	\$4,286,219	-2.99%	\$4,375,169	2.08%	\$4,041,678	-7.62%	\$4,083,490	1.03%	\$4,209,144	3.08%	\$4,340,642	3.12%
Employee Benefits	\$1,120,423	\$1,027,814	-8.27%	\$979,604	-4.69%	\$1,109,614	13.27%	\$1,174,947	5.89%	\$1,245,812	6.03%	\$1,313,656	5.45%	\$1,384,711	5.41%
Purchased Services	\$30,908	\$16,427	-46.85%	\$17,681	7.63%	\$9,119	-48.42%	\$27,225	198.55%	\$27,633	1.50%	\$28,048	1.50%	\$28,469	1.50%
Supplies and Materials	\$72,906	\$58,762	-19.40%	\$69,921	18.99%	\$61,344	-12.27%	\$62,676	2.17%	\$63,616	1.50%	\$64,570	1.50%	\$65,539	1.50%
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$95	\$54	-43.16%	\$94	74.07%	\$174	85.11%	\$400	129.89%	\$414	3.50%	\$428	3.50%	\$443	3.50%
Non-Capitalized Equipment	\$1,207	\$0	-100.00%	\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Bilingual Programs</b>	<b>\$5,634,391</b>	<b>\$5,521,205</b>	<b>-2.01%</b>	<b>\$5,353,519</b>	<b>-3.04%</b>	<b>\$5,555,420</b>	<b>3.77%</b>	<b>\$5,306,926</b>	<b>-4.47%</b>	<b>\$5,420,966</b>	<b>2.15%</b>	<b>\$5,615,847</b>	<b>3.59%</b>	<b>\$5,819,804</b>	<b>3.63%</b>
<b>Truant Alternative / Optional Programs / Other</b>															
Salaries	\$441,577	\$469,034	6.22%	\$473,613	0.98%	\$472,436	-0.25%	\$590,384	24.97%	\$595,440	0.86%	\$613,345	3.01%	\$632,930	3.19%
Employee Benefits	\$54,017	\$53,217	-1.48%	\$51,470	-3.28%	\$60,562	17.66%	\$69,620	14.96%	\$73,872	6.11%	\$77,908	5.46%	\$82,130	5.42%
Purchased Services	\$36,799	\$34,470	-6.33%	\$31,254	-9.33%	\$4,385	-85.97%	\$5,225	19.16%	\$5,303	1.50%	\$5,383	1.50%	\$5,464	1.50%
Supplies and Materials	\$2,356	\$1,388	-41.09%	\$4,370	214.84%	\$4,237	-3.04%	\$3,000	-29.20%	\$3,045	1.50%	\$3,091	1.50%	\$3,137	1.50%
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$228,970	\$390,702	70.63%	\$3,020,693	673.15%	\$3,124,453	3.43%	\$2,640,500	-15.49%	\$2,732,918	3.50%	\$2,828,570	3.50%	\$2,927,570	3.50%
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Truant Alternative / Optional Program</b>	<b>\$763,719</b>	<b>\$948,811</b>	<b>24.24%</b>	<b>\$3,581,400</b>	<b>277.46%</b>	<b>\$3,666,073</b>	<b>2.36%</b>	<b>\$3,308,730</b>	<b>-9.75%</b>	<b>\$3,410,578</b>	<b>3.08%</b>	<b>\$3,528,296</b>	<b>3.45%</b>	<b>\$3,651,231</b>	<b>3.48%</b>

cont

	ACTUAL	ACTUAL	% Δ	ACTUAL	% Δ	ACTUAL	% Δ	BUDGET	% Δ	PROJECTED	% Δ	PROJECTED	% Δ	PROJECTED	% Δ
	FY 2014	FY 2015		FY 2016		FY 2017		FY 2018		FY 2019		FY 2020		FY 2021	
<b>Instruction - Continued</b>															
<b>Total Instruction</b>															
Salaries	\$91,476,622	\$93,848,934	2.59%	\$97,442,207	3.83%	\$98,270,529	0.85%	\$101,965,837	3.76%	\$102,410,431	0.44%	\$105,461,571	2.98%	\$108,735,959	3.10%
Employee Benefits	\$18,877,984	\$17,547,215	-7.05%	\$17,750,156	1.16%	\$19,065,049	7.41%	\$22,617,293	18.63%	\$23,925,957	5.79%	\$25,205,499	5.35%	\$26,546,606	5.32%
Purchased Services	\$4,799,240	\$5,169,065	7.71%	\$3,388,678	-34.44%	\$3,067,951	-9.46%	\$3,561,761	16.10%	\$3,615,187	1.50%	\$3,669,415	1.50%	\$3,724,456	1.50%
Supplies and Materials	\$4,983,867	\$7,027,877	41.01%	\$5,703,031	-18.85%	\$4,921,980	-13.70%	\$4,687,518	-4.76%	\$4,757,830	1.50%	\$4,829,198	1.50%	\$4,901,636	1.50%
Capital Outlay	\$541,789	\$105,373	-80.55%	\$380,956	261.53%	\$452,208	18.70%	\$420,800	-6.95%	\$427,112	1.50%	\$433,519	1.50%	\$440,021	1.50%
Other Objects	\$8,623,858	\$7,885,215	-8.57%	\$5,504,416	-30.19%	\$4,004,314	-27.25%	\$4,697,046	17.30%	\$4,861,442	3.50%	\$5,031,593	3.50%	\$5,207,698	3.50%
Non-Capitalized Equipment	\$380,682	\$569,042	49.48%	\$671,774	18.05%	\$1,656,567	146.60%	\$628,750	-62.05%	\$638,181	1.50%	\$647,754	1.50%	\$657,470	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Instruction</b>	<b>\$129,684,042</b>	<b>\$132,152,721</b>	<b>1.90%</b>	<b>\$130,841,218</b>	<b>-0.99%</b>	<b>\$131,438,598</b>	<b>0.46%</b>	<b>\$138,579,004</b>	<b>5.43%</b>	<b>\$140,636,141</b>	<b>1.48%</b>	<b>\$145,278,548</b>	<b>3.30%</b>	<b>\$150,213,847</b>	<b>3.40%</b>
<b>Support Services</b>															
<b>Pupils</b>															
Salaries	\$14,109,218	\$14,502,728	2.79%	\$14,473,384	-0.20%	\$14,101,190	-2.57%	\$14,575,483	3.36%	\$14,772,806	1.35%	\$15,248,736	3.22%	\$15,747,090	3.27%
Employee Benefits	\$4,120,230	\$4,064,666	-1.35%	\$3,811,318	-6.23%	\$3,986,276	4.59%	\$4,564,688	14.51%	\$4,858,725	6.44%	\$5,117,707	5.33%	\$5,386,711	5.26%
Purchased Services	\$788,455	\$761,177	-3.46%	\$854,415	12.25%	\$935,156	9.45%	\$924,399	-1.15%	\$938,265	1.50%	\$952,339	1.50%	\$966,624	1.50%
Supplies and Materials	\$41,719	\$63,059	51.15%	\$50,509	-19.90%	\$102,167	102.27%	\$130,450	27.68%	\$132,407	1.50%	\$134,393	1.50%	\$136,409	1.50%
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$1,735	\$570	-67.15%	\$68	-88.07%	\$95	39.71%	\$1,650	1636.84%	\$1,708	3.50%	\$1,768	3.50%	\$1,829	3.50%
Non-Capitalized Equipment	\$10,213	\$1,340	-86.88%	\$0	-100.00%	\$3,635		\$10,000	175.10%	\$10,150	1.50%	\$10,302	1.50%	\$10,457	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Pupils</b>	<b>\$19,071,570</b>	<b>\$19,393,540</b>	<b>1.69%</b>	<b>\$19,189,694</b>	<b>-1.05%</b>	<b>\$19,128,519</b>	<b>-0.32%</b>	<b>\$20,206,670</b>	<b>5.64%</b>	<b>\$20,714,061</b>	<b>2.51%</b>	<b>\$21,465,244</b>	<b>3.63%</b>	<b>\$22,249,120</b>	<b>3.65%</b>
<b>Instructional Staff</b>															
Salaries	\$7,748,847	\$8,224,644	6.14%	\$8,678,626	5.52%	\$8,556,542	-1.41%	\$8,942,695	4.51%	\$9,015,078	0.81%	\$9,237,523	2.47%	\$9,424,699	2.03%
Employee Benefits	\$2,281,196	\$2,223,092	-2.55%	\$2,071,012	-6.84%	\$2,137,176	3.19%	\$2,454,588	14.85%	\$2,593,173	5.65%	\$2,719,323	4.86%	\$2,850,621	4.83%
Purchased Services	\$1,383,478	\$1,178,851	-14.79%	\$970,245	-17.70%	\$1,120,185	15.45%	\$1,352,450	20.73%	\$1,372,737	1.50%	\$1,393,328	1.50%	\$1,414,228	1.50%
Supplies and Materials	\$466,067	\$502,777	7.88%	\$356,355	-29.12%	\$342,686	-3.84%	\$416,678	21.59%	\$422,928	1.50%	\$429,272	1.50%	\$435,711	1.50%
Capital Outlay	\$6,392	\$0	-100.00%	\$0		\$8,555		\$2,000	-76.62%	\$2,030	1.50%	\$2,060	1.50%	\$2,091	1.50%
Other Objects	\$55,241	\$42,408	-23.23%	\$59,884	41.21%	\$74,839	24.97%	\$71,450	-4.53%	\$73,951	3.50%	\$76,539	3.50%	\$79,218	3.50%
Non-Capitalized Equipment	\$20,566	\$106,022	415.52%	\$82,129	-22.54%	\$24,141	-70.61%	\$48,700	101.73%	\$49,431	1.50%	\$50,172	1.50%	\$50,925	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Instructional Staff</b>	<b>\$11,961,787</b>	<b>\$12,277,794</b>	<b>2.64%</b>	<b>\$12,218,251</b>	<b>-0.48%</b>	<b>\$12,264,124</b>	<b>0.38%</b>	<b>\$13,288,561</b>	<b>8.35%</b>	<b>\$13,529,327</b>	<b>1.81%</b>	<b>\$13,908,217</b>	<b>2.80%</b>	<b>\$14,257,492</b>	<b>2.51%</b>
<b>General Administration</b>															
Salaries	\$1,024,475	\$1,062,736	3.73%	\$1,124,311	5.79%	\$1,159,076	3.09%	\$1,177,980	1.63%	\$1,193,879	1.35%	\$1,226,209	2.71%	\$1,244,303	1.48%
Employee Benefits	\$401,344	\$2,348,705	485.21%	\$305,389	-87.00%	\$358,474	17.38%	\$386,373	7.78%	\$411,179	6.42%	\$430,096	4.60%	\$449,370	4.48%
Purchased Services	\$1,992,787	\$1,771,653	-11.10%	\$2,140,147	20.80%	\$2,339,143	9.30%	\$2,696,050	15.26%	\$2,736,491	1.50%	\$2,777,538	1.50%	\$2,819,201	1.50%
Supplies and Materials	\$4,928	\$8,430	71.06%	\$8,094	-3.99%	\$9,550	17.99%	\$4,700	-50.79%	\$4,771	1.50%	\$4,842	1.50%	\$4,915	1.50%
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$48,943	\$39,655	-18.98%	\$33,398	-15.78%	\$45,013	34.78%	\$46,000	2.19%	\$47,610	3.50%	\$49,276	3.50%	\$51,001	3.50%
Non-Capitalized Equipment	\$1,196	\$252	-78.93%	\$835	231.35%	\$72	-6.35%	\$3,500	347.57%	\$3,553	1.50%	\$3,606	1.50%	\$3,660	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total General Administration</b>	<b>\$3,473,673</b>	<b>\$5,231,431</b>	<b>50.60%</b>	<b>\$3,612,174</b>	<b>-30.95%</b>	<b>\$3,912,038</b>	<b>8.30%</b>	<b>\$4,314,604</b>	<b>10.29%</b>	<b>\$4,397,481</b>	<b>1.92%</b>	<b>\$4,491,567</b>	<b>2.14%</b>	<b>\$4,572,450</b>	<b>1.80%</b>
<b>School Administration</b>															
Salaries	\$6,364,734	\$6,301,418	-0.99%	\$6,765,248	7.36%	\$7,218,467	6.70%	\$7,141,670	-1.06%	\$7,246,085	1.46%	\$7,445,286	2.75%	\$7,597,487	2.04%
Employee Benefits	\$2,107,056	\$2,042,104	-3.08%	\$1,846,521	-9.58%	\$1,960,266	6.16%	\$2,258,284	15.20%	\$2,372,851	5.07%	\$2,482,128	4.61%	\$2,596,358	4.60%
Purchased Services	\$118,195	\$130,686	10.57%	\$158,482	21.27%	\$135,330	-14.61%	\$138,450	2.31%	\$140,527	1.50%	\$142,635	1.50%	\$144,774	1.50%
Supplies and Materials	\$182,199	\$263,461	44.60%	\$247,972	-5.88%	\$263,708	6.35%	\$199,380	-24.39%	\$202,371	1.50%	\$205,406	1.50%	\$208,487	1.50%
Capital Outlay	\$18,328	\$5,625	-69.31%	\$0	-100.00%	\$12,012		\$5,000	-58.37%	\$5,075	1.50%	\$5,151	1.50%	\$5,228	1.50%
Other Objects	\$21,609	\$21,312	-1.37%	\$23,996	12.59%	\$22,537	-6.08%	\$27,500	22.02%	\$28,463	3.50%	\$29,459	3.50%	\$30,490	3.50%
Non-Capitalized Equipment	\$25,370	\$26,407	4.09%	\$17,998	-31.84%	\$21,299	18.34%	\$28,854	35.47%	\$29,287	1.50%	\$29,726	1.50%	\$30,172	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total School Administration</b>	<b>\$8,837,491</b>	<b>\$8,791,013</b>	<b>-0.53%</b>	<b>\$9,060,217</b>	<b>3.06%</b>	<b>\$9,633,619</b>	<b>6.33%</b>	<b>\$9,799,138</b>	<b>1.72%</b>	<b>\$10,024,657</b>	<b>2.30%</b>	<b>\$10,339,791</b>	<b>3.14%</b>	<b>\$10,612,996</b>	<b>2.64%</b>

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	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>Support Services - Continued</b>															
<b>Business</b>															
Salaries	\$14,101,213	\$14,292,472	1.36%	\$13,666,373	-4.38%	\$13,679,848	0.10%	\$13,947,884	1.96%	\$14,170,359	1.60%	\$14,482,004	2.20%	\$14,804,845	2.23%
Employee Benefits	\$5,929,361	\$5,872,603	-0.96%	\$5,435,893	-7.44%	\$5,643,070	3.81%	\$6,352,136	12.57%	\$6,831,513	7.55%	\$7,152,935	4.70%	\$7,475,646	4.51%
Purchased Services	\$10,433,170	\$10,650,099	2.08%	\$10,618,456	-0.30%	\$11,371,750	7.09%	\$14,087,073	23.88%	\$14,514,678	3.04%	\$14,955,423	3.04%	\$15,409,715	3.04%
Supplies and Materials	\$7,585,203	\$7,506,387	-1.04%	\$6,571,576	-12.45%	\$6,634,957	0.96%	\$7,276,100	9.66%	\$7,429,116	2.10%	\$7,585,856	2.11%	\$7,746,433	2.12%
Capital Outlay	\$24,346,793	\$23,344,028	-4.12%	\$30,132,581	29.08%	\$9,238,258	-69.34%	\$17,631,680	90.86%	\$8,863,288	-49.73%	\$5,895,529	-33.48%	\$5,928,413	0.56%
Other Objects	\$33,603	\$62,823	86.96%	\$64,232	2.24%	\$58,925	-8.26%	\$65,250	10.73%	\$65,691	0.68%	\$66,147	0.69%	\$66,620	0.71%
Non-Capitalized Equipment	\$152,163	\$284,271	86.82%	\$183,108	-35.59%	\$276,568	51.04%	\$210,700	-23.82%	\$214,833	1.96%	\$219,047	1.96%	\$223,345	1.96%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Business</b>	<b>\$62,581,506</b>	<b>\$62,012,683</b>	<b>-0.91%</b>	<b>\$66,672,219</b>	<b>7.51%</b>	<b>\$46,903,376</b>	<b>-29.65%</b>	<b>\$59,570,823</b>	<b>27.01%</b>	<b>\$52,089,478</b>	<b>-12.56%</b>	<b>\$50,356,942</b>	<b>-3.33%</b>	<b>\$51,655,017</b>	<b>2.58%</b>
<b>Central</b>															
Salaries	\$2,739,858	\$2,411,885	-11.97%	\$2,939,338	21.87%	\$2,902,760	-1.24%	\$3,108,846	7.10%	\$3,135,517	0.86%	\$3,216,786	2.59%	\$3,257,085	1.25%
Employee Benefits	\$1,453,761	\$3,354,164	130.72%	\$5,742,516	71.21%	\$3,225,497	-43.83%	\$3,807,752	18.05%	\$3,991,296	4.82%	\$4,169,860	4.47%	\$4,357,275	4.49%
Purchased Services	\$933,581	\$825,209	-11.61%	\$1,051,130	27.38%	\$983,096	-6.47%	\$1,131,675	15.11%	\$1,148,650	1.50%	\$1,165,880	1.50%	\$1,183,368	1.50%
Supplies and Materials	\$603,786	\$530,203	-12.19%	\$251,673	-52.53%	\$199,014	-20.92%	\$244,735	22.97%	\$248,406	1.50%	\$252,132	1.50%	\$255,914	1.50%
Capital Outlay	\$94,505	\$10,123	-89.29%	\$19,990	97.47%	\$66,106	230.70%	\$10,000	-84.87%	\$10,150	1.50%	\$10,302	1.50%	\$10,457	1.50%
Other Objects	\$32,509	\$33,402	2.75%	\$37,343	11.80%	\$27,994	-25.04%	\$34,870	24.56%	\$36,090	3.50%	\$37,354	3.50%	\$38,661	3.50%
Non-Capitalized Equipment	\$31,383	\$119,382	280.40%	\$56,271	-52.86%	\$155,204	175.82%	\$208,250	34.18%	\$211,374	1.50%	\$214,544	1.50%	\$217,763	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Central</b>	<b>\$5,889,383</b>	<b>\$7,284,368</b>	<b>23.69%</b>	<b>\$10,098,261</b>	<b>38.63%</b>	<b>\$7,559,671</b>	<b>-25.14%</b>	<b>\$8,546,128</b>	<b>13.05%</b>	<b>\$8,781,483</b>	<b>2.75%</b>	<b>\$9,066,859</b>	<b>3.25%</b>	<b>\$9,320,522</b>	<b>2.80%</b>
<b>Other</b>															
Salaries	\$64,815	\$66,822	3.10%	\$68,704	2.82%	\$50,528	-26.46%	\$103,739	105.31%	\$106,767	2.92%	\$111,038	4.00%	\$114,598	3.21%
Employee Benefits	\$39,254	\$48,492	23.53%	\$53,640	10.62%	\$29,455	-45.09%	\$56,007	90.14%	\$60,191	7.47%	\$63,152	4.92%	\$66,151	4.75%
Purchased Services	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Supplies and Materials	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Other</b>	<b>\$104,069</b>	<b>\$115,314</b>	<b>10.81%</b>	<b>\$122,344</b>	<b>6.10%</b>	<b>\$79,983</b>	<b>-34.62%</b>	<b>\$159,745</b>	<b>99.72%</b>	<b>\$166,958</b>	<b>4.52%</b>	<b>\$174,190</b>	<b>4.33%</b>	<b>\$180,749</b>	<b>3.77%</b>
<b>Total Support Services</b>															
Salaries	\$46,153,160	\$46,862,705	1.54%	\$47,715,984	1.82%	\$47,668,411	-0.10%	\$48,998,298	2.79%	\$49,640,490	1.31%	\$50,967,582	2.67%	\$52,190,107	2.40%
Employee Benefits	\$16,332,202	\$19,953,826	22.17%	\$19,266,289	-3.45%	\$17,340,214	-10.00%	\$19,879,828	14.65%	\$21,118,928	6.23%	\$22,135,201	4.81%	\$23,182,130	4.73%
Purchased Services	\$15,649,666	\$15,317,675	-2.12%	\$15,792,875	3.10%	\$16,884,660	6.91%	\$20,330,097	20.41%	\$20,851,347	2.56%	\$21,387,142	2.57%	\$21,937,911	2.58%
Supplies and Materials	\$8,883,902	\$8,874,317	-0.11%	\$7,486,179	-15.64%	\$7,552,082	0.88%	\$8,272,043	9.53%	\$8,439,997	2.03%	\$8,611,901	2.04%	\$8,787,868	2.04%
Capital Outlay	\$24,466,018	\$23,359,776	-4.52%	\$30,152,571	29.08%	\$9,324,931	-69.07%	\$17,648,680	89.26%	\$8,880,543	-49.68%	\$5,913,042	-33.42%	\$5,946,190	0.56%
Other Objects	\$193,640	\$200,170	3.37%	\$218,921	9.37%	\$229,403	4.79%	\$246,720	7.55%	\$253,512	2.75%	\$260,543	2.77%	\$267,819	2.79%
Non-Capitalized Equipment	\$240,891	\$537,674	123.20%	\$340,341	-36.70%	\$481,629	41.51%	\$510,004	5.89%	\$518,627	1.69%	\$527,398	1.69%	\$536,321	1.69%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Support Services</b>	<b>\$111,919,479</b>	<b>\$115,106,143</b>	<b>2.85%</b>	<b>\$120,973,160</b>	<b>5.10%</b>	<b>\$99,481,330</b>	<b>-17.77%</b>	<b>\$115,885,669</b>	<b>16.49%</b>	<b>\$109,703,445</b>	<b>-5.33%</b>	<b>\$109,802,809</b>	<b>0.09%</b>	<b>\$112,848,346</b>	<b>2.77%</b>
<b>Community Services</b>															
Salaries	\$90,767	\$84,036	-7.42%	\$76,070	-9.48%	\$186,572	145.26%	\$229,281	22.89%	\$231,928	1.15%	\$238,941	3.02%	\$246,070	2.98%
Employee Benefits	\$17,956	\$15,743	-12.32%	\$14,946	-5.06%	\$48,313	223.25%	\$67,780	40.29%	\$72,231	6.57%	\$74,612	3.30%	\$76,899	3.07%
Purchased Services	\$22,560	\$21,286	-5.65%	\$44,375	108.47%	\$38,655	-12.89%	\$46,350	19.91%	\$47,095	1.61%	\$47,853	1.61%	\$48,625	1.61%
Supplies and Materials	\$57,067	\$27,369	-52.04%	\$50,522	84.60%	\$33,890	-32.92%	\$21,898	-35.39%	\$22,246	1.59%	\$22,601	1.59%	\$22,960	1.59%
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Community Services</b>	<b>\$188,350</b>	<b>\$148,434</b>	<b>-21.19%</b>	<b>\$185,913</b>	<b>25.25%</b>	<b>\$307,430</b>	<b>65.36%</b>	<b>\$365,309</b>	<b>18.83%</b>	<b>\$373,501</b>	<b>2.24%</b>	<b>\$384,006</b>	<b>2.81%</b>	<b>\$394,554</b>	<b>2.75%</b>

cont

	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>Payments to Other Governmental Units</b>															
Salaries	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Employee Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Purchased Services	\$666,816	\$657,848	-1.34%	\$2,527,900	284.27%	\$0	-100.00%	\$2,376,582		\$2,412,231	1.50%	\$2,448,414	1.50%	\$2,485,140	1.50%
Supplies and Materials	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$0	\$0		\$2,565,904		\$0	-100.00%	\$2,628,436		\$2,720,431	3.50%	\$2,815,646	3.50%	\$2,914,194	3.50%
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Payments to Other Governmental Units</b>	<b>\$666,816</b>	<b>\$657,848</b>	<b>-1.34%</b>	<b>\$5,093,804</b>	<b>674.31%</b>	<b>\$0</b>	<b>-100.00%</b>	<b>\$5,005,018</b>		<b>\$5,132,662</b>	<b>2.55%</b>	<b>\$5,264,061</b>	<b>2.56%</b>	<b>\$5,399,334</b>	<b>2.57%</b>
<b>Debt Services</b>															
Salaries	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Employee Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Purchased Services	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Supplies and Materials	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$7,319,754	\$7,266,118	-0.73%	\$6,836,695	-5.91%	\$0	-100.00%	\$6,800,000		\$6,800,000	0.00%	\$6,800,000	0.00%	\$3,443,030	-49.37%
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Debt Services</b>	<b>\$7,319,754</b>	<b>\$7,266,118</b>	<b>-0.73%</b>	<b>\$6,836,695</b>	<b>-5.91%</b>	<b>\$0</b>	<b>-100.00%</b>	<b>\$6,800,000</b>		<b>\$6,800,000</b>	<b>0.00%</b>	<b>\$6,800,000</b>	<b>0.00%</b>	<b>\$3,443,030</b>	<b>-49.37%</b>
<b>Provisions for Contingencies</b>															
Salaries	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Employee Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Purchased Services	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Supplies and Materials	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Provisions for Contingencies</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>Total</b>															
Salaries	\$137,720,549	\$140,795,675	2.23%	\$145,234,261	3.15%	\$146,125,512	0.61%	\$151,193,415	3.47%	\$152,282,849	0.72%	\$156,668,094	2.88%	\$161,172,136	2.87%
Employee Benefits	\$35,228,142	\$37,516,784	6.50%	\$37,031,391	-1.29%	\$36,453,576	-1.56%	\$42,564,901	16.76%	\$45,117,116	6.00%	\$47,415,312	5.09%	\$49,805,636	5.04%
Purchased Services	\$21,138,282	\$21,165,874	0.13%	\$21,753,828	2.78%	\$19,991,266	-8.10%	\$26,314,790	31.63%	\$26,925,861	2.32%	\$27,552,825	2.33%	\$28,196,132	2.33%
Supplies and Materials	\$13,924,836	\$15,929,563	14.40%	\$13,239,732	-16.89%	\$12,507,952	-5.53%	\$12,981,458	3.79%	\$13,220,074	1.84%	\$13,463,699	1.84%	\$13,712,464	1.85%
Capital Outlay	\$25,007,807	\$23,465,149	-6.17%	\$30,533,527	30.12%	\$9,777,139	-67.98%	\$18,069,480	84.81%	\$9,307,655	-48.49%	\$6,346,561	-31.81%	\$6,386,211	0.62%
Other Objects	\$16,137,252	\$15,351,503	-4.87%	\$15,125,936	-1.47%	\$4,233,717	-72.01%	\$14,372,202	239.47%	\$14,635,386	1.83%	\$14,907,782	1.86%	\$11,832,741	-20.63%
Non-Capitalized Equipment	\$621,573	\$1,106,716	78.05%	\$1,012,115	-8.55%	\$2,138,196	111.26%	\$1,138,754	-46.74%	\$1,156,808	1.59%	\$1,175,152	1.59%	\$1,193,791	1.59%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>Total Disbursements/Expenditures</b>	<b>\$249,778,441</b>	<b>\$255,331,264</b>	<b>2.22%</b>	<b>\$263,930,790</b>	<b>3.37%</b>	<b>\$231,227,358</b>	<b>-12.39%</b>	<b>\$266,635,000</b>	<b>15.31%</b>	<b>\$262,645,749</b>	<b>-1.50%</b>	<b>\$267,529,424</b>	<b>1.86%</b>	<b>\$272,299,112</b>	<b>1.78%</b>

The District is required to file a levy with the Cook County Clerk’s office in order to receive revenue generated from property taxes. We can levy (ask) for a higher percentage to capture new property with is unknown until late summer of the following year. The proposed levy will be reduced by the tax cap calculation.

**Chart 4.04 Tax Levy Projections**

LEVY YEAR	ACTUAL 2013	ACTUAL 2014	ACTUAL 2015	ACTUAL 2016	ESTIMATED 2017	PROJECTED 2018	PROJECTED 2019	PROJECTED 2020
CONSUMER PRICE INDEX	1.70%	1.50%	0.80%	0.70%	2.10%	1.50%	1.50%	1.50%
EQUALIZED ASSESSED VALUATION	\$7,422,861,898	\$7,548,675,591	\$7,364,485,993	\$8,544,564,082	\$8,946,346,645	\$9,160,273,578	\$9,653,287,257	\$9,881,353,002
% CHANGE IN EAV		1.69%	-2.44%	16.02%	4.70%	2.39%	5.38%	2.36%
NEW GROWTH	\$30,732,921	\$34,083,565	\$34,008,900	\$86,052,946	\$60,000,000	\$35,000,000	\$35,000,000	\$35,000,000
% OF TOTAL EAV	0.41%	0.45%	0.46%	1.01%	0.67%	0.38%	0.36%	0.35%
EXISTING EAV		\$91,730,128	(\$218,198,498)	\$1,094,025,143	\$341,782,563	\$178,926,933	\$458,013,679	\$193,065,745
% OF TOTAL EAV		1.24%	-2.89%	14.86%	4.00%	2.00%	5.00%	2.00%
EAV PER PUPIL	#DIV/0!	\$651,928	\$637,673	\$731,493	\$759,581	\$776,294	\$808,212	\$827,515
% CHANGE IN EAV PER PUPIL		#DIV/0!	-2.19%	14.71%	3.84%	2.20%	4.11%	2.39%

**Equalized Assessed Valuation:** Property taxes are a significant source of revenue for the District. Therefore, the district's aggregate assessed valuation of property is a critical value in financial planning. Assessment for tax purposes in Illinois is 1/3 of the market value as determined by the county assessor. Cook County residential assessment is 1/10 of the market value as determined by the county assessor. The state then imposes an equalization factor to bring assessments in Cook County up to 1/3 of market value. Property tax increases can vary based on the relative change in the assessment from year to year.



**Chart 4.05 Tax Levy EAV Graphs**



## ***Local Property Tax Rates***

State law and the School Code of Illinois govern the policies and procedures of school finance. Property taxes are the primary revenue source, representing 82.5% of the District's total revenue, including TIF distributions. The property tax cycle extends over two years. The tax year is the year of assessment and reflects the value of property as of January 1<sup>st</sup>. The tax bills are distributed and the taxes are paid in the year following the tax year.

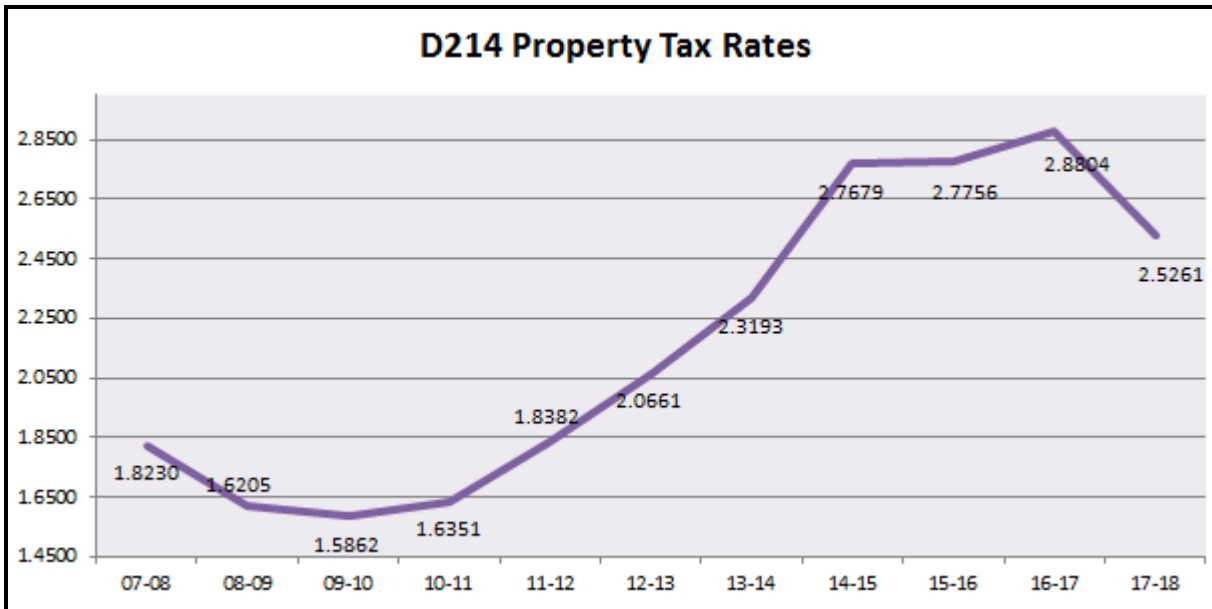
Illinois real property values and related taxes are established on a calendar-year basis. Township High School District 214 is a municipal corporation governed by a Board of Education, which has the exclusive responsibility and accountability for certifying an annual levy to the respective county clerk. School districts in Illinois levy for each Governmental Fund. The county clerk is responsible for the extension of taxes levied by the school district within the Property Tax Extension Limitation Law (PTELL), better known as the "Tax Cap". The County Treasurer has the responsibility of mailing the tax bills, collecting the property taxes, and remitting the revenues back to the taxing districts.

Cook County distributes their tax receipt collections in primarily two installments, the first in March and the second in late August. The CPI used for the 2014 Tax Levy was 1.5%. The CPI used for the 2015 Tax Levy was .8%. The CPI used for the 2016 Tax Levy was .7%. In preparation of the 2017 Tax Levy, the December 2016 CPI of 2.1% will be used to estimate the levy. Each levy also includes an increase in revenue generated by new property added to the tax base. For District 214 we are using projections of new property at \$25 million per year. The Board of Education will adopt the final levy in December 2017. The levy will be filed with the Cook County Clerk by December 26, 2017 (the last Tuesday in December).

<b>CPI History</b>	
2016	2.10%
2015	0.7%
2014	0.8%
2013	1.5%
2012	1.7%
2011	3.0%
2010	1.5%
2009	2.7%
2008	0.1%
2007	4.1%
2006	2.5%
2005	3.4%
2004	3.3%
2003	1.9%

The State of Illinois Department of Revenue is responsible for calculating an equalization factor for each county. This calculation is made annually using a multi-year comparison of property assessments and sales prices in each county called the assessment/sales ratio study. Once the Illinois Department of Revenue has certified the final Cook County equalization factor, the Cook County Clerk applies the factor to the final assessed values determined by the Assessor and modified by the Board of Review. The new value is called the equalized assessed value (EAV). This value is the final taxable value of the property unless homeowner exemptions are applied.

**Chart 4.06 Property Tax Rate History**



The tax cap has had an effect of eroding the taxing body's tax rate because the equalized assessed valuation has historically increased at rates greater than the consumer price index. The result has lowered the tax rates annually. Tax rates are per \$100 of Equalized Assessed Valuation (EAV). The 2014 and 2015 EAV decreased due to the economic conditions, which caused the tax rate, as a factor in the formula, to increase. Beginning in 2016, EAV increased, which decreased the tax rate.

***Tax Increment Financing Districts (TIF)***

Currently, there are sixteen active Tax Increment Financing (TIF) districts within the District's boundaries:

- Arlington Heights #3 (Southwest corner Rand & Arlington Heights Road)
- Arlington Heights #4 (Northeast corner Golf and Arlington Heights Road)
- Arlington Heights (Hickory/Kensington)
- Arlington Heights #5 (Southpoint/Town & Country)
- Des Plaines #3 (Mount Prospect & Wilke Roads)
- Elk Grove (Busse/Elmhurst)
- Elk Grove (Elk Grove Town Center)
- Prospect Heights (Milwaukee/Palatine)

- Prospect Heights (Palatine Road)
- Rolling Meadows #2 (Kirchoff & Owl Drive)
- Rolling Meadows #4 (Golf Road Conservation)
- Wheeling #1 (Wheeling Crossroads)
- Wheeling #2 (South Milwaukee/Manchester Drive)
- Wheeling #3 (North Milwaukee)
- Wheeling (Southeast II)
- Wheeling (Town Center II)

TIF is a program designed to create economic growth in areas of a community where redevelopment likely would not occur without public investment. When a TIF is created, the Equalized Assessed Value (EAV) of the TIF district is frozen, and the school district does not receive additional tax dollars produced within the TIF district during the duration of the TIF. Therefore, incremental EAV accumulates within the TIF district and tax revenue generated is redirected to the respective village for economic development purposes within the TIF boundaries.

**Chart 4.07 TIF Summary**

Community		Tax Code	Agency Tax Code	TIF #	Location	First Tax Year	Year Expires	Extension Expiration	Frozen EAV	2016 EAV	TIF Extensions and/or Comments
Arlington Hts	38176	03-0020-502	#3	SW corner Rand & AH Rds	1994	2017		\$923,618	\$4,497,280		
Arlington Hts	16117	03-0020-504	#4	NE corner Golf & AH Rds	2002	2026		\$5,971,996	\$11,602,859		
Arlington Hts	38229	03-0020-506		Hickory/Kensington	2014	2037		\$8,634,983	\$13,655,082		
Arlington Hts	38205	03-0020-505	#5	Southpoint/Town & Country (Palatine & Ranc	2005	2028		\$30,180,546	\$31,236,640		
Des Plaines	16115	03-0290-502	#3	Mt Prospect & Wille Rds	2000	2035		\$3,807,465	\$18,411,261		Extension Approved April 2009
Elk Grove	16136, 16137, 16138	03-03-50-501		Busse/Elmhurst	2015	2038		\$302,233,159	\$350,356,021		2015 Frozen EAV was \$301,170,852. It went up
Elk Grove	16114	03-03-50-500		Elk Grove Town Center	1997	2020		\$656,127	\$16,471,132		
MT Prospect											Reset 2016
Prospect Heights	38181, 38182	03-1040-500		Milwaukee / Palatine	1997	2020		\$14,770,722	\$19,829,624		
Prospect Heights	38183/4/5	03-1040-501		Palatine Road	1997	2020		\$2,376,261	\$1,278,786		Was a \$0 EAV in 2015 due to being Municipal property. 2016 has an EAV.
Rolling Meadows	23156	03-1110-501	#2	Kirchoff & Owl Dr	2002	2026		\$1,541,944	\$4,047,848		
Rolling Meadows	16139	03-1110-503	#4	Golf Rd Conservation - NEW 7/28/15	2015	2038		\$13,057,833	\$24,720,505		
Wheeling	1131/4/15/16/17	03-1310-500	#1	Wheeling Crossroads	1985	2008	2019	\$12,923,635	\$36,443,938		11.6 yr approved
Wheeling	38199/200	03-1310-501	#2	S Milwaukee/Manchester Dr	2000	2023		\$1,694,510	\$14,269,301		
Wheeling	38202/3	03-1310-502	#3	N Milwaukee	2002	2024		\$24,748,756	\$65,310,497		Expansion Discussion 6/24/08
Wheeling	38223/4/5/6	03-1310-505		Southeast II	2014	2037		\$41,639,362	\$47,493,560		Reset of Southeast (Industrial Lane)
Wheeling	38228	03-1310-506		Town Center II	2014	2037		\$36,124,041	\$42,773,531		Reset of Town Center
								\$501,284,958	\$702,397,865		

The Wheeling Crossroads TIF #1 was scheduled to expire in May 2008. In 2005, the Wheeling Village Board approved intergovernmental agreements with School Districts 21 and 214 related to extending the life of the Crossroads TIF to 2019. The Village agreed to declare an annual surplus of TIF funds and mail checks to all taxing districts in December of each year. After receiving letters of support from the schools, the Illinois legislature and the Governor approved special legislation officially extending the TIF district. The intergovernmental agreements require the Village of Wheeling to do the following:

- Beginning in 2005 and continuing each year until the extended Crossroads TIF District expires on December 31, 2019, declare a surplus in the Crossroads TIF District equal to 72% (i.e. the present value of the tax proceeds each district would have received had the TIF expired in Tax Year 2008) of the annual increment.

- Distribute to each district in December of each year its pro-rata share of the surplus based on its tax rate for that tax year.

Township High School District 214 approved a position paper regarding Tax increment financing districts and related programs on September 6, 2007:

## **TOWNSHIP HIGH SCHOOL DISTRICT 214**

### **POSITION PAPER**

#### **TAX INCREMENT FINANCING DISTRICTS AND RELATED PROGRAMS**

Tax Increment Financing (TIF) Districts and related programs critically impact funding available for Township High School District 214. As the Equalized Assessed Valuation (EAV) of the property within a TIF district increases, schools do not receive any increase in tax funds for education until the TIF expires. A TIF may remain in effect up to 23 years and may be extended beyond 23 years. In addition, related programs or agreements could also have an impact on the amount of tax funds received.

Township High School District 214 is a community member of municipalities within our district boundary. The Board of Education understands that there is a need for municipalities to rejuvenate blighted business areas in order to enhance community and commercial viability; and specifically, we look to see whether an area would develop without the implementation of a TIF or related program. A vibrant community is critical for attracting businesses, thereby maintaining a tax base that will support municipalities' social services, park districts, and schools. Municipalities, which are able to demonstrate high levels of social services, park district offerings, and quality schools, are an attraction for potential residents.

It is the position of the High School District 214 Board of Education to request that municipalities provide adequate advanced notification, when reviewing whether to enact a TIF or related program, and to consider the impact on school districts. In particular, we request that municipalities consider and utilize types of project financing other than TIFs. If TIF financing is decided upon, we request municipalities limit the duration of a TIF to significantly less than 23 years and to share a significant amount of increased revenue with school districts during the TIF.

The position of High School District 214's Board of Education about TIF extensions is that without a substantial annual allocation of the increased tax increment being made available to District 214, a TIF should not be changed or modified in order to extend it beyond the original expiration date. Further, the request for a TIF extension or related program in which the extension or related program is being requested, must originate with the municipality, supported by a majority vote of council members.

Approved by the Board of Education of Township High School District 214 on September 6, 2007.

Equalized Assessed Valuations (EAV) is designed to assure equal valuation treatment across Illinois. EAV represents the taxable property base for schools as certified by the Illinois Department of Revenue. Each Board of Education determines an annual levy in terms of dollar amounts and certifies this levy to the county clerk. The county clerk is responsible for making extensions of taxes levied within the constraints of the school district limitations. Tax rates for school districts are related to specific purposes. School districts in Illinois are subject to various limitations in property tax rates for each purpose (see table below). These rates can be increased through voter referendum, but not exceeding a maximum statutory tax rate. A tax rate in Illinois reflects the dollars levied per \$100 of EAV of real property. Dividing the dollar amount of the tax levy by total EAV of the taxing district and multiplying the product by 100 calculates the tax rate.

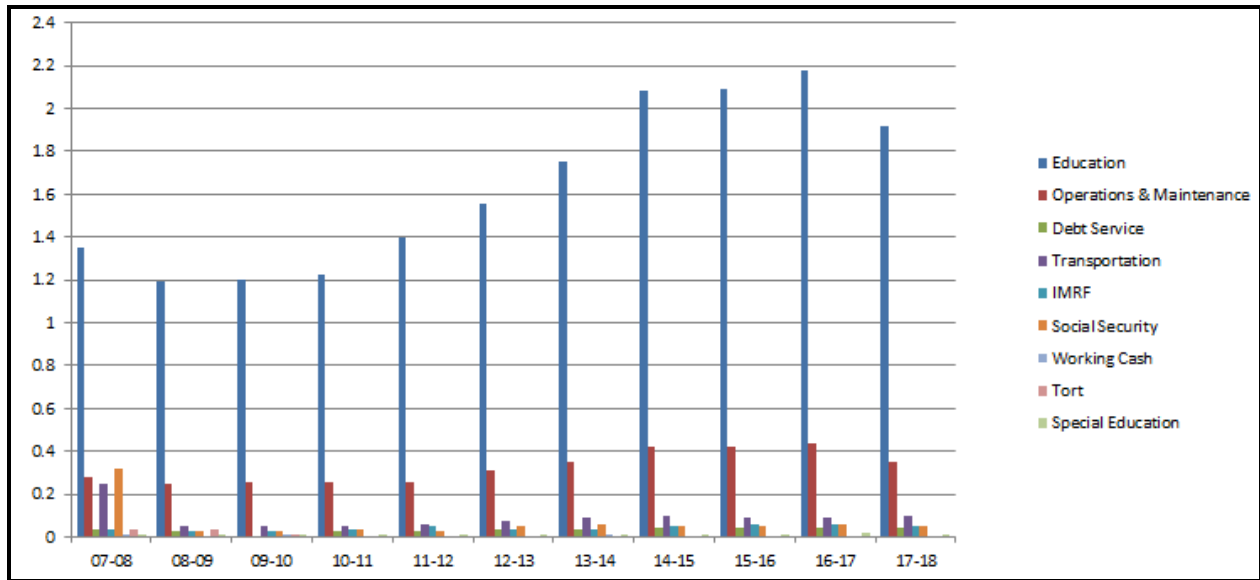
**Chart 4.08 Maximum Tax Rates**

Fund	Education	Operations & Maintenance	Debt Service	Transportation	IMRF	Social Security	Working Cash	Tort	Special Education
Limit	No limit	0.550	No limit	No limit	No limit	No limit	0.050	No limit	0.400

**Chart 4.09 Extended Tax Rates**

Tax Year	Fiscal Year	Education	Operations & Maintenance	Debt Service	Transportation	IMRF	Social Security	Working Cash	Tort	Special Education	Total
1997	98-99	1.5900	0.3750	0.0556	0.0724	0.034	0.0268	0.0500	0.054	0.0200	2.277
1998	99-00	1.5019	0.3542	0.0566	0.1056	0.044	0.0342	0.0472	0.041	0.0189	2.203
1999	00-01	1.5418	0.3618	0.0544	0.0787	0.0440	0.0378	0.0328	0.013	0.0189	2.1830
2000	01-02	1.5900	0.3750	0.0546	0.0831	0.0456	0.0391	0.0358	0.0130	0.0200	2.2562
2001	02-03	1.3894	0.3277	0.0516	0.0739	0.039	0.0338	0.0422	0.013	0.0175	1.9882
2002	03-04	1.3757	0.3132	0.0390	0.0639	0.026	0.0256	0.0228	0.004	0.0179	1.888
2003	04-05	1.4729	0.3261	0.0452	0.0500	0.0270	0.0270	0.0193	0.0043	0.0094	1.9820
2004	05-06	1.3486	0.2985	0.0537	0.0458	0.0247	0.0247	0.0088	0.0040	0.0086	1.8180
2005	06-07	1.3309	0.2839	0.0330	0.0437	0.0273	0.0273	0.0000	0.0038	0.0082	1.7581
2006	07-08	1.3468	0.2808	0.0326	0.2514	0.032	0.3222	0.0008	0.038	0.0086	1.8230
2007	08-09	1.1919	0.2508	0.0281	0.0479	0.03	0.0295	0.0000	0.035	0.0078	1.6205
2008	09-10	1.1982	0.2546	0.0000	0.0483	0.031	0.0307	0.0079	0.008	0.0079	1.5862
2009	10-11	1.2254	0.2563	0.0269	0.0493	0.034	0.0344	0.0000	0.0000	0.0084	1.6351
2010	11-12	1.3978	0.2595	0.0301	0.0610	0.0509	0.0298	0.0000	0.0000	0.0091	1.8382
2011	12-13	1.5520	0.3078	0.0338	0.0775	0.0318	0.0531	0.0000	0.0000	0.0101	2.0661
2012	13-14	1.7480	0.3466	0.0338	0.0866	0.0347	0.0578	0.0002	0.0000	0.0116	2.3193
2013	14-15	2.0829	0.4244	0.0450	0.1010	0.0539	0.0472	0.0000	0.0000	0.0135	2.7679
2014	15-16	2.0923	0.4173	0.0449	0.0927	0.061	0.0543	0.0000	0.0000	0.0132	2.7756
2015	16-17	2.1786	0.4345	0.046	0.0883	0.06	0.057	0.0000	0.0000	0.0163	2.8804
2016	17-18	1.9131	0.3511	0.0402	0.1012	0.054	0.0515	0.0000	0.0000	0.0152	2.5261

**Chart 4.10 Extended Tax Rate Chart**



The property tax is a fairly consistent tax, but with the passage of the Property Tax Extension Limitation Law (PTELL or “tax cap”) in 1995, the growth of revenue is now limited to the lesser of 5% or the Consumer Price Index (CPI). A fundamental structural imbalance exists in this funding formula because most of the costs related to the delivery of public education exceed CPI. The PTELL coupled with the lack of new Equalized Assessed Value (EAV) revenue generated by new construction, will eventually cause the need for the District to request a referendum property tax increase.

The “tax cap” law was designed to reduce the rate of growth of property taxes for the individual taxpayer. The law allows the District to seek referendum approval to increase the total tax rate. This reliance on taxes makes the District vulnerable to political pressures to limit property taxes.

Tax extension increases are governed by the increase in the (EAV) and the PTELL. The total tax extended by the County Clerk may increase by a limited amount each year. Within that aggregate increase, the District has authority to distribute the tax to the prescribed individual funds as long as the distribution stays below the fund rate ceiling that is prescribed by law. The “Tax Cap,” slows the growth of revenues to school districts and reduces the tax rates when property values and assessments increase faster than the rate of inflation.

***Major Revenue Assumptions***

The Tax Cap limits year-over-year revenue growth to the Consumer Price Index (CPI) plus dollars from New EAV Growth. The following table and graph show what the increases have been and are projected to be.

**Chart 4.11 Projected Property Tax Revenue**

LEVY YEAR	2016	2017	2018	2019	2020	2021
CAPPED FUNDS	\$210,966,291	\$214,903,352	\$218,911,057	\$222,952,739	\$227,066,416	\$231,253,340
RATE	2.7184	2.7592	2.8006	2.7072	2.7478	2.7890
NON-CAPPED FUNDS	\$3,436,813	\$3,495,823	\$3,569,231	\$3,646,157	\$3,717,347	\$3,543,305
RATE	0.0443	0.0449	0.0457	0.0443	0.0450	0.0427
TOTAL	\$214,403,104	\$218,399,175	\$222,480,288	\$226,598,896	\$230,783,763	\$234,796,645
RATE	2.7627	2.8040	2.8462	2.7515	2.7928	2.8318

***Corporate Personal Property Replacement Tax***

**Chart 4.12 Corporate Personal Property Replacement Tax**

PROJECTIONS					
FISCAL YEAR	2018	2019	2020	2021	2022
CPPRT % CHANGE	0.0%	0.0%	0.0%	0.0%	0.0%
CPPRT REVENUE	\$5,600,000	\$5,600,000	\$5,600,000	\$5,600,000	\$5,600,000

The other major source of locally related revenue is Corporate Personal Property Replacement Tax (CPPRT) revenues. Until 1979, Illinois Law allowed the taxation of the personal property of businesses. This revenue source was eliminated in 1979, and replaced with an alternative tax on Illinois businesses. The CPPRT imposes a state collected tax on the net income of the business (corporations, partnerships, and trusts) and an invested capital tax on utilities. The proceeds of this tax are distributed to local taxing bodies in proportion to the relative share of personal property taxes received by these local taxing bodies prior to 1979. The CPPRT is directly influenced by the State’s economy. The District records the CPPRT revenue in the Education Fund, the IMRF and Social Security/Medicare Fund, and the Capital Projects Fund as required.

***Evidence-Based Funding***

The method used to fund school districts in Illinois changed with the passage of Senate Bill 1947, which includes the Evidence-Based Funding for Student Success Act. The Evidence Based Model contains the core values which recognize individual student needs, accounts for differences in local resources, closes funding gaps and keeps them closed, and provides a stable, sustainable system that gets districts across the state to adequacy over time. The highlights of SB1947 include:

- Funding is tied to evidence-based best practices that research shows enhance student achievement.
- Each school district is assigned an Adequacy Target based on the needs of its student body.
- New dollars go to the neediest districts first.
- Illinois state funding for students will be similar statewide, including Chicago.
- No district loses money.

The details of this new funding mechanism are being reviewed, researched, and finalized by ISBE during fall 2017 and early spring 2018.



### ***Other Categorical State***

Other major state financial support for schools is in the form of categorical and special program grants and grants for school reform and improvement initiatives. State categorical grants provide funds for transportation, vocational education, school lunch and breakfast, textbooks, adult education, and school construction.

These state aid payments fluctuate each year depending on district costs, state funding levels for categorical grants and continuation of state grant funding for specific programs.

## *Significant Expenditures*

### *Salaries and Benefits*

#### **Contract Salary Increases & Length of Contract**

The District has a Cumulative Agreement with the Education Association which will expire June 30, 2019. The District has a Cumulative Agreement with the Educational Support Personnel Association which will expire June 30, 2021.

- The District 214 Education Association (EA) is the teachers' union. The District has a five year contract through June 2019. The following language is included in the District 214 Education Association Agreement.
  - **2017-2018:** increase base by .75 of CPI, with a minimum/maximum of 1%/4%; all other steps adjusted as index of base as listed; salaries at the top of the schedule will increase by full CPI, with a minimum/maximum of 1%/4%, based on Step 25 of the previous year.
  - **2018-2019:** increase base by .75 of CPI, with a minimum/maximum of 1%/4%; all other steps adjusted as index of base as listed; salaries at the top of the schedule will increase by full CPI, with a minimum/maximum of 1%/4%, based on Step 25 of the previous year.

Should pension "cost shift" occur during the time frame of this Cumulative Agreement, the total salary increase will be offset by the percent shift each year to absorb the financial impact of pension costs shifting from the State to the District. The effect of cost shift will be limited by a minimum/maximum of 1%/4%.

- The Educational Support Personnel Association (IEA-NEA) includes clerical, technical, security, and instructional assistant positions. The District has a three year contract through June 2021. The following language is included in the District 214 Educational Support Personnel Association Agreement.
  - The **2017-2018** wage schedule shall be determined by increasing the 2016-17 wage schedule by 2.0%. All employees who started work prior to July 1, 2017 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2017-18 fiscal year.
  - The **2018-2019** wage schedule shall be determined by increasing the 2017-18 wage schedule by 2.0%. All employees who started work prior to July 1, 2018 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2018-19 fiscal year.
  - The **2019-2020** wage schedule shall be determined by increasing the 2018-19 wage schedule by 2.0%. All employees who started work prior to July 1, 2019 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2019-20 fiscal year.
  - The **2020-2021** wage schedule shall be determined by increasing the 2019-20 wage schedule by 2.0%. All employees who started work prior to July 1, 2020 will receive the 2.0% increase plus a 2% progression through the salary range or the maximum hourly rate for their grade, whichever is less for the 2020-21 fiscal year.

- The District and the Custodial Maintenance Association (CMA) have a four year agreement through June 2019. The following language regarding salaries is included in the District 214 Custodial Maintenance Association Agreement.
  - The **2017-2018** wage schedule shall be determined by increasing the 2016-17 wage schedule by 1.8%. All employees will receive the 1.8% increase plus the step progression on the wage schedule effective July 1, 2017.
  - The **2018-2019** wage schedule shall be determined by increasing the 2017-18 wage schedule by 1.7%. All employees will receive the 1.7% increase plus the step progression on the wage schedule effective July 1, 2018.

**Chart 4.13 Contract Salary Increases & Length of Contract**

	FY 2018	FY 2019	FY 2020	FY 2021
Education Association	increase base by .75 of CPI, with a min/max of 1%/4%;	increase base by .75 of CPI, with a min/max of 1%/4%;		
Educational Support	increase base by 2%, plus a 2% progression	increase base by 2%, plus a 2% progression	increase base by 2%, plus a 2% progression	increase base by 2%, plus a 2% progression
Custodial Maintenance	increase base by 1.8%	increase base by 1.7%		

Please note: The Custodial Maintenance salaries and benefits are paid out of the Operations & Maintenance Fund.

The District’s PPO, HMO, pharmacy, and dental plans are self-funded through Blue Cross/Blue Shield (BCBS) of Illinois, Allied Dental and a Drug Card. The Insurance Committee is comprised of union representatives, District administrators, employees, and a District 214 Board of Education member. Over the past several years, significant cost containments and efficiencies have been implemented to control insurance expenses year to year. Moving to BCBS of Illinois allowed the plan to benefit from the additional discounts and providers offered by the Blue Cross Blue Shield of Illinois (BCBS).

Beginning January 1, 2015, the District offers a High Deductible Health Plan (HDHP) along with a Health Savings Account (HSA) as an option to our employees. With a HDHP the employee becomes a smarter shopper for health care, which is why these plans are considered a “consumer-directed health care plan”. A HSA is a tax-advantaged savings account designated for qualified medical expenses, which allows one to pay for current qualified medical expenses on a tax-favored basis. Unused HSA dollars roll over from year to year. The funds in the HSA belong to the employee, are non-forfeitable, and portable, making HSAs an easy way to save and invest for future qualified medical expenses.

## **Cost Containment**

Over the past several years, District 214 implemented many cost containment initiatives:

**Chart 4.14 Cost Containment Initiative**

<b>Cost Containment Initiative</b>	<b>Estimated Savings</b>
Staff	2,700,000
Insurance	50,000,000
Technology	7,500,000
Food Service	650,000
Transportation	1,400,000
Operations & Maintenance	3,500,000
<b>Total Cost Containment</b>	<b>65,750,000</b>
<b>Increased Revenue Sources</b>	
Partnerships Field Turf	2,500,000
Other Partnerships	1,000,000
Increased revenue sources	750,000
<b>Total</b>	<b>70,000,000</b>

The insurance saving in the 2006 – 2007 fiscal year has allowed increased savings in the years leading up to the 2017 – 2018 year. The insurance savings line item is an accumulation of many years. Cost containment initiatives will be continually reviewed and implemented as needed based on the financial projections for upcoming years.

As Township High School District 214 has developed long-range financial projections, it has considered enrollment projections, staffing plans, program evaluation and needs, special education services, technology, and facilities improvement and maintenance on both a short-term and long-term basis. These factors have been evaluated with an overall goal to maintain quality educational programs.

The District will continue to implement cost containment initiatives, explore revenue opportunities, improve cost efficiencies, and control expenses within the financial resources that are available to Township High School District 214. The Board and Administration are dedicated to excellence in education, seeking to balance educational needs with sound fiscal practices.

## ***Bonded Debt Amortization Schedules***

### **Debt Service Fund Impact Statement**

The schedules below illustrate future debt payments from the Debt Service Fund. State law provides for a separate tax to be levied for payment of bonds approved through a voter referendum as well as providing for limited non-referendum debt.

**Chart 4.15 Long-Term Debt Amortization Schedule**

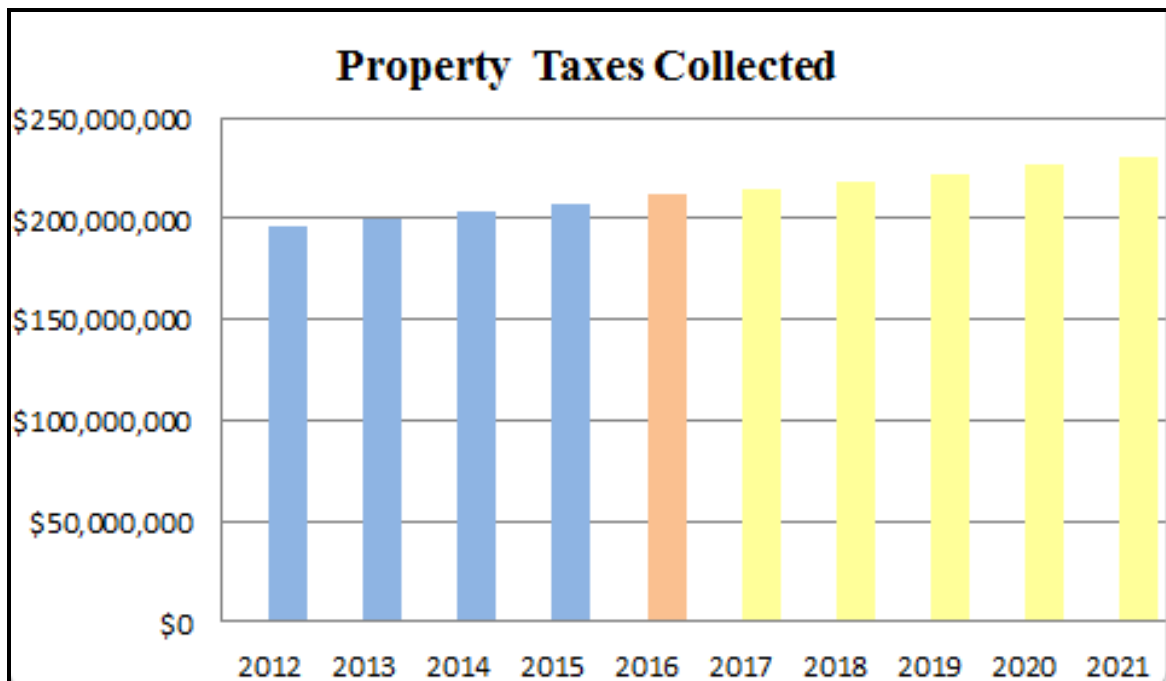
<b>Township High School District Number 214 (Arlington Heights)</b> <b>Outstanding Debt Service</b> <b>Series 2007, 2008, 2011, 2012, 2016, and 2017 Bond Issues</b> <b>Debt Service By Levy Year</b>							
<u>Levy Year</u>	<u>Series 2007</u> <u>Debt Service (2)</u>	<u>Series 2008</u> <u>Debt Service (2)</u>	<u>Series 2011</u> <u>Debt Service</u>	<u>Series 2012</u> <u>Debt Service</u>	<u>Series 2016</u> <u>Debt Service</u>	<u>Series 2017</u> <u>Debt Service</u>	<u>Total Outstanding</u> <u>Debt Service (1)</u>
2016	\$ 1,440,293.75	\$ 438,008.75	\$ 408,050.00	\$ 332,050.00	\$ 453,147.22	\$ 34,510.00	\$ 3,272,052.22
2017	-	-	408,050.00	391,050.00	427,200.00	2,112,200.00	3,338,500.00
2018	-	-	408,050.00	463,850.00	388,800.00	2,113,900.00	3,374,600.00
2019	-	-	408,050.00	530,150.00	714,750.00	1,754,800.00	3,407,750.00
2020	-	-	408,050.00	600,050.00	1,580,800.00	817,100.00	3,406,000.00
2021	-	-	408,050.00	653,450.00	1,555,450.00	817,500.00	3,434,450.00
2022	-	-	408,050.00	730,650.00	1,514,650.00	817,600.00	3,470,950.00
2023	-	-	408,050.00	811,150.00	1,468,850.00	814,800.00	3,502,850.00
2024	-	-	408,050.00	884,200.00	1,278,200.00	221,400.00	2,791,850.00
2025	-	-	408,050.00	969,550.00	1,272,050.00	175,100.00	2,824,750.00
2026	-	-	408,050.00	3,571,750.00	-	-	3,979,800.00
2027	-	-	1,888,050.00	2,175,200.00	-	-	4,063,250.00
2028	-	-	4,083,850.00	22,500.00	-	-	4,106,350.00
2029	-	-	4,179,450.00	22,500.00	-	-	4,201,950.00
2030	-	-	845,250.00	772,500.00	-	-	1,617,750.00
	<b>\$ 1,440,293.75</b>	<b>\$ 438,008.75</b>	<b>\$ 15,485,150.00</b>	<b>\$ 12,930,600.00</b>	<b>\$ 10,653,897.22</b>	<b>\$ 9,678,910.00</b>	<b>\$ 50,792,852.22</b>

*Property Tax Assessment Rate and Collections*

**Chart 4.16 Property Taxes Assessed and Collected**

Levy Year	Collected	Taxes Assessed	% Collected
2012	196,097,492	201,107,855	97.5%
2013	200,174,444	205,449,414	97.4%
2014	204,027,808	209,528,716	97.4%
2015	207,365,584	212,128,300	97.8%
2016	211,538,276	215,855,384	98.0%
2017	215,134,427	219,524,926	98.0%
2018	218,791,712	223,256,849	98.0%
2019	222,511,171	227,052,216	98.0%
2020	226,293,861	230,912,103	98.0%
2021	230,140,857	234,837,609	98.0%

**Chart 4.17 Property Taxes Collected**



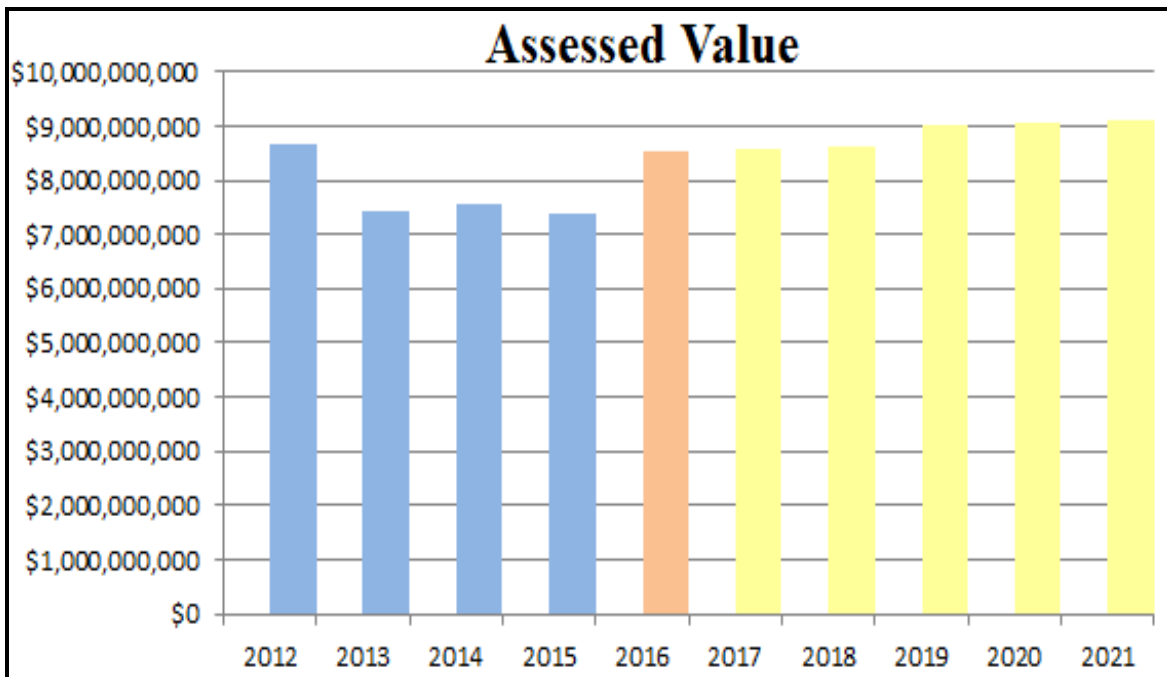
**Property Tax Assessed Value and Market Value**

**Chart 4.18 Property Taxes Assessed and Market Value**

Levy Year	Assessed Value	Fiscal Year	Market Value	% Change
2012	8,656,533,697	2013-2014	25,969,601,091	
2013	7,422,861,898	2014-2015	22,268,585,694	-14.3%
2014	7,548,675,591	2015-2016	22,646,026,773	1.7%
2015	7,364,485,993	2016-2017	22,093,457,979	-2.4%
2016	8,544,564,082	2017-2018	25,633,692,246	16.0%
2017	8,572,761,143	2018-2019	25,718,283,430	0.3%
2018	8,601,051,255	2019-2020	25,803,153,766	0.3%
2019	9,031,103,818	2020-2021	27,093,311,454	5.0%
2020	9,060,906,461	2021-2022	27,182,719,382	0.3%
2021	9,090,807,452	2022-2023	27,272,422,356	0.3%

By State Statute, the Assessed Value is 1/3 of the Market Value.

**Chart 4.19 Assessed Value**

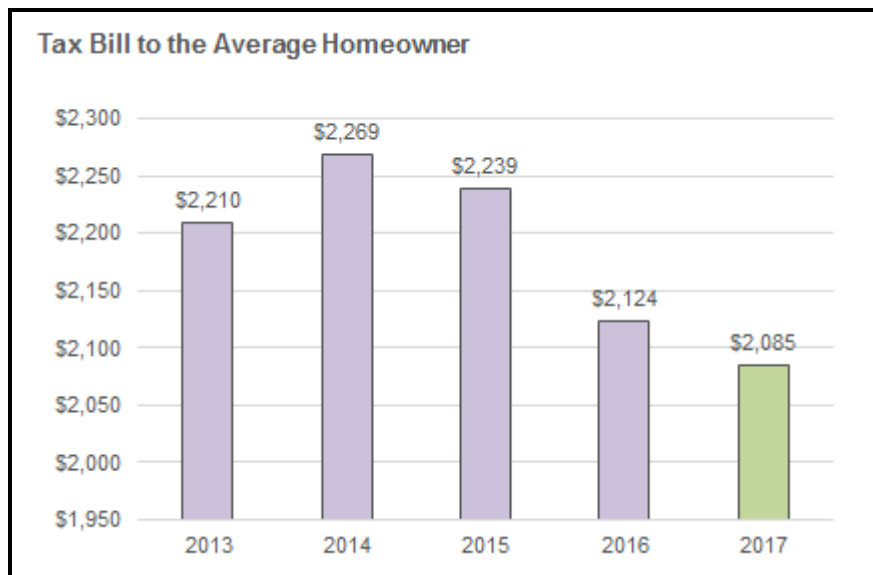


*Impact on Taxpayers*

**Chart 4.20 Property Tax on Home Valued at \$300,000**

LEVY YEAR	ACTUAL 2013	ACTUAL 2014	ACTUAL 2015	ACTUAL 2016	ESTIMATED 2017
Median Value of a Home	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Average Change in Market Value		0.00%	0.00%	0.00%	0.00%
Assessed % of Market Value	10.00%	10.00%	10.00%	10.00%	10.00%
County Multiplier	2.6621	2.7253	2.6685	2.8032	2.8032
Taxable Value	\$79,863	\$81,759	\$80,055	\$84,096	\$84,096
Property Tax Rate Assessed	2.7678	2.7757	2.7974	2.5262	2.4798
Property Tax Due	\$2,210	\$2,269	\$2,239	\$2,124	\$2,085
Tax Increase/(Decrease) from Prior Year		\$59	(\$30)	(\$115)	(\$39)
% Change in Taxes from Prior Year		2.67%	-1.32%	-5.14%	-1.84%

**Chart 4.21 Annual Property Tax on Home Valued at \$300,000**





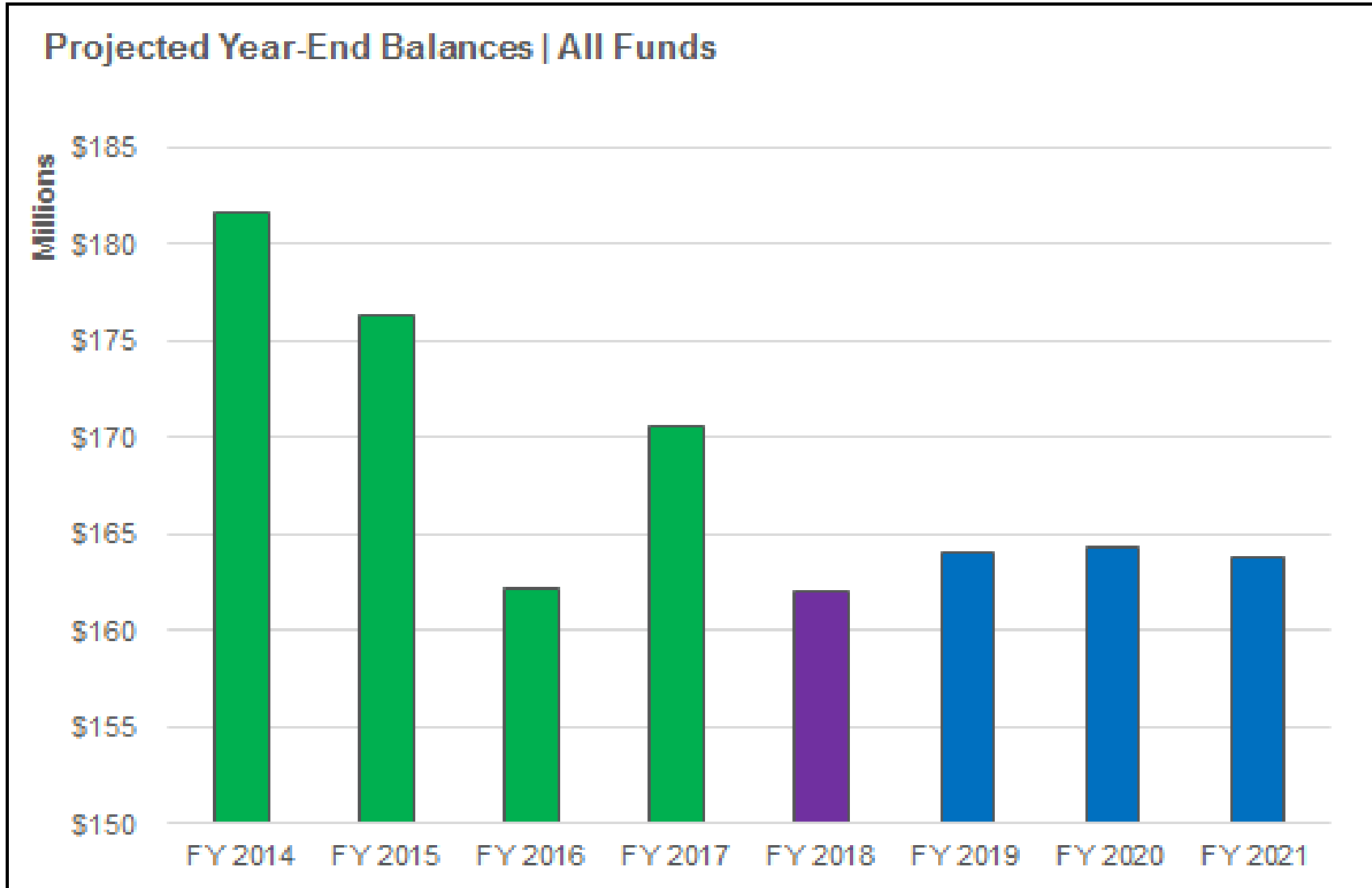
Governmental Funds

Chart 4.22 Five Year Comparison and Three Year Financial Projection Chart

All Governmental Funds															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$224,769,559	\$226,124,461	0.60%	\$231,023,399	2.17%	\$232,178,065	0.50%	\$238,000,900	2.51%	\$244,048,000	2.54%	\$247,176,381	1.28%	\$251,301,871	1.67%
State Sources	\$16,618,290	\$17,029,634	2.48%	\$12,848,822	-24.55%	\$14,202,879	10.54%	\$14,621,100	2.94%	\$15,078,100	3.13%	\$15,078,100	0.00%	\$15,078,100	0.00%
Federal Sources	\$6,857,611	\$6,535,849	-4.69%	\$5,550,020	-15.08%	\$5,089,204	-8.30%	\$5,513,000	8.33%	\$5,513,000	0.00%	\$5,513,000	0.00%	\$5,363,000	-2.72%
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$248,245,460</b>	<b>\$249,689,944</b>	<b>0.58%</b>	<b>\$249,422,241</b>	<b>-0.11%</b>	<b>\$251,470,148</b>	<b>0.82%</b>	<b>\$258,135,000</b>	<b>2.65%</b>	<b>\$264,639,100</b>	<b>2.52%</b>	<b>\$267,767,481</b>	<b>1.18%</b>	<b>\$271,742,971</b>	<b>1.48%</b>
<b>EXPENDITURES</b>															
Salary	\$137,720,549	\$140,795,675	2.23%	\$145,234,261	3.15%	\$146,125,512	0.61%	\$151,193,415	3.47%	\$152,282,849	0.72%	\$156,668,094	2.88%	\$161,172,136	2.87%
Employee Benefits	\$35,228,142	\$37,516,784	6.50%	\$37,031,391	-1.29%	\$36,453,576	-1.56%	\$42,564,901	16.76%	\$45,117,116	6.00%	\$47,415,312	5.09%	\$49,805,636	5.04%
Purchased Services	\$21,138,282	\$21,165,874	0.13%	\$21,753,828	2.78%	\$23,019,101	5.82%	\$26,314,790	14.32%	\$26,925,861	2.32%	\$27,552,825	2.33%	\$28,196,132	2.33%
Supplies and Materials	\$13,924,836	\$15,929,563	14.40%	\$13,239,732	-16.89%	\$12,507,952	-5.53%	\$12,981,458	3.79%	\$13,220,074	1.84%	\$13,463,699	1.84%	\$13,712,464	1.85%
Capital Outlay	\$25,007,807	\$23,465,149	-6.17%	\$30,533,527	30.12%	\$9,777,139	-67.98%	\$18,069,480	84.81%	\$9,307,655	-48.49%	\$6,346,561	-31.81%	\$6,386,211	0.62%
Other Objects	\$16,137,252	\$15,351,503	-4.87%	\$15,125,936	-1.47%	\$13,408,676	-11.35%	\$14,372,202	7.19%	\$14,635,386	1.83%	\$14,907,782	1.86%	\$11,832,741	-20.63%
Non-Capitalized Equipment	\$621,573	\$1,106,716	78.05%	\$1,012,115	-8.55%	\$2,138,196	111.26%	\$1,138,754	-46.74%	\$1,156,808	1.59%	\$1,175,152	1.59%	\$1,193,971	1.59%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$249,778,441</b>	<b>\$255,331,264</b>	<b>2.22%</b>	<b>\$263,930,790</b>	<b>3.37%</b>	<b>\$243,430,152</b>	<b>-7.77%</b>	<b>\$266,635,000</b>	<b>9.53%</b>	<b>\$262,645,749</b>	<b>-1.50%</b>	<b>\$267,529,424</b>	<b>1.86%</b>	<b>\$272,299,112</b>	<b>1.78%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(\$1,532,981)</b>	<b>(\$5,641,320)</b>		<b>(\$14,508,549)</b>		<b>\$8,039,996</b>		<b>(\$8,500,000)</b>		<b>\$1,993,351</b>		<b>\$238,057</b>		<b>(\$566,141)</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$3,852,140	\$14,418,824		\$33,023,381		\$30,853,659		\$15,265,000		\$6,830,000		\$5,850,000		\$2,500,000	
Other Financing Uses	(\$3,852,140)	(\$14,125,610)		(\$32,638,281)		(\$30,471,143)		(\$15,265,000)		(\$6,830,000)		(\$5,850,000)		(\$2,500,000)	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>\$0</b>	<b>\$293,214</b>		<b>\$385,100</b>		<b>\$382,516</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>(\$1,532,981)</b>	<b>(\$5,348,106)</b>		<b>(\$14,123,449)</b>		<b>\$8,422,512</b>		<b>(\$8,500,000)</b>		<b>\$1,993,351</b>		<b>\$238,057</b>		<b>(\$566,141)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$183,158,056</b>	<b>\$181,625,075</b>		<b>\$176,276,969</b>		<b>\$162,153,520</b>		<b>\$170,576,032</b>		<b>\$162,076,032</b>		<b>\$164,069,383</b>		<b>\$164,307,440</b>	
<b>ENDING FUND BALANCE</b>	<b>\$181,625,075</b>	<b>\$176,276,969</b>		<b>\$162,153,520</b>		<b>\$170,576,032</b>		<b>\$162,076,032</b>		<b>\$164,069,383</b>		<b>\$164,307,440</b>		<b>\$163,751,299</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>72.71%</b>	<b>69.04%</b>		<b>61.44%</b>		<b>70.07%</b>		<b>60.79%</b>		<b>62.47%</b>		<b>61.42%</b>		<b>60.14%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>8.73</b>	<b>8.28</b>		<b>7.37</b>		<b>8.41</b>		<b>7.29</b>		<b>7.50</b>		<b>7.37</b>		<b>7.22</b>	

*Governmental Funds*

**Chart 4.23 Projected Year-End Balances Graph**



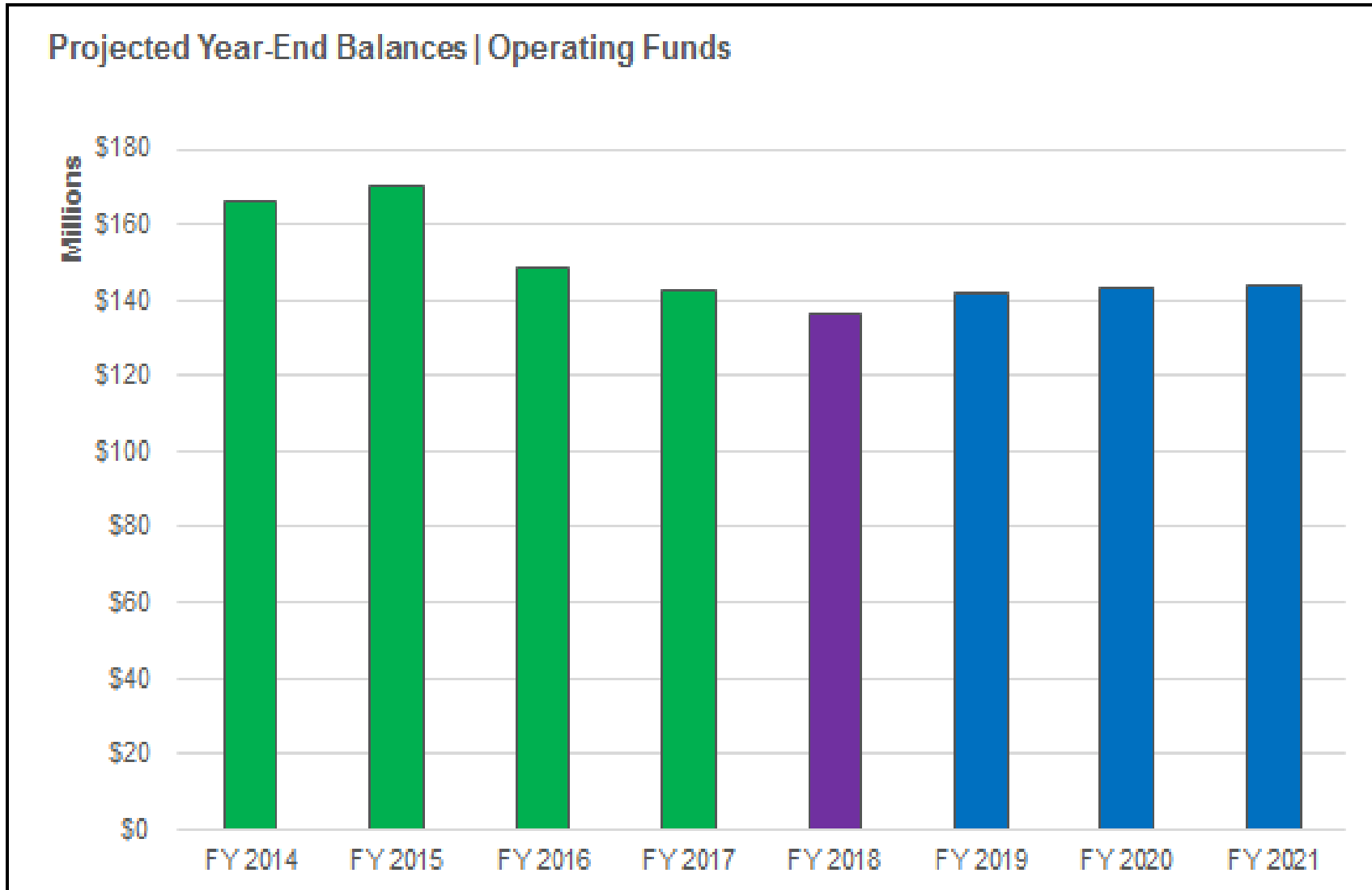
## Operating Funds

### Chart 4.24 Five Year Comparison and Three Year Financial Projection Chart

Operating Funds															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$216,029,563	\$221,416,695	2.49%	\$222,827,547	0.64%	\$225,826,168	1.35%	\$233,305,900	3.31%	\$240,472,695	3.07%	\$243,580,793	1.29%	\$247,690,797	1.69%
State Sources	\$16,518,290	\$16,929,634	2.49%	\$12,848,822	-24.10%	\$14,202,879	10.54%	\$14,621,100	2.94%	\$15,078,100	3.13%	\$15,078,100	0.00%	\$15,078,100	0.00%
Federal Sources	\$6,270,646	\$5,671,036	-9.56%	\$5,371,476	-5.28%	\$4,943,847	-7.96%	\$5,373,000	8.68%	\$5,373,000	0.00%	\$5,373,000	0.00%	\$5,373,000	0.00%
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$238,818,499</b>	<b>\$244,017,365</b>	<b>2.18%</b>	<b>\$241,047,845</b>	<b>-1.22%</b>	<b>\$244,972,894</b>	<b>1.63%</b>	<b>\$253,300,000</b>	<b>3.40%</b>	<b>\$260,923,795</b>	<b>3.01%</b>	<b>\$264,031,893</b>	<b>1.19%</b>	<b>\$268,141,897</b>	<b>1.56%</b>
<b>EXPENDITURES</b>															
Salary	\$137,714,987	\$140,785,439	2.23%	\$145,189,559	3.13%	\$146,125,512	0.64%	\$151,193,415	3.47%	\$152,282,849	0.72%	\$156,668,094	2.88%	\$161,172,136	2.87%
Employee Benefits	\$35,228,142	\$37,516,784	6.50%	\$37,031,391	-1.29%	\$36,453,576	-1.56%	\$42,564,901	16.76%	\$45,117,116	6.00%	\$47,415,312	5.09%	\$49,805,636	5.04%
Purchased Services	\$20,805,952	\$21,066,115	1.25%	\$21,778,048	3.38%	\$23,019,101	5.70%	\$26,314,790	14.32%	\$26,925,861	2.32%	\$27,552,825	2.33%	\$28,196,132	2.33%
Supplies and Materials	\$13,924,836	\$15,900,923	14.19%	\$13,230,214	-16.80%	\$12,507,952	-5.46%	\$12,981,458	3.79%	\$13,220,074	1.84%	\$13,463,699	1.84%	\$13,712,464	1.85%
Capital Outlay	\$5,173,623	\$4,167,883	-19.44%	\$4,103,787	-1.54%	\$3,397,579	-17.21%	\$2,269,480	-33.20%	\$2,307,655	1.68%	\$2,346,561	1.69%	\$2,386,211	1.69%
Other Objects	\$8,817,498	\$8,085,385	-8.30%	\$8,289,241	2.52%	\$6,640,629	-19.89%	\$7,572,202	14.03%	\$7,835,386	3.48%	\$8,107,782	3.48%	\$8,389,711	3.48%
Non-Capitalized Equipment	\$621,573	\$1,106,716	78.05%	\$1,012,115	-8.55%	\$2,138,196	111.26%	\$1,138,754	-46.74%	\$1,156,808	1.59%	\$1,175,152	1.59%	\$1,193,791	1.59%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$222,286,611</b>	<b>\$228,629,245</b>	<b>2.85%</b>	<b>\$230,634,355</b>	<b>0.88%</b>	<b>\$230,282,545</b>	<b>-0.15%</b>	<b>\$244,035,000</b>	<b>5.97%</b>	<b>\$248,845,749</b>	<b>1.97%</b>	<b>\$256,729,424</b>	<b>3.17%</b>	<b>\$264,856,082</b>	<b>3.17%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$16,531,888</b>	<b>\$15,388,120</b>		<b>\$10,413,490</b>		<b>\$14,690,349</b>		<b>\$9,265,000</b>		<b>\$12,078,046</b>		<b>\$7,302,469</b>		<b>\$3,285,815</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$3,193,214		\$385,100		\$426,844		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$3,852,140)	(\$14,125,610)		(\$32,638,281)		(\$20,956,321)		(\$15,265,000)		(\$6,830,000)		(\$5,850,000)		(\$2,500,000)	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(\$3,852,140)</b>	<b>(\$10,932,396)</b>		<b>(\$32,253,181)</b>		<b>(\$20,529,477)</b>		<b>(\$15,265,000)</b>		<b>(\$6,830,000)</b>		<b>(\$5,850,000)</b>		<b>(\$2,500,000)</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>\$12,679,748</b>	<b>\$4,455,724</b>		<b>(\$21,839,691)</b>		<b>(\$5,839,128)</b>		<b>(\$6,000,000)</b>		<b>\$5,248,046</b>		<b>\$1,452,469</b>		<b>\$785,815</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$153,187,240</b>	<b>\$165,866,988</b>		<b>\$170,322,712</b>		<b>\$148,483,021</b>		<b>\$142,643,893</b>		<b>\$136,643,893</b>		<b>\$141,891,939</b>		<b>\$143,344,408</b>	
<b>ENDING FUND BALANCE</b>	<b>\$165,866,988</b>	<b>\$170,322,712</b>		<b>\$148,483,021</b>		<b>\$142,643,893</b>		<b>\$136,643,893</b>		<b>\$141,891,939</b>		<b>\$143,344,408</b>		<b>\$144,130,223</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>74.62%</b>	<b>74.50%</b>		<b>64.38%</b>		<b>61.94%</b>		<b>55.99%</b>		<b>57.02%</b>		<b>55.83%</b>		<b>54.42%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>8.95</b>	<b>8.94</b>		<b>7.73</b>		<b>7.43</b>		<b>6.72</b>		<b>6.84</b>		<b>6.70</b>		<b>6.53</b>	

*Operating Funds*

**Chart 4.25 Projected Year-End Balances Graph**



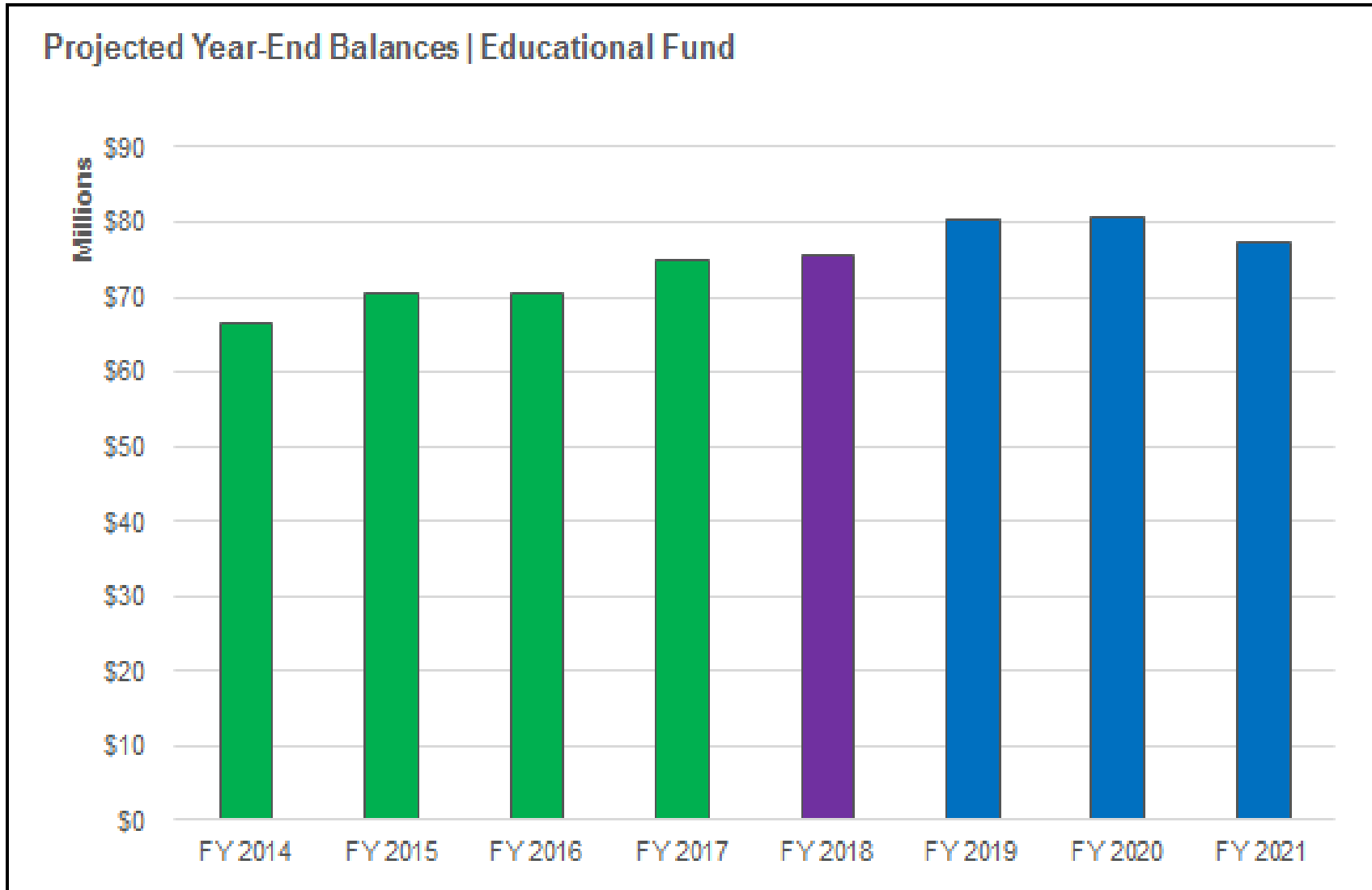
Educational Fund

Chart 4.26 Five Year Comparison and Three Year Financial Projection Chart

Educational Fund															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$169,147,344	\$173,538,513	2.60%	\$173,807,207	0.15%	\$177,087,565	1.89%	\$183,625,900	3.69%	\$189,825,532	3.38%	\$192,241,190	1.27%	\$195,435,544	1.66%
State Sources	\$13,288,241	\$13,780,441	3.70%	\$10,602,531	-23.06%	\$11,554,259	8.98%	\$11,901,100	3.00%	\$12,358,100	3.84%	\$12,358,100	0.00%	\$12,358,100	0.00%
Federal Sources	\$6,270,646	\$5,671,036	-9.56%	\$5,371,476	-5.28%	\$4,943,847	-7.96%	\$5,373,000	8.68%	\$5,373,000	0.00%	\$5,373,000	0.00%	\$5,373,000	0.00%
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$188,706,231</b>	<b>\$192,989,990</b>	<b>2.27%</b>	<b>\$189,781,214</b>	<b>-1.66%</b>	<b>\$193,585,671</b>	<b>2.00%</b>	<b>\$200,900,000</b>	<b>3.78%</b>	<b>\$207,556,632</b>	<b>3.31%</b>	<b>\$209,972,290</b>	<b>1.16%</b>	<b>\$213,166,644</b>	<b>1.52%</b>
<b>EXPENDITURES</b>															
Salary	\$126,249,989	\$129,092,997	2.25%	\$134,251,821	4.00%	\$135,147,469	0.67%	\$139,931,110	3.54%	\$140,847,272	0.65%	\$144,995,810	2.95%	\$149,225,498	2.92%
Employee Benefits	\$24,315,071	\$26,618,860	9.47%	\$26,245,520	-1.40%	\$25,581,977	-2.53%	\$31,023,709	21.27%	\$32,708,573	5.43%	\$34,533,987	5.58%	\$36,471,631	5.61%
Purchased Services	\$10,875,656	\$10,933,148	0.53%	\$11,530,913	5.47%	\$12,052,279	4.52%	\$12,682,967	5.23%	\$12,873,211	1.50%	\$13,066,310	1.50%	\$13,262,304	1.50%
Supplies and Materials	\$8,436,407	\$10,417,270	23.48%	\$8,560,324	-17.83%	\$7,783,193	-9.08%	\$7,355,608	-5.49%	\$7,465,942	1.50%	\$7,577,931	1.50%	\$7,691,600	1.50%
Capital Outlay	\$703,853	\$121,121	-82.79%	\$400,946	231.03%	\$538,881	34.40%	\$442,800	-17.83%	\$449,442	1.50%	\$456,184	1.50%	\$463,026	1.50%
Other Objects	\$8,791,786	\$8,032,785	-8.63%	\$8,235,530	2.52%	\$6,590,748	-19.97%	\$7,519,552	14.09%	\$7,782,736	3.50%	\$8,055,132	3.50%	\$8,337,061	3.50%
Non-Capitalized Equipment	\$525,601	\$830,276	57.97%	\$829,007	-0.15%	\$1,861,628	124.56%	\$944,254	-49.28%	\$958,418	1.50%	\$972,794	1.50%	\$987,386	1.50%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$179,898,363</b>	<b>\$186,046,457</b>	<b>3.42%</b>	<b>\$190,054,061</b>	<b>2.15%</b>	<b>\$189,556,175</b>	<b>-0.26%</b>	<b>\$199,900,000</b>	<b>5.46%</b>	<b>\$203,085,594</b>	<b>1.59%</b>	<b>\$209,658,147</b>	<b>3.24%</b>	<b>\$216,438,507</b>	<b>3.23%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$8,807,868</b>	<b>\$6,943,533</b>		<b>(\$272,847)</b>		<b>\$4,029,496</b>		<b>\$1,000,000</b>		<b>\$4,471,038</b>		<b>\$314,143</b>		<b>(\$3,271,863)</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$293,214		\$385,100		\$426,844		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$216,366)	(\$3,062,062)		(\$197,506)		(\$286,369)		\$0		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(\$216,366)</b>	<b>(\$2,768,848)</b>		<b>\$187,594</b>		<b>\$140,475</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>\$8,591,502</b>	<b>\$4,174,685</b>		<b>(\$85,253)</b>		<b>\$4,169,971</b>		<b>\$1,000,000</b>		<b>\$4,471,038</b>		<b>\$314,143</b>		<b>(\$3,271,863)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$57,894,465</b>	<b>\$66,485,967</b>		<b>\$70,660,652</b>		<b>\$70,575,399</b>		<b>\$74,745,370</b>		<b>\$75,745,370</b>		<b>\$80,216,408</b>		<b>\$80,530,551</b>	
<b>ENDING FUND BALANCE</b>	<b>\$66,485,967</b>	<b>\$70,660,652</b>		<b>\$70,575,399</b>		<b>\$74,745,370</b>		<b>\$75,745,370</b>		<b>\$80,216,408</b>		<b>\$80,530,551</b>		<b>\$77,258,688</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>36.96%</b>	<b>37.98%</b>		<b>37.13%</b>		<b>39.43%</b>		<b>37.89%</b>		<b>39.50%</b>		<b>38.41%</b>		<b>35.70%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>4.43</b>	<b>4.56</b>		<b>4.46</b>		<b>4.73</b>		<b>4.55</b>		<b>4.74</b>		<b>4.61</b>		<b>4.28</b>	

*Educational Fund*

**Chart 4.27 Projected Year-End Balances Graph**



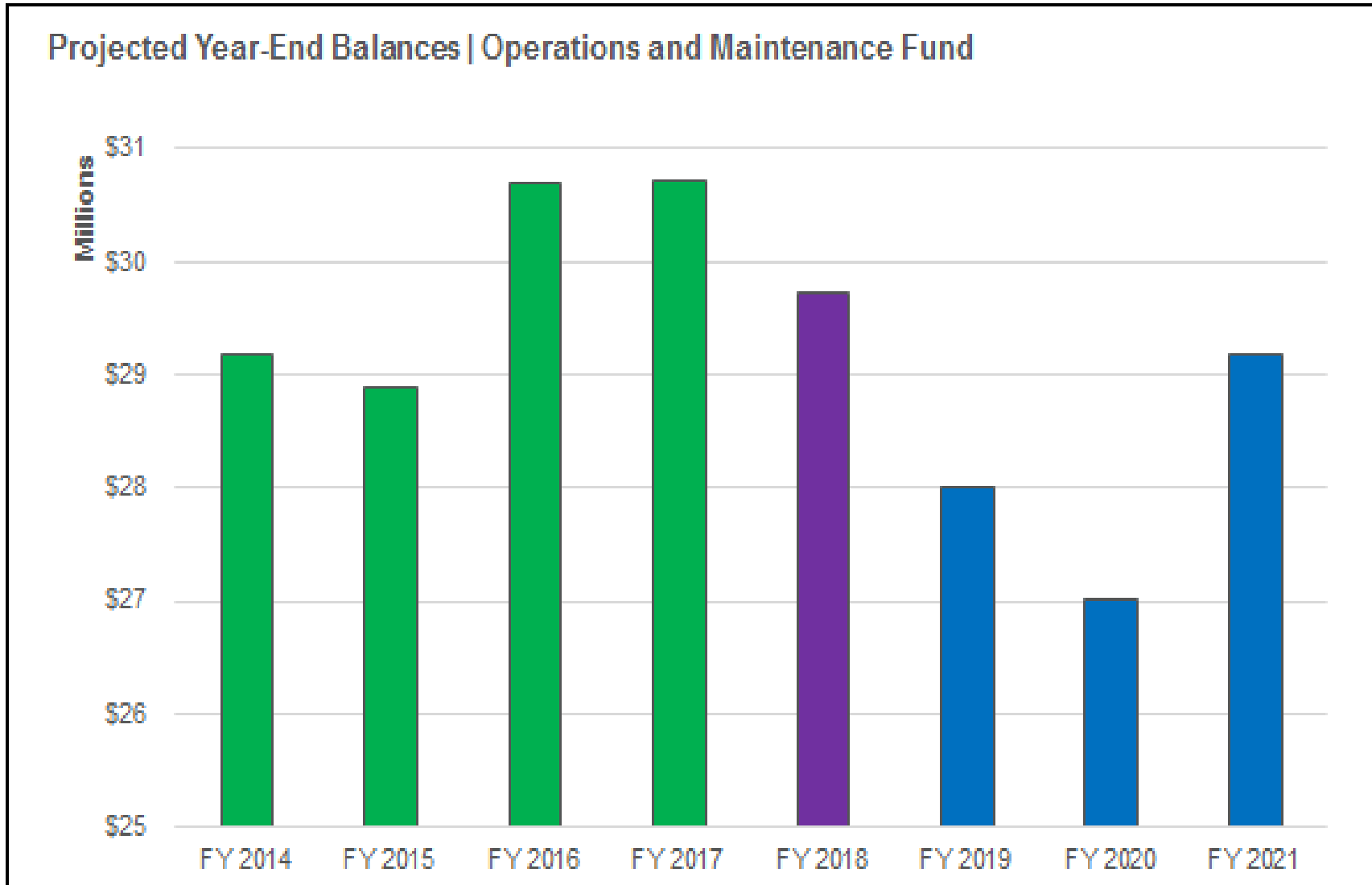
*Operations and Maintenance Fund*

**Chart 4.28 Five Year Comparison and Three Year Financial Projection Chart**

Operations and Maintenance Fund															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$31,371,470	\$32,203,714	2.65%	\$33,013,367	2.51%	\$31,916,485	-3.32%	\$30,850,000	-3.34%	\$29,281,646	-5.08%	\$29,680,176	1.36%	\$30,207,172	1.78%
State Sources	\$28,875	\$0	-100.00%	\$0		\$264,529		\$0	-100.00%	\$0		\$0		\$0	
Federal Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$31,400,345</b>	<b>\$32,203,714</b>	<b>2.56%</b>	<b>\$33,013,367</b>	<b>2.51%</b>	<b>\$32,181,014</b>	<b>-2.52%</b>	<b>\$30,850,000</b>	<b>-4.14%</b>	<b>\$29,281,646</b>	<b>-5.08%</b>	<b>\$29,680,176</b>	<b>1.36%</b>	<b>\$30,207,172</b>	<b>1.78%</b>
<b>EXPENDITURES</b>															
Salary	\$11,348,615	\$11,572,057	1.97%	\$10,801,221	-6.66%	\$10,854,233	0.49%	\$11,123,804	2.48%	\$11,294,637	1.54%	\$11,526,839	2.06%	\$11,798,984	2.36%
Employee Benefits	\$2,596,885	\$2,589,294	-0.29%	\$2,436,045	-5.92%	\$2,619,876	7.55%	\$3,163,066	20.73%	\$3,351,223	5.95%	\$3,550,669	5.95%	\$3,762,082	5.95%
Purchased Services	\$2,479,354	\$2,776,195	11.97%	\$2,193,673	-20.98%	\$2,609,329	18.95%	\$2,374,250	-9.01%	\$2,457,349	3.50%	\$2,543,356	3.50%	\$2,632,373	3.50%
Supplies and Materials	\$4,831,165	\$5,010,570	3.71%	\$4,360,010	-12.98%	\$4,326,802	-0.76%	\$5,100,350	17.88%	\$5,202,357	2.00%	\$5,306,404	2.00%	\$5,412,532	2.00%
Capital Outlay	\$4,124,636	\$3,807,727	-7.68%	\$3,436,521	-9.75%	\$2,651,013	-22.86%	\$1,576,680	-40.53%	\$1,608,213	2.00%	\$1,640,377	2.00%	\$1,673,185	2.00%
Other Objects	\$25,647	\$52,535	104.84%	\$53,646	2.11%	\$49,881	-7.02%	\$52,350	4.95%	\$52,350	0.00%	\$52,350	0.00%	\$52,350	0.00%
Non-Capitalized Equipment	\$95,972	\$276,440	188.04%	\$183,108	-33.76%	\$276,568	51.04%	\$194,500	-29.67%	\$198,390	2.00%	\$202,358	2.00%	\$206,405	2.00%
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$25,502,274</b>	<b>\$26,084,818</b>	<b>2.28%</b>	<b>\$23,464,224</b>	<b>-10.05%</b>	<b>\$23,387,702</b>	<b>-0.33%</b>	<b>\$23,585,000</b>	<b>0.84%</b>	<b>\$24,164,518</b>	<b>2.46%</b>	<b>\$24,822,353</b>	<b>2.72%</b>	<b>\$25,537,911</b>	<b>2.88%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$5,898,071</b>	<b>\$6,118,896</b>		<b>\$9,549,143</b>		<b>\$8,793,312</b>		<b>\$7,265,000</b>		<b>\$5,117,128</b>		<b>\$4,857,823</b>		<b>\$4,669,261</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$2,900,000		\$0		\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$3,185,774)	(\$9,313,548)		(\$7,740,775)		(\$8,769,952)		(\$8,265,000)		(\$6,830,000)		(\$5,850,000)		(\$2,500,000)	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(\$3,185,774)</b>	<b>(\$6,413,548)</b>		<b>(\$7,740,775)</b>		<b>(\$8,769,952)</b>		<b>(\$8,265,000)</b>		<b>(\$6,830,000)</b>		<b>(\$5,850,000)</b>		<b>(\$2,500,000)</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>\$2,712,297</b>	<b>(\$294,652)</b>		<b>\$1,808,368</b>		<b>\$23,360</b>		<b>(\$1,000,000)</b>		<b>(\$1,712,872)</b>		<b>(\$992,177)</b>		<b>\$2,169,261</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$26,466,887</b>	<b>\$29,179,184</b>		<b>\$28,884,532</b>		<b>\$30,692,900</b>		<b>\$30,716,260</b>		<b>\$29,716,260</b>		<b>\$28,003,388</b>		<b>\$27,011,210</b>	
<b>ENDING FUND BALANCE</b>	<b>\$29,179,184</b>	<b>\$28,884,532</b>		<b>\$30,692,900</b>		<b>\$30,716,260</b>		<b>\$29,716,260</b>		<b>\$28,003,388</b>		<b>\$27,011,210</b>		<b>\$29,180,471</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>114.42%</b>	<b>110.73%</b>		<b>130.81%</b>		<b>131.34%</b>		<b>126.00%</b>		<b>115.89%</b>		<b>108.82%</b>		<b>114.26%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>13.73</b>	<b>13.29</b>		<b>15.70</b>		<b>15.76</b>		<b>15.12</b>		<b>13.91</b>		<b>13.06</b>		<b>13.71</b>	

*Operations and Maintenance Fund*

**Chart 4.29 Projected Year-End Balances Graph**





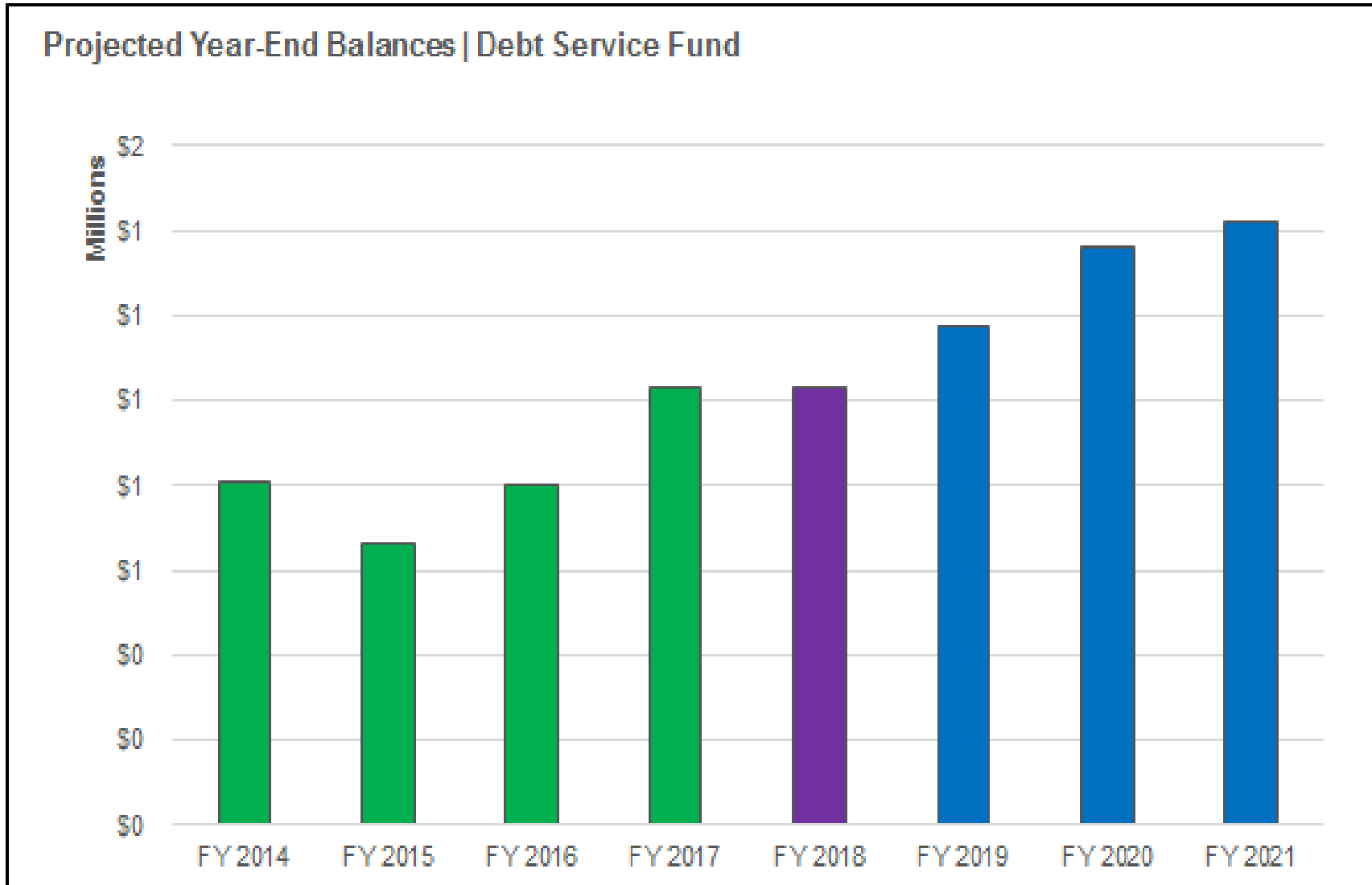
Debt Service Fund

Chart 4.30 Five Year Comparison and Three Year Financial Projection Chart

Debt Service Fund															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$3,228,988	\$3,290,383	1.90%	\$3,358,751	2.08%	\$3,339,606	-0.57%	\$3,395,000	1.66%	\$3,475,305	2.37%	\$3,495,588	0.58%	\$3,511,074	0.44%
State Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Federal Sources	\$230,245	\$206,424	-10.35%	\$178,544	-13.51%	\$145,357	-18.59%	\$140,000	-3.69%	\$140,000	0.00%	\$140,000	0.00%	(\$10,000)	-107.14%
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$3,459,233</b>	<b>\$3,496,807</b>	<b>1.09%</b>	<b>\$3,537,295</b>	<b>1.16%</b>	<b>\$3,484,963</b>	<b>-1.48%</b>	<b>\$3,535,000</b>	<b>1.44%</b>	<b>\$3,615,305</b>	<b>2.27%</b>	<b>\$3,635,588</b>	<b>0.56%</b>	<b>\$3,501,074</b>	<b>-3.70%</b>
<b>EXPENDITURES</b>															
Salary	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Employee Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Purchased Services	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Supplies and Materials	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$7,319,754	\$7,266,118	-0.73%	\$6,836,695	-5.91%	\$6,768,047	-1.00%	\$6,800,000	0.47%	\$6,800,000	0.00%	\$6,800,000	0.00%	\$3,443,030	-49.37%
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$7,319,754</b>	<b>\$7,266,118</b>	<b>-0.73%</b>	<b>\$6,836,695</b>	<b>-5.91%</b>	<b>\$6,768,047</b>	<b>-1.00%</b>	<b>\$6,800,000</b>	<b>0.47%</b>	<b>\$6,800,000</b>	<b>0.00%</b>	<b>\$6,800,000</b>	<b>0.00%</b>	<b>\$3,443,030</b>	<b>-49.37%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(\$3,860,521)</b>	<b>(\$3,769,311)</b>		<b>(\$3,299,400)</b>		<b>(\$3,283,084)</b>		<b>(\$3,265,000)</b>		<b>(\$3,184,695)</b>		<b>(\$3,164,412)</b>		<b>\$58,044</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$3,852,140	\$3,725,610		\$3,438,281		\$13,026,815		\$3,265,000		\$3,330,000		\$3,350,000		\$0	
Other Financing Uses	\$0	\$0		\$0		(\$9,514,822)		\$0		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>\$3,852,140</b>	<b>\$3,725,610</b>		<b>\$3,438,281</b>		<b>\$3,511,993</b>		<b>\$3,265,000</b>		<b>\$3,330,000</b>		<b>\$3,350,000</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>(\$8,381)</b>	<b>(\$43,701)</b>		<b>\$138,881</b>		<b>\$228,909</b>		<b>\$0</b>		<b>\$145,305</b>		<b>\$185,588</b>		<b>\$58,044</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$815,835</b>	<b>\$707,454</b>		<b>\$663,753</b>		<b>\$802,634</b>		<b>\$1,031,543</b>		<b>\$1,031,543</b>		<b>\$1,176,848</b>		<b>\$1,362,436</b>	
<b>ENDING FUND BALANCE</b>	<b>\$807,454</b>	<b>\$663,753</b>		<b>\$802,634</b>		<b>\$1,031,543</b>		<b>\$1,031,543</b>		<b>\$1,176,848</b>		<b>\$1,362,436</b>		<b>\$1,420,480</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>11.03%</b>	<b>9.13%</b>		<b>11.74%</b>		<b>15.24%</b>		<b>15.17%</b>		<b>17.31%</b>		<b>20.04%</b>		<b>41.26%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>1.32</b>	<b>1.10</b>		<b>1.41</b>		<b>1.83</b>		<b>1.82</b>		<b>2.08</b>		<b>2.40</b>		<b>4.95</b>	

*Debt Service Fund*

**Chart 4.31 Projected Year-End Balances Graph**



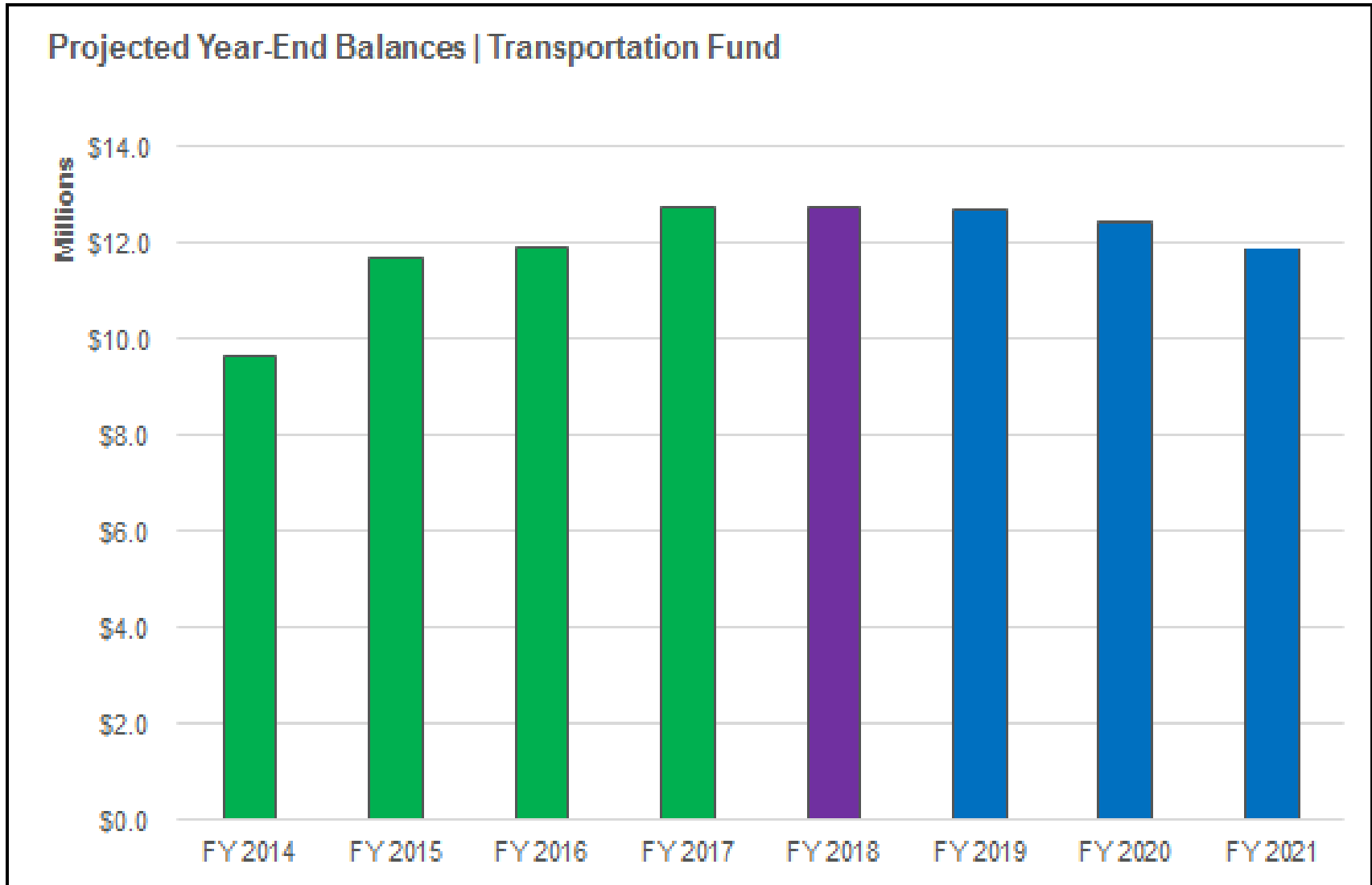
*Transportation Fund*

**Chart 4.32 Five Year Comparison and Three Year Financial Projection Chart**

Transportation Fund															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$7,381,598	\$7,137,658	-3.30%	\$6,784,003	-4.95%	\$7,602,438	12.06%	\$9,480,000	24.70%	\$9,793,754	3.31%	\$9,932,561	1.42%	\$10,116,114	1.85%
State Sources	\$3,201,174	\$3,149,193	-1.62%	\$2,246,291	-28.67%	\$2,384,091	6.13%	\$2,720,000	14.09%	\$2,720,000	0.00%	\$2,720,000	0.00%	\$2,720,000	0.00%
Federal Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$10,582,772</b>	<b>\$10,286,851</b>	<b>-2.80%</b>	<b>\$9,030,294</b>	<b>-12.22%</b>	<b>\$9,986,529</b>	<b>10.59%</b>	<b>\$12,200,000</b>	<b>22.16%</b>	<b>\$12,513,754</b>	<b>2.57%</b>	<b>\$12,652,561</b>	<b>1.11%</b>	<b>\$12,836,114</b>	<b>1.45%</b>
<b>EXPENDITURES</b>															
Salary	\$116,383	\$120,385	3.44%	\$136,517	13.40%	\$123,810	-9.31%	\$138,501	11.87%	\$140,941	1.76%	\$145,445	3.20%	\$147,655	1.52%
Employee Benefits	\$51,540	\$51,294	-0.48%	\$41,640	-18.82%	\$45,410	9.05%	\$28,126	-38.06%	\$29,814	6.00%	\$31,602	6.00%	\$33,499	6.00%
Purchased Services	\$7,450,942	\$7,356,772	-1.26%	\$8,053,462	9.47%	\$8,357,493	3.78%	\$11,257,573	34.70%	\$11,595,301	3.00%	\$11,943,160	3.00%	\$12,301,454	3.00%
Supplies and Materials	\$657,264	\$473,083	-28.02%	\$309,880	-34.50%	\$397,957	28.42%	\$525,500	32.05%	\$551,775	5.00%	\$579,364	5.00%	\$608,332	5.00%
Capital Outlay	\$345,134	\$239,035	-30.74%	\$266,320	11.41%	\$207,685	-22.02%	\$250,000	20.37%	\$250,000	0.00%	\$250,000	0.00%	\$250,000	0.00%
Other Objects	\$65	\$65	0.00%	\$65	0.00%	\$0	-100.00%	\$300		\$300	0.00%	\$300	0.00%	\$300	0.00%
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$8,621,328</b>	<b>\$8,240,634</b>	<b>-4.42%</b>	<b>\$8,807,884</b>	<b>6.88%</b>	<b>\$9,132,355</b>	<b>3.68%</b>	<b>\$12,200,000</b>	<b>33.59%</b>	<b>\$12,568,130</b>	<b>3.02%</b>	<b>\$12,949,871</b>	<b>3.04%</b>	<b>\$13,341,239</b>	<b>3.02%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>\$1,961,444</b>	<b>\$2,046,217</b>		<b>\$222,410</b>		<b>\$854,174</b>		<b>\$0</b>		<b>(\$54,376)</b>		<b>(\$297,310)</b>		<b>(\$505,125)</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>\$1,961,444</b>	<b>\$2,046,217</b>		<b>\$222,410</b>		<b>\$854,174</b>		<b>\$0</b>		<b>(\$54,376)</b>		<b>(\$297,310)</b>		<b>(\$505,125)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$7,684,254</b>	<b>\$9,645,698</b>		<b>\$11,691,915</b>		<b>\$11,914,325</b>		<b>\$12,768,499</b>		<b>\$12,768,499</b>		<b>\$12,714,123</b>		<b>\$12,416,813</b>	
<b>ENDING FUND BALANCE</b>	<b>\$9,645,698</b>	<b>\$11,691,915</b>		<b>\$11,914,325</b>		<b>\$12,768,499</b>		<b>\$12,768,499</b>		<b>\$12,714,123</b>		<b>\$12,416,813</b>		<b>\$11,911,688</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>111.88%</b>	<b>141.88%</b>		<b>135.27%</b>		<b>139.82%</b>		<b>104.66%</b>		<b>101.16%</b>		<b>95.88%</b>		<b>89.28%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>13.43</b>	<b>17.03</b>		<b>16.23</b>		<b>16.78</b>		<b>12.56</b>		<b>12.14</b>		<b>11.51</b>		<b>10.71</b>	

*Transportation Fund*

**Chart 4.33 Projected Year-End Balances Graph**



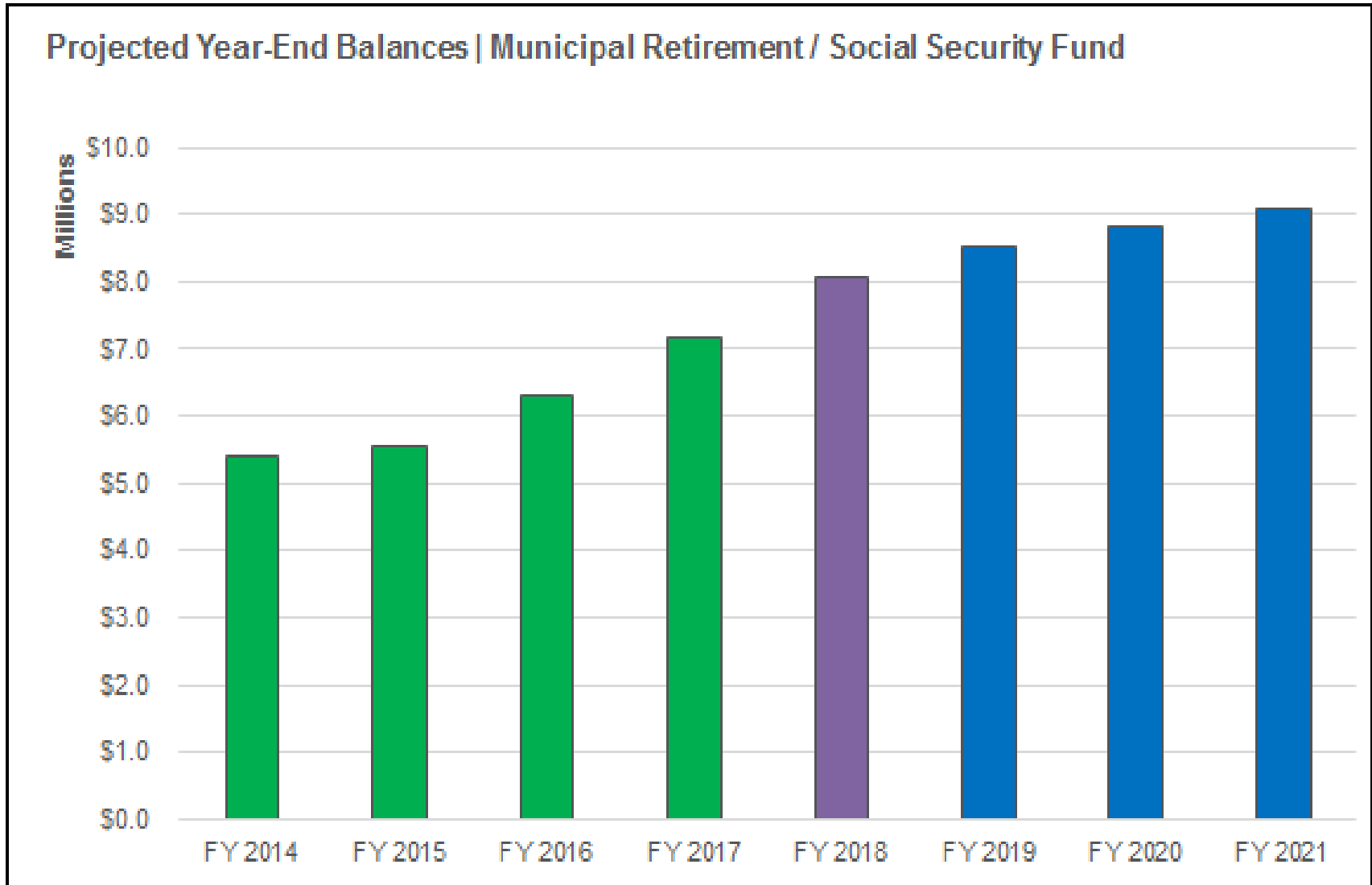
*Municipal Retirement/Social Security Fund*

**Chart 4.34 Five Year Comparison and Three Year Financial Projection Chart**

Municipal Retirement / Social Security Fund															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$8,005,379	\$8,397,041	4.89%	\$9,055,101	7.84%	\$9,083,902	0.32%	\$9,250,000	1.83%	\$9,483,562	2.52%	\$9,610,195	1.34%	\$9,777,650	1.74%
State Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Federal Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$8,005,379</b>	<b>\$8,397,041</b>	<b>4.89%</b>	<b>\$9,055,101</b>	<b>7.84%</b>	<b>\$9,083,902</b>	<b>0.32%</b>	<b>\$9,250,000</b>	<b>1.83%</b>	<b>\$9,483,562</b>	<b>2.52%</b>	<b>\$9,610,195</b>	<b>1.34%</b>	<b>\$9,777,650</b>	<b>1.74%</b>
<b>EXPENDITURES</b>															
Salary	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Employee Benefits	\$8,264,646	\$8,257,336	-0.09%	\$8,308,186	0.62%	\$8,206,313	-1.23%	\$8,350,000	1.75%	\$9,027,506	8.11%	\$9,299,053	3.01%	\$9,538,425	2.57%
Purchased Services	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Supplies and Materials	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$8,264,646</b>	<b>\$8,257,336</b>	<b>-0.09%</b>	<b>\$8,308,186</b>	<b>0.62%</b>	<b>\$8,206,313</b>	<b>-1.23%</b>	<b>\$8,350,000</b>	<b>1.75%</b>	<b>\$9,027,506</b>	<b>8.11%</b>	<b>\$9,299,053</b>	<b>3.01%</b>	<b>\$9,538,425</b>	<b>2.57%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(\$259,267)</b>	<b>\$139,705</b>		<b>\$746,915</b>		<b>\$877,589</b>		<b>\$900,000</b>		<b>\$456,056</b>		<b>\$311,142</b>		<b>\$239,225</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>(\$259,267)</b>	<b>\$139,705</b>		<b>\$746,915</b>		<b>\$877,589</b>		<b>\$900,000</b>		<b>\$456,056</b>		<b>\$311,142</b>		<b>\$239,225</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$5,660,738</b>	<b>\$5,401,471</b>		<b>\$5,541,176</b>		<b>\$6,288,091</b>		<b>\$7,165,680</b>		<b>\$8,065,680</b>		<b>\$8,521,736</b>		<b>\$8,832,878</b>	
<b>ENDING FUND BALANCE</b>	<b>\$5,401,471</b>	<b>\$5,541,176</b>		<b>\$6,288,091</b>		<b>\$7,165,680</b>		<b>\$8,065,680</b>		<b>\$8,521,736</b>		<b>\$8,832,878</b>		<b>\$9,072,103</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>65.36%</b>	<b>67.11%</b>		<b>75.69%</b>		<b>87.32%</b>		<b>96.59%</b>		<b>94.40%</b>		<b>94.99%</b>		<b>95.11%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>7.84</b>	<b>8.05</b>		<b>9.08</b>		<b>10.48</b>		<b>11.59</b>		<b>11.33</b>		<b>11.40</b>		<b>11.41</b>	

*Municipal Retirement/Social Security Fund*

**Chart 4.35 Projected Year-End Balances Graph**



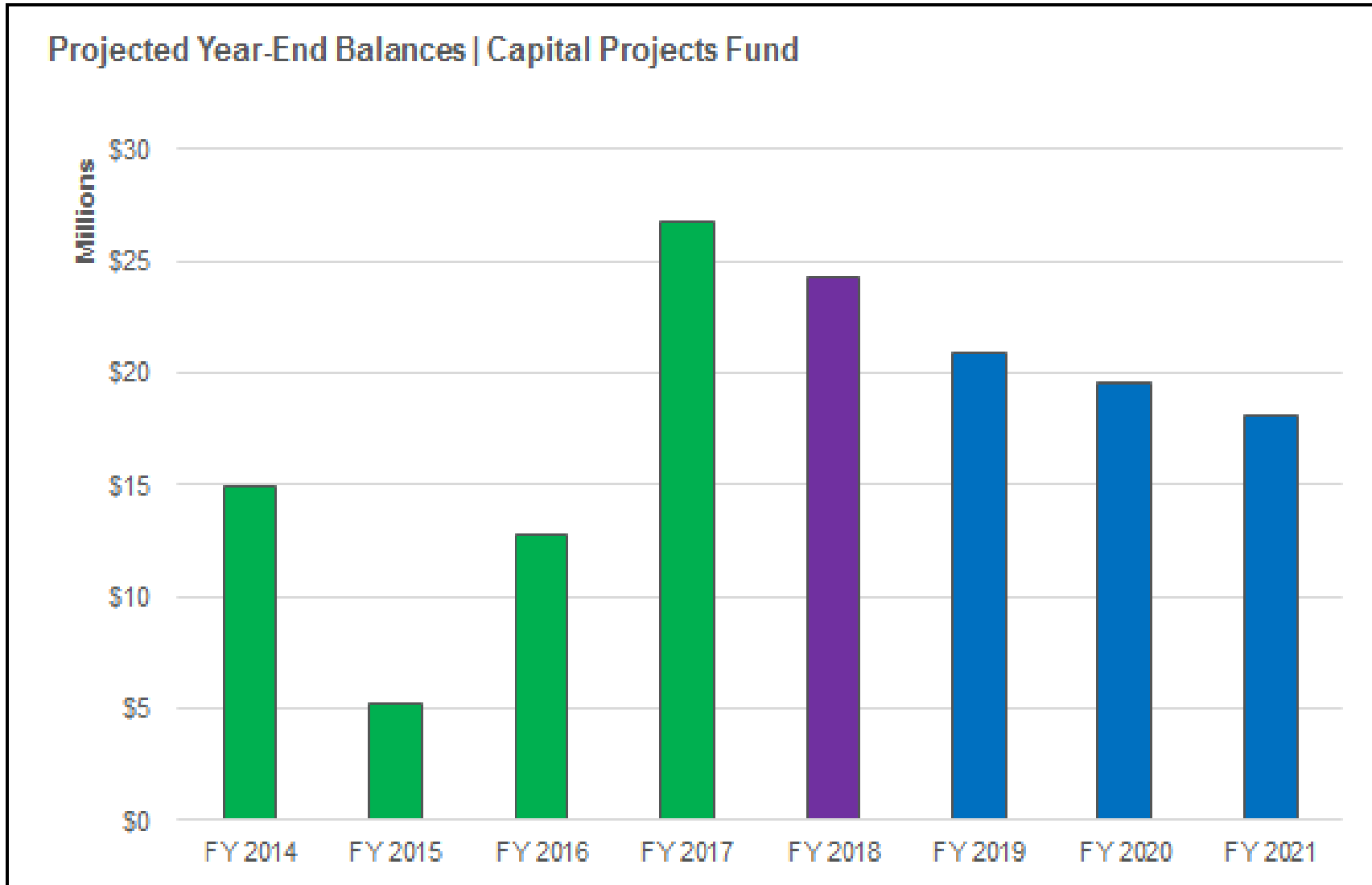
Capital Projects Fund

Chart 4.36 Five Year Comparison and Three Year Financial Projection Chart

Capital Projects Fund															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	ESTIMATE FY 2019	% Δ	ESTIMATE FY 2020	% Δ	ESTIMATE FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$5,511,008	\$1,417,383	-74.28%	\$4,837,101	241.27%	\$3,012,291	-37.73%	\$1,300,000	-56.84%	\$100,000	-92.31%	\$100,000	0.00%	\$100,000	0.00%
State Sources	\$100,000	\$100,000	0.00%	\$0	-100.00%	\$0		\$0		\$0		\$0		\$0	
Federal Sources	\$356,720	\$658,389	84.57%	\$0	-100.00%	\$0		\$0		\$0		\$0		\$0	
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$5,967,728</b>	<b>\$2,175,772</b>	<b>-63.54%</b>	<b>\$4,837,101</b>	<b>122.32%</b>	<b>\$3,012,291</b>	<b>-37.73%</b>	<b>\$1,300,000</b>	<b>-56.84%</b>	<b>\$100,000</b>	<b>-92.31%</b>	<b>\$100,000</b>	<b>0.00%</b>	<b>\$100,000</b>	<b>0.00%</b>
<b>EXPENDITURES</b>															
Salary	\$5,562	\$10,236	84.03%	\$44,702	336.71%	\$0	-100.00%	\$0		\$0		\$0		\$0	
Employee Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Purchased Services	\$69,577	\$99,759	43.38%	(\$24,220)	-124.28%	\$0	-100.00%	\$0		\$0		\$0		\$0	
Supplies and Materials	\$0	\$28,640		\$9,518	-66.77%	\$0	-100.00%	\$0		\$0		\$0		\$0	
Capital Outlay	\$19,515,678	\$19,297,266	-1.12%	\$26,429,740	36.96%	\$6,379,560	-75.86%	\$15,800,000	147.67%	\$7,000,000	-55.70%	\$4,000,000	-42.86%	\$4,000,000	0.00%
Other Objects	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$19,590,817</b>	<b>\$19,435,901</b>	<b>-0.79%</b>	<b>\$26,459,740</b>	<b>36.14%</b>	<b>\$6,379,560</b>	<b>-75.89%</b>	<b>\$15,800,000</b>	<b>147.67%</b>	<b>\$7,000,000</b>	<b>-55.70%</b>	<b>\$4,000,000</b>	<b>-42.86%</b>	<b>\$4,000,000</b>	<b>0.00%</b>
<b>SURPLUS/(DEFICIT)</b>	<b>(\$13,623,089)</b>	<b>(\$17,260,129)</b>		<b>(\$21,622,639)</b>		<b>(\$3,367,269)</b>		<b>(\$14,500,000)</b>		<b>(\$6,900,000)</b>		<b>(\$3,900,000)</b>		<b>(\$3,900,000)</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$7,500,000		\$29,200,000		\$17,400,000		\$12,000,000		\$3,500,000		\$2,500,000		\$2,500,000	
Other Financing Uses	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>\$0</b>	<b>\$7,500,000</b>		<b>\$29,200,000</b>		<b>\$17,400,000</b>		<b>\$12,000,000</b>		<b>\$3,500,000</b>		<b>\$2,500,000</b>		<b>\$2,500,000</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>(\$13,623,089)</b>	<b>(\$9,760,129)</b>		<b>\$7,577,361</b>		<b>\$14,032,731</b>		<b>(\$2,500,000)</b>		<b>(\$3,400,000)</b>		<b>(\$1,400,000)</b>		<b>(\$1,400,000)</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$28,573,722</b>	<b>\$14,950,633</b>		<b>\$5,190,504</b>		<b>\$12,767,865</b>		<b>\$26,800,596</b>		<b>\$24,300,596</b>		<b>\$20,900,596</b>		<b>\$19,500,596</b>	
<b>ENDING FUND BALANCE</b>	<b>\$14,950,633</b>	<b>\$5,190,504</b>		<b>\$12,767,865</b>		<b>\$26,800,596</b>		<b>\$24,300,596</b>		<b>\$20,900,596</b>		<b>\$19,500,596</b>		<b>\$18,100,596</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>76.31%</b>	<b>26.71%</b>		<b>48.25%</b>		<b>420.10%</b>		<b>153.80%</b>		<b>298.58%</b>		<b>487.51%</b>		<b>452.51%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>9.16</b>	<b>3.20</b>		<b>5.79</b>		<b>50.41</b>		<b>18.46</b>		<b>35.83</b>		<b>58.50</b>		<b>54.30</b>	

*Capital Projects Fund*

**Chart 4.37 Projected Year-End Balances Graph**





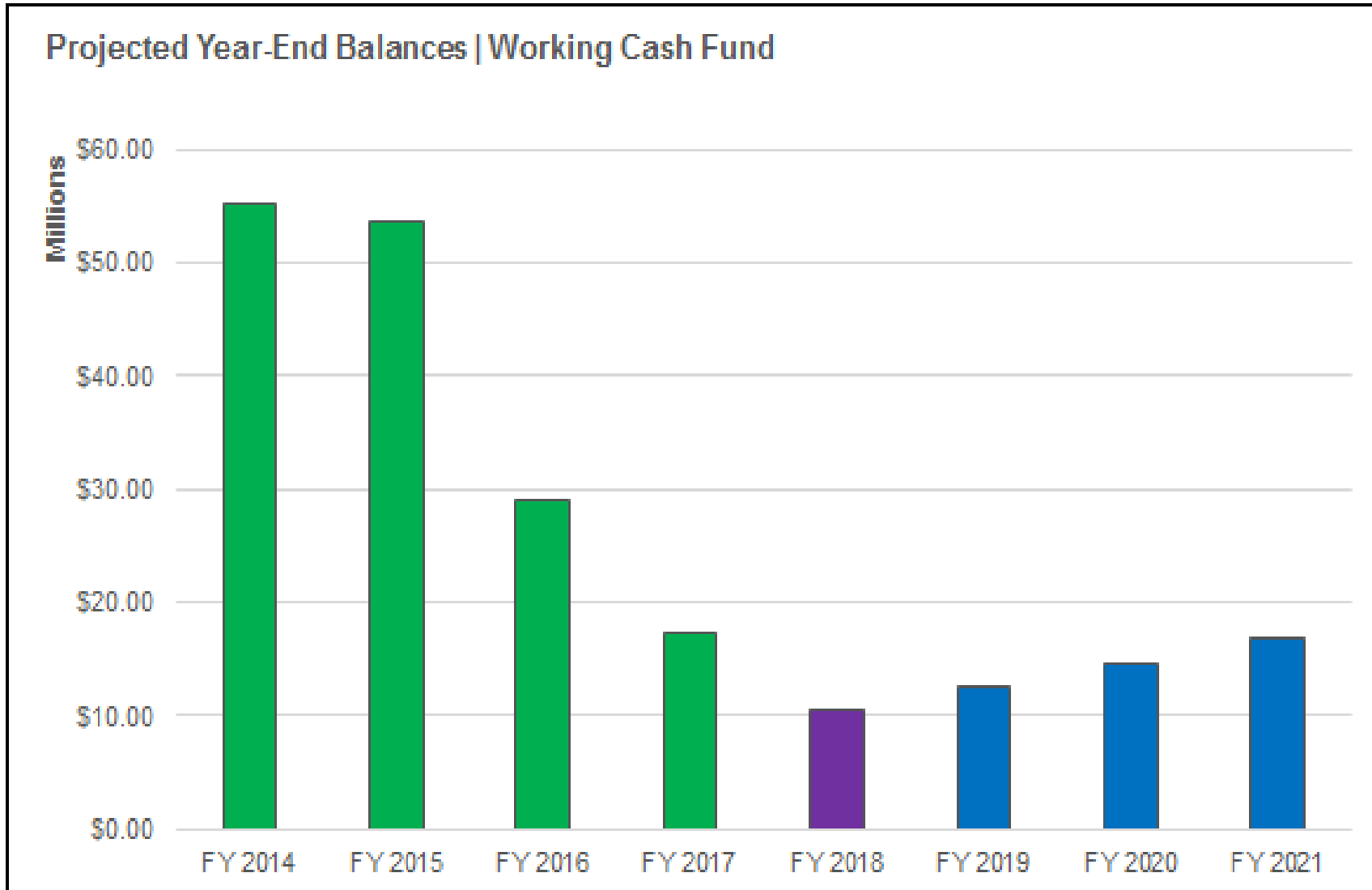
**Working Cash Fund**

**Chart 4.38 Five Year Comparison and Three Year Financial Projection Chart**

Working Cash Fund															
Revenues By Source and Expenditures By Object															
	ACTUAL FY 2014	ACTUAL FY 2015	% Δ	ACTUAL FY 2016	% Δ	ACTUAL FY 2017	% Δ	BUDGET FY 2018	% Δ	PROJECTED FY 2019	% Δ	PROJECTED FY 2020	% Δ	PROJECTED FY 2021	% Δ
<b>REVENUES</b>															
Local Sources	\$123,772	\$139,769	12.92%	\$167,869	20.10%	\$135,778	-19.12%	\$100,000	-26.35%	\$2,088,201	1988.20%	\$2,116,671	1.36%	\$2,154,317	1.78%
State Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Federal Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Flow-Through	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL REVENUES</b>	<b>\$123,772</b>	<b>\$139,769</b>	<b>12.92%</b>	<b>\$167,869</b>	<b>20.10%</b>	<b>\$135,778</b>	<b>-19.12%</b>	<b>\$100,000</b>	<b>-26.35%</b>	<b>\$2,088,201</b>	<b>1988.20%</b>	<b>\$2,116,671</b>	<b>1.36%</b>	<b>\$2,154,317</b>	<b>1.78%</b>
<b>EXPENDITURES</b>															
Salary	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Employee Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Purchased Services	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Supplies and Materials	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Capital Outlay	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Objects	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Non-Capitalized Equipment	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Termination Benefits	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Provisions for Contingencies	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT)</b>	<b>\$123,772</b>	<b>\$139,769</b>		<b>\$167,869</b>		<b>\$135,778</b>		<b>\$100,000</b>		<b>\$2,088,201</b>		<b>\$2,116,671</b>		<b>\$2,154,317</b>	
<b>OTHER FINANCING SOURCES/(USES)</b>															
Other Financing Sources	\$0	\$0		\$0		\$0		\$0		\$0		\$0		\$0	
Other Financing Uses	(\$450,000)	(\$1,750,000)		(\$24,700,000)		(\$11,900,000)		(\$7,000,000)		\$0		\$0		\$0	
<b>TOTAL OTHER FINANCING SOURCES/(USES)</b>	<b>(\$450,000)</b>	<b>(\$1,750,000)</b>		<b>(\$24,700,000)</b>		<b>(\$11,900,000)</b>		<b>(\$7,000,000)</b>		<b>\$0</b>		<b>\$0</b>		<b>\$0</b>	
<b>SURPLUS/(DEFICIT) WITH OTHER SOURCES/(USES)</b>	<b>(\$326,228)</b>	<b>(\$1,610,231)</b>		<b>(\$24,532,131)</b>		<b>(\$11,764,222)</b>		<b>(\$6,900,000)</b>		<b>\$2,088,201</b>		<b>\$2,116,671</b>		<b>\$2,154,317</b>	
<b>BEGINNING FUND BALANCE</b>	<b>\$55,480,896</b>	<b>\$55,254,668</b>		<b>\$53,644,437</b>		<b>\$29,112,306</b>		<b>\$17,348,084</b>		<b>\$10,448,084</b>		<b>\$12,536,285</b>		<b>\$14,652,956</b>	
<b>ENDING FUND BALANCE</b>	<b>\$55,154,668</b>	<b>\$53,644,437</b>		<b>\$29,112,306</b>		<b>\$17,348,084</b>		<b>\$10,448,084</b>		<b>\$12,536,285</b>		<b>\$14,652,956</b>		<b>\$16,807,273</b>	
<b>FUND BALANCE AS % OF EXPENDITURES</b>	<b>0.00%</b>	<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>		<b>0.00%</b>	
<b>FUND BALANCE AS # OF MONTHS OF EXPENDITURES</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>		<b>0.00</b>	

*Working Cash Fund*

**Chart 4.39 Projected Year-End Balances Graph**



## ***Enrollment Methodology***

The projection is based on a two-year cohort survival ratio that averages two years of the number of students in one grade level to the subsequent grade level the following year. This ratio is then applied to the current actual year enrollment to project the fall housing count for next year. Ninth grade enrollment projections are based on a similar methodology applied to fall housing counts for the sender middle schools obtained through the ISBE IWAS Fall Housing report. Sender school students are then ‘assigned’ to the relevant high schools.

The District total enrollment has decreased since the 2011-2012 school year, but moved slightly up in 2016-2017 and is projected to remain fairly consistent in 2017-2018. Enrollment projection based on two-year enrollment history provides a better estimate of enrollment for the near future. Our projection history has shown that it projects the District total better than the enrollment for each school.

The 4 year and 9 year Cohort Survival Ratios are projecting a trend of decreasing enrollments through 2019-2020; these enrollment projections are NOT predictions. These figures are a best estimate based upon historical and current information. As the future differs from the past, the reliability of these projections will be directly affected. Changes in the economy, sociological patterns of behavior, state and/or federal legislative educational reform initiatives, the enrollment numbers from the elementary districts, etc. could significantly alter the assumptions that trigger these projections.

**Chart 4.40 Student Enrollment Projection Accuracy**

<b>Table 2 Enrollment Projection Accuracy</b>					
<b>Six School Enrollment</b>	<b>2Y CSR Enrollment Projection</b>	<b>Fall Housing Enrollment</b>	<b>Difference</b>	<b>% Different</b>	<b>% Diff (Old Methodology)</b>
2011-12	11796	11911	115	1.0%	2.7%
2012-13	11749	11715	-34	-0.3%	0.3%
2013-14	11652	11579	-73	-0.6%	-0.4%
2014-15	11540	11549	9	0.1%	-0.1%
2015-16	11598	11681	83	0.7%	1.8%
2016-17	11711	11778	67	0.6%	

**Chart 4.41 Student Enrollment History for Six High Schools**

SCHOOL	2012	2013	2014	2015	2016	2017	2018 PROJ
BGHS	2091	2020	1930	1899	1960	1978	2022
EGHS	2004	1977	1935	1906	1925	1922	1928
JHHS	2029	2037	2019	1946	1897	1907	1903
PHS	2128	2087	2104	2166	2179	2165	2149
RMHS	1861	1828	1810	1904	1927	1969	1961
WHS	1798	1766	1781	1728	1793	1837	1837
<b>On-Site</b>	<b>11911</b>	<b>11715</b>	<b>11579</b>	<b>11549</b>	<b>11681</b>	<b>11778</b>	<b>11789</b>

\*On-Site Projections are calculated separately from building totals so may differ from the sum of the buildings

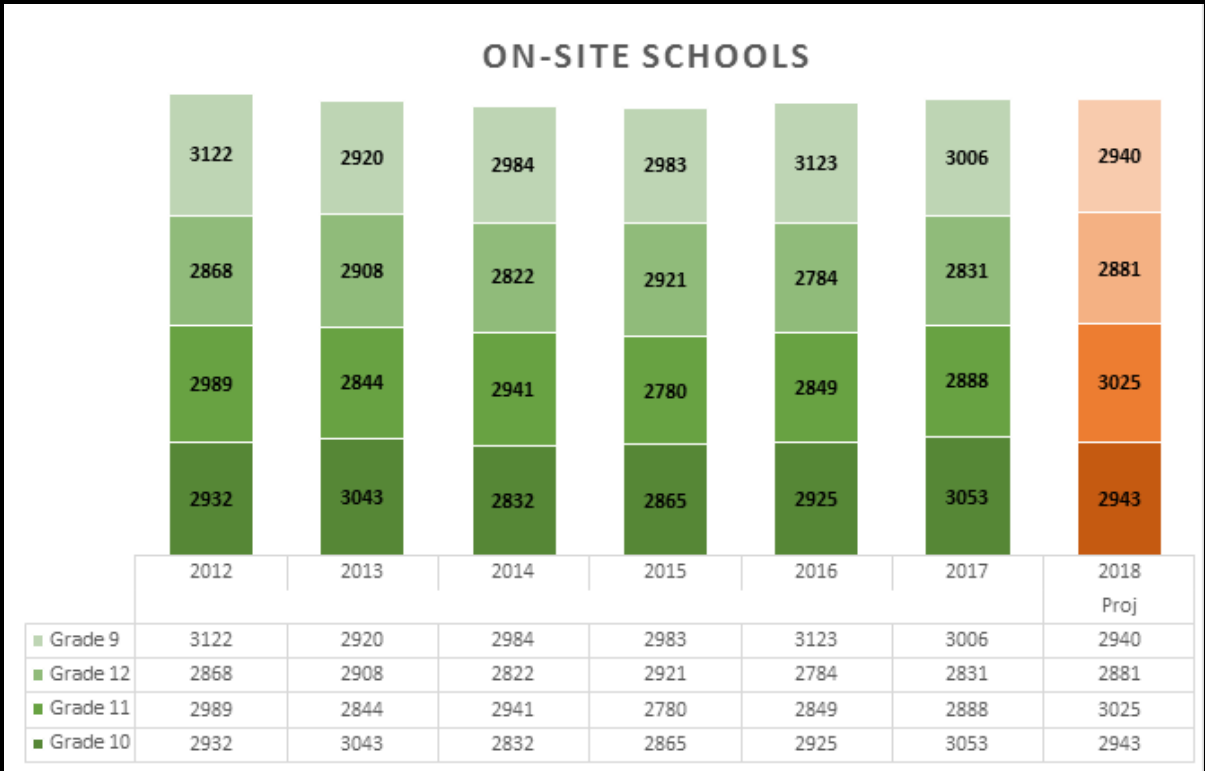
The Two-Year Cohort Survival Ratio model has proven to be fairly accurate in aggregate for the district overall in recent years. Unfortunately, these projections are less accurate at the building and grade levels.

Enrollments are predicted to remain fairly consistent for the district, with variation by school. A few schools have projected increases (BGHS, EGHS) while others show slight decreases (JHHS, PHS, RMHS). Buffalo Grove High School is projected to experience the largest increase, of 44 students, in 2018. Prospect High School is projected to experience the largest drop, of 16 students, in 2018.

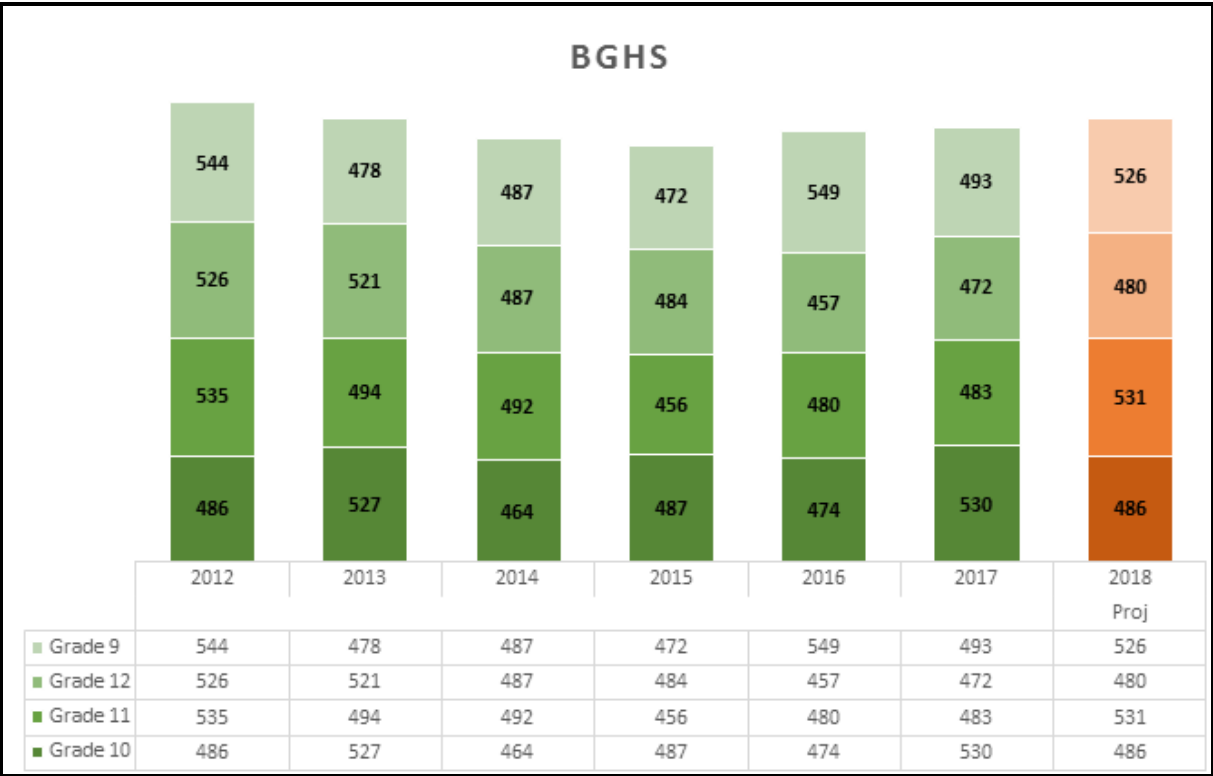
This report contains tables that show the enrollment history from 2011-2012 to 2016-2017 and the projected enrollments for 2017-2018. The projected total District enrollment for 2017-2018 school year is 11,789, a possible increase of 11 students. This year the methodology has shifted from a sender school supplied data to an ISBE IWAS data acquisition and a series of prorated projections. These data are the projection upon which staffing decisions are based. Enrollments are expected to remain fairly consistent across the district from the actual, as well as, prior year projections.

Based on departmental transitioning, the Enrollment Projections prepared for 2017-2018 demonstrate the history and the projections for 2017–2018. District 214 assumes consistent enrollment for financial projections.

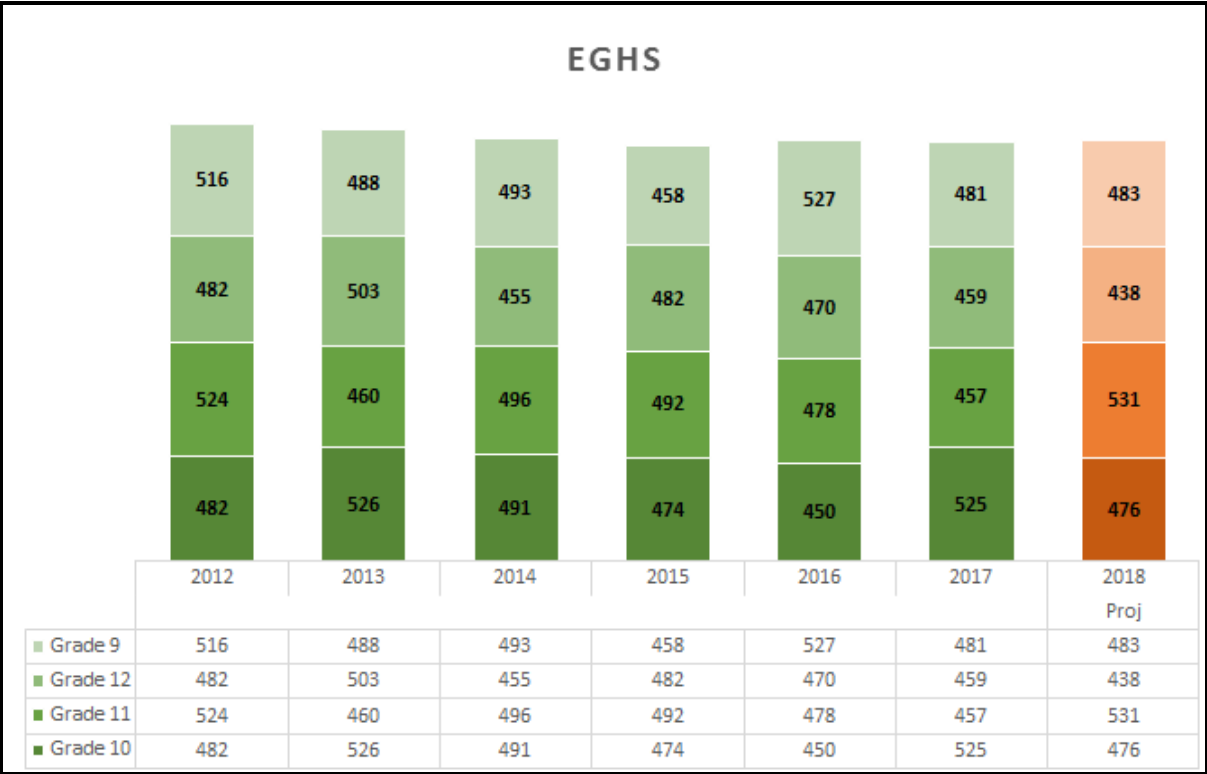
**Chart 4.42 On-Site Schools**



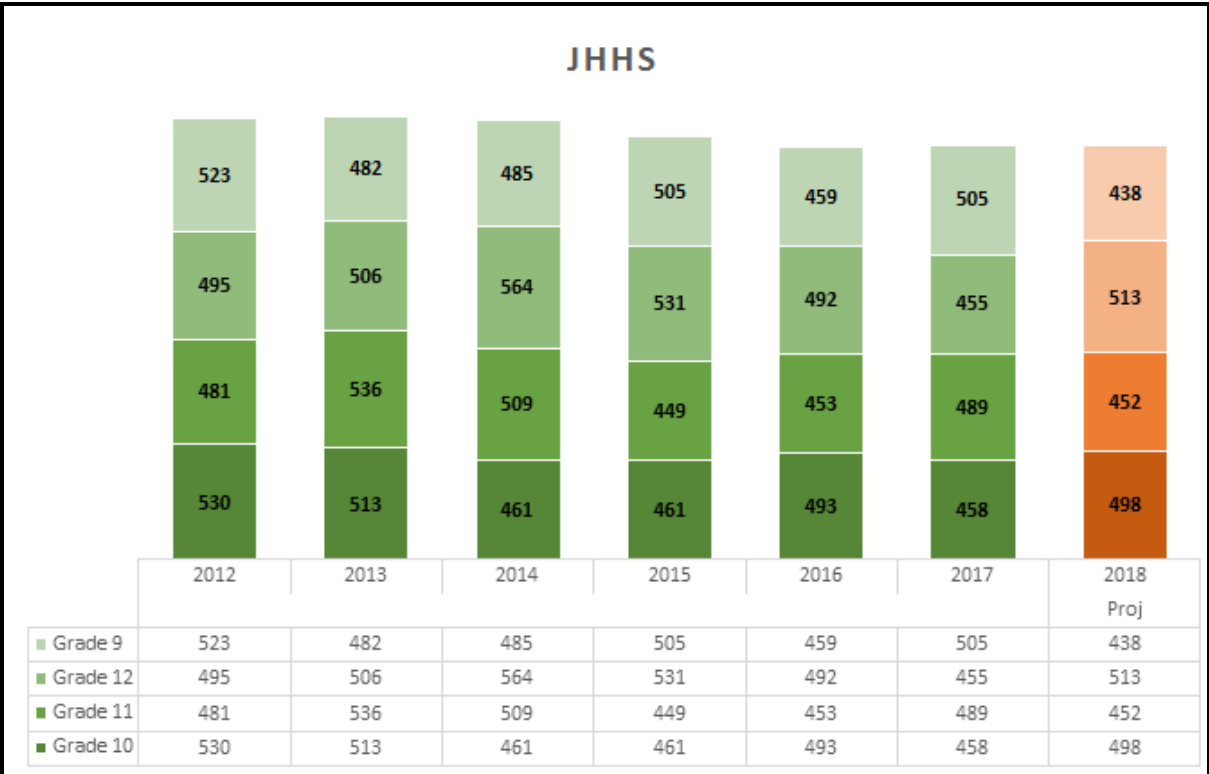
**Chart 4.43 Enrollment – Buffalo Grove High School**



**Chart 4.44 Enrollment – Elk Grove High School**

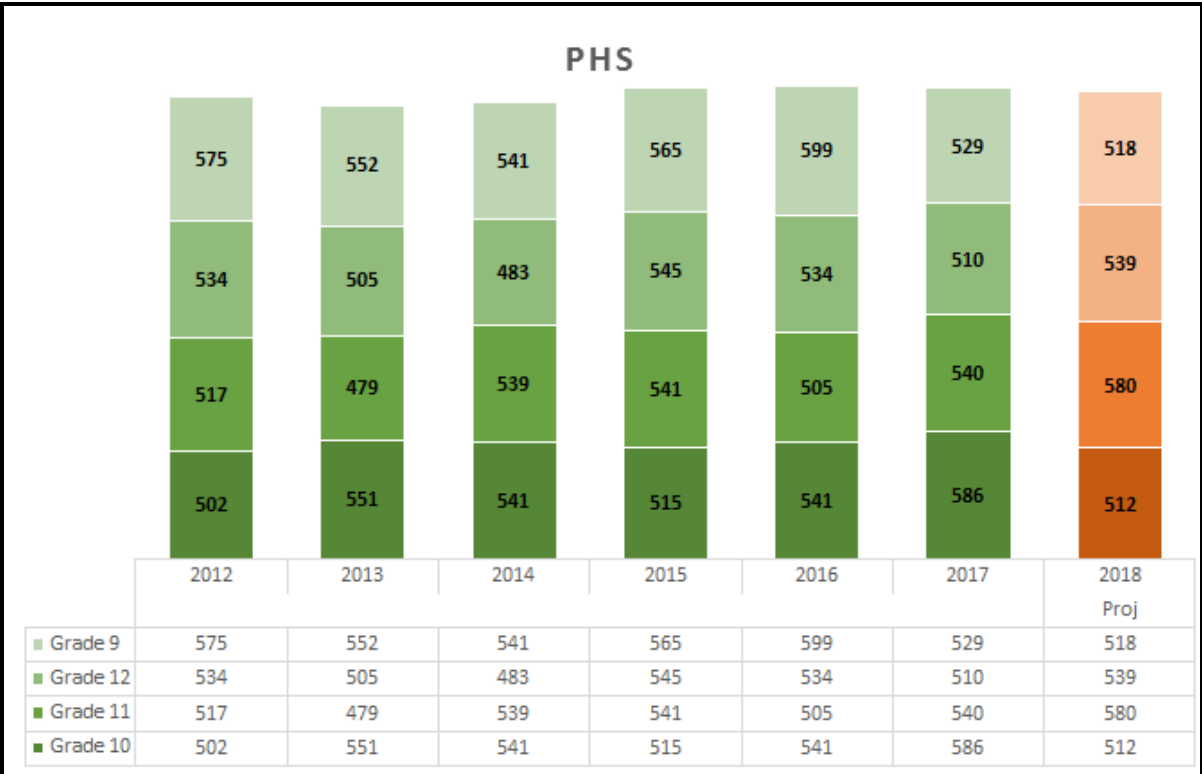


**Chart 4.45 Enrollment – John Hersey High School**

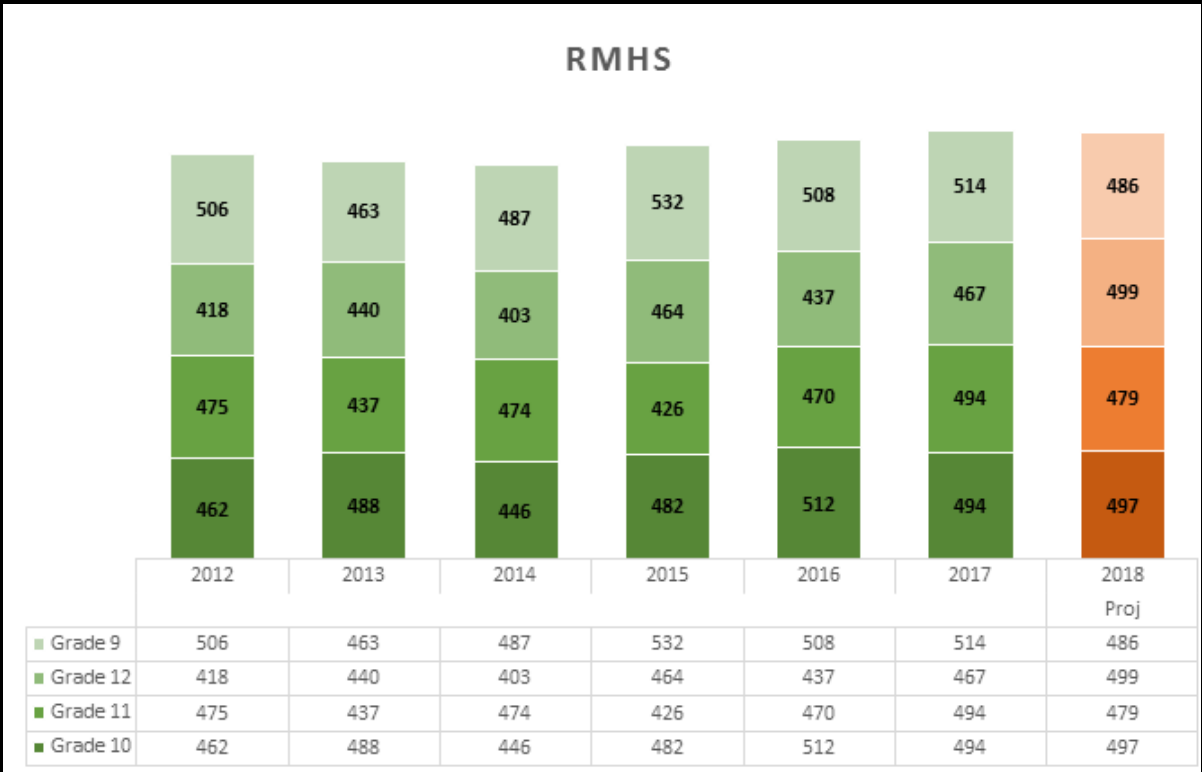




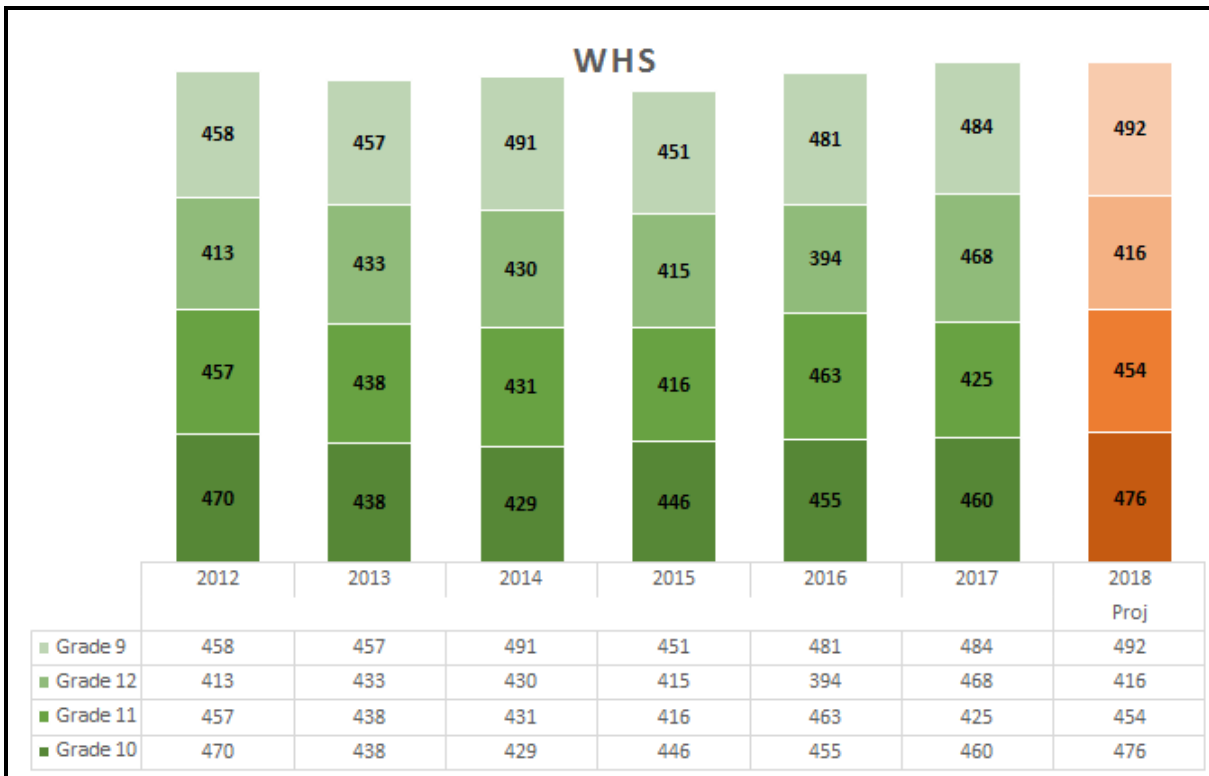
**Chart 4.46 Enrollment – Prospect High School**



**Chart 4.47 Enrollment – Rolling Meadows High School**



**Chart 4.48 Enrollment – Wheeling High School**

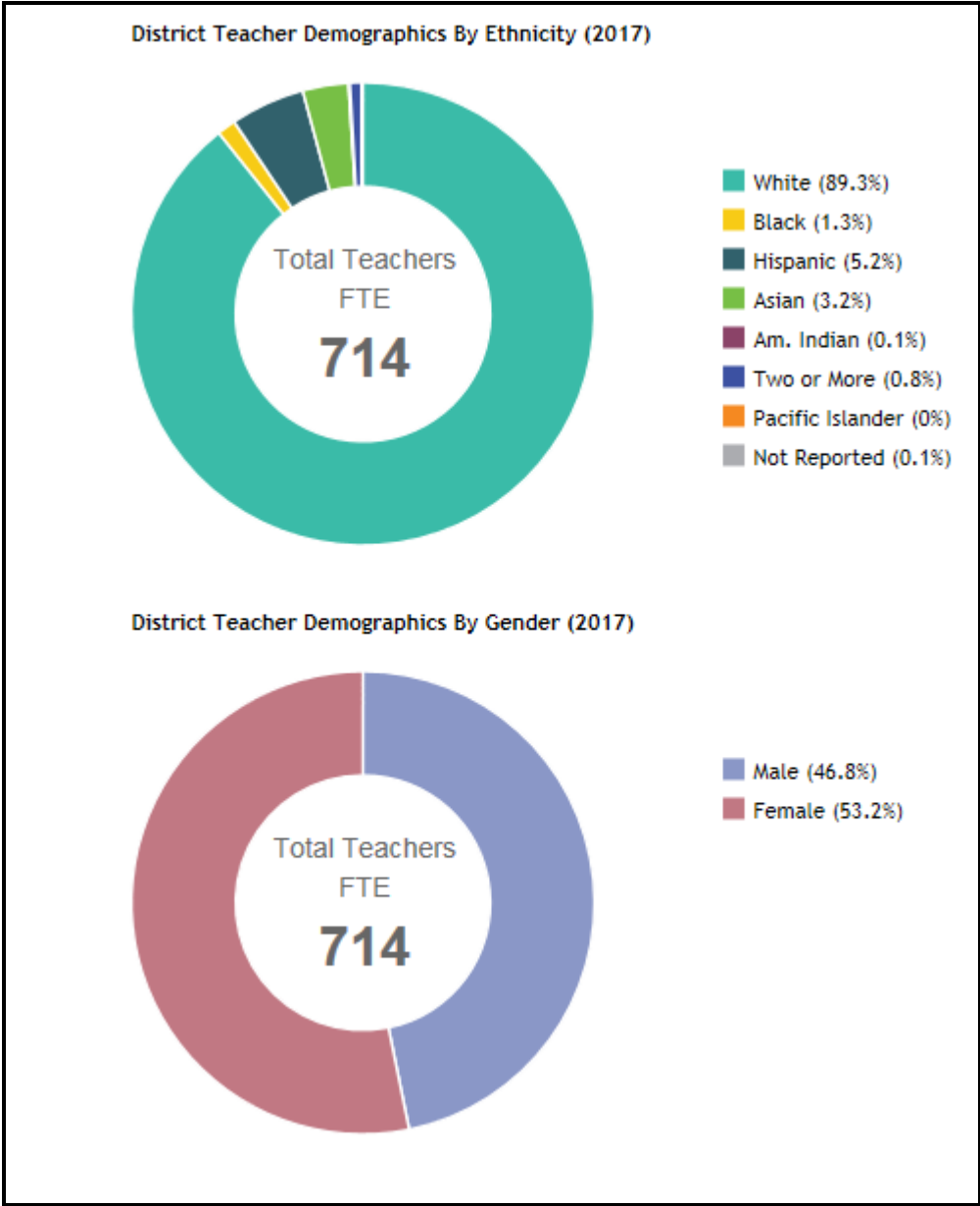


**Chart 4.49 Employee Head Count**

Employee Group	HEAD COUNT 2009-2010	HEAD COUNT 2010-2011	HEAD COUNT 2011-2012	HEAD COUNT 2012-2013	HEAD COUNT 2013-2014	HEAD COUNT 2014-2015	HEAD COUNT 2015-2016	HEAD COUNT 2016-2017	HEAD COUNT 2017-2018
<b>Certified</b>									
Administrators (12 month)	34	35	35	35	31	32	32	32	31
Administrators (10 month)	48	47	46	46	47	47	48	49	49
Teachers	886	871	857	868	858	870	868	861	858
<b>Total Certified</b>	<b>968</b>	<b>953</b>	<b>938</b>	<b>949</b>	<b>936</b>	<b>949</b>	<b>948</b>	<b>942</b>	<b>938</b>
<b>Non-Certified</b>									
Administrators (12 month)	5	4	4	4	8	8	8	7	7
Supervisors	54	55	54	53	54	54	59	64	65
<b>Total Non-Certified</b>	<b>59</b>	<b>59</b>	<b>58</b>	<b>57</b>	<b>62</b>	<b>62</b>	<b>67</b>	<b>71</b>	<b>72</b>
Clerical (12 month)	83	83	82	82	80	81	79	78	76
Clerical (10 month)	89	85	79	82	75	90	90	132	132
Grant (10 month)							30	22	25
Instructions Aide/Secretary	268	246	255	241	233	227	221	171	171
<b>Total ESP</b>	<b>440</b>	<b>414</b>	<b>416</b>	<b>405</b>	<b>388</b>	<b>398</b>	<b>420</b>	<b>403</b>	<b>404</b>
Maintenance	63	64	66	65	64	65	66	62	61
Custodial	104	102	102	102	98	100	98	101	98
<b>Total CMA</b>	<b>167</b>	<b>166</b>	<b>168</b>	<b>167</b>	<b>162</b>	<b>165</b>	<b>164</b>	<b>163</b>	<b>159</b>
<b>Total Contracted</b>	<b>1,634</b>	<b>1,592</b>	<b>1,580</b>	<b>1,578</b>	<b>1,548</b>	<b>1,574</b>	<b>1,599</b>	<b>1,579</b>	<b>1,573</b>
Food Service	96	97	89	77	72	65	57	54	44
NJROTC	3	2	2	2	2	2	2	2	2
<b>TOTAL</b>	<b>1,733</b>	<b>1,691</b>	<b>1,671</b>	<b>1,657</b>	<b>1,622</b>	<b>1,641</b>	<b>1,658</b>	<b>1,635</b>	<b>1,619</b>

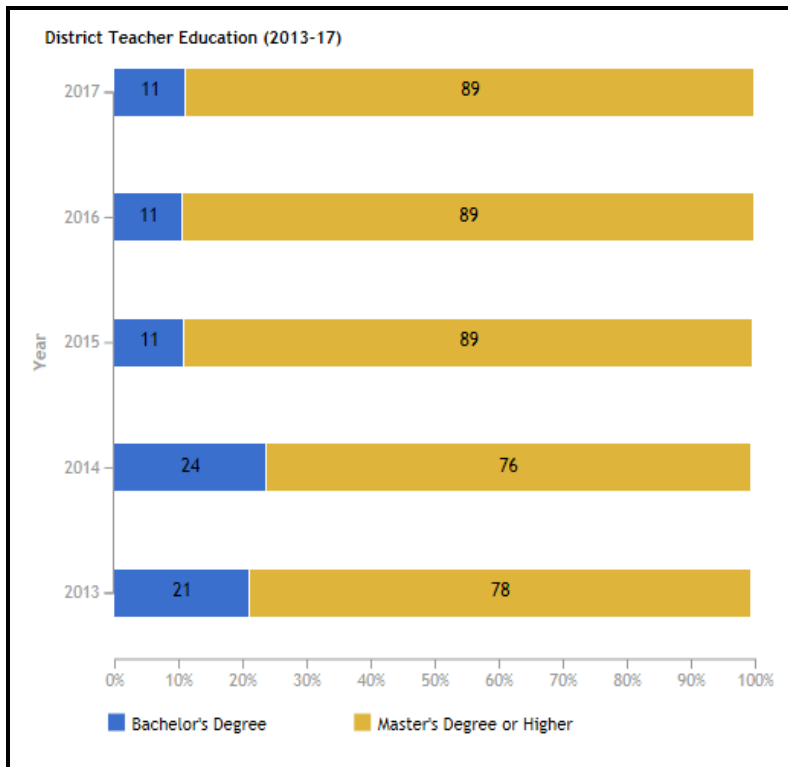
The Superintendent, Associate Superintendents, and Principals/Directors meet in early spring to determine the correct staffing based on the staffing formula. The formula is proportionate to building specific enrollment. Each building must have a pre-determined number of FTE for specific programs, such as nurse, psychologist, trainer, innovative technology, student remediation, social worker, special education coordinator. Based on student enrollment remaining relatively constant over the next several years, staffing will also remain relatively constant at approximately 1,620.

**Chart 4.50 Employee Demographic**



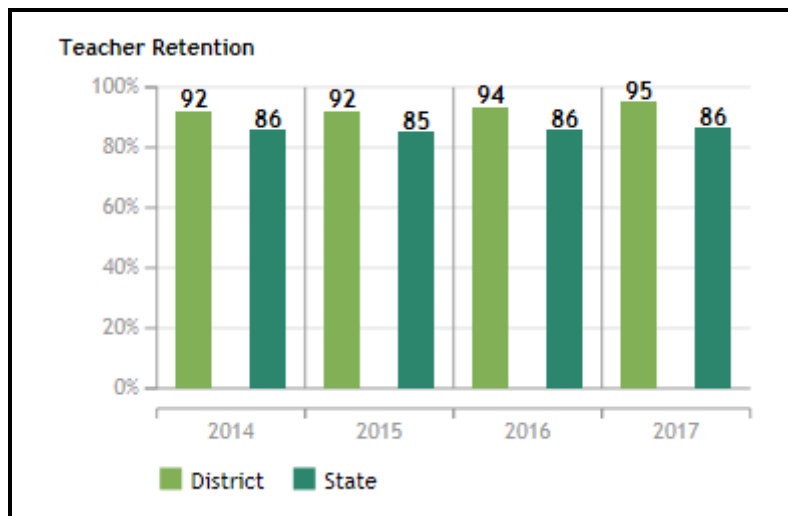
The charts display the demographics for teachers in the District.

**Chart 4.51 Teacher Education**



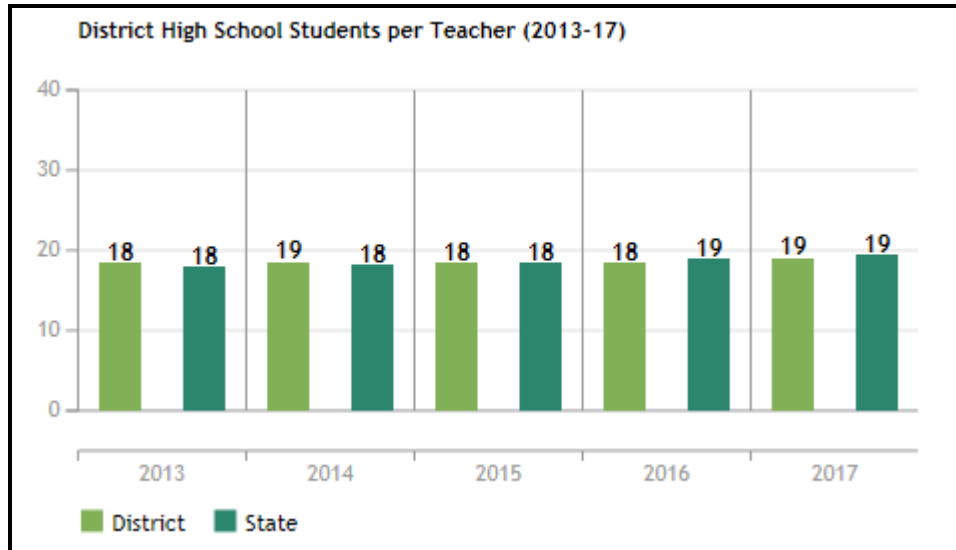
The master's degree category includes teachers with additional credit hours toward a doctoral degree, and those teachers who have earned a doctorate. The number of District 214 teachers with a master's degree is substantially higher than the state average.

**Chart 4.52 Teacher Retention**



This display shows the 3-year average percentage of teachers returning to work at this district. The retention percentages are shown by the bold sections of each ring. The district retention is substantially higher than the state retention.

**Chart 4.53 High School Students per Teacher**



The display shows the average number of pupils per teacher. This is calculated using the fall enrollment for the school year divided by the number of full-time equivalent (FTE) teachers in the district. Teachers classified as special education teachers are not included.

## *Surveys*

### General Surveys

- The Freshman Survey is administered annually in the fall to freshmen students in some schools. Information collected in this survey is used by the Student Services department to identify students who are socially and emotionally at-risk, and for planning purposes for appropriate speaker topics and counseling needs.
- The Senior Survey is administered annually to the senior class. It is a satisfaction survey that rates the quality of the student's high school experience, resources, curriculum, activities, and counseling services offered. It also surveys post-secondary plans of military, college, trade school or direct employment and, new this year, asked questions aimed at gauging interest in a District alumni program. This data is used to plan/adjust service offerings in the future.
- The Student Career Activities Survey is administered annually to the entire student body. It is a state-mandated ISBE report used when submitting the Career Technical Education Improvement Grant (CTEI)/Perkins Grant. Students rank the activities and programs offered by District 214. The results assist in curricular planning, advising career pathways, selecting appropriate speakers for our students and determining how counselors can most effectively assist our students. The survey is also effective for identifying students who should be considered for our

special programs, such as Education Academy, Medical Academy, Culinary Arts Program, or Project Lead the Way, among others.

- The Needs Assessment Survey is administered to parents and staff of special needs students to determine satisfaction and concerns regarding supports and services provided by District 214 and the Northwest Suburban Special Education Organization (NSSEO). The results are used to make adjustments and improvements in future program offerings and guide professional development.

### **School Calendar/Start Time Survey**

In the fall of 2015, District 214 surveyed community members, parents, students, and staff regarding school calendars and school start times, following decisions by other districts. Approximately 6,500 individuals responded to the survey. Parents, students, and staff preferred keeping a traditional calendar, which would mean starting school in mid-August and having first semester exams prior to winter break (collegiate-style).

Parents, students, and staff also preferred to start the school day later and end the day at a reasonable time, so we will be looking to adjust bell times to approximately 8:00 am – 3:20 pm. The survey shared that Parent Teacher Conferences are viewed as valuable, so time will continued to be set aside to accommodate these. Spring Break will continue to take place the last full week in March, which has been our long-standing practice. We will finish school with final exams for underclassmen the week after Memorial Day Weekend.

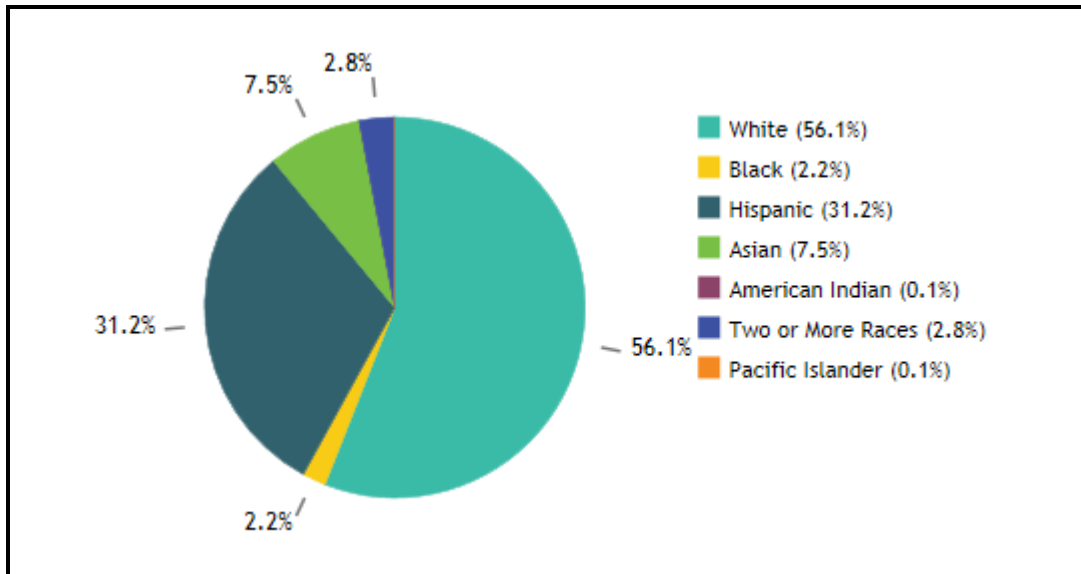
Graduation will continue to occur the weekend prior to the school year ending, which would now occur on the Sunday of Memorial Day weekend. This is consistent with many other school districts, and allows travel time for extended families. The Calendar Committee also recommends that specific weekends and/or scheduled breaks become times for students and staff to focus on themselves and family.

Based on these survey results and extensive work by the committee, a pilot program encompassing the 2017-18 and 2018-19 school years will measure the impact of student attendance and achievement with the new school calendar and start times. Appropriate adjustments will be made as needed.



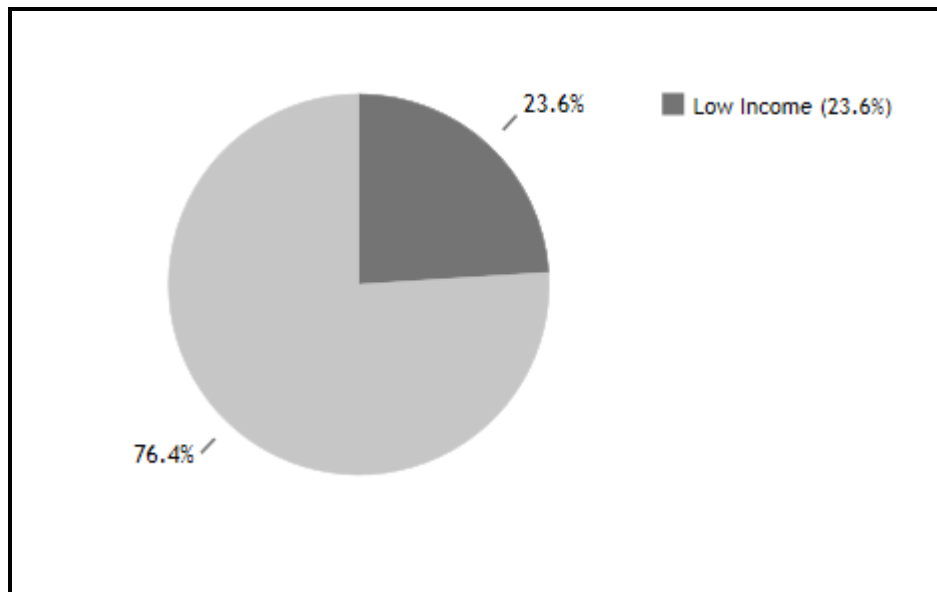
## Performance Measures

Chart 4.54 Student Demographics



This display shows the percentage of students, in this district, eligible to receive free or reduced-price lunches, live in substitute care, or whose families receive public aid.

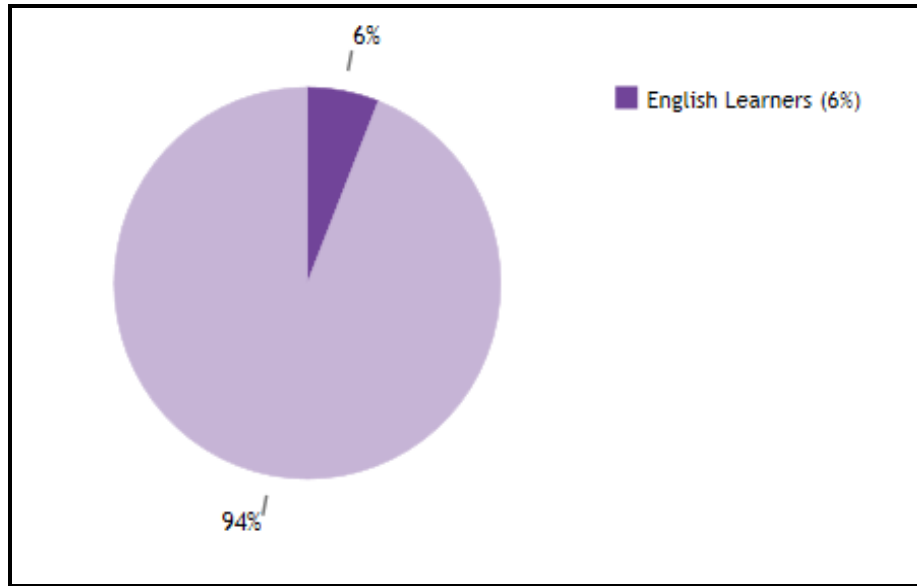
Chart 4.55 Low Income Population



**Low-income** This display shows the percentage of students, in this district, eligible to receive free or reduced-price lunches, live in substitute care, or whose families receive public aid.

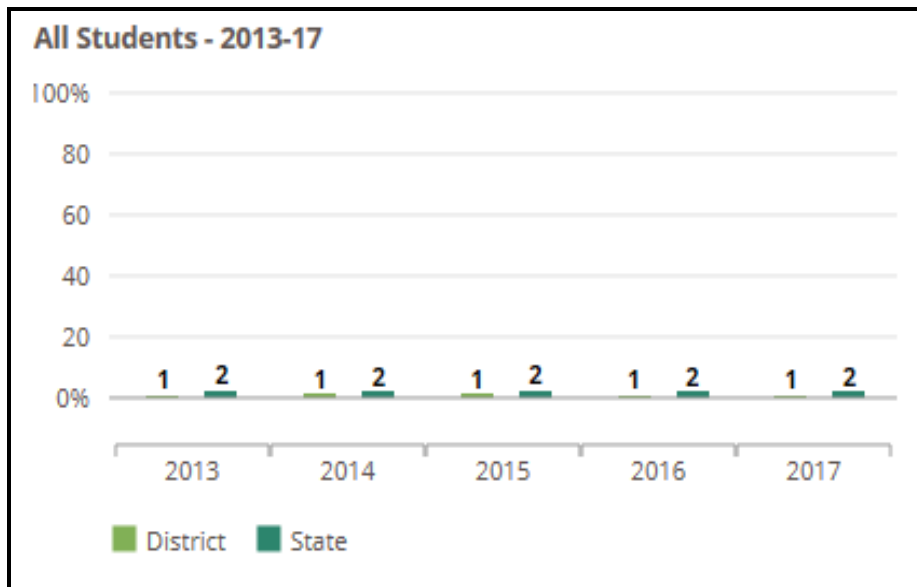
**Limited-English-proficient** This graph shows the percentage of students in Illinois schools who are eligible for bilingual education.

**Chart 4.56 English Learner Population**



**Drop-out rate** This graph shows the percentage of students who are removed from the local enrollment roster before the end of a school term. District and state percentages are included for comparison. Dropouts include students in grades 9-12 whose names have been removed for any reason, including moved not known to be continuing, transfer to GED-program, and aged out. The percentage does not include death, extended illness, graduation/completion of a program of studies, transfer to another public/private/home school, or expulsion.

**Chart 4.57 Drop Out Rate**



**IEP** students are those students eligible to receive special education services. This display shows the percentage of students who receive special education services through an Individualized Education Plan (IEP).

**Total Enrollment** is based on Home School.

**Homeless** students are students who do not have permanent and adequate homes.

**Chronic truants** are students who are absent from school without valid cause for 18 or more of the last 180 school days.

**Mobility rate** is based on the number of times students enroll or leave a school during the school year.

Parental contact, which is ranked at 99.5% for the District versus the State at 95.5%, includes parent-teacher conferences, parental visits to the school, school visits to home, telephone conversations, and written correspondence.

Average class size for the District is 21.1 and State is 20.2.

The October Claim for Special Milk reflects that 19% of the District 214 students are eligible for free and reduced price meals. This is a decrease from 22% in 2016-2017 and 23% in 2015-2016. This decrease is due, in part, to the USDA discontinuing the Medicaid Direct Certification pilot.

Chart 4.58 Free/Reduced

<b>TOWNSHIP HIGH SCHOOL DISTRICT 214 FOOD AND NUTRITION SERVICE                      SPECIAL MILK / MEALS PROGRAM                      OFFICIAL FREE AND REDUCED PRICE ELIGIBLES BY SCHOOL                      AS OF OCTOBER 2017</b>					
SCHOOL	ENROLLMENT	FREE	REDUCED	PERCENTAGE	% CHANGE OVER/UNDER SY 16-17
Buffalo Grove	2008	263	36	15%	-2%
Elk Grove	1941	450	53	26%	-6%
John Hersey	1872	183	25	11%	-1%
Newcomer	39	24	4	72%	9%
Prospect	2155	116	19	6%	-3%
Rolling Meadows	1901	314	33	18%	-6%
TAFV	152	44	11	36%	-10%
Vanguard	105	45	2	45%	-6%
Wheeling	1722	547	86	37%	-2%
<b>District Totals</b>	<b>11895</b>	<b>1986</b>	<b>269</b>	<b>19%</b>	<b>-3%</b>
<b>Total Free + Red</b>	<b>2255</b>				

**Chart 4.59 Instructional and Operational Spending Compared to State**



Instructional Spending per Pupil includes only those costs that are directly used for teaching students and facilitating interaction between teachers and students.

Operational Spending per Pupil includes all costs associated with a district's operating costs over the regular school year, such as transportation, building maintenance, salaries, etc.

The amount of money a district spends on each student is often greatly dependent upon the local tax base. Therefore, it is important to understand how this money is allocated to various school supports, such as transportation, teaching staff, student resources, school personnel resources, and other functions.

**Chart 4.60 School District Comparisons**

2016-2017 School District Comparisons						
District	ACT Performance Results	Total Enrollment	% Low Income	Attendance Rate	Graduation Rate	Operating Expense Per Pupil
Niles Twp CHSD 219	22.5	4,587	32%	94%	93%	\$26,951
New Trier Twp HSD 203	27.8	4,006	3%	95%	98%	\$25,007
Twp HSD 113	25.7	3,710	10%	96%	95%	\$24,762
Lake Forest CHSD 115	26.3	1,676	3%	91%	96%	\$24,392
Northfield Twp HSD 225	26.3	5,072	14%	95%	97%	\$22,941
Evanston Twp HSD 202	23.4	3,329	41%	95%	92%	\$22,742
CHSD 128	25.6	3,308	8%	95%	98%	\$22,420
Oak Park - River Forest SD 200	24.5	3,301	19%	92%	95%	\$22,283
<b>Township HSD 214</b>	<b>23.0</b>	<b>11,978</b>	<b>24%</b>	<b>93%</b>	<b>93%</b>	<b>\$20,674</b>
Ridgewood CHSD 234	20.9	847	33%	92%	93%	\$20,135
Main Township HSD 207	22.0	6,352	28%	93%	92%	\$19,219
Fenton CHSD 100	20.4	1,499	54%	94%	92%	\$19,216
Hinsdale Twp HSD 86	25.0	4,318	16%	94%	93%	\$19,113
Adlai E. Stevenson HSD 125	26.9	4,038	5%	96%	97%	\$18,918
Dupage HSD 88	20.7	3,973	49%	93%	88%	\$18,404
Township HSD 211	22.7	11,874	35%	95%	94%	\$18,196
Oak Lawn CHSD 229	20.0	1,744	39%	94%	91%	\$17,890
Lyons Twp HSD 204	24.1	3,998	14%	95%	93%	\$17,635
Lyden CHSD 212	19.1	3,321	55%	92%	88%	\$17,595
Riverside-Brookfield Twp SD 208	22.6	1,620	20%	94%	95%	\$15,130

Source: ISBE 2017 Report Card Data

Of the twenty districts listed, District 214 statistics:

- 11th out of 20 in 2016-2017 ACT Performance Results (there is a correlation between the ACT Performance Results and Operating Expense per Pupil).
- 9th out of the top 20 districts listed in operating expense per pupil.
- 10th out of 20 in highest Low Income % (even with the higher percentage of low income students at District 214, the ACT results still remain high).

The average ACT composite score for the District 214 class of 2017 overall (23.6) for non-extended time accommodated scores continues to significantly exceed the Illinois average (21.7) and national average (21.1). The average ACT composite score for the District 214 class of 2017 overall (23.0) with the inclusion of accommodated scores continues to significantly exceed the Illinois average (21.4) and national average (21.0).

The Operating Expense Per Pupil (OEPP) is the gross operating cost of a school district (excepting summer school, adult education, bond principal retired, and capital expenditures) divided by the nine-month ADA for the regular school term. District 214 has initiated over \$70 million in cost containments over the past ten years to help to control the Instructional Expense per pupil and achieve academic efficiency in relation to continuing increased student academic performance.

The Per Capita Tuition Charge (PCTC) is the amount a local school district charges as tuition to nonresident students. The per capita tuition charge is determined by totaling all expenses of a school district in its Educational, Operations and Maintenance, Debt Service, Transportation, Municipal Retirement / Social Security, and Tort Funds for the preceding school year less expenditures not

applicable to the regular K-12 program (such as adult education and summer school), less offsetting revenues from state sources , except those from the Common School Fund, less offsetting revenues from federal sources except those from federal Impaction Aid, less revenues from student and community services, plus a depreciation allowance and dividing this amount by the nine-month ADA for the year

The method used to fund school districts in Illinois changed with the passage of Senate Bill 1947 in August 2017, which includes the Evidence-Based Funding for Student Success Act. The Evidence Based Model contains the core values which recognize individual student needs, accounts for differences in local resources, closes funding gaps and keeps them closed, and provides a stable, sustainable system that gets districts across the state to adequacy over time. The highlights of SB1947 include:

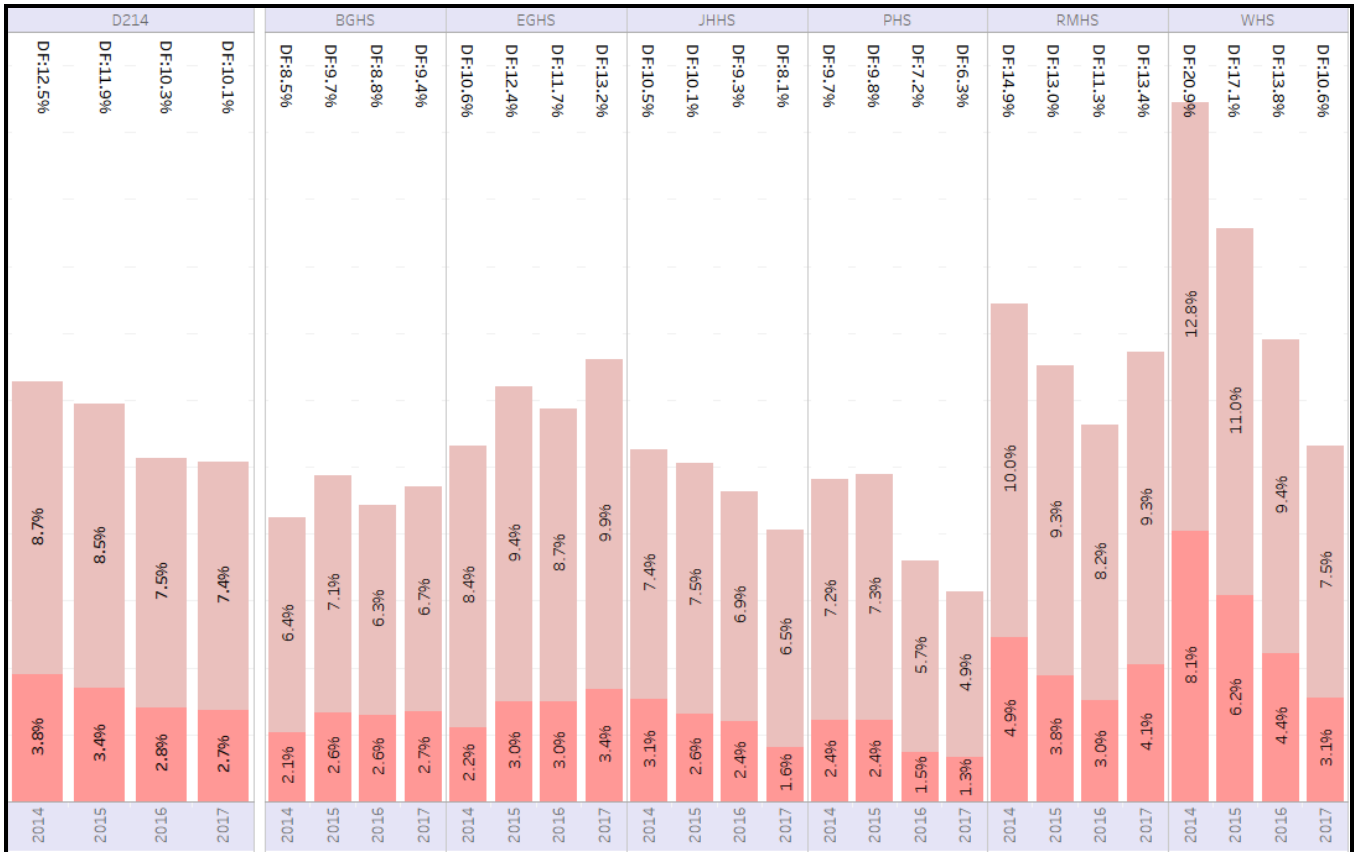
- Funding is tied to evidence-based best practices that research shows enhance student achievement.
- Each school district is assigned an Adequacy Target based on the needs of its student body.
- New dollars go to the neediest districts first.
- Illinois state funding for students will be similar statewide, including Chicago.
- No district loses money.

The details of this new funding mechanism are being reviewed, researched, and finalized by ISBE during fall 2017 and early spring 2018.

### ***Goal-Related Findings***

One of the biggest challenges to school improvement is that fact that our at-risk populations are increasing substantially. Since the Class of 2002, the number of students in our NCLB subgroups of low income, at-risk racial ethnicity, and IEP, has more than doubled. Such increases in traditionally lower performing students make it significantly harder to increase overall student performance. However, we recognize the need to continue to improve and increase student success in high school classes.

**Chart 4.61 Course Success Rate (D & F Report)**



The D and F course rate has fallen considerably in 2015-2016 and 2016-2017. Among the over 138,000 included courses, 10.1% received grades of D or F in the 2016-2017 academic year. These lower grades were largely distributed throughout the student body.

The District has frequently tracked progress through the number and percent of D and F grades received in coursework on an annual and term basis.

For each year and each school, the light bar represents courses receiving a D while the darker bar represents those receiving an F. The percent of all courses receiving the relevant grade is displayed within the bar. At the top of each bar is the percent total of courses receiving a D or F.

Calculations for this report include all for-credit instruction provided onsite at one of the six traditional high schools and are based on the site of instruction. Any coursework by students with an offsite designation is excluded from the analysis. Any coursework without a grade was also excluded. Numbers may be slightly different than in prior years due to some enforcement of consistency in the methodology. In some prior years ‘Pass’ grades were excluded, while in others they were included, sometimes offsite students have been included. The analysis here is consistent with the methodology stated above, includes ‘passing’ grades and excludes ‘offsite’ students in all years. While these ‘passing’ grades are included in the current analysis, one issue with including the ‘Pass’ grade courses is that it is a dichotomous result of pass or fail and no corollary to the ‘D’ level. This may deflate the relative number of D grades.



In many cases the variation from year to year and between schools is small and may reflect a variety of factors. The stability and even increases in test scores in recent years suggest that our students are doing well overall, but this may also be offset with the preparation levels of incoming students.

### **Increase Successful AP Participation.**

The integration of the AP curriculum increases course rigor, enhances student learning and performance, and translates into millions of dollars saved by students and their families every year in tuition for avoided college level coursework. Success in AP coursework and exams also provides a launching pad to success after high school.

Advanced Placement (AP) course and exam participation has grown steadily in recent years. The District achieved its goal of 50% of all graduates to have earned a 3 or higher on an AP exam, with 51.1%. AP Course Participation – Graduating Senior Cohort

**Chart 4.62 AP Course Participation – Graduating Senior Cohort**

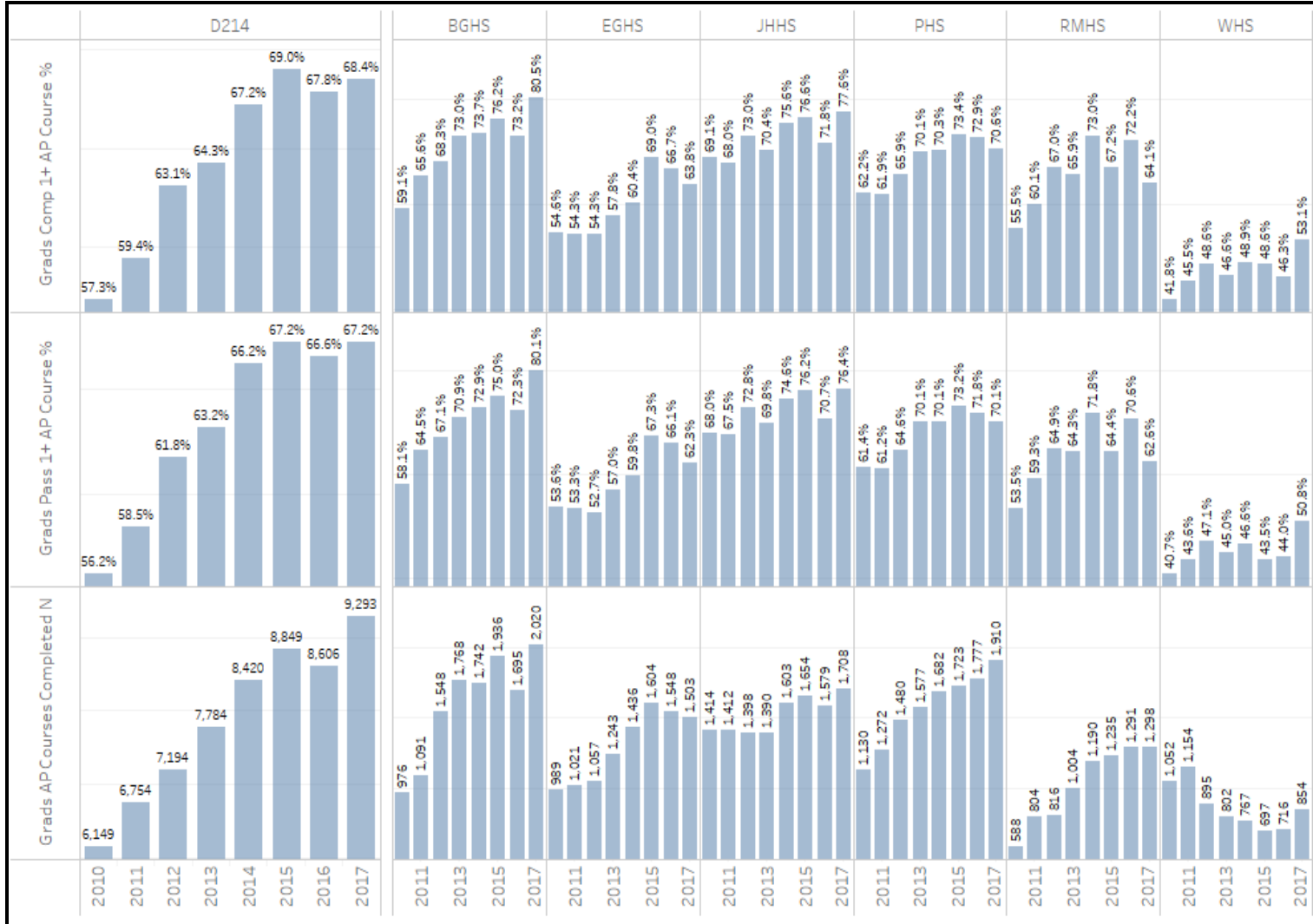
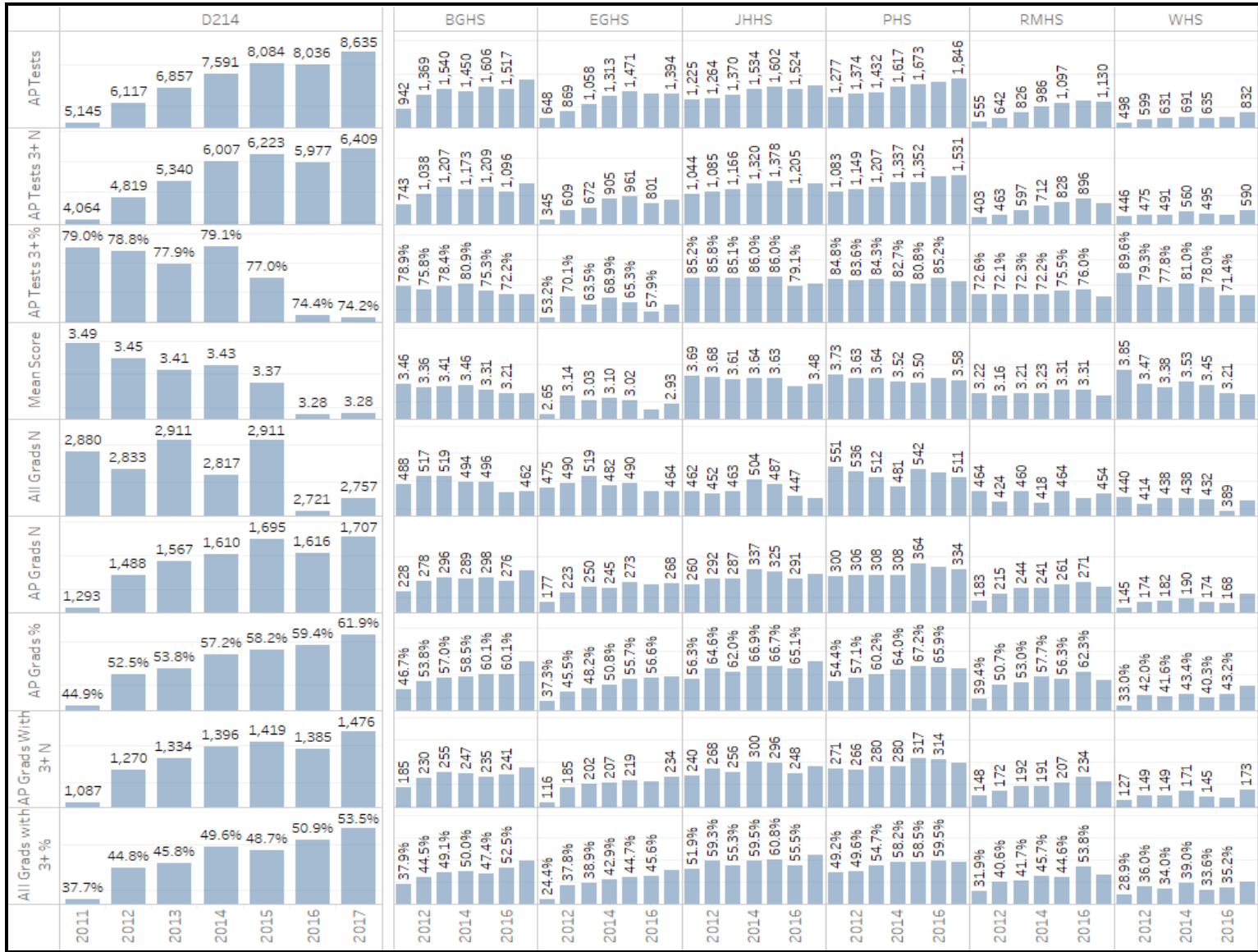
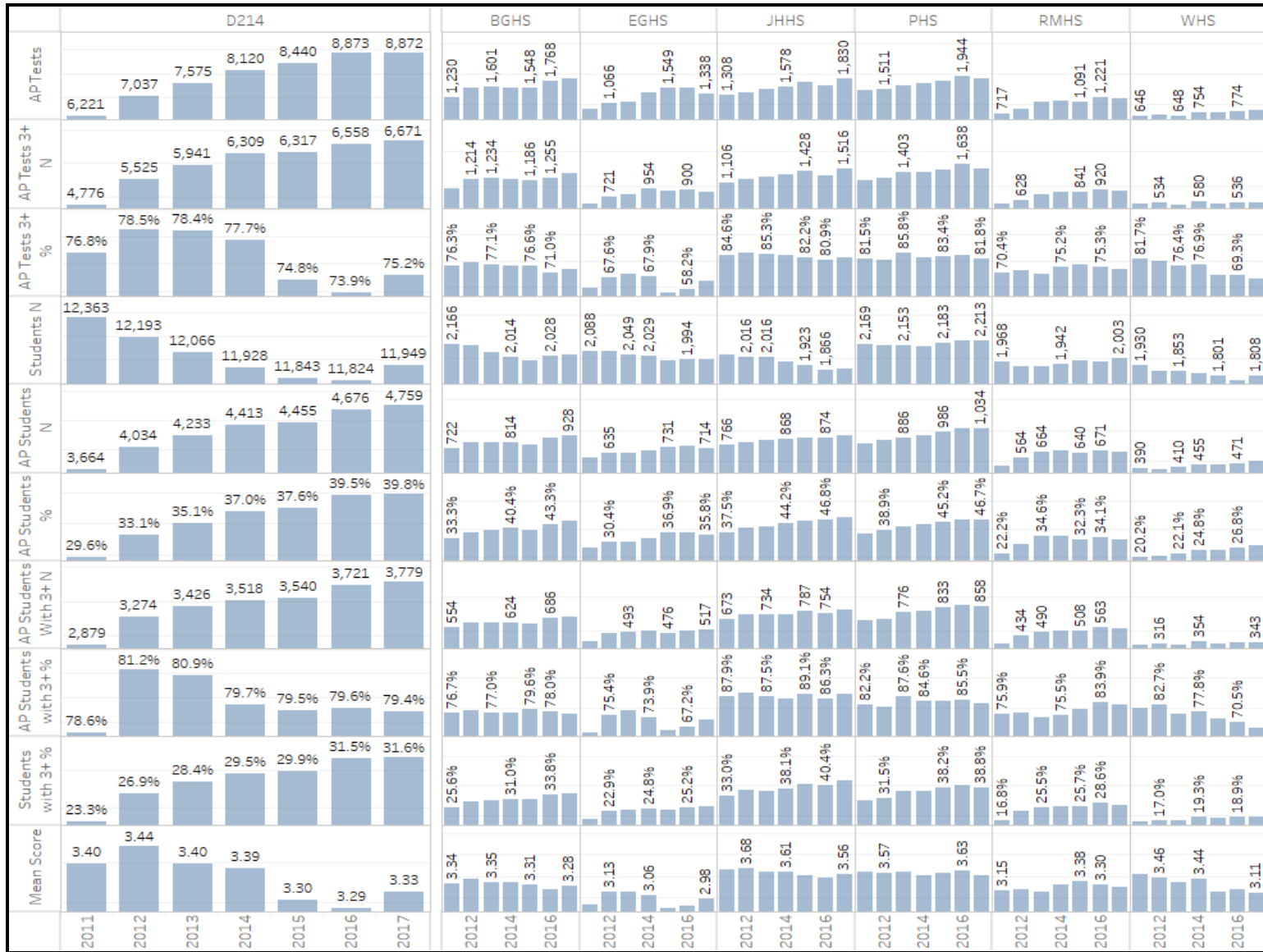


Chart 4.63 AP Exam Performance (Graduating Senior Students)



**Chart 4.64 Overall AP Performance – All Students**



The number of graduating seniors with an AP course has increased steadily in the last several years. In 2017, more than two-thirds of graduates (68.4%) had completed at least one AP course while in high school. These seniors completed 9,293 AP courses.

Performance levels of graduating seniors taking AP exams increased to students taking 8,635 exams during their D214 career. Of the 8,635 exams taken, 6,409 were passed with a 3 or higher, equating to 74.2%.

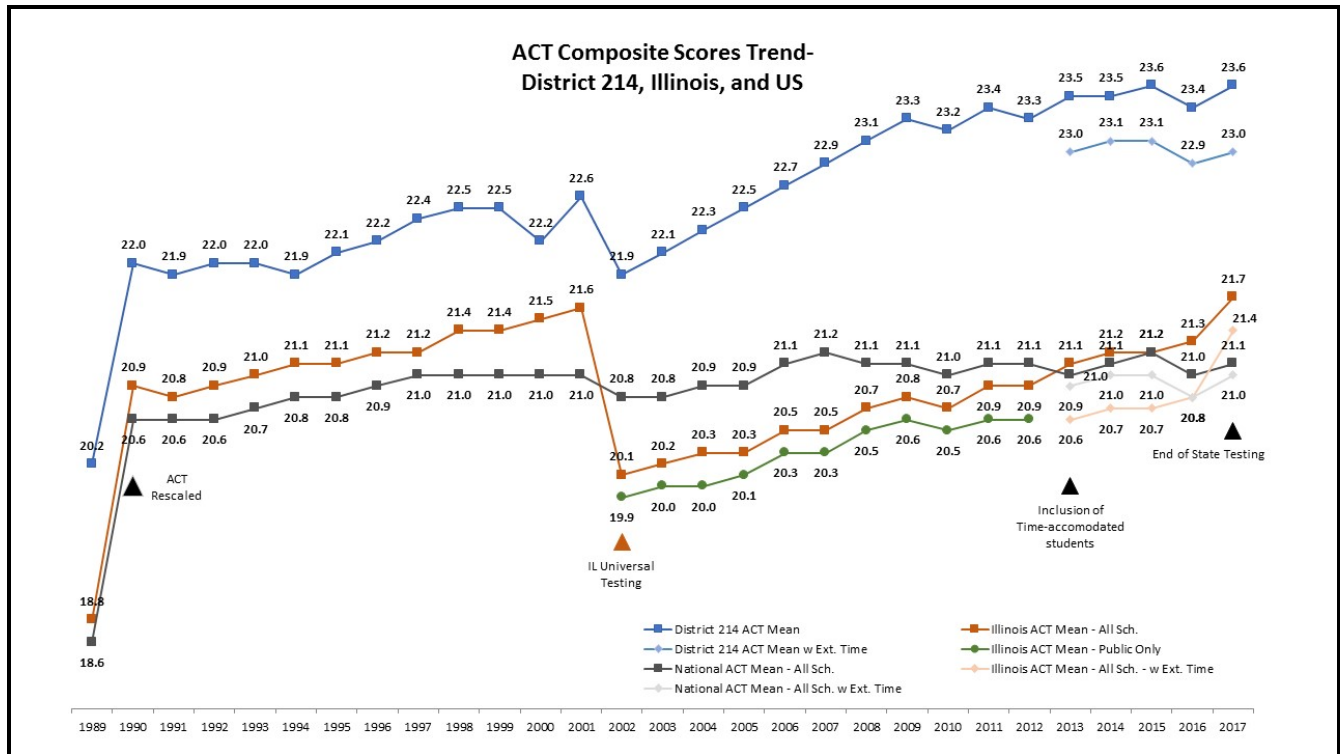
Performance levels of all students taking AP exams increased to 4,759 students taking 8,872 AP exams in 2017. Of the 8,872 exams taken, 6,671 were passed with a 3 or higher, equating to 75.2%.

Increases in test-taking are due both to more students taking at least one AP course and to individual students taking multiple AP courses. Both types of increases have been enhanced by schools offering more courses. While both types of increases are important, our District AP goal was more oriented toward increasing access to AP courses and subsequent AP test-taking for students who traditionally were not considered AP material, such as non-honors students. Studies of our own students have shown that non-honors students can perform at relatively high levels on AP tests. Moving towards a cohort (graduating seniors) tracking metric allows for a better comparison over time.

Another measure of performance is the ACT assessment.

The ACT is a powerful measure of student performance, and a meaningful assessment for students who count on high scores for postsecondary participation. The Graduating Class of 2017 ACT Profile report examines data aggregated and published annually by ACT. The Class of 2017 maintained an average composite ACT score of 23.6.

**Chart 4.65 ACT Composite Score Means by Graduating Class**



The average ACT composite score for the District 214 class of 2017 overall (23.6) for non-extended time accommodated scores continues to significantly exceed the Illinois average (21.7) and national average (21.1).

ACT scores are based on the last test taken by the student, this may be the PSAE-ACT administered by District 214 as part of state requirements or it may be a national exam. Prior to the Class of 2013, ACT did not include scores for students who receive extended time accommodations to complete the test. These are now included, and the reader will notice scores remaining steady in the most recent years, even with this methodological change.

While the larger trend graph displays both these accommodated and non-accommodated scores for the past three years, data provided by ACT at the student record level does not allow for disaggregation when analyzing individual subject sub/scores. The remaining figures are based upon all assessments and do not exclude the accommodated extended time scores.

The average ACT composite score for the District 214 class of 2017 overall (23.0) with the inclusion of accommodated scores continues to significantly exceed the Illinois average (21.4) and national average (21.0).

As noted in the introduction above, ACT began including extended-time accommodation scores beginning with the class of 2013. This has a significant impact on overall results and the reader will notice a dip in scores in the most recent years.

The ACT graduating class report is based on ACT's determination of the graduating class, analysis shows that there are frequently small errors in attributing students to specific schools, non-duplication of student scores, and there is no validation of actual graduation.

Student scores are based on the most recent ACT test. Historically, about 50% of the scores represented are from the PSAE-ACT, while the other half represents national ACT assessments.

Please do not focus on single year fluctuations. Only changes sustained over multiple years are likely to be meaningful. ACT tests (as well as EXPLORE and PLAN tests) are not always well-equated across PSAE years. Since the PSAE score becomes the final score for the majority of our students, such fluctuations can have a major impact on a single year's score in a given subject area. Our schools also may experience statistically significant changes in the incoming ability of the students of individual graduating classes. Additionally, random variance also affects score stability, particularly with smaller sample sizes.

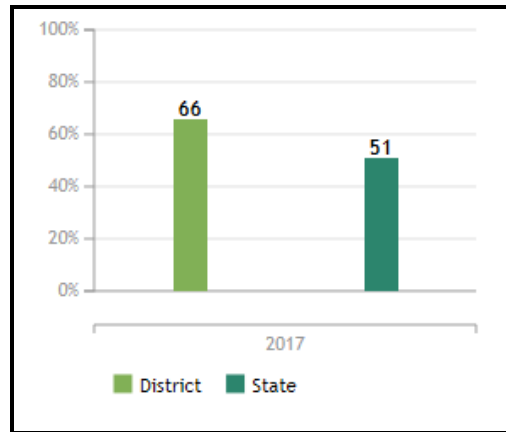
Gains in learning, as measured from each student's 8<sup>th</sup> grade assessment with EXPLORE to the Prairie State Achievement Examination ACT score, are an important measure of academic performance. Student performance on the ACT is highly correlated with other measures of student achievement. The College Readiness Standards measured by the ACT assessments are integrated throughout the District's curriculum.

ACT is no longer a component of the state assessment. College and career readiness will be redefined due to ESSA. As a result, the college and career readiness measure for the 2016-2017 Report Card was not changed, to achieve consistency. Beginning with the 2016-2017 school year, grade 11 students take the SAT as the high school accountability assessment. However, the College Course Work Readiness

data point on the Illinois Report Card reports on the graduating class of the reporting year. The data represents the most recent ACT score earned by a 2017 graduate.

The following graph compares students considered ready for college course work at the district level versus the state.

**Chart 4.66 College Course Ready**



The next graph displays the percentage of students who achieved scores in the following SAT performance level categories:

Level 1 Orange - Partially Meets Standards

The student has only partially met the standards and demonstrates a **minimal** understanding of the knowledge and skills needed relative to the Illinois Learning Standards.

Level 2 Yellow - Approaching Standards

The student is approaching the proficiency level and demonstrates an **incomplete** understanding of the knowledge and skills needed relative to the Illinois Learning Standards.

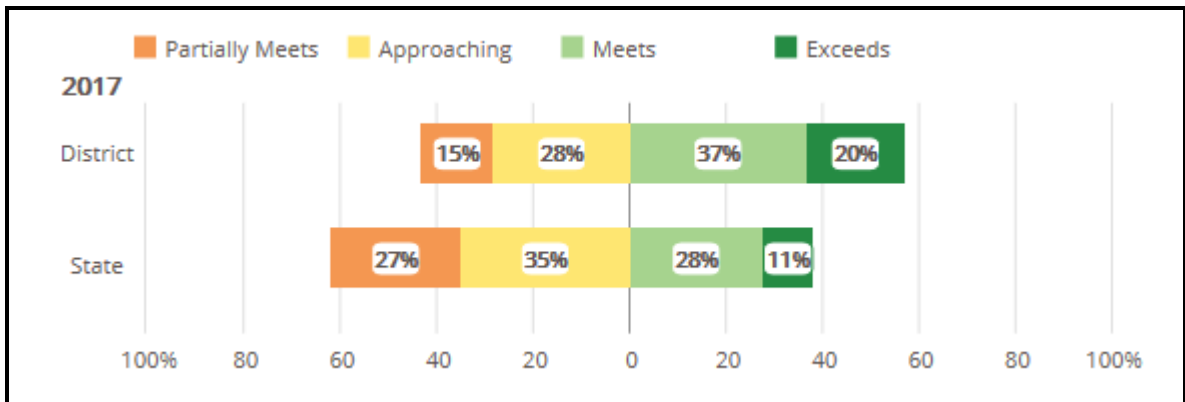
Level 3 Light Green - Meets Standards

The student has met the proficiency level and demonstrates **adequate** understanding of the knowledge and skills needed relative to the Illinois Learning Standards.

Level 4 Dark Green - Exceeds Standards

The student has exceeded the proficiency level and demonstrates a **thorough** understanding of the knowledge and skills needed relative to the Illinois Learning Standards.

**Chart 4.67 SAT Results**



We realize that students cannot simply be reduced to a number, and we cannot improve by over-focusing on tests. But, when test scores improve at the level that District 214’s tests are improving, they show that we are teaching at a higher level and that students are learning at a higher level. This provides our students with increasingly greater opportunities for success and a better future. District 214 strives to assist each student to reach their full potential as citizens who can successfully meet the challenges of a changing society.

America’s high schools have a profound responsibility to ensure that our nation’s students are college ready, career ready, and life ready. Today’s students are driven by ideas and innovations. Our students are more than a score. Students learn in a variety of ways.

Redefining Ready introduces a new multi-metric, research based approach to determine what it means to be college ready, career ready, and life ready. It is designed to change the narrative of public education from a standardized test philosophy to a focus on global readiness for public school students, who are driven by ideas and innovation. In considering the whole child, redefining readiness focuses on three main areas of importance: college readiness, career readiness, and life readiness. District 214 has adopted Redefining Ready and uses various metrics to inspire our students to achieve success.



## ***GLOSSARY***

Accounting System – The total structure of records and procedures which discover, record, classify, and report information and the financial position and operations of a school district.

American Recovery and Reinvestment Act (ARRA) – Federal economic stimulus program that has provided increased revenues to schools in Fiscal Years 2009-2011.

Appropriation – A legal authorization to incur obligations and to make expenditures for specific purposes.

Assessed Valuation – A valuation set upon real or other property by a government as a basis for levying taxes.

Average Daily Attendance (ADA) – Average Daily Attendance is calculated in claiming General State Aid. The District's ADA for the entire school year is the basis for the calculation for the subsequent fiscal year's General State Aid.

Board of Education – The elected or appointed body which has been created according to State law and vested with responsibilities for educational activities in a given geographical area.

Bond – A written promise to pay a specific sum of money (face value) at a fixed time in the future (maturity date) and carrying interest at a fixed rate.

Debt Service Fund – This fund accounts for the District's bond principal and interest payments.

Bond Refinancing – The payoff and re-issuance of bonds to obtain better interest rates and/or bond conditions.

Bonds Issued – The bonds that were sold.

Budget – The planning document for each school department providing management control over expenditures in general fund, special revenue fund, debt service fund, and the building fund.

Budget Calendar – The schedule of key dates used in the preparation and adoption of the Annual Budget.

Budgetary Control – The control or management of a governmental unit in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Capital Projects Fund – This fund accounts for the financial resources to be used for the acquisition or construction of major capital facilities.

Cash Management – The management of cash necessary to pay for government services while investing temporary cash excesses in order to earn interest revenue.

Corporate Personal Property Replacement Taxes (CPPRT) – CPPRT is a state tax on the net income of corporations, partnerships and trusts enacted in 1979 in conjunction with the repeal of the personal property tax. The District is allocated a portion of State CPPRT in relation to the amount of personal property taxes levied in 1978.

CPI – The national Consumer Price Index is a measure of inflation utilized by the Cook County Clerk in applying the PTELL.

Contingency – A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contracted Services – Services rendered by private firms, individuals, or other agencies.

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

Debt Limit – The maximum amount of general obligation debt which is legally permitted.

Deficit – The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Delinquent Taxes – Taxes that remain unpaid on or after the date on which a penalty for non-payment is attached.

Department – A major administrative division of the school district which indicates overall management responsibility for an operation of a group of related operations within a functional area.

Education Fund – This fund accounts for the majority of the instructional and administrative aspects of the District's operations. Certain expenditures that must be charged to this fund include the direct costs of instructional, health and attendance services, lunch programs, all costs of administration and related insurance costs.

Employee Benefits – Expenditures may include health, dental, optical, life and long term disability as well as FICA, retirement payment to the Teachers Retirement Service, and workers' compensation insurance.

Encumbrance – The commitment of budgeted funds to purchase an item or service. To encumber funds means to commit funds for a future expenditure.

Equalized Assessed Valuation (EAV) – The calculated value of property within the District that is utilized in calculating the tax extension. An equalization factor (or multiplier), assigned by the state, is then applied to the assessed valuation to reach an equalized assessed valuation. This will achieve an EAV of approximately 1/3 of market value, which is the state-required level.

Expenditure – Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service, capital outlay, intergovernmental grants, and entitlements.

Fiscal Year (FY) – The fiscal year is July 1 - June 30.

Foundation Level – The amount of general state aid per student. The foundation level is reduced by “available local resources” in determining the aid actually received.

Full Time Equivalence (FTE) – The amount of employed time required in a part-time position expressed in proportion to that required in a full-time position, with 1.0 representing one full-time position.

Function – A group of related activities aimed at accomplishing a major service or program.

Fund – An accounting entity that has a set of self-balancing accounts that records all financial transactions for specific activities or government functions.

Fund Balance – The excess of assets of a fund over its liabilities and reserves.

Fund Balance Beginning – Money appropriated from previous years fund balance.

General Obligation Bonds – Bonds issued to finance major projects with resources from tax collection to repay the debt. This debt is backed by the full faith, credit and taxing power of the government.

General State Aid – The District receives a certain amount of unrestricted aid from the State of Illinois. The amount of general state aid received is a factor of the total State appropriation for education, the District’s ADA and the District’s EAV. Based upon the total appropriation and total state enrollment the State establishes a foundation level per student. The amount received is the foundation level reduced by “available local resources” which is a function of EAV.

Grants – Contributions or gifts of cash or other assets from another government to be used or expended for a specific purpose, activity, or facility.

Illinois Municipal Retirement Fund (IMRF) – The State of Illinois-managed pension plan for municipal and non-certified school district employees. The District contributes at an actuarially determined rate (currently 12.57%) and employees contribute 4.5%.

Illinois Program Accounting Manual for Local Education Agencies (IPAM) – The program accounting manual provides the basis for complete accounting of all district receipts and disbursements, systematic development of program budgeting, and the accumulation and dissemination of program-oriented costs. It is established by the Illinois State Board of Education and is an adaptation of the United States Office of Education publication, Handbook II, Financial Accounting, Classifications and Standard Terminology for Local and State School System.

Illinois State Board of Education (ISBE) – The governing body who oversees school districts in the State of Illinois.

Instruction – The activities dealing directly with the teaching of students or improving the quality of teaching.

Individuals with Disabilities Education Act (IDEA) – Provides supplemental Federal funding for special education and related to services for children with disabilities, ages 3 through 21.

Interfund Transfers – Amounts transferred from one fund to another fund.

Levy – The total of taxes or special assessments imposed by a governmental unit.

Local Education Agencies (LEA) – Elementary and secondary local public school districts.

Loss and Cost – Represents an addition to the District’s tax levy to account for uncollectible taxes. Currently the District’s levy is increased by 5% for bond and interest and 3% for all other levies.

Object – This term has reference to an article or service received; for example, salaries, employee benefits or supplies.

Operating Cost per Pupil – The gross operating cost of the District (excepting summer school, adult education, bond principal and capital outlay) divided by the average daily attendance.

Operations and Maintenance Fund - This fund accounts for the repair and maintenance of district property. All costs of fuel, lights, gas, water, telephone services, custodial supplies, maintaining, improving, or repairing school buildings and property for school purposes are charged to this fund.

Program – The definition of an effort to accomplish a specific objective or objectives consistent with funds or resources available.

Property Tax – Tax levied on the assessed value of real property.

Property Tax Extension Limitation Law (PTELL) (“tax cap”) – In 1995 “tax cap” legislation went into effect for taxing bodies within Cook County. The tax cap limits the increase in the total tax extension (excluding debt service) to the lesser of 5% or the increase in the national CPI for the calendar year preceding the levy.

Scholastic Aptitude Test (SAT) – This is a test of academic aptitude in the area of math and verbal skills that purports to measure a student's ability to learn. It is designed to provide information that is independent as possible from the high school curriculum.

Secondary School Cooperative Risk Management Program (SSCRMP) – Comprehensive risk management pool with District 211, District 225, and District 207. The pool provides comprehensive insurance coverage at a lower cost than the school districts can obtain individually.

Special Education – This is specially designed instruction and services, provided at no cost to the parents, to meet the unique needs of a child with a disability. This may include instruction conducted in the classroom, in the home, in hospitals, in institutions, and in other settings. This may also include instruction in physical education.

Strategic Planning – This is the process employed by the District to chart a course for the future including preparation of a mission statement, district beliefs, goal setting, learner outcomes, and student profile.

Tax Extension – The tax extension is the total dollar amount of taxes applied to the District’s EAV. It represents the District’s tax levy plus loss and cost, less any reductions for rate ceilings or the PTELL.

Tax Increment Financing (TIF) – A financing tool used by municipalities to redevelop blighted areas and encourage economic recovery. The result is an EAV freeze for 23 years from creation. Currently, there are fifteen TIF districts within District 214 boundaries. In September 2007, the District issued a Position Paper on TIFs.

Tax Levy – The District’s annual request to Cook County for property tax revenue. This is approved by the Board of Education in December and the County Clerk applies loss and cost rates, rate ceilings and the tax cap to compute a tax extension in dollars. This is then converted into a rate per \$100 of Equalized Assessed Valuation and applied to each property within the District in the following year.

Tax Rate – The amount of taxes due as a percentage of the tax base or EAV. A taxpayer would pay the tax rate per \$100 of EAV of their property.

Teachers’ Retirement System (TRS) – The State of Illinois pension fund for all Non-Chicago certified employees. Employees and the employer contribute percentages while the State contributes the remainder.

Transportation Fund – This fund accounts for all the activity relating to student transportation to and from schools and for extracurricular and co-curricular activities.

Triennial Reassessment – Every three years the County Assessor revalues all of the property within the townships resulting in significant increases in the District’s Equalized Assessed Valuation.

Wheeling Township Intergovernmental Treasury Agreement – At the abolishment of the Wheeling Township School Treasurer in 1996, District 214 provides investment and banking related services for District 214, District 21, District 23, District 25, District 26, and Northwest Suburban Special Education Organization 805.

***REFERENCES***

School Code of Illinois, 2016