

**PARK RIDGE-NILES  
SCHOOL DISTRICT 64**

**Annual Financial Report**

**For The Year Ended June  
30, 2017**

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

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## **Independent Auditor's Report**

**Board of Education**  
**Park Ridge-Niles School District 64**  
**Park Ridge, Illinois**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Park Ridge-Niles School District 64 (the District) as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Park Ridge-Niles School District 64 as of June 30, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund financial statements and schedules and other supplementary information as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

We have also audited, in accordance with auditing standards generally accepted in the United States of America, the District's basic financial statements for the year ended June 30, 2016, which are not presented with the accompanying financial statements, and we expressed 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 the District's basic financial statements as a whole. The schedules of revenues, expenditures and changes in fund balances - budget and actual, related to the 2016 financial statements 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 information has been subjected to the auditing procedures applied in the audit of those 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 2016 schedules of revenues, expenditures and changes in fund balances - budget and actual are fairly stated in material respects in relation to the basic financial statements from which they have been derived.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated September 28, 2017, on our consideration of Park Ridge-Niles School District 64'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 the District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Klein Hall CPAs". The signature is written in a cursive, flowing style.

Klein Hall CPAs  
Aurora, Illinois  
September 28, 2017

## **PARK RIDGE-NILES SCHOOL DISTRICT 64**

### **Management's Discussion and Analysis**

For the Year Ended June 30, 2017

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This section of Park Ridge-Niles School District 64's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2017. Please read it in conjunction with the District's financial statements, which immediately follow this section. All amounts are expressed in millions of dollars unless otherwise noted.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments, issued June 1999. The MD&A is management's explanation of the District's financial position.

#### **Financial Highlights**

- In total, net position decreased by \$11.5. This represents a 14.4% decrease from 2016.
- General revenues accounted for \$68.7 in revenue or 74% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$24.1 or 26% of total revenues of \$92.8.
- The District is positioned to receive a Recognition financial profile rating from the Illinois State Board of Education for 2017, which is the highest possible rating. The State Board officially approves the ratings in March.
- The District made the final payments on its 2001 and 2008 debt issuances during the year.

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

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

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

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

#### ***Government-wide financial statements***

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

The statement of net position presents information on all of the District's assets plus deferred outflows and liabilities plus deferred inflows, 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 being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District's governmental activities include instructional services (regular education, special education and other), supporting services, operation and maintenance of facilities and transportation services.

***Fund financial statements***

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

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

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

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund (Educational, Operations and Maintenance, Working Cash and Tort Immunity Accounts) and Capital Projects Fund, which are considered to be major funds. The Transportation, Municipal Retirement, and Debt Service, are considered non-major funds.

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

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

***Notes to the financial statements***

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

***Other information***

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



**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
Management's Discussion and Analysis  
For the Year Ended June 30, 2017

**Financial Analysis of the District as a Whole**

Net position: The *combined* net position decreased 14.4% to \$68.2 million as of June 30, 2017 (See Figure A-1). The decrease is mainly attributable to two events. The District reappraised its property and equipment during the fiscal year, which reduced the value of its capital assets by approximately \$9 million. The District also issued \$8.8 million of debt certificates, which are a long-term debt instrument that will be repaid from operating funds over the next 15 years. Despite the decrease in net assets, the District continues to maintain a stable financial position.

Figure A-1  
Condensed Statement of Net Position (in millions of dollars)

	Governmental Activities	
	2017	2016
<b>Assets</b>		
Current and other assets	\$ 101.5	\$ 95.5
Capital assets	39.3	47.7
Total Assets	140.8	143.2
<b>Deferred Outflows</b>		
Deferred outflows related to pensions	3.9	4.2
Total Deferred Outflows	3.9	4.2
<b>Liabilities</b>		
Current and other liabilities	7.3	6.4
Long-term debt outstanding	36.2	28.7
Total Liabilities	43.5	35.1
<b>Deferred Inflows</b>		
Property taxes levied for subsequent year	32.0	31.8
Deferred inflows related to pensions	1.0	0.8
Total Deferred Inflows	33.0	32.6
<b>Net position</b>		
Net investment in capital assets	28.7	35.8
Restricted	20.9	12.2
Unrestricted	18.6	31.7
Total Net Position	\$ 68.2	\$ 79.7

The District's total revenues increased 1% to \$92.8 million (See Figure A-2). Property taxes account for approximately 71% of the District's total revenues. An additional 24% of the District's revenue comes from general state aid and state and federal grants. Only 4% comes from direct charges for services in the form of student fees or other miscellaneous local revenues such as interest income.

The total cost of all programs and services increased 18% to \$104.3 million (See Figure A-2) primarily due to an independent appraisal's revaluation of the District's capital assets. The District's expenses are predominantly related to instructing, caring for (pupil services), and transporting students (69%). Administrative and business activities accounted for 8% of total costs, and another 18% was for maintenance and operation of the District's buildings. 5% of expenses relate to community services, tuition paid to private facilities, and interest on long-term debt, which are combined into the other category. All percentages are comparable to the prior year.

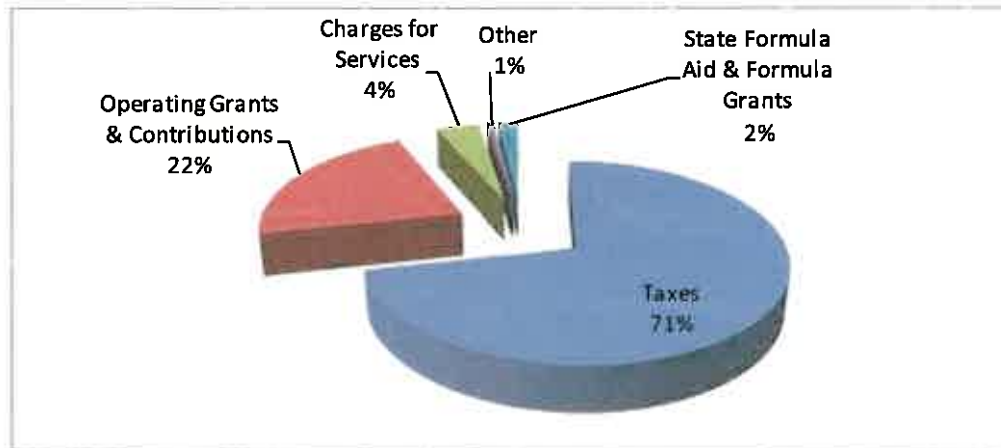
**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
**Management's Discussion and Analysis**  
**For the Year Ended June 30, 2017**

Total expenses surpassed revenues, decreasing net position by \$11.5 million over last year.

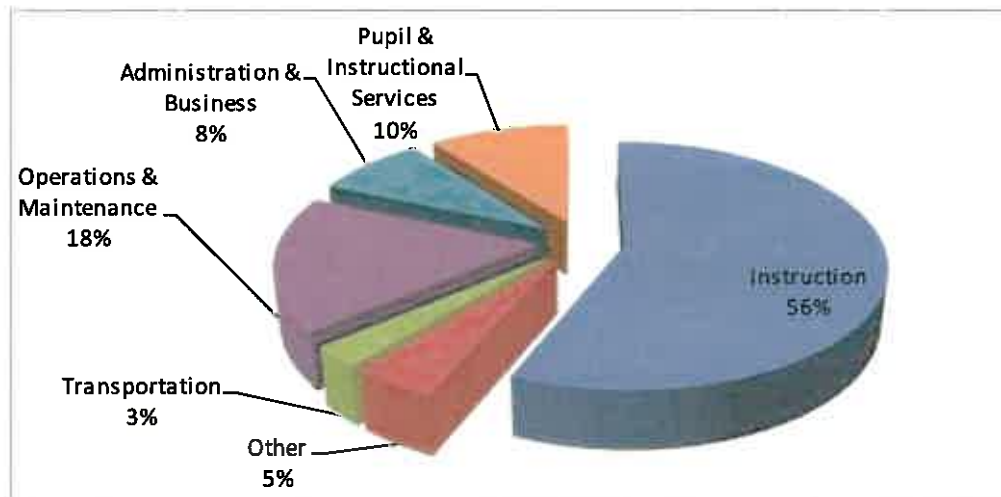
Figure A-2  
Changes in Net Position from Operating Results (in millions of dollars)

	Governmental Activities	
	2017	2016
<b>Revenues</b>		
<i>Program Revenues</i>		
Charges for Services	\$ 3.7	\$ 3.9
Operating Grants & Contributions	20.4	18.5
Capital Grants & Contributions	-	-
<i>General Revenues</i>		
Taxes	66.4	66.8
General State Aid	1.7	1.6
Other	0.6	1.0
<b>Total Revenues</b>	<b>92.8</b>	<b>91.8</b>
<b>Expenses</b>		
Instruction	58.9	56.7
Pupil & Instructional Services	10.8	9.6
Administration & Business	8.5	8.8
Transportation	2.9	2.6
Operations & Maintenance	18.5	6.9
Other	4.7	3.5
<b>Total Expenses</b>	<b>104.3</b>	<b>88.1</b>
<b>Increase (decrease) in net position</b>	<b>(11.5)</b>	<b>3.7</b>
Net position - beginning of year	79.7	76.0
<b>Net position - end of year</b>	<b>\$ 68.2</b>	<b>\$ 79.7</b>

**Figure A-3 Sources of Revenues for Fiscal Year 2017**



**Figure A-4 Expenses for Fiscal Year 2017**



### ***Governmental Activities***

The District's governmental activities reported a 1% increase in revenues and a 18% increase in expenses as compared to the prior year. This resulted in an \$11.5 million decrease in net position for fiscal year 2016-17. The District experienced a larger increase in expenses than normal because capital assets were reduced by about \$9 million as part of an independent appraisal that revalued the District's property and equipment. The District also transferred \$10 million of fund balance from its Working Cash reserves to the Capital Projects Fund over the last two years, which resulted in higher spending in 2016-17 for facility improvements.

The stable health of the District's finances can be credited to both a solid real estate tax base and controlling spending so as to operate within its available resources and reserves.

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

The financial performance of the District as a whole is reflected in its governmental funds as well. Three of its five governmental funds reported increases in fund balance in fiscal year 2016-17. The governmental funds as a whole reported fund balances of \$61.7 million, as compared to last year's ending fund balances of \$57.3 million.

The District continues to maintain fund balance at a level that complies with the Board's policy requiring operating fund balance of at least 33% of annual operating fund expenses. It is important to note that only \$40.8 million of the District's \$61.7 million total fund balance is considered unassigned. This means the remaining \$20.9 million of fund balance is nonspendable or restricted for specific purposes such as debt service, retirement benefits, transportation, tort liability or capital projects.

### ***General Fund Budgetary Highlights***

The District's General Fund consists of the following budgetary accounts: Educational, Operations and Maintenance, Working Cash, and Tort Immunity. The analysis below takes into account the collective performance of these accounts.

- Revenues in the General Fund were lower than budgeted revenues by \$1.2 million. This equates to only a 1.4% difference from budget and is mostly attributable to the uncertainty involved with predicting when state and federal grant revenue will be received.
- The General Fund's expenditures were lower than budgeted by \$0.9 million (1.1%). The budget includes an estimate for contingencies in the amount of \$0.5 million with no actual expenses. The District also had fewer students outplaced for special education services than expected this year, as tuition expenses were \$0.4 million less than budgeted.
- The General Fund also includes a \$4.5 million transfer out to the Capital Projects Fund. The District pulled this money from its Working Cash Fund reserves to fund summer facility improvements in 2017 and 2018.

## **Capital Asset and Debt Administration**

### ***Capital Assets***

By the end of 2017, the District had invested \$39.3 million in a broad range of capital assets, including school buildings, computer equipment, audio-visual equipment and administrative offices (See Figure A-5). (More detailed information about capital assets can be found in Note 3 to the financial statements.) Total depreciation expense for the year was approximately \$5.6 million, while additions to buildings and equipment amounted to \$6.4 million and deletions to buildings and equipment amounted to \$9.2 million.

Figure A-5  
Capital Assets (net of depreciation, in millions of dollars)

	Governmental Activities	
	2017	2016
Land	\$ 0.4	\$ 0.4
Construction in progress	6.8	1.8
Buildings & Improvements	31.3	44.3
Equipment	0.8	1.2
<b>TOTAL</b>	<b>\$ 39.3</b>	<b>\$ 47.7</b>

### ***Long-Term Debt***

At year-end, the District had \$36.2 million in general obligation bonds, retirement obligations, and other long-term liabilities outstanding – as shown in Figure A-6. (More detailed information about the District's long-term liabilities is presented in Note 4 to the financial statements.)

Figure A-6  
Outstanding Long-Term Debt (in millions of dollars)

	Total School District	
	2017	2016
General obligation bonds	\$ 10.1	\$ 12.2
Other long-term debt	26.1	16.5
<b>TOTAL</b>	<b>\$ 36.2</b>	<b>\$ 28.7</b>

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
Management's Discussion and Analysis  
For the Year Ended June 30, 2017

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

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

District revenues are linked to local, state and national economic performance. The District's primary source of funding is property taxes. The Property Tax Extension Limitation Law defines and maintains a limit on the rate of increase for property tax revenues based on the National Consumer Price Index. The release of the 2016 CPI-U of 2.1% affects the District's ability to increase its operating fund revenues for fiscal year 2017-18 and beyond.

The District continues to monitor the State of Illinois' financial condition, budget discussions, and legislation closely. Legislation was recently passed establishing a new Evidence Based Funding Model for Illinois schools beginning in 2017-18. The formula for distributing funds is complex, but preliminary data published by the Illinois State Board of Education indicated District 64 would receive the same amount of overall funding in 2017-18 as the previous year. The new funding model will hopefully make State revenue streams more predictable for budgeting purposes.

There are also some important factors impacting future expenses of the District. State legislators continue to discuss reform measures for the TRS pension system, which potentially could lead to a shift of pension costs to local school districts. The District closely monitors news from Springfield on this topic as it becomes available and adjusts long-term financial projection assumptions accordingly.

**Contacting the District's Financial Management**

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

Park Ridge-Niles School District 64  
164 South Prospect Avenue  
Park Ridge, Illinois 60068

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

## Statement of Net Position

June 30, 2017

	<u>Governmental Activities</u>
<b>Assets</b>	
Cash and investments	\$ 66,976,424
Receivables	
Property taxes	31,986,354
Due from other governments	2,366,870
Other receivables	154,250
Capital assets	
Land and construction in progress	7,172,205
Other capital assets, net of accumulated depreciation	<u>32,148,067</u>
Total Assets	<u>140,804,170</u>
<b>Deferred Outflows</b>	
Deferred outflows related to pensions	<u>3,887,740</u>
Total Deferred Outflows	<u>3,887,740</u>
<b>Liabilities</b>	
Accounts payable	2,164,745
Accrued interest payable	58,820
Accrued salaries and related expenditures	5,059,934
Noncurrent liabilities:	
Due within one year	3,384,849
Due in more than one year	<u>32,847,675</u>
Total Liabilities	<u>43,516,023</u>
<b>Deferred Inflows</b>	
Property taxes levied for subsequent year	31,986,354
Deferred inflows related to pensions	<u>1,000,851</u>
Total Deferred Inflows	<u>32,987,205</u>
<b>Net Position</b>	
Net investment in capital assets	28,735,384
Restricted for	
Tort immunity	911,192
Student transportation	2,989,013
Employee retirement	1,171,242
Capital projects	11,783,988
Debt service	3,984,231
Unrestricted	<u>18,613,632</u>
<b>Total Net Position</b>	<u>\$ 68,188,682</u>

See accompanying notes to basic financial statements

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

## Statement of Activities

Year Ended June 30, 2017

Functions	Program Revenues			Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Total
				Governmental Activities
<b>Governmental Activities</b>				
Instructional services				
Regular programs	\$ 30,183,034	\$ 1,592,827	\$ 244,482	\$ (28,345,725)
Special programs	8,348,499	-	3,197,445	(5,151,054)
Other programs	4,588,924	1,116,424	69,764	(3,402,736)
State retirement contributions	15,744,299	-	15,744,299	-
Support services				
Pupils	5,752,800	-	-	(5,752,800)
Instructional staff	5,004,302	-	-	(5,004,302)
General administration	2,209,440	-	-	(2,209,440)
School administration	2,896,584	-	-	(2,896,584)
Business	3,433,111	522,707	32,205	(2,878,199)
Operation and maintenance of facilities	18,494,997	447,414	17,614	(18,029,969)
Transportation	2,895,675	54,284	1,135,989	(1,705,402)
Central	2,474,119	-	-	(2,474,119)
Other	630	-	-	(630)
Community services	718,046	-	-	(718,046)
Payments to other districts	956,846	-	-	(956,846)
Interest on long-term liabilities	570,832	-	-	(570,832)
Total school district	\$ 104,272,138	\$ 3,733,656	\$ 20,441,798	(80,096,684)
<b>General revenues</b>				
Property taxes levied for				
General purposes				56,816,170
Transportation				2,853,592
Retirement				2,407,815
Debt service				3,076,428
Personal property replacement taxes				1,241,598
Federal and state aid not restricted to specific purposes				1,682,678
Earnings on investments				119,035
Miscellaneous				386,683
Total general revenues				68,583,999
Change in net position				(11,512,685)
Net position - beginning				79,701,367
Net position - ending				\$ 68,188,682

See accompanying notes to basic financial statements



**PARK RIDGE-NILES SCHOOL DISTRICT 64**

## Balance Sheet

## Governmental Funds

June 30, 2017

	General	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 46,006,763	\$ 13,023,199	\$ 7,946,462	\$ 66,976,424
Receivables				
Property taxes	27,583,642	-	4,402,712	31,986,354
Due from other governments	1,797,678	-	569,192	2,366,870
Other receivables	130,633	13,688	9,929	154,250
Total Assets	\$ 75,518,716	\$ 13,036,887	\$ 12,928,295	\$ 101,483,898
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 815,346	\$ 1,252,899	\$ 96,500	\$ 2,164,745
Accrued salaries and related expenditures	4,887,700	-	1	4,887,701
Total Liabilities	5,703,046	1,252,899	96,501	7,052,446
<b>Deferred Inflows</b>				
Other deferred revenue	496,814	-	284,596	781,410
Property taxes levied for subsequent year	27,583,642	-	4,402,712	31,986,354
Total Deferred Inflows	28,080,456	-	4,687,308	32,767,764
<b>Fund Balances</b>				
Restricted				
Tort immunity	911,192	-	-	911,192
Student transportation	-	-	2,989,013	2,989,013
Employee retirement	-	-	1,171,242	1,171,242
Capital projects	-	11,783,988	-	11,783,988
Debt service	-	-	3,984,231	3,984,231
Unassigned	40,824,022	-	-	40,824,022
Total Fund Balances	41,735,214	11,783,988	8,144,486	61,663,688
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<b>\$ 75,518,716</b>	<b>\$ 13,036,887</b>	<b>\$ 12,928,295</b>	<b>\$ 101,483,898</b>

See accompanying notes to basic financial statements.

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
Reconciliation of the Balance Sheet of Governmental Funds  
To the Statement of Net Position  
June 30, 2017

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**Total fund balances - governmental funds** \$ 61,663,688

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

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is \$83,215,900 and the accumulated depreciation is \$43,895,628. 39,320,272

Some of the School District's governmental revenues will be collected after fiscal year-end but are not available soon enough to pay for the current period's expenditures and are therefore not accrued in the governmental funds. 781,410

A portion of the termination benefits liability is due in greater than one year and therefore not accrued in the governmental funds (172,233)

Interest on long-term debt is not accrued in governmental funds, but rather is recognized when due. (58,820)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Bonds and capital leases	(19,570,350)
Other post employment benefits	(3,421,829)
Net pension liability - TRS	(6,137,061)
Net pension liability - IMRF	(6,888,533)
Compensated absences	(214,751)

Deferred inflows and outflows of resources related to pensions are not reported in governmental funds

Deferred outflows	3,887,740
Deferred inflows	(1,000,851)

**Net position of governmental activities** \$ 68,188,682

**PARK RIDGE-NILE SCHOOL DISTRICT 64****Statement of Revenues, Expenditures and Changes in Fund Balances****Governmental Funds****Year Ended June 30, 2017**

	General	Capital Projects	Nonmajor Governmental Funds	Totals Governmental Funds
<b>REVENUES</b>				
Local sources	\$ 61,640,517	\$ 46,529	\$ 8,579,967	\$ 70,267,013
State sources	18,896,971	-	851,393	19,748,364
Federal sources	1,962,666	-	-	1,962,666
<b>Total Revenues</b>	<b>82,500,154</b>	<b>46,529</b>	<b>9,431,360</b>	<b>91,978,043</b>
<b>EXPENDITURES</b>				
Current operating				
Instruction	56,361,657	-	893,716	57,255,373
Support services	24,636,846	6,234,106	4,179,629	35,050,581
Community services	487,309	-	161,363	648,672
Payments to other districts	954,960	-	1,886	956,846
Debt service				
Principal	-	-	3,043,240	3,043,240
Interest and other	-	-	549,180	549,180
<b>Total Expenditures</b>	<b>82,440,772</b>	<b>6,234,106</b>	<b>8,829,014</b>	<b>97,503,892</b>
Excess (deficiency) of revenues over expenditures	59,382	(6,187,577)	602,346	(5,525,849)
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	-	8,650,118	144,882	8,795,000
Premium from bonds issued	-	599,882	-	599,882
Proceeds from capital lease	527,142	-	-	527,142
Transfers in	-	4,500,000	356,718	4,856,718
Transfers out	(4,856,718)	-	-	(4,856,718)
Sale of capital asset	3,015	-	-	3,015
<b>Total other financing sources (uses)</b>	<b>(4,326,561)</b>	<b>13,750,000</b>	<b>501,600</b>	<b>9,925,039</b>
Net change in fund balance	(4,267,179)	7,562,423	1,103,946	4,399,190
Fund balances at beginning of year	46,002,393	4,221,565	7,040,540	57,264,498
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 41,735,214</b>	<b>\$ 11,783,988</b>	<b>\$ 8,144,486</b>	<b>\$ 61,663,688</b>

*See accompanying notes to basic financial statements.*

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

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

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**Net change in fund balances - total governmental funds** **\$ 4,399,190**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$1,500 are capitalized and the cost is allocated over their estimated lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlays	6,408,184
Depreciation expense	(5,594,631)
Loss on disposals	(9,222,481)

Because some of the governmental revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are not accrued in the governmental funds.

781,410

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

Change in accrued interest on debt	(58,820)
Change in other post employment benefits	(414,231)
Change in compensated absences	(931)
Change in net pension liability - TRS	(1,237,119)
Change in net pension liability - IMRF	986,370
Change in deferred inflows/outflows related to pensions	(545,777)
Change in long-term portion of termination benefits	(172,233)

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

Amortization of premium on bond issuances	37,168
Proceeds from sale of bonds	(9,322,142)
Premium on bonds sold	(599,882)
Repayment of bond and loan principal	3,043,240

**Change in net position of governmental activities** **\$ (11,512,685)**

*See accompanying notes to basic financial statements*

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
Agency Fund - Activity Fund  
Statement of Fiduciary Assets and Liabilities  
June 30, 2017

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**Assets**

Cash	<u>\$ 121,707</u>
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**Liabilities**

Due to organizations	<u>\$ 121,707</u>
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See accompanying notes to basic financial statements.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Park Ridge-Niles School District 64 (the District) operates as a public school system governed by a seven-member board. The District is organized under the School Code of the State of Illinois, as amended. The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the significant accounting policies, consistently applied in the preparation of the accompanying financial statements is described below.

**a. The Reporting Entity**

Accounting principles generally accepted in the United States of America require that the financial statements of the reporting entity include: (1) the primary government, (2) organizations for which the primary government is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The criteria provided by Government Accounting Standards Board Statements (GASB) has been considered and there are no agencies or entities which should be presented with the District. Using the same criteria, the District is not included as a component unit of any other governmental entity.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government's operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. This report does not contain any component units.

**b. 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 legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. The following summarizes the fund types used by the District:

Governmental funds include the following fund types:

**General Fund** - The General Fund, which consists of the legally mandated Educational Account, Operations and Maintenance Account, Tort Immunity Account and Working Cash Account, is used to account for the revenues and expenditures, which are used in providing education in the District. It is used to account for all financial resources except those accounted for in other funds.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

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

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

**Special Revenue Funds** - Special Revenue Funds account for the proceeds of specific revenue sources (other than Debt Service and Capital Projects Funds) that are legally restricted to expenditures for specified purposes. The District's Special Revenue Funds are the Transportation and Municipal Retirement/Social Security Funds.

**Transportation Fund** – This fund accounts for the revenue and expenditures relating to student transportation, both to and from school. Revenue is derived primarily from local property taxes and state reimbursement grants.

**Municipal Retirement/Social Security Fund** – This fund accounts for the District's portion of the pension contributions to the Illinois Municipal Retirement Fund for noncertified employees and social security contributions for applicable certified and noncertified employees. Revenue to finance the contributions is derived primarily from local property taxes.

**Debt Service Funds** - Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds.

**Debt Service Fund** - The Debt Service Fund accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. Since there are no legal requirements on bond indentures, which mandate that a separate fund be established for each bond issue, the District maintains one Debt Service Fund for all bond issues.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Capital Projects Funds** - Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

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

**Fiduciary Fund Type**

**Agency Funds** - The Agency Funds (Activity Funds) account for assets held by the District in trustee capacity or as an agent for student organizations. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations. In accordance with GASB 34, fiduciary funds are not included in the government-wide financial statements.

The District reports the following funds as major governmental funds:

General Fund  
Capital Projects Fund

The District has adopted a policy to net the interfund receivables and payables for combined totals used to determine the major funds. Consequently, the interfund loan balances, which net to zero, are not utilized to determine major funds.

**c. Basis of Presentation**

**i. 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 of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. All of the District's operating activities are considered "governmental activities"; that is, activities that are normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business activities".

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead 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. Major individual governmental funds are reported as separate columns in the fund financial statements.



**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**ii. Measurement focus, basis of accounting, and financial statement presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Government fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities in the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Interest associated with the current fiscal period is considered to be susceptible to accrual and so has been recognized as a revenue of the current period. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available only when the District receives the cash.

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

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

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

**d. Deposits and Investments**

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

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e. Capital Assets**

Capital assets, which include land, buildings and improvements, and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$1,500 for furniture, equipment, and buildings and improvements and an estimated useful life of 1 year or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

<u>Assets</u>	<u>Years</u>
Buildings	60-80 years
Land improvements	15-20 years
Vehicles	8-18 years
Equipment	1-20 years

**f. Receivables and Payables**

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

**g. Deferred Inflows/Unearned Revenue**

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

**h. Property Taxes**

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

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the 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 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. The County is reassessed every three years by the Assessor.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The County Clerk computes the annual tax rate by dividing the levy into the assessed valuation of the taxing district. The County Clerk then computes the rate for each parcel of real property by aggregating the tax rates of all units having jurisdiction over that parcel. Property taxes are collected by the Cook County Collector who remits to the units their respective shares of the collections. Taxes levied in one calendar year become due and payable in two installments on March 1 and September 1 during the following calendar year. The first installment is an estimated bill and is 55% of the prior year's tax bill. The second installment is based on the current levy, assessment, and equalization, and any changes from the prior year will be reflected in the second installment bill. Substantial collections are received by the District in March and September.

In the fund financial statements, the property tax levy receivable collected within the current year or expected to be collected within 60 days of year end (provided any 60 day collections do not include taxes from the second installment) to be used to pay liabilities of the current period is recognized as revenue. The tax receivable less the amount expected to be collected within 60 days of year end to be used to pay liabilities of the current period is reflected as deferred revenue in the fund financial statements. All property taxes receivable over one year old have been written off.

**i. Personal Property Replacement Taxes**

Personal property replacement tax revenues are first allocated to the extent required by Illinois law in the Municipal Retirement/Social Security Fund with the balance allocated to funds at the discretion of the District.

**j. Compensated Absences**

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

All vested vacation and sick leave pay is accrued when incurred in the government-wide. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, or are payable with expendable available resources.

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

The District's compensated absences consist of vacation time and sick days. Employees who work a twelve-month year entitled to be compensated for vacation time. Vacation time earned in the previous year is credited to each employee on July 1 of the new year.

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 Park Ridge Education Association. Unused sick leave days accumulate to a maximum of 340 days. The District does not reimburse employees for unused sick days upon termination of employment. Upon retirement, a certified employee can opt to be reimbursed for a maximum of 80 unused sick days at the rate of \$55 per day. Any remaining days of unused sick leave can be applied towards service credit for TRS.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Classified personnel receive a specified number of sick days per year depending on their years of service. All classified personnel can accumulate unused sick days to a maximum of 275 days. The District does not reimburse classified employees for unused sick days remaining upon termination of employment. However, upon retirement, a classified employee can opt to be reimbursed for a maximum of 80 unused sick days at the rate of \$55 per day. A classified employee may apply any remaining unused sick leave towards service credit for IMRF.

Due to the nature of the policies on sick leave, and the fact that any liability is contingent upon future events and cannot be reasonably estimated, no liability is provided in the financial statements for accumulated unpaid sick leave.

**k. Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. 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 fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**l. Comparative Data**

The financial statements include summarized prior-year comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with the District's financial statements for the year ended June 30, 2016, from which such summarized information was derived.

**m. Eliminations and Reclassifications**

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

**n. Net Position**

**Government-Wide Statements**

Net Position is classified and displayed in three components:

**Net investment in capital assets.** Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets and adjusted for any deferred inflows and outflows of resources attributable to capital assets and related debt.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Restricted.** Consists of restricted assets reduced by liabilities and deferred inflows or resources related to those assets, with restriction constraints placed on the use either by external groups, such as creditors, grantors, contributors, or laws and regulations of other governments, or law through constitutional provisions or enabling legislation.

**Unrestricted.** Net amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investments in capital assets or the restricted component of net position.

It is the District's policy to first use restricted net resources prior to the use of unrestricted net resources when an expense is incurred for purposes for which both restricted and unrestricted net resources are available.

**o. Pensions**

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

**2. DEPOSITS AND INVESTMENTS**

Investments held by the District which are short-term highly liquid investments having a remaining maturity of one year or less at the time of purchase are reported by the District at amortized cost. All other investments are reported at fair value. Gains or losses on the sale of investments are recognized upon realization. The District has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

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

**a. Cash and Investments Under the Custody of the Township Treasurer**

Under the Illinois Compiled Statutes, the Maine Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independently elected body, to serve the school districts in the township. The Treasurer is the direct recipient of property taxes, replacement taxes and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below. For these purposes, the Treasurer is permitted to combine monies from more than one fund of a single district and to combine monies of more than one district in the township. Monies combined under these circumstances, as well as investment earnings, are accounted for separately for each fund and/or district.

## **2. DEPOSITS AND INVESTMENTS (Continued)**

Cash and investments, other than the student activity and convenience accounts, petty cash, and imprest funds, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investment balance by district or cooperative. Income from investments is distributed monthly based upon the District's percentage participation in the pool. All cash for all funds, including cash applicable to the Debt Service Fund and the Illinois Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's investment policies are established by the Maine Township School Trustees as prescribed by the Illinois School Code and the Illinois Compiled Statutes. The Treasurer is authorized to invest in obligations of the U.S. Treasury, backed by the full faith and credit of the U.S. Government, certificates of deposit issued by commercial banks and savings and loan associations, and commercial paper rated within the three highest classifications by at least two standard rating services (subject to certain limitations).

The Treasurer's Office operates as a non-rated, external investment pool. The fair value of the District's investment in the Treasurer's pool is determined by the District's proportionate share of the fair value of the investments held by the Treasurer's office. The Treasurer also holds money market type investments, certificates of deposits and other deposits with financial institutions. As of June 30, 2017, the fair value of all cash and investments held by the Treasurer's office was \$447,324,097 and the fair value of the District's proportionate share of the pool was \$66,976,424.

Because all cash and investments are pooled by a separate legal governmental agency (Treasurer), categorization by risk category is not determinable. Further information about whether investments are insured, collateralized, or uncollateralized is available from the Treasurer's financial statements.

### **b. Deposits and Custodial Credit Risk**

	Carrying Value	Bank Balance
Deposits with financial institutions - Fiduciary Funds	\$ 111,670	\$ 112,206

### **c. Investments**

The Illinois School District Liquid Asset Fund Plus (ISDLAF+) is an investment pool created and regulated by the Illinois General Assembly. The fair value of the District's investment in ISDLAF+ has been determined using the net asset value (NAV) per share (or its equivalent) of the investments. The NAV of the Liquid Class and MAX Class are determined as of the close of business on each Illinois banking day. The Multi-Class Series invests in high-quality short-term debt instruments (money market instruments), and shares may be redeemed on any Illinois banking day. The Term Series invest in high-quality debt instruments, which are generally money market instruments but may include instruments with a maturity over one year, and shares may be redeemed with seven days' advance notice. There were no known restrictions on redemption of the District's investments as of June 30, 2017.

**2. DEPOSITS AND INVESTMENTS (Continued)**

At year end, the District had the following investments (Fiduciary Funds):

Investment Type	Fair Value	Maturity (in years)	Agency Rating
		Less than 1	
ISDLAF+ Liquid Class	\$ 660	\$ 660	AAA
ISDLAF+ MAX	9,377	9,377	AAA
Total	\$ 10,037	\$ 10,037	

*Interest Rate Risk.* Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the District's policy states investments shall provide sufficient liquidity to enable the District to meet all operating requirements that may be reasonably anticipated.

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

The District's policy states that the Treasurer shall diversify its investments to the best of its ability based upon the type of funds invested, available institutions to invest in, and the cash flow needs of those funds. Diversification can be by type of investment, number of institutions invested in, and length of maturity. Maturities of investments of the various funds of the District shall be determined to enable the District to have available sufficient cash for all operation purposes.

*Custodial Credit Risk – Deposits.* With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds.

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
Notes to Financial Statements (continued)  
June 30, 2017

**3. CAPITAL ASSETS**

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

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<b>Capital assets, not being depreciated</b>				
Land	\$ 353,013	\$ -	\$ -	\$ 353,013
Construction in progress	1,821,974	4,997,218	-	6,819,192
<b>Total capital assets not being depreciated</b>	<b>2,174,987</b>	<b>4,997,218</b>	<b>-</b>	<b>7,172,205</b>
<b>Capital assets, being depreciated</b>				
Buildings	68,236,701	37,771	7,493,084	60,781,388
Improvements other than buildings	5,844,644	22,596	1,716,541	4,150,699
Equipment and vehicles	9,812,993	1,350,599	51,984	11,111,608
<b>Total capital assets being depreciated</b>	<b>83,894,338</b>	<b>1,410,966</b>	<b>9,261,609</b>	<b>76,043,695</b>
<b>Accumulated depreciation for</b>				
Buildings	28,113,192	3,289,752	-	31,402,944
Improvements other than buildings	1,633,411	555,216	-	2,188,627
Equipment and vehicles	8,593,522	1,749,663	39,128	10,304,057
<b>Total accumulation depreciation</b>	<b>38,340,125</b>	<b>5,594,631</b>	<b>39,128</b>	<b>43,895,628</b>
<b>Total capital assets being depreciated, net</b>	<b>45,554,213</b>	<b>(4,183,665)</b>	<b>9,222,481</b>	<b>32,148,067</b>
<b>Total capital assets, net</b>	<b>\$ 47,729,200</b>	<b>\$ 813,553</b>	<b>\$ 9,222,481</b>	<b>\$ 39,320,272</b>

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

<b>Instructional services</b>	
Regular programs	\$ 91,192
Special programs	121,403
Fiscal services	7,832
Internal services	5,035
<b>Supporting services</b>	
Business	1,541,880
Operations and maintenance of facilities	3,696,373
Community services	69,374
Central	61,542
	<u>\$ 5,594,631</u>



**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
Notes to Financial Statements (continued)  
June 30, 2017

**4. LONG-TERM DEBT**

Long-term debt activity for the year ended June 30, 2017 was as follows:

	Balance July 1, 2016	Additions	Reductions	Balance June 30, 2017	Amount due in one year
General Obligation Bonds Payable					
11/1/01 School Bonds, Series 2001	\$ 2,300,000	\$ -	\$ 2,300,000	\$ -	\$ -
12/1/08 General Obligation Refunding School Bonds	405,000	-	405,000	-	-
3/13/14 A General Obligation	7,900,000	-	-	7,900,000	1,720,000
3/13/14 B Taxable General Obligation	800,000	-	-	800,000	800,000
Total Bonds Payable	11,405,000	-	2,705,000	8,700,000	2,520,000
4/27/17 Debt Certificates	-	8,795,000	-	8,795,000	425,000
Premium on Bonds Issued	788,447	599,882	37,168	1,351,161	-
Capital Lease	535,287	527,142	338,240	724,189	225,098
Net Pension Liability- TRS	4,899,942	1,237,119	-	6,137,061	-
Net Pension Liability- IMRF	7,874,903	-	986,370	6,888,533	-
Net OPEB Obligation	3,007,598	414,231	-	3,421,829	-
Compensated Absences	213,820	418,247	417,316	214,751	214,751
Total Long-Term Debt	\$ 28,724,997	\$ 11,991,621	\$ 4,484,094	\$ 36,232,524	\$ 3,384,849

**a. General Obligation Bonds Payable**

General obligation bonds payable at June 30, 2017 are comprised of the following individual issues:

Series 2001 refunding bond dated November 1, 2001, issued in the original principal amount of \$17,065,000 for the purpose of funding and refunding; principal payments from \$1,320,000 to \$2,580,000 due annually from November 1, 2008 through 2016 at interest rates from 3.75% to 5.50%.

Series 2008 refunding bonds dated December 1, 2008 issued in the original principal amount of \$2,555,000 for the purpose of funding and refunding; principal payments from \$240,000 to \$405,000 due annually through 2016 at an interest rate of 4.00%.

Series 2014A general obligation bonds dated March 18, 2015 issued in the original principal amount of \$7,900,000 for the purpose of funding; principal payments from \$340,000 to \$2,065,000 due annually from 2018 through 2022 at an interest rate of 3.00% to 4.00%.

Series 2014B funding and refunding bonds dated March 18, 2015 issued in the original principal amount of \$800,000 for the purpose of funding and refunding; principal payments of \$800,000 due in 2018 at an interest rate of 1.30%. Proceeds of \$710,000 of this bond was used to defease the Series 2001 bond.

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
Notes to Financial Statements (continued)  
June 30, 2017

**4. LONG-TERM DEBT (Continued)**

At June 30, 2017 the annual cash flow requirements of all bonds payable to retirement were as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2018	\$ 2,520,000	\$ 273,400	\$ 2,793,400
2019	1,830,000	197,200	2,027,200
2020	1,945,000	121,700	2,066,700
2021	2,065,000	46,500	2,111,500
2022	340,000	5,100	345,100
Total	\$ 8,700,000	\$ 643,900	\$ 9,343,900

Payments to retire bonds payable will be made from debt service levies in future periods.

The District is subject to the *Illinois Compiled Statutes* which limits the amount of 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 \$113,067,429 providing a debt margin of \$98,832,471 after taking into account amounts available in the Debt Service Fund.

**b. Debt Certificates**

\$8,795,000 of Debt Certificates, Series 2017 due serially on June 1, with a maturity date of June 1, 2032 and an interest rate ranging from 2.00% to 4.00%.

Principal and interest requirements for the debt certificate is as follows:

Fiscal Year Ended June 30,	Principal	Interest	Total
2018	\$ 425,000	\$ 361,632	\$ 786,632
2019	465,000	321,925	786,925
2020	485,000	303,325	788,325
2021	500,000	283,925	783,925
2022	515,000	268,925	783,925
2023-2027	2,910,000	1,018,225	3,928,225
2028-2032	3,495,000	430,400	3,925,400
Total	\$ 8,795,000	\$ 2,988,357	\$ 11,783,357

**4. LONG-TERM DEBT (Continued)**

**c. Capital Leases**

The District has entered into lease agreements as lessee for financing the acquisition of equipment. The lease agreements qualify as capital leases for accounting purposes and, therefore, the assets and obligations have been recorded at the present value of the future minimum lease payments as of the inception date. At June 30, 2017, \$872,037 of amounts included in capital assets were acquired via capital leases. The obligations for the capital leases will be repaid from the Debt Service Fund. The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2017, are as follows:

	Amount
2018	\$ 250,877
2019	246,501
2020	168,332
2021	113,072
Total minimum lease payments	<u>778,782</u>
Less: amount representing interest	<u>(54,593)</u>
Present value of minimum lease payments	<u>\$ 724,189</u>

**5. JOINT VENTURE - FEDERATION OF DISTRICTS FOR SPECIAL EDUCATION (FDSE)**

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

**6. RISK MANAGEMENT**

The District is a member of Collective Liability Insurance Cooperative (CLIC), which has been formed to provide casualty, workman's compensation, property and liability protections and to administer some or all insurance coverages and protection other than health, life and accident coverages procured by the member districts. It is intended, by the creation of CLIC to allow a member District to equalize annual fluctuations in insurance costs by establishing a program whereby reserves may be created and temporary deficits of individual Districts covered and to ultimately equalize the risks and stabilize the costs of providing casualty, property and liability protections. If, during any fiscal year, the funds on hand in the account of CLIC are not sufficient to pay expenses of administration, the Board of Directors shall require supplementary payment from all members. Such payment shall be made in the same proportion as prior payments during that year to CLIC. Complete financial statements for CLIC can be obtained from its administrator, 2 Pierce Place, Itasca, Illinois 60143.

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

## **7. EMPLOYEE RETIREMENT SYSTEMS**

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

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

#### **i. Plan Description**

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

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

#### **ii. 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.

**7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**iii. Contributions**

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

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

**On-behalf contributions to TRS.** The State of Illinois makes employer pension contributions on-behalf of the District. For the year ended June 30, 2017, State of Illinois contributions recognized by the District were based on the State's proportionate share of the collective net pension liability associated with the District, and the District recognized revenue and expenditures of \$15,297,726 in pension contributions from the State of Illinois.

**2.2 formula contributions.** The District contributes 0.58% of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2017 were \$231,261, and are deferred because they were paid after the June 30, 2016 measurement date.

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

For the year ended June 30, 2017, the employer pension contribution was 38.54% of salaries paid from federal and special trust funds. For the year ended June 30, 2016, salaries totaling \$179,474 were paid from the federal and special trust funds that required employer contributions of \$69,169. These contributions are deferred because they were paid after the June 30, 2017 measurement date.

**Employer retirement cost contributions.** Under GASB Statement No. 68, contributions that an employer is required to pay because of a TRS member retiring are categorized as specific liability payments. The District is required to make a one-time contribution to TRS for members retiring under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the current program is 146.5% and applies when the member is age 55 at retirement. For the year ended June 30, 2017, the employer did not make a payment to TRS for employer ERO contributions.

**7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6% if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2017, the District paid \$1,666 to TRS for employer contributions due on salary increases in excess of 6% and made no payments for sick leave days granted in excess of the normal annual allotment.

**iv. 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	\$	6,137,061
State's proportionate share of the net pension liability associated with the District		<u>306,903,264</u>
Total	\$	<u>313,040,325</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, 2015, the District's proportion was 0.00777%, which was an increase of 0.00029 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$15,297,726 and revenue of \$15,297,726 for support provided by the state. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 45,378	\$ 4,162
Changes in assumptions	527,082	-
Net difference between projected and actual earnings on pension plan investments	173,383	-
Changes in proportion and differences between District contributions and proportionate share of contributions	430,849	396,278
District contributions subsequent to the measurement date	<u>302,096</u>	<u>-</u>
Total	<u>\$ 1,478,788</u>	<u>\$ 402,440</u>

## 7. EMPLOYEE RETIREMENT SYSTEMS (Continued)

\$302,096 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Net Deferred Outflows of Resources
2017	\$ 103,170
2018	103,170
2019	319,699
2020	214,533
2021	33,680
Total	<u>\$ 774,252</u>

### v. 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:

<b>Inflation</b>	2.5 percent
<b>Salary increases</b>	varies by amount of service credit
<b>Investment rate of return</b>	7.00 percent, net of pension plan investment expense, including inflation

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

For the June 30, 2016 valuation, the investment return assumption was lowered from 7.50% to 7.00%. Salary increase assumptions were lowered from their 2015 levels. Other assumptions were based on the 2015 experience analysis which 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:

**7. EMPLOYEE RETIREMENT SYSTEMS (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%	1.70%
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%
	<u>100%</u>	

**vi. 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.

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

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

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



**7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

	1% Decrease (5.83%)	Current Discount Rate (6.83%)	1% Increase (7.83%)
District's proportionate share of the net pension liability	\$ 7,505,875	\$ 6,137,061	\$ 5,019,103

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

**b. Illinois Municipal Retirement Fund (IMRF)**

**i. Plan Description and Benefits**

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

All employees (other than those covered by TRS) hired in positions that meet or exceed the prescribed annual hourly standard must be enrolled in IMRF as participating members. IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter. Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

**ii. Plan Membership**

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

Inactive employees or beneficiaries currently receiving benefits	216
Inactive employees entitled to but not yet receiving benefits	313
Active employees	212
Total	<u>741</u>

**7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**iii. Contributions**

As set by statute, Regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The District's actual contribution rate for calendar year 2016 was 13.30% of covered payroll. The District contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**iv. Net Pension Liability**

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

**v. Actuarial Assumptions**

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

Actuarial cost method	Entry Age Normal
Asset valuation method	Market Value of Assets
Price inflation	2.75%
Salary increases	3.75% to 14.50%, including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011-2013.
Mortality	For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2014 (base year 2014). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

Other Information:  
Notes

There were no benefit changes during the year.

## **7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

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

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

### **vi. Single Discount Rate**

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

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

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

**7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

**vii. Changes in Net Pension Liability**

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2015	\$ 43,180,877	\$ 35,305,974	\$ 7,874,903
Changes for the year:			
Service Cost	923,687	-	923,687
Interest on the Total Pension Liability	3,174,815	-	3,174,815
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience of the Total Pension Liability	(781,806)	-	(781,806)
Changes of Assumptions	(195,059)	-	(195,059)
Contributions - Employer	-	1,052,872	(1,052,872)
Contributions - Employees	-	357,029	(357,029)
Net Investment Income	-	2,427,135	(2,427,135)
Benefit Payments, including Refunds of Employee Contributions	(2,169,759)	(2,169,759)	-
Other (Net Transfer)	-	270,971	(270,971)
Net Changes	951,878	1,938,248	(986,370)
Balances at December 31, 2016	\$ 44,132,755	\$ 37,244,222	\$ 6,888,533

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

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net pension liability (asset)	\$ 12,122,518	\$ 6,888,533	\$ 2,530,474

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

For the year ended June 30, 2016, the District recognized pension expense of \$1,597,423. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**7. EMPLOYEE RETIREMENT SYSTEMS (Continued)**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 10,825	\$ 478,921
Changes in assumptions	11,789	119,490
Net difference between projected and actual earnings on pension plan investments	1,824,322	-
Total deferred amounts to be recognized in pension expense in future periods	1,846,936	598,411
Contributions subsequent to the measurement date	562,016	-
Total	\$ 2,408,952	\$ 598,411

\$562,016 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending December 31	Net Deferred Outflows of Resources
2017	\$ 269,768
2018	405,652
2019	532,609
2020	40,496
2021	-
Thereafter	-
Total	\$ 1,248,525

**8. OTHER POST-EMPLOYMENT BENEFITS**

**a. Teacher Health Insurance Security (THIS)**

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

**8. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

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

**On Behalf Contributions to THIS Fund.** The state of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 1.12% of pay during the year ended June 30, 2017. State of Illinois contributions were \$446,573, and the district recognized revenue and expenditures of this amount during the year.

**Employer contributions to THIS Fund.** The District also makes contributions to THIS Fund. The District THIS Fund contribution was 0.84% during the year ended June 30, 2017. For the year ended June 30, 2017, the District paid \$334,930 to the THIS Fund, which was 100 percent of the required contribution.

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

**Retirees' Health Plan**

The District administers a single-employer defined benefit healthcare plan ("the Retirees' Health Plan"). The plan provides healthcare benefits for eligible retirees and, in some cases, their dependents through the District's group health insurance plan, which covers both active and retired members. Benefit provisions are established through collective bargaining agreements. Non-certified retirees and their dependents may continue coverage under the District group health insurance program until age 65 by contributing the monthly premium. Certified retirees are reimbursed for the full single monthly contribution required for the medical coverage sponsored by the Illinois Teachers' Retirement System. Coverage for certified retirees terminates when the retiree becomes eligible for Medicare benefits or reaches age 65. The Retirees' Health Plan does not issue a publicly available financial report.

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 parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the Retirees' Health Plan, and changes in the District's net OPEB obligation to the Retirees' Health Plan:

**8. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

	June 30, 2016	June 30, 2017
Annual Required Contribution	\$ 625,262	\$ 729,074
Interest on net OPEB Obligations	117,103	135,342
Adjustment to annual required contribution	(152,879)	(176,690)
Total Annual OPEB Cost	589,486	687,726
Contributions made by the District	(184,173)	(273,495)
Increase in net OPEB obligation	405,313	414,231
Net OPEB obligation - Beginning of Year	2,602,285	3,007,598
Net OPEB obligation - End of Year	\$ 3,007,598	\$ 3,421,829

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

Fiscal Year Ending	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation (Asset)
June 30, 2017	\$ 687,726	39.77%	\$ 3,421,829
June 30, 2016	589,486	31.24%	3,007,598
June 30, 2015	595,326	28.64%	2,602,285

The funded status of the Retirees' Health Plan as of June 30, 2017, the most recent actuarial valuation date, is as follows:

	2017
Actuarial accrued liability (AAL)	\$ 7,018,451
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	7,018,451
Funded ratio (actuarial value of plan assets/AAL)	0%
Covered payroll (active plan members)	34,719,480
UALL as a percentage of covered payroll	20.2%

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

## **8. OTHER POST-EMPLOYMENT BENEFITS (Continued)**

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

In the June 30, 2014 actuarial valuation, the entry age actuarial cost method was used. Under this method a normal cost is developed by spreading the actuarial value of benefits expected to be received by each active participant over the total working lifetime of that participant, from hire to termination, as a level percentage of pay. To the extent that current assets and future normal costs do not support participants' expected future benefit, an Unfunded Actuarial Accrued Liability develops and is amortized over a defined period of time. The actuarial assumptions include a 4.5% investment rate of return and a 3.5% per year salary progression.

## **9. EXCESS OF EXPENDITURES OVER BUDGETS IN INDIVIDUAL FUNDS**

Expenditures exceeded the budgeted amount in the following funds:

	Budget	Actual	Over (under)
Transportation Fund	\$ 2,740,140	\$ 3,010,726	\$ 270,586

The expenditure variance was sufficiently absorbed by surpluses that existed at the beginning of the fiscal year and were approved by the Board of Education. Under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.

## **10. INTERFUND TRANSFERS**

The following interfund transfers were made during the year ended June 30, 2017:

Transfer From	Transfer To	Amount
General Fund - Working Cash Account	Capital Projects Fund	\$ 4,500,000
General Fund - Education Account	Debt Service Fund	356,718
	Total Transfers	<u>\$ 4,856,718</u>

Transfers from the General Fund to the Capital Projects Fund were to provide funds for building projects. Transfers from the General Fund to the Debt Service Fund were to provide funds for payment of interest and principal on capital leases.

## **11. FUND BALANCE REPORTING**

According to Government Accounting Standards, fund balances are to be classified into five major classifications; Nonspendable Fund Balance, Restricted Fund Balance, Committed Fund Balance, Assigned Fund Balance, and Unassigned Fund Balance.



**11. FUND BALANCE REPORTING (Continued)**

**A. Nonspendable Fund Balance**

The nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

**B. Restricted Fund Balance**

The restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the entity. Things such as restrictions imposed by creditors, grantors, contributors, or laws and regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The District has several revenue sources received within different funds that also fall into these categories –

**C. Committed Fund Balance**

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the School Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

**D. Assigned Fund Balance**

The assigned fund balance classification refers to the amounts that are constrained by the government's intent to be used for a specific purpose, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

**E. Unassigned Fund Balance**

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed, or assigned to specific purposes within the General Funds.

**F. Expenditures of Fund Balance**

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

**12. STATE AND FEDERAL AID CONTINGENCIES**

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

**13. TERMINATION BENEFITS**

The collective bargaining agreement between the District and the Park Ridge Education Association includes a voluntary early retirement incentive plan. A teacher that meets the eligibility requirements, which includes length of service and timing requirements, qualifies to receive a lump sum bonus of \$33,000 and board-paid single health insurance coverage up to a maximum monthly cost of \$700 until Medicare eligibility.

As of June 30, 2017, \$699,232 has been reported in the General Fund for teachers retiring as of that date, and an additional \$172,233 in governmental activities for all teacher who have given notice. The amounts have not been discounted as they are expected to be paid from non-interest-bearing cash on hand. The related health benefits have been included in the calculation of the actuarial accrued liability for other postemployment benefits.

**14. COMMITMENTS**

As of June 30, 2017, the District was committed to approximately \$2,100,000 in ongoing construction contracts.

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
Schedule of Changes in the Employer's Net Pension Liability  
And Related Ratios  
Illinois Municipal Retirement Fund  
Last Three Calendar Years

	2016	2015	2014
<b>TOTAL PENSION LIABILITY</b>			
Service Cost	\$ 923,687	\$ 927,332	\$ 1,014,840
Interest	3,174,815	3,033,198	2,769,703
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	(781,806)	44,747	(33,907)
Changes of Assumptions	(195,059)	48,731	1,868,609
Benefit Payments, Including Refunds of Member Contributions	(2,169,759)	(2,029,041)	(1,869,183)
Net Change in Total Pension Liability	951,878	2,024,967	3,750,062
Total Pension Liability - Beginning	43,180,877	41,155,910	37,405,848
<b>TOTAL PENSION LIABILITY - ENDING</b>	<b>\$ 44,132,755</b>	<b>\$ 43,180,877</b>	<b>\$ 41,155,910</b>
<b>PLAN FIDUCIARY NET POSITION</b>			
Contributions - Employer	\$ 1,052,872	\$ 1,094,745	\$ 1,167,236
Contributions - Member	357,029	372,484	383,252
Net Investment Income	2,427,135	174,246	2,030,460
Benefit Payments, Including Refunds of Member Contributions	(2,169,759)	(2,029,041)	(1,869,183)
Other(Net Transfer)	270,971	563,439	(27,247)
Net Change in Plan Fiduciary Net Position	1,938,248	175,873	1,684,518
Plan Net Position - Beginning	35,305,974	35,130,101	33,445,583
<b>PLAN NET POSITION - ENDING</b>	<b>\$ 37,244,222</b>	<b>\$ 35,305,974</b>	<b>\$ 35,130,101</b>
<b>EMPLOYER'S NET PENSION LIABILITY (ASSET)</b>	<b>\$ 6,888,533</b>	<b>\$ 7,874,903</b>	<b>\$ 6,025,809</b>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	84.39%	81.76%	85.36%
Covered-Employee Payroll	\$ 7,916,332	\$ 8,312,852	\$ 8,244,547
Employer's Net Pension Liability as a Percentage of Covered - Employee Payroll	87.02%	94.73%	73.09%

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

**PARK RIDGE-NILES SCHOOL DISTRICT 64****Schedule of Employer Contributions****Illinois Municipal Retirement Fund****Last Three Fiscal Years**

<b>Fiscal Year</b>	<b>Actuarially Determined Contribution</b>	<b>Contributions in Relation to Actuarially Determined Contribution</b>	<b>Contribution Deficiency (Excess)</b>	<b>Covered Payroll</b>	<b>Contributions as a Percentage of Covered Payroll</b>
2017	\$ 1,046,265	\$ 1,046,265	\$ -	\$ 8,073,275	12.96%
2016	1,045,712	1,045,712	-	7,976,513	13.11%
2015	1,054,637	1,167,236	(112,599)	7,995,734	14.60%

**Notes to Schedule****Valuation date**

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

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Aggregate entry age normal
Amortization method	Level percent of pay, closed
Remaining amortization period	27 years
Asset valuation method	5-year smoothed market; 20% corridor
Wage growth	3.50%
Inflation	2.75%
Salary increases	3.75% to 14.50% including inflation
Investment rate of return	7.50%
Retirement age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2014 valuation pursuant to an experience study of the period 2011 - 2013.
Mortality	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.

The District implemented GASB Statement No. 68 in fiscal year 2015.

Information prior to fiscal year 2015 is not available.

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Schedule of the District's Proportionate Share of the  
Net Pension Liability  
Teachers' Retirement System  
Last Three Fiscal Years

	2017*	2016*	2015*
District's proportion of the net pension liability	0.0077747%	0.0074797%	0.0067571%
District's proportionate share of the net pension liability	\$ 6,137,061	\$ 4,899,942	\$ 4,112,280
State's proportionate share of the net pension liability associated with the District	306,903,264	248,039,197	225,408,348
Total	<u>\$313,040,325</u>	<u>\$252,939,139</u>	<u>\$229,520,628</u>
District's covered payroll	\$ 38,711,001	\$ 38,041,632	\$ 36,420,034
District's proportionate share of the net pension liability as a percentage of it's covered payroll	15.85%	12.88%	11.29%
Plan fiduciary net position as a percentage of the total pension liability	36.40%	41.50%	43.00%

\*The amounts presented have a measurement date as of the previous fiscal year end.

**Notes to Schedule***Changes of assumptions*

For the 2016 measurement year (fiscal year 2017), the assumed investment rate of return was of 7.0 percent, including an inflation rate of 2.5 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit.

For the 2015 measurement year (fiscal year 2016), the assumed investment rate of return was 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. Salary increases were assumed to vary by service credit. Various other changes in assumptions were adopted based on the experience analysis for the threeyear period ending June 30, 2014.

For the 2014 measurement year (fiscal year 2015), the assumed investment rate of return was also 7.5 percent, including an inflation rate of 3.0 percent and a real return of 4.5 percent. However, salary increases were assumed to vary by age.

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

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
**Schedule of Employer Contributions**  
**Teachers' Retirement System**  
**Last Three Fiscal Years**

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Fiscal Year	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2017	\$ 302,096	\$ 302,096	-	\$ 39,872,587	0.76%
2016	312,768	312,768	-	38,711,001	0.81%
2015	267,514	267,514	-	38,041,632	0.70%

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

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
Schedule of Funding Progress  
Other Postemployment Benefits  
June 30, 2017

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<b>Actuarial Valuation Date</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) -Entry Age (b)</b>	<b>Unfunded AAL (UAAL) (b-a)</b>	<b>Funded Ratio (a/b)</b>
June 30, 2015	\$ -	\$5,699,733	\$5,699,733	0.00%
June 30, 2016	-	6,075,531	6,075,531	0.00%
June 30, 2017	-	7,018,451	7,018,451	0.00%

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
**Statement of Revenues, Expenditures and Changes in Fund**  
**Balances - Budget and Actual - General Fund**  
**Year Ended June 30, 2017**

	Original and Final Budget	Actual	Variance Over/ (Under)
<b>REVENUES</b>			
Local sources	\$ 62,437,897	\$ 61,640,517	\$ (797,380)
State sources	19,452,420	18,896,971	(555,449)
Federal sources	1,805,500	1,962,666	157,166
Total Revenues	83,695,817	82,500,154	(1,195,663)
<b>EXPENDITURES</b>			
Current operating			
Instruction	56,739,246	56,361,657	(377,589)
Support services	24,673,475	24,636,846	(36,629)
Community services	446,871	487,309	40,438
Payments to other districts	1,007,600	954,960	(52,640)
Provision for contingencies	500,000	-	(500,000)
Total Expenditures	83,367,192	82,440,772	(926,420)
Excess of revenues over expenditures	328,625	59,382	(269,243)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers out	(4,857,195)	(4,856,718)	477
Capital lease proceeds	-	527,142	527,142
Sale of capital asset	-	3,015	3,015
Total other financing sources (uses)	(4,857,195)	(4,326,561)	530,634
Net change in fund balance	\$ (4,528,570)	(4,267,179)	\$ 261,391
Fund balances at beginning of year		46,002,393	
<b>FUND BALANCES AT END OF YEAR</b>		<u>\$ 41,735,214</u>	



## **BUDGETS AND BUDGETARY ACCOUNTING**

Annual budgets for all Governmental Funds are adopted on the modified accrual basis, consistent with generally accepted accounting principles (GAAP) for local governments. Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Governmental Funds. All encumbrances are canceled at year end, and, if necessary, are reinstated at the beginning of the subsequent fiscal year.

Legal spending control for District moneys is at the fund level, but management control is exercised at budgetary line item levels within each fund. The Board of Education, in accordance with Chapter 105, Section 5/17-1 of the *Illinois Compiled Statutes*, follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30 the budget is legally adopted through passage of a resolution. On or before the last Tuesday in December, a tax levy ordinance is filed with the County Clerk to obtain tax revenues.
4. The Superintendent is authorized to transfer up to 10% of the total budget between departments within any fund without Board of Education approval; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education following the public hearing process mandated by law. The budget was adopted on September 26, 2016 and amended on June 26, 2017
5. Formal budgetary integration is employed as a management control device during the year for the Governmental Funds.
6. The District has adopted a legal budget for all its Governmental Funds. Total actual expenditures for the governmental funds may not legally exceed the total budgeted for such funds. However, under the State Budget Act expenditures may exceed the budget if additional resources are available to finance such expenditures.
7. The budget (all appropriations) lapses at the end of each fiscal year.

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
General Fund  
Combining Balance Sheet by Account  
June 30, 2017

	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
<b>ASSETS</b>					
Cash and investments	\$ 30,608,524	\$ 8,596,583	\$ 5,892,795	\$ 908,861	\$ 46,006,763
Receivables					
Property taxes	24,124,699	2,986,138	273,729	199,076	27,583,642
Due from other governments	1,797,678	-	-	-	1,797,678
Other receivables	93,080	14,837	20,385	2,331	130,633
<b>Total Assets</b>	<b>\$ 56,623,981</b>	<b>\$ 11,597,558</b>	<b>\$ 6,186,909</b>	<b>\$ 1,110,268</b>	<b>\$ 75,518,716</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>					
<b>Liabilities</b>					
Accounts payable	\$ 744,923	\$ 70,423	\$ -	\$ -	\$ 815,346
Accrued salaries and related expenditures	4,835,449	52,251	-	-	4,887,700
<b>Total Liabilities</b>	<b>5,580,372</b>	<b>122,674</b>	<b>-</b>	<b>-</b>	<b>5,703,046</b>
<b>Deferred Inflows</b>					
Other deferred revenue	496,814	-	-	-	496,814
Property taxes levied for subsequent year	24,124,699	2,986,138	273,729	199,076	27,583,642
<b>Total Deferred Inflows</b>	<b>24,621,513</b>	<b>2,986,138</b>	<b>273,729</b>	<b>199,076</b>	<b>28,080,456</b>
<b>Fund Balances</b>					
Restricted					
Tort immunity	-	-	-	911,192	911,192
Unassigned	26,422,096	8,488,746	5,913,180	-	40,824,022
<b>Total Fund Balances</b>	<b>26,422,096</b>	<b>8,488,746</b>	<b>5,913,180</b>	<b>911,192</b>	<b>41,735,214</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>	<b>\$ 56,623,981</b>	<b>\$ 11,597,558</b>	<b>\$ 6,186,909</b>	<b>\$ 1,110,268</b>	<b>\$ 75,518,716</b>

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
General Fund  
Combining Statement of Revenues, Expenditures and Changes  
In Fund Balances by Account  
Year Ended June 30, 2017

	Educational	Operations and Maintenance	Working Cash	Tort Immunity	Total General
<b>REVENUES</b>					
Local sources	\$ 53,371,976	\$ 7,046,921	\$ 648,307	\$ 573,313	\$ 61,640,517
State sources	18,879,357	17,614	-	-	18,896,971
Federal sources	1,962,666	-	-	-	1,962,666
Total Revenues	74,213,999	7,064,535	648,307	573,313	82,500,154
<b>EXPENDITURES</b>					
Current operating					
Instruction	56,361,657	-	-	-	56,361,657
Support services	18,744,771	5,241,933	-	650,142	24,636,846
Community services	487,309	-	-	-	487,309
Payments to other districts	929,202	25,758	-	-	954,960
Total Expenditures	76,522,939	5,267,691	-	650,142	82,440,772
Excess (deficiency) of revenues over expenditures	(2,308,940)	1,796,844	648,307	(76,829)	59,382
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out	(356,718)	-	(4,500,000)	-	(4,856,718)
Capital lease proceeds	527,142	-	-	-	527,142
Sale of capital asset	-	3,015	-	-	3,015
Total other financing sources (uses)	170,424	3,015	(4,500,000)	-	(4,326,561)
Net change in fund balance	(2,138,516)	1,799,859	(3,851,693)	(76,829)	(4,267,179)
Fund balances at beginning of year	28,560,612	6,688,887	9,764,873	988,021	46,002,393
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 26,422,096</b>	<b>\$ 8,488,746</b>	<b>\$ 5,913,180</b>	<b>\$ 911,192</b>	<b>\$ 41,735,214</b>

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Educational Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			
	Final Budget	Actual	Variance over/under	2016 Actual
REVENUES				
Local Sources				
General tax levy	\$ 47,227,000	\$ 45,740,509	\$ (1,486,491)	\$ 48,223,031
Special education levy	3,587,300	3,482,146	(105,154)	1,693,866
Corporate replacement taxes	870,384	1,094,847	224,463	994,147
Tuition	390,000	442,442	52,442	422,260
Earnings on investments	306,600	(179,232)	(485,832)	612,442
Food services	565,000	522,707	(42,293)	577,146
Pupil activities	66,900	69,157	2,257	73,879
Textbooks	1,000,000	1,081,228	81,228	1,050,109
Contributions and donations	94,600	105,538	10,938	109,953
Payments of surplus monies from TIF districts	350,000	360,000	10,000	720,000
Other	525,750	652,634	126,884	387,031
Total Local Sources	54,983,534	53,371,976	(1,611,558)	54,863,864
State Sources				
General state aid	1,573,000	1,682,678	109,678	1,572,924
Special education	2,076,230	1,452,091	(624,139)	2,083,906
School lunch aid	590	289	(301)	454
On behalf payments to TRS from the state	15,800,000	15,744,299	(55,701)	14,300,182
Other grants-in-aid	2,600	-	(2,600)	2,674
Total State Sources	19,452,420	18,879,357	(573,063)	17,960,140
Federal Sources				
National school lunch program	28,600	31,916	3,316	30,545
Title I - low income	275,800	244,482	(31,318)	262,575
Preschool flow through	18,700	21,685	2,985	17,480
IDEA	1,100,000	1,121,587	21,587	1,004,663
IDEA - room and board	-	105,268	105,268	-
Medicaid matching	316,000	367,964	51,964	258,659
Title II - teacher quality	66,400	69,764	3,364	84,836
Total Federal Sources	1,805,500	1,962,666	157,166	1,658,758
Total Revenues	76,241,454	74,213,999	(2,027,455)	74,482,762

(Continued)

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Educational Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>EXPENDITURES</b>				
Current operating				
Instruction				
Regular programs				
Salaries	\$ 24,558,950	\$ 24,594,479	\$ 35,529	\$ 24,511,629
Employee benefits	2,924,194	2,927,058	2,864	2,653,970
On-behalf payments to TRS from the state	15,800,000	15,744,299	(55,701)	14,300,182
Purchased services	267,510	232,729	(34,781)	137,144
Supplies and materials	663,582	568,174	(95,408)	521,642
Capital outlay	20,400	25,358	4,958	8,675
Other	12,535	9,224	(3,311)	2,920
Non capitalized equipment	3,100	7,288	4,188	4,400
Total	44,250,271	44,108,609	(141,662)	42,140,562
Tuition payment to charter schools				
Purchased services	31,500	-	(31,500)	-
Total	31,500	-	(31,500)	-
Special programs				
Salaries	5,386,850	5,440,156	53,306	5,510,234
Employee benefits	988,260	1,060,305	72,045	1,045,657
Purchased services	72,000	89,712	17,712	47,242
Supplies and materials	103,800	125,467	21,667	112,193
Capital outlay	15,000	2,120	(12,880)	19,140
Non capitalized equipment	5,000	-	(5,000)	4,085
Total	6,570,910	6,717,760	146,850	6,738,551
Special programs pre-K				
Salaries	591,300	670,567	79,267	791,495
Employee benefits	141,940	142,478	538	163,458
Supplies and materials	27,500	35,357	7,857	28,001
Non-capitalized equipment	-	1,107	1,107	-
Total	760,740	849,509	88,769	982,954

(Continued)

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Educational Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>Remedial and supplemental programs K-12</b>				
Salaries	\$ 150,500	\$ 123,068	\$ (27,432)	\$ 180,558
Employee benefits	60,950	47,270	(13,680)	68,256
Purchased services	900	-	(900)	1,800
Supplies and materials	5,176	-	(5,176)	7,031
Other objects	24,000	6,044	(17,956)	18,564
<b>Total</b>	<b>241,526</b>	<b>176,382</b>	<b>(65,144)</b>	<b>276,209</b>
<b>CTE programs</b>				
Salaries	1,073,600	1,073,140	(460)	1,014,969
Employee benefits	139,850	132,334	(7,516)	117,505
Purchased services	5,780	4,607	(1,173)	4,761
Supplies and materials	67,307	58,083	(9,224)	87,963
Capital outlay	4,700	4,817	117	-
Non-capitalized equipment	-	1,671	1,671	-
<b>Total</b>	<b>1,291,237</b>	<b>1,274,652</b>	<b>(16,585)</b>	<b>1,225,198</b>
<b>Interscholastic programs</b>				
Salaries	217,600	201,889	(15,711)	155,143
Employee benefits	3,087	2,506	(581)	1,907
Purchased services	7,240	10,455	3,215	8,808
Supplies and materials	21,650	9,448	(12,202)	7,512
Other	2,900	240	(2,660)	1,240
<b>Total</b>	<b>252,477</b>	<b>224,538</b>	<b>(27,939)</b>	<b>174,610</b>
<b>Summer school</b>				
Salaries	332,300	302,367	(29,933)	333,251
Employee benefits	3,235	6,056	2,821	4,370
Purchased services	6,500	5,136	(1,364)	7,884
Supplies and materials	11,200	13,062	1,862	16,872
<b>Total</b>	<b>353,235</b>	<b>326,621</b>	<b>(26,614)</b>	<b>362,377</b>

(Continued)

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Educational Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>Gifted programs</b>				
Salaries	\$ 1,404,000	\$ 1,423,805	\$ 19,805	\$ 1,161,268
Employee benefits	176,800	189,471	12,671	133,941
Purchased services	1,000	225	(775)	560
Supplies and materials	15,050	8,118	(6,932)	14,052
Other objects	-	50	50	-
<b>Total</b>	<b>1,596,850</b>	<b>1,621,669</b>	<b>24,819</b>	<b>1,309,821</b>
<b>Bilingual</b>				
Salaries	607,000	553,110	(53,890)	584,266
Employee benefits	82,300	71,344	(10,956)	80,558
Purchased services	700	168	(532)	236
Supplies and materials	500	1,508	1,008	-
<b>Total</b>	<b>690,500</b>	<b>626,130</b>	<b>(64,370)</b>	<b>665,060</b>
<b>Special education programs K-12- private tuition</b>				
Other objects	700,000	435,787	(264,213)	673,988
<b>Total</b>	<b>700,000</b>	<b>435,787</b>	<b>(264,213)</b>	<b>673,988</b>
<b>Total Instruction</b>	<b>56,739,246</b>	<b>56,361,657</b>	<b>(377,589)</b>	<b>54,549,330</b>
<b>Support Services</b>				
<b>Pupils</b>				
<b>Attendance and social work:</b>				
Salaries	1,031,900	1,000,375	(31,525)	944,147
Employee benefits	174,400	115,521	(58,879)	122,612
Purchased services	46,500	66,051	19,551	40,968
Supplies and materials	53,500	39,765	(13,735)	49,227
<b>Total</b>	<b>1,306,300</b>	<b>1,221,712</b>	<b>(84,588)</b>	<b>1,156,954</b>
<b>Guidance services</b>				
Salaries	163,400	161,887	(1,513)	161,437
Employee benefits	12,950	16,706	3,756	11,264
Purchased services	2,300	1,287	(1,013)	-
Supplies and materials	1,600	220	(1,380)	-
<b>Total</b>	<b>180,250</b>	<b>180,100</b>	<b>(150)</b>	<b>172,701</b>

(Continued)

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Educational Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>Health services</b>				
Salaries	\$ 938,300	\$ 922,432	\$ (15,868)	\$ 857,115
Employee benefits	144,680	180,310	35,630	131,201
Purchased services	71,700	38,548	(33,152)	161,067
Supplies and materials	8,000	9,277	1,277	6,398
Other	-	450	450	-
Non-capitalized equipment	-	-	-	1,395
<b>Total</b>	<b>1,162,680</b>	<b>1,151,017</b>	<b>(11,663)</b>	<b>1,157,176</b>
<b>Psychological services</b>				
Salaries	446,900	440,784	(6,116)	394,147
Employee benefits	42,960	36,824	(6,136)	34,367
Purchased services	800	209	(591)	340
Supplies and materials	2,000	3,561	1,561	2,382
Other	600	150	(450)	525
<b>Total</b>	<b>493,260</b>	<b>481,528</b>	<b>(11,732)</b>	<b>431,761</b>
<b>Speech pathology and audiology services</b>				
Salaries	1,322,100	1,322,310	210	1,137,074
Employee benefits	169,000	193,094	24,094	150,087
Purchased services	500	-	(500)	29
Supplies and materials	-	785	785	-
<b>Total</b>	<b>1,491,600</b>	<b>1,516,189</b>	<b>24,589</b>	<b>1,287,190</b>
<b>Other support services</b>				
Salaries	891,304	940,706	49,402	513,701
Employee benefits	7,402	4,881	(2,521)	2,079
Purchased services	35,600	23,371	(12,229)	14,695
Supplies and materials	20,400	13,036	(7,364)	17,899
<b>Total</b>	<b>954,706</b>	<b>981,994</b>	<b>27,288</b>	<b>548,374</b>

(Continued)



**PARK RIDGE-NILES SCHOOL DISTRICT 64****Educational Account****Schedule of Revenues, Expenditures and Changes in Fund Balance****Budget and Actual****Year Ended June 30, 2017 with Comparative Actual Totals for 2016**

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
Instructional staff				
Improvement of instruction services:				
Salaries	\$ 564,514	\$ 454,523	\$ (109,991)	\$ 491,327
Employee benefits	89,852	74,437	(15,415)	85,308
Purchased services	164,378	147,327	(17,051)	216,329
Supplies and materials	17,450	17,599	149	21,001
Other	300	2,412	2,112	2,680
Total	836,494	696,298	(140,196)	816,645
Education media				
Salaries	2,282,400	2,108,692	(173,708)	1,930,285
Employee benefits	395,120	375,474	(19,646)	325,336
Purchased services	183,060	147,552	(35,508)	326,835
Supplies and materials	993,990	851,869	(142,121)	816,060
Capital outlay	288,000	136,441	(151,559)	45,713
Other	2,400	1,421	(979)	(408)
Non-capitalized equipment	-	420,225	420,225	182,081
Total	4,144,970	4,041,674	(103,296)	3,625,902
Assessment and testing				
Purchased services	93,500	47,259	(46,241)	17,600
Supplies and materials	-	-	-	4,913
Total	93,500	47,259	(46,241)	22,513
General administration				
Board of education				
Salaries	10,000	12,500	2,500	5,022
Employee Benefits	160,000	132,956	(27,044)	160,442
Purchased services	449,000	332,836	(116,164)	469,370
Supplies and materials	15,250	12,280	(2,970)	16,831
Other	16,000	12,674	(3,326)	13,607
Total	650,250	503,246	(147,004)	665,272

(Continued)

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Educational Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>Executive administration</b>				
Salaries	\$ 279,100	\$ 287,079	\$ 7,979	\$ 277,081
Employee benefits	69,400	67,531	(1,869)	67,556
Purchased services	17,660	16,467	(1,193)	41,507
Supplies and materials	4,500	4,029	(471)	2,712
Other	4,000	4,128	128	3,913
<b>Total</b>	<b>374,660</b>	<b>379,234</b>	<b>4,574</b>	<b>392,769</b>
<b>Special area administrative services</b>				
Salaries	508,305	487,031	(21,274)	352,317
Employee benefits	141,020	139,125	(1,895)	90,548
Purchased services	2,760	4,411	1,651	1,871
Supplies and materials	1,000	-	(1,000)	-
<b>Total</b>	<b>653,085</b>	<b>630,567</b>	<b>(22,518)</b>	<b>444,736</b>
<b>School administration</b>				
<b>Office of the principal</b>				
Salaries	2,115,437	2,101,982	(13,455)	2,130,161
Employee benefits	638,180	617,172	(21,008)	637,465
Purchased services	108,740	35,089	(73,651)	24,639
Supplies and materials	13,713	7,831	(5,882)	9,523
Other	-	715	715	-
Non-capitalized equipment	-	759	759	-
<b>Total</b>	<b>2,876,070</b>	<b>2,763,548</b>	<b>(112,522)</b>	<b>2,801,788</b>
<b>Direction of business support services</b>				
Salaries	166,500	161,420	(5,080)	168,340
Employee benefits	57,775	49,503	(8,272)	48,626
Purchased services	7,660	4,756	(2,904)	5,716
<b>Total</b>	<b>231,935</b>	<b>215,679</b>	<b>(16,256)</b>	<b>222,682</b>

(Continued)

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

## Educational Account

## Schedule of Revenues, Expenditures and Changes in Fund Balance

## Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>Fiscal services</b>				
Salaries	\$ 414,900	\$ 421,051	\$ 6,151	\$ 410,056
Employee benefits	73,550	65,331	(8,219)	70,873
Purchased services	139,500	143,928	4,428	110,410
Supplies and materials	10,000	6,778	(3,222)	4,920
Capital outlay	13,500	8,874	(4,626)	-
Other	110,000	85,642	(24,358)	85,743
<b>Total</b>	<b>761,450</b>	<b>731,604</b>	<b>(29,846)</b>	<b>682,002</b>
<b>Operation and maintenance of plant services</b>				
Salaries	-	3,738	3,738	-
Employee benefits	-	37	37	-
<b>Total</b>	<b>-</b>	<b>3,775</b>	<b>3,775</b>	<b>-</b>
<b>Pupil transportation services</b>				
Purchased services	-	3,793	3,793	-
<b>Total</b>	<b>-</b>	<b>3,793</b>	<b>3,793</b>	<b>-</b>
<b>Food services</b>				
Purchased services	597,000	610,784	13,784	566,584
Supplies and materials	6,000	8,293	2,293	815
Capital outlay	6,800	4,313	(2,487)	-
Other	-	75	75	-
Non-capitalized equipment	-	888	888	-
<b>Total</b>	<b>609,800</b>	<b>624,353</b>	<b>14,553</b>	<b>567,399</b>
<b>Internal services</b>				
Purchased services	140,000	188,106	48,106	143,575
Supplies and materials	60,000	35,506	(24,494)	57,235
<b>Total</b>	<b>200,000</b>	<b>223,612</b>	<b>23,612</b>	<b>200,810</b>
<b>Planning, R&amp;D, and evaluation</b>				
Purchased services	18,400	-	(18,400)	18,400
<b>Total</b>	<b>18,400</b>	<b>-</b>	<b>(18,400)</b>	<b>18,400</b>

(Continued)

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Educational Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>Information services</b>				
Salaries	\$ 117,100	\$ 117,133	\$ 33	\$ 118,537
Employee benefits	356	367	11	319
Purchased services	266,460	264,236	(2,224)	343,127
Supplies and materials	10,400	1,818	(8,582)	2,511
Other	-	860	860	-
<b>Total</b>	<b>394,316</b>	<b>384,414</b>	<b>(9,902)</b>	<b>464,494</b>
<b>Staff services</b>				
Salaries	380,146	370,328	(9,818)	404,730
Employee benefits	88,620	99,438	10,818	83,017
Purchased services	157,860	108,322	(49,538)	99,048
Supplies and materials	2,500	2,253	(247)	2,039
Termination benefits	-	855,692	855,692	-
<b>Total</b>	<b>629,126</b>	<b>1,436,033</b>	<b>806,907</b>	<b>588,834</b>
<b>Data processing services</b>				
Capital outlay	-	527,142	527,142	-
<b>Total</b>	<b>-</b>	<b>527,142</b>	<b>527,142</b>	<b>-</b>
<b>Total Support Services</b>	<b>18,062,852</b>	<b>18,744,771</b>	<b>681,919</b>	<b>16,268,402</b>
<b>Community services</b>				
Salaries	332,786	357,310	24,524	385,352
Employee benefits	84,619	106,470	21,851	87,691
Purchased services	13,266	19,434	6,168	11,922
Supplies and materials	14,200	4,095	(10,105)	11,556
Other	2,000	-	(2,000)	3,212
<b>Total Community Services</b>	<b>446,871</b>	<b>487,309</b>	<b>40,438</b>	<b>499,733</b>

(Continued)

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Educational Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
Payments to other districts and governmental units				
Payments for special education programs				
Purchased services	\$ 43,000	\$ 25,427	\$ (17,573)	\$ 74,703
Tuition	964,600	903,775	(60,825)	1,005,567
Total	1,007,600	929,202	(78,398)	1,080,270
Provision for contingencies	500,000	-	(500,000)	-
Total Expenditures	76,756,569	76,522,939	(233,630)	72,397,735
Excess (deficiency) of revenues over expenditures	(515,115)	(2,308,940)	(1,793,825)	2,085,027
<b>OTHER FINANCING SOURCES (USES)</b>				
Capital lease proceeds	-	527,142	527,142	-
Transfers out	(357,195)	(356,718)	477	(196,807)
Total other financing sources (uses)	(357,195)	170,424	527,619	(196,807)
Net change in fund balance	<u>\$ (872,310)</u>	<u>(2,138,516)</u>	<u>\$ (1,266,206)</u>	1,888,220
Fund balance at beginning of year		<u>28,560,612</u>		<u>26,672,392</u>
<b>FUND BALANCE AT END OF YEAR</b>		<u><u>\$ 26,422,096</u></u>		<u><u>\$ 28,560,612</u></u>

**PARK RIDGE-NILES SCHOOL DISTRICT 64****Operations and Maintenance Account****Schedule of Revenues, Expenditures and Changes in Fund Balance****Budget and Actual****Year Ended June 30, 2017 with Comparative Actual Totals for 2016**

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 5,919,000	\$ 6,529,286	\$ 610,286	\$ 7,433,170
Earnings on investments	44,800	69,309	24,509	42,960
Rentals	80,963	54,293	(26,670)	92,178
Other	226,000	394,033	168,033	422,177
Total Local Sources	6,270,763	7,046,921	776,158	7,990,485
State Sources				
Other	-	17,614	17,614	-
Total State Sources	-	17,614	17,614	-
Total Revenues	6,270,763	7,064,535	793,772	7,990,485
<b>EXPENDITURES</b>				
Current operating				
Support services				
Facilities acquisition services				
Purchased services	-	-	-	21,635
Total Facilities Acquisition Services	-	-	-	21,635
Operations and maintenance of plant services				
Salaries	2,661,800	2,569,675	(92,125)	2,509,282
Employee benefits	471,375	438,470	(32,905)	443,342
Purchased services	1,216,710	1,152,354	(64,356)	750,616
Supplies and materials	1,156,300	1,000,607	(155,693)	1,166,051
Capital outlay	410,000	65,965	(344,035)	219,419
Non-capitalized equipment	-	14,232	14,232	19,897
Total Operation and Maintenance of Plant Services	5,916,185	5,241,303	(674,882)	5,108,607
Other supporting services				
Purchased services	-	630	630	-
Total of Other Supporting Services	-	630	630	-
Total Support Services	5,916,185	5,241,933	(674,252)	5,130,242

(Continued)

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Operations and Maintenance Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
Payments to other districts and governmental units:				
Purchased services	\$ -	\$ 25,758	\$ 25,758	\$ -
Total payments to other districts	-	25,758	25,758	-
Total Expenditures	5,916,185	5,267,691	(648,494)	5,130,242
Excess of revenues over expenditures	354,578	1,796,844	1,442,266	2,860,243
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of capital asset	-	3,015	3,015	500
Total other financing sources (uses)	-	3,015	3,015	500
Net change in fund balance	<u>\$ 354,578</u>	1,799,859	<u>\$ 1,445,281</u>	2,860,743
Fund balance (deficit) at beginning of year		<u>6,688,887</u>		<u>3,828,144</u>
<b>FUND BALANCE AT END OF YEAR</b>		<u><u>\$ 8,488,746</u></u>		<u><u>\$ 6,688,887</u></u>

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Working Cash Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 449,300	\$ 512,110	\$ 62,810	\$ 445,693
Earnings on investments	183,400	136,197	(47,203)	171,116
Total Local Sources	632,700	648,307	15,607	616,809
Total Revenues	632,700	648,307	15,607	616,809
Excess of revenues over expenditures	632,700	648,307	15,607	616,809
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(4,500,000)	(4,500,000)	-	(5,500,000)
Total other financing sources (uses)	(4,500,000)	(4,500,000)	-	(5,500,000)
Net change in fund balance	<u>\$ (3,867,300)</u>	<u>(3,851,693)</u>	<u>\$ 15,607</u>	<u>(4,883,191)</u>
Fund balance at beginning of year		<u>9,764,873</u>		<u>14,648,064</u>
<b>FUND BALANCE AT END OF YEAR</b>		<u>\$ 5,913,180</u>		<u>\$ 9,764,873</u>



**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Tort Immunity Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			
	Final Budget	Actual	Variance over/under	2016 Actual
<b>REVENUES</b>				
Local Sources				
Tort immunity levy	\$ 546,900	\$ 552,119	\$ 5,219	\$ 681,209
Earnings on investments	4,000	5,135	1,135	4,058
Other	-	16,059	16,059	-
Total Local Sources	550,900	573,313	22,413	685,267
<b>EXPENDITURES</b>				
Support Services				
Board of education services				
Supplies and materials	-	-	-	-
Total	-	-	-	-
Workers' compensation or workers' occupational disease act payment				
Purchased services	495,000	482,031	(12,969)	565,571
Total	495,000	482,031	(12,969)	565,571
Unemployment insurance payment				
Employee benefits	40,000	7,630	(32,370)	36,148
Purchased services	-	1,250	1,250	1,250
Total	40,000	8,880	(31,120)	37,398
Insurance payment				
Purchased services	69,013	69,310	297	165,984
Total	69,013	69,310	297	165,984
Educational, inspectional, supervisory services related to loss prevention or reduction				
Purchased services	1,000	496	(504)	819
Total	1,000	496	(504)	819

(Continued)

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Tort Immunity Account

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	<u>Actual</u>			
	<u>Final Budget</u>	<u>Actual</u>	<u>Variance over/under</u>	<u>117,505 Actual</u>
Property insurance				
Purchased services	\$ 89,425	\$ 89,425	\$ -	\$ -
Total	89,425	89,425	-	-
Total Support Services	694,438	650,142	(44,296)	769,772
Total Expenditures	694,438	650,142	(44,296)	769,772
Net change in fund balance	<u>\$ (143,538)</u>	<u>(76,829)</u>	<u>\$ 66,709</u>	<u>(84,505)</u>
Fund balance at beginning of year		<u>988,021</u>		<u>1,072,526</u>
<b>FUND BALANCE AT END OF YEAR</b>		<u><b>\$ 911,192</b></u>		<u><b>\$ 988,021</b></u>

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Capital Projects Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>REVENUES</b>				
Local Sources				
Earnings on investments	\$ 22,600	\$ 46,529	\$ 23,929	\$ 9,055
Other	-	-	-	5,250
Total Local Sources	22,600	46,529	23,929	14,305
Total Revenues	22,600	46,529	23,929	14,305
<b>EXPENDITURES</b>				
Facilities acquisition				
Purchased services	1,535,000	1,100,793	(434,207)	1,315,598
Supplies and materials	-	24,562	24,562	-
Capital outlay	5,978,702	5,097,217	(881,485)	3,585,347
Non-capitalized equipment	-	11,534	11,534	-
Total support services	7,513,702	6,234,106	(1,279,596)	4,900,945
Total Expenditures	7,513,702	6,234,106	(1,279,596)	4,900,945
Deficiency of revenues over expenditures	(7,491,102)	(6,187,577)	1,303,525	(4,886,640)
<b>OTHER FINANCING SOURCES</b>				
Bonds issued	8,650,118	8,650,118	-	-
Premium on bonds issued	599,882	599,882	-	-
Transfers in	4,500,000	4,500,000	-	5,500,000
Total other financing sources (uses)	13,750,000	13,750,000	-	5,500,000
Net change in fund balance	<u>\$ 6,258,898</u>	<u>7,562,423</u>	<u>\$ 1,303,525</u>	613,360
Fund balance at beginning of year		<u>4,221,565</u>		<u>3,608,205</u>
<b>FUND BALANCE AT END OF YEAR</b>		<u><u>\$ 11,783,988</u></u>		<u><u>\$ 4,221,565</u></u>

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Combining Balance Sheet

Nonmajor Governmental Funds

June 30, 2017

	Transportation	Municipal Retirement/ Social Security	Debt Service	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 2,792,013	\$ 1,170,218	\$ 3,984,231	\$ 7,946,462
Receivables				
Property taxes	1,741,914	1,244,224	1,416,574	4,402,712
Due from other governments	569,192	-	-	569,192
Other receivables	8,905	1,024	-	9,929
Total Assets	\$ 5,112,024	\$ 2,415,466	\$ 5,400,805	\$ 12,928,295
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 96,500	\$ -	\$ -	\$ 96,500
Accrued salaries and related expenditures	1	-	-	1
Total Liabilities	96,501	-	-	96,501
<b>Deferred Inflows</b>				
Other deferred revenue	284,596	-	-	284,596
Property taxes levied for subsequent year	1,741,914	1,244,224	1,416,574	4,402,712
Total Deferred Inflows	2,026,510	1,244,224	1,416,574	4,687,308
<b>Fund Balance</b>				
Restricted				
Student transportation	2,989,013	-	-	2,989,013
Employee retirement	-	1,171,242	-	1,171,242
Debt service	-	-	3,984,231	3,984,231
Total Fund Balance	2,989,013	1,171,242	3,984,231	8,144,486
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<b>\$ 5,112,024</b>	<b>\$ 2,415,466</b>	<b>\$ 5,400,805</b>	<b>\$ 12,928,295</b>

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

## Combining Statement of Revenues, Expenditures and Changes in Fund Balances

## Nonmajor Governmental Funds

Year Ended June 30, 2017

	Transportation	Municipal Retirement/ Social Security	Debt Service	Total Nonmajor Governmental Funds
<b>REVENUES</b>				
Local sources	\$ 2,933,528	\$ 2,561,003	\$ 3,085,436	\$ 8,579,967
State sources	851,393	-	-	851,393
<b>Total Revenues</b>	<b>3,784,921</b>	<b>2,561,003</b>	<b>3,085,436</b>	<b>9,431,360</b>
<b>EXPENDITURES</b>				
Current operating				
Instruction	-	893,716	-	893,716
Support services	2,889,622	1,290,007	-	4,179,629
Community services	119,218	42,145	-	161,363
Payments to other districts	1,886	-	-	1,886
Debt service				
Principal	-	-	3,043,240	3,043,240
Interest and other	-	-	549,180	549,180
<b>Total Expenditures</b>	<b>3,010,726</b>	<b>2,225,868</b>	<b>3,592,420</b>	<b>8,829,014</b>
Excess (deficiency) of revenues over expenditures	774,195	335,135	(506,984)	602,346
<b>OTHER FINANCING SOURCES</b>				
Bonds issued	-	-	144,882	144,882
Transfers In	-	-	356,718	356,718
<b>Total other financing uses</b>	<b>-</b>	<b>-</b>	<b>501,600</b>	<b>501,600</b>
Net change in fund balance	774,195	335,135	(5,384)	1,103,946
Fund balances at beginning of year	2,214,818	836,107	3,989,615	7,040,540
<b>FUND BALANCES AT END OF YEAR</b>	<b>\$ 2,989,013</b>	<b>\$ 1,171,242</b>	<b>\$ 3,984,231</b>	<b>\$ 8,144,486</b>

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Transportation Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 1,904,200	\$ 2,853,592	\$ 949,392	\$ 1,580,252
Regular transportation fees	42,500	54,284	11,784	53,167
Earnings on investments	23,300	25,652	2,352	11,790
Total Local Sources	1,970,000	2,933,528	963,528	1,645,209
State Sources				
Transportation aid	675,000	851,393	176,393	692,242
Total State Sources	675,000	851,393	176,393	692,242
Total Revenues	2,645,000	3,784,921	1,139,921	2,337,451
<b>EXPENDITURES</b>				
Current operating				
Support Services				
Pupil Transportation Services				
Salaries	14,505	16,508	2,003	62,289
Employee benefits	3,745	3,093	(652)	2,832
Purchased services	2,591,890	2,870,021	278,131	2,554,087
Supplies and materials	2,000	-	(2,000)	-
Total Support Services	2,612,140	2,889,622	277,482	2,619,208
Community Services				
Purchased services	128,000	119,218	(8,782)	118,420
Total Community Services	128,000	119,218	(8,782)	118,420
Payments for special programs				
Purchased services	-	1,886	1,886	-
Total Payments for Special Programs	-	1,886	1,886	-
Total Expenditures	2,740,140	3,010,726	270,586	2,737,628
Net change in fund balance	\$ (95,140)	774,195	\$ 869,335	(400,177)
Fund balance at beginning of year		2,214,818		2,614,995
<b>FUND BALANCE AT END OF YEAR</b>		<b>\$ 2,989,013</b>		<b>\$ 2,214,818</b>

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
Municipal Retirement/Social Security Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 1,121,000	\$ 1,126,099	\$ 5,099	\$ 1,389,888
Social security/medicare only levy	1,249,000	1,281,716	32,716	864,054
Corporate replacement taxes	130,000	146,751	16,751	130,021
Earnings on investments	3,350	6,437	3,087	2,572
Total Local Sources	2,503,350	2,561,003	57,653	2,386,535
Total Revenues	2,503,350	2,561,003	57,653	2,386,535
<b>EXPENDITURES</b>				
Current operating				
Instruction				
Regular programs	2,355,000	343,611	(2,011,389)	357,471
Special education programs	-	483,445	483,445	489,467
CTE programs	-	14,735	14,735	14,034
Interscholastic programs	-	7,355	7,355	5,122
Summer school programs	-	16,517	16,517	15,118
Gifted programs	-	20,327	20,327	17,226
Bilingual programs	-	7,726	7,726	8,170
Total instruction	2,355,000	893,716	(1,461,284)	906,608
Support Services				
Pupils	-	220,260	220,260	201,036
Instructional staff	-	219,071	219,071	213,233
General administration	-	46,251	46,251	81,868
School administration	-	133,036	133,036	144,193
Business	-	606,401	606,401	596,930
Central	-	64,988	64,988	63,261
Total support services	-	1,290,007	1,290,007	1,300,521
Community services				
Community services - employee benefits	-	42,145	42,145	44,437
Total Expenditures	2,355,000	2,225,868	(129,132)	2,251,566
Net change in fund balance	\$ 148,350	335,135	\$ 186,785	134,969
Fund balance at beginning of year		836,107		701,138
<b>FUND BALANCE AT END OF YEAR</b>		<u>\$ 1,171,242</u>		<u>\$ 836,107</u>

**PARK RIDGE-NILES SCHOOL DISTRICT 64**

Debt Service Fund

Schedule of Revenues, Expenditures and Changes in Fund Balance

Budget and Actual

Year Ended June 30, 2017 with Comparative Actual Totals for 2016

	2017			2016
	Final Budget	Actual	Variance over/under	Actual
<b>REVENUES</b>				
Local Sources				
General tax levy	\$ 3,021,000	\$ 3,076,428	\$ 55,428	\$ 3,332,682
Earnings on investments	5,900	9,008	3,108	8,694
Total Local Sources	3,026,900	3,085,436	58,536	3,341,376
Total Revenues	3,026,900	3,085,436	58,536	3,341,376
<b>EXPENDITURES</b>				
Debt service				
Principal retirement	3,024,767	3,043,240	18,473	2,736,455
Interest on bonds	421,778	402,827	(18,951)	553,840
Other	146,352	146,353	1	2,228
Total Expenditures	3,592,897	3,592,420	(477)	3,292,523
Excess of revenues (deficiency) over expenditures	(565,997)	(506,984)	59,013	48,853
<b>OTHER FINANCING SOURCES (USES)</b>				
Bonds issued	144,882	144,882	-	-
Transfers in	357,195	356,718	(477)	196,807
Total other financing sources (uses)	502,077	501,600	(477)	196,807
Net change in fund balance	<u>\$ (63,920)</u>	<u>(5,384)</u>	<u>\$ 58,536</u>	245,660
Fund balance at beginning of year		3,989,615		3,743,955
<b>FUND BALANCE AT END OF YEAR</b>		<u>\$ 3,984,231</u>		<u>\$ 3,989,615</u>



**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
 Agency Fund - Activity Fund  
 Statement of Changes in Assets and Liabilities  
 Year Ended June 30, 2017

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
<b>Assets</b>				
Cash	\$ 131,795	\$ 286,762	\$ 296,850	\$ 121,707
<b>Liabilities</b>				
Due to organizations	\$ 131,795	\$ 286,762	\$ 296,850	\$ 121,707

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
**Schedule of Property Tax Rates, Extensions and Collections**  
**Last Five Tax Levy Years**

	2016	2015	2014	2013	2012
<b>Assessed Valuation</b>	<b>\$ 1,638,658,393</b>	<b>\$ 1,371,795,137</b>	<b>\$ 1,414,256,518</b>	<b>\$ 1,399,438,847</b>	<b>\$ 1,705,216,205</b>
<b>Rates extended</b>					
Educational	2.7326	3.5000	3.4048	3.4609	2.7710
Tort immunity	0.0251	0.0526	0.0448	0.0440	0.0348
Special education	0.3143	0.1243	0.1170	0.0294	0.0233
Operations and maintenance	0.3771	0.5181	0.5468	0.5439	0.4796
Transportation	0.2200	0.1502	0.0748	0.0734	0.0581
Illinois municipal retirement/ Social security	0.1571	0.1663	0.1562	0.1533	0.0930
Debt service	0.1789	0.2420	0.2352	0.2368	0.1752
Working cash	0.0346	0.0338	0.0300	0.0294	0.0233
<b>Total rates extended</b>	<b>4.0397</b>	<b>4.7873</b>	<b>4.6096</b>	<b>4.5711</b>	<b>3.6583</b>
<b>Property tax extensions</b>					
Educational	\$ 44,777,570	\$ 48,012,830	\$ 48,151,978	\$ 48,433,179	\$ 47,251,541
Tort immunity	412,000	721,000	634,226	615,753	593,415
Special education	5,150,000	1,704,650	1,654,366	411,435	397,315
Operations and maintenance	6,180,000	7,107,000	7,733,420	7,611,547	8,178,216
Transportation	3,605,000	2,060,000	1,058,004	1,027,188	990,730
Illinois municipal retirement/ Social security	2,575,000	2,281,450	2,209,699	2,145,339	1,585,850
Debt service	2,931,689	3,318,735	3,326,689	3,313,381	2,988,064
Working cash	566,500	463,500	423,778	411,435	397,315
<b>Total levies extended</b>	<b>\$ 66,197,759</b>	<b>\$ 65,669,165</b>	<b>\$ 65,192,160</b>	<b>\$ 63,969,257</b>	<b>\$ 62,382,446</b>
<b>Total collections</b>	<b>\$ 34,211,404</b>	<b>\$ 64,896,179</b>	<b>\$ 64,892,714</b>	<b>\$ 63,197,229</b>	<b>\$ 61,519,147</b>
<b>Percentage of extensions     collected</b>	<b>51.68%</b>	<b>98.82%</b>	<b>99.54%</b>	<b>98.79%</b>	<b>98.62%</b>

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

Source of information: Cook County Levy, Rate and Extension Reports for 2012-2016.

**PARK RIDGE-NILES SCHOOL DISTRICT 64**  
Operating Cost and Tuition Charge  
Years Ended June 30, 2017 and June 30, 2016

	2017	2016
Expenditures		
Educational Fund	\$ 60,778,640	\$ 58,097,553
Operations and Maintenance Fund	5,267,691	5,130,242
Debt Service Fund	3,592,420	3,292,523
Transportation Fund	3,010,726	2,737,628
Municipal Retirement/Social Security Fund	2,225,868	2,251,566
Tort Immunity Fund	650,142	769,772
Total expenditures	75,525,487	72,279,284
Less revenues/expenditures not applicable to operating expense of regular program		
Summer school	343,138	377,495
Tuition paid	435,787	673,988
Community services	648,672	662,590
Capital outlay	775,030	292,947
Non-capitalized equipment	446,170	211,858
Bond and other principal retired	3,043,240	2,736,455
Payments to other districts and governmental units	1,906,713	2,161,655
	7,598,750	7,116,988
Regular operating expenditures	67,926,737	65,162,296
Offsetting revenues	6,014,506	6,234,278
Net operating expenditures	61,912,231	58,928,018
Depreciation allowance	5,640,401	2,427,247
Total allowance for tuition computation	\$ 67,552,632	\$ 61,355,265
Average daily attendance	4,172.15	4,093.13
Per capita tuition charge	\$ 16,191.32	\$ 14,988.82

Source of information: 2016 & 2017 annual financial reports