

DUPAGE COUNTY SCHOOL DISTRICT 45

ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
JUNE 30, 2018

DUPAGE COUNTY SCHOOL DISTRICT 45

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FINANCIAL SECTION

This section includes:

- Independent Auditors' Report
- Management's Discussion and Analysis
- Basic Financial Statements
- Required Supplementary Information
- Combining and Individual Fund Statements and Schedules
- Supplemental Schedules

INDEPENDENT AUDITORS' REPORT

This section includes the opinion of the District's independent auditing firm.



INDEPENDENT AUDITORS' REPORT

December 3, 2018

To the Board of Education
DuPage School District 45
Villa Park, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the DuPage School District 45, Illinois, as of and for the year ended June 30, 2018, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 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 District'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 District'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 DuPage School District 45, Illinois, as of June 30, 2018, 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 as listed in the table of contents and budgetary information reported in the required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not 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 DuPage School District 45, Illinois', basic financial statements. The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual fund financial statements and budgetary comparison schedules and supplemental schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 budgetary comparison schedules and supplemental schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provision 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.


LAUTERBACH & AMEN, LLP

MANAGEMENT'S DISCUSSION AND ANALYSIS

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2018

The discussion and analysis of DuPage County School District 45 (the "District") financial performance provides an overall review of the District's financial activities as of and for the year ended June 30, 2018. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. Certain comparative information between the current year and the prior is required to be presented in the Management's Discussion and Analysis (the "MD&A").

FINANCIAL HIGHLIGHTS

- In total, Government-wide net position decreased by \$2,342,314, due to total OPEB liabilities, net pension liabilities, and the performance of the Governmental funds.
- General revenues accounted for \$43,629,654 in revenue or 64.5% of all revenues. Program specific revenues in the form of charges for services and fees and grants accounted for \$23,982,165 or 35.5% of total revenues of \$67,611,819.
- The District had \$69,954,133 in expenses related to government activities. However, only \$23,982,165 of these expenses were offset by program specific charges and grants.
- Revenues for fiscal year 2018 (FY18), as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances, were \$67,611,819, inclusive of on-behalf payments to the Teacher's Retirement System. Expenditures for FY18 were \$67,878,356, also inclusive on State of Illinois payments to the Teachers Retirement System.
- The Illinois Teacher's Retirement System receives on-behalf pension and post-retirement health insurance programs from the State of Illinois for District 45 certified staff. In FY18, \$17,758,051 was included in the total revenues and expenditures of District 45 representing the State of Illinois contributions.
- Actual revenues received in FY18 for the General Fund, exclusive of the State of Illinois on-behalf payment to the Teachers Retirement System, was \$38,099,097. Actual expenditures exclusive of on-behalf contributions were \$38,238,982 in FY18.
- The District decreased the total outstanding long-term debt by 5.4%. As of June 30, 2018, total outstanding debt was \$34,023,604.
- The District decreased beginning net position by \$25,969,191 due to implementing GASB Statement Number 75 for net OPEB liability for Teachers' Health Insurance Security.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 4 - 6) provide information about the activities of the District as a whole and present a longer-term view of the District's finances. Fund financial statements begin on page 7. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the government.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2018

USING THIS ANNUAL REPORT – Continued

Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of the District's finances, in a matter similar to a private-sector business. The government wide financial statements can be found on pages 4 - 6 of this report.

The Statement of Net Position reports information on all of the District's assets/deferred outflows and liabilities/deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Consideration of other nonfinancial factors, such as changes in the District's property tax base and the condition of the District's infrastructure, is needed to assess the overall health of the District.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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, like other local governments, 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.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, 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 the 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 the comparison between governmental funds and governmental activities.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2018

USING THIS ANNUAL REPORT – Continued

Fund Financial Statements – Continued

Governmental Funds – Continued

The District maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Operations and Maintenance Fund, Transportation Fund, Municipal Retirement/Social Security Fund, Debt Service Fund, Fire Prevention and Life Safety Fund, and the Site and Construction Fund, all of which are considered to be major funds.

The District adopts an annual appropriated budget for all of the governmental funds. A budgetary comparison schedule for these funds has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 7 - 12 of this report.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting use for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 13 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 14 - 54 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's Retiree's Health Plan, Teacher's Retirement and I.M.R.F employee pension obligations and budgetary comparison schedules for the General Fund and major special revenue funds. Required supplementary information can be found on pages 55 - 79 of this report. Combining and individual fund statements and schedules can be found on pages 80 - 98 of this report.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following tables show that in the case of the District, liabilities/deferred inflows exceeded assets/deferred outflows by (\$11,660,525).

	Net Position	
	2018	2017
Current/Other Assets	\$ 62,753,096	63,985,757
Capital Assets	37,822,763	38,073,275
Total Assets	100,575,859	102,059,032
Deferred Outflows	6,359,496	4,883,444
Total Assets/Deferred Outflows	106,935,355	106,942,476
Long-Term Debt	69,550,255	46,784,167
Other Liabilities	4,610,044	6,174,172
Total Liabilities	74,160,299	52,958,339
Deferred Inflows	44,435,581	37,333,157
Total Liabilities/Deferred Inflows	118,595,880	90,291,496
Net Position		
Investment in Capital Assets	4,557,875	1,934,998
Restricted	5,698,775	3,647,899
Unrestricted	(21,917,175)	11,068,083
Total Net Position	(11,660,525)	16,650,980

A large portion of the District's net position, \$4,557,875, reflects its investment in capital assets (for example, land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion, \$5,698,775, of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining amount deficit amount of \$21,917,175, represents unrestricted net position and may be used to meet the government's ongoing obligations to citizens and creditors.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

	Change in Net Position	
	2018	2017
Revenues		
Program Revenues		
Charges for Services	\$ 518,618	435,777
Operating Grants/Contrib.	23,463,547	23,630,016
General Revenues		
Taxes	36,517,289	36,223,216
General State Aid	5,672,390	3,843,271
Other General Revenues	1,439,975	725,827
Total Revenues	<u>67,611,819</u>	<u>64,858,107</u>
Expenses		
Instruction	46,654,641	42,796,283
Support Services	21,937,846	20,819,857
Community Services	144,761	89,528
Interest and Fees	1,216,885	1,458,616
Total Expenses	<u>69,954,133</u>	<u>65,164,284</u>
Change in Net Position	(2,342,314)	(306,177)
Net Position - Beginning as Restated	<u>(9,318,211)</u>	<u>16,957,157</u>
Net Position - Ending	<u>(11,660,525)</u>	<u>16,650,980</u>

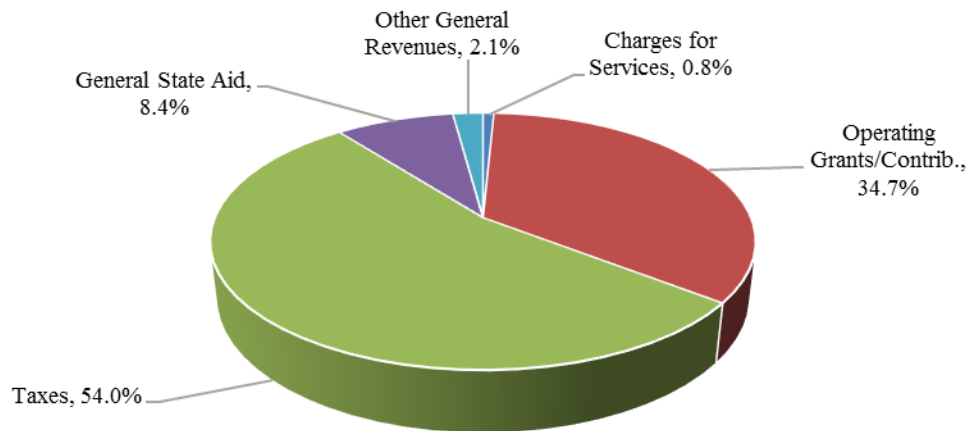
Net position of the District's governmental activities decreased by 25.1 percent (a restated (\$9,318,211) in 2017 compared to (\$11,660,525) in 2018). Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints, totaled (\$21,917,175) at June 30, 2018.

DUPAGE COUNTY SCHOOL DISTRICT 45

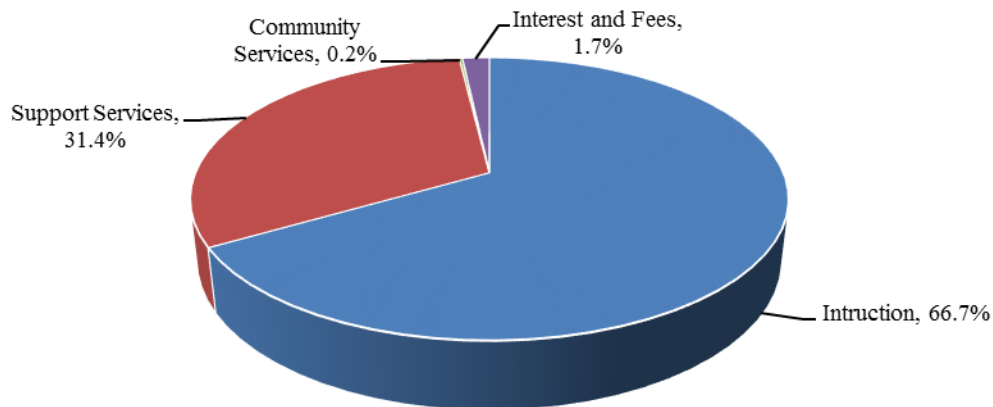
Management's Discussion and Analysis June 30, 2018

GOVERNMENT-WIDE FINANCIAL ANALYSIS – Continued

District-Wide Revenues by Source



District-Wide Expenses by Function



Revenues for governmental activities totaled \$67,611,819, while the cost of all governmental functions totaled \$69,954,133. This results in deficit of \$2,342,314. In 2017, expenses of \$65,164,284 exceeded revenues of \$64,858,107, resulting in a deficit of \$306,177. The deficit in FY18 is due primarily to the implementation of GASB Statement number 75 which required a change in the calculation of the net OPEB liability for Teachers' Health Insurance Security.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District's governmental funds reported combining ending fund balances of \$23,078,661, which \$17,065,446, or 73.9 percent, of the fund balance constitutes unassigned fund balance.

Actual revenues, excluding on-behalf payments, for FY18 were \$49,853,768 representing approximately 100.6 percent of the total budgeted FY18 revenues. Actual expenditures, excluding on-behalf payments, totaled \$50,120,305 representing approximately 92.1 percent of the total budgeted FY18 expenditures. Expenditures were monitored closely during the year, which resulted in the expenditures being below budget. Property taxes accounted for the largest portion of the District's revenues, contributing 72.7 percent of total revenues. The remainder of revenues came from other local, state, and federal grant sources.

The total cost of all the District's programs was \$50,120,305, with the majority, 48.0 percent of expenditures dedicated to instructing and caring for the students and student transportation. The remaining amount of District expenditures was split among district leadership and business services, building operation and non-operational support such as debt service, pension and other payroll taxes, and tort liability and life safety capital improvements.

The District uses capital improvement and replacement schedule for curriculum, facility improvement and technology. Each schedule allows for replacement of instructional materials and equipment as necessary so the District does not experience deferred maintenance or replacement issues.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2018

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS – Continued

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund is the District's largest budgeted fund and consists of the Educational, Tort Immunity and Judgment, and Working Cash accounts. The General Fund's budgeted revenues, exclusive of on behalf payments, were more than actual revenues, exclusive of on behalf payments, of \$38,099,097 by \$107,238. Actual expenditures, exclusive of on behalf payments, of \$38,238,982, were less than budgeted expenditures, exclusive of on behalf payments, of \$39,980,898 by \$1,741,916.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets for its governmental and business type activities as of June 30, 2018 was \$37,822,763 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, buildings, equipment and transportation equipment.

	Capital Assets - Net of Depreciation	
	2018	2017
Land	\$ 1,680,195	1,680,195
Construction in Progress	-	3,062,520
Buildings	35,890,155	33,269,377
Equipment	102,876	-
Transportation Equipment	149,537	61,183
Total	<u>37,822,763</u>	<u>38,073,275</u>

This year's major additions included:

Buildings and Improvements	\$ 892,696
Equipment	130,500
Transportation Equipment	<u>129,563</u>
	<u>1,152,759</u>

Additional information on the District's capital assets can be found in note 3 on page 25 of this report.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2018

CAPITAL ASSETS AND DEBT ADMINISTRATION – Continued

Debt Administration

The District decreased debt by \$1,925,670 during the fiscal year with a total outstanding debt of \$34,023,604. At the end of FY18, the District had a debt limit of \$70,931,858.

	Long-Term Debt Outstanding	
	2018	2017
General Obligation Bonds	\$ 34,023,604	35,949,274

Additional information on the District's long-term debt can be found in Note 3 on pages 26 - 29 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

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:

Local property taxes are the primary revenue source for District 45. The annual increase in property tax is generally limited to the lesser of 5% or the increase in the CPI from the preceding year.

Interest income has increased due to increased interest rates as well as increased reserves. We have increased next year's budget accordingly to reflect this additional revenue. In addition, with new home construction, the impact fees received has improved as well. For several years, the impact fees were flat. This past year we saw a significant recovery in this area and the District has budgeted accordingly for next year.

We continue to watch the impact of changes to state funding and remain cognizant of any changes that may occur. The State of Illinois approved an Evidence Based Funding Model for fiscal year 2017-2018. The District is awaiting the details of this new funding model and how the new model will financially affect the District.

District 45 staff continue to work collaboratively to improve student achievement through identifying learning targets linked to Illinois state learning standards and the District Strategic and Tactical Plans, integrate technology as an effective learning tool, provide effective professional development for staff, and redesign teaching methods to provide a wider variety of instruction focused on meeting individual students learning needs, abilities, interests through differentiation and a constructivist model.

DUPAGE COUNTY SCHOOL DISTRICT 45

Management's Discussion and Analysis June 30, 2018

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES – Continued

In the interest of ensuring the safety of all students and staff the District continuously reviews the physical structure of the District. The District has put all physical structures and equipment on preventative maintenance schedules in order to assure that life spans of structures and equipment are closely monitored. This year we were able to complete a large project requiring one-time expenditures.

The coming year the District will begin a Master Facility Plan process. The resulting Master Facility Plan will provide a working document for Educational Adequacy, Physical Assessment, costs estimates based on committed results and recommendations.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be directed to DuPage County School District 45, 255 W. Vermont Street, Villa Park, Illinois 60181.

BASIC FINANCIAL STATEMENTS

The basic financial Statements include integrated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements

Governmental Funds

Fiduciary Fund

In addition, the notes to the financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

DUPAGE COUNTY SCHOOL DISTRICT 45

**Statement of Net Position
June 30, 2018**

	<u>Governmental Activities</u>
ASSETS	
Current Assets	
Cash and Investments	\$ 43,566,541
Receivables - Net of Allowances	
Property Taxes	17,850,579
Intergovernmental	1,021,536
Prepays	<u>314,440</u>
Total Current Assets	<u>62,753,096</u>
Noncurrent Assets	
Capital Assets	
Nondepreciable	1,680,195
Depreciable	57,009,815
Accumulated Depreciation	<u>(20,867,247)</u>
Total Noncurrent Assets	<u>37,822,763</u>
Total Assets	<u>100,575,859</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Items - THIS	2,752,625
Deferred Items - TRS	1,356,217
Deferred Items - IMRF	1,566,980
Loss on Refunding	<u>683,674</u>
Total Deferred Outflows of Resources	<u>6,359,496</u>
Total Assets and Deferred Outflows of Resources	<u>106,935,355</u>

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

	<u>Governmental Activities</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	\$ 111,677
Payroll Deductions Payable	2,596,323
Current Portion of Long-Term Debt	<u>1,902,044</u>
Total Current Liabilities	<u>4,610,044</u>
Noncurrent Liabilities	
Compensated Absences	172,858
Total OPEB Liability - THIS	27,656,506
Total OPEB Liability - Retiree's Health Plan	384,288
Net Pension Liability - TRS	5,707,581
Net Pension Liability - IMRF	2,106,361
General Obligation Bonds - Net	<u>33,522,661</u>
Total Noncurrent Liabilities	<u>69,550,255</u>
Total Liabilities	<u>74,160,299</u>
DEFERRED INFLOWS OF RESOURCES	
Property Taxes	36,966,435
Deferred Items - THIS	3,308,841
Deferred Items - Retiree's Health Plan	22,492
Deferred Items - TRS	1,505,590
Deferred Items - IMRF	<u>2,632,223</u>
Total Deferred Inflows of Resources	<u>44,435,581</u>
 Total Liabilities and Deferred Inflows of Resources	 <u>118,595,880</u>
NET POSITION	
Net Investment in Capital Assets	4,557,875
Restricted	
Tort Immunity	216,295
Operations and Maintenance	1,897,527
Student Transportation	926,417
Retirement Benefits	1,818,981
Debt Service	838,775
Fire Prevention and Life Safety	180
Site and Construction	600
Unrestricted (Deficit)	<u>(21,917,175)</u>
 Total Net Position	 <u>(11,660,525)</u>

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Statement of Activities

For the Fiscal Year Ended June 30, 2018

	Expenses	Program Revenues		(Expenses)/
		Charges for Services	Operating Grants/ Contributions	Revenues Governmental Activities
Governmental Activities				
Instruction				
Regular Programs	\$ 16,575,615	-	4,673	(16,570,942)
Special Programs	8,000,866	-	2,242,907	(5,757,959)
Other Instructional Programs	4,320,109	-	441,151	(3,878,958)
State Retirement Contributions	17,758,051	-	17,758,051	-
Support Services				
Pupils	3,569,922	-	-	(3,569,922)
Instructional Staff	3,571,541	-	128,326	(3,443,215)
General Administration	1,163,453	-	-	(1,163,453)
School Administration	2,836,818	-	-	(2,836,818)
Business	3,159,433	518,618	1,336,567	(1,304,248)
Transportation	2,490,431	-	1,551,872	(938,559)
Operations and Maintenance	3,720,920	-	-	(3,720,920)
Central	1,425,328	-	-	(1,425,328)
Community Services	144,761	-	-	(144,761)
Interest and Fees	1,216,885	-	-	(1,216,885)
Total Governmental Activities	69,954,133	518,618	23,463,547	(45,971,968)
General Revenues				
Taxes				
Real Estate Taxes, Levied for General Purposes				32,505,226
Real Estate Taxes, Levied for Specific Purposes				1,020,048
Real Estate Taxes, Levied for Debt Service				2,707,687
Personal Property Replacement Taxes				284,328
State Aid-Formula Grants				5,672,390
Investment Income				454,480
Miscellaneous				985,495
				<u>43,629,654</u>
Change in Net Position				(2,342,314)
Net Position - Beginning as Restated				<u>(9,318,211)</u>
Net Position - Ending				<u><u>(11,660,525)</u></u>

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Balance Sheet - Governmental Funds

June 30, 2018

See Following Page

DUPAGE COUNTY SCHOOL DISTRICT 45

**Balance Sheet - Governmental Funds
June 30, 2018**

	General	Special Revenue	
		Operations and Maintenance	Transportation
ASSETS			
Cash and Investments	\$ 33,626,541	3,528,993	1,389,049
Receivables - Net of Allowances			
Property Taxes	13,327,656	1,508,141	774,830
Intergovernmental	633,152	-	388,384
Prepays	305,463	8,977	-
Total Assets	47,892,812	5,046,111	2,552,263
LIABILITIES			
Accounts Payable	38,007	40,193	33,477
Salaries and Wages Payable	2,596,323	-	-
Total Liabilities	2,634,330	40,193	33,477
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	27,671,278	3,099,414	1,592,369
Total Liabilities and Deferred Inflows of Resources	30,305,608	3,139,607	1,625,846
FUND BALANCES			
Nonspendable	305,463	8,977	-
Restricted	216,295	1,897,527	926,417
Unassigned	17,065,446	-	-
Total Fund Balances	17,587,204	1,906,504	926,417
Total Liabilities, Deferred Inflows of Resources and Fund Balances	47,892,812	5,046,111	2,552,263

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

Municipal Retirement/ Social Security	Debt Service	Capital Projects		Totals
		Fire Prevention and Life Safety	Site and Construction	
2,675,576	2,345,602	180	600	43,566,541
811,845	1,428,107	-	-	17,850,579
-	-	-	-	1,021,536
-	-	-	-	314,440
3,487,421	3,773,709	180	600	62,753,096
-	-	-	-	111,677
-	-	-	-	2,596,323
-	-	-	-	2,708,000
1,668,440	2,934,934	-	-	36,966,435
1,668,440	2,934,934	-	-	39,674,435
-	-	-	-	314,440
1,818,981	838,775	180	600	5,698,775
-	-	-	-	17,065,446
1,818,981	838,775	180	600	23,078,661
3,487,421	3,773,709	180	600	62,753,096

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

DUPAGE COUNTY SCHOOL DISTRICT 45

**Reconciliation of Total Governmental Fund Balance to the
Statement of Net Position - Governmental Activities**

June 30, 2018

Total Governmental Fund Balances	\$ 23,078,661
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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.	37,822,763
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Deferred Outflows/Inflows of Resources related to the pension/OPEB plans not reported in the funds.

Deferred Items - THIS	(556,216)
Deferred Items - Retiree's Health Plan	(22,492)
Deferred Items - TRS	(149,373)
Deferred Items - IMRF	(1,065,243)

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

Compensated Absences	(216,072)
Total OPEB Liability - THIS	(27,656,506)
Total OPEB Liability - Retiree's Health Plan	(384,288)
Net Pension Liability - IMRF	(5,707,581)
Net Pension Liability - TRS	(2,106,361)
General Obligation Bonds Payable - Net	(35,381,491)
Unamortized Loss on Refunding	<u>683,674</u>

Net Position of Governmental Activities	<u><u>(11,660,525)</u></u>
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The notes to the financial statement are an integral part of this statement.

DUPAGE COUNTY SCHOOL DISTRICT 45

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2018**

See Following Page

DUPAGE COUNTY SCHOOL DISTRICT 45

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended June 30, 2018

	Special Revenue		
	General	Operations and Maintenance	Transportation
Revenues			
Property Taxes	\$ 27,099,626	3,248,208	1,551,884
Corporate Personal Property Replacement Taxes	-	170,597	-
State Aid	6,498,613	-	1,551,872
Federal Aid	3,327,401	-	-
Investment Income	383,718	17,027	5,617
Other	789,739	683,379	30,230
On Be-Half Payments	17,758,051	-	-
Total Revenues	55,857,148	4,119,211	3,139,603
Expenditures			
Current			
Instruction			
Regular Programs	13,347,685	-	-
Special Programs	5,992,985	-	-
Other Instructional Programs	4,217,320	-	-
Support Services			
Pupils	3,219,581	-	-
Instructional Staff	2,459,729	-	-
General Administration	1,117,941	-	-
School Administration	2,702,501	-	-
Business	1,929,427	142,385	-
Transportation	-	-	2,376,032
Operations and Maintenance	-	3,384,083	-
Pupil Transportation Services	-	-	-
Food Services	-	-	-
Central	1,361,572	-	-
Community Services	138,700	-	-
Payments to Other Districts and Govt. Units	1,621,041	-	-
Debt Service			
Principal Retirement	-	-	-
Interest and Other	-	-	-
Capital Outlay	130,500	-	78,479
On Be-Half Payments	17,758,051	-	-
Total Expenditures	55,997,033	3,526,468	2,454,511
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(139,885)	592,743	685,092
Other Financing Sources (Uses)			
Debt Issuance	-	-	-
Payment to Escrow Agent	-	-	-
Premium on Debt Issuance	-	-	-
Transfers In	8,066	2,123,194	-
Transfers Out	(2,123,194)	(898,391)	-
	(2,115,128)	1,224,803	-
Net Change in Fund Balances			
	(2,255,013)	1,817,546	685,092
Fund Balances - Beginning	19,842,217	88,958	241,325
Fund Balances - Ending	17,587,204	1,906,504	926,417

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

Municipal Retirement/ Social Security	Debt Service	Capital Projects		Totals
		Fire Prevention and Life Safety	Site and Construction	
1,625,556	2,707,687	-	-	36,232,961
113,731	-	-	-	284,328
-	-	-	-	8,050,485
-	-	-	-	3,327,401
25,628	8,065	14,425	-	454,480
-	165	-	600	1,504,113
-	-	-	-	17,758,051
1,764,915	2,715,917	14,425	600	67,611,819
(11,013)	-	-	-	13,336,672
386,840	-	-	-	6,379,825
102,789	-	-	-	4,320,109
115,994	-	-	-	3,335,575
81,811	-	-	-	2,541,540
39,899	-	-	-	1,157,840
134,317	-	-	-	2,836,818
58,401	-	1,057,577	898,391	4,086,181
-	-	-	-	2,376,032
314,385	-	-	-	3,698,468
3,541	-	-	-	3,541
17,032	-	-	-	17,032
63,756	-	-	-	1,425,328
6,061	-	-	-	144,761
-	-	-	-	1,621,041
-	1,550,000	-	-	1,550,000
-	1,080,563	-	-	1,080,563
-	-	-	-	208,979
-	-	-	-	17,758,051
1,313,813	2,630,563	1,057,577	898,391	67,878,356
451,102	85,354	(1,043,152)	(897,791)	(266,537)
-	7,610,000	-	-	7,610,000
-	(8,292,886)	-	-	(8,292,886)
-	656,104	-	-	656,104
-	-	-	898,391	3,029,651
-	(8,066)	-	-	(3,029,651)
-	(34,848)	-	898,391	(26,782)
451,102	50,506	(1,043,152)	600	(293,319)
1,367,879	788,269	1,043,332	-	23,371,980
1,818,981	838,775	180	600	23,078,661

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

DUPAGE COUNTY SCHOOL DISTRICT 45

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities - Governmental Activities**

For the Fiscal Year Ended June 30, 2018

Net Change in Fund Balances - Total Governmental Funds \$ (293,319)

Amounts reported for Governmental Activities in the Statement of Activities
are different because:

Governmental Funds report capital outlays as expenditures. However, in the
Statement of Activities the cost of those assets is allocated over their estimated
useful lives and reported as depreciation expense.

Capital Outlays	1,152,759
Depreciation Expense	(1,403,271)

Deferred (Inflows)/Outflows of Resources related to pensions/OPEB are not reported in the funds.

Change in Deferred Items - THIS	(762,166)
Change in Deferred Items - Retiree's Health Plan	(6,991)
Change in Deferred Items - TRS	(1,208,348)
Change in Deferred Items - IMRF	(2,936,775)

The issuance of long-term debt provides current financial resources to
Governmental Funds, while the repayment of the principal on long-term
debt consumes the current financial resources of the governmental funds.

(Increase) to Compensated Absences Payable	(29,950)
(Increase) to Total OPEB Liability - THIS	(1,481,365)
(Increase) to Total OPEB Liability - Retiree's Health Plan	(8,488)
Decrease to Net Pension Liability - TRS	1,015,187
Decrease to Net Pension Liability - IMRF	2,179,953
Retirement of Long-Term Debt	9,535,670
Amortization of Bond Premium	59,600
Issuance of Premium on Debt	(656,104)
Amortize Loss on Refunding	111,294
Issuance of Debt	<u>(7,610,000)</u>

Changes in Net Position of Governmental Activities (2,342,314)

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

DUPAGE COUNTY SCHOOL DISTRICT 45

**Statement of Fiduciary Assets and Liabilities - Agency Fund
June 30, 2018**

	<u>Student Activity, Convenience Accounts, and Other Agency Funds</u>
ASSETS	
Cash and Investments	<u>\$ 111,844</u>
LIABILITIES	
Due to Activity Fund Organizations	<u>111,844</u>

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

DuPage County School District 45 (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 government-wide financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant of the District’s accounting policies established in GAAP and used by the District are described below.

REPORTING ENTITY

In determining the financial reporting entity, the District complies with the provisions of GASB Statement No. 61, “The Financial Reporting Omnibus – an Amendment of GASB Statements No. 14 and No. 34,” and includes all component units that have a significant operational or financial relationship with the District. Based upon the criteria set forth in the GASB Statement No. 61, there are no component units included in the reporting entity.

BASIS OF PRESENTATION

Government-Wide Statements

The District’s basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District’s major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The District’s operating activities are all considered governmental activities, that is, activities normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets/deferred outflows and receivables as well as long-term debt/deferred inflows and obligations. The District’s net position is reported in three parts: net investment in capital assets; restricted; and unrestricted. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District’s functions (instruction, support services, community services, etc.). The functions are supported by general government revenues (property and personal property replacement taxes, interest income, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, which include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Government-Wide Statements – Continued

The net costs (by function) are normally covered by general revenue (property and personal property replacement taxes, interest income, etc.).

This government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets/deferred outflows, liabilities/deferred inflows, fund equity, revenues and expenditures/expenses. An emphasis is placed on major funds within the governmental category. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

Total assets/deferred outflows, liabilities/deferred inflows, revenues, or expenditures/expenses of that individual governmental fund are at least 10 percent of the corresponding total for all funds of that category or type.

The various funds are reported by generic classification within the financial statements. The following fund types are used by the District:

Governmental Funds

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

General Fund is the general operating fund of the District. It accounts for all financial resources except those required to be accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. Revenues consist largely of local property taxes and state government aid. The General Fund is a major fund.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Governmental Funds – Continued

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes, other than those accounted for in the Debt Service Fund, Capital Projects Funds or Fiduciary Funds. The District maintains three major special revenue funds. The Operations and Maintenance Fund is used to accounts for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes. The Transportation Fund is used to account for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants. The Municipal Retirement/Social Security Fund is used to account for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare, and payments to the Social Security System for non-certified employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

Debt service funds are used to account for the accumulation of resources that are restricted, committed, or assigned for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service. The Debt Service Fund is treated as a major fund.

Capital projects funds are used to account for the financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities. The Fire Prevention and Life Safety Fund, a major fund, is used to account for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes. The Site and Construction Fund, also a major fund, is used to account for the financial resources to be used for the acquisition or construction of, and/or addition to, major capital facilities.

Fiduciary Funds

Fiduciary funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments or other funds.

Agency funds include Student Activity Funds, Convenience Accounts and Other Agency Funds. These funds are custodial in nature and do not present results of operations or have a measurement focus. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational or cultural purposes. Convenience Accounts account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

BASIS OF PRESENTATION – Continued

Fiduciary Funds – Continued

The District's agency funds are presented in the fiduciary fund financial statements by type. Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the District, these funds are not incorporated into the government-wide statements.

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, the governmental activities are presented using the economic resources measurement focus as defined below. In the fund financial statements, the "current financial resources" measurement focus is used.

All governmental funds utilize a "current financial resources" measurement focus. Only current financial assets/deferred outflows and liabilities/deferred inflows are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.

Agency funds are not involved in the measurement of results of operations; therefore, measurement focus is not applicable to them.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability/deferred inflow is incurred or economic asset used. Revenues, expenses, gains, losses, assets/deferred outflows, and liabilities/deferred inflows resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING – Continued

Basis of Accounting – Continued

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.” Measurable means that the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers all revenue available if they are collected within 60 days after year-end except for state aid. State aid received after 60 days are being considered as available as historically, state aid collected within 60 days have represented all state aid expected to be collected. The state is currently being on payments to local government agencies, which is a highly unusual circumstance, resulting in current year state aid collections after 60 days of year-end. Expenditures are recorded when the related fund liability is incurred. However, expenditures for unmatured principal and interest on general long-term debt are recognized when due; and certain compensated absences, claims and judgments are recognized when the obligations are expected to be liquidated with expendable available financial resources.

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

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

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

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY

Cash and Investments

For the purpose of the Statement of Net Position, cash and cash equivalents are considered to be cash on hand, demand deposits, and cash with fiscal agent.

Investments are generally reported at fair value. Short-term investments are reported at cost, which approximates fair value. For investments, 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. All of the District’s investments are in 2a7-like investment pools that are measured at the net asset value per share determined by the pool.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Interfund Receivables, Payables and Activity

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers.

Prepays

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expenses as incurred.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. General capital assets are long-lived assets of the District as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The valuation basis for general capital assets are historical cost, or where historical cost is not available, estimated historical cost based on replacement costs.

Depreciation on all assets is computed and recorded using the straight-line method of depreciation over the following estimated useful lives:

Buildings and Improvements	40 Years
Equipment	5 - 20 Years
Transportation Equipment	5 - 20 Years

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 the financial statements.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Compensated Absences – Continued

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

Payments for vacation leave will be made at rates in effect when the benefits are used. Accumulated vacation leave liabilities at June 30, 2018 are determined on the basis of current salary rates and include salary related payments. Upon termination or retirement, employees do not receive compensation for any unused sick leave; therefore, no liability is recorded at June 30, 2018.

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 reported as expenses at the time of issuance.

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.

Deferred Outflows/Inflows of Resources

Deferred outflow/inflow of resources represents an acquisition/reduction of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense)/inflow of resources (revenue) until that future time.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued

ASSETS/DEFERRED OUTFLOWS, LIABILITIES/DEFERRED INFLOWS, AND NET POSITION OR EQUITY – Continued

Net Position

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

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

Restricted – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislations.

Unrestricted – All other net position balances that do not meet the definition of “restricted” or “net investment in capital assets.”

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGETARY INFORMATION

Except for the exclusion of on-behalf payments from other governments, discussed below, the budgeted amounts for the governmental funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

The Board of Education follows these procedures in establishing the budgetary data reflected in the general purpose 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. By the last Tuesday in December, a tax levy resolution is filed with the county clerk to obtain tax revenues.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY – Continued

BUDGETARY INFORMATION – Continued

4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
6. All budget appropriations lapse at the end of the fiscal year.

During the fiscal year ended June 30, 2018, several supplemental budget appropriations were made.

The Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds includes “on-behalf” payments received and made for the amounts contributed by the State of Illinois for the employer’s share of the Teachers Retirement System pension. The District does not budget for these amounts in the Educational Accounts of the General Fund.

NOTE 3 – DETAIL NOTES ON ALL FUNDS

DEPOSITS AND INVESTMENTS

Under State law, limits are imposed as to investments in commercial paper, corporate bonds, and mutual funds in which the District may invest, as well as the Illinois School District Liquid Asset Fund Plus (ISDLAF+).

The ISDLAF+ is a non-profit investment trust formed pursuant to the Illinois Municipal Code and managed by a Board of Trustees elected from participating members. It is not registered with the SEC as an investment company. Investments are sold valued at share price, which is the price for which the investment could be sold.

Deposits. At year-end, the carrying amount of the District’s deposits for governmental activities totaled \$39,870,103 and the bank balances totaled \$41,827,255. In addition, the District also has \$3,696,438 invested in the ISDLAF+.

Credit Risk. Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District’s investment policy states that investments in corporate paper are further restricted and cannot comprise more than ten percent of the total investment portfolio. At year-end, the District’s investment in ISDLAF+ was rated AAAM by Standard & Poors.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

DEPOSITS AND INVESTMENTS – Continued

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment. The District's investment policy seeks to ensure preservation of capital in the District's overall portfolio. Return on investment is of secondary importance to safety of principal and liquidity. The policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, the policy requires the District investment portfolio to be sufficiently liquid to enable the District to meet all operating requirements as they come due. A portion of the portfolio is required to be invested in readily available funds to ensure appropriate liquidity. The District's investment in ISDLAF+ has an average maturity of less than one year.

Custodial Credit Risk – Deposits. With respect to deposits, custodial credit risk refers to the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's investment policy limits the exposure to deposit custodial credit risk by requiring all deposits in excess of FDIC insurable limits to be secured by collateral in the event of default or failure of the financial institution holding the funds. As of June 30, 2018, the bank balance of the District's deposits with financial institutions totaled \$41,827,255; this entire amount was insured through FDIC insurance.

Custodial Credit Risk – Investments. For an investment, this is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District's investment policy does not address custodial credit risk for investments. At year end, the District investments in ISDLAF+ were not subject to custodial credit risk.

PROPERTY TAXES

The District must file its tax levy resolution by the last Tuesday in December of each year. The District's 2017 levy resolution was approved during the December 18, 2017 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner to real property on January 1 in any year is liable for taxes of that year.

The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District.

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the 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.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

PROPERTY TAXES – Continued

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments: the first due on March 1 and the second due on or after August 1 or 30 days after the second installment tax bill is mailed. The first installment is an estimated bill, and is fifty-five percent of the prior year's tax bill. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill. Property taxes are normally collected by the District within 60 days of the due date.

The 2017 property tax levy is recognized as a receivable in the fiscal year 2018, net of estimated uncollectible amounts approximating 1% and less amounts already received. The District considers that the first installment of the 2017 levy is to be used to finance operations in fiscal year 2018. The District has determined that the second installment of the 2017 levy is to be used to finance operations in fiscal year 2018 and has included the corresponding receivable as a deferred inflow of resources.

PERSONAL PROPERTY REPLACEMENT TAXES

Personal property replacement taxes are first allocated to the Municipal Retirement/Social Security Fund, and the balance is allocated to the remaining funds at the discretion of the District.

INTERFUND TRANSFERS

During the year, the Board of Education transferred \$8,066 in interest earned in the Debt Service Fund to the General Fund (Educational Accounts) and transferred \$187,551 from the General Fund (Working Cash Accounts) to the Operations and Maintenance Fund.

Also, during the year, the Board of Education authorized the abatement of a portion of the General Fund (Working Cash Accounts), thereby transferring fund balance of \$1,935,643 to the Operations and Maintenance Fund.

In addition, the Operations and Maintenance Fund transferred \$898,391 to the Site and Construction Fund for Board of Education approved capital project purposes.

State law allows for the above transfers.

JOINT AGREEMENTS

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

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

CAPITAL ASSETS

Governmental Activities

Governmental capital asset activity for the year was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Nondepreciable Capital Assets				
Land	\$ 1,680,195	-	-	1,680,195
Construction in Progress	3,062,520	-	3,062,520	-
	<u>4,742,715</u>	<u>-</u>	<u>3,062,520</u>	<u>1,680,195</u>
Depreciable Capital Assets				
Buildings and Improvements	49,728,106	3,955,216	-	53,683,322
Equipment	2,132,483	130,500	-	2,262,983
Transportation Equipment	933,947	129,563	-	1,063,510
	<u>52,794,536</u>	<u>4,215,279</u>	<u>-</u>	<u>57,009,815</u>
Less Accumulated Depreciation				
Buildings and Improvements	16,458,729	1,334,438	-	17,793,167
Equipment	2,132,483	27,624	-	2,160,107
Transportation Equipment	872,764	41,209	-	913,973
	<u>19,463,976</u>	<u>1,403,271</u>	<u>-</u>	<u>20,867,247</u>
Total Net Depreciable Capital Assets	<u>33,330,560</u>	<u>2,812,008</u>	<u>-</u>	<u>36,142,568</u>
Total Net Capital Assets	<u>38,073,275</u>	<u>2,812,008</u>	<u>3,062,520</u>	<u>37,822,763</u>

Depreciation expense was charged to governmental activities as follows:

Pupils	\$ 234,347
Instructional Staff	1,030,001
General Administration	5,613
Transportation	110,858
Other Supporting Services	<u>22,452</u>
	<u>1,403,271</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT

General Obligation Bonds

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

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
Limited Capital Appreciation School Bonds of 2004 - Due in annual installment of \$1,380,000 to \$1,670,000 plus semi-annual interest at 3.80% to 4.60% through December 1, 2019.	\$ 4,219,274	149,330	1,550,000	2,818,604
General Obligation Limited School Bonds of 2008 - Due in annual installment of \$170,000 to \$2,075,000 plus semi-annual interest at 4.00% to 5.00% through January 1, 2028.	8,135,000	-	8,135,000 *	-
General Obligation School Bonds of 2012 - Due in annual installment of \$2,180,000 to \$2,425,000 plus semi-annual interest at 3.50% to 4.00% through January 1, 2032.	9,200,000	-	-	9,200,000
General Obligation School Bonds of 2015 - Due in annual installment of \$2,525,000 to \$2,730,000 plus semi-annual interest at 3.25% to 4.00% through January 1, 2035.	7,880,000	-	-	7,880,000

*Refunded

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

General Obligation Bonds – Continued

Issue	Beginning Balances	Issuances	Retirements	Ending Balances
General Obligation Limited Tax Refunding School Bonds of 2016 - Due in annual installment of \$115,000 to \$985,000 plus semi-annual interest at 2.00% to 2.10% through January 1, 2027.	\$ 6,515,000	-	-	6,515,000
General Obligation Limited Tax Refunding School Bonds of 2017 - Due in annual installment of \$270,000 to \$1,925,000 plus semi-annual interest at 2.30% to 5.00% through January 1, 2028.	-	7,610,000	-	7,610,000
	<u>35,949,274</u>	<u>7,759,330</u>	<u>9,685,000</u>	<u>34,023,604</u>

Legal Debt Margin

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the District. At year-end the legal debt margin is as follows:

Assessed Valuation - 2017	<u>\$ 1,027,997,939</u>
Legal Debt Limit - 6.9% of Assessed Value	70,931,858
Amount of Debt Applicable to Limit	<u>(34,023,604)</u>
Legal Debt Margin	<u>36,908,254</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Long-Term Liability Activity

Changes in long-term liabilities during the fiscal year were as follows:

Type of Debt	Beginning Balances as Restated	Additions	Deductions	Ending Balances	Amounts Due within One Year
Governmental Activities					
Compensated Absences	\$ 186,122	59,900	29,950	216,072	43,214
Total OPEB Liability					
THIS	26,175,141	1,481,365	-	27,656,506	-
Retiree's Health Plan	375,800	8,488	-	384,288	-
Net Pension Liability					
TRS	6,722,768	-	1,015,187	5,707,581	-
IMRF	4,286,314	-	2,179,953	2,106,361	-
General Obligation Bonds	35,949,274	7,759,330	9,685,000	34,023,604	1,733,620
Plus: Unamortized Premium	761,383	656,104	59,600	1,357,887	125,210
	<u>74,456,802</u>	<u>9,965,187</u>	<u>12,969,690</u>	<u>71,452,299</u>	<u>1,902,044</u>

The obligations for the compensated absences, the total OPEB liabilities, and the net pension liabilities will be repaid from the General Fund (Educational Accounts). The general obligation bonds are being liquidated by the Debt Service Fund.

Defeased Debt

On October 18, 2017, the District issued \$7,610,000 par value General Obligation Limited Tax Refunding Bonds of 2017 to refund \$8,135,000 of the General Obligation Limited School Bonds of 2008. The District defeased bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payment of the old bonds. Since the requirements that normally satisfy defeasance have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Through this refunding, the District reduced its total debt service by \$1,211,135 and obtained an economic gain of \$983,056.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

LONG-TERM DEBT – Continued

Defeased Debt – Continued

In prior years, the government defeased general obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payment on the old bonds. Since the requirements which normally satisfy defeasance, have been met, the financial statements reflect satisfaction of the original liability through the irrevocable transfer to an escrow agent of an amount computed to be adequate to meet the future debt service requirements of the issue. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the government's basic financial statements. Defeased bonds of \$2,255,000 remain outstanding as of the date of this report.

Debt Service Requirements to Maturity

Annual debt service requirements to maturity are as follows:

Fiscal Year	Governmental Activities	
	General Obligation	
	Bonds	
	Principal	Interest
2019	\$ 1,733,620	2,549,209
2020	1,809,984	2,427,073
2021	1,490,000	1,040,539
2022	1,535,000	992,289
2023	1,585,000	942,189
2024	1,630,000	890,289
2025	1,685,000	836,289
2026	1,745,000	780,389
2027	1,805,000	721,396
2028	1,925,000	692,194
2029	2,180,000	645,994
2030	2,255,000	569,694
2031	2,340,000	487,950
2032	2,425,000	400,200
2033	2,525,000	303,200
2034	2,625,000	202,200
2035	2,730,000	97,200
Totals	34,023,604	14,578,294

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION

Net Position Classifications

Governmental Activities		
Capital Assets - Net of Accumulated Depreciation		\$ 37,822,763
Plus:		
Unamortized Loss on Refunding		683,674
Limited Capital Appreciation School Bonds of 2004 - Accretion Portion		1,432,929
Less Capital Related Debt:		
Limited Capital Appreciation School Bonds of 2004		(2,818,604)
General Obligation School Bonds of 2012		(9,200,000)
General Obligation School Bonds of 2015		(7,880,000)
General Obligation Limited Tax Refunding School Bonds of 2016		(6,515,000)
General Obligation Limited Tax Refunding School Bonds of 2017		(7,610,000)
Unamortized Premium		<u>(1,357,887)</u>
Net Investment in Capital Assets		<u><u>4,557,875</u></u>

Net Position Restatement

Beginning net position was restated due to the implementation of GASB Statement Number 75 for net OPEB liability – Teachers’ Health Insurance Security (THIS). The following is a summary of the net position as originally reported and as restated:

<u>Net Position</u>	<u>As Reported</u>	<u>As Restated</u>	<u>(Decrease)</u>
Governmental Activities	\$ 16,650,980	(9,318,211)	(25,969,191)

Fund Balance Classifications

Nonspendable Fund Balance. Consists of resources that cannot be spent because they are either: a) not in a spendable form; or b) legally or contractually required to be maintained intact.

Restricted Fund Balance. Consists of resources that are restricted to specific purposes, that is, when constraints placed on the use of resources are either: a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance. Consists of resources constrained (issuance of an ordinance) to specific purposes by the government itself, using its highest level of decision-making authority, the Board of Education; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 3 – DETAIL NOTES ON ALL FUNDS – Continued

FUND BALANCE/NET POSITION – Continued

Fund Balance Classifications – Continued

Assigned Fund Balance. Consists of amounts that are constrained by the Board of Education’s intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by a) the Board of Education itself or b) a body or official to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. The Village’s highest level of decision-making authority is the Board of Education, who is authorized to assign amounts to a specific purpose.

Unassigned Fund Balance. Consists of residual net resources of a fund that has not been restricted, committed, or assigned within the General Fund and deficit fund balances of other governmental funds.

Minimum Fund Balance Policy. The District’s fund balance policy states that the General Fund should maintain a minimum fund balance equal to 25% of budgeted operating expenditures.

The following is a schedule of fund balance classifications for the governmental funds as of the date of this report:

	Special Revenue					Capital Projects		Totals
	General	Operations and Maintenance	Transportation	Municipal Retirement/Social Security	Debt Service	Fire Prevention and Life Safety	Site and Construction	
Fund Balances								
Nonspendable								
Prepays	\$ 305,463	8,977	-	-	-	-	-	314,440
Restricted								
Tort Immunity	216,295	-	-	-	-	-	-	216,295
Operations and Maintenance	-	1,897,527	-	-	-	-	-	1,897,527
Student Transportation	-	-	926,417	-	-	-	-	926,417
Retirement Benefits	-	-	-	1,818,981	-	-	-	1,818,981
Debt Service	-	-	-	-	838,775	-	-	838,775
Fire Prevention and Life Safety	-	-	-	-	-	180	-	180
Site and Construction	-	-	-	-	-	-	600	600
	<u>216,295</u>	<u>1,897,527</u>	<u>926,417</u>	<u>1,818,981</u>	<u>838,775</u>	<u>180</u>	<u>600</u>	<u>5,698,775</u>
Unassigned	17,065,446	-	-	-	-	-	-	17,065,446
Total Fund Balances	<u>17,587,204</u>	<u>1,906,504</u>	<u>926,417</u>	<u>1,818,981</u>	<u>838,775</u>	<u>180</u>	<u>600</u>	<u>23,078,661</u>

In the governmental funds’ financial statements, the District considers restricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. The District first utilizes committed, then assigned and then unassigned fund balance when an expenditure is incurred for purposes for which all three unrestricted fund balances are available.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION

RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. The District has purchased insurance from private insurance companies for general liability, workers' compensation and other coverages not included below. Premiums have been recorded as expenditures in the appropriate funds. There were no significant changes in insurance coverages from the prior year and settlements did not exceed insurance coverage in any of the past three fiscal years.

CONTINGENT LIABILITIES

Litigation

The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the District's attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the District.

State and Federal Aid Contingencies

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

OTHER POST-EMPLOYMENT BENEFITS

Teachers' Health Insurance Security Fund

Plan Description

The District participates in the Teachers' Health Insurance Security (THIS) fund. The THIS fund is a non-appropriated trust fund held outside the State Treasury, with the State Treasurer as custodian. Additions deposited into the Trust are for the sole purpose of providing the health benefits to retirees, as established under the plan, and associated administrative costs. The THIS fund is a cost-sharing multiple-employer defined benefit post-employment healthcare plan that covers retired employees of participating employers throughout the State of Illinois, excluding the Chicago Public School System. THIS health coverage includes provisions for medical, prescription, and behavioral health benefits, but does not provide vision, dental, or life insurance benefits. Annuitants may participate in the State administered Preferred Provider Organization plan or choose from several managed care options. As a result of the Governor's Executive Order 12-01, the responsibilities in relation to THIS were transferred to the Department of Central Management Services (Department) as of July 1, 2013. The Department administers the plan with the cooperation of the Teachers' Retirement System (TRS).

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers' Health Insurance Security Fund – Continued

Plan Description – Continued

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

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

On-Behalf Contributions to the THIS Fund. The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 1.18 percent of pay during the year ended June 30, 2018. State of Illinois contributions were \$273,191, and the District recognized revenue and expenditures of this amount during the year. State contributions intended to match active member contributions during the years ended June 30, 2017 and 2016 were 1.12 and 1.07 percent of pay, respectively. State contributions on behalf of the District's employees were \$252,894 and \$200,0734, respectively.

Employer Contributions to the THIS Fund. The District also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.88 percent during the year ended June 30, 2018, and 0.84 and 0.80 percent during the years ended June 30, 2017 and 2016, respectively. For the year ended June 30, 2018, the District paid \$203,735 to the THIS Fund, which was 100 percent of the required contribution. For the years ended June 30, 2017 and 2016, the District paid \$189,670 and \$178,032 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers' Health Insurance Security Fund – Continued

Plan Description – Continued

Actuarial Assumptions. The total OPEB liability was determined by an actuarial valuation as of June 30, 2016, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified.

Inflation:	2.75%
Salary Increases:	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Investment Rate of Return:	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Healthcare Cost Trend Rates:	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trend starts at 8.00% and 9.00% for non-Medicare cost and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.59% is added to non-Medicare cost on and after 2020 to account for the Excise Tax.

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

The actuarial assumptions used in the June 30, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2014.

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers' Health Insurance Security Fund – Continued

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on OPEB plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits), and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

Since the THIS fund is financed on a pay-as-you-go basis, the sponsor has selected a discount rate consistent with the 20-year general obligation bond index described above. The discount rates are 2.85 percent as of June 30, 2016, and 3.56 percent as of June 30, 2017.

Sensitivity of the Employer's Proportionate Share of the Collective Net OPEB Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the collective net OPEB liability, as well as what the District's proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (2.56%)	Current Discount Rate (3.56%)	1% Increase (4.56%)
Employer's Proportionate Share of the OPEB Liability	\$ 33,187,692	27,656,506	23,230,725

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers’ Health Insurance Security Fund – Continued

Sensitivity of the Employer’s Proportionate Share of the Collective Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the District’s proportionate share of the collective net OPEB liability, using current trend rates and sensitivity trend rates that are either one percentage point higher or lower. The key trend rates are 8.00% in 2018 decreasing to an ultimate trend rate of 5.09% in 2025, for non-Medicare coverage, and 9.00% in 2018 decreasing to an ultimate trend rate of 4.50% in 2027 for Medicare coverage.

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Employer’s Proportionate Share of the OPEB Liability	\$ 22,321,653	27,656,506	35,313,846

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2018, the District reported a liability for its proportionate share of the net OPEB liability that reflected a reduction for State OPEB support provided to the District. The collective net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of that date. The District’s proportion of the collective net OPEB liability was based on a projection of the District’s long-term share of contributions to the OPEB plan relative to the projected contributions of the District, actuarially determined. At June 30, 2017, the District’s proportion was 0.106578 percent, which was an increase of 0.07718 from its proportion measured as of June 30, 2016 (0.029403 percent). The State’s support and total are for disclosure purposes only. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District were as follow:

Employer's Proportionate Share of the Net OPEB Liability	\$ 27,656,506
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>36,319,926</u>
Total	<u><u>63,976,432</u></u>

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

Teachers’ Health Insurance Security Fund – Continued

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – Continued

For the year ending June 30, 2018, the District recognized OPEB expense of \$273,191 and revenue of \$273,191 for support provided by the State. For the year ending June 30, 2018, the District recognized OPEB expense of \$2,447,266. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Totals
Differences Between Expected and Actual Experience	\$ -	(15,665)	(15,665)
Net Difference Between Projected and Actual Earnings on Pension Investments	-	(304)	(304)
Changes of Assumptions	-	(3,292,872)	(3,292,872)
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	2,548,890	-	2,548,890
Total Pension Expense to be Recognized in Future Periods	2,548,890	(3,308,841)	(759,951)
Employer Contributions Subsequent to the Measurement Date	203,735	-	203,735
Totals	2,752,625	(3,308,841)	(556,216)

\$203,735 reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the collective net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the District’s OPEB expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2019	\$ (116,743)
2020	(116,743)
2021	(116,743)
2022	(116,743)
2023	(116,725)
Thereafter	(176,254)
Total	(759,951)

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

RETIREE’S HEALTH PLAN

General Information about the OPEB Plan

Plan Description. The District administers a single-employer defined benefit plan (“the Retiree’s Health Plan”). The plan provides medical and dental benefits for eligible retirees and their spouses through the District’s medical plan which covers both active and retired members. Benefit provisions are established through collective bargaining agreements for certificated retirees, the District provides a defined benefit to be used toward TRS premiums until the retiree becomes eligible for Medicare benefits, or until the retiree reaches age 70. The amount is \$100 per month for administrators and \$40 per month for teachers. Non-Certified retirees and their dependents may continue coverage with the District until age 65 by contributing the active’s full monthly premium. District 45, DuPage County has the authority to establish and amend benefit provisions of these OPEB benefit plans. The Retiree Health Plan does not issue a publicly available financial report.

Employees Covered by Benefit Terms. As of June 30, 2018, the measurement date, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	20
Inactive Employees Entitled to but not yet Receiving Benefits	-
Active Employees	<u>466</u>
Total	<u><u>486</u></u>

Total OPEB Liability

The District’s OPEB liability of \$384,288 was measured as June 30, 2018 and was determined by an actuarial valuation as of that date.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

RETIREE’S HEALTH PLAN – Continued

Actuarial Assumptions and Other Inputs.

The total OPEB liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.20%
Salary Increases	N/A
Discount Rate	3.87%
Healthcare Cost Trend Rates	
PPO	
Initial	8.10%
Ultimate	3.80%
HMO	
Initial	7.10%
Ultimate	3.80%
Dental	
Initial	4.10%
Ultimate	3.30%
Retirees' Share of Benefit-Related Costs	20.00%
N/A - Not Available	

The municipal bond index rate used for this valuation was changed from 2.92% as of July 1, 2016 to 3.56%, which is the published rate as of June 30, 2017 for the Fidelity General Obligation 20-year bond index. The discount rate as of June 30, 2018 is 3.87%.

The mortality projection assumption has been updated to MP-2016, a table of rates provided by the Society of Actuaries that reflects recent updates in mortality experience. In addition, the new base table of rates is the RPH-2014 mortality table projected back to 2006 using Scale MP-2014 and then projected to 2016 using Scale MP-2016.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2017 - June 30, 2018.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

RETIREE’S HEALTH PLAN – Continued

Changes in the Total OPEB Liability

Balances at June 30, 2017	<u>\$ 375,800</u>
Changes for the Year:	
Service Cost	20,475
Interest on the Total Pension Liability	13,101
Differences Between Expected and Actual Experience of the Total Pension Liability	-
Changes of Assumptions	(9,505)
Benefit Payments	(15,583)
Other Changes	<u>-</u>
Net Changes	<u>8,488</u>
Balances at June 30, 2018	<u><u>384,288</u></u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Total OPEB Liability	\$ 412,890	384,288	357,787

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the total OPEB liability of the District, as well as what the District’s total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 4 – OTHER INFORMATION – Continued

OTHER POST-EMPLOYMENT BENEFITS – Continued

RETIREE’S HEALTH PLAN – Continued

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – Continued

	1% Decrease	Healthcare Cost-Trend Rate	1% Increase
Total OPEB Liability	\$ 372,966	384,288	397,160

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the District recognized pension revenue of \$31,062 on a cash basis. At June 30, 2018 under GAAP, the District would have 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	Totals
Differences Between Expected and Actual Experience	\$ -	-	-
Changes of Assumptions	-	(22,492)	(22,492)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	-
Total Deferred Amounts Related to OPEB	-	(22,492)	(22,492)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2019	\$ (5,028)
2020	(2,514)
2021	(2,514)
2022	(2,514)
2023	(9,922)
Thereafter	-
Total	(22,492)

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

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.

Teachers' Retirement System

Plan Descriptions, Provisions and Funding Policies

The District participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the City of Chicago. TRS members include all active 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 only be made by legislative action with the Governor's approval. The TRS Board of Trustees is responsible for TRS's administration. TRS issues a publicly available financial report that can be obtained at <http://www.trsil.org/financial/cafrs/fy2017>; by writing to TRS at 2815 W. Washington, PO Box 19253, Springfield, IL 62794; or by calling 888.678.3675, option 2.

Benefits Provided

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

Tier 2 members qualify for retirement benefits at age 67 with 10 years of service, or a discounted annuity can be paid at age 62 with 10 years of service. Creditable earnings for retirement purposes are capped and the final average salary is based on the highest consecutive eight years of creditable service rather than the last four. Disability provisions for Tier 2 are identical to those of Tier 1. Death benefits are payable under a formula that is different from Tier 1.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System – Continued

Benefits Provided – Continued

Essentially all Tier 1 retirees receive an annual 3 percent increase in the current retirement benefit beginning January 1 following the attainment of age 61 or on January 1 following the member's first anniversary in retirement, whichever is later. Tier 2 annual increases will be the lesser of three percent of the original benefit or one-half percent of the rate of inflation beginning January 1 following attainment of age 67 or on January 1 following the member's first anniversary in retirement, whichever is later.

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

Contributions

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

Contributions from active members and TRS contributing employers are also required by the Illinois Pension Code. The contribution rates are specified in the pension code. The active member contribution rate for the year ended June 30, 2017, was 9.0 percent of creditable earnings. The member contribution, which may be paid on behalf of employees by the employer, is submitted to TRS by the employer

On Behalf Contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the employer. For the year ended June 30, 2018, State of Illinois contributions recognized by the employer were based on the State's proportionate share of the collective net pension liability associated with the employer, and the employer recognized revenue and expenditures of \$17,484,860 in pension contributions from the State. For the years ended June 30, 2017 and June 30, 2016, the employer recognized revenue and expenditures of \$17,193,410 and \$11,439,104, respectively, in pension contributions from the State.

2.2 Formula Contributions. Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. The contribution rate is specified by statute. Contributions for the years ended June 30, 2018, 2017 and 2016 were \$134,280, \$130,963 and \$127,842, respectively, and are deferred because they were paid after the June 30, 2017 and June 30, 2016 measurement date.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System – Continued

Contributions – Continued

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

Previously, employer contributions for employees paid from federal and special trust funds were at the same rate as the state contribution rate to TRS and were much higher.

For the fiscal year ended June 30, 2018, the employer pension contribution was 10.10 percent of salaries paid from federal and special trust funds. For the fiscal year ended June 30, 2018 salaries totaling \$42,556 were paid from federal and special trust funds that required employer contributions of \$4,298. These contributions are deferred because they were paid after the June 30, 2017 measurement date. For the fiscal year ended June 30, 2017 and June 30, 2016, required District contributions were \$252,447 and \$201,899, respectively.

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 employer is required to make a one-time contribution to TRS for members retiring early under the Early Retirement Option (ERO). The payments vary depending on the member's age and salary. The maximum employer ERO contribution under the program that ended on June 30, 2016 is 146.5 percent and applies when the member is age 55 at retirement. For the year ended June 30, 2018, the employer paid \$0 to TRS for employer ERO contributions for retirements that occurred before July 1, 2016.

The employer is also required to make a one-time contribution to TRS for members granted salary increases over 6 percent if those salaries are used to calculate a retiree's final average salary. A one-time contribution is also required for members granted sick leave days in excess of the normal annual allotment if those days are used as TRS service credit. For the year ended June 30, 2018, the employer paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent and \$0 for sick leave days granted in excess of the normal annual allotment.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System – Continued

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

At June 30, 2018, the employer 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 employer. The state's support and total are for disclosures purposes only. The amount recognized by the employer 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 employer were as follows:

Employer's Proportionate Share of the Net Pension Liability	\$ 5,707,581
State's Proportionate Share of the Net Pension Liability Associated with the Employer	<u>177,664,206</u>
Total	<u><u>183,371,787</u></u>

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2016 and rolled forward to June 30, 2017. The employer's proportion of the net pension liability was based on the employer's share of contributions to TRS for the measurement year ended June 30, 2017, relative to the contributions of all participating TRS employers and the state during that period. At June 30, 2017, the employer's proportion was 0.0075 percent, which was a decrease of 0.0010 percent from its proportion measured as of June 30, 2016, which was 0.0085%.

For the year ended June 30, 2018, the employer recognized pension expense of \$17,484,860 and revenue of \$17,484,860 for support provided by the state.

At June 30, 2018, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers’ Retirement System – Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Continued

	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Total
Differences Between Expected and Actual Experience	\$ 61,991	(2,635)	59,356
Net Difference Between Projected and Actual Earnings on Pension Investments	3,915	-	3,915
Changes of Assumptions	380,940	(164,009)	216,931
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	770,793	(1,338,946)	(568,153)
Total Pension Expense to be Recognized in Future Periods	1,217,639	(1,505,590)	(287,951)
Employer Contributions Subsequent to the Measurement Date	138,578	-	138,578
Total Deferred Amounts Related to TRS	<u>1,356,217</u>	<u>(1,505,590)</u>	<u>(149,373)</u>

\$138,578 reported as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the reporting 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:

Fiscal Year	Net Deferred Outflows/(Inflows) of Resources
2019	\$ (209,077)
2020	247,899
2021	(104,008)
2022	(198,431)
2023	(24,334)
	<u>(287,951)</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System – Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – Continued

Actuarial Assumptions

The total pension liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:	2.50 Percent
Salary Increases:	Varies by Amount of Service Credit
Investment Rate of Return:	7.00 Percent, Net of Pension Plan Investment Expense, Including Inflation

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

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:

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers' Retirement System – Continued

Actuarial Assumptions – Continued

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
U.S. Large Cap	14.40%	6.94%
U.S. Small/Mid Cap	3.60%	8.09%
International Equities Developed	14.40%	7.46%
Emerging Market Equities	3.60%	10.15%
U.S. Bonds Core	10.70%	2.44%
Internatioanl Debt Developed	5.30%	1.70%
Real Estate	15.00%	5.44%
Commodities (Real Return)	11.00%	4.28%
Hedge Funds (Absolute Return)	8.00%	4.16%
Private Equity	14.00%	10.63%
Total	<u>100.00%</u>	

Discount Rate

At June 30, 2017, the discount rate used to measure the total pension liability was 7.0 percent, which was a change from the June 30, 2016 rate of 6.83 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions, employer contributions, and state contributions will be made at the current statutorily-required rates.

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

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

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Teachers’ Retirement System – Continued

Sensitivity of the Employer’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the employer’s proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the employer’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Employer's Proportionate Share of the Net Pension Liability	\$ 7,012,509	5,707,581	4,638,736

Illinois Municipal Retirement Fund (IMRF)

Plan Description

Plan Administration. 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. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available Comprehensive Annual Financial Report that includes financial statements, detailed information about the pension plan’s fiduciary net position, and required supplementary information. The report is available for download at www.imrf.org.

Benefits Provided. IMRF has three benefit plans. The vast majority of IMRF members participate in the Regular Plan (RP). The Sheriff’s Law Enforcement Personnel (SLEP) plan is for sheriffs, deputy sheriffs, and selected police chiefs. Counties could adopt the Elected County Official (ECO) plan for officials elected prior to August 8, 2011 (the ECO plan was closed to new participants after that date).

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

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

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

- 3% of the original pension amount, or
- 1/2 of the increase in the Consumer Price Index of the original pension amount.

Plan Membership. As of December 31, 2017, the measurement date, the following employees were covered by the benefit terms:

Inactive Plan Members Currently Receiving Benefits	173
Inactive Plan Members Entitled to but not yet Receiving Benefits	210
Active Plan Members	<u>175</u>
Total	<u><u>558</u></u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

Contributions. As set by statute, the District's Regular Plan Members are required to contribute 4.5% of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. For the year-ended June 30, 2018, the District's contribution was 11.75% of covered payroll.

Net Pension Liability. The District's net pension liability was measured as of December 31, 2017. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial Assumptions. The following are the methods and assumptions used to determine total pension liability at December 31, 2017:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Market
Actuarial Assumptions	
Interest Rate	7.50%
Salary Increases	3.39% to 14.25%
Cost of Living Adjustments	2.50%
Inflation	2.50%

For non-disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Blue Collar Health Annuitant Mortality Table with adjustments to match current IMRF experience. For disabled retirees, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Disabled Retirees Mortality Table applying the same adjustment that were applied for non-disabled lives. For active members, an IMRF specific mortality table was used with fully generational projection scale MP-2017 (base year 2015). The IMRF specific rates were developed from the RP-2014 Employee Mortality Table with adjustments to match current IMRF experience.

DUPAGE COUNTY SCHOOL DISTRICT 45

Notes to the Financial Statements June 30, 2018

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Plan Description – Continued

Actuarial Assumptions – 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 to the target asset allocation percentage and adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target	Long-Term Expected Real Rate of Return
Fixed Income	27.00%	3.00%
Domestic Equities	38.00%	6.85%
International Equities	17.00%	6.75%
Real Estate	8.00%	5.75%
Blended	9.00%	2.65% - 7.35%
Cash and Cash Equivalents	1.00%	2.25%

Discount Rate

The discount rate used to measure the total pension liability was 7.50%, the same discount rate in the prior valuation. The projection of cash flows used to determine the discount rate assumed that member contributions will be made at the current contribution rate and that District contributions will be made at rates equal to the difference between the actuarially determined contribution rates and the member rate. Based on those assumptions, the Fund's fiduciary net position was projected to be available to make all project future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all period of projected benefit payments to determine the total pension liability.

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

Discount Rate Sensitivity

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

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Net Pension Liability/(Asset)	\$ 5,638,618	2,106,361	(828,984)

Changes in the Net Pension Liability

	Total Pension Liability (A)	Plan Fiduciary Net Position (B)	Net Pension Liability (A) - (B)
Balances at December 31, 2016	\$ 28,330,429	24,044,115	4,286,314
Changes for the year:			
Service Cost	615,687	-	615,687
Interest on the Total Pension Liability	2,097,490	-	2,097,490
Differences Between Expected and Actual Experience of the Total Pension Liability	486,676	-	486,676
Changes of Assumptions	(908,894)	-	(908,894)
Contributions - Employer	-	687,782	(687,782)
Contributions - Employees	-	290,163	(290,163)
Net Investment Income	-	4,250,246	(4,250,246)
Benefit Payments, including Refunds of Employee Contributions	(1,343,472)	(1,343,472)	-
Other (Net Transfer)	-	(757,279)	757,279
Net Changes	947,487	3,127,440	(2,179,953)
Balances at December 31, 2017	29,277,916	27,171,555	2,106,361

DUPAGE COUNTY SCHOOL DISTRICT 45

**Notes to the Financial Statements
June 30, 2018**

NOTE 4 – OTHER INFORMATION – Continued

RETIREMENT SYSTEMS – Continued

Illinois Municipal Retirement Fund (IMRF) – Continued

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

For the year ended June 30, 2018, the District recognized pension expense of \$1,425,151. At June 30, 2018, 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	Total
Differences Between Expected and Actual Experience	\$ 420,573	-	420,573
Changes of Assumptions	3,375	(640,989)	(637,614)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	780,329	(1,991,234)	(1,210,905)
Total Pension Expense to be Recognized in Future Periods	1,204,277	(2,632,223)	(1,427,946)
Pension Contributions made Subsequent to the Measurement Date	362,703	-	362,703
Total Deferred Amounts Related to IMRF	<u>1,566,980</u>	<u>(2,632,223)</u>	<u>(1,065,243)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in future periods as follows:

Fiscal Year	Net Deferred (Inflows) of Resources
2019	\$ (173,580)
2020	(286,230)
2021	(470,329)
2022	(497,807)
2023	-
Thereafter	<u>-</u>
Total	<u>(1,427,946)</u>

REQUIRED SUPPLEMENTARY INFORMATION

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements. Such information includes:

- Schedule of Employer Contributions
Teacher's Health Insurance Security Fund
- Schedule of Employer's Proportionate Share of the Collective Net OPEB Liability
Teacher's Health Insurance Security Fund
- Schedule of Changes in the Employer's Total OPEB Liability and Related Ratios
Retiree's Health Plan
- Schedule of Employer's Proportionate Share of the Net Pension Liability and Employer Contributions
Teachers' Retirement System
- Schedule of Employer Contributions
Illinois Municipal Retirement Fund
- Schedule of Changes in the Employer's Net Pension Liability
Illinois Municipal Retirement Fund
- Budgetary Comparison Schedule
General Fund
Operations and Maintenance – Special Revenue Fund
Transportation – Special Revenue Fund
Municipal Retirement/Social Security – Special Revenue Fund

Notes to the Required Supplementary Information

Budgetary Information – Except for the exclusion of on-behalf payments from other governments, the budgeted amounts are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

DUPAGE COUNTY SCHOOL DISTRICT 45

Teacher's Health Insurance Security Fund

Required Supplementary Information

Schedule of Employer Contributions

June 30, 2018

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2018	\$ 203,735	\$ 203,735	\$ -	\$ 23,151,744	0.88%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

DUPAGE COUNTY SCHOOL DISTRICT 45

Teacher's Health Insurance Security Fund

Required Supplementary Information Schedule of Employer Contributions - Continued June 30, 2018

Notes to the Schedule of Employer Contributions

Valuation Date	June 30, 2016
Measurement Date	June 30, 2017
Sponsor's Fiscal Year End	June 30, 2018

Methods and Assumptions Used to Determine Actuarial Liability and Contributions:

Actuarial Cost Method	Entry Age Normal, used to measure the Total OPEB Liability
Contribution Policy	Benefits are financed on a pay-as-you-go basis. Contribution rates are defined by statute. For fiscal year end June 30, 2017, contribution rates are 1.18% of pay for active members, 0.88% of pay for employers, and 1.18% of pay for the State. Retired members contribute a percentage of premium rates. The goal of the policy is to finance current year costs plus a margin for incurred but not paid plan costs.
Asset Valuation Method	Market Value
Investment Rate of Return	0%, net of OPEB plan investment expense, including inflation, for all plan years.
Inflation	2.75%
Salary Increases	Depends on service and ranges from 9.25% at 1 year of service to 3.25% at 20 or more years of service. Salary increase includes a 3.25% wage inflation assumption.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the June 30, 2016 actuarial valuation.
Mortality	Retirement and Beneficiary Annuitants: RP-2014 White Collar Annuitant Mortality Table, adjusted for TRS experience. Disabled Annuitants: RP-2014 Disabled Annuitant Table. Pre-Retirement: RP-2014 White Collar Table. All tables reflect future mortality improvements using Projection Scale MP-2014.
Healthcare Cost Trend Rates	Actual trend used for fiscal year 2017. For fiscal years on and after 2018, trends start at 8.00% and 9.00% for non-Medicare cost and post-Medicare costs, respectively, and gradually decreases to an ultimate trend of 4.50%. Additional trend rate of 0.59% is added to non-Medicare cost on and after 2020 to account for the Excise Tax.
Aging Factors	Based on the 2013 SOA Study "Health Care Costs – From Birth to Death"
Expenses	Health administrative expenses are included in the development of the per capita claims costs. Operating expenses are included as a component of the Annual OPEB Expense.

DUPAGE COUNTY SCHOOL DISTRICT 45

Teacher's Health Insurance Security Fund

Required Supplementary Information

Schedule of the Employer's Proportionate Share of the Collective Net OPEB Liability

June 30, 2018

	<u>6/30/18</u>
Employer's Proportion of the Net OPEB Liability	0.1065780%
Employer's Proportionate Share of the Net OPEB Liability	\$ 27,656,506
State's Proportionate Share of the Net OPEB Liability Associated with the Employer	<u>36,319,926</u>
Total	<u><u>63,976,432</u></u>
Covered Payroll	\$ 23,151,744
Employer's Proportionate Share of the Net OPEB Liability as a % of its Covered Payroll	119.46%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	(0.17%)

Notes:

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

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

DUPAGE COUNTY SCHOOL DISTRICT 45

Retiree's Health Plan

**Schedule of Changes in the Employer's OPEB Liability and Related Ratios
June 30, 2018**

	<u>6/30/2017</u>	<u>6/30/2018</u>
Total OPEB Liability		
Service Cost	\$ 20,475	20,475
Interest	11,370	13,101
Differences Between Expected and Actual Experience	-	-
Change of Assumptions	(17,117)	(9,505)
Benefit Payments	(15,583)	(15,583)
Other (Net Transfer)	-	-
	<hr/>	<hr/>
Net Change in Total OPEB Liability	(855)	8,488
OPEB Liability - Beginning	376,655	375,800
	<hr/>	<hr/>
OPEB Liability - Ending	375,800	384,288
	<hr/>	<hr/>
Covered Payroll	\$ 16,954,487	\$ 17,547,894
Total OPEB Liability as a Percentage of Covered Payroll	2.22%	2.19%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

DUPAGE COUNTY SCHOOL DISTRICT 45

Teachers' Retirement System

**Required Supplementary Information
Schedule of the Employer's Proportionate Share of the Net Pension Liability and
Employer Contributions
June 30, 2018**

	<u>2015*</u>
Employer's Proportion of the Net Pension Liability	0.0059%
Employer's Proportionate Share of the Net Pension Liability	\$ 3,620,149
State's Proportionate Share of the Net Pension Liability Associated with the Employer	<u>128,483,985</u>
Total	<u><u>132,104,134</u></u>
Employer's Covered-Employee Payroll	\$ 21,545,784
Employer's Proportionate Share of the Net Pension Liability as a % of its Covered-Employee Payroll	16.78%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	43.00%
Contractually-Required Contribution	\$ 317,132
Contributions in Relation to the Contractually-Required Contribution	274,539
Contribution Deficiency/(Excess)	(42,593)
Employer's Covered Payroll	21,545,784
Contributions as a % of Covered Payroll	1.27%

Notes:

* The amounts presented were determined as of the prior fiscal-year end.

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

2016*	2017*	2018*
0.0090%	0.0085%	0.0075%
5,915,870	6,722,768	5,707,581
139,623,126	175,074,777	177,664,206
145,538,996	181,797,545	183,371,787
22,253,999	22,579,785	23,151,744
26.58%	29.80%	24.65%
41.50%	36.40%	39.30%
316,553	383,410	138,578
329,741	320,984	175,002
13,188	(62,426)	36,424
22,253,999	22,579,785	23,151,744
1.48%	1.42%	0.76%

DUPAGE COUNTY SCHOOL DISTRICT 45

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Employer Contributions
June 30, 2018**

Fiscal Year	Actuarially Determined Contribution	Contributions in Relation to the Actuarially Determined Contribution	Contribution Excess/ (Deficiency)	Covered Payroll	Contributions as a Percentage of Covered Payroll
2015	\$ 585,300	\$ 585,303	\$ 3	\$ 5,125,225	11.42%
2016	642,539	653,956	11,417	5,431,435	12.04%
2017	663,803	663,486	(317)	5,606,445	11.83%
2018	668,329	668,329	-	5,686,121	11.75%

Notes to the Required Supplementary Information:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % Pay (Closed)
Remaining Amortization Period	27 Years
Asset Valuation Method	5-Year Smoothed Market, 20% Corridor
Inflation	2.75%
Salary Increases	3.75% - 14.50%
Investment Rate of Return	7.50%
Retirement Age	See the Notes to the Financial Statements
Mortality	IMFR specific mortality table was used with fully generational projection scale MP-2014 (base year 2012).

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

DUPAGE COUNTY SCHOOL DISTRICT 45

Illinois Municipal Retirement Fund

Required Supplementary Information

Schedule of Changes in the Employer's Net Pension Liability

June 30, 2018

See Following Page

DUPAGE COUNTY SCHOOL DISTRICT 45

Illinois Municipal Retirement Fund

**Required Supplementary Information
Schedule of Changes in the Employer's Net Pension Liability
June 30, 2018**

	<u>12/31/14</u>
Total Pension Liability	
Service Cost	\$ 599,633
Interest	1,700,936
Differences Between Expected and Actual Experience	(40,400)
Change of Assumptions	1,072,538
Benefit Payments, Including Refunds of Member Contributions	<u>(1,079,359)</u>
Net Change in Total Pension Liability	2,253,348
Total Pension Liability - Beginning	<u>22,919,016</u>
Total Pension Liability - Ending	<u><u>25,172,364</u></u>
Plan Fiduciary Net Position	
Contributions - Employer	\$ 585,303
Contributions - Members	230,679
Net Investment Income	1,325,310
Benefit Payments, Including Refunds of Member Contributions	(1,079,359)
Other (Net Transfer)	<u>(95,155)</u>
Net Change in Plan Fiduciary Net Position	966,778
Plan Net Position - Beginning	<u>21,858,078</u>
Plan Net Position - Ending	<u><u>22,824,856</u></u>
Employer's Net Pension Liability	<u><u>\$ 2,347,508</u></u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.67%
Covered Payroll	\$ 5,125,225
Employer's Net Pension Liability as a Percentage of Covered Payroll	45.80%

Note:

This schedule is intended to show information for ten years. Information for additional years will be displayed as it becomes available.

12/31/2015	12/31/16	12/31/17
599,733	621,641	615,687
1,862,701	1,984,090	2,097,490
392,066	204,552	486,676
61,653	(97,349)	(908,894)
(1,206,108)	(1,264,914)	(1,343,472)
1,710,045	1,448,020	947,487
25,172,364	26,882,409	28,330,429
26,882,409	28,330,429	29,277,916
653,956	663,486	687,782
244,364	259,606	290,163
113,355	1,561,796	4,250,246
(1,206,108)	(1,264,914)	(1,343,472)
198,939	(5,221)	(757,279)
4,506	1,214,753	3,127,440
22,824,856	22,829,362	24,044,115
22,829,362	24,044,115	27,171,555
4,053,047	4,286,314	2,106,361
84.92%	84.87%	92.81%
5,431,435	5,606,445	5,960,029
74.62%	76.45%	35.34%

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 26,468,465	26,468,465	26,468,207	(258)
Tort Immunity	388,454	389,954	388,434	(1,520)
Special Education Levy	243,023	243,023	242,985	(38)
Summer School - Tuition from				
Pupils or Parents (in State)	3,000	7,000	20,336	13,336
Investment Income	111,500	380,000	383,718	3,718
Sales to Pupils - Lunch	215,000	215,000	261,787	46,787
Sales to Pupils - Breakfast	150	150	-	(150)
Sales to Pupils - A la Carte	8,000	8,000	6,479	(1,521)
Sales to Adults	2,500	2,500	1,261	(1,239)
Admissions - Athletic	15,000	15,000	12,905	(2,095)
Fees	35,000	34,100	21,532	(12,568)
Other Pupil Activity Revenue	11,725	11,725	81,313	69,588
Rentals - Regular Textbook	135,000	135,000	132,081	(2,919)
Sales - Other	63,000	63,000	1,260	(61,740)
Contributions and Donations				
from Private Sources	60,000	75,000	95,197	20,197
Refund of Prior Years' Expenditures	50,000	50,000	40,606	(9,394)
Other	38,000	26,000	114,982	88,982
Total Local Sources	27,847,817	28,123,917	28,273,083	149,166
State Sources				
General State Aid	3,609,656	5,651,614	5,672,390	20,776
Special Education				
Private Facility Tuition	226,111	226,111	228,235	2,124
Extraordinary	469,244	-	-	-
Personnel	952,122	-	-	-
Orphanage - Individual	35,510	32,415	32,415	-
Orphanage - Summer Individual	3,178	-	-	-
Summer School	11,167	-	-	-
Bilingual Education - Downstate - TPI and TBE	451,021	451,021	288,458	(162,563)

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues - Continued				
State Sources - Continued				
State Free Lunch and Breakfast	\$ 5,690	5,690	11,098	5,408
Early Childhood - Block Grant	255,194	255,194	261,344	6,150
IL Library Grant	-	2,100	4,673	2,573
Total State Sources	6,018,893	6,624,145	6,498,613	(125,532)
Federal Sources				
National School Lunch Program	650,000	525,000	614,313	89,313
School Breakfast Program	125,000	105,000	129,917	24,917
Title I - Low Income	726,000	806,998	796,470	(10,528)
Federal - Special Education				
Preschool Flow-Through	30,444	37,025	31,930	(5,095)
Federal - Special Education - IDEA				
Flow-Through/Low Incident	824,056	985,198	852,105	(133,093)
Room and Board	-	40,408	40,408	-
Title III - Immigrant Education Program	-	200	8,119	7,919
Title III - Language Inst. Program -				
Limited English	101,905	132,581	144,574	11,993
Title II - Teacher Quality	126,000	136,387	128,326	(8,061)
Medicaid Matching Funds				
Administration Outreach	100,000	75,000	101,648	26,648
Fee-For-Service Program	500,000	400,000	479,591	79,591
Total Federal Sources	3,183,405	3,243,797	3,327,401	83,604
Total Direct Revenues	37,050,115	37,991,859	38,099,097	107,238
On Be-Half Revenues	12,250,000	12,250,000	17,758,051	5,508,051
Total Revenues	49,300,115	50,241,859	55,857,148	5,615,289

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures				
Instruction				
Regular Programs				
Salaries	\$ 11,890,801	11,899,001	12,024,251	(125,250)
Employee Benefits	1,015,175	1,015,175	458,650	556,525
Purchased Services	27,695	27,695	9,748	17,947
Supplies and Materials	873,238	925,342	801,694	123,648
Capital Outlay	5,231	5,231	-	5,231
Other Objects	2,325	2,325	1,728	597
Non-Capitalized Equipment	122,200	122,200	51,614	70,586
Total Regular Programs	13,936,665	13,996,969	13,347,685	649,284
Pre-K Programs				
Salaries	251,721	255,937	255,965	(28)
Employee Benefits	13,144	13,144	19,759	(6,615)
Purchased Services	957	957	957	-
Supplies and Materials	4,181	2,710	3,910	(1,200)
Total Pre-K Programs	270,003	272,748	280,591	(7,843)
Special Education Programs				
Salaries	4,951,906	4,939,348	4,923,341	16,007
Employee Benefits	538,447	538,447	481,752	56,695
Purchased Services	47,125	38,767	7,239	31,528
Supplies and Materials	123,858	99,533	62,396	37,137
Non-Capitalized Equipment	5,000	5,000	-	5,000
Total Special Education Programs	5,666,336	5,621,095	5,474,728	146,367
Remedial and Supplemental Programs K-12				
Salaries	815,730	815,730	890,068	(74,338)
Employee Benefits	62,628	62,628	24,734	37,894
Supplies and Materials	-	-	89	(89)
Total Remedial and Supplemental Programs	878,358	878,358	914,891	(36,533)

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Instruction - Continued				
Remedial and Supplemental Programs Pre-K				
Salaries	\$ 330,147	333,147	297,058	36,089
Employee Benefits	59,250	59,250	51,143	8,107
Purchased Services	2,434	12,434	17,420	(4,986)
Supplies and Materials	280	280	197	83
Total Remedial and Supplemental Programs Pre-K	392,111	405,111	365,818	39,293
Interscholastic Programs				
Salaries	125,000	125,000	111,445	13,555
Employee Benefits	-	1,800	653	1,147
Purchased Services	10,000	10,000	7,860	2,140
Supplies and Materials	-	-	66,741	(66,741)
Other Objects	850	850	6,051	(5,201)
Total Interscholastic Programs	135,850	137,650	192,750	(55,100)
Summer School Programs				
Salaries	-	92,800	92,994	(194)
Employee Benefits	-	1,000	269	731
Purchased Services	-	300	304	(4)
Supplies and Materials	-	270	266	4
Total Summer School Programs	-	94,370	93,833	537
Gifted Programs				
Salaries	247,222	247,222	263,664	(16,442)
Employee Benefits	9,459	9,459	11,617	(2,158)
Supplies and Materials	15,000	15,000	11,864	3,136
Total Gifted Programs	271,681	271,681	287,145	(15,464)
Bilingual Programs				
Salaries	1,518,652	1,518,652	1,805,208	(286,556)
Employee Benefits	170,352	170,352	212,275	(41,923)

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Instruction - Continued				
Bilingual Programs - Continued				
Purchased Services	\$ 52,109	52,109	15,230	36,879
Supplies and Materials	98,000	117,000	49,579	67,421
Total Bilingual Programs	1,839,113	1,858,113	2,082,292	(224,179)
Special Education Programs K-12 Private Institution				
Purchased Services	-	-	245	(245)
Other Objects	470,000	470,000	518,012	(48,012)
Total Special Education Programs K-12 Private Institution	470,000	470,000	518,257	(48,257)
Total Instruction	23,860,117	24,006,095	23,557,990	448,105
Support Services				
Pupils				
Attendance and Social Work Services				
Salaries	702,283	722,283	689,344	32,939
Employee Benefits	38,010	40,030	70,262	(30,232)
Purchased Services	550	550	-	550
Supplies and Materials	5,000	5,000	1,458	3,542
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Attendance and Social Work	747,343	769,363	761,064	8,299
Guidance Services				
Salaries	133,456	133,456	147,648	(14,192)
Employee Benefits	9,681	9,681	14,355	(4,674)
Total Guidance Services	143,137	143,137	162,003	(18,866)
Health Services				
Salaries	534,407	534,707	532,711	1,996
Employee Benefits	49,824	49,824	19,685	30,139
Purchased Services	29,400	29,400	28,489	911

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Pupils - Continued				
Health Services - Continued				
Supplies and Materials	\$ 11,300	14,300	7,829	6,471
Total Health Services	624,931	628,231	588,714	39,517
Psychological Services				
Salaries	1,104,562	1,104,562	462,447	642,115
Employee Benefits	16,470	16,470	30,976	(14,506)
Purchased Services	5,400	5,400	119	5,281
Supplies and Materials	3,000	8,000	3,814	4,186
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Psychological Services	1,130,932	1,135,932	497,356	638,576
Speech Pathology and Audiology Services				
Salaries	1,093,310	1,093,310	1,110,260	(16,950)
Employee Benefits	53,921	53,921	88,013	(34,092)
Purchased Services	5,400	5,400	5,134	266
Supplies and Materials	5,000	10,000	7,037	2,963
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Speech Pathology Audiology	1,159,131	1,164,131	1,210,444	(46,313)
Total Pupils	3,805,474	3,840,794	3,219,581	621,213
Instructional Staff				
Improvement of Instructional Services				
Salaries	1,067,210	1,067,210	972,863	94,347
Employee Benefits	142,077	142,077	106,521	35,556
Purchased Services	330,398	367,914	454,025	(86,111)
Supplies and Materials	55,038	59,538	37,945	21,593
Other Objects	10,400	10,400	11,330	(930)
Total Improvement Instructional Service	1,605,123	1,647,139	1,582,684	64,455

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Instructional Staff - Continued				
Educational Media Services				
Salaries	\$ 423,442	423,442	490,453	(67,011)
Employee Benefits	60,950	60,950	42,625	18,325
Supplies and Materials	109,586	109,586	95,707	13,879
Non-Capitalized Equipment	2,000	2,000	870	1,130
Total Educational Media Services	595,978	595,978	629,655	(33,677)
Assessment and Testing				
Salaries	104,116	104,116	109,589	(5,473)
Employee Benefits	43,180	43,180	21,708	21,472
Purchased Services	1,434	1,434	1,434	-
Supplies and Materials	115,000	115,000	114,659	341
Total Assessment and Testing	263,730	263,730	247,390	16,340
Total Instructional Staff	2,464,831	2,506,847	2,459,729	47,118
General Administration				
Board of Education Services				
Salaries	102,273	113,695	106,075	7,620
Employee Benefits	41,593	41,593	564	41,029
Purchased Services	227,815	152,815	86,449	66,366
Supplies and Materials	12,610	12,610	13,110	(500)
Other Objects	6,250	6,250	6,797	(547)
Total Board of Education Services	390,541	326,963	212,995	113,968
Executive Administration Services				
Salaries	285,482	289,232	410,517	(121,285)
Employee Benefits	60,617	60,617	67,588	(6,971)
Purchased Services	22,972	22,972	14,732	8,240
Supplies and Materials	11,414	11,414	13,212	(1,798)
Other Objects	4,531	4,531	19,771	(15,240)
Non-Capitalized Equipment	15,000	15,000	5,347	9,653

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
General Administration - Continued				
Executive Administration Services - Continued				
Termination Benefits	\$ 34,101	34,101	-	34,101
Total Executive Administration Services	434,117	437,867	531,167	(93,300)
Special Area Administration Services				
Purchased Services	11,000	12,000	5,667	6,333
Supplies and Materials	3,000	3,000	436	2,564
Total Special Area Administration Services	14,000	15,000	6,103	8,897
Tort Immunity Services				
Purchased Services	354,660	454,660	367,676	86,984
Total General Administration				
	1,193,318	1,234,490	1,117,941	116,549
School Administration				
Office of the Principal Services				
Salaries	2,074,529	2,086,863	2,163,606	(76,743)
Employee Benefits	644,332	644,332	538,252	106,080
Supplies and Materials	-	-	48	(48)
Other Objects	-	-	595	(595)
Total School Administration	2,718,861	2,731,195	2,702,501	28,694
Business				
Direction of Business Support Services				
Salaries	332,245	352,245	447,344	(95,099)
Employee Benefits	39,897	39,897	46,440	(6,543)
Purchased Services	54,784	54,784	54,973	(189)
Supplies and Materials	47,000	47,000	55,146	(8,146)
Other Objects	-	-	3,044	(3,044)
Total Fiscal Services	473,926	493,926	606,947	(113,021)

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Business - Continued				
Operation and Maintenance of Plant Services				
Purchased Services	\$ -	-	6,150	(6,150)
Supplies and Materials	700	700	500	200
Total Operations and Maintenance of Plant Services	700	700	6,650	(5,950)
Pupil Transportation Services				
Purchased Services	-	2,500	2,357	143
Supplies and Materials	1,000	1,000	-	1,000
Total Pupil Transportation Services	1,000	3,500	2,357	1,143
Food Services				
Salaries	-	-	150,006	(150,006)
Employee Benefits	-	-	6,765	(6,765)
Purchased Services	861,800	861,800	777,089	84,711
Supplies and Materials	12,200	14,517	75,721	(61,204)
Capital Outlay	5,000	5,000	-	5,000
Total Food Services	879,000	881,317	1,009,581	(128,264)
Internal Services				
Purchased Services	194,083	194,083	287,953	(93,870)
Supplies and Materials	45,250	45,250	15,939	29,311
Total Internal Services	239,333	239,333	303,892	(64,559)
Total Business	1,593,959	1,618,776	1,929,427	(310,651)
Central				
Information Services				
Salaries	63,826	63,826	67,181	(3,355)
Employee Benefits	31,259	31,259	30	31,229
Purchased Services	3,520	3,520	558	2,962
Supplies and Materials	500	500	-	500

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Central - Continued				
Information Services - Continued				
Other Objects	\$ 300	300	325	(25)
Total Information Services	99,405	99,405	68,094	31,311
Staff Services				
Salaries	255,549	255,549	163,038	92,511
Employee Benefits	59,508	59,508	47,649	11,859
Purchased Services	15,134	15,134	35,257	(20,123)
Supplies and Materials	29,888	29,888	22,953	6,935
Other Objects	750	750	70	680
Total Staff Services	360,829	360,829	268,967	91,862
Data Processing Services				
Salaries	295,979	297,479	279,979	17,500
Employee Benefits	62,165	62,165	50,519	11,646
Purchased Services	71,749	71,749	65,263	6,486
Supplies and Materials	674,777	665,027	412,608	252,419
Capital Outlay	126,000	126,000	130,500	(4,500)
Non-Capitalized Equipment	96,763	96,763	216,142	(119,379)
Total Data Processing Services	1,327,433	1,319,183	1,155,011	164,172
Total Central	1,787,667	1,779,417	1,492,072	287,345
Total Support Services	13,564,110	13,711,519	12,921,251	790,268
Community Services				
Salaries	79,293	77,041	53,539	23,502
Employee Benefits	1,358	1,358	1,515	(157)
Purchased Services	10,188	72,185	53,086	19,099
Supplies and Materials	30,558	13,916	30,560	(16,644)
Total Community Services	121,397	164,500	138,700	25,800

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Payments to Other Districts and Governmental Units				
Payments for Regular Programs				
Purchased Services	\$ -	12,000	17,455	(5,455)
Payments for Special Education Programs				
Purchased Services	1,014,559	1,136,784	1,115,373	21,411
Other Objects	496,769	850,000	488,213	361,787
Total Payments for Special Education Programs	1,511,328	1,986,784	1,603,586	383,198
Total Payments to Other Districts and Governmental Units	1,511,328	1,998,784	1,621,041	377,743
Provision for Contingencies				
Other Objects	10,000	100,000	-	100,000
Total Direct Expenditures	39,066,952	39,980,898	38,238,982	1,741,916
On Be-Half Payments	12,250,000	12,250,000	17,758,051	(5,508,051)
Total Expenditures	51,316,952	52,230,898	55,997,033	(3,766,135)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,016,837)	(1,989,039)	(139,885)	1,849,154
Other Financing Sources (Uses)				
Transfers In	-	-	8,066	8,066
Transfers Out	-	-	(2,123,194)	(2,123,194)
	-	-	(2,115,128)	(2,115,128)
Net Change in Fund Balance	<u>(2,016,837)</u>	<u>(1,989,039)</u>	(2,255,013)	<u>(265,974)</u>
Fund Balance - Beginning			<u>19,842,217</u>	
Fund Balance - Ending			<u><u>17,587,204</u></u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Operations and Maintenance - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 3,248,281	3,248,281	3,248,208	(73)
Personal Property Replacement Taxes	180,000	100,000	170,597	70,597
Investment Income	3,000	7,000	17,027	10,027
Rentals	90,000	90,000	98,316	8,316
Contributions and Donations from				
Private Sources	256,000	276,000	276,820	820
Other	55,000	251,500	308,243	56,743
Total Revenues	3,832,281	3,972,781	4,119,211	146,430
Expenditures				
Support Services				
Business				
Facilities Acquisition and Construction Services				
Purchased Services	515,239	515,239	142,385	372,854
Supplies and Materials	-	54,700	-	54,700
Total Facilities Acquisition and Construction Services	515,239	569,939	142,385	427,554
Operation and Maintenance of Plant Services				
Salaries	1,822,418	1,822,418	1,696,725	125,693
Employee Benefits	240,956	240,956	209,311	31,645
Purchased Services	575,750	575,750	560,031	15,719
Supplies and Materials	782,572	782,572	658,992	123,580
Capital Outlay	76,850	76,850	51,084	25,766
Other Objects	900	900	226	674
Non-Capitalized Equipment	122,350	122,350	207,714	(85,364)
Termination Benefits	50,000	50,000	-	50,000
Total Operation and Maintenance of Plant Svc.	3,671,796	3,671,796	3,384,083	287,713
Total Expenditures	4,187,035	4,241,735	3,526,468	715,267

DUPAGE COUNTY SCHOOL DISTRICT 45

Operations and Maintenance - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (354,754)	(268,954)	592,743	861,697
Other Financing Sources (Uses)				
Disposal of Capital Assets	50,000	175,000	-	(175,000)
Transfers In	2,252,218	2,252,218	2,123,194	(129,024)
Transfers Out	(2,252,218)	(2,252,218)	(898,391)	1,353,827
	<u>50,000</u>	<u>175,000</u>	<u>1,224,803</u>	<u>1,049,803</u>
Net Change in Fund Balance	<u>(304,754)</u>	<u>(93,954)</u>	1,817,546	<u>1,911,500</u>
Fund Balance - Beginning			<u>88,958</u>	
Fund Balance - Ending			<u>1,906,504</u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Transportation - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 1,551,903	1,551,903	1,551,884	(19)
Regular Transportation Fees Other Districts	50,000	15,000	18,053	3,053
Regular Transportation Fees Other Sources	-	15,000	12,177	(2,823)
Investment Income	3,000	5,000	5,617	617
Total Local Sources	1,604,903	1,586,903	1,587,731	828
State Sources				
Transportation - Regular/Vocational	223,994	14,000	14,280	280
Transportation - Special Education	919,000	1,535,000	1,537,592	2,592
Total State Sources	1,142,994	1,549,000	1,551,872	2,872
Total Revenues	2,747,897	3,135,903	3,139,603	3,700
Expenditures				
Support Services				
Business				
Pupil Transportation Services				
Salaries	23,902	23,902	34,286	(10,384)
Employee Benefits	5,000	26,560	1,311	25,249
Purchased Services	2,252,650	2,286,400	2,311,236	(24,836)
Supplies and Materials	30,000	50,000	29,039	20,961
Capital Outlay	80,000	80,000	78,479	1,521
Other	-	-	160	(160)
Non-Capitalized Equipment	4,400	4,400	-	4,400
Total Expenditures	2,395,952	2,471,262	2,454,511	16,751
Net Change in Fund Balance	351,945	664,641	685,092	20,451
Fund Balance - Beginning			241,325	
Fund Balance - Ending			926,417	

DUPAGE COUNTY SCHOOL DISTRICT 45

Municipal Retirement/Social Security - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 1,237,121	1,237,121	1,236,927	(194)
Social Security/Medicare Only Levy	388,454	388,454	388,629	175
Corporate Personal Property				
Replacement Taxes	122,000	75,000	113,731	38,731
Investment Income	7,250	25,000	25,628	628
Total Revenues	1,754,825	1,725,575	1,764,915	39,340
Expenditures				
Instruction				
Regular Programs	232,537	232,537	(11,013)	243,550
Pre-K Programs	10,290	10,290	14,142	(3,852)
Special Education Programs	498,521	498,521	372,086	126,435
Remedial and Supplemental Programs K-12	16,900	16,900	14,754	2,146
Remedial and Supplemental Programs Pre-K	175	175	16,029	(15,854)
Interscholastic Programs	1,995	1,995	1,753	242
Summer School Programs	8,150	8,150	7,977	173
Gifted Programs	4,200	4,200	3,627	573
Bilingual Programs	43,225	43,225	59,261	(16,036)
Total Instruction	815,993	815,993	478,616	337,377
Support Services				
Pupils				
Attendance and Social Work Services	10,000	10,000	10,449	(449)
Guidance Services	2,800	2,800	2,254	546
Health Services	83,000	83,000	82,748	252
Psychological Services	-	-	5,992	(5,992)
Speech Pathology and Audiology Services	14,000	14,000	14,551	(551)
Total Pupils	109,800	109,800	115,994	(6,194)
Instructional Staff				
Improvement of Instructional Staff	10,705	10,705	28,577	(17,872)
Educational Media Services	53,000	53,000	51,623	1,377
Assessment and Testing	5,000	5,000	1,611	3,389
Total Instructional Staff	68,705	68,705	81,811	(13,106)

DUPAGE COUNTY SCHOOL DISTRICT 45

Municipal Retirement/Social Security - Special Revenue Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
General Administration				
Board of Education Services	\$ 55,619	55,619	3,430	52,189
Executive Administration Services	45,150	45,150	36,469	8,681
Total General Administration	<u>100,769</u>	<u>100,769</u>	<u>39,899</u>	<u>60,870</u>
School Administration				
Office of the Principal Services	<u>135,887</u>	<u>135,887</u>	<u>134,317</u>	<u>1,570</u>
Business				
Direction of Business Support Services	52,063	52,063	58,401	(6,338)
Operations and Maintenance of				
Plant Services	354,200	354,200	314,385	39,815
Pupil Transportation Services	1,600	1,600	3,541	(1,941)
Food Services	-	-	17,032	(17,032)
Total Business	<u>407,863</u>	<u>407,863</u>	<u>393,359</u>	<u>14,504</u>
Central				
Information Services	10,550	10,550	12,333	(1,783)
Staff Services	-	-	1,279	(1,279)
Data Processing Services	59,840	59,840	50,144	9,696
Total Central	<u>70,390</u>	<u>70,390</u>	<u>63,756</u>	<u>6,634</u>
Total Support Services	<u>893,414</u>	<u>893,414</u>	<u>829,136</u>	<u>64,278</u>
Community Services	<u>6,250</u>	<u>6,250</u>	<u>6,061</u>	<u>189</u>
Total Expenditures	<u>1,715,657</u>	<u>1,715,657</u>	<u>1,313,813</u>	<u>401,844</u>
Net Change in Fund Balance	<u>39,168</u>	<u>9,918</u>	451,102	<u>441,184</u>
Fund Balance - Beginning			<u>1,367,879</u>	
Fund Balance - Ending			<u>1,818,981</u>	

OTHER SUPPLEMENTARY INFORMATION

Other supplementary information includes financial statements and schedules not required by the GASB, nor a part of the basic financial statements, but are presented for purposes of additional analysis.

Such statements and schedules include:

- Budgetary Comparison Schedules – Major Governmental Funds
- Combining Statements – General Fund Subfunds
- Budgetary Comparison Schedules – General Fund Subfunds
- Schedule of Changes in Assets and Liabilities – Agency Fund

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

GENERAL FUND

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

SPECIAL REVENUE FUNDS

The Special Revenue Funds account for the proceeds of specific revenue sources (other than fiduciary funds or capital project funds) that are legally restricted to expenditure for specified purposes.

Operations and Maintenance Fund

The Operations and Maintenance Fund is used to account for expenditures made for repair and maintenance of the District's buildings and land. Revenue consists primarily of local property taxes.

Transportation Fund

The Transportation Fund is used to account for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund

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

DEBT SERVICE FUND

The Debt Service Fund is used to account for the accumulation of resources that are restricted, committed, or assigned for, and the payment of, long-term debt principal, interest and related costs. The primary revenue source is local property taxes levied specifically for debt service.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources that are restricted, committed, or assigned to be used for the acquisition or construction of, and/or additions to, major capital facilities.

Fire Protection and Life Safety Fund

The Fire Protection and Life Safety Fund is used to account for State-approved life safety projects financed through serial bond issues or local property taxes levied specifically for such purposes.

Site and Construction Fund

The Site and Construction Fund is used to account for the financial resources to be used for the acquisition or construction of, and/or addition to, major capital facilities.

FIDUCIARY FUNDS

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

AGENCY FUNDS

Student Activity, Convenience Accounts, and Other Agency Funds

The Student Activity Fund is used to account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational, or cultural purposes. The Convenience Accounts Fund is used to account for assets that are normally maintained by a local educational agency as a convenience for its faculty, staff, etc.

DUPAGE COUNTY SCHOOL DISTRICT 45

Debt Service Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 2,696,915	2,696,915	2,707,687	10,772
Investment Income	4,000	6,000	8,065	2,065
Other Local Revenues	-	-	165	165
Total Revenues	<u>2,700,915</u>	<u>2,702,915</u>	<u>2,715,917</u>	<u>13,002</u>
Expenditures				
Debt Service				
Payments on Long Term Debt				
Principal Payments on Long Term Debt	844,673	844,673	1,550,000	(705,327)
Interest and Other	1,833,481	1,838,481	1,080,563	757,918
Total Expenditures	<u>2,678,154</u>	<u>2,683,154</u>	<u>2,630,563</u>	<u>52,591</u>
Exces (Deficiency) of Revenues Over (Under) Expenditures	<u>22,761</u>	<u>19,761</u>	<u>85,354</u>	<u>65,593</u>
Other Financing Sources (Uses)				
Debt Issuance	7,810,000	7,810,000	7,610,000	(200,000)
Payment to Escrow Agent	(8,320,000)	(8,320,000)	(8,292,886)	27,114
Premium on Debt Issuance	10,000	157,200	656,104	498,904
Transfers Out	(4,000)	(6,000)	(8,066)	(2,066)
	<u>(504,000)</u>	<u>(358,800)</u>	<u>(34,848)</u>	<u>323,952</u>
Net Change in Fund Balance	<u>(481,239)</u>	<u>(339,039)</u>	<u>50,506</u>	<u>389,545</u>
Fund Balance - Beginning			<u>788,269</u>	
Fund Balance - Ending			<u>838,775</u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Fire Prevention and Life Safety - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
Investment Income	\$ 1,500	17,000	14,425	(2,575)
Expenditures				
Support Services				
Business				
Facilities Acquisition and Construction Services	1,041,200	1,060,332	1,057,577	2,755
Net Change in Fund Balance	<u>(1,039,700)</u>	<u>(1,043,332)</u>	(1,043,152)	<u>180</u>
Fund Balance - Beginning			<u>1,043,332</u>	
Fund Balance - Ending			<u>180</u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Site and Construction - Capital Projects Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
Other Local Revenues	\$ -	-	600	600
Expenditures				
Support Services				
Business				
Facilities Acquisition and Construction Services	2,252,318	2,252,218	898,391	1,353,827
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,252,318)	(2,252,218)	(897,791)	1,354,427
Other Financing Sources				
Transfers In	2,252,218	2,252,218	898,391	(1,353,827)
Net Change in Fund Balance	<u>(100)</u>	<u>-</u>	600	<u>600</u>
Fund Balance - Beginning			<u>-</u>	
Fund Balance - Ending			<u><u>600</u></u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund - by Accounts

**Combining Balance Sheet
June 30, 2018**

	Educational Accounts	Tort Immunity and Judgment Accounts	Working Cash Accounts	Totals
ASSETS				
Cash and Investments	\$ 27,125,728	365,659	6,135,154	33,626,541
Receivables - Net of Allowances				
Property Taxes	13,186,096	141,560	-	13,327,656
Intergovernmental	633,152	-	-	633,152
Prepays	173,604	131,859	-	305,463
Total Assets	41,118,580	639,078	6,135,154	47,892,812
LIABILITIES				
Accounts Payable	38,007	-	-	38,007
Salaries and Wages Payable	2,596,323	-	-	2,596,323
Total Liabilities	2,634,330	-	-	2,634,330
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	27,380,354	290,924	-	27,671,278
Total Liabilities and Deferred Inflows of Resources	30,014,684	290,924	-	30,305,608
FUND BALANCES				
Nonspendable	173,604	131,859	-	305,463
Restricted	-	216,295	-	216,295
Unassigned	10,930,292	-	6,135,154	17,065,446
Total Fund Balances	11,103,896	348,154	6,135,154	17,587,204
Total Liabilities, Deferred Inflows of Resources and Fund Balances	41,118,580	639,078	6,135,154	47,892,812

DUPAGE COUNTY SCHOOL DISTRICT 45

General Fund - by Accounts

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2018**

	Educational Accounts	Tort Immunity and Judgment Accounts	Working Cash Accounts	Totals
Revenues				
Property Taxes	\$ 26,711,192	388,434	-	27,099,626
State Aid	6,498,613	-	-	6,498,613
Federal Aid	3,327,401	-	-	3,327,401
Investment Income	191,780	4,387	187,551	383,718
Other	789,739	-	-	789,739
On Be-Half	17,758,051	-	-	17,758,051
Total Revenues	55,276,776	392,821	187,551	55,857,148
Expenditures				
Current				
Instruction				
Regular Programs	13,347,685	-	-	13,347,685
Special Programs	5,992,985	-	-	5,992,985
Other Instructional Programs	4,217,320	-	-	4,217,320
Support Services				
Pupils	3,219,581	-	-	3,219,581
Instructional Staff	2,459,729	-	-	2,459,729
General Administration	750,265	367,676	-	1,117,941
School Administration	2,702,501	-	-	2,702,501
Business	1,929,427	-	-	1,929,427
Central	1,361,572	-	-	1,361,572
Community Services	138,700	-	-	138,700
Payments to Other Districts and Government Units				
Government Units	1,621,041	-	-	1,621,041
Capital Outlay	130,500	-	-	130,500
On Be-Half Expenditures	17,758,051	-	-	17,758,051
Total Expenditures	55,629,357	367,676	-	55,997,033
Excess (Deficiency) of Revenues Over (Under) Expenditures	(352,581)	25,145	187,551	(139,885)
Other Financing Sources (Uses)				
Transfers In	8,066	-	-	8,066
Transfers Out	-	-	(2,123,194)	(2,123,194)
	8,066	-	(2,123,194)	(2,115,128)
Net Change in Fund Balances	(344,515)	25,145	(1,935,643)	(2,255,013)
Fund Balances - Beginning	11,448,411	323,009	8,070,797	19,842,217
Fund Balances - Ending	11,103,896	348,154	6,135,154	17,587,204

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
General Levy	\$ 26,468,465	26,468,465	26,468,207	(258)
Special Education Levy	243,023	243,023	242,985	(38)
Summer School - Tuition from				
Pupils or Parents (in State)	3,000	7,000	20,336	13,336
Investment Income	75,000	200,000	191,780	(8,220)
Sales to Pupils - Lunch	215,000	215,000	261,787	46,787
Sales to Pupils - Breakfast	150	150	-	(150)
Sales to Pupils - A la Carte	8,000	8,000	6,479	(1,521)
Sales to Adults	2,500	2,500	1,261	(1,239)
Admissions - Athletic	15,000	15,000	12,905	(2,095)
Fees	35,000	34,100	21,532	(12,568)
Other District/School Activity Revenue	11,725	11,725	81,313	69,588
Rentals - Regular Textbook	135,000	135,000	132,081	(2,919)
Sales - Other	63,000	63,000	1,260	(61,740)
Contributions and Donations from				
Private Sources	60,000	75,000	95,197	20,197
Refund of Prior Years' Expenditures	50,000	50,000	40,606	(9,394)
Other	38,000	26,000	114,982	88,982
Total Local Sources	27,422,863	27,553,963	27,692,711	138,748
State Sources				
General State Aid	3,609,656	5,651,614	5,672,390	20,776
Special Education				
Private Facility Tuition	226,111	226,111	228,235	2,124
Extraordinary	469,244	-	-	-
Personnel	952,122	-	-	-
Orphanage - Individual	35,510	32,415	32,415	-
Orphanage - Summer Individual	3,178	-	-	-
Summer School	11,167	-	-	-
Bilingual Education - Downstate - TPI and TBE	451,021	451,021	288,458	(162,563)
State Free Lunch and Breakfast	5,690	5,690	11,098	5,408
Early Childhood - Block Grant	255,194	255,194	261,344	6,150
IL Library Grant	-	2,100	4,673	2,573
Total State Sources	6,018,893	6,624,145	6,498,613	(125,532)

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues - Continued				
Federal Sources				
National School Lunch Program	\$ 650,000	525,000	614,313	89,313
School Breakfast Program	125,000	105,000	129,917	24,917
Title I - Low Income	726,000	806,998	796,470	(10,528)
Federal - Special Education				
Preschool Flow-Through	30,444	37,025	31,930	(5,095)
Federal - Special Education - IDEA				
Flow-Through/Low Incident	824,056	985,198	852,105	(133,093)
Room and Board	-	40,408	40,408	-
Title III - Immigrant Education Program	-	200	8,119	7,919
Title III - Language Inst. Program -				
Limited English	101,905	132,581	144,574	11,993
Title II - Teacher Quality	126,000	136,387	128,326	(8,061)
Medicaid Matching Funds				
Administration Outreach	100,000	75,000	101,648	26,648
Fee-For-Service Program	500,000	400,000	479,591	79,591
Total Federal Sources	3,183,405	3,243,797	3,327,401	83,604
Total Direct Revenues	36,625,161	37,421,905	37,518,725	96,820
On Be-Half Revenues	12,250,000	12,250,000	17,758,051	5,508,051
Total Revenues	48,875,161	49,671,905	55,276,776	5,604,871
Expenditures				
Instruction				
Regular Programs				
Salaries	11,890,801	11,899,001	12,024,251	(125,250)
Employee Benefits	1,015,175	1,015,175	458,650	556,525
Purchased Services	27,695	27,695	9,748	17,947
Supplies and Materials	873,238	925,342	801,694	123,648
Capital Outlay	5,231	5,231	-	5,231
Other	2,325	2,325	1,728	597
Non-Capitalized Equipment	122,200	122,200	51,614	70,586
Total Regular Programs	13,936,665	13,996,969	13,347,685	649,284

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Instruction - Continued				
Pre-K Programs				
Salaries	\$ 251,721	255,937	255,965	(28)
Employee Benefits	13,144	13,144	19,759	(6,615)
Purchased Services	957	957	957	-
Supplies and Materials	4,181	2,710	3,910	(1,200)
Total Pre-K Programs	270,003	272,748	280,591	(7,843)
Special Education Programs				
Salaries	4,951,906	4,939,348	4,923,341	16,007
Employee Benefits	538,447	538,447	481,752	56,695
Purchased Services	47,125	38,767	7,239	31,528
Supplies and Materials	123,858	99,533	62,396	37,137
Non-Capitalized Equipment	5,000	5,000	-	5,000
Total Special Education Programs	5,666,336	5,621,095	5,474,728	146,367
Remedial and Supplemental Programs K-12				
Salaries	815,730	815,730	890,068	(74,338)
Employee Benefits	62,628	62,628	24,734	37,894
Supplies and Materials	-	-	89	(89)
Total Remedial and Supplemental Programs K-12	878,358	878,358	914,891	(36,533)
Remedial and Supplemental Programs Pre-K				
Salaries	330,147	333,147	297,058	36,089
Employee Benefits	59,250	59,250	51,143	8,107
Purchased Services	2,434	12,434	17,420	(4,986)
Supplies and Materials	280	280	197	83
Total Remedial and Supplemental Programs Pre-K	392,111	405,111	365,818	39,293
Interscholastic Programs				
Salaries	125,000	125,000	111,445	13,555
Employee Benefits	-	1,800	653	1,147
Purchased Services	10,000	10,000	7,860	2,140

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Instruction - Continued				
Interscholastic Programs - Continued				
Supplies and Materials	\$ -	-	66,741	(66,741)
Other Objects	850	850	6,051	(5,201)
Total Interscholastic Programs	135,850	137,650	192,750	(55,100)
Summer School Programs				
Salaries	-	92,800	92,994	(194)
Employee Benefits	-	1,000	269	731
Purchased Services	-	300	304	(4)
Supplies and Materials	-	270	266	4
Total Summer School Programs	-	94,370	93,833	537
Gifted Programs				
Salaries	247,222	247,222	263,664	(16,442)
Employee Benefits	9,459	9,459	11,617	(2,158)
Supplies and Materials	15,000	15,000	11,864	3,136
Total Gifted Programs	271,681	271,681	287,145	(15,464)
Bilingual Programs				
Salaries	1,518,652	1,518,652	1,805,208	(286,556)
Employee Benefits	170,352	170,352	212,275	(41,923)
Purchased Services	52,109	52,109	15,230	36,879
Supplies and Materials	98,000	117,000	49,579	67,421
Total Bilingual Programs	1,839,113	1,858,113	2,082,292	(224,179)
Special Education Programs K-12 Private Institution				
Purchased Services	-	-	245	(245)
Other Objects	470,000	470,000	518,012	(48,012)
Total Special Education Programs K-12 Private Institution	470,000	470,000	518,257	(48,257)
Total Instruction	23,860,117	24,006,095	23,557,990	448,105

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services				
Pupils				
Attendance and Social Work Services				
Salaries	\$ 702,283	722,283	689,344	32,939
Employee Benefits	38,010	40,030	70,262	(30,232)
Purchased Services	550	550	-	550
Supplies and Materials	5,000	5,000	1,458	3,542
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Attendance and Social Work	747,343	769,363	761,064	8,299
Guidance Services				
Salaries	133,456	133,456	147,648	(14,192)
Employee Benefits	9,681	9,681	14,355	(4,674)
Total Guidance Services	143,137	143,137	162,003	(18,866)
Health Services				
Salaries	534,407	534,707	532,711	1,996
Employee Benefits	49,824	49,824	19,685	30,139
Purchased Services	29,400	29,400	28,489	911
Supplies and Materials	11,300	14,300	7,829	6,471
Total Health Services	624,931	628,231	588,714	39,517
Psychological Services				
Salaries	1,104,562	1,104,562	462,447	642,115
Employee Benefits	16,470	16,470	30,976	(14,506)
Purchased Services	5,400	5,400	119	5,281
Supplies and Materials	3,000	8,000	3,814	4,186
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Psychological Services	1,130,932	1,135,932	497,356	638,576
Speech Pathology and Audiology Services				
Salaries	1,093,310	1,093,310	1,110,260	(16,950)
Employee Benefits	53,921	53,921	88,013	(34,092)
Purchased Services	5,400	5,400	5,134	266

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Pupils - Continued				
Speech Pathology and Audiology Services - Continued				
Supplies and Materials	\$ 5,000	10,000	7,037	2,963
Non-Capitalized Equipment	1,500	1,500	-	1,500
Total Speech Pathology and Audiology Services	1,159,131	1,164,131	1,210,444	(46,313)
Total Pupils	3,805,474	3,840,794	3,219,581	621,213
Instructional Staff				
Improvement of Instructional Services				
Salaries	1,067,210	1,067,210	972,863	94,347
Employee Benefits	142,077	142,077	106,521	35,556
Purchased Services	330,398	367,914	454,025	(86,111)
Supplies and Materials	55,038	59,538	37,945	21,593
Other Objects	10,400	10,400	11,330	(930)
Total Improvement Instructional Service	1,605,123	1,647,139	1,582,684	64,455
Educational Media Services				
Salaries	423,442	423,442	490,453	(67,011)
Employee Benefits	60,950	60,950	42,625	18,325
Supplies and Materials	109,586	109,586	95,707	13,879
Non-Capitalized Equipment	2,000	2,000	870	1,130
Total Educational Media Services	595,978	595,978	629,655	(33,677)
Assessment and Testing				
Salaries	104,116	104,116	109,589	(5,473)
Employee Benefits	43,180	43,180	21,708	21,472
Purchased Services	1,434	1,434	1,434	-
Supplies and Materials	115,000	115,000	114,659	341
Total Assessment and Testing	263,730	263,730	247,390	16,340
Total Instructional Staff	2,464,831	2,506,847	2,459,729	47,118

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
General Administration				
Board of Education Services				
Salaries	\$ 102,273	113,695	106,075	7,620
Employee Benefits	41,593	41,593	564	41,029
Purchased Services	227,815	152,815	86,449	66,366
Supplies and Materials	12,610	12,610	13,110	(500)
Other Objects	6,250	6,250	6,797	(547)
Total Board of Education Services	390,541	326,963	212,995	113,968
Executive Administration Services				
Salaries	285,482	289,232	410,517	(121,285)
Employee Benefits	60,617	60,617	67,588	(6,971)
Purchased Services	22,972	22,972	14,732	8,240
Supplies and Materials	11,414	11,414	13,212	(1,798)
Other Objects	4,531	4,531	19,771	(15,240)
Non-Capitalized Equipment	15,000	15,000	5,347	9,653
Termination Benefits	34,101	34,101	-	34,101
Total Executive Administration Services	434,117	437,867	531,167	(93,300)
Special Area Administration Services				
Purchased Services	11,000	12,000	5,667	6,333
Supplies and Materials	3,000	3,000	436	2,564
Total Special Area Administration Services	14,000	15,000	6,103	8,897
Total General Administration	838,658	779,830	750,265	29,565
School Administration				
Office of the Principal Services				
Salaries	2,074,529	2,086,863	2,163,606	(76,743)
Employee Benefits	644,332	644,332	538,252	106,080

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
School Administration - Continued				
Office of the Principal Services - Continued				
Supplies and Materials	\$ -	-	48	(48)
Other Objects	-	-	595	(595)
Total School Administration	2,718,861	2,731,195	2,702,501	28,694
Business				
Direction of Business Support Services				
Salaries	332,245	352,245	447,344	(95,099)
Employee Benefits	39,897	39,897	46,440	(6,543)
Purchased Services	54,784	54,784	54,973	(189)
Supplies and Materials	47,000	47,000	55,146	(8,146)
Other Objects	-	-	3,044	(3,044)
Total Direction of Business Support	473,926	493,926	606,947	(113,021)
Operation and Maintenance of Plant Services				
Purchased Services	-	-	6,150	(6,150)
Supplies and Materials	700	700	500	200
Total Operations and Maintenance of Plant Services	700	700	6,650	(5,950)
Pupil Transportation Services				
Purchased Services	-	2,500	2,357	143
Supplies and Materials	1,000	1,000	-	1,000
Total Pupil Transportation Services	1,000	3,500	2,357	1,143
Food Services				
Salaries	-	-	150,006	(150,006)
Employee Benefits	-	-	6,765	(6,765)
Purchased Services	861,800	861,800	777,089	84,711
Supplies and Materials	12,200	14,517	75,721	(61,204)
Capital Outlay	5,000	5,000	-	5,000
Total Food Services	879,000	881,317	1,009,581	(128,264)

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Support Services - Continued				
Business - Continued				
Internal Services				
Purchased Services	\$ 194,083	194,083	287,953	(93,870)
Supplies and Materials	45,250	45,250	15,939	29,311
Total Internal Services	239,333	239,333	303,892	(64,559)
Total Business	1,593,959	1,618,776	1,929,427	(310,651)
Central				
Information Services				
Salaries	63,826	63,826	67,181	(3,355)
Employee Benefits	31,259	31,259	30	31,229
Purchased Services	3,520	3,520	558	2,962
Supplies and Materials	500	500	-	500
Other Objects	300	300	325	(25)
Total Information Services	99,405	99,405	68,094	31,311
Staff Services				
Salaries	255,549	255,549	163,038	92,511
Employee Benefits	59,508	59,508	47,649	11,859
Purchased Services	15,134	15,134	35,257	(20,123)
Supplies and Materials	29,888	29,888	22,953	6,935
Other Objects	750	750	70	680
Total Staff Services	360,829	360,829	268,967	91,862
Data Processing Services				
Salaries	295,979	297,479	279,979	17,500
Employee Benefits	62,165	62,165	50,519	11,646
Purchased Services	71,749	71,749	65,263	6,486
Supplies and Materials	674,777	665,027	412,608	252,419
Capital Outlay	126,000	126,000	130,500	(4,500)
Non-Capitalized Equipment	96,763	96,763	216,142	(119,379)
Total Data Processing Services	1,327,433	1,319,183	1,155,011	164,172
Total Central	1,787,667	1,779,417	1,492,072	287,345
Total Support Services	13,209,450	13,256,859	12,553,575	703,284

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Expenditures - Continued				
Community Services				
Salaries	\$ 79,293	77,041	53,539	23,502
Employee Benefits	1,358	1,358	1,515	(157)
Purchased Services	10,188	72,185	53,086	19,099
Supplies and Materials	30,558	13,916	30,560	(16,644)
Total Community Services	121,397	164,500	138,700	25,800
Payments to Other Districts and Governmental Units				
Payments for Regular Programs				
Purchased Services	-	12,000	17,455	(5,455)
Payments for Special Education Programs				
Purchased Services	1,014,559	1,136,784	1,115,373	21,411
Other Objects	496,769	850,000	488,213	361,787
Total Payments for Special Education Programs	1,511,328	1,986,784	1,603,586	383,198
Total Payments to Other Districts and Governmental Units	1,511,328	1,998,784	1,621,041	377,743
Provision for Contingencies				
Other	10,000	100,000	-	100,000
Total Direct Expenditures	38,712,292	39,526,238	37,871,306	1,654,932
On Be-Half Payments	12,250,000	12,250,000	17,758,051	(5,508,051)
Total Expenditures	50,962,292	51,776,238	55,629,357	(3,853,119)

DUPAGE COUNTY SCHOOL DISTRICT 45

Educational Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Continued
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (2,087,131)	(2,104,333)	(352,581)	1,751,752
Other Financing Sources				
Disposal of Capital Assets	4,000	6,000	-	(6,000)
Transfers In	-	-	8,066	8,066
	<u>4,000</u>	<u>6,000</u>	<u>8,066</u>	<u>2,066</u>
Net Change in Fund Balance	<u>(2,083,131)</u>	<u>(2,098,333)</u>	(344,515)	<u>1,753,818</u>
Fund Balance - Beginning			<u>11,448,411</u>	
Fund Balance - Ending			<u><u>11,103,896</u></u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Tort Immunity and Judgment Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
Tort Immunity Levy	\$ 388,454	389,954	388,434	(1,520)
Investment Income	1,500	5,000	4,387	(613)
Total Revenues	<u>389,954</u>	<u>394,954</u>	<u>392,821</u>	<u>(2,133)</u>
Expenditures				
Support Services				
General Administration				
Workers' Compensation or Workers' Occupational Disease Act Payments				
Purchased Services	215,878	215,878	145,314	70,564
Unemployment Insurance Payments				
Purchased Services	15,000	40,000	27,628	12,372
Risk Management				
Purchased Services	11,000	11,000	12,942	(1,942)
Legal Services				
Purchased Services	-	75,000	69,010	5,990
Property Insurance				
Purchased Services	105,908	105,908	100,572	5,336
Vehicle Insurance				
Purchased Services	6,874	6,874	12,210	(5,336)
Total Expenditures	<u>354,660</u>	<u>454,660</u>	<u>367,676</u>	<u>86,984</u>
Net Change in Fund Balance	<u>35,294</u>	<u>(59,706)</u>	25,145	<u>84,851</u>
Fund Balance - Beginning			<u>323,009</u>	
Fund Balance - Ending			<u>348,154</u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Working Cash Accounts - General Fund

**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Fiscal Year Ended June 30, 2018**

	Budget		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local Sources				
Investment Income	\$ 35,000	175,000	187,551	12,551
Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	35,000	175,000	187,551	12,551
Other Financing (Uses)				
Transfers Out	(2,302,318)	(2,527,318)	(2,123,194)	404,124
Net Change in Fund Balance	<u>(2,267,318)</u>	<u>(2,352,318)</u>	(1,935,643)	<u>416,675</u>
Fund Balance - Beginning			<u>8,070,797</u>	
Fund Balance - Ending			<u>6,135,154</u>	

DUPAGE COUNTY SCHOOL DISTRICT 45

Student Activity, Convenience Accounts, and Other Agency Funds - Agency Fund

**Schedule of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2018**

	Beginning			Ending
	Balances	Additions	Deductions	Balances
ASSETS				
Cash and Investments	\$ 86,614	105,307	80,077	111,844
LIABILITIES				
Due to Activity Fund Organizations				
Ardmore	7,805	6,316	4,980	9,141
North	4,543	8,064	8,270	4,337
Schafer	6,528	6,261	2,588	10,201
Stevenson	2,563	766	312	3,017
Westmore	6,379	11,327	11,150	6,556
York Center	14,285	1,053	1,796	13,542
Jackson	20,597	24,854	19,345	26,106
Jefferson	15,167	37,016	25,836	26,347
Blazers/Inst. Music	7,459	747	-	8,206
Special Education	109	-	-	109
Other	1,179	8,903	5,800	4,282
Total Liabilities	86,614	105,307	80,077	111,844

SUPPLEMENTAL SCHEDULES

DUPAGE COUNTY SCHOOL DISTRICT 45

**Tax Rates and Extensions - Five Year Summary of Assessed Valuations
June 30, 2018**

	2013	2014	2015	2016	2017
Assessed Valuation	\$ 906,519,624	898,269,289	918,266,067	974,747,854	1,027,997,939
Tax Rates					
Educational	2.9979	2.9175	2.9300	2.7664	2.6651
Tort Immunity	0.0415	0.0390	0.0416	0.0406	0.0283
Special Education	0.0276	0.0195	0.0222	0.0254	0.0243
Operations and Maintenance	0.2751	0.3473	0.3400	0.3395	0.3015
Bond and Interest	0.3028	0.3056	0.3171	0.2830	0.2855
Transportation	0.0663	0.1736	0.1750	0.1622	0.1549
Municipal Retirement	0.0812	0.1253	0.1388	0.1293	0.0388
Social Security	0.0812	0.0373	0.0388	0.0406	0.1235
Total Tax Rates	3.8736	3.9651	4.0035	3.7870	3.6219
Tax Extensions					
Educational	\$ 27,176,552	26,207,007	26,372,750	26,442,953	27,397,173
Tort Immunity	376,206	350,325	374,439	388,080	290,923
Special Education	250,199	175,163	199,821	242,789	249,804
Operations and Maintenance	2,493,835	3,119,689	3,060,319	3,245,150	3,099,414
Bond and Interest	2,744,941	2,745,111	2,854,198	2,705,088	2,934,934
Transportation	601,023	1,559,395	1,575,164	1,550,407	1,592,369
Municipal Retirement	736,094	1,125,531	1,249,330	1,235,929	398,863
Social Security	736,094	335,054	349,236	388,080	1,269,577
Total Tax Extensions	35,114,944	35,617,275	36,035,257	36,198,476	37,233,057

DUPAGE COUNTY SCHOOL DISTRICT 45

Schedule of Long-Term Debt Requirements

**Limited Capital Appreciation School Bonds of 2004
June 30, 2018**

Date of Issue	February 10, 2004
Date of Maturity	December 1, 2019
Authorized Issue	\$10,860,000
Denomination of Bonds	\$5,000
Interest Rates	3.80% - 4.60%
Interest Dates	December 1 and June 1
Principal Maturity Date	December 1
Payable at	Bank of New York

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Original Principal	Accretion	Currently Payable	Future Accretion	Totals
2019	\$ 808,341	741,659	1,463,620	86,380	1,550,000
2020	688,730	691,270	1,354,984	25,016	1,380,000
	<u>1,497,071</u>	<u>1,432,929</u>	<u>2,818,604</u>	<u>111,396</u>	<u>2,930,000</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Schedule of Long-Term Debt Requirements

General Obligation School Bonds of 2012

June 30, 2018

Date of Issue	June 29, 2012
Date of Maturity	January 1, 2032
Authorized Issue	\$9,200,000
Denomination of Bonds	\$5,000
Interest Rates	3.50% - 4.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2019	\$ -	342,794	342,794
2020	-	342,794	342,794
2021	-	342,794	342,794
2022	-	342,794	342,794
2023	-	342,794	342,794
2024	-	342,794	342,794
2025	-	342,794	342,794
2026	-	342,794	342,794
2027	-	342,794	342,794
2028	-	342,794	342,794
2029	2,180,000	342,794	2,522,794
2030	2,255,000	266,494	2,521,494
2031	2,340,000	184,750	2,524,750
2032	2,425,000	97,000	2,522,000
	<u>9,200,000</u>	<u>4,318,978</u>	<u>13,518,978</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Schedule of Long-Term Debt Requirements

General Obligation School Bonds of 2015

June 30, 2018

Date of Issue	April 28, 2018
Date of Maturity	January 1, 2035
Authorized Issue	\$7,880,000
Denomination of Bonds	\$5,000
Interest Rates	3.25% - 4.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2019	\$ -	303,200	303,200
2020	-	303,200	303,200
2021	-	303,200	303,200
2022	-	303,200	303,200
2023	-	303,200	303,200
2024	-	303,200	303,200
2025	-	303,200	303,200
2026	-	303,200	303,200
2027	-	303,200	303,200
2028	-	303,200	303,200
2029	-	303,200	303,200
2030	-	303,200	303,200
2031	-	303,200	303,200
2032	-	303,200	303,200
2033	2,525,000	303,200	2,828,200
2034	2,625,000	202,200	2,827,200
2035	2,730,000	97,200	2,827,200
	<u>7,880,000</u>	<u>4,847,400</u>	<u>12,727,400</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Schedule of Long-Term Debt Requirements

**General Obligation Limited Tax Refunding School Bonds of 2016
June 30, 2018**

Date of Issue	October 26, 2016
Date of Maturity	January 1, 2027
Authorized Issue	\$6,630,000
Denomination of Bonds	\$5,000
Interest Rates	2.00% - 2.10%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2019	\$ -	131,285	131,285
2020	-	131,285	131,285
2021	880,000	122,485	1,002,485
2022	895,000	104,735	999,735
2023	915,000	86,635	1,001,635
2024	925,000	68,235	993,235
2025	950,000	49,485	999,485
2026	965,000	30,335	995,335
2027	985,000	10,342	995,342
	<u>6,515,000</u>	<u>734,822</u>	<u>7,249,822</u>

DUPAGE COUNTY SCHOOL DISTRICT 45

Schedule of Long-Term Debt Requirements

**General Obligation Limited Tax Refunding School Bonds of 2017
June 30, 2018**

Date of Issue	October 18, 2017
Date of Maturity	January 1, 2028
Authorized Issue	\$7,610,000
Denomination of Bonds	\$5,000
Interest Rates	2.30% - 5.00%
Interest Dates	July 1 and January 1
Principal Maturity Date	January 1
Payable at	Amalgamated Bank

CURRENT AND LONG-TERM PRINCIPAL AND INTEREST REQUIREMENTS

Fiscal Year	Principal	Interest	Totals
2019	\$ 270,000	308,310	578,310
2020	455,000	294,810	749,810
2021	610,000	272,060	882,060
2022	640,000	241,560	881,560
2023	670,000	209,560	879,560
2024	705,000	176,060	881,060
2025	735,000	140,810	875,810
2026	780,000	104,060	884,060
2027	820,000	65,060	885,060
2028	1,925,000	46,200	1,971,200
	<u>7,610,000</u>	<u>1,858,490</u>	<u>9,468,490</u>