

District 130 Public Schools

Financial Report
June 30, 2013

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Independent Auditor's Report

To the Board of Education
District 130 Public Schools
Blue Island, Illinois

Report on the Financial Statements

We have audited the accompanying modified cash basis financial statements of the governmental activities, the major fund, and the aggregate remaining fund information of the District 130 Public Schools (the District), as of and for the year ended June 30, 2013, 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 the modified cash basis of accounting described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for 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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective modified cash basis financial position of the governmental activities, the major fund, and the aggregate remaining fund information of the District 130 Public Schools, as of June 30, 2013, and the respective changes in modified cash-basis financial position for the year then ended in accordance with the modified cash basis of accounting described in Note 1.

Basis of Accounting

We draw attention to Note 1 of the financial statements which describes the basis of accounting. The financial statements are prepared on a modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Other Matters

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, such as the budgetary comparison information, combining and individual fund financial statements, schedule of assessed valuations, tax rates, extensions and collections, and schedule of debt service requirements, and the other information, such as the schedules of funding progress are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

McGladrey LLP

Chicago, Illinois
November 14, 2013

Basic Financial Statements

**Government-Wide
Financial Statements (GWFS)**

District 130 Public Schools

Statement of Net Position - Modified Cash Basis
June 30, 2013

	Governmental Activities
<hr/>	
Assets	
Cash and investments	\$ 10,096,088
Payroll advances	228,297
Capital assets not being depreciated	1,149,435
Capital assets being depreciated, net	<u>25,336,306</u>
Total assets	<u><u>\$ 36,810,126</u></u>
Liabilities	
Payroll liabilities	\$ 190,821
Long-term obligations, due within one year:	
Bonds payable	1,846,346
Long-term obligations, due in more than one year:	
Bonds payable	<u>7,638,073</u>
Total liabilities	<u><u>9,675,240</u></u>
Net Position	
Net investment in capital assets	17,001,322
Restricted	5,515,216
Unrestricted	<u>4,618,348</u>
Total net position	<u><u>27,134,886</u></u>
Total liabilities and net position	<u><u>\$ 36,810,126</u></u>

See Notes to Basic Financial Statements.

District 130 Public Schools

**Statement of Activities - Modified Cash Basis
Year Ended June 30, 2013**

Functions/Programs	Expenses	Program Revenues		Net (Expense), Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
Governmental activities:				
Instruction:				
Regular programs	\$ 17,681,025	\$ 53,649	\$ 2,355,507	\$ (15,271,869)
Special programs	6,150,040	-	3,795,732	(2,354,308)
Other instructional programs	1,060,023	-	470,383	(589,640)
Support services:				
Pupils	2,478,768	68,890	-	(2,409,878)
Instructional staff	1,036,642	2,124	-	(1,034,518)
General administration	1,621,822	-	-	(1,621,822)
School administration	2,584,013	-	-	(2,584,013)
Business	7,470,850	80,482	2,007,355	(5,383,013)
Central	1,347,195	-	-	(1,347,195)
Transportation	3,207,115	23,729	1,687,478	(1,495,908)
Community services	643,564	-	-	(643,564)
Payments to other governments	1,960,956	-	-	(1,960,956)
Interest and charges	350,134	-	-	(350,134)
Total governmental activities	\$ 47,592,147	\$ 228,874	\$ 10,316,455	(37,046,818)
General revenues:				
Taxes:				
Property taxes, general purposes				21,307,952
Property taxes, debt service				2,863,637
Corporate property replacement taxes				1,347,550
General state aid				10,033,657
Grants not restricted to specific programs				461,036
Interest				143,962
Miscellaneous				175,870
Total general revenues				<u>36,333,664</u>
				<u>Change in net position (713,154)</u>
Net position:				
July 1, 2012				<u>27,848,040</u>
June 30, 2013				<u>\$ 27,134,886</u>

See Notes to Basic Financial Statements.

Fund Financial Statements (FFS)

District 130 Public Schools

**Balance Sheet - Modified Cash Basis
Governmental Funds
June 30, 2013**

	<u>Major General Fund</u>	Nonmajor Governmental Funds	Total Governmental Funds
Assets			
Cash and investments	\$ 7,011,591	\$ 3,084,497	\$ 10,096,088
Payroll advances	228,297	-	228,297
Total assets	<u>\$ 7,239,888</u>	<u>\$ 3,084,497</u>	<u>\$ 10,324,385</u>
Liabilities and Fund Balances			
Liabilities	\$ 121,245	\$ 69,576	\$ 190,821
Fund balances:			
Restricted	2,500,295	3,014,921	5,515,216
Unassigned	4,390,051	-	4,390,051
Nonspendable	228,297	-	228,297
Total fund balances	<u>7,118,643</u>	<u>3,014,921</u>	<u>10,133,564</u>
Total liabilities and fund balances	<u>\$ 7,239,888</u>	<u>\$ 3,084,497</u>	<u>\$ 10,324,385</u>

See Notes to Basic Financial Statements.

District 130 Public Schools

**Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position - Modified Cash Basis
June 30, 2013**

Total fund balances - governmental funds	\$ 10,133,564
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.	26,485,741
Some liabilities reported in the statement of net position do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.	
These activities consist of:	
General obligation bonds	<u>(9,484,419)</u>
Net position of governmental activities	<u><u>\$ 27,134,886</u></u>

See Notes to Basic Financial Statements.

District 130 Public Schools

Statement of Revenues, Expenditures and Changes in Fund Balances - Modified Cash Basis

Governmental Funds

Year Ended June 30, 2013

	Major General Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Property taxes	\$ 18,139,785	\$ 6,031,804	\$ 24,171,589
Corporate property replacement taxes	1,202,419	145,131	1,347,550
Charges for services	376,182	28,562	404,744
Unrestricted state aid	10,033,657	-	10,033,657
Restricted state aid	4,082,347	1,687,478	5,769,825
Restricted federal aid	5,007,666	-	5,007,666
Interest	104,350	39,612	143,962
Total revenues	38,946,406	7,932,587	46,878,993
Expenditures:			
Current:			
Instruction:			
Regular programs	16,867,805	234,682	17,102,487
Special programs	5,684,228	264,577	5,948,805
Other instructional programs	941,731	83,607	1,025,338
Support services:			
Pupils	2,351,551	46,109	2,397,660
Instructional staff	952,382	50,340	1,002,722
General administration	1,531,357	37,398	1,568,755
School administration	2,449,649	49,813	2,499,462
Business	6,657,780	568,617	7,226,397
Central	1,226,068	77,045	1,303,113
Transportation	-	3,102,175	3,102,175
Other	153,883	-	153,883
Community services	427,136	62,545	489,681
Payments to other governments	1,960,956	-	1,960,956
Debt service:			
Principal	-	2,551,504	2,551,504
Interest and charges	-	350,134	350,134
Capital outlay	107,658	1,129,154	1,236,812
Total expenditures	41,312,184	8,607,700	49,919,884
Net change in fund balances	(2,365,778)	(675,113)	(3,040,891)
Fund balances:			
July 1, 2012	9,484,421	3,690,034	13,174,455
June 30, 2013	\$ 7,118,643	\$ 3,014,921	\$ 10,133,564

See Notes to Basic Financial Statements.

District 130 Public Schools

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
to the Statement of Activities - Modified Cash Basis
Year Ended June 30, 2013**

Net change in fund balances—total governmental funds	\$ (3,040,891)
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the lives of the assets. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Depreciation expense	\$ (1,134,981)	
Capital outlay	<u>911,214</u>	(223,767)

Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Bond principal retirement	<u>2,551,504</u>
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Change in net position of governmental activities	<u><u>\$ (713,154)</u></u>
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See Notes to Basic Financial Statements.

District 130 Public Schools

Statement of Fiduciary Net Assets - Modified Cash Basis

Agency Fund

June 30, 2013

	<u>Agency Student Activity Fund</u>
<hr/>	
Assets	
Cash	\$ 235,831
Liabilities	
Due to activity fund organizations	<u>235,831</u>
Total net assets	<u><u>\$ -</u></u>

See Notes to Basic Financial Statements.

District 130 Public Schools

Notes to Basic Financial Statements

Note 1. Nature of Activities, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies

Nature of Activities

District 130 Public Schools (District) operates as a public school system governed by an elected seven-member board. The District is organized under The School Code of the State of Illinois, as amended. The District serves the communities of Blue Island, Crestwood, Robbins, and Alsip, Illinois.

The accounting policies of the District conform to the modified cash basis, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

Effective July 1, 2012, the District retrospectively adopted the provisions of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This guidance codified all FASB and AICPA accounting literature issued on or before November 30, 1989 which did not conflict with or contradict GASB guidance, directly into the GASB's authoritative literature. There were no significant effects on the financial statements as a result of the adoption of this standard.

Financial Reporting Entity

As defined by generally accepted accounting principles established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Financial accountability is defined as:

Appointment of a voting majority of the component unit's board, and either (a) the ability to impose will by the primary government, or (b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government; or

Fiscal dependency on the primary government.

Based upon the application criteria, no component units have been included within the reporting entity.

Basis of Presentation

Government-Wide Financial Statements (GWFS): The government-wide Statement of Net Assets and Statement of Activities report the overall financial position and activity of the District. Eliminations have been made to minimize the double counting of internal activities of the District. The financial activities of the District consist of governmental activities, which are primarily supported by taxes and intergovernmental revenues.

The Statement of Net Position - modified cash basis presents the District's non-fiduciary assets and liabilities arising out of cash transactions with the difference reported as net assets.

The Statement of Activities - modified cash basis demonstrates the degree to which the direct expenses of a given function (i.e., instruction, support services, etc.) are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs (including fines and fees), and (b) grants and contributions that are restricted to meeting the operational requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fiduciary funds are excluded from the government-wide financial statements.

District 130 Public Schools

Notes to Basic Financial Statements

Note 1. Nature of Activities, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

Fund Financial Statements (FFS): Separate financial statements are provided for governmental funds and fiduciary (agency) funds, even though the latter are excluded from the government-wide financial statements. The fund financial statements provide information about the District's funds. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. The District has the following major governmental fund - General Fund. The remaining five governmental funds, Municipal Retirement Fund, Bond and Interest Fund, Site and Construction Fund, Transportation Fund, and Fire Prevention and Safety Fund are aggregated and reported as nonmajor governmental funds. Additionally, the District administers an agency fund that is used to account for assets held by the District in an agency capacity. These funds are held on behalf of the students of the District.

The District administers the following major governmental fund:

General Fund – This is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

Measurement Focus and Basis of Accounting

Measurement focus is a term used to describe "how" 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

In the government-wide Statement of Net Position-modified cash basis and the Statement of Activities-modified cash basis, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent, financial, or nonfinancial) are reported within the limitations of the modified cash basis of accounting. Equity is classified as net assets.

In the fund financial statements, the "current financial resources" measurement focus, as applied to the modified cash basis of accounting, is used. Under a "current financial resources" measurement focus, only current financial assets and liabilities are generally included on the balance sheet. The operating statement presents sources and uses of available spendable financial resources during a given period. The funds use fund balances as their measure of available spendable financial resources at the end of the period.

District 130 Public Schools

Notes to Basic Financial Statements

Note 1. Nature of Activities, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting (Continued)

Basis of Accounting

In the government-wide and fund financial statements, governmental activities are presented using a modified cash basis of accounting. This basis recognizes assets, liabilities, net position/fund equity, revenues, and expenditures/expenses when they result from cash transactions with a provision for state mandated on-behalf payments in the government-wide and fund financial statements and depreciation, accreted interest on capital appreciation bonds, and amortization of bond issuance costs, premiums paid on bonds and deferred charges in the government-wide statements. This basis is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

As a result of the use of a modified cash basis of accounting, certain assets and their related revenues (such as accounts receivable and revenue for billed or provided services not yet collected) and certain liabilities and their related expenses (such as accounts payable and expenses for goods or services received but not yet paid, and accrued expenses and liabilities) are not recorded in these financial statements.

If the District utilized the basis of accounting recognized as generally accepted, the fund financial statements for governmental funds would use the modified accrual basis of accounting and all government-wide financials would be presented on the accrual basis of accounting.

Significant Accounting Policies

The District's significant accounting policies are as follows:

Cash and Investments

Cash and investments consist of pooled cash and investments held by the Worth Township Trustees and are reported at cost.

Interfund Receivables, Payables, and Activity

The District has the following types of transactions between funds:

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as due from other funds in lender funds and due to other funds in borrower funds for short-term borrowings and advances to other funds in lender funds and advances from other funds in borrower funds for long-term borrowings. Amounts are eliminated in the government-wide statement of net assets.

Reimbursements – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers.

District 130 Public Schools

Notes to Basic Financial Statements

Note 1. Nature of Activities, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Significant Accounting Policies (Continued)

Capital Assets

Capital assets which include land, buildings, and other equipment, are reported in the Statement of Net Position. Capital assets are defined as assets with an initial individual cost of more than \$5,000, and an estimated useful life of greater than one year. Additions or improvements that significantly extend the useful life of an asset, or that significantly increase the capacity of an asset are capitalized in the government-wide financial statements. Expenditures for asset acquisitions and improvements are stated as capital outlay expenditures in the governmental funds.

These assets have been valued at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at their estimated fair market value at the date of donation.

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

Depreciation of capital assets is recorded in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position and is provided on the straight-line basis over the following estimated useful lives:

Buildings	40 years
Transportation equipment	5 years
Other equipment	3 – 5 years
Land improvements	20 years

Compensated Absences

Certified employees working less than 12 months a year do not earn vacation days, however, noncertified, full-time employees, and certified employees working 12 months earn from 10 to 30 vacation days, based on the number of years of service. The vacation days accumulate as earned.

All employees receive 10 and 13 sick days per year, which accumulate with no maximum. These accumulated sick days vest for certified employees with more than 5 years of service and for noncertified employees with more than 15 years of service. Upon retirement or resignation, noncertified employees are paid at a rate of \$30 per day with no maximum. Certified employees are paid at a rate of \$30 per day with no maximum.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts, as well as issuance costs, are capitalized and amortized over the terms of the respective bonds using a method that approximates the effective interest method.

In the fund financial statements, bond premiums and discounts, as well as issuance costs, are recognized in the period the bonds are issued. Bond proceeds are reported as another financing source net of applicable premium or discount. Issuance costs, even if withheld from the actual net proceeds received, are reported as debt service expenditures.

District 130 Public Schools

Notes to Basic Financial Statements

Note 1. Nature of Activities, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Significant Accounting Policies (Continued)

Net Position

Effective July 1, 2012, the District adopted the provisions of GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*. This guidance amends net asset reporting requirements in Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments*, and other pronouncements by incorporating deferred outflows of resources and deferred inflows of resources into the definitions of the required components of the residual measure and by renaming that measure as net position, rather than net assets.

The District's government-wide net position is reported in three categories:

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by outstanding balances for bonds and other debt that are attributable to the acquisition, construction, or improvement of those assets.

Restricted net assets result when constraints placed on net asset use are either externally imposed by creditors, grantors, contributors, and the like, or imposed by law through constitutional provisions or enabling legislation.

Unrestricted net assets consist of net assets that do not meet the criteria of the two preceding categories.

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

Fund Balance

Within the governmental fund types, the District's fund balances are reported in one of the following classifications:

Nonspendable – includes amounts that cannot be spent because they are either: (a) not in spendable form; or (b) legally or contractually required to be maintained intact.

Restricted – includes amounts 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 – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action it employed to previously commit those amounts. The District's highest level of decision-making authority rests with the District's Board of Education. The District passes formal resolutions to commit their fund balances. At June 30, 2013, the District has no committed fund balance amounts.

District 130 Public Schools

Notes to Basic Financial Statements

Note 1. Nature of Activities, Financial Reporting Entity, Basis of Presentation, Measurement Focus and Basis of Accounting and Significant Accounting Policies (Continued)

Significant Accounting Policies (Continued)

Assigned – includes amounts that are constrained by the District's *intent* to be used for specific purposes, but that are neither restricted nor committed. Intent is expressed by: a) the District's 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 District's Board of Education has not delegated authority to any other body or official to assign amounts for a specific purpose within the General Fund. Within the other governmental fund types (special revenue, debt service, capital projects) resources are assigned in accordance with the established fund purpose and approved budget/appropriation. Residual fund balances in these fund types that are not restricted or committed are reported as assigned. At June 30, 2013 the District had no assigned fund balances.

Unassigned – includes the residual fund balance that has not been restricted, committed, or assigned within the general fund and deficit fund balances of other governmental funds.

It is the District's policy to consider restricted resources to have been spent first when an expenditure is incurred for which both restricted and unrestricted (i.e., committed, assigned or unassigned) fund balances are available, followed by committed and then assigned fund balances. Unassigned amounts are used only after the other resources have been used.

Property Taxes

Property taxes are levied each year on all taxable real property in the District on or before the last Tuesday in December. The 2012 tax levy was passed by the Board of Education on December 20, 2012, and attached as an enforceable lien on the property as of the preceding January 1. The taxes become due and collectible in March and September 2013, and are collected by the county collector, who in turn remits to the District its respective share. The District receives the remittances from the county treasurer approximately one month after collection. Property taxes are recorded upon receipt.

The Property Tax Extension Limitation Law imposes mandatory property tax limitations on the ability of taxing districts in Illinois to raise revenues through unlimited property tax increases. The increase in property tax extensions is limited to the lesser of 5% or the percentage increase in the Consumer Price Index for all Urban Customers. The limitation includes taxes levied for purposes without a statutory maximum rate. The amount of the limitation may be adjusted for new property added or annexed to the tax base or due to voter approved increases.

Eliminations and Reclassifications

In the process of aggregating data for the government-wide Statement of Activities, some amounts reported as interfund activity and interfund balances in the funds are eliminated or reclassified.

Use of Estimates

The preparation of financial statements in conformity with a modified cash basis of accounting requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

District 130 Public Schools

Notes to Basic Financial Statements

Note 2. Budgets and Budgetary Information

Annual budgets are adopted for all governmental fund types. These budgets are adopted on a basis consistent with the modified cash basis of accounting, except as noted below. All budgets lapse at fiscal year-end.

For budgetary purposes, the District does not recognize as revenues received the retirement contributions made by the State to the Teachers' Retirement System of the State of Illinois (TRS) and the Teachers' Health Insurance Security Fund (THIS) on behalf of the District as well as the expenditures related to the contributions paid.

On or before July 1 of each year, the Superintendent is to submit for review by the Board of Education a proposed budget for the school year commencing on that date. After reviewing the proposed budget, the Board of Education holds public hearings and a final budget must be prepared and adopted no later than September 30.

The appropriated budget is prepared by fund and by function. The Board of Education may make transfers between functions within a fund not exceeding in the aggregate 10 percent of the total of such fund, and may amend the total budget following the same procedures required to adopt the original budget. The legal level of budgetary control is at the fund level.

The following governmental funds overexpended their budget for the year ended June 30, 2013:

	Budget	Actual
Major Fund:		
General Fund	\$ 40,307,065	\$ 41,312,184
Nonmajor Funds:		
Transportation Fund	3,013,257	3,111,027
Municipal Retirement Fund	1,169,466	1,399,980

Note 3. Cash and Investments

Substantially all cash and investments are deposits and investments maintained in pooled accounts held in the name of the Worth Township Trustees.

Deposits

State statutes authorize the District to make deposits directly or through its Township Trustees in interest bearing depository accounts in federally insured and/or state chartered banks, savings and loan associations and credit unions. As of June 30, 2013, the District had deposits with federally insured financial institutions of \$242,913 with bank balances totaling \$300,623.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District's policy is to have all bank balances fully insured or collateralized. As of June 30, 2013, none of the District's bank balances of \$300,623 were exposed to custodial credit risk.

District 130 Public Schools

Notes to Basic Financial Statements

Note 3. Cash and Investments (Continued)

Investments

As of June 30, 2013, the District had the following investments:

Investment Type	Cost
Pooled cash and investments held by the Worth Township Trustees	<u>\$ 10,089,006</u>

Of the total pooled cash and investments held by Worth Township Trustees, maturities are approximately as follows: less than 1 year (43%), 1 to 5 years (11%), 5 to 10 years (9%), and greater than 10 years (37%).

Interest Rate Risk - The District's investment policy states the investment portfolio shall provide sufficient liquidity to pay District obligations as they become due. In this regard, maturity and marketability of investments shall be considered.

Credit Risk - State statutes authorize the District to invest directly or through its Township Trustees in direct obligations of, or obligations guaranteed by, the United States Treasury or agencies of the United States and short-term obligations of corporations organized in the United States with assets exceeding \$500,000,000. The District is also authorized to invest directly or through its Township Trustees in the Illinois School District Liquid Asset Fund Plus and the Illinois Funds, which invests member deposits, on a pooled basis, primarily in short-term certificates of deposit and in high-rated, short-term obligations of major United States corporations and banks.

Concentration of Credit Risk - The District's investment policy requires that the investment portfolio is diversified as to investments, as appropriate to the nature, purpose, and amounts of the funds. The policy does not limit the investments in any single issuer.

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 Liquid Asset Fund Plus and the Illinois Funds pooled cash and investments held by the Worth Township Trustees are not subject to custodial credit risk.

Information related to the interest rate risk, credit risk, concentration of credit risk, and custodial credit risk of the other cash and investments held by the Worth Township Trustees can be obtained from the Worth Township Trustees at 10720 South Kenton, Oak Lawn, Illinois 60453, which issues a financial report that includes financial statements and certain supplementary information.

The above deposits and investments with a total carrying value of \$10,331,919 are presented in the basic financial statements as cash and investments as follows:

Statement of Net Assets (GWFS)	\$ 10,096,088
Statement of Fiduciary Net Assets (FFS)	235,831
	<u>\$ 10,331,919</u>

District 130 Public Schools

Notes to Basic Financial Statements

Note 4. Capital Assets

Capital asset balances and activity for the year ended June 30, 2013, are as follows:

	Balance July 1, 2012	Additions	Retirements	Balance June 30, 2013
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,149,435	\$ -	\$ -	\$ 1,149,435
Construction in progress	1,963,342	-	(1,963,342)	-
Total capital assets not being depreciated	3,112,777	-	(1,963,342)	1,149,435
Capital assets, being depreciated:				
Land improvements	742,310	-	-	742,310
Buildings	42,994,070	2,874,556	-	45,868,626
Transportation equipment	5,669,286	-	-	5,669,286
Other equipment	604,479	-	-	604,479
Total capital assets being depreciated	50,010,145	2,874,556	-	52,884,701
Less accumulated depreciation:				
Land improvements	462,245	35,981	-	498,226
Buildings	20,010,629	1,049,053	-	21,059,682
Transportation equipment	5,370,903	36,866	-	5,407,769
Other equipment	569,637	13,081	-	582,718
Total accumulated depreciation	26,413,414	1,134,981	-	27,548,395
Total capital assets being depreciated, net	23,596,731	1,739,575	-	25,336,306
Governmental activities				
Capital assets, net	\$ 26,709,508	\$ 1,739,575	\$ (1,963,342)	\$ 26,485,741

District 130 Public Schools

Notes to Basic Financial Statements

Note 4. Capital Assets (Continued)

Depreciation expense was charged to governmental activities as follows:

Instruction:	
Regular programs	\$ 449,568
Special programs	156,375
Other instructional programs	26,953
Support services:	
Pupils	63,027
Instructional staff	26,358
General administration	41,237
School administration	65,703
Business	189,959
Central	34,255
Transportation	81,546
	<u>\$ 1,134,981</u>

Note 5. Long-Term Obligations

Long-term obligations as of June 30, 2013, and a summary of activity for the year then ended is as follows:

	<u>General Obligation Bonds</u>
Balance, July 1, 2012	\$ 12,035,923
Payment of bonds	<u>(2,551,504)</u>
Balance, June 30, 2013	<u>\$ 9,484,419</u>
Amounts due within one year	<u>\$ 1,846,346</u>

District 130 Public Schools

Notes to Basic Financial Statements

Note 5. Long-Term Obligations (Continued)

The interest rate ranges from 1.574% to 4.250% on the outstanding bonds. As of June 30, 2013, the future annual debt service requirements on the outstanding debt are as follows:

Year Ending June 30,	General Obligation Bonds		Total
	Principal	Interest	
2014	\$ 1,846,346	\$ 248,924	\$ 2,095,270
2015	1,091,266	203,728	1,294,994
2016	1,126,263	175,251	1,301,514
2017	1,151,339	143,837	1,295,176
2018	1,186,495	110,056	1,296,551
2018-2023	3,082,710	241,720	3,324,430
	<u>\$ 9,484,419</u>	<u>\$ 1,123,516</u>	<u>\$ 10,607,935</u>

The District's legal debt limitation of \$35,779,968, based on 6.9% of the 2012 estimated equalized assessed valuation of \$518,550,262, less outstanding debt of \$9,484,419 results in a legal debt margin of \$26,295,549 as of June 30, 2013.

Note 6. Fund Balance Classifications

At June 30, 2013, the District's fund balance restrictions were for the following purposes:

Restricted purpose:

Debt service payments (principal and interest)	\$ 1,101,011
Transportation	471,631
Capital improvements and maintenance	1,805,231
Safety	587,185
Retirement contributions	815,113
Tort	735,045
	<u>\$ 5,515,216</u>

The General Fund includes the Working Cash stabilization account. Under the State of Illinois School Code (School Code), the District is authorized to incur indebtedness and issue bonds and to levy a tax annually on all taxable property of the District in order to enable the District to have in its treasury at all times sufficient money to meet demands thereon. These working cash funds may be lent to other District governmental funds in need, but may only be expended for other purposes upon the passage of a resolution by the Board of Education to abolish the funds to the educational account, of the General Fund, or abate the fund to any fund of the District most in need. At June 30, 2013, the District had working cash stabilization fund balances of \$5,538,809 that have been classified as unassigned fund balances in the General fund.

District 130 Public Schools

Notes to Basic Financial Statements

Note 7. Retirement Plan Commitments

Teachers' Retirement System

The School 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.

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

TRS members include all active nonannuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2013 was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after January 1, 2012, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2012 and 2011.

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

- ◆ **On-behalf contributions to TRS.** The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2013, State of Illinois contributions were based on 28.05 percent of creditable earnings not paid from federal funds, and amounted to \$5,357,652 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2012 and 2011, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 24.91 percent (\$4,316,992) and 23.10 percent (\$4,214,110), respectively.

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

- **2.2 formula contributions.** Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2013 were \$112,880. Contributions for the years ended June 30, 2012 and 2011 were \$112,359 and \$110,232, respectively.
- **Federal and special trust fund contributions.** When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the State contribution rate to TRS.

For the year ended June 30, 2013, the employer pension contribution was 28.05 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2012 and 2011, the employer contribution was 24.91 and 23.10 percent of salaries paid from federal and special trust funds, respectively.

For the year ended June 30, 2013, salaries totaling \$361,824 were paid from federal and special trust funds that required employer contributions of \$101,492. For the years ended June 30, 2012 and 2011, required District contributions were \$170,373 and \$176,178, respectively.

District 130 Public Schools

Notes to Basic Financial Statements

Note 7. Retirement Plan Commitments (Continued)

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

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

For the years ended June 30, 2013, 2012, and 2011, the District did not make any employer contributions to TRS under the ERO program.

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

For the year ended June 30, 2013, the District paid \$3,919 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2012 and 2011, the District paid \$4,352 and \$3,694 to TRS for employer contributions due on salary increases in excess of 6 percent, respectively.

If an employer grants sick leave days in excess of the normal annual allotment and those days are used as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary rate reported by the granting employer during the four-year sick leave review period, and the TRS total normal cost rate (17.63 percent of salary during the year ended June 30, 2013).

For the years ended June 30, 2013, 2012 and 2011, the District had no contributions to TRS for sick leave days granted in the excess of the normal annual allotment.

TRS financial information, an explanation of TRS benefits, and descriptions of member, employer and State funding requirements can be found in the TRS *Comprehensive Annual Financial Report* for the year ended June 30, 2012. The report for the year ended June 30, 2013, is expected to be available in late 2013.

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

Teachers' Health Insurance Security Fund

The District participates in the Teachers' Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of retired Illinois public school teachers employed outside the City of Chicago.

District 130 Public Schools

Notes to Basic Financial Statements

Note 7. Retirement Plan Commitments (Continued)

The THIS Fund provides medical, prescription, and behavioral health benefits, but it does not provide vision, dental or life insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants may participate in the State administered participating provider option plan or choose from several managed care options.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provisions of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to the TRS who are not employees of the State to make a contribution to the THIS Fund. The percentage of employer required contributions in the future will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

- **On behalf contributions to the THIS Fund.** The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to the THIS Fund from active members which were 0.92 percent of pay during the year ended June 30, 2013. State of Illinois contributions amounted to \$179,052.

State contributions intended to match active member contributions during the years ended June 30, 2012 and 2011 were 0.88 percent of pay, both years. State contributions on behalf of District employees were \$170,476 and \$167,249, respectively.

- **Employer contributions to the THIS Fund.** The District also makes contributions to the THIS Fund. The employer's THIS Fund contribution was 0.69 percent during the year ended June 30, 2013 and 0.66 percent during the years ended June 30, 2012 and 2011. For the year ended June 30, 2013, the District paid \$134,289 to the THIS Fund. For the years ended June 30, 2012 and 2011, the District paid \$127,857 and \$125,437 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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 2013 report is listed under "Central Management Services." Prior reports are available under "Healthcare and Family Services."

Illinois Municipal Retirement Fund

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

Information related to the employer's contributions and three-year trend information is on a fiscal year basis. The actuarial information and schedule of funding progress are on a calendar year basis as that is the year used by IMRF.

District 130 Public Schools

Notes to Basic Financial Statements

Note 7. Retirement Plan Commitments (Continued)

Funding Policy. As set by statute, the District's regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rates for calendar years ended December 31, 2013 and 2012 used by the District were 11.57 percent and 10.81 percent, respectively, of annual covered payroll. The District's annual required contribution rates for calendar years ended December 31, 2013 and 2012 were 11.57 percent and 10.87 percent, respectively. The District also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees; while the supplemental retirement benefits rate is set by statute.

The required contributions for 2013 and 2012 were determined as part of the December 31, 2011 and 2010 actuarial valuations using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2011, included (a) 7.5 percent investment rate of return (net of administrative and direct investment expenses), (b) projected salary increases of 4.0 percent a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4 percent to 10.0 percent per year depending on age and service, attributable to seniority/merit, and (d) post retirement benefit increases of 3.0 percent annually. The actuarial value of the District's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The District's regular plan's unfunded actuarial accrued liability at December 31, 2011 and 2010 is being amortized as a level percentage of projected payroll on an open 30-year basis.

Annual Pension Cost. The following table shows the components of the District's annual pension costs for the fiscal year ended June 30, 2013, the amount actually contributed to the plan, and changes in the District's net pension obligation to the plan:

Annual required contribution	\$ 675,451
Interest on net OPEB obligation	11,690
Adjustment to annual required contribution	<u>(8,356)</u>
Annual OPEB cost	678,785
Contributions made	<u>675,451</u>
Increase in net OPEB obligation	3,334
Net OPEB obligation, July 1, 2012	<u>155,867</u>
Net OPEB obligation, June 30, 2013	<u><u>\$ 159,201</u></u>

Since the net pension obligation is not the result of a cash transaction, the modified cash basis of accounting does not allow for the net pension obligation to be recorded as a liability on the government-wide financial statements.

Three-Year Trend Information for Regular Plan

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2013	\$ 678,785	99%	\$ 159,201
June 30, 2012	615,141	96%	155,867
June 30, 2011	640,454	88%	129,020

District 130 Public Schools

Notes to Basic Financial Statements

Note 7. Retirement Plan Commitments (Continued)

Funded Status and Funding Progress. As of December 31, 2012, the most recent actuarial valuation date, the Regular plan was 75.86 percent funded. The actuarial accrued liability for benefits was \$13,461,925 and the actuarial value of assets was \$10,211,914, resulting in an underfunded actuarial accrued liability (UAAL) of \$3,250,011. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$6,003,881 and the ratio of the UAAL to the covered payroll was 54 percent.

The schedule of funding progress, presented as other information (cash basis) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Note 8. Postemployment Healthcare Plan

(a) Plan Description

In addition to providing the pension benefits described, the District provides postemployment health care benefits (OPEB) in the form of medical (including prescription drug coverage) to eligible retired employees and their dependents during the life of the retiree. Retirees pay 100 percent of the premium, which is an amount provided by the insurance provider. The certified staff upon retirement have a choice either to remain in the District plan or cease coverage with the District and enroll in the Illinois Teachers' Retirement Insurance Program plan. The benefits, benefit levels, employee contributions and employer contributions are governed by the District and can be amended by the District through its personnel manual. The plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the plan. The current eligibility criteria for retirees is as follows: employees must be enrolled in the active medical plan immediately prior to retiring. Illinois Municipal Retirement Fund (IMRF) employees must be eligible for benefits upon meeting the qualifications necessary to receive an IMRF annuity upon the completion of 8 years of service credit, and be at least age 55. Teachers' Retirement System (TRS) employees need 10 years of service credit and be at least age 60, 20 years of service credit and be at least age 55, or 5 years of service credit and be at least age 62. This plan is a single employer defined benefit plan. The plan does not issue a separate report.

(b) Funding Policy

The contribution requirements of plan members and the District are established and may be amended by the District and are detailed in the personnel manual. The District funds the plan on a pay-as-you-go basis. Therefore at June 30, 2013, the plan was unfunded. As of July 1, 2011, the most recent valuation date, the plan was unfunded. The actuarial accrued liability for benefits was \$7,134,848 and the actuarial value of assets was \$0, resulting in an underfunded actuarial accrued liability (UAAL) of \$7,134,848. The amount of covered payroll is unknown.

The schedule of funding progress, presented as other information (cash basis) following the notes to the basic financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

(c) Contributions

Since the District's financial statements have been prepared using a modified cash basis of accounting as discussed in Note 1, only contributions made to the OPEB plan are recorded as expense in the accompanying financial statements. During fiscal year 2013, contributions to the plan were approximately \$168,000.

District 130 Public Schools

Notes to Basic Financial Statements

Note 8. Postemployment Healthcare Plan (Continued)

(d) Actuarial Methods and Assumptions

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

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

In the July 1, 2011 actuarial valuation, the projected unit credit (PUC) method was used. This cost method produces an explicit normal cost and actuarial accrued liability. The normal cost represents the portion of the present value which is allocated to the valuation year by the actuarial cost method. Under PUC, the current year's portion is equal to the present value of benefit (PVB) divided by the total credited service at the anticipated retirement date. The actuarial accrued liability (AAL) represents the present value of past service liability of the employee's total PVB. Under PUC, $AAL = PVB \times \text{ratio}$ of the participant's credited service to the total credited service at the anticipated retirement date.

The actuarial assumptions include a 4 percent discount rate per year and an initial annual healthcare cost rate of 9.0 percent and 11.0 percent for prescription drugs, reduced by decrements to an ultimate rate of 5.0 percent after ten years. The actuarial value of assets was not determined as the District has not advanced funded its obligation. The plan's unfunded actuarial accrued liability is being amortized using a level dollar amortization method on a closed basis over a maximum allowable period of 30 years.

Note 9. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction to assets; errors and omissions; injuries to employees; and natural disasters. The District participates in the Collective Liability Insurance Cooperative (CLIC) for its worker's compensation, general liability and property coverages. CLIC is an organization of school districts in Illinois, which have formed an association under the Illinois Intergovernmental Cooperation's Statute to pool its risk management needs.

The Cooperative agreement provides that CLIC will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 per occurrence and \$3,000,000 in aggregate for general liability and property. CLIC's member premiums are used to purchase commercial insurance. The District along with other members of CLIC has a contractual obligation to fund any premium deficiency of CLIC attributable to a membership year during which it was a member. CLIC can assess supplemental premiums to fund these premium deficiencies. In the past three years, the District made no supplemental premium payments to CLIC.

District 130 Public Schools

Notes to Basic Financial Statements

Note 9. Risk Management (Continued)

Each member District of CLIC has a vote in the election of the pool's Board of Directors. The District does not exercise any control over the activities of the pool beyond its election of the Board members.

The District is self-insured for employee health and accident claims. A purchased insurance policy limits the aggregate claims the District may potentially pay to \$115,000 per individual and \$5,049,988 in aggregate per calendar year. All administration and claims processing is done by an independent administrator.

Note 10. Contingencies

The District received financial awards from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the District. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2013.

Note 11. Commitments

The District leases equipment under various leases ending January 15, 2017, with a total minimum rental commitment of \$332,701. The total rental expense included in the statements of revenues, expenditures and changes in fund balances for the year ended June 30, 2013, is \$150,253.

Minimum future lease payments under the various leases as of June 30, 2013 are as follows:

Year ending June 30:

2014	\$ 150,253
2015	111,516
2016	42,376
2017	28,556
	<u>\$ 332,701</u>

Note 12. Pronouncements Issued But Not Yet Adopted

The following is a description of other GASB authoritative pronouncements, which have been issued but not yet adopted by the District.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, will be effective for the District beginning with its year ending June 30, 2014. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. This Statement also provides other financial reporting guidance related to the impact of the financial statement elements deferred outflows of resources and deferred inflows of resources, such as changes in the determination of the major fund calculations and limiting the use of the term deferred in financial statement presentations.

District 130 Public Schools

Notes to Basic Financial Statements

Note 12. Pronouncements Issued But Not Yet Adopted (continued)

GASB Statement No. 66, *Technical Corrections – 2012 – an amendment of GASB Statements No. 10 and No. 62*, will be effective for the District beginning with its year ending June 30, 2014. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement amends Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, by removing the provision that limits fund-based reporting of an entity's risk financing activities to the general fund and the internal service fund type. This Statement also amends Statement 62 by modifying the specific guidance on accounting for (1) operating lease payments that vary from a straight-line basis, (2) the difference between the initial investment (purchase price) and the principal amount of a purchased loan or group of loans, and (3) servicing fees related to mortgage loans that are sold when the stated service fee rate differs significantly from a current (normal) servicing fee rate.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, will be effective for the District beginning with its year ended June 30, 2015. This Statement requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement also enhances accountability and transparency through revised and new note disclosures.

GASB Statement No. 69, *Government Combinations and Disposals of Government Operations* will be effective for the District beginning with its year ended June 30, 2015, and should be applied on a prospective basis. This statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term *government combinations* includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This statement requires disclosures to be made about government combinations and disposals of government operations to enable financial statement users to evaluate the nature and financial effects of those transactions.

GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees* will be effective for the District beginning with its year ended June 30, 2014. This statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows related to the guarantee expected to be incurred. This statement specifies the information required to be disclosed by governments that extend nonexchange financial guarantees. In addition, this statement requires new information to be disclosed by governments that receive nonexchange financial guarantees.

Management has not currently determined what impact, if any, these GASB Statements may have on its financial statements.

Other Information

District 130 Public Schools

**Schedule of Funding Progress
Illinois Municipal Retirement Fund**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Underfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/12	\$ 10,211,914	\$ 13,461,925	\$ 3,250,011	75.86	% \$ 6,003,881	54.13 %
12/31/11	9,422,949	12,506,915	3,083,966	75.34	5,904,422	52.23
12/31/10	9,544,046	12,136,197	2,592,151	78.64	5,775,228	44.88

On a market value basis, the actuarial value of assets as of December 31, 2012 is \$10,604,283. On a market basis, the funded ratio would be 78.77%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Blue Island District SD130. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

District 130 Public Schools

**Schedule of Funding Progress
Other Post Employment Benefits**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded Actuarial Accrued Liability (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
07/01/11	\$ -	\$ 7,134,848	\$ 7,134,848	-	% Not Available	Not Available %
07/01/08	-	9,145,809	9,145,809	-	Not Available	Not Available

- GASB 45 was adopted during 2009 using the actuarial valuation performed as of July 11, 2008.
No valuation was performed in 2010. Information is presented for as many years as available.

Supplementary Information

District 130 Public Schools

**Schedule of Revenues, Expenditures and Changes
in Fund Balance - Budget and Actual - Modified Cash Basis
General Fund - Budgetary Basis
Year Ended June 30, 2013**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 19,134,996	\$ 18,139,785	\$ (995,211)
Corporate property replacement taxes	1,170,146	1,202,419	32,273
Charges for services	378,129	376,182	(1,947)
Unrestricted state aid	10,032,381	10,033,657	1,276
Restricted state aid	4,141,353	4,082,347	(59,006)
Restricted federal aid	5,280,329	5,007,666	(272,663)
Interest	123,107	104,350	(18,757)
Total revenues	<u>40,260,441</u>	<u>38,946,406</u>	<u>(1,314,035)</u>
Expenditures:			
Current:			
Instruction:			
Regular programs	16,791,033	16,867,805	(76,772)
Special programs	4,451,051	5,684,228	(1,233,177)
Other instructional programs	1,665,740	941,731	724,009
Support services:			
Pupils	2,077,569	2,351,551	(273,982)
Instructional staff	1,284,422	952,382	332,040
General administration	1,438,132	1,531,357	(93,225)
School administration	2,355,968	2,449,649	(93,681)
Business	6,385,273	6,657,780	(272,507)
Central	1,205,123	1,226,068	(20,945)
Other	318,576	153,883	164,693
Community services	502,782	427,136	75,646
Payments to other governments	1,656,448	1,960,956	(304,508)
Capital outlay	174,948	107,658	67,290
Total expenditures	<u>40,307,065</u>	<u>41,312,184</u>	<u>(1,005,119)</u>
Change in fund balance	<u>\$ (46,624)</u>	<u>(2,365,778)</u>	<u>\$ (2,319,154)</u>
Fund balance:			
July 1, 2012		<u>9,484,421</u>	
June 30, 2013		<u>\$ 7,118,643</u>	

District 130 Public Schools

Combining Balance Sheet - Modified Cash Basis

General Fund, By Accounts

June 30, 2013

	Educational Account	Operations and Maintenance Account	Working Cash Account	Tort Account	Total
Assets					
Cash and investments	\$ 1,351,242	\$ 1,886,495	\$ 3,038,809	\$ 735,045	\$ 7,011,591
Due from fund	-	-	2,500,000	-	2,500,000
Payroll advances	228,297	-	-	-	228,297
Total assets	\$ 1,579,539	\$ 1,886,495	\$ 5,538,809	\$ 735,045	\$ 9,739,888
Liabilities and Fund Balances					
Due to fund	\$ 2,500,000	\$ -	\$ -	\$ -	\$ 2,500,000
Payroll liabilities	-	121,245	-	-	121,245
Total liabilities	2,500,000	121,245	-	-	2,621,245
Fund balance					
Restricted	-	1,765,250	-	735,045	2,500,295
Unassigned	(1,148,758)	-	5,538,809	-	4,390,051
Nonspendable	228,297	-	-	-	228,297
Total fund balances	(920,461)	1,765,250	5,538,809	735,045	7,118,643
Total liabilities and fund balances	\$ 1,579,539	\$ 1,886,495	\$ 5,538,809	\$ 735,045	\$ 9,739,888

District 130 Public Schools

Combining Statement of Revenues, Expenditures and Changes in Fund
Balance - Modified Cash Basis
General Fund, By Accounts
Year Ended June 30, 2013

	Educational Account	Operations and Maintenance Account	Working Cash Account	Tort Account	Total
Revenues:					
Property taxes	\$ 14,860,529	\$ 2,653,216	\$ 244,014	\$ 382,026	\$ 18,139,785
Corporate property replacement taxes	1,202,419	-	-	-	1,202,419
Charges for services	321,484	54,698	-	-	376,182
Unrestricted state aid	10,033,657	-	-	-	10,033,657
Restricted state aid	4,082,347	-	-	-	4,082,347
Restricted federal aid	4,680,813	326,853	-	-	5,007,666
Interest	30,478	15,467	52,893	5,512	104,350
Total revenues	35,211,727	3,050,234	296,907	387,538	38,946,406
Expenditures:					
Current:					
Instruction:					
Regular programs	16,867,805	-	-	-	16,867,805
Special programs	5,684,228	-	-	-	5,684,228
Other instructional programs	941,731	-	-	-	941,731
Support services:					
Pupils	2,351,551	-	-	-	2,351,551
Instructional staff	952,382	-	-	-	952,382
General administration	1,111,028	-	-	420,329	1,531,357
School administration	2,449,649	-	-	-	2,449,649
Business	3,845,865	2,811,915	-	-	6,657,780
Central	1,226,068	-	-	-	1,226,068
Other	153,883	-	-	-	153,883
Community services	427,136	-	-	-	427,136
Payments to other governments	1,960,956	-	-	-	1,960,956
Capital outlay	107,658	-	-	-	107,658
Total expenditures	38,079,940	2,811,915	-	420,329	41,312,184
Other financing sources (uses):					
Transfers in (out)	1,000,000	-	(1,000,000)	-	-
Other financing sources (uses)	1,000,000	-	(1,000,000)	-	-
Change in fund balance	(1,868,213)	238,319	(703,093)	(32,791)	(2,365,778)
Fund balance:					
July 1, 2012	947,752	1,526,931	6,241,902	767,836	9,484,421
June 30, 2013	\$ (920,461)	\$ 1,765,250	\$ 5,538,809	\$ 735,045	\$ 7,118,643

District 130 Public Schools

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Modified Cash Basis
 Budget and Actual - Budgetary Basis
 General Fund, By Accounts
 Year Ended June 30, 2013

	Educational Account		Operations and Maintenance Account		Working Cash Account		Tort Account		Total	
	Original and Final Budget	Actual	Original and Final Budget	Actual	Original and Final Budget	Actual	Original and Final Budget	Actual	Original and Final Budget	Actual
Revenues:										
Property taxes	\$ 15,717,742	\$ 14,860,529	\$ 2,711,050	\$ 2,653,216	\$ 255,580	\$ 244,014	\$ 450,624	\$ 382,026	\$ 19,134,996	\$ 18,139,785
Corporate property replacement taxes	1,170,146	1,202,419	-	-	-	-	-	-	1,170,146	1,202,419
Charges for services	323,441	321,484	54,688	54,698	-	-	-	-	378,129	376,182
Unrestricted state aid	10,032,381	10,033,657	-	-	-	-	-	-	10,032,381	10,033,657
Restricted state aid	4,141,353	4,082,347	-	-	-	-	-	-	4,141,353	4,082,347
Restricted federal aid	5,065,245	4,680,813	215,084	326,853	-	-	-	-	5,280,329	5,007,666
Interest	39,779	30,478	13,887	15,467	59,452	52,893	9,989	5,512	123,107	104,350
Total revenues	36,490,087	35,211,727	2,994,709	3,050,234	315,032	296,907	460,613	387,538	40,260,441	38,946,406
Expenditures:										
Current:										
Instruction:										
Regular programs	16,791,033	16,867,805	-	-	-	-	-	-	16,791,033	16,867,805
Special programs	4,451,051	5,684,228	-	-	-	-	-	-	4,451,051	5,684,228
Other instructional programs	1,665,740	941,731	-	-	-	-	-	-	1,665,740	941,731
Support services:										
Pupils	2,077,569	2,351,551	-	-	-	-	-	-	2,077,569	2,351,551
Instructional staff	1,284,422	952,382	-	-	-	-	-	-	1,284,422	952,382
General administration	1,010,432	1,111,028	-	-	-	-	427,700	420,329	1,438,132	1,531,357
School administration	2,355,968	2,449,649	-	-	-	-	-	-	2,355,968	2,449,649
Business	3,589,243	3,845,865	2,796,030	2,811,915	-	-	-	-	6,385,273	6,657,780
Central	1,205,123	1,226,068	-	-	-	-	-	-	1,205,123	1,226,068
Other	318,576	153,883	-	-	-	-	-	-	318,576	153,883
Community services	502,782	427,136	-	-	-	-	-	-	502,782	427,136
Payments to other governments	1,656,448	1,960,956	-	-	-	-	-	-	1,656,448	1,960,956
Capital outlay	144,948	107,658	30,000	-	-	-	-	-	174,948	107,658
Total expenditures	37,053,335	38,079,940	2,826,030	2,811,915	-	-	427,700	420,329	40,307,065	41,312,184
Other financing sources (uses):										
Transfers in (out)	1,000,000	1,000,000	-	-	(1,000,000)	(1,000,000)	-	-	-	-
Other financing sources (uses)	1,000,000	1,000,000	-	-	(1,000,000)	(1,000,000)	-	-	-	-
Change in fund balance	\$ 436,752	(1,868,213)	\$ 168,679	238,319	\$ (684,968)	(703,093)	\$ 32,913	(32,791)	\$ (46,624)	(2,365,778)
Fund balance:										
July 1, 2012		<u>947,752</u>		<u>1,526,931</u>		<u>6,241,902</u>		<u>767,836</u>		<u>9,484,421</u>
June 30, 2013		<u>\$ (920,461)</u>		<u>\$ 1,765,250</u>		<u>\$ 5,538,809</u>		<u>\$ 735,045</u>		<u>\$ 7,118,643</u>

District 130 Public Schools

Combining Balance Sheet - Modified Cash Basis - By Fund Type

Nonmajor Governmental Funds

June 30, 2013

	Debt Service Fund	Special Revenue Funds		Capital Projects Funds		Total Nonmajor Governmental Funds
	Bond and Interest Fund	Transportation Fund	Municipal Retirement Fund	Site and Construction Fund	Fire Prevention and Safety Fund	
Assets						
Cash and investments	\$ 1,101,011	\$ 541,207	\$ 815,113	\$ 39,981	\$ 587,185	\$ 3,084,497
Liabilities and Fund Balances						
Liabilities	\$ -	\$ 69,576	\$ -	\$ -	\$ -	\$ 69,576
Fund balances						
Restricted	1,101,011	471,631	815,113	39,981	587,185	3,014,921
Total liabilities and fund balances	\$ 1,101,011	\$ 541,207	\$ 815,113	\$ 39,981	\$ 587,185	\$ 3,084,497

District 130 Public Schools

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances -
Modified Cash Basis - By Fund Type
Nonmajor Governmental Funds
Year Ended June 30, 2013**

	Debt Service	Special Revenue		Capital Projects		Total Nonmajor Governmental Funds
	Fund	Funds		Funds		
	Bond and Interest Fund	Transportation Fund	Municipal Retirement Fund	Site and Construction Fund	Fire Prevention and Safety Fund	
Revenues:						
Property taxes	\$ 2,863,637	\$ 1,402,335	\$ 1,266,280	\$ -	\$ 499,552	\$ 6,031,804
Corporate property replacement tax	-	-	145,131	-	-	145,131
Charges for services	-	28,337	-	-	225	28,562
Restricted state aid	-	1,687,478	-	-	-	1,687,478
Interest	16,117	7,042	7,704	2,299	6,450	39,612
Total revenues	2,879,754	3,125,192	1,419,115	2,299	506,227	7,932,587
Expenditures:						
Current:						
Instruction:						
Regular programs	-	-	234,682	-	-	234,682
Special programs	-	-	264,577	-	-	264,577
Other instructional programs	-	-	83,607	-	-	83,607
Support services:						
Pupils	-	-	46,109	-	-	46,109
Instructional staff	-	-	50,340	-	-	50,340
General administration	-	-	37,398	-	-	37,398
School administration	-	-	49,813	-	-	49,813
Business	-	-	493,864	-	74,753	568,617
Central	-	-	77,045	-	-	77,045
Transportation	-	3,102,175	-	-	-	3,102,175
Community services	-	-	62,545	-	-	62,545
Debt service:						
Principal	2,551,504	-	-	-	-	2,551,504
Interest and charges	350,134	-	-	-	-	350,134
Capital outlay	-	8,852	-	209,088	911,214	1,129,154
Total expenditures	2,901,638	3,111,027	1,399,980	209,088	985,967	8,607,700
Change in fund balances	(21,884)	14,165	19,135	(206,789)	(479,740)	(675,113)
Fund balances:						
July 1, 2012	1,122,895	457,466	795,978	246,770	1,066,925	3,690,034
June 30, 2013	\$ 1,101,011	\$ 471,631	\$ 815,113	\$ 39,981	\$ 587,185	\$ 3,014,921

District 130 Public Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual - Modified Cash Basis
 Bond and Interest Fund
 Year Ended June 30, 2013

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 2,901,639	\$ 2,863,637	\$ (38,002)
Interest	14,915	16,117	1,202
Total revenues	<u>2,916,554</u>	<u>2,879,754</u>	<u>(36,800)</u>
Expenditures:			
Debt service:			
Principal	2,551,503	2,551,504	(1)
Interest and charges	350,136	350,134	2
Total expenditures	<u>2,901,639</u>	<u>2,901,638</u>	<u>1</u>
Change in fund balance	<u>\$ 14,915</u>	(21,884)	<u>\$ (36,799)</u>
Fund balance:			
July 1, 2012		<u>1,122,895</u>	
June 30, 2013		<u>\$ 1,101,011</u>	

District 130 Public Schools

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Modified Cash Basis
Transportation Fund
Year Ended June 30, 2013**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 1,442,113	\$ 1,402,335	\$ (39,778)
Charges for services	25,667	28,337	2,670
Restricted state aid	1,598,858	1,687,478	88,620
Interest	5,953	7,042	1,089
Total revenues	<u>3,072,591</u>	<u>3,125,192</u>	<u>52,601</u>
Expenditures:			
Current:			
Support services:			
Business	3,005,157	3,102,175	(97,018)
Capital outlay	8,100	8,852	(752)
Total expenditures	<u>3,013,257</u>	<u>3,111,027</u>	<u>(97,770)</u>
Change in fund balance	<u>\$ 59,334</u>	14,165	<u>\$ (45,169)</u>
Fund balance:			
July 1, 2012		<u>457,466</u>	
June 30, 2013		<u>\$ 471,631</u>	

District 130 Public Schools

**Schedule of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual - Modified Cash Basis
Municipal Retirement Fund
Year Ended June 30, 2013**

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 1,310,315	\$ 1,266,280	\$ (44,035)
Corporate property replacement tax	141,236	145,131	3,895
Interest	6,082	7,704	1,622
Total revenues	<u>1,457,633</u>	<u>1,419,115</u>	<u>(38,518)</u>
Expenditures:			
Current:			
Instruction:			
Regular programs	330,861	234,682	96,179
Special programs	152,443	264,577	(112,134)
Other instructional programs	78,455	83,607	(5,152)
Support services:			
Pupils	25,279	46,109	(20,830)
Instructional staff	12,823	50,340	(37,517)
General administration	25,104	37,398	(12,294)
School administration	95,458	49,813	45,645
Business	350,621	493,864	(143,243)
Central	60,395	77,045	(16,650)
Community services	38,027	62,545	(24,518)
Total expenditures	<u>1,169,466</u>	<u>1,399,980</u>	<u>(230,514)</u>
Change in fund balance	<u>\$ 288,167</u>	19,135	<u>\$ (269,032)</u>
Fund balance:			
July 1, 2012		<u>795,978</u>	
June 30, 2013		<u>\$ 815,113</u>	

District 130 Public Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual - Modified Cash Basis
 Site and Construction Fund
 Year Ended June 30, 2013

	Original and Final Budget	Actual	Variance
Revenues, Interest	\$ 8,275	\$ 2,299	\$ (5,976)
Expenditures: Capital outlay	245,140	209,088	36,052
Change in fund balance	<u>\$ (236,865)</u>	(206,789)	<u>\$ 30,076</u>
Fund balance: July 1, 2012		<u>246,770</u>	
June 30, 2013		<u>\$ 39,981</u>	

District 130 Public Schools

Schedule of Revenues, Expenditures and Changes in Fund Balance -
 Budget and Actual - Modified Cash Basis
 Fire Prevention and Safety Fund
 Year Ended June 30, 2013

	Original and Final Budget	Actual	Variance
Revenues:			
Property taxes	\$ 552,062	\$ 499,552	\$ (52,510)
Charges for services	306	225	(81)
Interest	8,401	6,450	(1,951)
Total revenues	<u>560,769</u>	<u>506,227</u>	<u>(54,542)</u>
Expenditures:			
Current:			
Support Services:			
Business	144,100	74,753	69,347
Capital outlay	890,000	911,214	(21,214)
Total expenditures	<u>1,034,100</u>	<u>985,967</u>	<u>48,133</u>
Change in fund balance	<u>\$ (473,331)</u>	(479,740)	<u>\$ (6,409)</u>
Fund balance:			
July 1, 2012		<u>1,066,925</u>	
June 30, 2013		<u>\$ 587,185</u>	

District 130 Public Schools

Schedule of Assessed Valuations, Tax Rates, Extensions and Collections

	Tax Year				
	2012	2011	2010	2009	2008
Assessed Valuations	\$ 518,550,262	\$ 564,049,641	\$ 677,897,032	\$ 690,488,340	\$ 728,593,260
Tax Rates:					
General Fund:					
Educational Accounts:					
Standard	2.9285	2.6220	2.1778	2.1168	2.1129
Special Education	0.1583	0.1370	0.1127	0.1044	0.0884
Operations and Main- tenance Accounts:					
Standard	0.5500	0.4930	0.3799	0.3580	0.3110
Working Cash Fund	0.0500	0.0457	0.0380	0.0373	0.0283
Tort Immunity	0.0804	0.0703	0.0760	0.0746	0.0283
Transportation Fund	0.2955	0.2557	0.1823	0.1462	0.1343
Municipal Retirement Fund:					
Illinois Municipal Retirement Fund	0.1140	0.0986	0.0786	0.0746	0.0636
Social Security	0.1532	0.1326	0.1096	0.1014	0.0636
Bond and Interest Fund	0.5870	0.5395	0.4490	0.4349	0.5102
Fire Prevention and Safety Fund	0.1000	0.0968	0.0798	0.0746	0.0707
Total	5.0169	4.4912	3.6837	3.5228	3.4113
Extended Tax Rate	5.017	4.491	3.684	3.523	3.411
Tax Extensions:					
General Fund:					
Educational Accounts:					
Standard	\$ 15,185,861	\$ 14,789,381	\$ 14,763,508	\$ 14,616,332	\$ 15,394,164
Special Education	820,894	772,500	764,260	721,000	643,750
Operations and Main- tenance Accounts:					
Standard	2,852,026	2,781,000	2,575,000	2,472,000	2,266,000
Working Cash Fund	259,275	257,500	257,500	257,500	206,000
Tort Immunity	417,150	396,550	515,000	515,000	206,000
Transportation Fund	1,532,334	1,442,000	1,236,000	1,009,400	978,500
Municipal Retirement Fund:					
Illinois Municipal Retirement Fund	591,043	556,200	532,510	515,000	463,500
Social Security	794,624	747,780	743,042	700,400	463,500
Bond and Interest Fund	3,043,880	3,043,197	3,043,636	3,002,894	3,717,258
Fire Prevention and Safety Fund	518,550	545,900	540,750	515,000	515,000
Totals	\$ 26,015,637	\$ 25,332,008	\$ 24,971,206	\$ 24,324,526	\$ 24,853,672
Tax collections	\$ 12,554,089	\$ 24,374,486	\$ 23,510,281	\$ 22,648,791	\$ 23,646,758
Percentage collected	48.26%	96.22%	94.15%	93.11%	95.14%

District 130 Public Schools

**Schedule of Debt Service Requirements
Year Ended June 30, 2013**

	Year Ending June 30,	Interest Rate	Total Principal	Total Interest	Total Principal and Interest
Total outstanding debt	2014		\$ 1,846,346	\$ 248,924	\$ 2,095,270
	2015		1,091,266	203,728	1,294,994
	2016		1,126,263	175,251	1,301,514
	2017		1,151,339	143,837	1,295,176
	2018		1,186,495	110,056	1,296,551
	2019-2023		3,082,710	241,720	3,324,430
			<u>\$ 9,484,419</u>	<u>\$ 1,123,516</u>	<u>\$ 10,607,935</u>
Bond issue of July 1, 2006:					
Original amount: \$10,000,000	2014	4.250%	\$ 1,155,000	\$ 24,544	\$ 1,179,544
Principal payable December 1 of each year					
Interest payable December 1 and June 1 of each year					
Paying agent: XL Capital Assurance, Inc.					
Bond issue of December 6, 2007:					
Original amount: \$4,830,000	2014	1.574%	\$ 311,346	\$ 52,842	\$ 364,188
Principal payable December 6 of each year	2015	1.574%	316,266	47,922	364,188
Interest payable December 6 and June 6 of each year	2016	1.574%	321,263	42,926	364,189
	2017	1.574%	326,339	37,850	364,189
Paying agent: LaSalle National Bank	2018	1.574%	331,495	32,693	364,188
	2019-2013	1.574%	1,737,710	83,228	1,820,938
			<u>\$ 3,344,419</u>	<u>\$ 297,461</u>	<u>\$ 3,641,880</u>
Bond issue of February 2, 2010:					
Original amount: \$4,985,000					
Principal payable June 1 and December 1 of each year	2014	3.000%	\$ 380,000	\$ 171,538	\$ 551,538
	2015	3.500%	775,000	155,806	930,806
Interest payable June 1 and December 1 of each year	2016	3.500%	805,000	132,325	937,325
	2017	3.500%	825,000	105,988	930,988
Paying agent: The Depository Trust Company	2018	3.750%	855,000	77,363	932,363
	2019-2020	4.000%	1,345,000	54,100	1,399,100
			<u>\$ 4,985,000</u>	<u>\$ 697,120</u>	<u>\$ 5,682,120</u>