

**To:** Dr. Mike Riggle  
Board of Education

**From:** Ms. Vicki Tarver  
Dr. R.J. Gravel

**Date:** Monday, December 11, 2017

**Re:** Acceptance of the Comprehensive Annual Financial Report (CAFR) for the Fiscal Year Ended June 30, 2017

### **Recommendation**

It is recommended that the Board of Education acknowledge receipt of the previously introduced CAFR for the year ended June 30, 2017 as prepared by Glenbrook High School District 225, and audited by Miller, Cooper & Co., Ltd.

### **Background**

On April 12, 2017, the Board of Education selected Miller Cooper & Co., Ltd. of Deerfield to perform an independent audit of the District's financial statements for the year ended June 30, 2017. Preparation for the audit started in April 2017, and activities continued through November 2017. During this time members of our assigned team from Miller Cooper were provided access to the Business Services team and the District's financial records to complete their review and testing activities.

Illinois School Code (105 ILCS 5/3-7) requires each school district to conduct an independent audit of its financial statements at the close of each fiscal year. In addition to performing a thorough review and analysis of the District's funds, accounts, statements, and other financial matters, the auditor is charged by the District with:

- Assisting with the preparation of the Annual Financial Report<sup>1</sup> for submission to the Illinois State Board of Education;
- Assisting with the preparation of the Comprehensive Annual Financial Report (CAFR) for submission to the Association of School Business Officials International (ASBO International) and the Government Finance Officers Association (GFOA).

Although not required by Illinois School Code, the CAFR is a thorough and detailed presentation of the District's financial condition, which includes an understanding of the District's structure and academic activities, and an independent opinion of the information presented within the report from our auditor. The Governmental Accounting Standards Board (GASB) encourages governments to prepare the detailed report in the spirit of transparency and full disclosure. Additionally, the CAFR serves as a primary source document for investors in new bond issues, and is used for other credit monitoring agency submissions including Dun and Bradstreet, Moody's Investors Service, and Standard and Poors.

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<sup>1</sup> The Annual Financial Report utilizes information collected during the course of the District's audit, and is submitted in a format defined by the Illinois State Board of Education that is consistent for all school districts. This report is due each year to ISBE by November 15th.

As referenced previously, the CAFR has historically been submitted to both ASBO International<sup>2</sup> and the GFOA<sup>3</sup>, as part of each organization's financial reporting recognition program. It should be noted that the District maintains a strong legacy of receiving both of these awards each year, including for the year ended June 30, 2016. The District is in the process of applying for both of these awards for the fiscal year ended June 30, 2017.

In addition to the complete copy of the CAFR, two additional letters are included with this memo for the Board of Education's review. The first document is the required communication to the Board letter. The auditor is required to communicate with those charged with governance (the Board) matters related to the financial statements audit that are in the auditor's professional judgement, significant and relevant to the responsibilities of those charged with overseeing the financial reporting process. The second document is commonly referred to as the "management letter", which presents internal control deficiencies identified during the audit, which have since been resolved as detailed in the responses from management.

As you review the CAFR and supporting documentation, please do not hesitate to reach-out to either Vicki Tarver or R.J. Gravel with any questions.

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<sup>2</sup> The Association of School Business Officials International facilitates the Certificate of Excellence in Financing Reporting (COE) program, providing school districts additional feedback for use in continuing to improve the quality of financial reporting, and recognizing districts for a commitment to excellence in financial management and reporting.

<sup>3</sup> The Government Finance Officers Association facilitates the Certificate of Achievement for Excellence in Financial Reporting program, recognizing state and local governments that go beyond the minimum requirements of financial reporting, providing comprehensive financial reports that provide transparency and full disclosure.

# MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

To the Board of Education  
Northfield Township High School District 225  
Glenview, Illinois

We have audited the financial statements of Northfield Township High School District 225 (“the District”) as of and for the year ended June 30, 2017, and have issued our report thereon dated November 13, 2017. Professional standards require that we advise you of the following matters related to the audit.

## **Our Responsibility under Auditing Standards Generally Accepted in the United States of America**

As communicated in our engagement letter dated March 13, 2017, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America, *Government Auditing Standards* issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free from material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the District solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. In accordance with *Government Auditing Standards*, we have also performed tests of internal control over financial reporting and tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements that contribute to the evidence supporting our opinion on the financial statements. However, they do not provide a basis for opining on Northfield Township High School District 225’s internal control over financial reporting or on compliance and other matters.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you. We have provided our comments regarding a material weakness, control deficiencies, and other matters noted during our audit in a separate letter to you dated November 13, 2017.

## **Other Information in Documents Containing Audited Financial Statements**

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the District’s audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. We are not aware of any documents that include the audited financial statements.

### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing that we previously communicated to you.

### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Management and the Board of Education have acknowledged our role in providing requested non-audit services and has taken full responsibility for these non-audit services, as detailed in the engagement letter.

### **Qualitative Aspects of the District's Significant Accounting Practices**

#### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the District is included in Note A to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during June 30, 2017, other than those noted below. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

#### *Significant Accounting Policies Adopted in the Current Year*

GASB Statement No. 77, *Tax Abatement Disclosures*, issued in August 2015, was effective for the District beginning with its year ending June 30, 2017. The objective of this Statement is to provide financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs in order to better assess (a) whether current year revenues were sufficient to pay for current year services, (b) compliance with finance related legal or contractual requirements, (c) where a government's financial resources come from and how it uses them, and (d) financial position and economic condition and how they have changed over time.

#### *Significant Accounting Policies which will be Applicable in Future Years*

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, issued in June 2015, will be effective for the District beginning with its year ending June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans.

## **Qualitative Aspects of the District's Significant Accounting Practices (Continued)**

### *Significant Accounting Policies which will be Applicable in Future Years (Continued)*

GASB Statement No. 83, *Certain Asset Retirement Obligations*, issued in November 2016, will be effective for the District beginning with its year ending June 30, 2019. The objective of this Statement is to address accounting and financial reporting for certain asset retirement obligations (AROs). This Statement notes an ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has a legal obligation to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on this Statement.

GASB Statement No. 84, *Fiduciary Activities*, issued in January 2017, will be effective for the District beginning with its year ending June 30, 2020. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The Statement establishes criteria for identifying fiduciary activities of all state and local governments.

GASB Statement No. 86, *Certain Debt Extinguishment Issues*, issued in May 2017, will be effective for the District beginning with its year ending June 30, 2018. The objective of this Statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt. The Statement also provides guidance for the treatment of prepaid insurance on debt that has been extinguished.

GASB Statement No. 87, *Leases*, issued in June 2017, will be effective for the District beginning with its year ending June 30, 2021. The objective of this Statement is to improve the accounting and financial reporting for leases by governments. This Statement will require recognition of certain lease assets, liabilities, and a deferred inflow of resources related to certain leases that were previously classified as operating leases.

The District's management has not yet determined the effect that these statements will have on the District's financial statements.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are the assumptions used for pension liabilities, other postemployment benefits, and risk management (self-insurance) liabilities. Included in the notes to the financial statements are the methodologies used by management to determine the estimates.

We evaluated the key factors and assumptions used to develop those estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole.

## **Qualitative Aspects of the District's Significant Accounting Practices (Continued)**

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to the financial statement users. The most sensitive disclosures affecting the District's financial statements relate to: risk management (self-insurance) and actuarial methods and assumptions regarding the liabilities for the Illinois Municipal Retirement Fund (IMRF), Teachers' Retirement System of the State of Illinois (TRS) liabilities, and other postemployment benefit (OPEB) obligations.

### **Significant Difficulties Encountered During the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. There were no uncorrected misstatements.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material misstatement that we identified as a result of our audit procedures was brought to the attention of, and corrected by, management:

As of June 30, 2016, unearned revenue in the Operations and Maintenance Fund was understated by \$182,435 due to an error in how the District recorded certain cash receipts. Due to this error, the District restated the fund balance and unearned revenue in the Operations and Maintenance Fund as of June 30, 2016. As a result of this error, as of June 30, 2016, the fund balance in the Operations and Maintenance Fund decreased and unearned revenue increased by \$182,435.

We assisted your personnel with non-audit services necessary for the preparation of the financial statements, including drafting of the financial statements and AFR, preparation of the Schedule of Expenditures of Federal Awards, assistance with the preparation of the Data Collection Form, assistance with modified accrual adjustments and GASB 34 entries, and filing the AFR with the Illinois State Board of Education.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the District's financial statements or the auditors' report. No such disagreements arose during the course of the audit.

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### **Representations Requested from Management**

We have requested certain written representations from management, which are included in the representation letter dated November 13, 2017.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Findings or Issues**

In the normal course of our professional association with the District, we generally discuss a variety of matters including the application of accounting principles and auditing standards, business conditions affecting the District, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the District's auditors.

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This communication is intended solely for the information and use of the Board of Education and management of the District and is not intended to be and should not be used by anyone other than these specified parties.

MILLER, COOPER & CO., LTD.

A handwritten signature in black ink that reads "Miller, Cooper & Co., Ltd." in a cursive script.

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Certified Public Accountants

Deerfield, Illinois  
November 13, 2017

# MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

To the Board of Education  
Northfield Township High School District 225  
Glenview, Illinois

In planning and performing our audit of the financial statements of Northfield Township High School District 225 (the “District”) as of and for the year ended June 30, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the District’s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal control. Accordingly, we do not express an opinion on the effectiveness of the District’s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, control deficiencies, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A deficiency in design exists when (a) a control necessary to meet the control objective is missing, or (b) an existing control is not properly designed so that, even if the control operates as designed, the control objective would not be met. A deficiency in operation exists when a properly designed control does not operate as designed, or when the person performing the control does not possess the necessary authority or competence to perform the control effectively.

A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District’s financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in the District’s internal control to be a material weakness:

## **Prior Period Adjustment in the Operations and Maintenance Fund**

We noted that there were amounts that were not properly recorded as unearned revenue in prior years in the Operations and Maintenance Fund for student parking fees. There were “early bird” parking sales made in the spring semester of fiscal year 2016 for the following school year that were recorded as revenue upon cash receipt rather than being recorded as unearned revenue. The amount of such sales from fiscal year 2016 totaled \$182,435. As this amount is material to the Operations and Maintenance Fund, a prior period adjustment was made to fund balance/net position as of July 1, 2016. We recommend the District review all sources of local revenue received to determine if any of those revenue sources should be deferred at year-end.



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**Prior Period Adjustment in the Operations and Maintenance Fund** (Continued)

*Management Response*

*Management acknowledges that parking sale revenue collected during the Spring of the 2015-2016 school year for parking privileges during the 2016-2017 school year, was posted to the incorrect fiscal year. Since that time, Management has implemented a new student financial account system (PowerSchool Fee Plugin), and has modified the process for new fee collections overseen by the Business Services team. The new system and updated processes provide for additional oversight by Management to ensure that student fees are recorded in the proper general ledger account, within the appropriate fiscal year.*

A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Following are descriptions of other identified control deficiencies that we determined did not constitute significant deficiencies or material weaknesses:

**Lack of Parent Involvement Policy and Parent Compact, per Title I Grant Requirements**

In accordance with the requirements of the Title I grant, the District must design, in consultation with parents, an instructional program to meet the needs of students. The District failed to maintain a parent involvement policy or a parent compact during fiscal year 2017. If the District does not comply with grant requirements, the federal agency could potentially freeze funding until requirements are met. We recommend that the District create and implement a parent involvement policy and parent compact in order to comply with the grant requirements. Additionally, the District should have appropriate personnel in place who are aware of all of the requirements of the grant.

*Management Response*

*Management acknowledges that the required parent involvement policy and parent compact in place did not comply with the requirements of the Title I Grant. Moving forward, the District will hold an annual Title I parent meeting for the purpose of explaining the Title I program and parental involvement. Furthermore, a School-Parent Compact and a Parent Involvement Policy has been developed and provided to all Title I families.*

**Untimely Submission of Quarterly Title I Reports to the Illinois State Board of Education (ISBE)**

Quarterly expenditure reports are required to be filed with ISBE on the 20th day after a quarter end, pending that the grant application is accepted by ISBE (expenditure reports cannot be submitted until the grant application is accepted by ISBE). The third and fourth quarter reports for fiscal year 2017 were not filed timely. The 3rd quarter report was due on April 20, 2017 and was not submitted until May 19, 2017 and the 4th quarter report was due on July 20, 2017 and was not submitted until August 17, 2017. When a District files expenditure reports late, ISBE will not release payment until expenditure reports are submitted. We recommend the District review procedures related to the submission of grant expenditure reports and modify policies and procedures to ensure that reports are submitted timely.

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**Untimely Submission of Quarterly Title I Reports to the Illinois State Board of Education (ISBE)** (Continued)

*Management Response*

*Management acknowledges that quarterly Title I reports were periodically submitted late. Management has reviewed personnel responsibilities, and has realigned reporting responsibilities to be shared with the budget manager's office responsible for the day-to-day management of the grant. Realigning reporting responsibilities will ensure that parties responsible managing the grant are also involved in the quarterly reporting processes.*

**Prior Year Capital Leases Not Properly Capitalized**

Upon examination of the District's "Active Capitalized Equipment Leases" schedule, we noted two leases that were not properly capitalized in prior years. The first was a five-year lease for equipment with payments that approximate \$35,000 per year, with the final payment made in July 2017. Additionally, the District has another five-year lease for equipment with payments that approximate \$77,000 per year, with the final payment made in July 2016. As these leases were not identified as capital leases, long-term liabilities and capital assets were understated in the prior year. We recorded a passed adjustment, which is identified in the representation letter, to account for these unrecorded capital leases. We recommend the District identify and track all capital leases so that they are properly accounted for and disclosed in the financial statements.

*Management Response*

*Management acknowledges that the full value of all capital leases should be included on the capital asset schedule and properly depreciated over the life of the lease. Management has implemented a process for all future capital leases to record the full lease value on the capital asset schedule at the time the lease is signed by Management and approved by the Board of Education.*

**Negative Student Activity Fund Balances**

We noted numerous student activity accounts with negative balances at June 30, 2017. Additionally, there appears to be a lack of controls in place over the approval process of student activity disbursements. Had proper controls been in place, the negative balances may have been avoided. We recommend the District implement procedures to review student activity balances prior to disbursement approval to ensure that there are sufficient funds in the activity to cover the disbursement. We also recommend that the District replenish those accounts with negative balances during fiscal year 2018.

*Management Response*

*Management acknowledges that several agency fund accounts associated with student activities had exceeded their available funds, resulting in accounts being over spent. Management has implemented an additional level of approval within the Business Services department for all agency fund disbursements. As part of this procedure update, budget managers will be required to include a deficit action plan for any disbursements that exceed the available funds in a particular agency fund account. The deficit action plan must be approved by a member of the Business Services leadership team prior to a disbursement being processed that exceeds the available funds of an account.*

This letter also includes comments and suggestions with respect to matters that came to our attention in connection with our audit of the financial statements. These items are offered as constructive suggestions to be considered part of the ongoing process of modifying and improving the District's practices and procedures.

#### **Lack of Tracking of Federal Expenditures in Separate Federal Expenditure Accounts for the IDEA Grant**

We noted that the District is not utilizing separate accounts to track federal expenditures for the IDEA grant. Separate accounts should be utilized in order to easily identify which expenditures are related to federal grants. This will aid with filings of quarterly expenditure reports as well.

##### *Management Response*

*Management acknowledges that reported IDEA expenditures were not recorded to IDEA accounts as required. Managements will be working with the Special Education department to ensure timely and accurate recording of IDEA eligible expenditures to IDEA expenditure accounts.*

#### **Technology and Data Security Risk Assessment and Management**

Technology continues to transform business. However, technology is not only changing business, it is changing who and what has access, custody and control over information. Therefore, organizations need to evolve in the ways that they manage technology and data security. While there is no way to prevent all data breaches, phishing scams or other risks, the District can mitigate its risks with a thorough understanding of data security, privacy, and protection of its information technology. We recommend management evaluates its data security risk plan on a periodic basis (at least annually) to ensure it addresses all the risks associated with a rapidly changing environment and should ensure management's plan incorporates the following items (which is not an exhaustive list):

- Risk assessment
- A written policy
- Effective screenings of employees, vendors and business partners
- Insurance
- Red flags
- Training of employees
- Plan for responding to a breach notification
- Carefully integrating new technologies
- New legislation and regulation which may impact your industry

##### *Management Response*

*Management acknowledges that as operational technology evolves, it is critical that organizations maintain an acute awareness of its data security, and take steps to ensure the protection of its information. Management performs an annual review of information security procedures and practices, and routinely makes improvements to its internal and external networks to ensure that data can be transmitted safely and securely. Additionally, management has implemented a tiered security control system at multiple level (e.g. financial information system, student information system, network management systems), limiting the access of each user based on their assigned position responsibilities. Routine audits are performed by members of Management and by the support staff, and all core systems include a level of user tracking and logging for security purposes.*

Management's written response to the items identified in our audit has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

This communication is intended solely for the information and use of the Board of Education and management of the District and is not intended to be, and should not be, used by anyone other than these specified parties.

MILLER, COOPER & CO., LTD.

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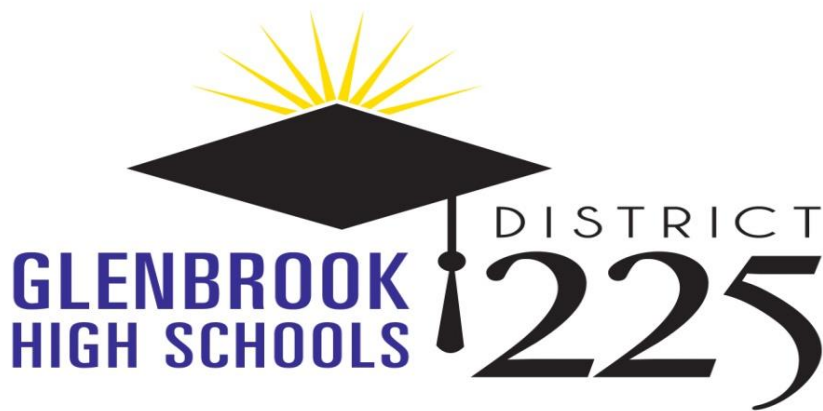
Certified Public Accountants

Deerfield, Illinois  
November 13, 2017

# *Comprehensive Annual Financial Report*

*for the*

*Fiscal Year Ended June 30, 2017*



*Northfield Township High School  
District 225*

*Glenview, Illinois*

**Northfield Township High School District 225**  
**Glenview, Illinois**

Comprehensive Annual Financial Report

Fiscal Year Ended June 30, 2017

Prepared by:

Dr. R.J. Gravel  
Assistant Superintendent for Business Services / CSBO

Ms. Vicki Tarver  
Director of Business Services / CSBO

Department Issuing Report:

Business Services

**Northfield Township High School District 225**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
For the Year Ended June 30, 2017

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**Northfield Township High School District 225**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
For the Year Ended June 30, 2017

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**Northfield Township High School District 225**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
For the Year Ended June 30, 2017

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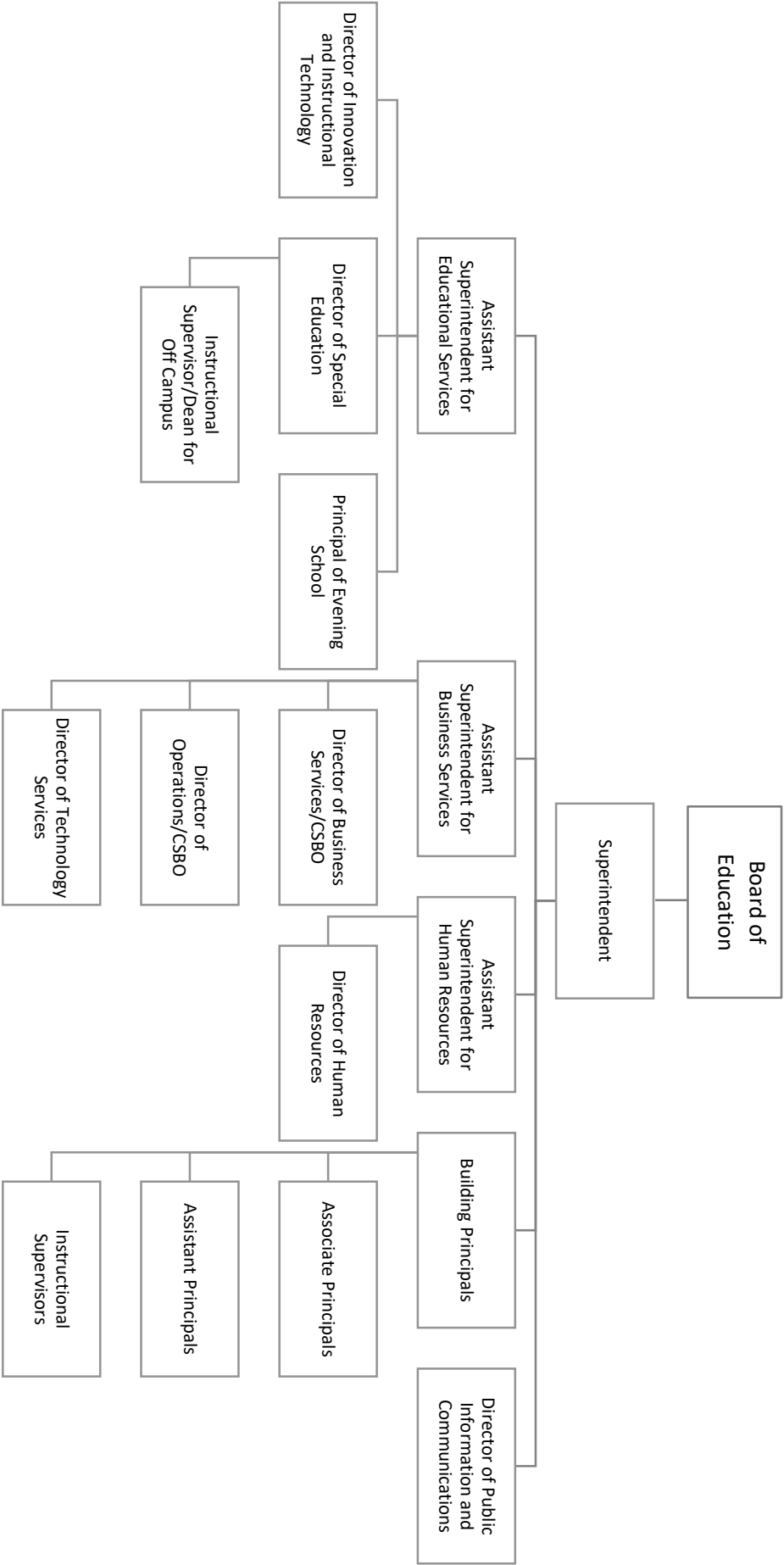
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## **INTRODUCTORY SECTION**

# Northfield Township High School District 225 Administration



## **Northfield Township High School District 225**

3801 West Lake Avenue  
Glenview, Illinois 60026

### **Comprehensive Annual Financial Report**

#### **Officers and Officials**

Fiscal Year Ended June 30, 2017

#### **Board of Education**

		<u>Term Expires</u>
Skip Shein	President	2019
Bruce Doughty	Vice President	2021
Peter Glowacki	Member	2021
Karen Stang Hanley	Member	2021
Sonia Kim	Member	2021
Marcelo Sztainberg	Member	2019
Joel Taub	Member	2019

#### **Township School Treasurer**

Dr. Craig Schilling

#### **District Administration**

Dr. Michael Riggle	Superintendent
Dr. R.J. Gravel	Assistant Superintendent for Business Services/CSBO

#### **Officials Issuing Report**

Dr. R.J. Gravel	Assistant Superintendent for Business Services/CSBO
Vicki Tarver	Director of Business Services/CSBO

#### **Principals**

Dr. John Finan	Glenbrook North
Dr. Lauren Fagel	Glenbrook South

#### **Department Issuing Report**

Business Services



November 13, 2017

Members of the Board of Education and Citizens of District 225  
Northfield Township High School District 225  
3801 W. Lake Ave  
Glenview, IL 60026

The Illinois State Board of Education requires that every school district issue a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2017.

The Comprehensive Annual Financial Report of Northfield Township High School District 225 for the fiscal year ended June 30, 2017, is submitted herewith.

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

Miller Cooper & Co., Ltd., Certified Public Accountants, have issued an unmodified ("clean") opinion on the Northfield Township High School District 225 financial statements for the year ended June 30, 2017. The independent auditors' report is located at the front of the financial section of this report.

A discussion and analysis from the District's leadership team is provided in the management's discussion and analysis (MD&A) located in the financial section, immediately following the independent auditors' report, providing a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

## **Profile of the District**

Northfield Township High School District 225, doing business as Glenbrook High School District 225, located approximately twenty-five miles north of downtown Chicago, Illinois, is a high school district serving students in grades 9 – 12. During fiscal year 2017, the District served 5,075 students<sup>1</sup> in two high schools, Glenbrook North, located in Northbrook, and Glenbrook South, located in Glenview, as well as in a therapeutic day school (Glenbrook Off-Campus) also located in Glenview.

The governing body consists of a seven-member Board of Education elected from within the Northfield Township boundaries, who each serve a four-year term. Board members are volunteers who do not receive a salary for their services. The most common areas of action for the Board of Education include approving policies for the operation of the schools, adopting and monitoring the budget, adopting the levy, authorizing curriculum development, approving the appointment of teachers and other staff members, and providing overall direction.

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<sup>1</sup> Enrollment data based on October 1, 2016 actual counts.

The Board of Education appoints a superintendent, who in turn recommends to the Board of Education the appointment of the remaining administrative team. An organizational chart is provided in the Introductory Section of this report.

Glenbrook High School District 225 serves students in the Villages of Glenview and Northbrook and offers its diverse student population a broad cross-section of courses and opportunities tailored to the needs of every student. Extensive curricular offerings are available from which students may choose, including Advanced Placement (AP), Work Study opportunities and a comprehensive special education program. We also encourage student involvement in extra-curricular activities, athletics, clubs and the fine arts. There are more than 25 competitive sports and over 150 clubs for our students to join. District 225's students enjoy an excellent blend of educational opportunities in academics, athletics and activities.

The District is required to adopt an annual budget for all of its funds by September 30 of each year. The annual budget serves as a foundation for financial planning and control. The budget is organized by fund, location, function (e.g., instruction, support services), object (e.g., salaries, employee benefits), and program. Development and presentation of the budget is progressive and presented in distinguishable parts beginning in January of each calendar year. A complete presentation of the tentative budget is presented to the Board of Education in July, and made available for public inspection throughout the month of August. After a public hearing, the Board of Education formally adopts a finalized budget for the fiscal year in September. Throughout the fiscal year, the Board of Education participates in the regular review and approval of personnel actions, awarding of bids, and payments to vendors at its meetings throughout the year.

## **Local Economy**

Northfield Township is located in Cook County, Illinois, and is comprised of the Villages of Glenview, Northbrook, and unincorporated parts of northern Cook County. In addition to its residential real estate, the Township houses numerous national and international businesses, such as Allstate Insurance Company, Baxter Healthcare Corp., Walgreen Company, Underwriters Laboratories, Inc., CVS Caremark, Astellas Pharmacy US, Inc., ABT Electronics, Anixter International, Inc., Kraft Foods, Inc., Takeda Pharmaceuticals North America, and North Shore University Health Systems Glenbrook Hospital.

The equalized assessed valuation of all real property located within the boundaries of Northfield Township has increased by 19.8% from tax year 2015 to 2016. This appreciation represents an upward trend in property values, which due to economic conditions, had been declining over prior years.

In February 1995, the Illinois General Assembly passed tax cap legislation (P.A. 89-1) for Cook County making it retroactive to the 1994 tax year. This legislation, known as the Property Tax Extension Limitation Law (PTELL), controls the District's ability to generate property tax revenues. In addition to P.A. 89-1, the Illinois General Assembly amended Article 20, which limits the amount of taxes for debt service that can be generated through the sale of non-referendum bonds, to the district's 1994 aggregate non-referendum debt service amount, increased annually by the change in the Consumer Price Index (CPI). For District 225 this current limit is \$2.3 million.

In November 2006, the voters of District 225 approved a \$94 million building bond referendum increasing the debt service tax rate by 8.5 cents. As outlined in the District's pre-referendum planning process, initial proceeds were used to restructure debt, with the balance of funds invested for future capital projects. As a result of these transactions, approximately \$4 million was replenished to the District's operating funds that had previously been restricted for alternate revenue bond payments, building maintenance and infrastructure.

In October 2016, the District approved the refunding of existing debt from the 2006 referendum, to maximize debt service funds given historically low interest rates. The District was able to save approximately \$6.6M in interest expenses as a result of the refunding activities. With access to these savings, and additional DSEB capacity, the District was able to raise approximately \$15M through the sale of limited life safety bonds, for the purposes of performing necessary facility and learning space projects.

A goal of the 2016 restructuring was to positively position the District to become debt free in tax year 2026.

For information regarding the District's financial position and respective changes in financial position, please read the Management's Discussion and Analysis.

## **Long-Term Financial Planning**

Although the District has benefited from a successful building referendum, it will continue to monitor its operating budget. Key areas of concern are property tax refunds, reduced/deferred state funding, unfunded mandates, utility costs, growing special education student needs, increasing health care costs, decreasing investment earnings, and the overall impact of economic conditions. The District will continue to explore reducing expenditures wherever possible.

District administration routinely completes five year projections as part of its comprehensive financial planning process. Over the past five years, the District has aggressively reviewed every area of operations for improvements in efficiencies. This on-going review has resulted in major cost reductions in the areas of energy, insurance, bookstore operations, food service, technology infrastructure, transportation, printing and copy services and investment property.

District finances are monitored through such means as periodic financial reports to the Board of Education, the annual budget process and long-term financial projections. The Board of Education has an established Finance Committee that meets several times per year to review financial reports, updated budgetary data, significant legislative issues and pending events that may have a financial impact upon the District.

As a result of the District's internal control policies and procedures, budget oversight and fiscal management, both Standard and Poor's Financial Services LLC and Moody's Investors Service have awarded the District "AAA" bond ratings. In addition to these excellent financial ratings, Standard and Poor's has awarded the District their highest management rating of "strong", which reflects an independent opinion of excellence in financial management.

## **Relevant Financial Policies**

Budget planning for the upcoming fiscal year begins no later than October, following adoption of the District's final budget. The proposed budget is available for public inspection and comment at least 30 days before the budget hearing. Within 30 days of adoption, the budget is filed with the Cook County Clerk's office and filed electronically with the Illinois State Board of Education (ISBE). Also, the adopted budget is posted on the District's website. The Board of Education may amend the budget by following the same procedure as provided for in the original adoption.

The Board of Education maintains an established budget policy that requires unassigned reserves in the operating funds be maintained at a level equal to approximately 33% of the next year's projected operating expense budget. The budget policy outlines parameters for the distribution of resources, maintenance of the District's tax rate, provisions for safe and operationally sound facilities, compliance with all applicable regulation, establishment of reasonable contingencies and the continuous monitoring of efficiencies.

The Township Treasurer serves as the Chief Investment Officer. The Township Treasurer invests funds not required for current operations in accordance with Board policy and State law. The Board of Education has an established investment policy to ensure safety of principal, liquidity of principal, return on investments, and maintenance of the public's trust. See the Notes to the Basic Financial Statements for additional information on cash and investments.

The certificate of property tax levy is filed with the Cook County Clerk's office by the last Tuesday in December. The District annually publishes a statement of affairs regarding its financial position by December 1<sup>st</sup> of each year.

## **Major Initiatives**

### **Building Capacities/Student Enrollment**

The District has been carefully monitoring student enrollment and building capacities, especially with respect to increasing enrollment at Glenbrook South. After commissioning an independent demographic enrollment study and gathering input from the community, the Board of Education determined that both Glenbrook North and Glenbrook South schools can accommodate anticipated student populations without a need to consider changes to District boundaries or practices. Student enrollment is projected to increase over the next several years, stabilizing at some point in the future. This trend may require temporary facility modifications in order to maintain ideal student capacity in some curricular areas.

### **Curriculum and Instruction**

District 225 believes in the importance of community input relative to future initiatives in the area of curriculum and instruction. The District is embarking upon a comprehensive strategic planning process in this area, obtaining feedback from stakeholders regarding academic skills, course offerings and student academic work. In addition, the District's instructional practices enhance student engagement with an emphasis on collaboration, communication, critical thinking, and creativity. A three-year strategic plan in the area of curriculum is being developed with input from a variety of stakeholders.

### **Student Wellness**

District 225 believes in the importance of community input relative to future initiatives in the area of student wellness. The District is embarking upon a comprehensive strategic planning process, obtaining feedback from stakeholders regarding student emotional wellbeing, physical wellbeing, mental health issues and substance use. A three-year strategic plan in the area of student wellness is being developed with input from a variety of stakeholders.

### **Technology Integration**

The District approved the adoption of a 3-year technology vision that provides a roadmap for areas in which to focus on, enabling a greater degree of innovation in our schools. The plan emphasizes the need for ongoing communication across stakeholder groups in order to create effective learning environments, enriched by technology, and designed to develop citizenship, collaboration, communication, critical thinking, and creativity across the curriculum.

### **Communication**

The District utilizes a three-year communications plan to guide efforts to build trust and support for the Glenbrook schools. In year two of the plan (FY2016), the communications office planned the design of a new external website and mobile device interface. The new social media campaigns conducted several focus groups of students, parents, and staff, with the new website launched during FY2017.



## **Awards and Achievements**

The Glenbrooks believe that student recognitions go beyond the traditional format of honoring 1st, 2<sup>nd</sup> and 3rd place finishers in state and national competitions or test scores alone. While these students are worthy of praise, it is our goal to showcase the lesser known stories of those who demonstrate success in a variety of non-traditional ways. Through this process we have been able to reinforce our value of learning, demonstrate our celebration of diversity, and expose our school community to a wider range of academic, athletic and extra-curricular achievements.

The following stories of our students, faculty and alumni are examples of the many achievements recognized and celebrated by the District that help bring the statistical data to life.

### **Glenbrook South Model U.N. Team Finds Success through Peer Support**

The Glenbrook South Model United Nations team has won numerous awards over the years. But this team never measures its success only with trophies.

“We’ve grown in size and in awards, but we compete for our own enjoyment,” said Lori Steffel, vice president. “We are all friends no matter our ages. We talk about Model U.N., and we also talk about how life is going. There’s a family atmosphere between underclassmen and upperclassmen.”

The team was originally started 8 years ago by advisor Terry Jozwik while he was teaching social studies at GBS. Model U.N. competitions were first popular on the east and west coasts, Terry said, explaining that the Midwest is now becoming more of a powerhouse with Glenbrook South being a key contender.

Terry believes that knowledge is power when it comes to Model U.N. “These kids are improving their writing skills, public speaking skills, collaborative skills...” Terry said. “It’s real-world experience for them because they’re dealing with hundreds of people at competitions. Even if they don’t win an award, they learn a lot.”

President Yoana Sidzhimova said that Model U.N. has taught her the meaning of teamwork. She joined as a freshman and soon looked toward upperclassmen to understand how to find real solutions to complex problems.

“At first I only joined Model U.N. to earn extra credit in world history class,” Yoana said. “But then I met a lot of older kids who I looked up to, and they made me want to do well. It’s honestly the best group of people – you’ve got the varsity football captain working with the president of the juggling club.” Yoana said that she was able to learn from people who genuinely enjoyed the competitions once she got beyond her own “need-to-win” mindset.

“That’s when the awards came naturally,” Yoana said. “... when we were working together to find solutions.”

GBS Model U.N. won eight awards during the 2016-17 school year. They were one of only three teams to win an Award of Distinction at the national conference in New York this past March. In addition, student leaders were recently invited to speak at the Illinois State University History Conference and were featured in the John Hopkins Center for Talented Youth’s Imagine Magazine.

### **Glenbrook South’s Steve Rockrohr Named Athletic Director of the Year**

GBS Athletic Director Steve Rockrohr has been named the 2016-17 3A/4A Athletic Director of the Year by the Illinois Athletic Directors Association (IADA). He was presented with the award May 7, 2017 in Peoria. Steve has been the GBS athletic director for the past 15 years. In 2015, he received the State Award of Merit from the IADA.

“I’m just thankful for the opportunity I have to work with the students, coaches, and administration at GBS and District 225,” Steve said of the honor.

GBS Principal Lauren Fagel said Steve is a “dedicated member of the IADA and a trusted member of the GBS administrative team.” “I am honored to work with such an experienced and effective athletic director,” Lauren said. “Steve focuses on creating opportunities for students, and, as he likes to say, ‘clearing the way for coaches.’”

#### Alumnus, Angel Investor Visits Math and Science Students

Stepping into Glenbrook North High School nearly 24 years after his 1993 graduation, Spartan alumnus Navin Thukkaram had a story to share with students – something he refers to as the “epic exit.” Navin spoke to computer science and math team students Feb. 27. He was on the math team while attending GBN, and therefore has been a great supporter of the team, having helped send 12 students to the Harvard-MIT Mathematics Tournament this year through a matching grant challenge.

His advice to students: “Learn how to code and learn computer science,” he said. “Always think about your ultimate outcome – your exit strategy.”

Navin is an angel investor and entrepreneur who has completed five successful exit plans from business ventures, creating more than \$3 billion in value. He was chief operating officer, seed investor and a board member of Qwiki, a mobile video startup that was acquired by Yahoo! for \$50 million in 2013. Currently, he is working with drone technology and cloud-based business services. “Math and science is all related to technology,” Navin told the GBN students, explaining how their high school courses ultimately build the foundation for tech-heavy careers. Prior to Qwiki, Thukkaram was a partner at Vulcan Capital, the multi-billion-dollar investment fund of Paul Allen.

After graduating from GBN, Navin earned his Bachelor of Science in Engineering degree from Princeton University and his Master of Business Administration degree from Harvard Business School. He was captain of the GBN golf team during his senior year and went on to play at Princeton.

#### Certificate of Excellence in Financial Reporting

Glenbrook High School District 225 has been awarded the Certificate of Excellence in Financial Reporting (COE) recognition from Association of School Business Officials International (ASBO International) for the past 8 years. The District first received the award in conjunction with the Comprehensive Annual Financial Report from the 2007-2008 fiscal year.

In addition to nationwide recognition, the COE program provides school districts with additional feedback for use in continuing to improve the quality of financial reporting, and recognizes districts for their commitment to excellent in financial management and reporting.

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

Glenbrook High School District 225 has received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) for the past 8 years. The District first received the award in conjunction with our Comprehensive Annual Financial Report from the 2008-2009 fiscal year.

This recognition is awarded to state and local governments that go beyond the minimum requirements of financial reporting, by providing comprehensive financial reports that provide transparency and full disclosure.

#### Moody’s Investors Services - Aaa Bond Rating

Glenbrook High School District 225 has received the highest bond rating available for the District’s outstanding debt from Moody’s Investors Services.

The rating of ‘Aaa’ indicates that our obligations have been judged to be of the highest quality, subject to the lowest level of credit risk.

#### S&P Global Ratings - AAA Bond Rating

Glenbrook High School District 225 has received the highest bond and management rating available for the District's outstanding debt from S&P Global Ratings.

The rating of 'AAA' indicates that our capacity to meet our financial commitments of our obligations is extremely strong. Additionally, a financial management assessment (FMA) rating of 'Strong' indicates that our management practices are strong, well embedded, and likely sustainable.

#### Illinois State Board of Education – Financial Recognition Status

Glenbrook High School District was issued the status of "Financial Recognition" for 2017 from the Illinois State Board of Education. The numeric rating of 3.90 indicates that the District is in the highest category of financial strength. This rating was issued based on the 2015-2016 Annual Financial Report data.

The Illinois State Board of Education takes into consideration (5) factors when assigning a financial profile designation: fund balance to revenue ratio; expenditures to revenue ratio; days cash on hand; percent of short-term borrowing maximum remaining, and percent of long-term debt margin remaining.

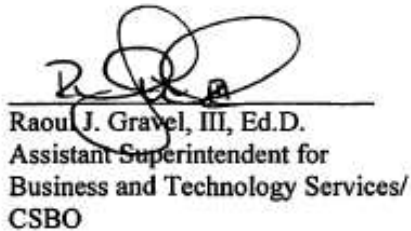
### **Acknowledgements**

The preparation of this report would not have been possible without the efficient and dedicated service of the entire Central Office staff. We wish to express our appreciation to all members of the Central Office who assisted and contributed to the preparation of this report. Also, credit must be given to the President and members of the Board of Education for their desire and commitment to maintain the highest standards of professionalism in the management of Northfield Township High School District 225 finances.

Respectfully submitted,



Michael D. Riggle, Ed.D.  
Superintendent



Raoul J. Gravel, III, Ed.D.  
Assistant Superintendent for  
Business and Technology Services/  
CSBO



Vicki L. Tarver, M.S.Ed.  
Director of Business Services/  
CSBO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**Northfield Township High School District 225**

**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'.

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

A handwritten signature in black ink, appearing to read 'John D. Musso'.

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



Government Finance Officers Association

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

Presented to

**Northfield Township High School  
District 225, Illinois**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2016**

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

# MILLER COOPER & Co., Ltd

ACCOUNTANTS AND CONSULTANTS

## INDEPENDENT AUDITORS' REPORT

The Members of the Board of Education  
Northfield Township High School District 225  
Glenview, Illinois

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Northfield Township High School District 225, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise Northfield Township High School District 225's basic financial statements, as listed in the table of contents.

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

Northfield Township High School District 225's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Northfield Township High School District 225, as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter - Correction of an Error**

As discussed in Note O to the basic financial statements, the fund balance in the Operations and Maintenance Fund and the net position of the governmental activities as of June 30, 2016 has been restated as a result of a correction of an error to unearned revenue related to an overstatement of revenue in the prior year. Our opinion is not modified with respect to this matter.

**Other Matters**

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 16, the Illinois Municipal Retirement Fund and Teachers' Retirement System of the State of Illinois Pension data on pages 68 through 71, the other postemployment benefits data on page 72, budgetary comparison schedules and notes to the required supplementary information on pages 73 through 96 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit for the year ended June 30, 2017 was conducted for the purpose of forming opinions on the financial statements that collectively comprise Northfield Township High School District 225's basic financial statements. The other schedules listed in the table of contents, in the introductory section, the supplementary financial information, and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.



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***Other Information*** (Continued)

The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information for the year ended June 30, 2017 has been subjected to the auditing procedures applied in the audit of the basic financial statements for the year ended June 30, 2017 and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary financial information for the year ended June 30, 2017 is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2017.

We also have previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of Northfield Township High School District 225, as of and for the year ended June 30, 2016 (not presented herein), and have issued our report thereon dated January 12, 2017, which contained unmodified opinions on the respective financial statements of the governmental activities, each major fund, and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Northfield Township High School District 225's basic financial statements. The Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund, with comparative actual amounts for the year ended June 30, 2016 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2016 basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund have been subjected to the auditing procedures applied in the audit of the 2016 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual for the Capital Projects Fund, Debt Service Fund, and Fire Prevention and Safety Fund are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2016.

The Introductory and Statistical Sections, as stated in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

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**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 13, 2017, on our consideration of Northfield Township High School District 225's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Northfield Township High School District 225's internal control over financial reporting and compliance.

MILLER, COOPER & CO., LTD.



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Certified Public Accountants

Deerfield, Illinois  
November 13, 2017

# **Northfield Township High School District 225**

## **Management's Discussion and Analysis (Unaudited)**

### **For the Year Ended June 30, 2017**

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The discussion and analysis of Northfield Township High School 225's (the District) financial performance provides an overall review of the District's financial activities for the year ended June 30, 2017. The District's leadership team encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

#### **Financial Highlights**

- For tax year 2016, payable in 2017, the District's aggregate equalized assessed value (EAV) for all real property within the boundaries of Northfield Township increased approximately 19.8% from \$4.39 billion to \$5.26 billion.
- In October 2016, the District approved the refunding of existing debt from the 2006 referendum, to maximize debt services funds given historically low interest rates. The District was able to save approximately \$6.6 million in interest expense as a result of the refunding activities. With access to these savings, and additional DSEB capacity, the District was able to raise approximately \$15 million through the sale of limited life safety bonds, for the purposes of performing necessary facility and learning space projects.
- General revenues accounted for \$122.1 million, or 68.2% of total revenue. Program specific revenues in the form of charges for services and grants and contributions accounted for \$57.0 million, or 31.8% of total revenue.
- The District had \$182.5 million in expenses related to governmental activities, of which \$57.0 million were offset by program specific charges for services or operating grants and contributions. General revenues of \$122.1 million and reserves of \$3.5 million were adequate to provide for the remaining costs of these programs.
- Among the major funds, the General Fund (Educational and Working Cash Accounts) had \$149.1 million in revenues, primarily consisting of property taxes, state and federal aid, and other local revenue, and \$147.9 million in expenditures.
- Enrollment remained relatively stable, increasing slightly by 0.3% or 16 students between FY2016 and FY2017.
- The FY2017 budget included numerous initiatives that were implemented during the year. These initiatives are on-going and include a continuous review of all District operations by School and District leadership teams, as well as by the Board of Education.

# **Northfield Township High School District 225**

## **Management's Discussion and Analysis (Unaudited)**

### **For the Year Ended June 30, 2017**

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#### **Overview of the Financial Statements**

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

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

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

#### *Government-wide financial statements*

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

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

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

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

#### *Fund financial statements*

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

**Northfield Township High School District 225**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2017**

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**Overview of the Financial Statements (Continued)**

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

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

The District maintains seven governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures and changes in fund balances for the General (includes the Educational and Working Cash Accounts), Operations and Maintenance, Transportation, Municipal Retirement/Social Security, Debt Service, Capital Projects and Fire Prevention and Safety Funds, all of which are considered to be major funds.

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

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

*Notes to the financial statements*

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

*Other information*

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information, including fund budgetary data, as well as pension data related to the Teachers' Retirement System of Illinois (TRS) and the Illinois Municipal Retirement Fund (IMRF), and the schedule of funding progress for the other postemployment benefits (OPEB) plan.

**Northfield Township High School District 225**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2017**

**Government-Wide Financial Analysis**

<b>Table 1</b>		
<b>Condensed Statement of Net Position</b>		
	<b>Governmental Activities FY2016*</b>	<b>Governmental Activities FY2017</b>
<b>Assets</b>		
Current and other assets	\$139,924,530	\$157,246,881
Capital assets	138,585,093	135,670,946
Construction in progress	<u>1,045,766</u>	<u>2,321,391</u>
Total assets	<u>279,555,389</u>	<u>295,239,218</u>
<b>Deferred outflow of resources</b>	<u>7,135,919</u>	<u>6,034,974</u>
<b>Liabilities</b>		
Long-term liabilities	106,903,391	117,920,236
Other liabilities	<u>6,112,576</u>	<u>6,463,267</u>
Total liabilities	<u>113,015,967</u>	<u>124,383,503</u>
<b>Deferred inflows of resources</b>	<u>53,745,460</u>	<u>60,463,542</u>
<b>Net position</b>		
Net investment in capital assets	69,325,221	62,896,67
Restricted	20,524,724	35,451,592
Unrestricted	<u>30,079,936</u>	<u>18,078,878</u>
Total net position	<u><b>\$119,929,881</b></u>	<u><b>\$116,427,147</b></u>
<i>*As restated, see Note O</i>		

The District's reported net position decreased compared to June 30, 2016, by \$3.5 million. The decrease is primarily related to an increase in pupil and instructional services and administration and business expenditures.

**Northfield Township High School District 225**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2017**

**Government-Wide Financial Analysis (Continued)**

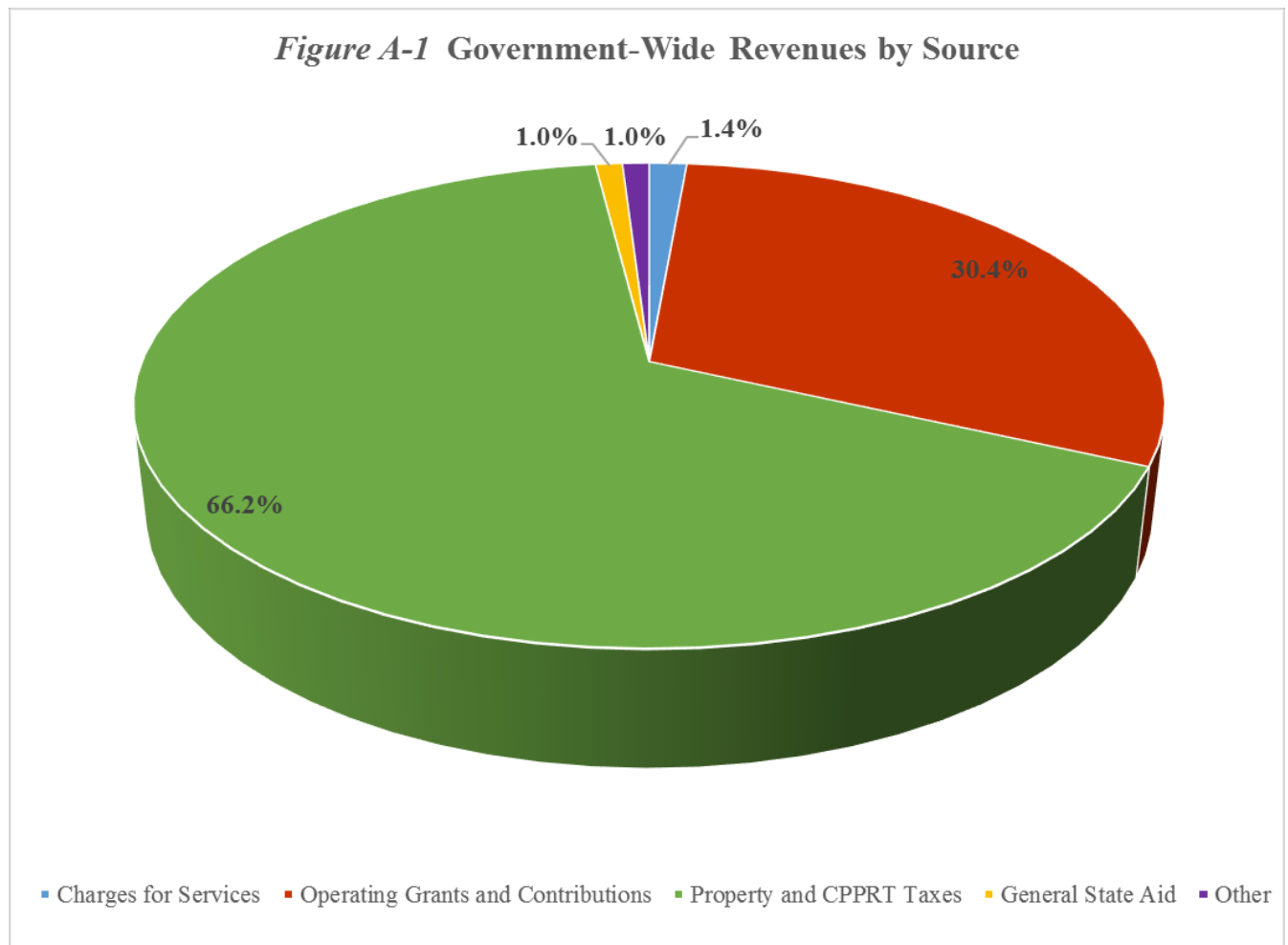
<b>Table 2</b>				
<b>Changes in Net Position</b>				
	<b>Governmental Activities FY2016*</b>	<b>% of Total</b>	<b>Government Activities FY2017</b>	<b>% of Total</b>
<b>Revenues</b>				
Program revenues:				
Charges for services	\$2,594,715	1.7%	\$2,565,111	1.4%
Operating grants and contributions	34,396,186	22.1%	54,393,349	30.4%
General revenues:				
Taxes	115,501,417	74.2%	118,568,007	66.2%
State aid formula grants	1,648,367	1.0%	1,814,463	1.0%
Other	<u>1,520,920</u>	1.0%	<u>1,674,755</u>	1.0%
<b>Total revenues</b>	<u><b>155,661,605</b></u>	<b>100%</b>	<u><b>179,015,685</b></u>	<b>100%</b>
<b>Expenditures</b>				
Instruction	99,114,383	65.0%	117,985,315	64.6%
Pupil and instructional services	14,973,826	9.8%	15,463,790	8.5%
Administration and business	12,764,975	8.4%	16,289,695	8.9%
Transportation	2,940,055	1.9%	2,854,113	1.6%
Operations and maintenance	10,268,457	6.7%	9,164,883	5.0%
Other	<u>12,594,032</u>	8.2%	<u>20,760,623</u>	11.4%
<b>Total expenses</b>	<u><b>152,655,728</b></u>	<b>100%</b>	<u><b>182,518,419</b></u>	
<b>Change in net position</b>	3,005,877		(3,502,734)	
<b>Net position, beginning of year</b>	<u>116,924,004</u>		<u>119,929,881</u>	
<b>Net position, end of year</b>	<u><b>\$119,929,881</b></u>		<u><b>\$116,427,147</b></u>	
* As restated, see Note 0				

**Northfield Township High School District 225**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2017**

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**Revenues by Source**

Property taxes and personal property replacement taxes in the amount of \$118.6 million accounted for 66.2% of total revenues, while operating grants and contributions in the amount of \$54.4 million accounted for 30.4%, charges for services in the amount of \$2.6 million accounted for 1.4%, general state aid in the amount of \$1.8 million accounted for 1.0%, and other local revenue in the amount of \$1.7 million accounted for 1.0% (Figure A-1).



The District's total revenue increased compared to June 30, 2016 by \$23.4 million. This increase is primarily due to an increase in TRS on-behalf payments from the State of Illinois of \$20.1 million, and an increase of \$3.1 million in property, personal property replacement, and make-whole taxes.



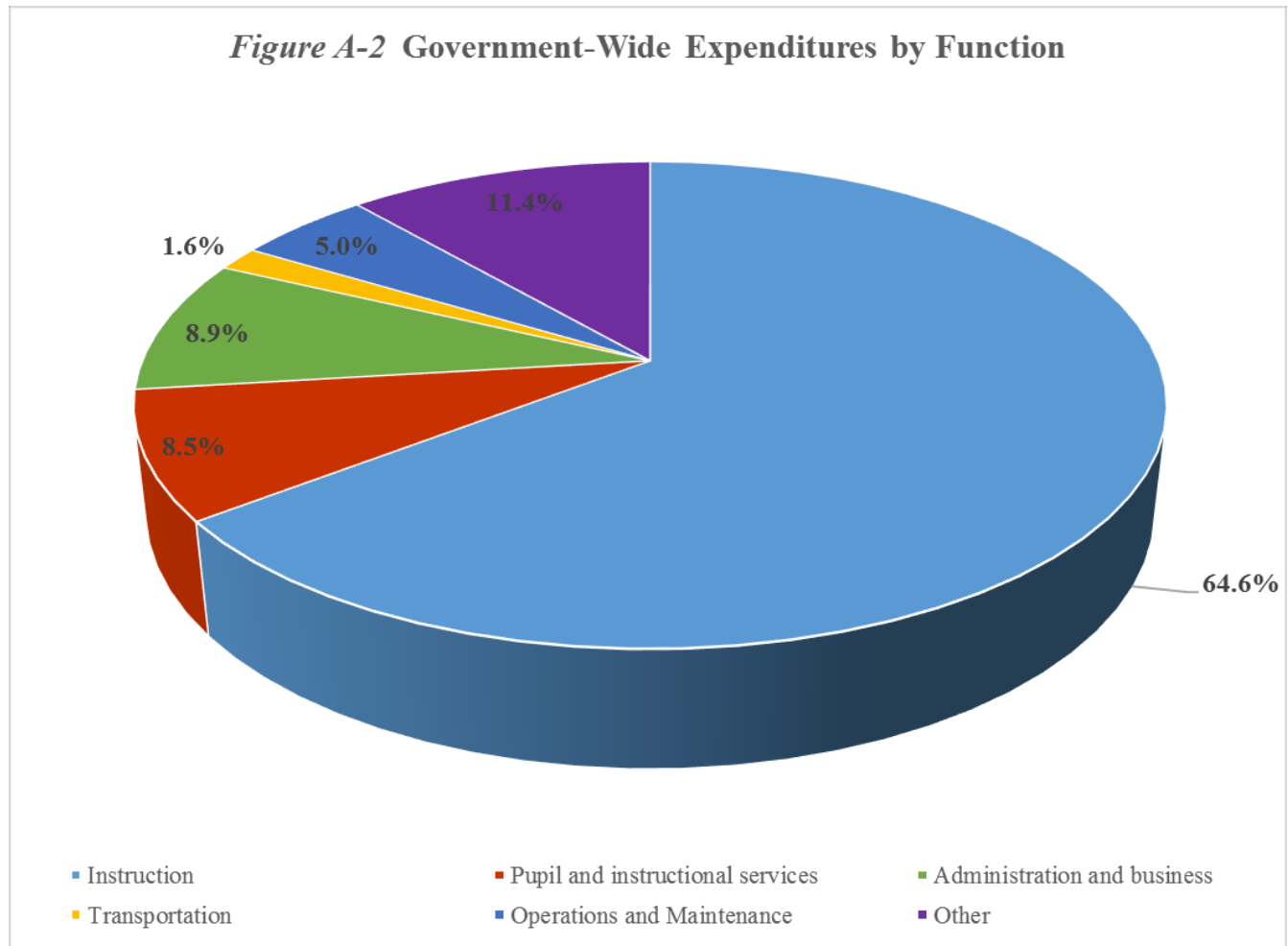
**Northfield Township High School District 225**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2017**

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**Expenditures by Function**

Expenditures for instruction in the amount of \$118.0 million accounted for 64.6% of total expenditures, while pupil and instructional services in the amount of \$15.5 million accounted for 8.5%, administration and business in the amount of \$16.3 million accounted for 8.9%, transportation in the amount of \$2.9 million accounted for 1.6%, operations and maintenance in the amount of \$9.2 million accounted for 5.0%, and other expenditures in the amount of \$20.8 million accounted for 11.4% (Figure A-2).

***Figure A-2 Government-Wide Expenditures by Function***



The Districts total expenditures increased compare to June 30, 2016 by \$29.9 million. This increase is primarily due to an increase in TRS on-behalf payments from the State of Illinois of \$20.1 million, and an increase of \$2.7 million in capital projects related to life safety. The additional increases to instruction and instructional services are related to the increase in enrollment, increase in instructional staff, and technology upgrades.

**Northfield Township High School District 225**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2017**

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

As the District closed the year, the District's governmental funds reported a combined fund balance of \$98,737,867, which is higher than last year's ending fund balance of \$82,147,117, an increase of approximately 20.2%. This increase is mainly the result of proceeds from the sale of Life Safety bonds in the amount of \$15.2 million.

The General Fund is the largest of the governmental funds. The fund balance at the beginning of the year was \$61,369,841. Actual total revenues were \$149,139,977; actual total expenditures were \$147,867,187; actual net total for other financing sources/uses related to the payment and proceeds for capital leases and gain on sale of capital assets were \$292,320. The net change in fund balance was an increase of \$1,562,110; the fund balance at the end of the year was \$62,931,951. This increase is primarily due to revenues exceeding expenditures.

The Operations and Maintenance Fund balance at the beginning of the year was \$11,846,587, as restated. Actual total revenues were \$13,671,928; actual total expenditures were \$7,558,818. There were transfers out of the fund in the amount of \$1,874,697 for the payment of long-term liabilities and capital projects. The net change in fund balance was an increase of \$4,238,413; the fund balance at the end of the year was \$16,085,000. This increase is primarily due to a higher than anticipated receipt of corporate replacement and make whole taxes.

The Transportation Fund balance at the beginning of the year was \$1,782,986. Actual total revenues were \$1,949,828; actual total expenditures were \$3,060,257; actual net total for other financing sources/uses related to the proceeds from capital lease of \$255,644. The net change in fund balance was a decrease of \$854,765; the fund balance at the end of the year was \$928,221. This decrease is primarily due to increased transportation costs, and increased board of education subsidies for free, and reduced student riders.

The Municipal Retirement/Social Security Fund balance at the beginning of the year was \$1,943,187. Actual total revenues were \$3,278,060; actual total expenditures were \$3,400,165. The net change in fund balance was a decrease of \$122,105; the fund balance at the end of the year was \$1,821,082. This decrease is primarily due to higher than anticipated municipal retirement contributions.

The Debt Service Fund balance at the beginning of the year was \$4,831,183. Actual total revenues were \$9,168,123; actual total expenditures were \$10,996,519; actual net total for other financing sources/uses related to operating transfers and debt issuance premiums and payments were \$1,652,938. The net change in fund balance was a decrease of \$175,458; the fund balance at the end of the year was \$4,655,725. This decrease is primarily related to higher than anticipated fees related to the bond restructuring.

**Northfield Township High School District 225**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2017**

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**Financial Analysis of the District's Funds (Continued)**

The Capital Projects Fund balance at the beginning of the year was \$373,333. Actual total revenues were \$1,406,017; actual total expenditures were \$3,467,727; actual net total for other financing sources/uses related to operating transfers were \$1,500,000. The net change in fund balance was a decrease of \$561,710; the fund deficit at the end of the year was \$188,377.

The Fire Prevention and Safety Fund balance at the beginning of the year was \$0. Actual total revenues were \$46,222; actual total expenditures were \$2,708,066; actual net total for other financing sources/uses related to debt issuances was \$15,166,109. The net change in fund balance was an increase of \$12,504,265; the fund balance at the end of the year was \$12,504,265.

**General Fund Budgetary Highlights**

The District's amended budget for the General Fund (Education and Working Cash Funds) anticipated that expenditures would exceed revenues by \$2,398,662. The year ended with an actual \$1,562,110 surplus, resulting in a favorable variance. Actual revenues exceeded the budgeted amount by \$287,380 (excluding on-behalf payments), resulting from higher than budgeted revenue from federal sources. Actual expenditures were less than the budgeted amount by \$3.38 million (not including on-behalf payments), resulting in less than budgeted general operating expenditures.

**Capital Asset and Debt Administration**

*Capital assets*

By the end of FY2017, the District had invested \$138 million (net of depreciation) in a broad range of capital assets, including land, construction in progress, buildings and land improvements, and equipment and vehicles (Table 3). Additional detailed information on capital assets is in Note E to the financial statements.

**Northfield Township High School District 225**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2017**

**Capital Asset and Debt Administration (Continued)**

<b>Table 3</b>		
<b>Capital Assets (net of depreciation)</b>		
	<b>Governmental Activities FY2016</b>	<b>Governmental Activities FY2017</b>
Land	\$1,477,361	\$1,477,361
Construction in progress	1,045,766	2,321,391
Buildings and land improvements	133,039,859	130,160,433
Equipment and vehicles	<u>4,067,873</u>	<u>4,033,152</u>
<b>Total</b>	<b><u>\$139,630,859</u></b>	<b><u>\$137,992,337</u></b>

*Long-term debt and other long-term liabilities*

In October 2016, the District approved the refunding of existing debt from the 2006 referendum. A goal of the 2016 restructuring was to positively position the District to become debt free in tax year 2026. In February 2017, the District approved the issuance of Life Safety bonds. These combined issuances resulted in the retirement of \$46.4 million in bonds payable and an addition of \$54.3 in bonds payable, the net effect increased the District's bonds payable \$7.9 million.

The District reports compensated absences, net pension liabilities, and other postemployment benefits as long-term liabilities. Additional detailed information on long-term liabilities, pension obligations, and other post-employment benefits are in Note F, Note G, and Note H to the financial statements.

**Northfield Township High School District 225**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2017**

**Capital Asset and Debt Administration (Continued)**

<b>Table 4</b>		
<b>Long-Term Liabilities</b>		
	<b>Governmental Activities FY2016</b>	<b>Governmental Activities FY2017</b>
General obligation bonds	\$87,635,042	\$97,008,388
Capital leases	1,172,869	1,500,213
Compensated absences	410,376	896,412
IMRF net pension liability	7,113,453	7,072,470
TRS net pension liability	6,970,006	7,663,855
Other postemployment benefits	<u>3,601,645</u>	<u>3,778,898</u>
<b>Total</b>	<b><u>\$106,903,391</u></b>	<b><u>\$117,920,236</u></b>

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

Following are significant issues that will affect the District's future:

- **Corporate Campus Consolidation and Relocations:** The Villages of Glenview and Northbrook benefit from a strong corporate campus presence within their communities. As corporations continue to evaluate their real estate holdings and the residential preferences of their workforce, larger suburban corporate offices have been consolidating and relocating to metropolitan areas. While the District's largest representative taxpayers remain committed to our two communities, this is an area that is closely monitored by the District as we plan for the future.
- **The Glen TIF:** The Glen (formally known as the Glenview Naval Air Station, "GNAS") TIF (Tax Incremental Financing) provides that the District receives make-whole payments for new students attending the District. A critical factor for future financial planning is the rate at which housing is occupied and high school enrollment increases. It is anticipated that the property located in The Glen will become part of the District's EAV in tax year 2022. The District is working closely with the Village of Glenview regarding the future impact of development upon student enrollment.

**Northfield Township High School District 225**  
**Management's Discussion and Analysis (Unaudited)**  
**For the Year Ended June 30, 2017**

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**Factors bearing on the District's Future (Continued)**

- **Property Tax Appeals:** Business taxpayers have the choice of filing property tax appeals through either the Property Tax Appeals Board (PTAB) or the Cook County Circuit Court (tax court). The District has the right to intervene in cases filed through the PTAB or the Circuit Court for assessment adjustments over \$100,000. Over the last fifteen fiscal years, District 225 has lost over \$32 million to property tax refunds, through both the PTAB and the tax court. This is an average of \$2.2 million per year, which is included in the District's annual operating budget. If not for the District's intervention, this amount would be significantly higher. The District will continue to exercise its legal right to reduce losses through property tax appeals.
- **Collective Bargaining:** The District successfully negotiated multi-year contracts with the Glenbrook Education Association (G.E.A.), the Glenbrook Educational support Staff Association (G.E.S.S.A.) and the Glenbrook Educational Support Paraprofessionals Association (G.E.S.P.A.). The negotiated agreements are within the parameters set by the Board of Education and provide for consistency and stability across all employee groups. The G.E.A. contract is scheduled to expire on June 30, 2018; the G.E.S.S.A. and G.E.S.P.A. contracts are scheduled to expire on June 30, 2019.
- **Health Care Reform:** The Patient Protection and Affordable Care Act (PPACA) and Health Care and Education Reconciliation Act of 2010 were signed into law in the spring of 2010. The District is pursuing legal and analytical advice from experts in the field in order to stay proactive and in full compliance with the law. The District has also established a joint committee of school leaders and collective bargaining representatives to review health care claim trends, and propose health benefit plan changes for each plan renewal cycle.

**Factors bearing on the District's Future (Continued)**

- **Student Enrollment:** Recent enrollment and census data indicate a projected increase in student enrollment over the next four years, particularly at Glenbrook South High School. Two distinct methodologies have been implemented to measure enrollment trends on an annual basis, and have resulted in near precise enrollment estimates since FY2014. Current District budget strategies include provisions for future enrollment variances.

**Requests for Information**

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Business Services Department: Northfield Township High School District 225, 3801 W. Lake Avenue, Glenview, IL 60026.

## **BASIC FINANCIAL STATEMENTS**

**Northfield Township High School District 225**  
**STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES**  
June 30, 2017

**ASSETS**

Cash and investments	\$ 100,454,087
Restricted cash	969,946
Receivables (net of allowance for uncollectibles):	
Interest	201,843
Property taxes	53,002,663
Replacement taxes	429,609
Accounts	142,655
Intergovernmental	1,923,182
Prepaid items	122,896
Capital assets:	
Land	1,477,361
Construction in progress	2,321,391
Depreciable buildings, property, and equipment, net	<u>134,193,585</u>
 Total assets	 <u>295,239,218</u>

**DEFERRED OUTFLOW OF RESOURCES**

Deferred outflows related to pensions	<u>6,034,974</u>
 Total deferred outflows	 <u>6,034,974</u>

**LIABILITIES**

Accounts payable	3,374,565
Salaries and wages payable	36,751
Claims payable	1,206,658
Other current liabilities	961,401
Interest payable	394,726
Unearned revenue	489,166
Long-term liabilities:	
Due within one year	6,189,293
Due after one year	<u>111,730,943</u>
 Total liabilities	 <u>124,383,503</u>

**DEFERRED INFLOW OF RESOURCES**

Deferred inflows related to pensions	1,995,358
Deferred gain on refunding of bonds	6,199,063
Property taxes levied for a future period	<u>52,269,121</u>
 Total deferred inflows	 <u>60,463,542</u>

**NET POSITION**

Net investment in capital assets	62,896,677
Restricted For:	
Operations and maintenance	16,104,053
Debt service	4,269,227
Student transportation	935,188
Retirement benefits	1,824,875
Capital projects	12,318,249
Unrestricted	<u>18,078,878</u>
 Total net position	 <u>\$ 116,427,147</u>

The accompanying notes are an integral part of this statement.



# Northfield Township High School District 225

## STATEMENT OF ACTIVITIES

For the Year Ended June 30, 2017

Functions / Programs	Expenses	PROGRAM REVENUES		Net (Expenses)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
Governmental activities				
Instruction:				
Regular programs	\$ 41,232,519	\$ 1,398,810	\$ 532,155	\$ (39,301,554)
Special programs	16,026,421	-	4,447,887	(11,578,534)
Other instructional programs	12,841,355	286,632	155,710	(12,399,013)
State retirement contributions	47,885,020	-	47,885,020	-
Support services:				
Pupils	11,531,774	-	-	(11,531,774)
Instructional staff	3,932,016	-	13,117	(3,918,899)
General administration	2,893,910	-	-	(2,893,910)
School administration	8,447,959	-	-	(8,447,959)
Business	4,947,826	49,545	-	(4,898,281)
Transportation	2,854,113	375,085	1,071,197	(1,407,831)
Operations and maintenance	9,164,883	455,039	-	(8,709,844)
Central	8,153,788	-	-	(8,153,788)
Other supporting services	-	-	288,263	288,263
Community services	52,473	-	-	(52,473)
Interest and fees	10,394,790	-	-	(10,394,790)
Unallocated depreciation	2,159,572	-	-	(2,159,572)
Total governmental activities	<u>\$ 182,518,419</u>	<u>\$ 2,565,111</u>	<u>\$ 54,393,349</u>	<u>\$ (125,559,959)</u>
General revenues:				
Taxes:				
Real estate taxes, levied for general purposes				92,119,485
Real estate taxes, levied for specific purposes				6,602,868
Real estate taxes, levied for debt service				8,853,205
Personal property replacement taxes				3,032,003
Other payments in lieu of taxes				7,960,446
State aid-formula grants				1,814,463
Investment earnings				718,345
Gain on sale of capital assets				187,178
Miscellaneous				769,232
Total general revenues				<u>122,057,225</u>
Change in net position				(3,502,734)
Net position, beginning of year - as restated (see Note O)				<u>119,929,881</u>
Net position, end of year				<u>\$ 116,427,147</u>

The accompanying notes are an integral part of this statement.

# Northfield Township High School District 225

Governmental Funds

BALANCE SHEET

June 30, 2017

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
<b>ASSETS</b>				
Cash and investments	\$ 64,355,335	\$ 16,130,576	\$ 890,795	\$ 1,500,184
Restricted cash	-	-	-	-
Receivables (net of allowance for uncollectibles):				
Interest	154,251	22,444	8,207	4,468
Property taxes	45,704,426	1,408,968	235,083	1,431,158
Replacement taxes	-	109,609	-	320,000
Accounts	137,227	5,428	-	-
Intergovernmental	1,386,408	-	536,774	-
Prepaid items	122,896	-	-	-
Total assets	<u>\$ 111,860,543</u>	<u>\$ 17,677,025</u>	<u>\$ 1,670,859</u>	<u>\$ 3,255,810</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 1,511,200	\$ 92,914	\$ 171,079	\$ -
Salaries and wages payable	26,419	10,332	-	-
Claims payable	1,206,658	-	-	-
Other current liabilities	825,986	81,211	2,136	14,097
Unearned revenue	158,378	-	330,788	-
Total liabilities	<u>3,728,641</u>	<u>184,457</u>	<u>504,003</u>	<u>14,097</u>
<b>DEFERRED INFLOWS</b>				
Unavailable interest revenue	130,950	19,053	6,967	3,793
Property taxes levied for a future period	45,069,001	1,388,515	231,668	1,416,838
Total deferred inflows	<u>45,199,951</u>	<u>1,407,568</u>	<u>238,635</u>	<u>1,420,631</u>
<b>FUND BALANCES</b>				
Nonspendable	122,896	-	-	-
Restricted	-	16,085,000	928,221	1,821,082
Unassigned	62,809,055	-	-	-
Total fund balance (deficit)	<u>62,931,951</u>	<u>16,085,000</u>	<u>928,221</u>	<u>1,821,082</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 111,860,543</u>	<u>\$ 17,677,025</u>	<u>\$ 1,670,859</u>	<u>\$ 3,255,810</u>

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 3,662,357	\$ 1,154	\$ 13,913,686	\$ 100,454,087
969,946	-	-	969,946
9,692	2,781	-	201,843
4,223,028	-	-	53,002,663
-	-	-	429,609
-	-	-	142,655
-	-	-	1,923,182
-	-	-	122,896
<u>\$ 8,865,023</u>	<u>\$ 3,935</u>	<u>\$ 13,913,686</u>	<u>\$ 157,246,881</u>
\$ -	\$ 189,951	\$ 1,409,421	\$ 3,374,565
-	-	-	36,751
-	-	-	1,206,658
37,971	-	-	961,401
-	-	-	489,166
<u>37,971</u>	<u>189,951</u>	<u>1,409,421</u>	<u>6,068,541</u>
8,228	2,361	-	171,352
<u>4,163,099</u>	<u>-</u>	<u>-</u>	<u>52,269,121</u>
<u>4,171,327</u>	<u>2,361</u>	<u>-</u>	<u>52,440,473</u>
-	-	-	122,896
4,655,725	-	12,504,265	35,994,293
-	(188,377)	-	62,620,678
<u>4,655,725</u>	<u>(188,377)</u>	<u>12,504,265</u>	<u>98,737,867</u>
<u>\$ 8,865,023</u>	<u>\$ 3,935</u>	<u>\$ 13,913,686</u>	<u>\$ 157,246,881</u>

**Northfield Township High School District 225**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL**  
**FUNDS TO THE STATEMENT OF NET POSITION**  
June 30, 2017

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

Total fund balances - governmental funds	\$ 98,737,867
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Net capital assets used in governmental activities and included in the statement of net position do not require the expenditure of financial resources and, therefore, are not reported in the governmental funds balance sheet.	137,992,337
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Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds:

Deferred outflows of resources related to pensions	\$ 4,890,788	
Deferred outflows of 2017 employer contributions related to pensions	<u>1,144,186</u>	6,034,974
Deferred inflows of resources related to pensions		(1,995,358)

Deferred gain on refunding of bonds, included in the statement of net position, is not available to pay for current period expenditures and, accordingly, is not included in the governmental funds balance sheet.	(6,199,063)
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Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not included in the governmental funds balance sheet.	(117,920,236)
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Interest on long-term liabilities accrued in the statement of net position will not be paid with current financial resources and, accordingly, are not included in the governmental funds balance sheet.	(394,726)
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Certain revenue receivables of the District recognized in the Statement of Net Position do not provide current financial resources and are deferred in the governmental funds balance sheet.	<u>171,352</u>
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Net position of governmental activities	<u><u>\$ 116,427,147</u></u>
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The accompanying notes are an integral part of this statement.

# Northfield Township High School District 225

## Governmental Funds

### STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT)

For the Year Ended June 30, 2017

	General	Operations and Maintenance	Transportation	Municipal Retirement / Soc. Sec.
Revenues				
Property taxes	\$ 92,119,485	\$ 2,973,848	\$ 496,483	\$ 3,132,537
Replacement taxes	-	2,895,378	-	136,625
State aid	51,663,010	-	1,071,197	-
Federal aid	3,185,342	-	-	-
Interest	370,613	87,542	7,063	8,898
Other	1,798,527	7,715,160	375,085	-
Total revenues	149,136,977	13,671,928	1,949,828	3,278,060
Expenditures				
Current:				
Instruction:				
Regular programs	35,121,384	-	-	548,508
Special programs	15,680,172	-	-	319,314
Other instructional programs	12,483,820	-	-	406,000
State retirement contributions	47,885,020	-	-	-
Support services:				
Pupils	11,004,595	-	-	465,883
Instructional staff	3,537,302	-	-	147,127
General administration	2,807,063	-	-	80,296
School administration	7,507,641	-	-	277,848
Business	2,010,478	1,448	-	81,531
Transportation	42,710	-	3,060,257	6,810
Operations and maintenance	1,434,143	7,333,940	-	731,709
Central	8,077,726	-	-	328,773
Community services	185,588	-	-	6,366
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital outlay	89,545	223,430	-	-
Total expenditures	147,867,187	7,558,818	3,060,257	3,400,165
Excess (deficiency) of revenues over expenditures	1,269,790	6,113,110	(1,110,429)	(122,105)
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(801,302)	(1,874,697)	-	-
Debt issuance	-	-	-	-
Premium on debt issuance	-	-	-	-
Payment on refunded debt	-	-	-	-
Proceeds from capital lease	906,444	-	255,664	-
Gain on sale of capital assets	187,178	-	-	-
Total other financing sources (uses)	292,320	(1,874,697)	255,664	-
Net change in fund balance	1,562,110	4,238,413	(854,765)	(122,105)
Fund balance, beginning of year - as restated (see Note O)	61,369,841	11,846,587	1,782,986	1,943,187
Fund balance (deficit), end of year	\$ 62,931,951	\$ 16,085,000	\$ 928,221	\$ 1,821,082

The accompanying notes are an integral part of this statement.

Debt Service	Capital Projects	Fire Prevention and Safety	Total
\$ 8,853,205	\$ -	\$ -	\$ 107,575,558
-	-	-	3,032,003
-	-	-	52,734,207
288,263	-	-	3,473,605
26,655	-	46,222	546,993
-	1,406,017	-	11,294,789
9,168,123	1,406,017	46,222	178,657,155
-	-	-	35,669,892
-	-	-	15,999,486
-	-	-	12,889,820
-	-	-	47,885,020
-	-	-	11,470,478
-	-	-	3,684,429
-	-	-	2,887,359
-	-	-	7,785,489
-	16,045	-	2,109,502
-	-	-	3,109,777
-	1,049,897	453,925	11,003,614
-	-	-	8,406,499
-	-	-	191,954
7,115,054	-	-	7,115,054
3,881,465	-	161,500	4,042,965
-	2,401,785	2,092,641	4,807,401
10,996,519	3,467,727	2,708,066	179,058,739
(1,828,396)	(2,061,710)	(2,661,844)	(401,584)
1,175,999	1,500,000	-	2,675,999
-	-	-	(2,675,999)
39,951,498	-	14,378,502	54,330,000
6,934,155	-	787,607	7,721,762
(46,408,714)	-	-	(46,408,714)
-	-	-	1,162,108
-	-	-	187,178
1,652,938	1,500,000	15,166,109	16,992,334
(175,458)	(561,710)	12,504,265	16,590,750
4,831,183	373,333	-	82,147,117
\$ 4,655,725	\$ (188,377)	\$ 12,504,265	\$ 98,737,867

## Northfield Township High School District 225

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES For the Year Ended June 30, 2017

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

Net change in fund balances - total governmental funds \$ 16,590,750

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay in the current period. (1,638,522)

Deferred gain on refunding of bonds, included in the statement of net position, is not available to pay for current period expenditures and, accordingly, is not included in the governmental funds balance sheet.

Gain on refunding	\$ (6,563,714)	
Amortization	<u>364,651</u>	(6,199,063)

Accrued interest reported in the statement of activities does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. This is the amount of net change during the year. (142,174)

Changes in deferred outflows and inflows or resources related to pensions are reported only in the statement of activities:

Deferred outflow and inflows or resources related to IMRF pension (1,100,945)

Deferred outflow and inflows or resources related to TRS pension (167,287)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consume the current financial resources of the government funds. (4,120,278)

Certain revenues included in the Statement of Activities do not provide current financial resources and, therefore, are deferred in the governmental fund statements. 171,352

Governmental funds report the effect of premiums and discounts when the debt is issued. However, these amounts are deferred and amortized in the statement of activities. This is the amount of the current year, net effect of these differences. (6,896,567)

Change in net position - governmental activities \$ (3,502,734)

The accompanying notes are an integral part of this statement.

# Northfield Township High School District 225

Fiduciary Funds

## STATEMENT OF FIDUCIARY NET POSITION

June 30, 2017

	Student Activity Fund	Private Purpose Trust Fund
ASSETS		
Cash and investments	\$ 1,304,959	\$ 286,524
LIABILITIES		
Due to student groups	\$ 1,304,959	\$ -
NET ASSETS HELD IN TRUST FOR EXTERNAL PARTIES	\$ -	\$ 286,524

The accompanying notes are an integral part of this statement.



**Northfield Township High School District 225**  
Fiduciary Funds  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
For the year ended June 30, 2017

	Private Purpose Trust Fund
<hr/>	
ADDITIONS	
Fundraising and fee revenue	\$ 715,039
Interest income	244
	<hr/>
Total additions	715,283
DEDUCTIONS	
Personnel expenses	526,812
Administrative expenses	193,284
	<hr/>
Total deductions	720,096
Changes in net position	(4,813)
Net position, beginning of year	291,337
	<hr/>
Net position, end of year	\$ 286,524
	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

# **Northfield Township High School District 225**

## **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2017

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Northfield Township High School District 225 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles.

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

#### 1. Reporting Entity

The District is located in Cook County, Illinois. The District is governed by an elected Board of Education. The Board of Education maintains final responsibility for all budgetary, taxing, and debt matters.

The District includes all funds of its operations that are controlled by or dependent upon the District as determined on a basis of financial accountability. Financial accountability includes appointment of the organization's governing body, imposition of will, and fiscal dependency. The accompanying financial statements include only those funds of the District, as there are no organizations for which it has financial accountability.

Also, the District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

#### 2. Fund Accounting

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

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

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

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

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the nonfiduciary activities of the District. The effect of interfund activity has been eliminated from these statements. Governmental activities normally are supported by property taxes, intergovernmental revenues, and local fees.

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

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

##### a. General Fund

The *General Fund* includes the Educational Account and the Working Cash Account. The Educational Account is the District's primary operating account. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Working Cash Account is for the financial resources held by the District to be used as temporary interfund loans for working capital requirements. Money loaned by the Working Cash Account to other funds must be repaid upon the collection of property taxes in the fund(s) loaned to. As allowed by the School Code of Illinois, this Account may be permanently abolished and become part of the Educational Account, or it may be partially abated to any fund in need as long as the District maintains a balance in the Working Cash Account of at least 0.05% of the District's current equalized assessed valuation.

##### b. Special Revenue Funds

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

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

*Operations and Maintenance Fund* - accounts for all revenues and expenditures made for operations, repair, and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes, tax increment financing district monies, and personal property replacement taxes.

## Northfield Township High School District 225

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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#### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 3. Government-Wide and Fund Financial Statements (Continued)

###### b. Special Revenue Funds (Continued)

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

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

###### c. Debt Service

*Debt Service Fund* - accounts for accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue source is local property taxes levied specifically for debt service and transfers from other funds.

###### d. Capital Projects Fund

*Capital Projects Fund* - accounts for financial resources to be used for the acquisition or construction of major capital facilities. Revenues are derived from bond proceeds, tax increment financing district monies, and transfers from other funds.

*Fire Prevention and Safety Fund* - accounts for state-approved life safety projects financed through general obligation bond issues.

###### e. Fiduciary Fund

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

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

The *Private Purpose Trust Fund* is accounted for on the flow of economic resources measurement focus and uses the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The Private Purpose Trust Fund accounts for the activity of Glenbrook Aquatics, a year-round aquatics program run by the District.

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 4. Measurement Focus, Basis of Accounting, and Basis of Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available". "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers most revenues available if they are collected within 60 days after year-end. Revenues that are paid to the District by the Illinois State Board of Education are considered available if they are vouchered by year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured 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.

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

The District reports unearned and unavailable revenue on its financial statements. Unearned and unavailable revenue arises when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability or deferred inflow of resources for unearned or unavailable revenue is removed from the balance sheet and revenue is recognized. Governmental Funds also defer revenue recognition in connection with resources received, but not yet earned.

The fiduciary fund statements are reported using the accrual basis of accounting.

#### 5. Deferred Outflows / Deferred Inflows

In addition to assets, the statement of net position and the governmental funds balance sheet may report deferred outflows of resources. Deferred outflows of resources represent a consumption of net position / fund balance that applies to future periods. At June 30, 2017, the District reported deferred outflows of resources related to pension liabilities. In addition to liabilities, the District may report deferred inflows of resources. Deferred inflows of resources represent the acquisition of resources that is applicable to future reporting periods. At June 30, 2017, the District reported deferred inflows related to property taxes levied for a future period, a gain on the refunding of bonds, unavailable interest revenue, and pension liabilities.

## Northfield Township High School District 225

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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#### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### 6. Fund Balance

The governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

- a. *Nonspendable* - includes amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact. The nonspendable in form criteria includes items that are not expected to be converted to cash such as prepaid items or inventories.
- b. *Restricted* - refers to amounts that are subject to outside restrictions such as creditors, grantors, contributors, laws and regulations of other governments, or imposed by law through enabling legislation. Special revenue funds as well as debt service and capital projects funds are by definition restricted for those specified purposes.
- c. *Committed* - refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority (the Board of Education). The Board of Education commits fund balances by passing a resolution. Amounts committed cannot be used for any purpose unless the District removes or changes the specific use by taking the same type of formal action it employed to previously commit those funds. The District had no committed fund balances at June 30, 2017.
- d. *Assigned* - refers to amounts that are constrained by the District's intent to be used for a specific purpose, but are neither restricted or committed. Intent may be expressed by the Board of Education or the individual the Board of Education delegates the authority to assign amounts to be used for specific purposes. The Board of Education delegated this authority to the Assistant Superintendent for Business Services/CSBO. The District had no assigned fund balances at June 30, 2017.
- e. *Unassigned* - refers to all spendable amounts not contained in the other four classifications described above. In funds other than the general fund, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The nonspendable fund balance in the General Fund consists of \$122,896 for prepaid items. Fund balances in the Operations and Maintenance Fund, the Transportation Fund, the Municipal Retirement/Social Security Fund, the Debt Service Fund, and the Fire Prevention and Safety Fund are restricted based on the nature of the funds.

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally they act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 6. Fund Balance (Continued)

The District also has a contingency reserve policy. The policy states that unassigned reserves in the operating funds shall be maintained at a level equal to not less than 33.0% of the next year's projected operating budget. The operating budget is composed of the Educational, Operations and Maintenance, Transportation, Municipal Retirement/Social Security, Working Cash, Fire Prevention and Safety Funds, and any other fund, as may be required by state law.

#### 7. Deposits and Investments

The Illinois Compiled Statutes require the District to utilize the investment services of the Northfield Township School Treasurer (the Treasurer). Investments are stated at fair value. Changes in fair value are included in investment income.

#### 8. Personal Property Replacement Taxes

Personal property replacement tax revenues are first allocated to the Municipal Retirement/Social Security Fund, with the balance allocated at the discretion of the District.

#### 9. Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both the government-wide and the fund financial statements. The costs of prepaid items is recorded as expenditures when consumed rather than when purchased.

#### 10. Capital Assets

Capital assets, which include land, construction in progress, land improvements, buildings, transportation equipment, and equipment, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual or group cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are listed at acquisition value as of the date of donation.

Construction in progress is stated at cost and includes engineering, design, material, and labor incurred for planned construction. No provision for depreciation is made on construction in progress until the asset is completed and placed in service.

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

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 10. Capital Assets (Continued)

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Land improvements	20 - 40
Equipment	5 - 15
Transportation equipment	8

#### 11. Long-Term Obligations

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

In the fund financial statements, governmental funds recognize bond premiums and discounts, losses on refunding, and bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance cost and losses on refunding are reported as debt service expenditures.

#### 12. Accumulated Unpaid Vacation and Sick Pay

Employees who work a twelve-month year are entitled to be compensated for vacation time. Vacations are usually taken within the calendar year. Accrued but unpaid vacation leave at June 30, 2017 has been reflected as a liability. All accrued vacation is considered a long-term liability, with a portion reported as due within one year. When a certified employee with 120 or more days of service resigns from the District, he/she receives payment of unused accrued vacation time payable at their current salary rate.

A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee termination, resignation, or retirements. These amounts are recorded in the fund from which the employees who have accumulated vacation leave are paid.

Educational support personnel receive 11 vacation days per year. The District reimburses employees for unused accrued vacation days remaining upon termination of employment at their current salary rate.



# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 12. Accumulated Unpaid Vacation and Sick Pay (Continued)

All certified employees receive a specified number of sick days per year depending on their years of service, in accordance with the agreement between the Board of Education and the Education Association. Unused sick leave days accumulate to a maximum of 360 days. Upon retirement, a certified employee may apply up to 180 days of unused sick leave toward service credit for the Teachers' Retirement System (TRS). Upon retirement, a member of the Illinois Municipal Retirement Fund (IMRF) may apply up to 221 days of unused sick leave toward IMRF service credit.

Due to the nature of the policies on sick leave, and the fact that any liability is contingent upon future events, and cannot be reasonably determined, no liability for unused sick leave has been reported within the financial statements.

#### 13. Use of Estimates

In preparing financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

#### 14. Budgetary Data

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

#### 15. Restricted Net Position

For the government-wide financial statements, net position is reported as restricted when constraints placed on net position are either: (1) externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, (2) imposed by law through constitutional provisions, or (3) imposed by enabling legislation. The District's restricted net position was restricted as a result of enabling legislation.

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

#### 16. Pensions

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

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

#### 1. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-wide Statement of Net Position

The governmental funds balance sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that "Long-term liabilities included in the statement of net position are not due and payable in the current period and, accordingly, are not reported in the governmental funds balance sheet." The details of this difference are as follows:

General obligation bonds	\$ (87,983,971)
Lease certificates	(615,000)
Capital leases	(1,500,213)
Unamortized bond premium and discount, net	(8,409,417)
Compensated absences	(896,412)
IMRF net pension liability	(7,072,470)
TRS net pension liability	(7,663,855)
Other postemployment benefit obligations	<u>(3,778,898)</u>
Net adjustment to reduce fund-balance total governmental funds to arrive at net position - governmental activities	\$ <u><u>(117,920,236)</u></u>

#### 2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) and the Government-wide Statement of Activities

The governmental funds statement of revenues, expenditures, and changes in fund balance (deficit) includes a reconciliation between net changes in fund balance - total governmental funds and changes in net position - governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this difference are as follows:

Capital outlay	\$ 6,133,869
Depreciation expense	<u>(7,772,391)</u>
Net adjustment to decrease net change in fund balances - total governmental funds to arrive at change in net position of governmental activities	\$ <u><u>(1,638,522)</u></u>

## Northfield Township High School District 225

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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#### NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

(Continued)

#### 2. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) and the Government-wide Statement of Activities (Continued)

Another element of that reconciliation states that "The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. The details of this difference are as follows:

Principal repayments	
General obligation bonds	\$ 5,995,000
Lease certificates	340,000
Capital leases	834,764
Proceeds from bond issuance	(54,330,000)
Payment on refunded debt	46,408,714
Issuance of capital lease	(1,162,108)
Accretion of capital appreciation bonds	(890,493)
Compensated absences, net	(486,036)
IMRF pension expense, net	40,983
TRS pension expense, net	(693,849)
Other postemployment benefit obligations, net	<u>(177,253)</u>
Net adjustment to increase net change in fund balances - total governmental funds to arrive at change in net position of governmental activities.	\$ <u><u>(4,120,278)</u></u>

#### NOTE C - DEPOSITS AND INVESTMENTS

The Treasurer's and the District's investment policies are in line with State Statutes. The investments that the District may purchase are limited by Illinois law to the following: (1) securities that are fully guaranteed by the U.S. government as to principal and interest; (2) certain U.S. government agency securities; (3) interest-bearing savings accounts, interest-bearing certificates of deposit or time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act; (4) short-term discount obligations of corporations organized in the United States with assets exceeding \$500,000,000; (5) interest-bearing bonds of any county, township, city, village, incorporated town, municipal corporation or school district; (6) fully collateralized repurchase agreements; (7) the State Treasurer's Illinois and Prime Funds; and (8) money market mutual funds and certain other instruments.

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

### NOTE C - DEPOSITS AND INVESTMENTS (Continued)

At June 30, 2017, the District's cash and investments consisted of the following:

	<u>Governmental</u>	<u>Fiduciary</u>	<u>Total</u>
Cash and investments	\$ <u>100,454,087</u>	\$ <u>1,591,483</u>	\$ <u>102,045,570</u>

For disclosure purposes, cash held by the District and Treasurer is segregated into the components as follows:

	<u>Total</u>
Cash on hand	\$ 1,207
Deposits with financial institutions*	82,966,582
Illinois School District Liquid Asset Fund Plus (ISDLAF+)	<u>19,077,781</u>
	\$ <u>102,045,570</u>

\* Includes accounts held in demand and savings accounts, but primarily consists of non-negotiable certificates of deposit and money market savings accounts, which are valued at cost.

#### 1. Cash and Investments Under the Custody of the Township Treasurer

As explained in Note A, the Illinois Compiled Statutes require the District to utilize the investment services of the Township School Treasurer (the Treasurer). As such, the Treasurer is the lawful custodian of these school funds. The Treasurer is appointed by the Township Treasurer's Board of Trustees, an independently elected body, to serve the school districts in the township. The investment policies are established by the Treasurer, which are in line with state statutes. The Treasurer is the direct recipient of property taxes, replacement taxes, and most state and federal aid, and disburses school funds upon lawful order to the School Board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below.

District cash and investments (other than the student activity funds) are held by the Township Treasurer. The Treasurer maintains records that segregate the cash and investment balances by district. Cash for all funds, including cash applicable to the Debt Service Fund and the Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer also holds deposits with financial institutions, including non-negotiable certificates of deposit. As of June 30, 2017, the value of all cash and investments held by the Treasurer's office was \$81,990,800.

#### 2. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, a periodic review of the investment portfolio is performed to ensure performance is consistent with the safety, liquidity, rate of return, diversification and overall performance the District needs.

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE C - DEPOSITS AND INVESTMENTS (Continued)

#### 2. Interest Rate Risk (Continued)

Investments measured at net asset value (NAV):

		Unfunded Commitments	Redemption Frequency	Redemption Notice Period
ISDLAF+	\$ 19,077,781	n/a	Daily	1 day

#### 3. Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law limits investments in commercial paper, corporate bonds and mutual funds to the top two ratings issued by nationally recognized statistical rating organizations (NRSROs).

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

#### 4. Cash and Investments in the Custody of the District

At June 30, 2017, the carrying value of the District's student activity fund and private purpose trust fund was \$1,591,483, all of which was deposited with financial institutions and fully insured or collateralized.

#### 5. Concentration of Credit Risk

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

#### 6. Custodial Credit Risk

With respect to deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. At June 30, 2017, the bank balances of the District's deposits with financial institutions totaled \$84,864,496, all of which was fully insured or collateralized.

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

## **Northfield Township High School District 225**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2017

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#### **NOTE D - PROPERTY TAXES RECEIVABLE**

The District must file its tax levy resolution by the last Tuesday in December of each year. The tax levy resolution was approved by the Board on December 12, 2016. The District's property tax is levied each year on all taxable real property located in the District and becomes a lien on the property on January 1 of that year. The owner of real property on January 1 (the lien date), in any year, is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations; individual fund rate ceilings and the Property Tax Extension Limitation Law (PTELL).

The PTELL limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELL limits the increase in total taxes billed to the lesser of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations, and tax increment finance district property becoming eligible for taxation. The CPI applicable to the 2016 and 2015 levies was 0.7% and 0.8%, respectively.

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

The Illinois Department of Revenue has the statutory responsibility of ensuring uniformity of real property assessments throughout the state. Each year, the Illinois Department of Revenue furnishes the county clerks with an adjustment factor to equalize the level of assessment between counties at one-third of market value. This factor (the equalization factor) is then applied to the assessed valuation to compute the valuation of property to which the tax rate will be applied (the equalized assessed valuation). The equalization factor for Cook County was 2.8032 for 2016.

The County Clerk adds the equalized assessed valuation of all real property in the county to the valuation of property assessed directly by the state (to which the equalization factor is not applied) to arrive at the base amount (the assessment base) used to calculate the annual tax rates, as described above. The equalized assessed valuation for the extension of the 2016 tax levy was \$5,264,632,513.

Property taxes are collected by the Cook County Collector/Treasurer who remits them to the School Treasurer. Taxes levied in one year become due and payable in two installments on March 1 and August 1 during the following year. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. Property taxes are normally collected by the District within 60 days of the respective installment dates. The second installment is based on the current levy, assessment, and equalization, and any changes from the prior year will be reflected in the second installment bill.

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

### NOTE D - PROPERTY TAXES RECEIVABLE (Continued)

The portion of the 2016 property tax levy not received by June 30 is recorded as a receivable, net of estimated uncollectibles of 1%. The net receivable collected within the current year or due and expected to be collected soon enough thereafter to be used to pay liabilities of the current period, less the taxes collected soon enough after the end of the previous fiscal year, are recognized as revenue. Such time, thereafter, does not exceed 60 days. Net taxes receivable less the amount expected to be collected within 60 days is reflected as deferred inflows of resources - property taxes levied for a future period.

### NOTE E - CAPITAL ASSETS

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

	<u>Balance</u> <u>July 1, 2016</u>	<u>Increases /</u> <u>Transfers</u>	<u>Decreases /</u> <u>Transfers</u>	<u>Balance</u> <u>June 30, 2017</u>
Capital assets, not being depreciated				
Land	\$ 1,477,361	\$ -	\$ -	\$ 1,477,361
Construction in progress	<u>1,045,766</u>	<u>4,695,765</u>	<u>3,420,140</u>	<u>2,321,391</u>
Total capital assets not being depreciated	<u>2,523,127</u>	<u>4,695,765</u>	<u>3,420,140</u>	<u>3,798,752</u>
Capital assets, being depreciated				
Land improvements	60,900,996	3,420,140	2,090,949	62,230,187
Buildings	141,324,263	-	-	141,324,263
Equipment	10,630,016	1,438,104	1,310,852	10,757,268
Vehicles	<u>61,451</u>	<u>-</u>	<u>-</u>	<u>61,451</u>
Total capital assets being depreciated	<u>212,916,726</u>	<u>4,858,244</u>	<u>3,401,801</u>	<u>214,373,169</u>
Less accumulated depreciation for:				
Land improvements	16,957,088	2,086,266	2,090,949	16,952,405
Buildings	52,228,312	4,213,300	-	56,441,612
Equipment	6,597,901	1,465,144	1,310,852	6,752,193
Vehicles	<u>25,693</u>	<u>7,681</u>	<u>-</u>	<u>33,374</u>
Total accumulated depreciation	<u>75,808,994</u>	<u>7,772,391</u>	<u>3,401,801</u>	<u>80,179,584</u>
Total capital assets being depreciated, net	<u>137,107,732</u>	<u>(2,914,147)</u>	<u>-</u>	<u>134,193,585</u>
Governmental activities capital assets, net	<u>\$ 139,630,859</u>	<u>\$ 1,781,618</u>	<u>\$ 3,420,140</u>	<u>\$ 137,992,337</u>

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

### NOTE E - CAPITAL ASSETS (Continued)

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

#### Governmental activities

##### General Government

Regular programs	\$	4,971,296
Special programs		11,700
Other instructional programs		30,430
Pupils		28,034
General administration		3,733
School administration		6,065
Business		367,690
Operations and maintenance		27,563
Central		166,308
Unallocated		<u>2,159,572</u>
	\$	<u><u>7,772,391</u></u>

### NOTE F - LONG-TERM LIABILITIES

#### 1. Changes in General Long-term Liabilities

The following is the long-term liability activity for the District for the year ended June 30, 2017:

	Balance at July 1, 2016	Additions / Accretion	Deletions	Balance at June 30, 2017
Bonds payable:				
General obligation bonds	\$ 85,167,192	\$ 55,220,493	\$ 52,403,714	\$ 87,983,971
Lease certificates	955,000	-	340,000	615,000
Unamortized premium	1,636,599	7,721,762	861,150	8,497,211
Unamortized discount	<u>(123,749)</u>	<u>-</u>	<u>(35,955)</u>	<u>(87,794)</u>
Total bonds payable	87,635,042	62,942,255	53,568,909	97,008,388
Capital leases	1,172,869	1,162,108	834,764	1,500,213
Compensated absences	410,376	896,412	410,376	896,412
IMRF net pension liability	7,113,453	6,610,529	6,651,512	7,072,470
TRS net pension liability	6,970,006	1,183,799	489,950	7,663,855
Other postemployment benefit obligations	<u>3,601,645</u>	<u>1,798,550</u>	<u>1,621,297</u>	<u>3,778,898</u>
Total long-term liabilities - governmental activities	\$ <u><u>106,903,391</u></u>	\$ <u><u>74,593,653</u></u>	\$ <u><u>63,576,808</u></u>	\$ <u><u>117,920,236</u></u>



# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE F - LONG-TERM LIABILITIES (Continued)

#### 1. Changes in General Long-term Liabilities (Continued)

	<u>Due Within One Year</u>
General obligation bonds	\$ 5,200,000
Lease certificates	355,000
Capital leases	616,365
Compensated absences	<u>17,928</u>
	<u>\$ 6,189,293</u>

#### 2. General Obligation Bonds

During the year ended June 30, 2017, the District issued \$39,845,000 of General Obligation Refunding School Bonds, Series 2016A. These bonds payable were used to refund all of the principal and interest maturities on the District's 2007A General Obligation Refunding School Bonds, 2007B Capital Appreciation Bonds, and to restructure the District's debt. This transaction resulted in a theoretical economic gain (difference between the present value of the debt service payments on the old and new debt) of \$7,063,927. The actual gain on refunding was \$6,563,714 which will be amortized over the life of the bonds in the government-wide financial statements in the current year.

The District defeased the debt by placing the proceeds of the new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased debt are not included in the District's financial statements. At June 30, 2017, \$46,408,714 of bonds principal outstanding are considered defeased.

During the fiscal year ended June 30, 2017, the District issued \$4,485,000 of Limited Tax Life Safety Bonds, Series 2016B, and \$10,000,000 of Limited Tax Life Safety Bonds, Series 2017. The 2016B and 2017 issuances were used to fund life safety projects throughout the District.

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

### NOTE F - LONG-TERM LIABILITIES (Continued)

#### 2. General Obligation Bonds (Continued)

The summary of activity in general obligation bonds for the year ended June 30, 2017 is as follows:

	<u>Bonds Payable</u> <u>July 1, 2016</u>	<u>Additions /</u> <u>Accretion</u>	<u>Retirements</u>	<u>Bonds Payable</u> <u>June 30, 2017</u>
\$14,740,000 Capital Appreciation Refunding Bonds, Series 2002B, interest at 4.73% to 5.65%	\$ 10,404,332	\$ 524,639	\$ 2,035,000	\$ 8,893,971
\$37,590,000 Refunding Bonds, Series 2007A, interest at 4.00% to 5.00%	33,965,000	-	33,965,000	-
\$10,421,844 Capital Appreciation Building Bonds, Series 2007B, interest at 4.62% to 4.69%	16,037,860	365,854	16,403,714	-
\$14,570,000 Working Cash Bonds, Series 2008, interest at 5.00%	14,570,000	-	-	14,570,000
\$10,190,000 Build America Bonds, Series 2010, interest at 5.70 to 5.90%	10,190,000	-	-	10,190,000
\$39,845,000 General Obligation Refunding Bonds, Series 2016A, interest at 5.00%	-	39,845,000	-	39,845,000
\$4,485,000 Limited Tax Life Safety Bonds, Series 2016B, interest at 4.00%	-	4,485,000	-	4,485,000
\$10,000,000 Limited Tax Life Safety Bonds, Series 2017, interest at 2.69%	-	10,000,000	-	10,000,000
Total	\$ <u>85,167,192</u>	\$ <u>55,220,493</u>	\$ <u>52,403,714</u>	\$ <u>87,983,971</u>

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

### NOTE F - LONG-TERM LIABILITIES (Continued)

#### 2. General Obligation Bonds (Continued)

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

<u>Purpose</u>	<u>Interest Rates</u>	<u>Face Amount</u>	<u>Carrying Amount</u>
Capital Appreciation Refunding Bonds - 2002B	4.73%-5.65%	\$ 10,175,000	\$ 8,893,971
Working Cash Bonds - 2008	5.00%	14,570,000	14,570,000
Build America Bonds - 2010	5.70%-5.90%	10,190,000	10,190,000
Refunding Bonds - Series 2016A	5.00%	39,845,000	39,845,000
Limited Tax Life Safety Bonds - Series 2016B	4.00%	4,485,000	4,485,000
Limited Tax Life Safety Bonds - Series 2017	2.69%	10,000,000	10,000,000
		<u>\$ 89,265,000</u>	<u>\$ 87,983,971</u>

At June 30, 2017, the District's future cash flow requirements for retirement of bond principal and interest was as follows:

<u>Year Ending</u>	<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$	5,200,000	\$ 3,679,935	\$ 8,879,935
2019		5,710,000	3,508,935	9,218,935
2020		6,055,000	3,316,560	9,371,560
2021		7,470,000	3,080,185	10,550,185
2022		7,760,000	2,801,416	10,561,416
2023-2027		46,160,000	8,289,938	54,449,938
2028		10,910,000	261,895	11,171,895
Total	\$	<u>89,265,000</u>	<u>\$ 24,938,864</u>	<u>\$ 114,203,864</u>

#### 3. Lease Certificates

The summary of activity in lease certificates for the year ended June 30, 2017 is as follows:

	<u>Lease Certificates</u>	<u>Additions /</u>	<u>Retirements</u>	<u>Lease Certificates</u>
	<u>July 1, 2016</u>	<u>Accretion</u>		<u>June 30, 2017</u>
\$2,950,000 Lease Certificates, Series 2009, interest at 4.42%	\$ 955,000	\$ -	\$ 340,000	\$ 615,000

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

### NOTE F - LONG-TERM LIABILITIES (Continued)

#### 3. Lease Certificates (Continued)

At June 30, 2017, the District's future cash flow requirements for retirement of lease certificates principal and interest was as follows:

Year Ending June 30	Principal	Interest	Total
2018	\$ 355,000	\$ 19,338	\$ 374,338
2019	260,000	5,746	265,746
Total	<u>\$ 615,000</u>	<u>\$ 25,084</u>	<u>\$ 640,084</u>

The future payments for bonds and lease certificates will be made from amounts budgeted from the debt service tax levies in future periods. There is \$4,655,725 in the Debt Service Fund to service the outstanding bonds payable. A portion of the interest amount reported on the Build America Bonds will be refunded to the District by the Federal government.

The District is subject to the Illinois School Code, which limits the bond indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. As of June 30, 2017, the statutory debt limit for the District was \$363,259,643, of which \$271,879,430 is fully available.

#### 4. Capital Leases

The District currently has four capital lease agreements for financing the acquisition of computers and electronic and transportation equipment. The leases require annual installment payments over the next four years. The obligations for these loans will be repaid from the Transportation Fund and Debt Service Fund with transfers from the General (Educational) Fund.

At June 30, 2017, the District's future cash flow requirements for retirement of leases payable principal and interest were as follows:

Year Ending June 30	Principal	Interest	Total
2018	\$ 616,365	\$ 12,922	\$ 629,287
2019	316,253	6,550	322,803
2020	327,323	3,332	330,655
2021	240,272	8,410	248,682
Total	<u>\$ 1,500,213</u>	<u>\$ 31,214</u>	<u>\$ 1,531,427</u>

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE G - PENSION LIABILITIES

#### 1. Teachers' Retirement System of the State of Illinois

##### **General Information about the Pension Plan**

###### *Plan Description*

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

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

###### *Benefits Provided*

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

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

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

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE G - PENSION LIABILITIES (Continued)

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

##### *Contributions*

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

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

##### On-behalf Contributions to TRS

The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2017, state of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$47,243,909 in pension contributions from the State of Illinois.

##### 2.2 Formula Contributions

Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the year ended June 30, 2017, were \$332,004, and are deferred because they were paid after the June 30, 2016 measurement date.

##### Federal and Special Trust Fund Contributions

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

For the year ended June 30, 2017, the employer pension contribution was 38.54 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2017, salaries totaling \$103,123 were paid from federal and special trust funds that required employer contributions of \$39,744. These contributions are deferred because they were paid after the June 30, 2016 measurement date.

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE G - PENSION LIABILITIES (Continued)

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

##### *Contributions* (Continued)

##### Early Retirement Cost Contributions

Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The employer is required to make a one-time contribution to TRS for members retiring under the ERO. The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the program that ended on June 30, 2016 is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2017, the District paid \$284,672 to TRS for employer ERO contributions for retirements that occurred before July 1, 2016.

The District is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2017, the District paid \$11,474 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

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

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

District's proportionate share of the net pension liability	\$ 7,663,855
State's proportionate share of the net pension liability associated with the District	<u>481,069,010</u>
Total	<u><u>\$ 488,732,865</u></u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2015, and rolled forward to June 30, 2016. The District's proportion of the net pension liability was based on the District's share of contributions to TRS for the measurement year ended June 30, 2016, relative to the projected contributions of all participating TRS employers and the state during that period. At June 30, 2016, the District's proportion was 0.0097089421 percent, which was a decrease of 0.0009306522 percent from its proportion measured as of June 30, 2015.

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

### NOTE G - PENSION LIABILITIES (Continued)

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

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

For the year ended June 30, 2017, the District recognized pension expense of \$47,486,819 and revenue of \$47,243,909 for support provided by the state. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 56,667	\$ 5,198
Change of assumptions	658,211	-
Net difference between projected and actual earnings on pension plan investments	216,517	-
Changes in proportion and differences between District contributions and proportionate share of contributions	238,539	1,471,329
Total deferred amounts to be recognized in pension expense in future periods	1,169,934	1,476,527
District contributions subsequent to the measurement date	389,383	-
Total deferred amounts related to pensions	\$ 1,559,317	\$ 1,476,527

The District reported \$389,383 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the reporting year ended June 30, 2018. Other amounts reported as deferred inflows of resources and deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30:</u>	Net Deferred Inflows of Resources
2018	\$ (296,910)
2019	(296,910)
2020	175,334
2021	104,212
2022	7,681
Total	\$ (306,593)



# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE G - PENSION LIABILITIES (Continued)

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

##### Actuarial Assumptions

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

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

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

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

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

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE G - PENSION LIABILITIES (Continued)

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

##### Actuarial Assumptions (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
U.S equities large cap	14.4 %	6.94 %
U.S. equities small/mid cap	3.6	8.09
International equities developed	14.4	7.46
Emerging market equities	3.6	10.15
U.S. bonds core	10.7	2.44
International debt developed	5.3	1.7
Real estate	15.0	5.44
Commodities (real return)	11.0	4.28
Hedge funds (absolute return)	8.0	4.16
Private equity	14.0	10.63
Total	<u>100 %</u>	

##### Discount Rate

At June 30, 2016, the discount rate used to measure the total pension liability was a blended rate of 6.83 percent, which was a change from the June 30, 2015 rate of 7.47 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

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

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE G - PENSION LIABILITIES (Continued)

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

##### Discount Rate (Continued)

At June 30, 2015, the discount rate used to measure the total pension liability was 7.47 percent. The discount rate was lower than the actuarially-assumed rate of return on investments that year as well because TRS's fiduciary net position and the subsidy provided by Tier II were not sufficient to cover all projected benefit payments.

##### Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	1% Decrease (5.83%)	Current Discount (6.83%)	1% Increase (7.83%)
District's proportionate share of the net pension liability	\$ 9,373,206	\$ 7,663,855	\$ 6,267,769

##### TRS Fiduciary Net Position

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

#### 2. Illinois Municipal Retirement Fund

##### **Plan Description**

The District's defined benefit pension plan for regular employees provides retirement and disability benefits, postretirement increases, and death benefits to plan members and beneficiaries. The District's plan is managed with the Illinois Municipal Retirement Fund (IMRF), the administrator of an agent multi-employer public pension fund. A summary of IMRF's pension benefits is provided in the Benefits Provided section below. Details of all benefits are available from IMRF. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan's fiduciary net position, and required supplementary information. That report is available for download at [www.imrf.org](http://www.imrf.org).

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE G - PENSION LIABILITIES (Continued)

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

##### **Benefits Provided**

IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP).

All three IMRF benefit plans have two tiers. Employees hired before January 1, 2011, are eligible for Tier 1 benefits. Tier 1 employees are vested for pension benefits when they have at least eight years of qualifying service credit. Tier 1 employees who retire at age 55 (at reduced benefits) or after age 60 (at full benefits) with eight years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any consecutive 48 months within the last 10 years of service, divided by 48. Under Tier 1, the pension is increased by 3% of the original amount on January 1 every year after retirement.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after ten years of service. Participating employees who retire at age 62 (at reduced benefits) or after age 67 (at full benefits) with ten years of service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-2/3% of the final rate of earnings for the first 15 years of service credit, plus 2% for each year of service credit after 15 years to a maximum of 75% of their final rate of earnings. Final rate of earnings is the highest total earnings during any 96 consecutive months within the last 10 years of service, divided by 96. Under Tier 2, the pension is increased on January 1 every year after retirement, upon reaching age 67, by the lesser of 3% of the original pension amount, or 1/2 of the increase in the Consumer Price Index of the original pension amount.

##### **Employees Covered by Benefit Terms**

As of December 31, 2016, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	338
Inactive plan members entitled to but not yet receiving benefits	373
Active plan members	326
	<hr/>
Total	1,037
	<hr/> <hr/>

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE G - PENSION LIABILITIES (Continued)

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

##### **Contributions**

As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's annual contribution rate for calendar year 2016 was 10.50%. For the fiscal year ended June 30, 2017 the District contributed \$1,462,497 to the plan. The District also contributes for disability benefits, death benefits, and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by IMRF's Board of Trustees, while the supplemental retirement benefits rate is set by statute.

##### **Net Pension Liability**

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

##### **Actuarial Assumptions**

The following are the methods and assumptions used to determine total pension liability at December 31, 2016:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market Value of Assets
Price Inflation	2.75%
Salary Increases	3.75% to 14.50%
Investment Rate of Return	7.50%
Projected Retirement Age	Experience-based table of rates, specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE G - PENSION LIABILITIES (Continued)

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

##### **Actuarial Assumptions** (Continued)

###### Mortality

For non-disabled retirees, an IMRF specific mortality table was used with fully generations projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generation projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

###### Long-term Expected Rate of Return

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

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE G - PENSION LIABILITIES (Continued)

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

##### **Actuarial Assumptions** (Continued)

Asset Class	Portfolio Target Percentage	Long-Term Expected Real Rate of Return
Domestic equity	38%	6.85%
International equity	17%	6.75%
Fixed income	27%	3.00%
Real estate	8%	5.75%
Alternative investments	9%	2.65% - 7.35%
Cash equivalents	1%	2.25%
Total	100%	

##### **Single Discount Rate**

A Single Discount Rate of 7.50% was used to measure the total pension liability. The projection of cash flow used to determine this Single Discount Rate assumed that the plan members' contributions will be made at the current contribution rate, and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. The Single Discount Rate reflects:

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

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

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

### NOTE G - PENSION LIABILITIES (Continued)

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

##### **Changes in Net Pension Liability**

The following table shows the components of the change in the District's net pension liability for the calendar year ended December 31, 2016:

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2015	\$ 72,600,139	\$ 65,486,686	\$ 7,113,453
Changes for the year:			
Service cost	1,562,443	-	1,562,443
Interest on the total pension liability	5,354,127	-	5,354,127
Difference between expected and actual experience of the total pension liability	(545,203)	-	(545,203)
Changes of assumptions	(87,540)	-	(87,540)
Contributions - employer	-	1,505,025	(1,505,025)
Contributions - employees	-	653,770	(653,770)
Net investment income	-	4,492,717	(4,492,717)
Benefit payments, including refunds of employee contributions	(3,795,378)	(3,795,378)	-
Other (net transfer)	-	(326,702)	326,702
Net changes	<u>2,488,449</u>	<u>2,529,432</u>	<u>(40,983)</u>
Balances at December 31, 2016	<u>\$ 75,088,588</u>	<u>\$ 68,016,118</u>	<u>\$ 7,072,470</u>

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

The following presents the plan's net pension liability (asset), calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is 1% lower or 1% higher than the current rate:

	1% Lower (6.50%)	Current Discount Rate (7.50%)	1% Higher (8.50%)
Net pension liability (asset)	<u>\$ 16,527,658</u>	<u>\$ 7,072,470</u>	<u>\$ (699,289)</u>



# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

### NOTE G - PENSION LIABILITIES (Continued)

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

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

For the year ended June 30, 2017, the District recognized pension expense of \$3,526,952. At June 30, 2017, the District reported deferred inflows and deferred outflows of resources related to pensions from the following sources:

<u>Deferred Amounts Related to Pensions</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Deferred Amounts to be Recognized in Pension Expense in Future Periods		
Differences between expected and actual experience	\$ 14,869	\$ 457,887
Change of assumptions	313,562	60,944
Net difference between projected and actual earnings on pension plan investments	<u>3,392,423</u>	<u>-</u>
Total deferred amounts to be recognized in pension expense in the future periods	<u>3,720,854</u>	<u>518,831</u>
Pension contributions made subsequent to the measurement date	<u>754,803</u>	<u>-</u>
Total deferred amounts related to pensions	<u>\$ 4,475,657</u>	<u>\$ 518,831</u>

The District reported \$754,803 as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date that will be recognized as a liability in the reporting year ended June 30, 2018. Other amounts reported as deferred outflows of resources of resources related to pensions will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Net Deferred Outflows of Resources</u>
2018	\$ 1,235,508
2019	963,707
2020	933,775
2021	69,033
2022	-
Thereafter	<u>-</u>
Total	<u>\$ 3,202,023</u>

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE G - PENSION LIABILITIES (Continued)

#### 3. Summary of Pension Items

Below is a summary of the various pension items at June 30, 2017:

	<u>TRS</u>	<u>IMRF</u>	<u>Total</u>
Deferred outflows of resources:			
Employer contributions	\$ 389,383	\$ 754,803	\$ 1,144,186
Experience	56,667	14,869	71,536
Assumptions	658,211	313,562	971,773
Proportionate share	238,539	-	238,539
Investments	<u>216,517</u>	<u>3,392,423</u>	<u>3,608,940</u>
	\$ <u>1,559,317</u>	\$ <u>4,475,657</u>	\$ <u>6,034,974</u>
Net pension liability	\$ <u>7,663,855</u>	\$ <u>7,072,470</u>	\$ <u>14,736,325</u>
Deferred inflows of resources:			
Investments	\$ -	\$ 60,944	\$ 60,944
Experience	5,198	457,887	463,085
Proportionate share	<u>1,471,329</u>	<u>-</u>	<u>1,471,329</u>
	\$ <u>1,476,527</u>	\$ <u>518,831</u>	\$ <u>1,995,358</u>

#### 4. Social Security/Medicare

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

## **Northfield Township High School District 225**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2017

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#### **NOTE H - OTHER POSTEMPLOYMENT BENEFITS**

##### **1. Teachers' Health Insurance Security (THIS)**

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

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

The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

##### **On behalf contributions to the THIS Fund**

The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.12 percent of pay during the year ended June 30, 2017. State of Illinois contributions were \$641,111 and the District recognized revenue and expenditures of this amount during the year.

##### **District contributions to the THIS Fund**

The District also makes contributions to the THIS Fund. The District THIS Fund contribution was 0.84 percent during the year ended June 30, 2017. For the year ended June 30, 2017, the District paid \$480,833 to the THIS Fund, which was 100 percent of the required contribution.

##### **Further Information on the THIS Fund**

The publicly available financial report of the THIS Fund may be found on the website of the Illinois Auditor General: <http://www.auditor.illinois.gov/Audit-Reports/ABC-List.asp>. The current reports are listed under "Central Management Services" (<http://www.auditor.illinois.gov/Audit-Reports/CMS-THISF.asp>). Prior reports are available under "Healthcare and Family Services" (<http://www.auditor.illinois.gov/Audit-Reports/HEALTHCARE-FAMILY-SERVICES-Teacher-Health-Ins-Sec-Fund.asp>).

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

#### 2. Retiree Health Plan

##### *Plan Description*

The District administers a single-employer defined benefit healthcare plan ("the Retiree Health Plan"). The plan provides the ability for retirees and their spouses to access the District's group health insurance plan during retirement, provided they are on the group health insurance plan at the time of retirement, until the age of 65. Retirees may be responsible to contribute a portion of the premium toward the cost of their insurance. Retirees may also access dental benefits on a "direct pay" basis.

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

Actives fully eligible to retire	41
Actives not yet fully eligible to retire	780
Retirees	<u>141</u>
Total	<u><u>962</u></u>

##### *Funding Policy*

Retirees have the option of choosing from an HMO or PPO plan through the District. The District contributes a percentage of the health insurance premium in accordance with applicable board policy in force at the time of retirement. For fiscal year 2017, the District contributed \$1,621,297 toward the cost of the postemployment benefits for retirees.

##### *Annual OPEB Cost and Net OPEB Obligation*

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

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

### NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

#### 2. Retiree Health Plan (Continued)

	June 30, 2017
Annual required contribution	\$ 1,774,539
Interest on net OPEB obligation	144,066
Adjustment to annual required contribution	<u>(120,055)</u>
Annual OPEB cost	1,798,550
Contributions made	<u>(1,621,297)</u>
Increase in net OPEB obligation	177,253
Net OPEB obligation, beginning of year	<u>3,601,645</u>
Net OPEB obligation, end of year	<u><u>\$ 3,778,898</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for fiscal year 2017 and the two preceding fiscal years were as follows:

Actuarial Valuation Date	Annual OPEB Cost	Percentage Annual OPEB Cost Contributed	Net OPEB Obligation
6/30/17	\$ 1,798,550	90.0%	\$ 3,778,898
6/30/16*	1,500,532	93.7%	3,601,645
6/30/15	1,500,655	101.2%	3,506,512

\* Annual OPEB cost estimated using ARC from most recent valuation information.

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

#### 2. Retiree Health Plan (Continued)

##### *Funding Status and Funding Progress*

As of June 30, 2017, the date of the most recent actuarial valuation, the actuarial accrued liability for benefits was \$21,349,862, all of which was unfunded. The covered payroll (annual payroll of active employees covered by the plan) and the ratio of the unfunded actuarial accrued liability to the covered payroll were \$64,051,139 and 33%, respectively.

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

##### *Methods and Assumptions*

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

The following simplifying assumptions were made:

Contribution rates:	
District	Not applicable
Plan members	0.00%
Measurement date	July 1, 2016
Data collection date	July 1, 2017
Actuarial cost method	Entry age normal
Amortization period	Level percentage of projected payroll - open
Remaining amortization period	30 years
Asset valuation method	Not applicable

# Northfield Township High School District 225

## NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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### NOTE H - OTHER POSTEMPLOYMENT BENEFITS (Continued)

#### 2. Retiree Health Plan (Continued)

##### Actuarial assumptions:

Investment rate of return	4.00%
Projected salary increases	4.00%
Healthcare inflation rate	Various 5.00% - 9.00%, initial 5.00% ultimate
Mortality, Turnover, Disability, Retirement Ages	Similar rates utilized for IMRF
Percentage of active employees assumed to elect benefit	80% of future retirees are assumed to elect the insurance option and 20% the cash severance option.

The General and Operations and Maintenance Funds are used to liquidate the liability for other postemployment benefits.

### NOTE I - RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits, worker's compensation claims, theft of, damage to, and destruction of assets, and natural disasters. To protect from the risk associated with worker's compensation claims, property damage and liability exposure, the District participates in a public entity risk pool: Secondary School Cooperative Risk Management Program (SSCRMP). The District pays annual premiums to the pool for insurance coverage. The arrangements with the pool provide that it will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of certain levels established by the pool. The District has purchased insurance from private insurance companies for life insurance and long-term disability insurance that is provided to District personnel. Premiums have been recorded as expenditures in the appropriate funds. There have been no significant reductions in insurance coverage in any of the past four years. Complete financial statements for SSCRMP can be obtained from its Treasurer, 3801 West Lake Ave, Glenview, Illinois 60026.

The District is self-insured for medical coverage that is provided to District personnel and dependents. Blue Cross/Blue Shield administers claims for a per person, per month fee. Expenditures are recorded as incurred in the form of direct contributions from the District to Blue Cross/Blue Shield for payment of employment health claims and administration fees. The District's liability will not exceed \$250,000 per employee, in the PPO, or \$125,000 per employee, in the HMO plan, or \$250,000 per employee, in the HSA plan, as provided by stop-loss provisions incorporated in the respective plan. At June 30, 2016, total unpaid claims, including an estimate of claims incurred but not reported to the administrative agent, totaled \$1,206,658. The estimate is developed based on historical lag experience adjusted for current claims experience.

## Northfield Township High School District 225

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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#### NOTE I - RISK MANAGEMENT (Continued)

Balances of claims liabilities during the past two years are as follows:

	<u>2017</u>	<u>2016</u>
Unpaid claims, beginning of fiscal year	\$ 1,946,907	\$ 2,420,050
Incurred claims (including those claims incurred but not reported (IBNRs))	7,687,300	6,699,656
Claim payments	<u>(8,427,549)</u>	<u>(7,172,799)</u>
Unpaid claims, end of fiscal year	<u>\$ 1,206,658</u>	<u>\$ 1,946,907</u>

The District is also self-insured for unemployment compensation. A third-party administrator administers the plan for a fixed fee. Payments are made to the third-party administrator based on actual claims filed and approved.

#### NOTE J - INTERFUND TRANSFERS

The District transferred \$1,500,000 from the Operations and Maintenance Fund to the Capital Projects Fund for payment of capital projects.

The District transferred \$374,697 from the Operations and Maintenance Fund to the Debt Service Fund for payment of principal and interest on lease certificates.

The District transferred \$801,302 from the General (Educational Account) Fund to the Debt Service Fund for payment of principal and interest on capital leases.

#### NOTE K - JOINT AGREEMENT

The District is a member of the North Suburban Special Education District (NSSD), a joint agreement that provides certain special education services to residents of many school districts. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, this should not be included as component units of the District.



## Northfield Township High School District 225

### NOTES TO THE FINANCIAL STATEMENTS

June 30, 2017

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#### NOTE L - OPERATING LEASES

In August 2012, the District entered into a five year lease for computer equipment. This lease has an annual cost of \$77,116, through August 2017. Final payment on this lease was made during fiscal year 2017.

In July 2013, the District entered into a five year lease for copiers and terminated the previous leases. This lease has an annual cost of \$176,402, through June 2018. Final payment was made in July 2017, subsequent to year end.

In July 2013, the District entered into two three-year leases for buses. This lease had an annual cost of \$57,523, through July 2016. Final payment was made during fiscal year 2016.

Total payments on these leases in fiscal year 2017 approximated \$254,000. The future minimum lease payments under these agreements are as follows:

<u>Year Ending</u> <u>June 30,</u>	<u>Total</u>
2018	\$ <u><u>176,402</u></u>

#### NOTE M - CONTINGENCIES

##### 1. Litigation

The District is a defendant in various tax objection lawsuits, the outcome of which is presently not determinable. With regard to other pending matters, eventual outcome and related liability, if any, is not determinable at this time. No provision has been made in the accompanying financial statements for settlement costs.

##### 2. Grants

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

#### NOTE N - CONSTRUCTION COMMITMENTS

The District has certain contracts for construction projects which were in progress at June 30, 2017. Remaining commitments under these contracts approximated \$5,333,000.

## **Northfield Township High School District 225**

### **NOTES TO THE FINANCIAL STATEMENTS**

June 30, 2017

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#### NOTE O - CORRECTION OF AN ERROR

As of June 30, 2016, unearned revenue in the Operations and Maintenance Fund was understated by \$182,435 due to an error in how the District recorded certain cash receipts. Due to this error, the District restated the fund balance and unearned revenue in the Operations and Maintenance Fund as of June 30, 2016. As a result of this error, as of June 30, 2016, the fund balance in the Operations and Maintenance Fund decreased and unearned revenue increased by \$182,435.

#### NOTE P - SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 13, 2017, the date that these financial statements were available to be issued. No events or transactions, other than that noted below, have occurred subsequent to the balance sheet date that require disclosure in the financial statements.

In July 2017, the District entered into a capital lease for technology equipment. The lease requires four annual payments of \$60,823 through July 2020.

**REQUIRED SUPPLEMENTARY INFORMATION**  
**(Unaudited)**

**Northfield Township High School District 225**  
**MULTIYEAR SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**  
**MOST RECENT CALENDAR YEARS**  
 Illinois Municipal Retirement Fund  
June 30, 2017

Calendar year ended December 31,

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total pension liability			
Service cost	\$ 1,562,443	\$ 1,581,866	\$ 1,629,789
Interest on the total pension liability	5,354,127	5,142,729	4,714,279
Difference between expected and actual experience of the total pension liability	(545,203)	(196,828)	141,193
Assumption changes	(87,540)	84,885	2,656,875
Benefit payments and refunds	<u>(3,795,378)</u>	<u>(3,582,595)</u>	<u>(3,228,417)</u>
Net change in total pension liability	2,488,449	3,030,057	5,913,719
Total pension liability, beginning	<u>72,600,139</u>	<u>69,570,082</u>	<u>63,656,363</u>
Total pension liability, ending	<u><u>\$ 75,088,588</u></u>	<u><u>\$ 72,600,139</u></u>	<u><u>\$ 69,570,082</u></u>
Plan fiduciary net position			
Contributions, employer	\$ 1,505,025	\$ 1,489,117	\$ 1,474,629
Contributions, employee	653,770	639,874	624,628
Net investment income	4,492,717	328,183	3,843,654
Benefit payments, including refunds of employee contributions	(3,795,378)	(3,582,595)	(3,228,417)
Other (net transfer)	<u>(326,702)</u>	<u>248,765</u>	<u>73,544</u>
Net change in plan fiduciary net position	2,529,432	(876,656)	2,788,038
Plan fiduciary net position, beginning	<u>65,486,686</u>	<u>66,363,342</u>	<u>63,575,304</u>
Plan fiduciary net position, ending	<u><u>\$ 68,016,118</u></u>	<u><u>\$ 65,486,686</u></u>	<u><u>\$ 66,363,342</u></u>
			-
Net pension liability	<u><u>\$ 7,072,470</u></u>	<u><u>\$ 7,113,453</u></u>	<u><u>\$ 3,206,740</u></u>
Plan fiduciary net position as a percentage of the total pension liability	90.58 %	90.20 %	95.39 %
Covered Valuation Payroll	\$ 14,336,039	\$ 14,086,347	\$ 13,846,282
Net pension liability as a percentage of covered valuation payroll	49.33 %	50.50 %	23.16 %

Note: The District implemented GASB 68 beginning with it's fiscal year ended June 30, 2015 therefore 10 years of information is not available.

# Northfield Township High School District 225

## MULTIYEAR SCHEDULE OF CONTRIBUTIONS

Illinois Municipal Retirement Fund

June 30, 2017

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<u>Calendar Year</u> <u>Ending</u> <u>December 31,</u>	<u>Actuarially</u> <u>Determined</u> <u>Contribution</u>	<u>Actual</u> <u>Contribution</u>	<u>Contribution</u> <u>Deficiency</u> <u>(Excess)</u>	<u>Covered</u> <u>Valuation</u> <u>Payroll</u>	<u>Actual Contribution</u> <u>as a % of</u> <u>Covered Valuation Payroll</u>
2016	\$ 1,505,284 *	\$ 1,505,025	\$ 259	\$ 14,336,039	10.50 %
2015	1,488,927	1,489,117	(190)	14,086,347	10.57
2014	1,474,629	1,474,629	-	13,846,282	10.65

\* Estimated based on contribution rate of 10.50% and covered valuation payroll of \$14,336,039 (most recent information available).

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 therefore 10 years of information is not available.

**Northfield Township High School District 225**  
MULTIYEAR SCHEDULE OF THE DISTRICT'S PROPORTIONATE  
SHARE OF THE NET PENSION LIABILITY  
Teachers' Retirement System of the State of Illinois  
June 30, 2017

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Fiscal year ended June 30,	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability	0.0097089421 %	0.0106395943 %	0.0100113316 %
District's proportionate share of the net pension liability	\$ 7,663,855	\$ 6,970,006	\$ 6,092,723
State's proportionate share of the net pension liability associated with the District	<u>481,069,010</u>	<u>332,308,931</u>	<u>325,713,078</u>
Total	<u>\$ 488,732,865</u>	<u>\$ 339,278,937</u>	<u>\$ 331,805,801</u>
District's covered-employee payroll	\$ 56,483,375	\$ 55,455,031	\$ 52,795,056
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	13.57%	12.57%	11.54%
Plan fiduciary net position as a percentage of the total pension liability	36.40%	41.50%	43.00%

Note 1: The amounts presented were determined as of the prior fiscal-year end.

Note 2: The District implemented GASB 68 beginning with it's fiscal year ended June 30, 2015 therefore 10 years of information is not available.

**Northfield Township High School District 225**  
**MULTIYEAR SCHEDULE OF DISTRICT CONTRIBUTIONS**  
Teachers' Retirement System of the State of Illinois  
June 30, 2017

Fiscal year ended June 30,

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 371,748	\$ 368,043	\$ 357,199
Contributions in relation to the contractually required contribution	<u>(375,999)</u>	<u>(372,811)</u>	<u>(357,199)</u>
Contribution excess	\$ <u>(4,251)</u>	\$ <u>(4,768)</u>	\$ <u>-</u>
District's covered-employee payroll	\$ 57,242,064	\$ 56,483,375	\$ 55,455,031
Contributions as a percentage of covered-employee payroll	0.66%	0.66%	0.64%

Note: The District implemented GASB 68 beginning with its fiscal year ended June 30, 2015 therefore 10 years of information is not available.

# Northfield Township High School District 225

## SCHEDULE OF FUNDING PROGRESS OTHER POSTEMPLOYMENT BENEFITS

June 30, 2017

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL)	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	(6) UAAL as a Percentage of Covered Payroll [(2)-(1)]/(5)
06/30/2017	\$ -	\$ 21,349,862	0.00 %	\$ 21,349,862	\$ 64,051,139	33.0 %
06/30/2016*	-	17,685,379	0.00	17,685,379	62,970,771	28.0
06/30/2015	-	17,685,379	0.00	17,685,379	62,970,771	28.0

\* Results from June 30, 2015 actuarial valuation.



# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			Variance From Final Budget	2016 Actual
	Original Budget	Final and Amended Budget	Actual		
Revenues					
Local sources					
General levy	\$92,227,783	\$ 92,227,783	\$92,119,485	\$ (108,298)	\$ 91,013,665
Summer school tuition					
from pupils or parents	400,000	400,000	286,632	(113,368)	324,234
Interest on investments	175,000	175,000	370,613	195,613	261,776
Admissions - athletic	13,000	13,000	17,954	4,954	12,951
Fees	536,000	536,000	459,747	(76,253)	471,607
Other district/school activity revenue	-	-	41,694	41,694	39,624
Rentals	400,000	400,000	345,563	(54,437)	845,704
Services provided other districts	65,918	65,918	49,545	(16,373)	39,808
Refund of prior years' expenditures	-	-	11,771	11,771	59,989
Drivers' education fees	115,000	115,000	76,933	(38,067)	108,500
Proceeds from vendors' contracts	25,679	25,679	20,826	(4,853)	26,379
Local fees	481,500	481,500	470,642	(10,858)	75,574
Other	90,000	90,000	17,220	(72,780)	-
Total local sources	94,529,880	94,529,880	94,288,625	(241,255)	93,279,811
State sources					
General State Aid	1,812,319	1,812,319	1,814,463	2,144	1,648,367
Special Education -					
Private Facility Tuition	200,000	200,000	169,361	(30,639)	205,714
Special Education - Extraordinary	600,000	600,000	629,014	29,014	613,113
Special Education - Personnel	900,000	900,000	842,621	(57,379)	858,027
Special Education - Orphanage					
- Summer Individual	10,000	10,000	8,903	(1,097)	11,834
Special Education - Summer School	3,000	3,000	23,249	20,249	4,418
Special Education - Orphanage					
- Individual	40,000	40,000	57,300	17,300	15,963

(Continued)

# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017					
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	2016 Actual	
State sources (Continued)						
CTE - Secondary Program Improvement (CTEI)	\$ 74,796	\$ 80,940	\$ 80,941	\$ 1	\$ 78,969	
Bilingual Ed. - Downstate - T.P.I. and T.P.E.	-	59,697	38,357	(21,340)	25,245	
Driver Education	80,000	80,000	109,931	29,931	75,738	
Other state sources	10,000	10,000	3,850	(6,150)	2,959	
On behalf payments to TRS from the State	<u>27,225,550</u>	<u>27,225,550</u>	<u>47,885,020</u>	<u>20,659,470</u>	<u>27,829,922</u>	
Total state sources	<u>30,955,665</u>	<u>31,021,506</u>	<u>51,663,010</u>	<u>20,641,504</u>	<u>31,370,269</u>	
Federal sources						
Other Federal Grants-in-Aid	-	125,000	63,168	(61,832)	-	
Title I - Low Income	-	353,692	327,844	(25,848)	387,876	
Federal - Special Education - I.D.E.A. - Flow Through	650,000	771,254	684,944	(86,310)	622,378	
Federal - Special Education - I.D.E.A. - Room and Board	950,000	950,000	1,355,829	405,829	1,949,854	
CTE - Perkins - Title III Technical Prep	80,539	80,539	92,009	11,470	74,405	
Title III - Immigrant Education Program (IEP)	-	11,107	11,107	-	-	
Title III - Language Inst Program Limited Eng (LIPLP)	-	14,198	14,198	-	15,750	
Title II - Teacher Quality	-	62,951	61,414	(1,537)	55,000	
Medicaid Matching Funds - Administrative Outreach	100,000	100,000	132,115	32,115	28,796	
Medicaid Matching Funds - Fee-For-Service-Program	120,000	120,000	348,334	228,334	14,463	
Other federal sources	<u>50,000</u>	<u>50,000</u>	<u>94,380</u>	<u>44,380</u>	<u>76,462</u>	
Total federal sources	<u>1,950,539</u>	<u>2,638,741</u>	<u>3,185,342</u>	<u>546,601</u>	<u>3,224,984</u>	
Total revenues	<u>127,436,084</u>	<u>128,190,127</u>	<u>149,136,977</u>	<u>20,946,850</u>	<u>127,875,064</u>	

(Continued)

# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			Variance	2016
	Original Budget	Final and Amended Budget	Actual	From Final Budget	Actual
Expenditures					
Instruction					
Regular programs					
Salaries	\$30,269,419	\$ 30,296,578	\$30,119,479	\$ 177,099	\$ 29,426,689
Employee benefits	6,868,232	4,243,324	3,980,806	262,518	6,564,610
On-behalf payments to TRs from the State	27,225,550	27,225,550	47,885,020	(20,659,470)	27,829,922
Purchased services	576,298	556,778	417,584	139,194	626,333
Supplies and materials	298,379	295,414	490,862	(195,448)	237,132
Capital outlay	4,895	4,895	14,920	(10,025)	88,959
Other objects	51,500	61,520	58,299	3,221	9,162
Non-capitalized equipment	<u>211,922</u>	<u>257,058</u>	<u>54,354</u>	<u>202,704</u>	<u>183,197</u>
Total	<u>65,506,195</u>	<u>62,941,117</u>	<u>83,021,324</u>	<u>(20,080,207)</u>	<u>64,966,004</u>
Special education programs					
Salaries	6,392,015	6,223,363	6,086,632	136,731	6,084,724
Employee benefits	1,194,940	1,148,503	1,158,983	(10,480)	1,053,917
Purchased services	1,435,550	157,800	174,875	(17,075)	1,910,086
Supplies and materials	74,190	51,690	33,184	18,506	31,809
Capital outlay	23,900	14,000	5,512	8,488	9,465
Other objects	15,000	1,200,000	-	1,200,000	-
Non-capitalized equipment	<u>-</u>	<u>-</u>	<u>2,375</u>	<u>(2,375)</u>	<u>991</u>
Total	<u>9,135,595</u>	<u>8,795,356</u>	<u>7,461,561</u>	<u>1,333,795</u>	<u>9,090,992</u>
Remedial and supplemental programs K-12					
Salaries	-	135,257	128,897	6,360	161,111
Employee benefits	-	74,872	69,819	5,053	60,787
Purchased services	-	77,000	77,195	(195)	101,066
Supplies and materials	<u>-</u>	<u>2,278</u>	<u>2,268</u>	<u>10</u>	<u>207</u>
Total	<u>-</u>	<u>289,407</u>	<u>278,179</u>	<u>11,228</u>	<u>323,171</u>

(Continued)

**Northfield Township High School District 225**

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			Variance	2016 Actual
	Original Budget	Final and Amended Budget	Actual	From Final Budget	
CTE programs					
Salaries	\$ 3,335,900	\$ 3,335,900	\$ 3,343,119	\$ (7,219)	\$ 3,239,674
Employee benefits	460,890	460,890	453,017	7,873	429,138
Purchased services	50,300	46,300	71,622	(25,322)	34,095
Supplies and materials	161,964	154,731	232,384	(77,653)	128,065
Capital outlay	13,581	25,779	23,244	2,535	33,444
Other objects	-	2,000	7,125	(5,125)	-
Non-capitalized equipment	<u>121,571</u>	<u>121,511</u>	<u>8,771</u>	<u>112,740</u>	<u>96,618</u>
Total	<u>4,144,206</u>	<u>4,147,111</u>	<u>4,139,282</u>	<u>7,829</u>	<u>3,961,034</u>
Interscholastic programs					
Salaries	5,098,508	5,055,337	4,805,111	250,226	5,052,910
Employee benefits	320,013	319,771	259,022	60,749	309,777
Purchased services	577,605	504,924	480,828	24,096	655,187
Supplies and materials	274,694	274,694	310,214	(35,520)	248,274
Capital outlay	98,275	98,275	46,483	51,792	44,125
Other objects	135,000	208,881	106,401	102,480	98,492
Non-capitalized equipment	<u>52,164</u>	<u>63,364</u>	<u>1,303</u>	<u>62,061</u>	<u>2,728</u>
Total	<u>6,556,259</u>	<u>6,525,246</u>	<u>6,009,362</u>	<u>515,884</u>	<u>6,411,493</u>
Summer school programs					
Salaries	504,875	504,875	363,723	141,152	485,835
Employee benefits	6,035	6,035	5,080	955	5,403
Purchased services	500	500	624	(124)	663
Supplies and materials	15,000	15,000	6,862	8,138	9,021
Other objects	<u>11,000</u>	<u>11,000</u>	<u>-</u>	<u>11,000</u>	<u>11,002</u>
Total	<u>537,410</u>	<u>537,410</u>	<u>376,289</u>	<u>161,121</u>	<u>511,924</u>

(Continued)

# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017				
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	2016 Actual
Gifted programs					
Salaries	\$ 572,700	\$ 572,700	\$ 575,152	\$ (2,452)	\$ 552,256
Employee benefits	68,175	68,175	68,654	(479)	63,975
Purchased services	1,200	1,100	3,178	(2,078)	455
Supplies and materials	5,000	5,000	1,715	3,285	4,670
Other objects	<u>-</u>	<u>100</u>	<u>105</u>	<u>(5)</u>	<u>-</u>
Total	<u>647,075</u>	<u>647,075</u>	<u>648,804</u>	<u>(1,729)</u>	<u>621,356</u>
Drivers education programs					
Salaries	693,900	693,900	693,855	45	695,897
Employee benefits	94,459	94,459	88,019	6,440	90,687
Purchased services	8,200	8,200	4,672	3,528	3,339
Supplies and materials	<u>2,676</u>	<u>2,676</u>	<u>2,791</u>	<u>(115)</u>	<u>1,993</u>
Total	<u>799,235</u>	<u>799,235</u>	<u>789,337</u>	<u>9,898</u>	<u>791,916</u>
Bilingual programs					
Salaries	403,400	471,949	477,296	(5,347)	444,611
Employee benefits	51,689	67,942	60,493	7,449	65,594
Supplies and materials	<u>1,000</u>	<u>1,000</u>	<u>1,925</u>	<u>(925)</u>	<u>975</u>
Total	<u>456,089</u>	<u>540,891</u>	<u>539,714</u>	<u>1,177</u>	<u>511,180</u>
Truant's alternative and optional programs					
Other objects	<u>35,000</u>	<u>35,000</u>	<u>27,515</u>	<u>7,485</u>	<u>34,281</u>
Total	<u>35,000</u>	<u>35,000</u>	<u>27,515</u>	<u>7,485</u>	<u>34,281</u>
Special education programs					
K-12 - private tuition	<u>6,250,773</u>	<u>6,166,064</u>	<u>7,945,944</u>	<u>(1,779,880)</u>	<u>6,256,025</u>
Total instruction	<u>94,067,837</u>	<u>91,423,912</u>	<u>111,237,311</u>	<u>(19,813,399)</u>	<u>93,479,376</u>

(Continued)

**Northfield Township High School District 225**

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			Variance From Final Budget	2016 Actual
	Original Budget	Final and Amended Budget	Actual		
Support services					
Pupils					
Attendance and social work services					
Salaries	\$ 1,690,375	\$ 1,703,575	\$ 1,722,777	\$ (19,202)	\$ 1,693,321
Employee benefits	456,349	456,384	413,063	43,321	363,403
Purchased services	303,650	40,550	22,525	18,025	283,886
Supplies and materials	7,638	12,638	23,552	(10,914)	13,076
Other objects	-	-	99	(99)	-
Non-capitalized equipment	21,511	21,511	601	20,910	8,314
Total	2,479,523	2,234,658	2,182,617	52,041	2,362,000
Guidance services					
Salaries	4,417,000	4,403,800	4,459,474	(55,674)	4,406,726
Employee benefits	696,506	696,471	659,081	37,390	651,244
Purchased services	27,760	78,910	43,312	35,598	17,673
Supplies and materials	43,920	43,220	37,012	6,208	20,376
Other objects	-	-	1,679	(1,679)	-
Non-capitalized equipment	-	-	5,450	(5,450)	4,658
Total	5,185,186	5,222,401	5,206,008	16,393	5,100,677
Health services					
Salaries	338,600	338,600	341,181	(2,581)	312,670
Employee benefits	95,217	95,217	82,289	12,928	61,951
Purchased services	20,300	20,300	4,473	15,827	7,551
Supplies and materials	10,538	10,538	7,871	2,667	6,581
Total	464,655	464,655	435,814	28,841	388,753

(Continued)

# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			Variance	2016
	Original Budget	Final and Amended Budget	Actual	From Final Budget	Actual
Psychological services					
Salaries	\$ 1,284,800	\$ 1,284,800	\$ 1,309,106	\$ (24,306)	\$ 1,280,182
Employee benefits	152,879	152,879	145,412	7,467	142,435
Purchased services	10,000	10,000	-	10,000	90
Supplies and materials	<u>34,500</u>	<u>34,600</u>	<u>12,498</u>	<u>22,102</u>	<u>10,816</u>
Total	<u>1,482,179</u>	<u>1,482,279</u>	<u>1,467,016</u>	<u>15,263</u>	<u>1,433,523</u>
Speech pathology and audiology services					
Salaries	298,800	298,800	298,679	121	289,709
Employee benefits	37,737	37,737	43,223	(5,486)	44,098
Supplies and materials	<u>4,000</u>	<u>4,000</u>	<u>4,058</u>	<u>(58)</u>	<u>2,013</u>
Total	<u>340,537</u>	<u>340,537</u>	<u>345,960</u>	<u>(5,423)</u>	<u>335,820</u>
Other support services - pupils					
Salaries	683,300	683,300	720,782	(37,482)	666,161
Employee benefits	270,195	270,195	253,879	16,316	253,272
Purchased services	<u>-</u>	<u>240,000</u>	<u>392,519</u>	<u>(152,519)</u>	<u>3,623</u>
Total	<u>953,495</u>	<u>1,193,495</u>	<u>1,367,180</u>	<u>(173,685)</u>	<u>923,056</u>
Total pupils	<u>10,905,575</u>	<u>10,938,025</u>	<u>11,004,595</u>	<u>(66,570)</u>	<u>10,543,829</u>
Instructional staff					
Improvement of instruction services					
Salaries	955,016	990,440	1,019,090	(28,650)	1,037,515
Employee benefits	184,591	184,591	157,112	27,479	204,752
Purchased services	197,589	226,485	93,106	133,379	46,580
Supplies and materials	9,300	9,300	82,513	(73,213)	8,292
Non-capitalized equipment	<u>60,000</u>	<u>48,800</u>	<u>8,436</u>	<u>40,364</u>	<u>54,399</u>
Total	<u>1,406,496</u>	<u>1,459,616</u>	<u>1,360,257</u>	<u>99,359</u>	<u>1,351,538</u>

(Continued)

# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			Variance From Final Budget	2016 Actual
	Original Budget	Final and Amended Budget	Actual		
Educational media services					
Salaries	\$ 1,591,150	\$ 1,591,150	\$ 1,573,178	\$ 17,972	\$ 1,453,908
Employee benefits	278,156	278,156	277,847	309	217,108
Purchased services	285,350	284,350	106,385	177,965	287,477
Supplies and materials	259,508	252,252	212,455	39,797	232,204
Other objects	-	-	375	(375)	-
Non-capitalized equipment	<u>100,000</u>	<u>100,000</u>	<u>4,005</u>	<u>95,995</u>	<u>130,430</u>
Total	<u>2,514,164</u>	<u>2,505,908</u>	<u>2,174,245</u>	<u>331,663</u>	<u>2,321,127</u>
Assessment and testing					
Purchased services	<u>-</u>	<u>-</u>	<u>2,800</u>	<u>(2,800)</u>	<u>-</u>
Total	<u>-</u>	<u>-</u>	<u>2,800</u>	<u>(2,800)</u>	<u>-</u>
Total instructional staff	<u>3,920,660</u>	<u>3,965,524</u>	<u>3,537,302</u>	<u>428,222</u>	<u>3,672,665</u>
General administration					
Board of education services					
Salaries	40,700	40,700	40,679	21	38,277
Employee benefits	6,097	6,097	5,863	234	4,972
Purchased services	935,000	969,000	800,481	168,519	990,845
Supplies and materials	6,000	62,539	10,018	52,521	5,360
Other objects	<u>86,539</u>	<u>30,000</u>	<u>20,960</u>	<u>9,040</u>	<u>77,729</u>
Total	<u>1,074,336</u>	<u>1,108,336</u>	<u>878,001</u>	<u>230,335</u>	<u>1,117,183</u>
Executive administration services					
Salaries	551,400	551,400	558,991	(7,591)	556,333
Employee benefits	107,318	112,318	109,660	2,658	95,308
Purchased services	15,250	10,250	2,519	7,731	5,249
Supplies and materials	5,050	6,975	7,545	(570)	1,630
Other objects	<u>4,725</u>	<u>2,800</u>	<u>150</u>	<u>2,650</u>	<u>5,569</u>
Total	<u>683,743</u>	<u>683,743</u>	<u>678,865</u>	<u>4,878</u>	<u>664,089</u>

(Continued)



# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			Variance	2016
	Original Budget	Final and Amended Budget	Actual	From Final Budget	Actual
Special area administrative services					
Salaries	\$ 951,700	\$ 817,661	\$ 928,663	\$ (111,002)	\$ 779,289
Employee benefits	277,235	216,439	262,372	(45,933)	198,692
Purchased services	61,500	56,500	29,378	27,122	40,052
Supplies and materials	11,398	15,398	18,625	(3,227)	12,311
Other objects	-	5,000	11,159	(6,159)	14,904
Non-capitalized equipment	<u>1,900</u>	<u>1,900</u>	<u>-</u>	<u>1,900</u>	<u>1,905</u>
Total	<u>1,303,733</u>	<u>1,112,898</u>	<u>1,250,197</u>	<u>(137,299)</u>	<u>1,047,153</u>
Total general administration	<u>3,061,812</u>	<u>2,904,977</u>	<u>2,807,063</u>	<u>97,914</u>	<u>2,828,425</u>
School administration					
Office of the principal services					
Salaries	1,609,166	1,631,166	1,634,896	(3,730)	1,598,471
Employee benefits	350,820	351,062	333,217	17,845	328,864
Purchased services	125,588	120,888	71,961	48,927	107,343
Supplies and materials	130,509	130,759	139,644	(8,885)	110,293
Other objects	-	-	625	(625)	-
Non-capitalized equipment	<u>9,373</u>	<u>9,373</u>	<u>7,457</u>	<u>1,916</u>	<u>2,391</u>
Total	<u>2,225,456</u>	<u>2,243,248</u>	<u>2,187,800</u>	<u>55,448</u>	<u>2,147,362</u>
Other support services - school administration					
Salaries	4,204,500	4,232,500	4,192,763	39,737	3,875,582
Employee benefits	<u>1,174,809</u>	<u>1,174,809</u>	<u>1,127,078</u>	<u>47,731</u>	<u>1,025,685</u>
Total	<u>5,379,309</u>	<u>5,407,309</u>	<u>5,319,841</u>	<u>87,468</u>	<u>4,901,267</u>
Total school administration	<u>7,604,765</u>	<u>7,650,557</u>	<u>7,507,641</u>	<u>142,916</u>	<u>7,048,629</u>

(Continued)

# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017				2016
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	Actual
<b>Business</b>					
Direction of business support services					
Salaries	\$ 281,188	\$ 281,188	\$ 280,358	\$ 830	\$ 326,355
Employee benefits	63,174	63,174	60,444	2,730	62,723
Purchased services	14,500	14,500	31,294	(16,794)	6,119
Supplies and materials	6,000	6,000	5,934	66	591
Other objects	<u>10,000</u>	<u>10,000</u>	<u>3,410</u>	<u>6,590</u>	<u>-</u>
Total	<u>374,862</u>	<u>374,862</u>	<u>381,440</u>	<u>(6,578)</u>	<u>395,788</u>
Fiscal services					
Salaries	572,102	572,102	502,335	69,767	546,756
Employee benefits	141,764	141,764	135,978	5,786	141,572
Purchased services	26,500	26,500	29,027	(2,527)	4,447
Supplies and materials	6,800	6,800	6,441	359	27,889
Capital outlay	11,000	8,000	-	8,000	-
Other objects	-	-	56,945	(56,945)	-
Non-capitalized equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,147</u>
Total	<u>758,166</u>	<u>755,166</u>	<u>730,726</u>	<u>24,440</u>	<u>721,811</u>
Operation and maintenance of plant services					
Purchased services	462,500	472,500	168,206	304,294	208,959
Supplies and materials	<u>1,580,808</u>	<u>1,569,808</u>	<u>1,435,701</u>	<u>134,107</u>	<u>1,519,078</u>
Total	<u>2,043,308</u>	<u>2,042,308</u>	<u>1,603,907</u>	<u>438,401</u>	<u>1,728,037</u>
Pupil transportation services					
Purchased services	<u>59,680</u>	<u>59,730</u>	<u>42,710</u>	<u>17,020</u>	<u>48,902</u>
Total	<u>59,680</u>	<u>59,730</u>	<u>42,710</u>	<u>17,020</u>	<u>48,902</u>

(Continued)

# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017				2016
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	Actual
Food services					
Purchased services	\$ 18,000	\$ 18,000	\$ 38,935	\$ (20,935)	\$ 52,857
Supplies and materials	-	-	23,707	(23,707)	-
Other objects	500	500	275	225	275
Non-capitalized equipment	<u>30,000</u>	<u>30,000</u>	<u>10,553</u>	<u>19,447</u>	<u>32,679</u>
Total	<u>48,500</u>	<u>48,500</u>	<u>73,470</u>	<u>(24,970)</u>	<u>85,811</u>
Internal services					
Purchased services	326,500	451,000	438,368	12,632	514,074
Supplies and materials	257,000	268,000	216,710	51,290	217,992
Other objects	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>39,715</u>
Total	<u>633,500</u>	<u>769,000</u>	<u>655,078</u>	<u>113,922</u>	<u>771,781</u>
Total business	<u>3,918,016</u>	<u>4,049,566</u>	<u>3,487,331</u>	<u>562,235</u>	<u>3,752,130</u>
Central					
Direction of central support services					
Salaries	39,200	39,200	45,388	(6,188)	32,449
Employee benefits	11,736	11,736	11,189	547	9,946
Purchased services	122,000	10,000	1,132	8,868	143,079
Supplies and materials	35,000	35,000	23,669	11,331	24,616
Capital outlay	100,000	100,000	17,255	82,745	154,463
Other objects	2,000	2,000	539	1,461	1,002
Non-capitalized equipment	<u>5,000</u>	<u>5,000</u>	<u>24,863</u>	<u>(19,863)</u>	<u>16,502</u>
Total	<u>314,936</u>	<u>202,936</u>	<u>124,035</u>	<u>78,901</u>	<u>382,057</u>

(Continued)

# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017				2016 Actual
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	
Information services					
Salaries	\$ 163,800	\$ 163,800	\$ 158,677	\$ 5,123	\$ 134,514
Employee benefits	32,574	32,574	24,731	7,843	35,407
Purchased services	52,700	52,700	28,684	24,016	18,714
Supplies and materials	2,625	2,625	1,350	1,275	3,736
Other objects	300	300	-	300	-
Total	<u>251,999</u>	<u>251,999</u>	<u>213,442</u>	<u>38,557</u>	<u>192,371</u>
Staff services					
Salaries	517,745	569,745	549,481	20,264	446,961
Employee benefits	358,349	3,034,549	1,471,888	1,562,661	335,791
Purchased services	141,450	141,450	230,298	(88,848)	16,836
Supplies and materials	23,500	24,000	27,667	(3,667)	35,265
Other objects	1,500	1,000	43,700	(42,700)	-
Termination benefits	-	-	732,143	(732,143)	-
Total	<u>1,042,544</u>	<u>3,770,744</u>	<u>3,055,177</u>	<u>715,567</u>	<u>834,853</u>
Data processing services					
Salaries	1,447,800	1,447,800	1,370,802	76,998	1,431,803
Employee benefits	227,988	227,988	216,094	11,894	232,226
Purchased services	2,273,000	2,275,400	2,752,289	(476,889)	2,048,594
Supplies and materials	20,000	20,000	151,676	(131,676)	38,144
Capital outlay	115,000	118,000	5,375	112,625	141,479
Non-capitalized equipment	110,136	65,000	211,466	(146,466)	372,570
Total	<u>4,193,924</u>	<u>4,154,188</u>	<u>4,707,702</u>	<u>(553,514)</u>	<u>4,264,816</u>
Total central	<u>5,803,403</u>	<u>8,379,867</u>	<u>8,100,356</u>	<u>279,511</u>	<u>5,674,097</u>

(Continued)

# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			Variance	2016
	Original Budget	Final and Amended Budget	Actual	From Final Budget	Actual
Other supporting services					
Supplies and materials	\$ -	\$ 40	\$ -	\$ 40	\$ -
Total	-	40	-	40	-
Total support services	35,214,231	37,888,556	36,444,288	1,444,268	33,519,775
Community services					
Salaries	47,250	92,288	71,467	20,821	53,277
Employee benefits	-	-	168	(168)	3,152
Purchased services	-	60,000	23,957	36,043	35,703
Supplies and materials	-	17,834	5,817	12,017	325
Other objects	-	300	475	(175)	225
Non-capitalized equipment	-	3,200	-	3,200	2,810
Total	47,250	173,622	101,884	71,738	95,492
Payments for special education programs					
Purchased services	-	592,154	83,704	508,450	-
Total	-	592,154	83,704	508,450	-
Total payments to other districts and other government units	-	592,154	83,704	508,450	-
Provision for contingencies	510,545	510,545	-	510,545	-
Total expenditures	129,839,863	130,588,789	147,867,187	(17,278,398)	127,094,643
Excess (deficiency) of revenues over expenditures	(2,403,779)	(2,398,662)	1,269,790	3,668,452	780,421

(Continued)

# Northfield Township High School District 225

## General Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017			Variance	2016
	Original Budget	Final and Amended Budget	Actual	From Final Budget	Actual
Other financing sources (uses)					
Transfer to Debt Service Fund to pay principal and interest on capital leases	\$ -	\$ -	\$ (801,302)	\$ (801,302)	\$ (745,380)
Proceeds from capital lease	-	-	906,444	906,444	460,330
Gain on sale of capital assets	-	-	187,178	187,178	-
Transfer to Capital Projects Fund	-	-	-	-	(350,000)
Total other financing sources (uses)	-	-	292,320	292,320	(635,050)
Net change to fund balance	<u>\$ (2,403,779)</u>	<u>\$ (2,398,662)</u>	1,562,110	<u>\$ 3,960,772</u>	145,371
Fund balance, beginning of year			<u>61,369,841</u>		<u>61,224,470</u>
Fund balance, end of year			<u>\$62,931,951</u>		<u>\$ 61,369,841</u>

(Concluded)

**Northfield Township High School District 225**  
Operations and Maintenance Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2017  
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017					
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	2016 Actual	
Revenues						
Local sources						
General levy	\$2,960,010	\$ 2,960,010	\$ 2,973,848	\$ 13,838	\$ 2,945,018	
Corporate personal property replacement taxes	2,000,000	2,000,000	2,895,378	895,378	1,828,606	
Other payments in lieu of taxes	7,400,000	7,400,000	7,214,131	(185,869)	5,900,000	
Interest on investments	15,000	15,000	87,542	72,542	20,376	
Fees	382,000	382,000	391,553	9,553	224,672	
Rentals	85,000	85,000	98,113	13,113	81,998	
Refund of prior years' expenditures	-	-	11,363	11,363	-	
Total local sources	<u>12,842,010</u>	<u>12,842,010</u>	<u>13,671,928</u>	<u>829,918</u>	<u>11,000,670</u>	
Total revenues	<u>12,842,010</u>	<u>12,842,010</u>	<u>13,671,928</u>	<u>829,918</u>	<u>11,000,670</u>	
Expenditures						
Support services						
Facilities acquisition and construction services						
Salaries	-	-	-	-	7,957	
Employee benefits	-	-	7,748	(7,748)	-	
Purchased services	-	5,000	1,448	3,552	69,361	
Supplies and materials	-	-	5,812	(5,812)	27,810	
Capital outlay	168,000	183,000	192,361	(9,361)	20,072	
Other objects	-	-	-	-	60,983	
Non-capitalized equipment	<u>4,000</u>	<u>4,000</u>	<u>2,400</u>	<u>1,600</u>	<u>15,626</u>	
Total	<u>172,000</u>	<u>192,000</u>	<u>209,769</u>	<u>(17,769)</u>	<u>201,809</u>	

(Continued)

# Northfield Township High School District 225

## Operations and Maintenance Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017				
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	2016 Actual
Operation and maintenance of plant services					
Salaries	\$4,474,708	\$ 4,474,708	\$ 4,404,224	\$ 70,484	\$ 4,361,569
Employee benefits	1,107,181	1,107,181	1,041,231	65,950	1,053,929
Purchased services	1,163,245	1,158,245	1,173,930	(15,685)	1,240,939
Supplies and materials	615,850	615,850	655,340	(39,490)	603,566
Capital outlay	121,000	106,000	31,069	74,931	158,470
Other objects	106,000	106,000	33,107	72,893	29,414
Non-capitalized equipment	184,598	184,598	10,148	174,450	76,553
Total	<u>7,772,582</u>	<u>7,752,582</u>	<u>7,349,049</u>	<u>403,533</u>	<u>7,524,440</u>
Total support services	<u>7,944,582</u>	<u>7,944,582</u>	<u>7,558,818</u>	<u>385,764</u>	<u>7,726,249</u>
Provision for contingencies	<u>49,096</u>	<u>49,096</u>	<u>-</u>	<u>49,096</u>	<u>-</u>
Total expenditures	<u>7,993,678</u>	<u>7,993,678</u>	<u>7,558,818</u>	<u>434,860</u>	<u>7,726,249</u>
Excess of revenues over expenditures	<u>4,848,332</u>	<u>4,848,332</u>	<u>6,113,110</u>	<u>1,264,778</u>	<u>3,274,421</u>
Other financing uses					
Transfer to Capital Projects Fund	(1,500,000)	(1,500,000)	(1,500,000)	-	(2,900,000)
Transfer to Debt Service Fund to pay principal and interest on lease certificates	<u>(374,697)</u>	<u>(374,697)</u>	<u>(374,697)</u>	<u>-</u>	<u>(374,394)</u>
Total other financing uses	<u>(1,874,697)</u>	<u>(1,874,697)</u>	<u>(1,874,697)</u>	<u>-</u>	<u>(3,274,394)</u>
Net change in fund balance	<u>\$2,973,635</u>	<u>\$ 2,973,635</u>	4,238,413	<u>\$1,264,778</u>	27
Fund balance, beginning of year - as restated (see Note O)			<u>11,846,587</u>		<u>11,846,560</u>
Fund balance, end of year			<u>\$16,085,000</u>		<u>\$11,846,587</u>

(Concluded)



**Northfield Township High School District 225**  
Transportation Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2017  
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017					2016
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget		Actual
Revenues						
Local sources						
General levy	\$ 493,335	\$ 493,335	\$ 496,483	\$ 3,148	\$	490,861
Regular transportation fees from pupils or parents	350,000	350,000	375,085	25,085		660,266
Interest on investments	<u>5,000</u>	<u>5,000</u>	<u>7,063</u>	<u>2,063</u>		<u>6,181</u>
Total local sources	<u>848,335</u>	<u>848,335</u>	<u>878,631</u>	<u>30,296</u>		<u>1,157,308</u>
State sources						
Transportation - Special Education	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,071,197</u>	<u>(128,803)</u>		<u>1,256,872</u>
Total state sources	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,071,197</u>	<u>(128,803)</u>		<u>1,256,872</u>
Total revenues	<u>2,048,335</u>	<u>2,048,335</u>	<u>1,949,828</u>	<u>(98,507)</u>		<u>2,414,180</u>
Expenditures						
Support services						
Business						
Pupil transportation services						
Salaries	19,275	19,275	40,769	(21,494)		18,023
Employee benefits	-	-	7,023	(7,023)		-
Purchased services	2,544,000	2,544,000	3,003,642	(459,642)		2,857,772
Supplies and materials	13,300	3,000	3,144	(144)		7,054
Other objects	<u>3,000</u>	<u>13,300</u>	<u>5,679</u>	<u>7,621</u>		<u>3,000</u>
Total	<u>2,579,575</u>	<u>2,579,575</u>	<u>3,060,257</u>	<u>(480,682)</u>		<u>2,885,849</u>
Total support services	<u>2,579,575</u>	<u>2,579,575</u>	<u>3,060,257</u>	<u>(480,682)</u>		<u>2,885,849</u>

(Continued)

# Northfield Township High School District 225

## Transportation Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017					2016
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget		Actual
Provision for contingencies	\$ 12,898	\$ 12,898	\$ -	\$ 12,898	\$ -	
Total expenditures	<u>2,592,473</u>	<u>2,592,473</u>	<u>3,060,257</u>	<u>(467,784)</u>	<u>2,885,849</u>	
Deficiency of revenues over expenditures	<u>(544,138)</u>	<u>(544,138)</u>	<u>(1,110,429)</u>	<u>(566,291)</u>	<u>(471,669)</u>	
Other financing sources						
Proceeds from capital lease	<u>-</u>	<u>-</u>	<u>255,664</u>	<u>255,664</u>	<u>-</u>	
Total other financing sources	<u>-</u>	<u>-</u>	<u>255,664</u>	<u>255,664</u>	<u>-</u>	
Net change in fund balance	<u>\$ (544,138)</u>	<u>\$ (544,138)</u>	<u>(854,765)</u>	<u>\$ (310,627)</u>	<u>(471,669)</u>	
Fund balance, beginning of year			<u>1,782,986</u>		<u>2,254,655</u>	
Fund balance, end of year			<u>\$ 928,221</u>		<u>\$ 1,782,986</u>	

(Concluded)

**Northfield Township High School District 225**  
Municipal Retirement / Social Security Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2017  
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017				
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	2016 Actual
Revenues					
Local sources					
General levy	\$ 1,480,005	\$ 1,480,005	\$ 1,351,639	\$ (128,366)	\$ 1,474,887
Social security/Medicare only levy	1,775,605	1,775,605	1,780,898	5,293	1,767,260
Corporate personal property replacement taxes	120,000	120,000	136,625	16,625	320,000
Interest on investments	2,000	2,000	8,898	6,898	-
Total local sources	<u>3,377,610</u>	<u>3,377,610</u>	<u>3,278,060</u>	<u>(99,550)</u>	<u>3,562,147</u>
Federal sources					
Title I - Low Income	-	50	-	(50)	-
Total federal sources	<u>-</u>	<u>50</u>	<u>-</u>	<u>(50)</u>	<u>-</u>
Total revenues	<u>3,377,610</u>	<u>3,377,660</u>	<u>3,278,060</u>	<u>(99,600)</u>	<u>3,562,147</u>
Expenditures					
Instruction					
Regular programs	536,950	536,925	548,508	(11,583)	590,815
Special education programs	336,175	336,225	305,631	30,594	301,852
Remedial and supplemental programs K-12	-	10,164	13,683	(3,519)	8,122
Vocational educational programs	69,700	69,700	65,632	4,068	67,155
Interscholastic programs	198,375	198,150	286,835	(88,685)	274,090
Summer school programs	19,425	19,425	21,140	(1,715)	13,717
Gifted programs	7,450	7,450	8,047	(597)	7,666
Drivers education programs	9,050	9,050	9,880	(830)	9,902
Bilingual programs	5,275	5,275	14,466	(9,191)	11,354
Total instruction	<u>1,182,400</u>	<u>1,192,364</u>	<u>1,273,822</u>	<u>(81,458)</u>	<u>1,284,673</u>

(Continued)

**Northfield Township High School District 225**  
Municipal Retirement / Social Security Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2017  
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017					
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	2016 Actual	
Support services						
Pupils						
Attendance and social work services	\$ 128,125	\$ 130,475	\$ 130,045	\$ 430	\$ 126,686	
Guidance services	151,150	148,800	158,930	(10,130)	160,078	
Health services	33,250	33,250	31,220	2,030	37,296	
Psychological services	24,525	24,525	21,359	3,166	20,488	
Speech pathology and audiology services	3,925	3,925	4,108	(183)	3,981	
Other support services -pupils	<u>118,475</u>	<u>118,475</u>	<u>120,221</u>	<u>(1,746)</u>	<u>112,800</u>	
Total pupils	<u>459,450</u>	<u>459,450</u>	<u>465,883</u>	<u>(6,433)</u>	<u>461,329</u>	
Instructional staff						
Improvement of instruction services	12,500	12,500	14,482	(1,982)	14,570	
Educational media services	<u>133,925</u>	<u>133,925</u>	<u>132,645</u>	<u>1,280</u>	<u>104,271</u>	
Total instructional staff	<u>146,425</u>	<u>146,425</u>	<u>147,127</u>	<u>(702)</u>	<u>118,841</u>	
General administration						
Board of education services	1,675	1,675	1,547	128	1,557	
Executive administration services	32,850	32,850	31,854	996	35,100	
Special area administrative services	<u>52,425</u>	<u>52,400</u>	<u>46,895</u>	<u>5,505</u>	<u>40,773</u>	
Total general administration	<u>86,950</u>	<u>86,925</u>	<u>80,296</u>	<u>6,629</u>	<u>77,430</u>	
School administration						
Office of the principal services	96,025	96,250	97,624	(1,374)	102,448	
Other support services - school administration	<u>183,950</u>	<u>183,950</u>	<u>180,224</u>	<u>3,726</u>	<u>171,610</u>	
Total school administration	<u>279,975</u>	<u>280,200</u>	<u>277,848</u>	<u>2,352</u>	<u>274,058</u>	

(Continued)

**Northfield Township High School District 225**  
Municipal Retirement / Social Security Fund  
**SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
For the Year Ended June 30, 2017  
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017				
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	2016 Actual
<b>Business</b>					
Direction of business support services	\$ 17,100	\$ 17,100	\$ 17,190	\$ (90)	\$ 23,946
Fiscal services	79,325	79,325	64,341	14,984	82,135
Facilities acquisition and construction services	-	-	-	-	1,428
Operation and maintenance of plant services	768,525	768,525	731,709	36,816	727,479
Pupil transportation services	<u>3,450</u>	<u>3,450</u>	<u>6,810</u>	<u>(3,360)</u>	<u>3,207</u>
Total business	<u>868,400</u>	<u>868,400</u>	<u>820,050</u>	<u>48,350</u>	<u>838,195</u>
<b>Central</b>					
Direction of central support services	6,875	6,875	7,080	(205)	5,799
Information services	28,450	28,450	28,059	391	24,222
Staff services	36,850	36,850	58,386	(21,536)	43,960
Data processing services	<u>253,200</u>	<u>253,200</u>	<u>235,248</u>	<u>17,952</u>	<u>251,407</u>
Total central	<u>325,375</u>	<u>325,375</u>	<u>328,773</u>	<u>(3,398)</u>	<u>325,388</u>
Total support services	<u>2,166,575</u>	<u>2,166,775</u>	<u>2,119,977</u>	<u>46,798</u>	<u>2,095,241</u>
Community services	<u>32,450</u>	<u>32,450</u>	<u>6,366</u>	<u>26,084</u>	<u>49,858</u>
Provision for contingencies	<u>16,907</u>	<u>16,907</u>	<u>-</u>	<u>16,907</u>	<u>-</u>
Total expenditures	<u>3,398,332</u>	<u>3,408,496</u>	<u>3,400,165</u>	<u>8,331</u>	<u>3,429,772</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (20,722)</u>	<u>\$ (30,836)</u>	<u>(122,105)</u>	<u>\$ (91,269)</u>	<u>132,375</u>
Fund balance, beginning of year			<u>1,943,187</u>		<u>1,810,812</u>
Fund balance, end of year			<u>\$ 1,821,082</u>		<u>\$ 1,943,187</u>

(Concluded)

**Northfield Township High School District 225**  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2017

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1. LEGAL COMPLIANCE AND ACCOUNTABILITY - BUDGETS

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

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

- a) The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
- b) Public hearings are conducted and the proposed budget is available for inspection to obtain comments.
- c) By September 30, the budget is legally adopted through passage of a resolution. By the last Tuesday in December each year, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
- d) Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within a fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education after the public hearing process mandated by law.
- e) Formal budgetary integration is employed as a management control device during the year for the governmental funds.
- f) The budget amounts shown in the financial statements are as originally adopted by the Board of Education on September 26, 2016. The budget was amended and adopted on June 26, 2017.
- g) All budget appropriations lapse at the end of the fiscal year.

2. EXPENDITURES IN EXCESS OF BUDGET

The following funds had expenditures in excess of budget at June 30, 2017:

<u>Fund</u>	<u>Variance</u>
General	\$ 17,278,398
Debt Service	621,421
Transportation	467,784
Fire Prevention and Safety	1,958,066

**Northfield Township High School District 225**  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
June 30, 2017

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3. TEACHERS' RETIREMENT SYSTEM OF THE STATE OF ILLINOIS

Changes of Assumptions

For the 2016 measurement year, the assumed investment rate of return was 7.00 percent, including an inflation rate of 2.50 percent and a real return of 4.50%. Salary increases were assumed to vary by service credit.

For the 2015 measurement year, the assumed investment rate of return was 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the three-year period ending June 30, 2014.

For the 2014 measurement year, the assumed investment rate of return was also 7.50 percent, including an inflation rate of 3.00 percent and real return of 4.50 percent. However, salary increases were assumed to vary by age.

4. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2016 IMRF CONTRIBUTION RATE\*

**Valuation Date:**

Notes	Actuarially determined contribution rates are calculated as of December 31 each year, which is 12 months prior to the beginning of the fiscal year in which contributions are reported.
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**Methods and Assumptions Used to Determine the 2016 Contribution Rate:**

Actuarial Cost Method	Aggregate Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	Non-Taxing bodies: 10-year rolling period. Taxing bodies (Regular, SLEP and ECO groups): 27-year closed period until remaining period reaches 15 years (then 15-year rolling period). Early Retirement Incentive Plan liabilities: a period up to 10 years selected by the Employer upon adoption of ERI. SLEP supplemental liabilities attributable to Public Act 94-712 were financed over 22 years for most employers (two employers were financed over 31 years).
Asset Valuation Method	5-year smoothed market; 20% corridor
Wage Growth	3.50%

## June 30, 2017

4. SUMMARY OF ACTUARIAL METHODS AND ASSUMPTIONS USED IN THE CALCULATION OF THE 2016 IMRF CONTRIBUTION RATE\* (Continued)

**Methods and Assumptions Used to Determine the 2016 Contribution Rate (Continued):**

Price Inflation	2.75% - approximate; no explicit price inflation assumption is used in this valuation.
Salary Increases	3.75% to 14.50%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 calculation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2012). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

**Other Information:**

Notes                      There were no benefit changes during the year.

\* Based on Valuation Assumptions used in the December 31, 2014 actuarial valuation.



## **SUPPLEMENTARY FINANCIAL INFORMATION**

**Northfield Township High School District 225**General Fund  
COMBINING BALANCE SHEET  
June 30, 2017

	Educational Account	Working Cash Account	Total
<b>ASSETS</b>			
Cash and investments	\$ 42,976,421	\$ 21,378,914	\$ 64,355,335
Receivables (net of allowance for uncollectibles):			
Interest	110,516	43,735	154,251
Property taxes	45,303,150	401,276	45,704,426
Accounts	137,227	-	137,227
Intergovernmental	1,386,408	-	1,386,408
Prepaid items	<u>122,896</u>	<u>-</u>	<u>122,896</u>
Total assets	<u>\$ 90,036,618</u>	<u>\$ 21,823,925</u>	<u>\$ 111,860,543</u>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 1,511,200	\$ -	\$ 1,511,200
Salaries and wages payable	26,419	-	26,419
Claims payable	1,206,658	-	1,206,658
Other current liabilities	822,352	3,634	825,986
Unearned revenue	<u>158,378</u>	<u>-</u>	<u>158,378</u>
Total liabilities	<u>3,725,007</u>	<u>3,634</u>	<u>3,728,641</u>
<b>DEFERRED INFLOWS</b>			
Unavailable interest revenue	93,822	37,128	130,950
Property taxes levied for a future period	<u>44,679,990</u>	<u>389,011</u>	<u>45,069,001</u>
Total deferred inflows	<u>44,773,812</u>	<u>426,139</u>	<u>45,199,951</u>
<b>FUND BALANCES</b>			
Nonspendable	122,896	-	122,896
Unassigned	<u>41,414,903</u>	<u>21,394,152</u>	<u>62,809,055</u>
Total fund balance	<u>41,537,799</u>	<u>21,394,152</u>	<u>62,931,951</u>
Total liabilities, deferred inflows, and fund balance	<u>\$ 90,036,618</u>	<u>\$ 21,823,925</u>	<u>\$ 111,860,543</u>

## Northfield Township High School District 225

General Fund

### COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES For the Year Ended June 30, 2017

	Educational Account	Working Cash Account	Total
Revenues			
Property taxes	\$ 91,271,351	\$ 848,134	\$ 92,119,485
State aid	51,663,010	-	51,663,010
Federal aid	3,185,342	-	3,185,342
Interest	244,590	126,023	370,613
Other	1,798,527	-	1,798,527
Total revenues	148,162,820	974,157	149,136,977
Expenditures			
Current:			
Instruction:			
Regular programs	35,121,384	-	35,121,384
Special programs	15,680,172	-	15,680,172
Other instructional programs	12,483,820	-	12,483,820
State retirement contributions	47,885,020	-	47,885,020
Support services:			
Pupils	11,004,595	-	11,004,595
Instructional staff	3,537,302	-	3,537,302
General administration	2,807,063	-	2,807,063
School administration	7,507,641	-	7,507,641
Business	2,010,478	-	2,010,478
Transportation	42,710	-	42,710
Operations and maintenance	1,434,143	-	1,434,143
Central	8,077,726	-	8,077,726
Community services	185,588	-	185,588
Capital outlay	89,545	-	89,545
Total expenditures	147,867,187	-	147,867,187
Excess of revenues over expenditures	295,633	974,157	1,269,790

(Continued)

# Northfield Township High School District 225

## General Fund

### COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

For the Year Ended June 30, 2017

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	Educational Account	Working Cash Account	Total
Other financing sources (uses)			
Transfers out	\$ (801,302)	\$ -	\$ (801,302)
Proceeds from capital lease	906,444	-	906,444
Gain on sale of capital assets	<u>187,178</u>	<u>-</u>	<u>187,178</u>
Total other financing sources (uses)	<u>292,320</u>	<u>-</u>	<u>292,320</u>
Net change in fund balance	587,953	974,157	1,562,110
Fund balance, beginning of year	<u>40,949,846</u>	<u>20,419,995</u>	<u>61,369,841</u>
Fund balance, end of year	<u>\$ 41,537,799</u>	<u>\$ 21,394,152</u>	<u>\$ 62,931,951</u>

(Concluded)

# Northfield Township High School District 225

## Debt Service Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017				
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	2016 Actual
Revenues					
Local sources					
General levy	\$ 9,429,724	\$ 9,429,724	\$ 8,853,205	\$ (576,519)	\$ 8,810,339
Interest on investments	-	-	26,655	26,655	8,379
Total local sources	9,429,724	9,429,724	8,879,860	(549,864)	8,818,718
Federal sources					
Build America Bonds interest reimbursement	-	-	288,263	288,263	192,428
Total federal sources	-	-	288,263	288,263	192,428
Total revenues	9,429,724	9,429,724	9,168,123	(261,601)	9,011,146
Expenditures					
Debt services - interest					
Bonds - interest	4,562,677	4,562,677	3,499,655	1,063,022	3,138,721
Total debt service - interest	4,562,677	4,562,677	3,499,655	1,063,022	3,138,721
Principal payments on long-term debt	5,248,921	5,248,921	7,115,054	(1,866,133)	6,664,463
Other debt service					
Purchased services	513,500	513,500	381,810	131,690	5,824
Total	513,500	513,500	381,810	131,690	5,824
Total debt service	10,325,098	10,325,098	10,996,519	(671,421)	9,809,008

(Continued)

# Northfield Township High School District 225

## Debt Service Fund

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

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017					2016
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget		Actual
Provision for contingencies	\$ 50,000	\$ 50,000	\$ -	\$ -		\$ -
Total expenditures	10,375,098	10,375,098	10,996,519	(621,421)		9,809,008
Deficiency of revenues over expenditures	(945,374)	(945,374)	(1,828,396)	(883,022)		(797,862)
Other financing sources (uses)						
Principal on bonds sold	-	-	39,951,498	39,951,498		-
Premium on bonds sold	-	-	6,934,155	6,934,155		-
Transfer to pay for principal on capital leases	-	-	780,054	780,054		729,463
Transfer to pay for interest on capital leases	-	-	21,248	21,248		15,917
Transfer to pay for lease certificates	374,697	374,697	374,697	-		374,394
Payment on refunded debt	-	-	(46,408,714)	(46,408,714)		-
Total other financing sources (uses)	374,697	374,697	1,652,938	1,278,241		1,119,774
Net change in fund balance	\$ (570,677)	\$ (570,677)	(175,458)	\$ 395,219		321,912
Fund balance, beginning of year			4,831,183			4,509,271
Fund balance, end of year			\$ 4,655,725			\$ 4,831,183

(Concluded)

# Northfield Township High School District 225

## Capital Projects Fund

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017				
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	2016 Actual
Revenues					
Local sources					
Other payments in lieu of taxes	\$ 883,768	\$ 883,768	\$ 746,315	\$ (137,453)	\$ 950,781
Interest on investments	4,000	4,000	-	(4,000)	-
Contributions and donations from private sources	150,000	150,000	348,894	198,894	243,617
Refund of prior years' expenditures	-	-	307,910	307,910	604,000
Proceeds from vendors' contracts	-	-	2,898	2,898	-
Total local sources	<u>1,037,768</u>	<u>1,037,768</u>	<u>1,406,017</u>	<u>368,249</u>	<u>1,798,398</u>
Total revenues	<u>1,037,768</u>	<u>1,037,768</u>	<u>1,406,017</u>	<u>368,249</u>	<u>1,798,398</u>
Expenditures					
Support services					
Facilities acquisition and construction services					
Purchased services	-	-	1,049,897	(1,049,897)	-
Capital outlay	3,820,293	3,820,293	2,401,785	1,418,508	4,574,018
Non-capitalized equipment	-	-	16,045	(16,045)	600
Total support services	<u>3,820,293</u>	<u>3,820,293</u>	<u>3,467,727</u>	<u>352,566</u>	<u>4,574,618</u>
Provision for contingencies	<u>135,000</u>	<u>135,000</u>	<u>-</u>	<u>135,000</u>	<u>-</u>
Total expenditures	<u>3,955,293</u>	<u>3,955,293</u>	<u>3,467,727</u>	<u>487,566</u>	<u>4,574,618</u>
Deficiency of revenues over expenditures	<u>(2,917,525)</u>	<u>(2,917,525)</u>	<u>(2,061,710)</u>	<u>855,815</u>	<u>(2,776,220)</u>

(Continued)

# Northfield Township High School District 225

## Capital Projects Fund

### SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICIT) - BUDGET AND ACTUAL

For the Year Ended June 30, 2017

With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017				
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	2016 Actual
Other financing sources					
Transfer from Operations and Maintenance Fund	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ -	\$ 3,250,000
Total other financing sources	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>	<u>3,250,000</u>
Net change in fund balance	<u>\$ (1,417,525)</u>	<u>\$ (1,417,525)</u>	(561,710)	<u>\$ 855,815</u>	473,780
Fund balance (deficit), beginning of year			<u>373,333</u>		<u>(100,447)</u>
Fund balance (deficit), end of year			<u>\$ (188,377)</u>		<u>\$ 373,333</u>

(Concluded)



**Northfield Township High School District 225**  
Fire Prevention and Safety Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2017  
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017					
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	2016 Actual	
Revenues						
Local sources						
Interest on investments	\$ -	\$ -	\$ 46,222	\$ 46,222	\$ -	
Total local sources	-	-	46,222	46,222	-	
Total revenues	-	-	46,222	46,222	-	
Expenditures						
Support services						
Facilities acquisition and construction services						
Purchased services	-	-	453,925	(453,925)	-	
Capital outlay	750,000	750,000	2,092,641	(1,342,641)	-	
Total	750,000	750,000	2,546,566	(1,796,566)	-	
Total support services	750,000	750,000	2,546,566	(1,796,566)	-	
Debt service						
Debt issuance costs	-	-	161,500	(161,500)	-	
Total debt service	-	-	161,500	(161,500)	-	
Total expenditures	750,000	750,000	2,708,066	(1,958,066)	-	
Deficiency of revenues over expenditures	(750,000)	(750,000)	(2,661,844)	(1,911,844)	-	

(Continued)

**Northfield Township High School District 225**  
Fire Prevention and Safety Fund  
SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
For the Year Ended June 30, 2017  
With Comparative Actual Amounts for the Year Ended June 30, 2016

	2017				2016
	Original Budget	Final and Amended Budget	Actual	Variance From Final Budget	Actual
Other financing sources					
Principal on bonds sold	\$15,000,000	\$15,000,000	\$ 14,378,502	\$ 621,498	\$ -
Premium on bonds sold	<u>-</u>	<u>-</u>	<u>787,607</u>	<u>(787,607)</u>	<u>-</u>
Total other financing sources	<u>15,000,000</u>	<u>15,000,000</u>	<u>15,166,109</u>	<u>(166,109)</u>	<u>-</u>
Net change in fund balance	<u>\$14,250,000</u>	<u>\$14,250,000</u>	12,504,265	<u>\$ (2,077,953)</u>	-
Fund balance, beginning of year			<u>-</u>		<u>-</u>
Fund balance, end of year			<u>\$ 12,504,265</u>		<u>\$ -</u>

(Concluded)

**Northfield Township High School District 225**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - STUDENT ACTIVITY FUNDS**  
Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Assets				
Cash	\$ 1,545,431	\$ 3,908,887	\$ 4,149,349	\$ 1,304,959
Total Assets	<u>\$ 1,545,431</u>	<u>\$ 3,908,887</u>	<u>\$ 4,149,349</u>	<u>\$ 1,304,959</u>
Liabilities				
Due to activity fund accounts:				
<u>Central Activity</u>				
Academy	\$ -	\$ 286	\$ 286	\$ -
Artificial Turf	126,544	65,000	191,544	-
Band Parents Organization	-	1,425	1,425	-
Debate Tournament	202	251,760	251,112	850
District Student Activities	-	11,848	11,848	-
District-TEAM	500	-	-	500
Dual Credit Courses	938	-	-	938
Dues & Fees	1,854	-	-	1,854
Evening H.S. - Robert Watt Memorial	50	-	-	50
Evening High School	2,924	165	3,501	(412)
Evening High School Scholarship	7,669	1,200	2,500	6,369
GBA Banking Transactions	-	10,453	14,998	(4,545)
Glenbrook Education Foundation	-	13,371	13,080	291
Glenbrook Musical	-	76,706	76,051	655
Glenbrook Techny Festival	-	11,091	11,110	(19)
Glenbrook Symphony	200	-	-	200
Glenbrook United	-	3,700	4,523	(823)
Sunset on the Prairie	3,503	740	308	3,935
Peer Group Scholarship	3,161	-	1,000	2,161
Retirement	1,306	-	-	1,306
Scholarship and Trust	223	25,358	50,716	(25,135)
Johnson Scholarship	25,358	-	-	25,358
Township Articulation	5,340	200	2,605	2,935
Special Olympics	7,532	-	-	7,532
Interest earned	4,086	-	7	4,079
Total Central Activity	<u>191,390</u>	<u>473,303</u>	<u>636,614</u>	<u>28,079</u>

(Continued)

**Northfield Township High School District 225**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - STUDENT ACTIVITY FUNDS**  
Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<u>North Activity</u>				
A Cappella	\$ 2,127	\$ 774	\$ 335	\$ 2,566
Activity Tickets	-	50,050	50,050	-
Advanced Placement	80,920	124,037	125,061	79,896
After School All Stars	874	133	-	1,007
Anime Club	177	-	177	-
Art Supplies	2,520	150	475	2,195
Best Buddies	316	-	-	316
Booster Club	-	35,703	35,603	100
Boy's P.E. Rental	6,199	5,090	2,939	8,350
Breakfast Club	162	-	49	113
Business Club	12,235	20,694	27,084	5,845
Cap and Gown	177	12,779	12,694	262
Chamber Music	-	100	-	100
Cheerleaders	50,810	35,586	53,408	32,988
Chess Team	-	1,407	1,028	379
Choir	480	1,473	1,485	468
Choir/Theater Parents Organization	-	1,950	1,950	-
Choose Health	-	132	-	132
Circle of Friends	197	-	-	197
Class of 2015	5,943	-	5,944	(1)
Class of 2016	13,405	-	12,366	1,039
Class of 2017	26,771	8,926	27,456	8,241
Class of 2018	3,218	45,617	49,995	(1,160)
Class of 2019	155	8,020	6,346	1,829
Class of 2020	-	3,641	3,227	414
Coffee & Tea Club	(10)	301	99	192
Color Guard	328	2,090	1,818	600
Debate	45,164	76,936	37,617	84,483
Drama Productions	636	40,517	29,533	11,620
Duffy Memorial Scholarship	1,178	4,000	1,000	4,178
Earl Young Memorial Scholarship	2,530	1,000	1,000	2,530
Engine Team	208	-	208	-
Entrepreneurship	-	13,600	724	12,876
Environmental Awareness	101	25	162	(36)
Feminism Club	-	1,348	525	823
Field Trips	1,557	1,273	930	1,900
Friends & Comp	1,760	1,252	772	2,240
Future Educators	474	310	342	442
Gay Straight Alliance (GSA)	204	1,222	1,123	303
GBN Fifty Year Anniversary	54	-	54	-

(Continued)

**Northfield Township High School District 225**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - STUDENT ACTIVITY FUNDS**  
Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
GBN HR Herr Scholarship	\$ 3,930	\$ -	\$ 108	\$ 3,822
GBN Scholarship - Ha Vickery Med	2,000	2,000	1,000	3,000
GBN Sports Tournaments	49,227	234,781	230,524	53,484
GBN World Lang Honor Society	7,021	459	179	7,301
Global Citizens	3,163	2,867	3,000	3,030
Grad Nite	(875)	17,193	16,318	-
Guitar Club	1	-	-	1
H W Schwaegerman Scholarship Fund	1,527	-	1,527	-
Helicon	12,372	3,456	3,624	12,204
Hellenic Club	593	229	20	802
Home Economics (HERO)	5,260	6,331	9,012	2,579
Hynda Gamze Educ Scholarship	2,000	1,000	1,000	2,000
IL Athletic Directors Assoc.	5	-	-	5
In-HSE Grad	14,748	-	-	14,748
Interact Club	10,169	2,000	451	11,718
Juggle & Magic	52	11	-	63
Key Club	3,178	3,962	5,016	2,124
Kids 4 the Cure	1,782	563	1,939	406
Knitting Club	-	169	144	25
Korean Connection	528	519	874	173
Laconian	(9,960)	101,821	105,653	(13,792)
Library Account	2,225	440	640	2,025
Math Team	3,152	8,025	8,412	2,765
Mathematics Department	-	1,204	-	1,204
Mileage Monsters	3,792	-	3,792	-
Model U N Club	1,573	5,655	4,231	2,997
Music General	5,636	8,349	7,061	6,924
National Art Honor Society	275	1,006	990	291
National Forensic League	1,416	13,269	13,117	1,568
National Honor Society	10,655	3,960	2,681	11,934
North Suburban Science Supervisors	213	-	213	-
North Winds	178	-	-	178
Orchesis	17,090	33,476	36,535	14,031
Pactech	329	523	290	562
Parents' Association - GBN	44,264	13,415	13,395	44,284
PAWS	2,245	208	450	2,003
Pom Pom Squad	20,696	21,140	27,635	14,201
Practical Horticulture Club	519	808	1,292	35
PRASAD Science Award	1,000	-	500	500
PSAT/PACT Registration	15,756	6,060	12,764	9,052

(Continued)

**Northfield Township High School District 225**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - STUDENT ACTIVITY FUNDS**  
Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Radio & Television	\$ 5,953	\$ 3,995	\$ 1,089	\$ 8,859
Recycle/Energy Initiative	329	-	329	-
Relay For Life Northbrook	1,607	1,954	2,386	1,175
Retirement Events	145	2,870	3,011	4
Save a Child's Heart	-	863	750	113
Scholarship - Bernard Memorial	19	-	19	-
Scholarship - Janna Sugar Memorial	-	1,000	1,000	-
Scholarship - Kiwanis Key Club	3,638	2,500	3,000	3,138
Scholarship Marian Rugless	12,348	1,500	4,500	9,348
Scholarship North	-	3,250	3,250	-
Scholarship-Kelly Pedersen	50	500	550	-
Scholastic Bowl	51	189	180	60
Science Club	43	3,158	3,000	201
Science Ed Leader Assoc.	865	-	865	-
Snowball	17,227	23,512	19,453	21,286
Soundstage	842	-	842	-
Spartans Inspire	958	-	490	468
Spartan Marching Band	15,664	46,559	50,368	11,855
Spartan Medical Club	410	63	100	373
Spartan Spirit Squad	2,988	521	1,709	1,800
Sports Banquets	293	-	293	-
Student Association	6,612	108,451	81,400	33,663
Student Correspondence	145	-	-	145
Test Prep Program	1,632	2,142	1,526	2,248
Theater Club	1,698	5,382	5,113	1,967
Torch North	11,794	11,080	12,825	10,049
Towel Fees	16,358	21,237	37,594	1
TRI-M	5,896	1,056	3,867	3,085
Variety Show	12,488	51,308	39,477	24,319
Welfare Memorial	1,553	1,735	2,216	1,072
WGKB Radio	640	12,404	12,327	717
William Simonsen Memorial	-	10,000	10,000	-
ZAC Resiliency Award	-	1,000	1,000	-
<b>Total North Activity</b>	<b>620,851</b>	<b>1,313,264</b>	<b>1,312,495</b>	<b>621,620</b>
<u><b>South Activity</b></u>				
Activity Tickets	1,085	62,265	68,225	(4,875)
Advanced Placement Testing	61,184	155,983	176,072	41,095
Auditorium LightBoardFund	500	-	-	500
Aid	1,741	2,000	2,563	1,178
Amber Orchesis Scholarship	1,000	1,000	1,000	1,000

(Continued)

**Northfield Township High School District 225**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - STUDENT ACTIVITY FUNDS**  
Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Amnesty International	\$ 1,177	\$ 370	\$ 602	\$ 945
Anime	-	821	821	-
Art Display	1,517	3,092	5,913	(1,304)
Baseball	13,118	35,264	30,484	17,898
Basketball	1,009	2,800	2,917	892
Bass Fishing	-	133	52	81
Bel Canto	5,223	7,106	7,460	4,869
Book Club	171	-	-	171
Bookstore	2,678	-	-	2,678
Brick Program	12,135	-	-	12,135
Business Incubator Course	10,500	4,984	2,376	13,108
Business Professionals of America	2,533	6,930	3,750	5,713
Calliope	-	1,769	5,274	(3,505)
Cap and Gown	3,250	15,025	18,276	(1)
Chamber Singers	3,313	2,190	2,647	2,856
Cheerleaders	(34,639)	38,135	34,004	(30,508)
Christopher Zimny Scholarship	578	422	1,000	-
Circle of Friends	-	536	-	536
Ciao Club	505	-	-	505
Class of 2016	2,941	-	-	2,941
Class of 2017	3,921	6,517	1,083	9,355
Class of 2018	789	47,224	50,037	(2,024)
Class of 2019	1,764	885	-	2,649
Class of 2020	-	1,056	-	1,056
Cooking Club	98	-	-	98
Concessions	7,464	54,690	59,797	2,357
Craig Stifler	2,000	1,000	1,000	2,000
Cross Country/Track	-	5,301	6,949	(1,648)
Cum Laude Society	920	920	1,840	-
Cure Club	1,555	1,731	1,041	2,245
De La Cru	585	482	329	738
Debate Club	9,167	84,100	84,166	9,101
Desi Club	600	1,275	1,293	582
Drama Club	7,359	5,581	2,743	10,197
Drama Productions	-	26,111	25,498	613
Engineering Club	618	6,201	6,313	506
English Dept. Activities	495	278	486	287
English Junior	-	100	-	100
Erika's Lighthouse	2,512	1,951	1,935	2,528
Etruscan	53,052	228,506	188,871	92,687
Etruscan-Yrbk Aid Fund	53,810	14,599	26,854	41,555
Fencing Club	6,021	20,753	30,642	(3,868)

(Continued)

**Northfield Township High School District 225**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - STUDENT ACTIVITY FUNDS**  
Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
FCCLA	\$ 955	\$ 6,417	\$ 5,321	\$ 2,051
Field Hockey Boosters	9,986	13,207	16,349	6,844
Field Trips	2,278	1,192	4,110	(640)
Forensics	2,347	1,409	1,877	1,879
French Club	2,482	1,305	1,308	2,479
French Exchange Program	3	-	-	3
GBS Club KIVA	241	331	572	-
GBS MTAC Club	6,466	6,466	12,932	-
German Club	1,455	773	1,946	282
German Exchange Program	6,918	2,281	6,150	3,049
Girls' Letter Club	3,361	9,851	10,534	2,678
GBS R. Bilger Scholarship	-	5,000	2,500	2,500
GBS Sports Tournament	57,595	128,999	119,065	67,529
GBS STEM Learning Community	461	-	-	461
GBS World Cultures Celebration	1,023	1,302	102	2,223
Glass	7,060	11,813	18,874	(1)
Glee Club Choir	5,077	5,903	6,906	4,074
Golf-Boys	8,668	3,270	7,395	4,543
Golf-Girls	3,294	1,290	1,582	3,002
Grad Night	31,260	43,272	59,226	15,306
Grid Account	10,046	59,594	57,148	12,492
Gymnastics-Boys	-	81	-	81
Helenic Club	2,329	1,906	3,215	1,020
HOLA	692	452	585	559
In-House Grad Program	31,565	495	4,061	27,999
Interact Club	20,969	18,850	24,706	15,113
J. Kyle Braid	1,483	1,483	2,967	(1)
J. Yordy Scholarship	8,384	-	1,000	7,384
Japanese Grant	10,426	80	5,706	4,800
Jeffrey L Aaron Memorial Scholarship	388	150	-	538
Key Club	(10,438)	58,858	44,590	3,830
Korean Club	244	395	258	381
Lacrosse-Boys	11,383	54,096	62,070	3,409
Lacrosse-Girls	16,083	34,495	24,439	26,139
Library Account	1,366	353	12	1,707
Master Singers	31	12,462	11,079	1,414
Model U N	7,886	68,424	70,762	5,548
National Forensics League	3,379	-	3,379	-
National Honor Society	-	2,640	1,704	936
New Concession Stand Fund	-	10,000	5,000	5,000
NINE	1	2,299	2,199	101

(Continued)



**Northfield Township High School District 225**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - STUDENT ACTIVITY FUNDS**  
Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Operation Safe Driving	\$ 7	\$ -	\$ -	\$ 7
Oracle	11,423	23,638	25,909	9,152
Orchesis	3,897	6,855	6,962	3,790
Outdoors Club	-	755	525	230
Paddle Club	1,819	1,025	729	2,115
Paradox	-	165	-	165
Parents Association	2,912	27,721	28,290	2,343
Pep Club	2,359	-	-	2,359
Polish Club	472	50	420	102
Premier Chorus	3,289	4,858	5,689	2,458
Project Earth	168	168	336	-
PSAT/PLAN Test	12,034	9,660	6,598	15,096
Retirement Events	486	9,882	14,029	(3,661)
SCAT THAT	574	3,002	3,915	(339)
Radio/Broadcasting Scholarship	500	500	1,000	-
Richard Goodspeed Memorial Scholarship	3,450	500	1,000	2,950
Scholarship - C. Rogal	20,500	-	5,000	15,500
Scholarship - M. Sirvatka	610	819	-	1,429
Scholarship - South	24	101,992	80,856	21,160
Scholarship - Japanese Omron	4,000	6,000	1,000	9,000
Scholarship - C. "MAMA" Glass	-	1,000	1,000	-
Scholarship - Will Hicks Memorial	3,962	4,000	3,000	4,962
Scholarship - Grace Kaskie Mem	10,000	-	1,000	9,000
Schreiner Memorial Fund	17,308	-	1,000	16,308
Science Club	5,826	19,034	17,341	7,519
Science Olympiad	205	6,088	6,606	(313)
Science Summer Camps	19,609	17,624	37,233	-
Snowball	6,049	6,048	12,096	1
Soccer-Boys	735	8,351	8,787	299
Soccer-Girls	40	11,468	6,433	5,075
Social Studies Field Trips	662	5,326	5,988	-
Softball	1,137	6,433	7,027	543
Solace	-	1,780	1,828	(48)
Spanish Exchange	2,326	31,357	33,981	(298)
Special Events	6,299	4,450	3,110	7,639
Spirit Fund	3,415	-	65	3,350
Stand Against Genocide	2,876	1,027	1,500	2,403
Student Activities	982	123	129	976
Student Activities Payable	(2,621)	-	-	(2,621)
Student Council	18,355	104,757	98,575	24,537
Student-to-Student	14,797	11,663	15,448	11,012

(Continued)

**Northfield Township High School District 225**  
**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUND - STUDENT ACTIVITY FUNDS**  
Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Student I.D. Account	\$ 3,965	\$ -	\$ -	\$ 3,965
Student Teacher Combined	-	130	-	130
Student Music Fees	728	1,925	1,417	1,236
Student Teachers-P.E.	3,750	926	6,623	(1,947)
Student Teachers-Social Studies	669	-	-	669
Swimming/Diving	1,212	4,645	4,947	910
Titan Booster	8,717	5,150	19,187	(5,320)
Test Prep Programs	14,478	54,271	55,827	12,922
Titan Balloon Store	2,090	391	322	2,159
Titan Chorus	1,038	1,383	1,279	1,142
Titan Poms	999	2,257	3,256	-
Towel Fees	31,878	38,317	70,194	1
Tutoring Project	-	931	451	480
Variety Show	(33,310)	106,888	97,447	(23,869)
Video Yearbook	4,415	3,127	5,994	1,548
Volleyball-Boys	242	1,387	1,694	(65)
Volleyball-Girls	368	14,219	12,256	2,331
Water Polo	1,772	6,424	6,784	1,412
Teachers' Welfare	(4,388)	5,605	1,287	(70)
WGBK	1,452	2,612	3,588	476
Wrestling	1,233	11,912	7,021	6,124
YOUnity Club	-	411	319	92
	<u>733,190</u>	<u>2,122,310</u>	<u>2,200,240</u>	<u>655,260</u>
Total South Activity	<u>733,190</u>	<u>2,122,310</u>	<u>2,200,240</u>	<u>655,260</u>
Total Liabilities	<u>\$ 1,545,431</u>	<u>\$ 3,908,877</u>	<u>\$ 4,149,349</u>	<u>\$ 1,304,959</u>

(Concluded)

# Northfield Township High School District 225

## GENERAL LONG-TERM DEBT SCHEDULE OF GENERAL OBLIGATION BONDS Year Ended June 30, 2017

	Maturity as follows for the Year Ended June 30	Principal	Interest	Total
<b>2002B</b>				
Capital Appreciation	2018	\$ 2,035,000	\$ -	\$ 2,035,000
Refunding School Bonds,	2019	2,035,000	-	2,035,000
dated April 1, 2002,	2020	2,035,000	-	2,035,000
payable December 1	2021	2,035,000	-	2,035,000
	2022	2,035,000	-	2,035,000
Total		\$ 10,175,000	\$ -	\$ 10,175,000
<b>2008</b>				
January 24, 2008,	2018	\$ -	\$ 728,500	\$ 728,500
(Interest at 5.00%, payable	2019	-	728,500	728,500
June 1 and Dec 1 and	2020	-	728,500	728,500
principal due December 1)	2021	-	728,500	728,500
	2022	-	728,500	728,500
	2023	-	728,500	728,500
	2024	-	728,500	728,500
	2025	-	728,500	728,500
	2026	4,345,000	619,875	4,964,875
	2027	4,925,000	388,125	5,313,125
	2028	5,300,000	132,500	5,432,500
Total		\$ 14,570,000	\$ 6,968,500	\$ 21,538,500

(Continued)

# Northfield Township High School District 225

## GENERAL LONG-TERM DEBT SCHEDULE OF GENERAL OBLIGATION BONDS Year Ended June 30, 2017

		Maturity as follows					
		for the Year					
		Ended June 30	Principal	Interest	Total		
<b>2010</b>							
Dated July 7, 2010, (Interest at 5.70-5.90%, payable June 1 and Dec 1 and principal due December 1)	2018	\$	-	\$	589,910	\$	589,910
	2019		-		589,910		589,910
	2020		-		589,910		589,910
	2021		-		589,910		589,910
	2022		-		589,910		589,910
	2023		-		589,910		589,910
	2024		-		589,910		589,910
	2025		845,000		565,828		1,410,828
	2026		3,285,000		448,122		3,733,122
	2027		3,040,000		266,340		3,306,340
	2028		3,020,000		89,090		3,109,090
Total		\$	10,190,000	\$	5,498,750	\$	15,688,750
<b>2016A</b>							
Dated October 27, 2016, (Interest at 5.00%, payable June 1 and Dec 1 and principal due December 1)	2018	\$	3,165,000	\$	1,913,125	\$	5,078,125
	2019		3,675,000		1,742,125		5,417,125
	2020		4,020,000		1,549,750		5,569,750
	2021		5,435,000		1,313,375		6,748,375
	2022		5,705,000		1,034,875		6,739,875
	2023		5,995,000		742,375		6,737,375
	2024		6,295,000		435,125		6,730,125
	2025		5,555,000		138,875		5,693,875
Total		\$	39,845,000	\$	8,869,625	\$	48,714,625

(Continued)

# Northfield Township High School District 225

## GENERAL LONG-TERM DEBT SCHEDULE OF GENERAL OBLIGATION BONDS Year Ended June 30, 2017

		Maturity as follows					
		for the Year					
		Ended June 30	Principal	Interest	Total		
<b>2016B</b>							
Dated October 27, 2016, (Interest at 4.00%, payable June 1 and Dec 1 and principal due December 1)	2018	\$	-	\$	179,400	\$	179,400
	2019		-		179,400		179,400
	2020		-		179,400		179,400
	2021		-		179,400		179,400
	2022		-		179,400		179,400
	2023		710,000		165,200		875,200
	2024		680,000		137,400		817,400
	2025		715,000		109,500		824,500
	2026		755,000		80,100		835,100
	2027		790,000		49,200		839,200
	2028		835,000		16,700		851,700
Total		\$	4,485,000	\$	1,455,100	\$	5,940,100
<b>2017</b>							
Dated February 6, 2017 (Interest at 2.69%, payable June 1 and Dec 1 and principal due December 1)	2018	\$	-	\$	269,000	\$	269,000
	2019		-		269,000		269,000
	2020		-		269,000		269,000
	2021		-		269,000		269,000
	2022		20,000		268,731		288,731
	2023		1,945,000		242,302		2,187,302
	2024		1,465,000		196,437		1,661,437
	2025		1,535,000		156,087		1,691,087
	2026		1,600,000		113,922		1,713,922
	2027		1,680,000		69,806		1,749,806
	2028		1,755,000		23,605		1,778,605
Total		\$	10,000,000	\$	2,146,889	\$	12,146,889
Total General Obligation Bonds Payable		\$	89,265,000	\$	24,938,864	\$	114,203,864

(Concluded)

**STATISTICAL SECTION**  
(Unaudited)

## Statistical Section

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

### **Contents**

### **Page**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

118 - 129

#### **Revenue Capacity**

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

130 - 134

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

135 - 141

#### **Demographic and Economic Information**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

142 - 144

#### **Operating Information**

These schedules contain information about the District's service and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

145 - 156

SOURCES: Unless otherwise noted, the information in these schedules is derived from the audited financial statements for the relevant year.

# Northfield Township High School District 225

## NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016***</u>	<u>2015</u>	<u>2014**</u>	<u>2013*</u>
Governmental Activities					
Net investment in					
capital assets	\$ 62,896,677	\$ 69,325,221	\$ 66,726,008	\$ 61,976,289	\$ 72,714,451
Restricted	35,451,592	20,524,724	20,153,278	14,243,444	19,416,172
Unrestricted	<u>18,078,878</u>	<u>30,079,936</u>	<u>30,044,718</u>	<u>38,226,059</u>	<u>28,433,862</u>
Total governmental activities					
net position	<u>\$ 116,427,147</u>	<u>\$ 119,929,881</u>	<u>\$ 116,924,004</u>	<u>\$ 114,445,792</u>	<u>\$ 120,564,485</u>

\* As restated, due to the implementation of GASB 65.

\*\* As restated, due to the implementation of GASB 68 and GASB 71.

\*\*\*As restated, due to correction of an error.



<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 67,202,269	\$ 55,002,803	\$ 57,581,152	\$ 94,807,202	\$ 95,561,629
10,801,506	9,188,948	7,809,566	7,935,068	6,170,767
<u>41,338,790</u>	<u>50,117,180</u>	<u>46,734,786</u>	<u>41,412,545</u>	<u>35,355,595</u>
<u>\$ 119,342,565</u>	<u>\$ 114,308,931</u>	<u>\$ 112,125,504</u>	<u>\$ 144,154,815</u>	<u>\$ 137,087,991</u>

# Northfield Township High School District 225

## CHANGE IN NET POSITION

### LAST TEN FISCAL YEARS

	2017	2016*	2015	2014**
Expenses				
Instruction	\$ 117,985,315	\$ 99,114,383	\$ 95,782,160	\$ 84,731,323
Support services	51,926,269	47,073,332	45,068,176	42,631,380
Community services	52,473	149,853	102,416	120,026
Nonprogrammed charges	-	-	-	-
Interest and fees	10,394,790	4,245,124	4,471,147	4,635,508
Loss on disposal of assets	-	-	-	2,157,241
Unallocated depreciation	2,159,572	2,073,036	1,997,281	1,855,181
Total expenses	182,518,419	152,655,728	147,421,180	136,130,659
Program revenues				
Charges for services				
Instruction	1,685,442	1,331,097	1,453,779	1,113,555
Support services	879,669	1,446,053	1,404,958	1,288,843
Operating grants and contributions				
Instruction	53,020,772	32,888,927	30,932,973	22,795,629
Support services	1,372,577	1,507,259	1,212,292	1,407,691
Capital grants				
Support services	-	-	-	-
Total program revenues	56,958,460	37,173,336	35,004,002	26,605,718
Net (expense)/revenue	(125,559,959)	(115,482,392)	(112,417,178)	(109,524,941)
General revenues				
Taxes:				
Real estate taxes, levied for general purposes	92,119,485	91,013,665	89,069,898	86,587,174
Real estate taxes, levied for specific purposes	15,456,073	15,488,365	15,416,662	15,337,022
Personal property replacement taxes	3,032,003	2,148,606	2,689,002	2,501,353
Miscellaneous	769,232	1,224,208	472,265	483,688
Gain on sale of capital assets	187,178	-	-	-
Other payments in lieu of taxes	7,960,446	6,850,781	5,879,780	4,091,793
State aid formula grants	1,814,463	1,648,367	1,153,612	1,153,977
Investment earnings	718,345	296,712	214,171	171,224
Total general revenues	122,057,225	118,670,704	114,895,390	110,326,231
Change in net position	\$ (3,502,734)	\$ 3,188,312	\$ 2,478,212	\$ 801,290

\*As restated.

\*\*As originally reported.

	2013	2012	2011	2010	2009	2008
\$	77,692,875	\$ 73,543,875	\$ 68,482,910	\$ 65,916,504	\$ 59,193,098	\$ 53,621,707
	41,388,236	39,154,844	40,316,561	38,790,064	36,756,739	36,942,417
	86,339	81,383	75,120	68,562	58,271	54,132
	-	-	-	1,570,475	-	-
	4,947,127	5,290,792	5,082,130	4,832,195	4,820,973	4,567,257
	-	-	-	-	-	-
	1,823,145	1,798,886	1,597,741	1,627,520	1,680,161	1,378,141
	<u>125,937,722</u>	<u>119,869,780</u>	<u>115,554,462</u>	<u>112,805,320</u>	<u>102,509,242</u>	<u>96,563,654</u>
	858,500	869,317	856,664	879,478	942,113	1,486,066
	1,402,939	1,492,957	1,411,339	1,479,109	1,320,702	949,056
	19,066,373	16,625,582	14,593,317	14,491,342	10,946,715	8,379,091
	1,182,384	1,082,657	1,004,026	1,158,171	1,131,097	841,475
	-	50,000	-	-	-	-
	<u>22,510,196</u>	<u>20,120,513</u>	<u>17,865,346</u>	<u>18,008,100</u>	<u>14,340,627</u>	<u>11,655,688</u>
	<u>(103,427,526)</u>	<u>(99,749,267)</u>	<u>(97,689,116)</u>	<u>(94,797,220)</u>	<u>(88,168,615)</u>	<u>(84,907,966)</u>
	86,276,961	82,759,740	77,618,479	86,230,269	80,062,282	77,176,862
	14,761,561	17,497,657	17,515,230	10,202,887	6,783,498	6,644,732
	2,472,665	2,420,029	2,630,663	2,028,552	2,481,945	2,866,473
	293,343	342,846	212,692	2,718,685	2,193,754	1,611,242
	-	-	-	-	-	-
	-	-	-	-	-	-
	1,118,871	1,559,535	1,599,558	1,565,957	1,532,686	1,467,331
	211,487	203,094	295,921	494,113	2,181,274	4,422,483
	<u>105,134,888</u>	<u>104,782,901</u>	<u>99,872,543</u>	<u>103,240,463</u>	<u>95,235,439</u>	<u>94,189,123</u>
\$	<u>1,707,362</u>	<u>5,033,634</u>	<u>2,183,427</u>	<u>8,443,243</u>	<u>7,066,824</u>	<u>9,281,157</u>

# Northfield Township High School District 225

## FUND BALANCES OF GOVERNMENTAL FUNDS

### LAST TEN FISCAL YEARS

	2017	2016***	2015	2014*
General Fund				
Reserved	\$ -	\$ -	\$ -	\$ -
Unreserved	-	-	-	-
Nonspendable	122,896	302,246	56,195	49,372
Unassigned	62,809,055	61,067,595	61,168,275	61,348,953
Total General Fund	\$ 62,931,951	\$ 61,369,841	\$ 61,224,470	\$ 61,398,325
All Other Governmental Funds				
Unreserved, reported in:				
*Special Revenue Funds	\$ -	\$ -	\$ -	\$ -
Debt Service Fund	-	-	-	-
Capital Projects Fund	-	-	-	-
Restricted, reported in:				
**Special Revenue Funds	18,834,303	15,891,996	15,912,027	15,270,727
Debt Service Fund	4,655,725	4,831,183	4,509,271	4,184,255
Capital Projects Fund	12,504,265	-	-	1,993,279
Unassigned, reported in:				
Capital Projects Fund	(188,377)	-	(100,447)	-
Nonspendable, reported in:				
Special Revenue Funds	-	54,097	-	-
Capital Projects Fund	-	-	-	-
Total All Other Governmental Funds	\$ 35,805,916	\$ 20,777,276	\$ 20,320,851	\$ 21,448,261

\*As originally reported.

\*\*Note: GASB 54 was implemented in fiscal year 2011 which also required the restatement of 2010.

With this implementation, the Working Cash Fund was combined with the General Fund and governmental funds report five components of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

\*\*\*As restated due to correction of an error.

For comparison purposes, the General Fund includes the Educational Fund. Beginning with 2010, the Working Cash fund is also included. Special revenue funds include the Operations and Maintenance Fund, the Transportation Fund, the Municipal Retirement/Social Security Fund, and the Working Cash Fund until 2010 when it moved to the General Fund.

<u>2013</u>	<u>2012</u>	<u>2011**</u>	<u>2010**</u>	<u>2009</u>	<u>2008</u>
\$ -	\$ -	\$ -	\$ -	\$ 26,374.00	\$ -
-	-	-	-	39,774,406	38,260,563
-	-	45,873	-	-	-
<u>59,151,242</u>	<u>56,721,576</u>	<u>53,811,223</u>	<u>54,412,028</u>	<u>-</u>	<u>-</u>
<u>\$ 59,151,242</u>	<u>\$ 56,721,576</u>	<u>\$ 53,857,096</u>	<u>\$ 54,412,028</u>	<u>\$ 39,800,780</u>	<u>\$ 38,260,563</u>
\$ -	\$ -	\$ -	\$ -	\$ 19,098,718	\$ 15,848,754
-	-	-	-	2,565,673	2,673,814
-	-	-	-	6,113,691	30,744,650
14,981,869	18,129,066	15,387,062	12,240,017	-	-
3,802,700	3,671,564	3,491,920	3,287,268	-	-
2,626,662	3,043,427	12,020,288	3,759,709	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>266,740</u>	<u>244,023</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 21,411,231</u>	<u>\$ 25,110,797</u>	<u>\$ 31,143,293</u>	<u>\$ 19,286,994</u>	<u>\$ 27,778,082</u>	<u>\$ 49,267,218</u>

**Northfield Township High School District 225**

## GOVERNMENTAL FUNDS REVENUE

## LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016*</u>	<u>2015</u>	<u>2014</u>
Local Sources				
Taxes	\$ 110,607,561	\$ 108,650,636	\$ 107,175,562	\$ 104,425,549
Earnings on investments	546,993	296,712	214,171	171,224
Other local sources	<u>11,294,789</u>	<u>10,669,704</u>	<u>9,210,782</u>	<u>6,977,879</u>
Total local sources	122,449,343	119,617,052	116,600,515	111,574,652
State and Federal Sources	<u>8,322,792</u>	<u>8,214,631</u>	<u>6,509,875</u>	<u>6,201,444</u>
Total Direct Revenues	130,772,135	127,831,683	123,110,390	117,776,096
TRS On-Behalf Receipts	47,885,020	27,829,922	26,789,002	19,155,853
Other Financing Sources	<u>66,077,047</u>	<u>4,830,104</u>	<u>3,808,222</u>	<u>2,815,384</u>
Total	<u>\$ 244,734,202</u>	<u>\$ 160,491,709</u>	<u>\$ 153,707,614</u>	<u>\$ 139,747,333</u>

\*As restated.

Note: Governmental Funds Revenue includes all funds (except Fiduciary Funds).

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$	99,556,406	\$ 99,658,391	\$ 94,964,627	\$ 98,461,708	\$ 89,327,725	\$ 86,688,067
	211,487	203,094	295,921	494,113	2,181,274	4,422,483
	<u>6,509,563</u>	<u>5,620,294</u>	<u>5,278,687</u>	<u>4,991,839</u>	<u>4,361,341</u>	<u>4,046,364</u>
	106,277,456	105,481,779	100,539,235	103,947,660	95,870,340	95,156,914
	<u>6,527,968</u>	<u>6,707,988</u>	<u>5,731,428</u>	<u>6,120,569</u>	<u>5,681,036</u>	<u>4,780,797</u>
	112,805,424	112,189,767	106,270,663	110,068,229	101,551,376	99,937,711
	14,839,660	12,713,647	11,467,226	11,180,334	8,024,690	5,907,100
	<u>5,606,918</u>	<u>-</u>	<u>11,759,253</u>	<u>2,374,865</u>	<u>4,952,173</u>	<u>15,699,963</u>
\$	<u><u>133,252,002</u></u>	<u><u>124,903,414</u></u>	<u><u>129,497,142</u></u>	<u><u>123,623,428</u></u>	<u><u>114,528,239</u></u>	<u><u>121,544,774</u></u>

**Northfield Township High School District 225**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**

	2017	2016	2015	2014
Current				
Instruction				
Regular Programs	\$ 35,669,892	\$ 37,637,938	\$ 37,463,503	\$ 35,005,707
Special Programs	15,999,486	15,970,697	15,075,139	13,612,081
Other Instructional Programs	12,889,820	13,149,499	12,228,989	11,535,585
Total Instruction	<u>64,559,198</u>	<u>66,758,134</u>	<u>64,767,631</u>	<u>60,153,373</u>
Supporting Services				
Pupils	11,470,478	11,005,158	11,287,609	10,369,277
Instructional Staff	3,684,429	3,791,506	3,710,474	3,516,703
General Administration	2,887,359	2,905,855	2,747,970	2,678,249
School Administration	7,785,489	7,322,687	7,237,537	7,220,127
Business	2,109,502	2,256,463	2,361,392	2,480,758
Transportation	3,109,777	2,937,958	2,845,782	2,567,425
Operations and Maintenance	11,003,614	9,783,605	9,664,333	9,240,995
Central	8,406,499	5,749,998	3,699,760	3,882,717
Other supporting services	-	-	-	16,486
Total Supporting Services	<u>50,457,147</u>	<u>45,753,230</u>	<u>43,554,857</u>	<u>41,972,737</u>
Total Current	<u>115,016,345</u>	<u>112,511,364</u>	<u>108,322,488</u>	<u>102,126,110</u>
Other				
Debt Service				
Principal	7,115,054	6,664,463	6,774,760	5,657,652
Interest and Other Charges	4,042,965	3,144,545	3,342,695	3,504,948
Community Services	191,954	145,350	99,962	120,026
Nonprogrammed Charges	-	-	-	-
Capital Outlay	4,807,401	5,224,495	7,637,076	5,080,672
Total Other	<u>16,157,374</u>	<u>15,178,853</u>	<u>17,854,493</u>	<u>14,363,298</u>
Total Direct Expenditures	131,173,719	127,690,217	126,176,981	116,489,408
TRS On-Behalf Payment	47,885,020	27,829,922	26,789,002	19,155,853
Other Financing Uses	49,084,713	4,369,774	2,042,896	1,817,959
Total	<u>\$ 228,143,452</u>	<u>\$ 159,889,913</u>	<u>\$ 155,008,879</u>	<u>\$ 137,463,220</u>
Net Change in Fund Balance	<u>\$ 16,590,750</u>	<u>\$ 601,796</u>	<u>\$ (1,301,265)</u>	<u>\$ 2,284,113</u>
Debt Service as a Percentage of Noncapital Expenditures	6.45%	6.55%	6.94%	7.01%



	2013	2012	2011	2010	2009	2008
\$	34,053,525	\$ 33,488,614	\$ 31,465,723	\$ 30,349,284	\$ 29,246,021	\$ 27,585,015
	12,865,346	11,453,221	10,300,668	8,850,247	5,880,250	5,644,357
	11,205,179	11,022,819	10,666,890	10,348,622	9,372,401	8,911,711
	<u>58,124,050</u>	<u>55,964,654</u>	<u>52,433,281</u>	<u>49,548,153</u>	<u>44,498,672</u>	<u>42,141,083</u>
	10,164,618	9,568,092	9,494,845	9,243,548	8,512,651	8,144,275
	3,483,041	3,459,712	3,352,437	3,409,714	3,636,895	3,308,475
	2,104,931	2,493,025	2,399,812	2,322,471	2,235,168	2,244,643
	6,957,015	6,669,963	6,337,479	6,489,218	6,022,171	6,112,508
	2,195,541	2,076,271	2,314,024	1,975,496	1,978,909	2,237,661
	2,687,928	2,461,555	2,390,249	2,313,711	2,272,021	2,221,044
	9,001,189	9,219,215	9,446,373	8,911,245	8,914,675	8,406,538
	3,900,680	3,824,189	3,733,267	3,377,077	3,183,259	3,451,105
	6,243	24,931	1,664.00	-	-	153,420
	<u>40,501,186</u>	<u>39,796,953</u>	<u>39,470,150</u>	<u>38,042,480</u>	<u>36,755,749</u>	<u>36,279,669</u>
	<u>98,625,236</u>	<u>95,761,607</u>	<u>91,903,431</u>	<u>87,590,633</u>	<u>81,254,421</u>	<u>78,420,752</u>
	4,788,819	4,550,000	3,925,000	3,610,000	3,065,000	3,506,443
	3,722,428	4,037,148	3,997,637	3,837,115	3,914,494	3,603,196
	85,888	81,383	75,120	68,562	58,271	54,132
	-	-	-	2,486,598	2,412,494	2,436,818
	7,788,798	10,927,645	5,258,108	6,059,300	34,213,132	34,914,990
	<u>16,385,933</u>	<u>19,596,176</u>	<u>13,255,865</u>	<u>16,061,575</u>	<u>43,663,391</u>	<u>44,515,579</u>
	115,011,169	115,357,783	105,159,296	103,652,208	124,917,812	122,936,331
	14,839,660	12,713,647	11,467,226	11,180,334	8,024,690	5,907,100
	<u>4,671,073.00</u>	<u>-</u>	<u>1,569,253</u>	<u>2,374,865</u>	<u>2,000,000.00</u>	<u>-</u>
\$	<u>134,521,902</u>	<u>\$ 128,071,430</u>	<u>\$ 118,195,775</u>	<u>\$ 117,207,407</u>	<u>\$ 134,942,502</u>	<u>\$ 128,843,431</u>
\$	<u>(1,269,900)</u>	<u>\$ (3,168,016)</u>	<u>\$ 11,301,367</u>	<u>\$ 6,416,021</u>	<u>\$ (20,414,263)</u>	<u>\$ (7,298,657)</u>
	6.95%	7.40%	7.09%	6.85%	7.07%	7.57%

## Northfield Township High School District 225

### GOVERNMENT-WIDE REVENUES

#### LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016*</u>	<u>2015</u>	<u>2014</u>
Program revenue				
Charges for services	\$ 2,565,111	\$ 2,594,715	\$ 2,858,737	\$ 2,402,398
Operating grants	54,393,349	34,396,186	32,145,265	24,203,320
Capital grants	-	-	-	-
General revenues				
Taxes	110,607,561	108,650,636	107,175,562	104,425,549
Payments in lieu of taxes	7,960,446	6,850,781	5,879,780	4,091,793
Investment income	718,345	296,712	214,171	171,224
Miscellaneous	<u>2,770,873</u>	<u>2,872,575</u>	<u>1,625,877</u>	<u>1,637,665</u>
Total revenues	\$ <u>179,015,685</u>	\$ <u>155,661,605</u>	\$ <u>149,899,392</u>	\$ <u>136,931,949</u>

\*As restated.

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$	2,261,439	\$ 2,362,274	\$ 2,268,003	\$ 2,358,587	\$ 2,262,815	\$ 2,435,122
	20,248,757	17,708,239	15,597,343	15,649,513	12,077,812	9,220,566
	-	50,000	-	-	-	-
	103,511,187	102,677,426	97,764,372	98,461,708	89,327,725	86,688,067
	-	-	-	-	-	-
	211,487	203,094	295,921	494,113	2,181,274	4,422,483
	<u>1,412,214</u>	<u>1,902,381</u>	<u>1,812,250</u>	<u>4,284,642</u>	<u>3,726,440</u>	<u>3,078,573</u>
\$	<u><u>127,645,084</u></u>	<u><u>124,903,414</u></u>	<u><u>117,737,889</u></u>	<u><u>121,248,563</u></u>	<u><u>109,576,066</u></u>	<u><u>105,844,811</u></u>

# Northfield Township High School District 225

## PROPERTY TAX RATES - LEVIES AND COLLECTIONS\*

### LAST TEN TAX LEVY YEARS

	2016	2015	2014	2013
Rates Extended				
Educational	1.7885	2.1114	2.0028	1.9713
Operations and Maintenance	0.0587	0.0683	0.0661	0.0892
Transportation	0.0098	0.0114	0.0110	0.0056
Municipal Retirement/Social Security	0.0597	0.0752	0.0726	0.0625
Working Cash	0.0166	0.0194	0.0187	0.0190
Bond and Interest	0.1720	0.2068	0.1951	0.1934
Total rates extended	2.1053	2.4925	2.3663	2.3410
Levies Extended				
Educational	\$ 94,156,068	\$ 92,702,146	\$ 90,955,281	\$ 88,369,820
Operations and Maintenance	3,090,000	3,000,000	3,000,000	4,000,000
Transportation	515,000	500,000	500,000	250,000
Municipal Retirement/Social Security	3,141,500	3,300,000	3,300,000	2,800,000
Working Cash	875,500	850,000	850,000	850,000
Bond and Interest	9,057,539	9,079,663	8,859,813	8,672,248
Total levies extended	\$ 110,835,607	\$ 109,431,809	\$ 107,465,094	\$ 104,942,068
Collections on levies extended				
Current year	\$ 56,724,718	\$ 56,289,892	\$ 54,598,735	\$ 53,310,658
Subsequent years	-	50,246,657	50,591,114	49,669,394
Total Collections	\$ 56,724,718	\$ 106,536,549	\$ 105,189,849	\$ 102,980,052
Percentage of extensions collected				
Current year	51.18%	51.44%	50.81%	50.80%
Subsequent years	0.00%	45.92%	47.08%	47.33%
Total % of extensions collected	51.18%	97.35%	97.88%	98.13%

\*Tax Rates are expressed in dollars per \$100 of assessed valuation.

Source of information: Cook County - Agency Tax Rate Reports and Annual Financial Reports

2012	2011	2010	2009	2008	2007
1.7030	1.5185	1.2637	1.1376	1.2040	1.1462
0.0794	0.0740	0.0779	0.0898	0.0225	0.0562
0.0099	0.0092	0.0514	0.0037	0.0075	0.0241
0.0556	0.0518	0.0629	0.0374	0.0226	0.0449
0.0169	0.0157	0.0141	0.0127	0.0144	0.0155
0.1624	0.1495	0.1389	0.1130	0.1112	0.1155
2.0272	1.8187	1.6089	1.3942	1.3822	1.4024
\$ 85,783,696	\$ 82,109,038	\$ 77,206,391	\$ 76,849,630	\$ 80,209,101	\$ 71,398,900
4,000,000	4,000,000	4,700,000	6,000,000	1,500,000	3,500,000
500,000	500,000	3,100,000	250,000	500,000	1,500,000
2,800,000	2,800,000	3,800,000	2,500,000	1,500,000	2,800,000
850,000	850,000	850,000	850,000	962,500	962,500
8,182,786	8,081,069	8,103,064	7,288,558	7,407,125	7,198,504
\$ 102,116,482	\$ 98,340,107	\$ 97,759,455	\$ 93,738,188	\$ 92,078,726	\$ 87,359,904
\$ 50,420,779	\$ 50,932,890	\$ 48,786,468	\$ 47,498,234	\$ 41,765,523	\$ 39,864,667
49,564,934	45,420,809	46,586,704	43,666,693	48,754,371	45,145,782
\$ 99,985,713	\$ 96,353,699	\$ 95,373,172	\$ 91,164,927	\$ 90,519,894	\$ 85,010,449
49.38%	51.79%	49.90%	50.67%	45.36%	45.63%
48.54%	46.19%	47.65%	46.58%	52.95%	51.68%
97.91%	97.98%	97.56%	97.25%	98.31%	97.31%

**Northfield Township High School District 225**  
 EQUALIZED ASSESSED VALUATION AND ESTIMATED  
 ACTUAL VALUE OF TAXABLE PROPERTY  
 LAST TEN LEVY YEARS

Tax Levy Year	Equalized Assessed Valuation	Amount of Increase (Decrease) Over Previous Year	Percentage Increase (Decrease) (Decrease) Over Previous Year	Total Direct Rate	Actual Estimated Value
2016	\$ 5,264,632,513	\$ 874,013,379	19.91%	2.105	\$ 15,793,897,539
2015	4,390,619,134	(150,888,570)	-3.32%	2.493	13,171,857,402
2014	4,541,507,704	58,596,565	1.31%	2.366	13,624,523,112
2013	4,482,911,139	(554,276,302)	-11.00%	2.341	13,448,733,417
2012	5,037,187,441	(370,144,896)	-6.85%	2.027	15,111,562,323
2011	5,407,332,337	(628,402,868)	-10.41%	1.819	16,221,997,011
2010	6,035,735,205	(648,290,674)	-9.70%	1.609	18,107,205,615
2009	6,684,025,879	22,084,531	0.33%	1.394	20,052,077,637
2008	6,661,941,348	432,665,724	6.95%	1.382	19,985,824,044
2007	6,229,275,624	6,229,275,624	21.14%	1.402	18,687,826,872

Source of information: Cook County Levy, Rate, and Extension Reports for 2007 to 2016

**Northfield Township High School District 225**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS\***  
**LAST TEN TAX LEVY YEARS**

Taxing District	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<u>Overlapping</u>										
County of Cook	0.533	0.552	0.568	0.560	0.531	0.462	0.423	0.394	0.415	0.446
Cook County Forest Preserve District	0.063	0.069	0.069	0.069	0.063	0.058	0.051	0.049	0.051	0.053
Suburban Tuberculosis Sanitarium	-	-	-	-	-	-	-	-	-	-
Consolidated Elections	0.000	0.034	-	0.031	-	0.025	-	0.021	-	0.012
Northfield Township	0.024	0.028	0.032	0.031	0.024	0.020	0.013	0.010	0.009	0.010
Northfield Township Road and Bridge	0.049	0.057	0.054	0.053	0.046	0.041	0.036	0.031	0.030	0.030
Northfield Township General Assistance	0.006	0.007	0.007	0.008	0.009	0.008	0.011	0.010	0.009	0.008
Metropolitan Water Reclamation District	0.406	0.426	0.430	0.417	0.370	0.320	0.274	0.261	0.252	0.263
North Shore Mosquito Abatement District	0.010	0.012	0.011	0.013	0.010	0.010	0.009	0.008	0.008	0.008
Community College District No. 535	0.231	0.271	0.258	0.591	0.219	0.196	0.160	0.140	0.140	0.141
Glenview Park District	0.563	0.684	0.661	0.662	0.579	0.538	-	0.422	0.429	0.429
Village of Glenview and Library Fund	0.836	1.000	0.948	0.950	0.829	0.759	0.661	0.572	0.545	0.518
School District No. 34	2.719	3.291	3.173	3.129	2.706	2.429	2.160	1.876	1.909	1.953
<u>Direct</u>										
High School District #225	2.105	2.493	2.366	2.341	2.027	1.819	1.609	1.395	1.383	1.402
Total Tax Rates	7.545	8.924	8.577	8.855	7.413	6.685	5.407	5.189	5.180	5.273

\*Tax Rates are expressed in dollars per \$100 of assessed valuations.

Note 1: The totals above reflect the typical tax rates for individual taxpayers within the District. By showing all other overlapping rates, we would have materially distorted the true picture of tax rate burden within the District.

Note 2: Refer to the "Property Tax Rates - Levies and Collections" schedule for the components of the total direct rate.

Source of information: Cook County Clerk's Office

**Northfield Township High School District 225**  
MAJOR CATEGORIES OF EQUALIZED ASSESSED VALUATION  
LAST TEN TAX LEVY YEARS

Category	2016 Valuation	2015 Valuation	2014 Valuation	2013 Valuation	2012 Valuation	2011 Valuation	2010 Valuation	2009 Valuation	2008 Valuation	2007 Valuation
Industrial	\$ 324,897,921	\$ 296,538,708	\$ 272,105,588	\$ 482,846,272	\$ 520,113,057	\$ 560,017,835	\$ 638,019,315	\$ 647,964,721	\$ 751,668,683	\$ 715,793,682
Residential	3,756,709,770	2,991,516,817	3,061,139,557	3,192,189,440	3,636,940,149	3,927,277,492	4,329,437,564	4,909,443,930	4,595,754,420	4,276,420,703
Commercial	1,180,395,777	1,099,941,610	1,206,076,671	805,924,983	878,560,970	918,619,999	1,066,957,877	1,125,578,009	1,313,655,194	1,236,286,327
Railroad	2,549,002	2,497,570	2,058,874	1,946,744	1,569,565	1,413,311	1,316,381	1,035,151	856,591	768,402
Farm	80,043	124,429	127,014	3,700	3,700	3,700	4,068	4,068	6,510	6,510
	<u>\$ 5,264,632,513</u>	<u>\$ 4,390,619,134</u>	<u>\$ 4,541,507,704</u>	<u>\$ 4,482,911,139</u>	<u>\$ 5,037,187,441</u>	<u>\$ 5,407,332,337</u>	<u>\$ 6,035,735,205</u>	<u>\$ 6,684,025,879</u>	<u>\$ 6,661,941,398</u>	<u>\$ 6,229,275,624</u>

Source of information: Cook County Clerk's Office



**Northfield Township High School District 225**  
DIRECT AND OVERLAPPING GENERAL OBLIGATION BONDED DEBT  
June 30, 2017

<u>Taxing Authority</u>	<u>Outstanding Bonds</u>	<u>Estimated Percentage Applicable</u>	<u>Amount Applicable</u>
Northfield Township High School District 225	\$98,508,601 <sup>(3)</sup>	100.00%	\$ 98,508,601
Cook County	\$3,213,141,750	3.667%	\$117,838,236
Cook County Forest Preserve	106,265,000	3.667%	3,897,145
Metropolitan Water Reclamation District	484,843,000 <sup>(1)</sup>	3.739%	18,126,064
Village of Deerfield	61,425,000	10.124%	6,218,381
Village of Glenview	69,410,000	90.945%	63,124,664
Village of Golf	2,050,000	100.000%	2,050,000
Village of Northbrook	108,015,000	96.068%	103,767,950
Village of Northfield	- <sup>(2)</sup>	3.383%	-
City of Prospect Heights	11,430,000	3.860%	441,246
Deerfield Park District	1,700,000 <sup>(2)</sup>	5.301%	90,112
Glenview Park District	8,967,000 <sup>(2)</sup>	84.326%	7,561,504
Northbrook Park District	6,110,000	98.961%	6,046,508
School District #31	3,360,000	99.866%	3,355,485
School District #34	16,730,000	99.741%	16,686,609
Community College District No. 535	29,895,000	23.609%	7,058,007
Total Overlapping General Obligation Bonded Debt			<u>\$ 356,261,911</u>
Total Direct Overlapping General Obligation Bonded Debt			<u>\$ 454,770,512</u>

<sup>(1)</sup> Includes IEPA Revolving Loan Fund Bonds.

<sup>(2)</sup> Excludes outstanding General Obligation Alternate Revenue Source Bonds which are expected to be paid from sources other than general taxation. Also excludes other self-supporting bonds.

<sup>(3)</sup> Includes accreted balance of outstanding Capital Appreciation Bonds

Source: Office of the Cook County Clerk

## Northfield Township High School District 225

### LEGAL DEBT MARGIN LAST TEN FISCAL YEARS

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Debt Limit	\$ 363,259,643	\$ 302,952,720	\$ 313,364,032	\$ 309,320,869
Total Net Debt Applicable to Limit	<u>91,380,213</u>	<u>95,642,869</u>	<u>101,847,002</u>	<u>106,856,437</u>
Legal Debt Margin	<u>\$ 271,879,430</u>	<u>\$ 207,309,851</u>	<u>\$ 211,517,030</u>	<u>\$ 202,464,432</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	25%	32%	33%	35%
2016 Equalized Assessed Valuation	<u>\$ 5,264,632,513</u>			
Voted and Unvoted Debt Limit - 6.9% of 6.9% of Equalized Assessed Valuation	\$ 363,259,643			
Total Debt Outstanding	91,380,213			
Less: Exempted Debt	<u>-</u>			
Net Subject to 6.9% Limit	<u>91,380,213</u>			
Total Legal Voted and Unvoted Debt Margin	<u>\$ 271,879,430</u>			

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
\$ 347,565,933	\$ 373,105,931	\$ 461,197,786	\$ 461,197,786	\$ 459,673,956	\$ 459,662,515
<u>98,641,772</u>	<u>101,869,014</u>	<u>105,273,156</u>	<u>97,914,836</u>	<u>96,469,614</u>	<u>99,609,272</u>
<u>\$ 248,924,161</u>	<u>\$ 271,236,917</u>	<u>\$ 355,924,630</u>	<u>\$ 363,282,950</u>	<u>\$ 363,204,342</u>	<u>\$ 360,053,243</u>
28%	27%	23%	21%	21%	22%

**Northfield Township High School District 225**  
**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED**  
**VALUE AND NET GENERAL BONDED DEBT PER CAPITA**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Tax Levy Year	Net General Bonded Debt	Equalized Assessed Valuation	Ratio of Net Bonded Debt to Equalized Assessed Valuation	Estimated Population <sup>(1)</sup>	Net General Bonded Debt Per Capita
2017	2016	\$ \$98,508,601	\$ 5,264,632,513	1.87	85,747	\$ 1,148.83
2016	2015	82,463,878	4,390,619,134	1.88	85,747	961.71
2015	2014	89,386,276	4,541,507,704	1.97	85,747	1,042.44
2014	2013	93,083,940	4,482,911,139	2.08	85,747	1,085.56
2013	2012	97,473,554	5,037,187,441	1.94	85,747	1,136.76
2012	2011	100,276,003	5,407,332,337	1.85	85,747	1,169.44
2011	2010	103,960,932	6,035,735,205	1.62	85,747	1,212.41
2010	2009	96,908,847	6,684,025,879	1.50	87,155	1,111.91
2009	2008	100,303,440	6,661,941,398	1.45	87,155	1,150.86
2008	2007	99,425,375	6,229,275,624	1.60	87,155	1,140.79

<sup>(1)</sup> The IES National Center for Educational Statistics population estimate for 2005 was used; years 2006 - 2010, the population estimate for 2006 was used. Years 2011-2015, population estimate was taken from the IES National Center for Educational Statistics - Census 2010.

Source of Information: Annual Financial Reports, Census and IES National Center for Educational Statistics.

**Northfield Township High School District 225**  
**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR**  
**GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES**  
**LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Tax Levy Year	Total General Expenditures (A)	Debt Service Fund Expenditures (B)	Percentage of Annual Debt Service Fund Expenditures to Total General Expenditures
2017	2016	\$ 179,058,739	\$ 10,996,519	6.14 %
2016	2015	155,520,139	9,809,008	6.31 %
2015	2014	152,965,983	10,117,455	6.61 %
2014	2013	135,645,261	9,162,600	6.75 %
2013	2012	133,505,467	12,165,885	9.11 %
2012	2011	128,071,430	8,587,148	6.70 %
2011	2010	118,195,775	7,922,637	6.70 %
2010	2009	117,503,268	2,531,229	2.15 %
2009	2008	134,477,158	6,979,494	5.19 %
2008	2007	129,291,093	7,083,196	5.48 %

(A) Includes expenditures of all Governmental Funds.

(B) Debt Service Fund expenditures represent payment of principal, interest, and other charges on long-term liabilities.

# Northfield Township High School District 225

## RATIO OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Year	General Obligation Bonds	Debt Obligations <sup>(1)</sup>	Capital Leases	Less: Amounts Available to Repay Principal <sup>(2)</sup>	Net General Bonded Debt
2017	\$ 98,508,601	\$ 615,000	\$ 1,500,213	\$ 4,655,725	\$ 95,968,089
2016	85,167,192	955,000	1,172,869	4,831,183	82,463,878
2015	91,173,995	1,280,000	1,442,002	4,509,721	89,386,276
2014	95,268,728	1,590,000	409,467	4,184,255	93,083,940
2013	98,739,590	1,885,000	651,664	3,802,700	97,473,554
2012	101,777,567	2,170,000	-	3,671,564	100,276,003
2011	105,012,852	2,440,000	-	3,491,920	103,960,932
2010	97,496,115	2,700,000	-	3,287,268	96,908,847
2009	99,919,113	2,950,000	-	2,565,673	100,303,440
2008	* 102,099,189	-	-	2,673,814	99,425,375

\* Note: Information for this year is not readily available.

<sup>(1)</sup> Debt Obligations include: Debt Certificates; Lease Certificates, Installment Contracts

<sup>(2)</sup> Less: Fund Balance in the Debt Service Fund

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Percentage of Equalized Assessed Valuation	Outstanding Debt Per Capita	Estimated Population	Personal Income	Ratio of Total Outstanding Debt to Personal Income
1.82% \$	1,173	85,747	\$ 4,421,372,561	2.24
1.88%	1,018	85,747	4,421,372,561	1.95
1.94%	1,078	85,747	4,421,372,561	2.09
1.92%	1,130	85,747	4,421,372,561	2.19
1.72%	1,057	85,747	3,393,523,272	2.97
1.72%	1,130	85,747	3,260,615,422	3.19
1.58%	1,156	86,416	3,717,818,426	2.89
1.34%	1,153	86,348	3,717,818,426	2.70
1.45%	1,107	86,348	4,455,189,290	2.31
1.60%	1,143	86,348	4,455,189,290	2.29

**Northfield Township High School District 225**PRINCIPAL TAXPAYERS IN THE DISTRICT  
CURRENT TAX YEAR AND NINE YEARS AGO

Type of Business, Property		2016 Equalized Assessed Valuation	Percentage of Total 2016 Equalized Assessed Valuation
# 1	Westcoast Estates, Shopping Center	\$ 57,651,215	1.10%
# 2	Allstate Insurance Tax	55,260,392	1.05%
# 3	Lake/Cook Road & MidAmerica	50,027,117	0.95%
# 4	Jones Lang LaSalle, Office Building	48,134,571	0.91%
# 5	Walgreen Company, Drug Store	38,358,865	0.73%
# 6	CLF 1000 Milwaukee Avenue	27,333,849	0.52%
# 7	Willow Festival Regency	26,913,528	0.51%
# 8	Underwriters Laboratory Inc.	24,420,632	0.46%
# 9	Northshore University Health	24,144,447	0.46%
# 10	Astellas US Holdings, Public Garage	20,507,556	0.39%
Total		\$ 372,752,172	7.08%

Note: The 2016 Cook County multiplier of 2.8032 has been applied to the 2016 assessed valuations of these taxpayers.

Source of information: Cook County Assessor's Office

Type of Business, Property		2007 Equalized Assessed Valuation	Percentage of Total 2007 Equalized Assessed Valuation
# 1	Allstate Insurance, Insurance Corporate Office	\$ 123,424,103	1.98%
# 2	Westcoast Estates, Shopping Center	104,602,103	1.68%
# 3	Jones Lang LaSalle	74,079,963	1.19%
# 4	Illinois State Toll	68,206,110	1.09%
# 5	Lake/Cook Road & MidAmerica	51,824,299	0.83%
# 6	Walgreen Company	49,253,914	0.79%
# 7	Thomson Tax & Acct. 207	35,031,214	0.56%
# 8	Grub & Ellis	31,475,168	0.51%
# 9	Underwriters Laboratory Inc.	30,295,105	0.49%
# 10	North Shore Thomson	22,534,927	0.36%
Total		\$ 590,726,906	9.48%

Note: The 2007 Cook County multiplier of 2.8439 has been applied to the 2007 assessed valuations of these taxpayers.

Source of information: Cook County Assessor's Office; Years presented are the most recent available.



# Northfield Township High School District 225

## PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

### 2017

Employer	Type of Business or Property	Employees	% of Total Employment
Allstate Insurance Co.	Insurance corporate office	8,000	21.15%
Walgreen Co.	Drug stores corporate office	2,500	6.61%
Baxter Healthcare Corp. (3 Divisions)	Corporate headquarters and international – medical supplies, products, devices, and services	2,500	6.61%
Underwriters Laboratories, Inc.	Company headquarters & independent nonprofit testing & certification	2,000	5.29%
CVS Caremark, Inc.	Integrated health care services	1,400	3.70%
ABT Electronics	Retail appliances and electronics	1,200	3.17%
Astellas Pharmacy US, Inc.	Corporate headquarters – pharmaceuticals	1,150	3.04%
Anixter International, Inc.	Corporate headquarters - voice, video, data	1,000	2.64%
Kraft Heinz Foods Co., Technology Ctr.	Food products research, development and kitchen testing	1,000	2.64%
Medline Industries, Inc.	Corporate headquarters - medical products	900	2.38%
Glenbrook H.S.D. 225	Education	837	2.24%
Essendant	Company headquarters - wholesale office furniture, janitorial & sanitation products; industrial & automotive products	800	2.11%
Total		23,287	61.58%

### 2008

Employer	Type of Business or Property	Employees	% of Total Employment
Allstate Insurance Co	Insurance corporate office	5,000	13.49%
Takeda Pharmaceuticals North America, Inc.	Corporate headquarters – pharmaceuticals	3,000	8.09%
Walgreen Co.	Drug stores corporate office	2,500	6.74%
Underwriters Laboratories, Inc.	Independent non-profit testing and certification	1,600	4.32%
Baxter Healthcare Corp. (3 Divisions)	Corporate headquarters – medical supplies	1,400	3.78%
ABT Electronics	Retail appliances and electronics	1,100	2.97%
Kraft Kitchens Innovation Center	Food products research, development and kitchen testing	1,000	2.70%
United Stationers, Inc.	Corporate headquarters – office furniture and sanitation products	800	2.16%
Glenbrook H.S.D. 225	Education	787	2.02%
CVS Caremark, Inc.	Integrated health care services	750	2.02%
Allstate Life Insurance Co.	Life insurance	750	2.00%
Anixter International, Inc.	Corporate headquarters - voice, video, data	700	1.89%
Total		19,387	52.18%

Source: 2017 & 2008 Illinois Manufacturers, 2017 & 2008 Services Directories and Illinois Department of Employment Security.

Includes employers in Deerfield, Glenview, and Northbrook. District employee information provided by the District.

**Northfield Township High School District 225**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN YEARS**

Year	(a) *District Population	(b) **Per Capita Income	(a) x (b) Personal Income	Unemployment Rate
2017	85,747	\$ 51,563	\$ 4,421,372,561	4.5%
2016	85,747	51,563	4,421,372,561	4.5%
2015	85,747	51,563	4,421,372,561	4.4%
2014	85,747	51,563	4,421,372,561	4.3%
2013	85,747	39,576	3,393,523,272	6.7%
2012	85,747	38,026	3,260,615,422	6.1%
2011	85,747	43,358	3,717,818,426	6.8%
2010	85,747	43,358	3,717,818,426	6.8%
2009	87,155	51,118	4,455,189,290	6.9%
2008	87,155	51,118	4,455,189,290	4.2%

\* National Center for Educational Statistics population estimate for 2005 was used. For the years 2006 - 2009, the IES National Center for Education for 2006 was used; year 2010 - 2015 was obtained from 2010 Census.

\*\* Bureau of Economic Analysis: Regional Economic Accounts used the 2006 per capita income for 2007-2009; new estimates used for 2010 - 2013.  
U.S. Census Bureau (2014 - 2016 American Community Survey).

Sources of information: U.S. Census Bureau, IES National Center for Educational Statistics  
Bureau of Economic Analysis: Regional Economic Accounts  
and State of Illinois Department of Employment Security.

Note: The district boundaries include significant portions of both the Village of Glenview and the Village of Northbrook.

**Northfield Township High School District 225**  
**SCHOOL BUILDING INFORMATION**  
**LAST TEN FISCAL YEARS**

	2017	2016	2015	2014
Glenbrook North High School				
Square Feet	580,000	580,000	580,000	580,000
Capacity (Students)	2,400	2,400	2,400	2,385
Enrollment	2,049	2,057	2,038	2,087
Glenbrook South High School				
Square Feet	670,000	670,000	670,000	670,000
Capacity (Students)	3,100	3,100	3,100	2,753
Enrollment	3,026	3,002	2,895	2,736

Source of Information: Architect's Data and Sixth Day Enrollment Forms

2013	2012	2011	2010	2009	2008
580,000	580,000	580,000	580,000	580,000	528,789
2,385	2,385	2,385	2,385	2,385	2,166
2,060	2,073	2,126	2,123	2,130	2,136
670,000	670,000	670,000	670,000	670,000	617,980
2,753	2,753	2,753	2,753	2,753	2,678
2,747	2,681	2,644	2,628	2,566	2,599

# Northfield Township High School District 225

## NUMBER OF EMPLOYEES BY FUNCTION LAST TEN FISCAL YEARS

	2017	2016	2015	2014
<b>Administration:</b>				
Superintendent	1.0	1.0	1.0	1.0
District Administrators	9.0	9.0	7.0	7.0
Principals and assistants	12.0	13.0	13.0	13.0
Building Administrators	23.0	23.0	25.0	25.0
Total administration	45.0	46.0	46.0	46.0
<b>Teachers:</b>				
Regular classroom teachers	355.0	332.0	344.0	342.0
Special education teachers	40.0	44.0	49.0	48.0
Guidance/Counselors	21.0	24.0	24.0	24.0
Psychologists	12.0	12.0	9.0	10.0
Librarians/Media Specialists	7.0	7.0	6.0	6.0
Social workers	9.0	10.0	8.0	11.0
Speech/Language Therapists	3.0	3.0	3.0	3.0
Certified Nurses	2.0	2.0	1.0	2.0
Total teachers	449.0	434.0	444.0	446.0
<b>Coordinators/Supervisors</b>	2.0	3.0	3.0	3.0
<b>Other supporting staff:</b>				
Secretarial/Clerical/Instructional Assistants	215.0	215.0	187.0	196.0
Custodial/Maintenance/Security/Technology	126.0	151.0	142.0	139.0
Total support staff	341.0	366.0	329.0	335.0
Total staff	837.0	849.0	822.0	830.0

Note: Beginning with fiscal year 2003, certified school administrators (TRS employees) are listed under "Administration" and non-certified school personnel (IMRF employees) are listed as "Coordinators/Supervisors."

Source of information: District Personnel Records, District Seniority Lists and Teacher Service Records

2013	2012	2011	2010	2009	2008
1.0	1.0	1.0	1.0	1.0	1.0
7.0	7.0	7.0	8.0	8.0	7.0
13.0	13.0	13.0	13.0	13.0	12.0
25.0	23.0	23.0	23.0	23.0	29.0
46.0	44.0	45.0	45.0	49.0	50.0
326.0	338.0	342.0	348.0	351.0	348.0
45.0	48.0	48.0	46.0	43.0	45.0
23.0	24.0	23.0	21.0	22.0	23.0
10.0	9.0	10.0	10.0	9.0	8.0
6.0	6.0	6.0	6.0	6.0	8.0
9.0	10.0	10.0	9.0	10.0	12.0
2.0	1.0	1.0	1.0	1.0	1.0
2.0	2.0	2.0	2.0	2.0	2.0
423.0	438.0	443.0	444.0	447.0	444.0
3.0	3.0	2.0	2.0	2.0	2.0
194.0	189.0	183.0	180.0	167.0	166.0
132.0	132.0	124.0	118.0	115.0	120.0
326.0	321.0	298.0	282.0	286.0	291.0
798.0	806.0	788.0	773.0	784.0	787.0

## Northfield Township High School District 225

### OPERATING INDICATORS BY FUNCTION

June 30, 2017

Function	2017
Instruction	
Regular and Special student enrollment	5,075
Support Services	
Pupil	
Languages spoken by student population	52
Instructional Staff	
Average ACT total score	25.6
School Administration	
Average daily attendance	4,696
Fiscal	
Purchase Orders Processed	1,036
Maintenance	
District Square Footage Maintained by Custodians and Maintenance Staff	1,250,000
District Acreage Maintained by Grounds Staff	160
Transportation	
Avg. number of regular pupils transported per year	975
Avg. number of regular bus runs to/from school	26
Extra Curricular Activities	
Number of competitive sports	30
Number of student clubs	160

Source for information: SIS System, Illinois District Report Card, District financial system, District's Risk Management Consultant, and the General State Aid Report

## Northfield Township High School District 225

### DISTRICT HISTORY

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1947	Northfield Township approves the formation of high school district 225
1952	Groundbreaking for Glenbrook North High School
1953	Glenbrook North opens its doors to 652 Northbrook students
1955	Chicago's O'Hare Field opening starts housing development boom
	Construction begins on first additions to the school
1959	Voters approve land purchase for Glenbrook South High School
	Allstate Insurance Company moves its headquarters to Northbrook
1961	Enrollment exceeds 2,000
1962	Groundbreaking for Glenbrook South High School
1971	Teachers strike delays opening of school
1974	Glenbrook wins state titles in baseball and football, national title in debate
1975	Glenbrook Evening High School is established as an alternative program
1976	Northbrook Court shopping center opens
1978	Glenbrook girl's swimming team wins state title
	District sells it's third school site to the Northbrook Park District
1979	Glenbrook North Sheely Center for Performing Arts dedicated
1981	Glenbrook boy's tennis team wins state title
1982	First state title for Glenbrook North debate team
1983	Glenbrook boy's soccer team wins state title
1984	Glenbrook North and South receive national "Excellence in Education" award from the U.S. Department of Education
1985	<i>Ferris Bueller's Day Off</i> is filmed at Glenbrook North

(Continued)



## Northfield Township High School District 225

### DISTRICT HISTORY

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1988	Techny annexed to the Village of Northbrook
1990	Glenbrook North and South dedicate new field houses
1991	Dr. Jean McGrew named Illinois Superintendent of the Year
1993	Glenbrook boy's volleyball team wins state title
1995	Glenview Naval Air Station closes and The Glen development project begins
1997	President Bill Clinton visits the Glenbrook High Schools in honor of the District's success in the First in the World Consortium
1999	Glenbrook boy's tennis team wins state title  Dr. Craig Schilling is awarded the Association of School Business Officials International Eagle Award for professional service
2000	Board of Education authorizes major expansion projects for both schools  Glenbrook North named Top Debate School in the Last 1/2 of the 20th Century
2001	Glenbrook debate team wins 3rd straight national title
2002	Glenbrook North Aquatic Center dedicated  District receives "AAA" bond rating
2003	50th anniversary of Glenbrook North
2004	Glenbrook wins the "triple crown" in debate
2005	Glenbrook High Schools named to the Illinois Honor Roll for sustained high performance on state assessments  Glenbrook North becomes the only class AA high school in Illinois to win the State championship in each of the big 3 sports: football, basketball and baseball  District is awarded the Illinois Association of School Business Officials Lighthouse Award and the Association of School Business Officials International Pinnacle of Achievement Award for the "Shape Your Life" Health Promotion Program

(Continued)

## Northfield Township High School District 225

### DISTRICT HISTORY

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- 2006      Voters approve building bond referendum for expansion/renovation projects
- 2007      Construction begins at both Glenbrook North and South
- District's tax base tops \$6 billion
- 2008      Glenbrook North named a Blue Ribbon High School by the U.S. Department of Education
- Glenbrook South awarded the Grammy Signature School Award: 2008 Top Public High School for Music Excellence
- 2009      Construction is completed at Glenbrook North and Glenbrook South
- District enters into a Lease to Purchase Agreement of the 3801 W. Lake Ave Building for relocation of the District Administration Center and Off-Campus Program
- The Class of 2009 at both Glenbrook North and Glenbrook South achieve the highest average composite ACT scores in each school's history
- 2010      Renovation of the 1835 Landwehr Road building, which formerly housed the District's central offices, began shortly after the close of the 2010 fiscal year. The renovated site will serve as a permanent location for the District's Off Campus and Evening High School alternative education programs
- District students earned national and state recognition, with 16 National Merit semifinalists and 32 students commended, and a combined total of 308 students named Illinois State Scholars
- Glenbrook North student newspaper, *Torch*, was awarded 1<sup>st</sup> Place with Special Merit by the American Scholastic Press Association. GBS *Etruscan* Yearbook and *Oracle* student newspaper were each State Blue Ribbon Award winners
- 2011      The District's Off Campus and Evening High School alternative educational programs relocated to the renovated 1835 Landwehr Road Building for the start of second semester
- Both Glenbrook North and Glenbrook South students earned their highest average ACT composite scores in the history of District 225. The District's average ACT composite score for the graduating class of 2011 was 25.4
- 2012      Chicago Magazine ranks Glenbrook North and Glenbrook South among the top 4 best public high schools in Cook County

(Continued)

## Northfield Township High School District 225

### DISTRICT HISTORY

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2012 (Continued)	Glenbrook South celebrates its 50th Anniversary with special events, a gala, and a telethon for Youth Services of Glenview/Northbrook that raised more than \$80,000
2013	<p>Glenbrook High School District 225 named a 2013 recipient of the Bright Red Apple Award for educational excellence. It is one of only 78 Illinois school districts to be honored with such an award</p> <p>Glenbrook High School District 225 earned the SchoolSearch 2012 Bright A+ Award for academic excellence in education. It is one of only 59 Illinois school districts to earn such an award</p> <p>The Chicago Tribune named Glenbrook High School District 225 one of the "Top 100 Workplaces"</p>
2014	<p>After first opening its doors to 650 students on September 8, 1953, Glenbrook North celebrated its 60 year anniversary with a 2014 enrollment of more than 2,100 students</p> <p>The State Report Card reported Glenbrook South posting a 24.9, its highest ACT score in history, above the state average of 20.6</p>
2015	Glenbrook North and Glenbrook South students maintained their highest average ACT composite score at 25.4.
2016	Glenbrook High School District 225 was ranked at No. 3 in Illinois and No. 10 in the country by the Niche Company
2017	Glenbrook North and Glenbrook South emphasize student wellness by studying homework practices/policy, grade calculations, gradebook impact, and the school year start times and calendar.

(Concluded)

## Northfield Township High School District 225

### SCHEDULE OF INSURANCE IN FORCE

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#### ***Liability***

A Policy Number	SSCRMP-201109
B Insurer	SSCRMP / Great American Insurance Company
C Policy Period	January 1, 2017- January 1, 2018
D Premium	\$170,305
E Coverages	General Liability, Auto Liability, School Board Errors and Omissions
F Limit	\$11,000,000 Each occurrence and aggregate per District
G District Deductible	\$0

#### ***Property***

A Policy Number	KTKCMB296T973-3-17
B Insurer	Travelers
C Policy Period	January 1, 2017 - January 1, 2018
D Premium	\$159,315
E Coverages	Buildings, contents, autos
F Limit	\$350,000,000 Each Occurrence
G District Deductible	\$1,000 each claim

#### ***Excess Liability***

A Policy Number	EXC4101558
B Insurer	Great American Insurance Company
C Policy Period	January 1, 2017 - January 1, 2018
D Premium	Included in Liability
E Coverages	General Liability, Auto Liability, School Board Errors and Omissions
F Limit	\$20,000,000 Each Occurrence and Aggregate per District
G District Deductible	\$0

#### ***Workers Compensation***

A Policy Number	SP1Q16IL
B Insurer	SSCRMP / Safety National
C Policy Period	July 1, 2016 to July 1, 2017
D Premium	\$174,935
E Coverages	Employee injuries
F Limit	Coverage A: Statutory; Coverage B \$1,000,000
G District Deductible	\$200,000 Each Claim

(Continued)

## Northfield Township High School District 225

### SCHEDULE OF INSURANCE IN FORCE

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#### ***Boiler***

A Policy Number	M5J-BME1-339K9584-TIL-17
B Insurer	Travelers
C Policy Period	January 1, 2017 - January 1, 2018
D Premium	Included in property
E Coverages	Boiler & Equipment failure
F Limit	\$50,000,000 Each Occurrence
G District Deductible	\$1,000 each claim

#### ***Crime***

A Policy Number	105538574
B Insurer	Travelers
C Policy Period	January 1, 2017 - January 1, 2018
D Premium	Included in property
E Coverages	Theft of property and money
F Limit	\$1,000,000 Each Occurrence
G District Deductible	\$1,000 each claim

#### ***Cyber Liability***

A Policy Number	G25606243001
B Insurer	Chubb
C Policy Period	January 1, 2017 - January 1, 2018
D Premium	\$8,157
E Coverages	Information security & privacy
F Limit	\$1,000,000 Aggregate
G District Deductible	\$1,000 each claim

#### ***Pollution***

A Policy Number	90870L
B Insurer	Ironshore
C Policy Period	January 1, 2017 - January 1, 2018
D Premium	Included in property
E Coverages	Pollution liability and cleanup
F Limit	\$3,000,000 SSCRMP Pool Aggregate
G District Deductible	\$1,000 each claim

(Concluded)

# Northfield Township High School District 225

## OPERATING COSTS AND TUITION CHARGE

JUNE 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
OPERATING COST PER PUPIL		
Average Daily Attendance (ADA):	<u>4,695.43</u>	<u>4,702.14</u>
Operating costs:		
Educational	\$ 99,982,167	\$ 99,264,721
Operations and Maintenance	7,558,818	7,726,249
Debt Service	10,996,519	9,809,008
Transportation	3,060,257	2,885,849
Municipal Retirement/Social Security	<u>3,400,165</u>	<u>3,429,772</u>
Subtotal	<u>124,997,926</u>	<u>123,115,599</u>
Less Revenues/Expenditures of Nonregular Programs:		
Tuition	7,945,944	6,256,025
Summer school	397,429	525,641
Capital outlay	336,219	650,477
Debt principal retired	7,115,054	6,664,463
Community services	108,250	142,540
Payments to other government units	83,704	
Non-capitalized equipment	<u>352,182</u>	<u>1,003,518</u>
Subtotal	<u>16,338,782</u>	<u>15,242,664</u>
Operating costs	\$ <u>108,659,144</u>	\$ <u>107,872,935</u>
Operating costs per pupil - based on ADA	\$ <u>23,141</u>	\$ <u>22,941</u>
TUITION CHARGE		
Operating costs	\$ 108,659,144	\$ 107,872,935
Less - revenues from specific programs, such as special education or lunch programs	<u>8,758,225</u>	<u>9,125,329</u>
Net operating costs	99,900,919	98,747,606
Depreciation allowance	<u>7,809,214</u>	<u>7,561,353</u>
Allowance tuition costs	\$ <u>107,710,133</u>	\$ <u>106,308,959</u>
Tuition charge per pupil - based on ADA	\$ <u>22,939</u>	\$ <u>22,609</u>