

PEOTONE COMMUNITY PUBLIC
SCHOOL DISTRICT 207U

AUDIT REPORT
AT
JUNE 30, 2006

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August 3, 2006

Independent Auditor's Report

To The Board of Education
Peotone Community Public School District 207U
Peotone, Illinois 60468

We have audited the accompanying financial statements of Peotone Community Public School District No. 207U as of and for the fiscal year ended June 30, 2006, as listed in the table of contents. These financial statements are the responsibility of the school district's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As described more fully in Note #1, Peotone Community Public School District 207U has prepared these financial statements using accounting practices prescribed by the Illinois State Board of Education, which practices differ from accounting principles generally accepted in the United States of America. They are intended to assure effective legislative and public oversight of school district financing and spending activities of accountable Illinois public school districts. The effects on the financial statements of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

To The Board of Education
Peotone Community Public
School District No. 207U

In our opinion, because of the matter discussed in the preceding paragraph, the financial statements referred to above do not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of Peotone Community Public School District No. 207U, as of June 30, 2006, or changes in financial position for the fiscal year then ended.

Additionally, in our opinion, the financial statements referred to above present fairly, in all material respects, the assets and liabilities arising from cash transactions of Peotone Community Public School District No. 207U as of June 30, 2006, and its revenue received and expenditures disbursed during the fiscal year then ended, on the basis of accounting described in Note #1.

In accordance with Government Auditing Standards, we have also issued a report dated August 3, 2006, on our consideration of Peotone Community Public School District No. 207U's internal control over financial reporting and our tests of its compliance with laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting and compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The schedules listed in the table of contents as "Supplemental Information" are presented for the purposes of additional analysis and are not a required part of the financial statements of Peotone Community Public School District No. 207U. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated in all material respects in relation to the financial statements as a whole.

Gassensmith & Associates, Ltd.

Gassensmith & Associates, Ltd.
Certified Public Accountants

August 3, 2006

Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements Performed
in Accordance with Government Auditing Standards

Board of Education
Peotone Community Public School District No. 207U
Elwood, Illinois

We have audited the financial statements of Peotone Community Public School District No. 207U as of and for the year ended June 30, 2006, and have issued our report thereon dated August 3, 2006. Our opinion was adverse because financial statements are not prepared in accordance with generally accepted accounting principles. However, the financial statements were found to be fairly stated on the cash basis of accounting, in accordance with regulatory reporting requirements established by the Illinois State Board of Education, which is a comprehensive basis of accounting other than generally accepted accounting principles. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Peotone Community Public School District No. 207U's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

Board of Education
Peotone Community Public
School District No. 207U

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Peotone Community Public School District No. 207U's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

This report is intended solely for the information and use of the Board of Education, management, the Illinois State Board of Education and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Gassensmith & Associates, Ltd.

Gassensmith & Associates, Ltd.
Certified Public Accountants

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

COMBINED FINANCIAL STATEMENTS

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 COMBINED STATEMENT OF ASSETS AND LIABILITIES
 ARISING FROM CASH TRANSACTIONS
 ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 2006

STATEMENT 1

	Governmental Fund Types			Fiduciary Fund Types			Account Groups			Total (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Trust and Agency	General Long-Term Debt	General Fixed Assets	General Long-Term Debt	General Fixed Assets	
ASSETS										
Cash (Note 4)	\$2,423,675	\$599,826	\$1,587,741	\$110,762	\$216,934	\$-	\$-	\$-	\$-	\$4,938,938
Land and Improvements (Note 6)	-	-	-	-	-	-	2,257,202	-	2,257,202	2,257,202
Buildings (Note 6)	-	-	-	-	-	-	28,374,199	-	28,374,199	28,374,199
Transportation Equipment (Note 6)	-	-	-	-	-	-	3,925,299	-	3,925,299	3,925,299
Other Equipment (Note 6)	-	-	-	-	-	-	2,694,515	-	2,694,515	2,694,515
Amount Available in Debt Service Fund Amount to be Provided for Retirement of Long-Term Debt	-	-	-	-	-	1,587,741	-	1,587,741	-	1,587,741
TOTAL ASSETS	<u>\$2,423,675</u>	<u>\$599,826</u>	<u>\$1,587,741</u>	<u>\$110,762</u>	<u>\$216,934</u>	<u>\$22,571,680</u>	<u>\$37,251,215</u>	<u>\$24,159,421</u>	<u>\$37,251,215</u>	<u>\$66,349,574</u>
LIABILITIES										
Due to Organizations	\$-	\$-	\$-	\$-	\$167,673	\$-	\$-	\$-	\$-	\$167,673
Bonds Payable (Note 9)	-	-	-	-	-	23,855,000	-	-	-	23,855,000
Other Current Liabilities	880,000	20,000	-	-	-	-	-	-	-	900,000
Other Long-term Liabilities	-	-	-	-	-	304,421	-	-	-	304,421
TOTAL LIABILITIES	<u>\$880,000</u>	<u>\$20,000</u>	<u>\$-0-</u>	<u>\$-0-</u>	<u>\$167,673</u>	<u>\$24,159,421</u>	<u>\$-0-</u>	<u>\$24,159,421</u>	<u>\$-0-</u>	<u>\$25,227,094</u>
FUND EQUITY										
Fund Balance - Reserved	\$-	\$-	\$1,587,741	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Fund Balance - Unreserved	1,543,675	579,826	-	110,762	49,261	-	-	-	-	3,871,265
Investment in General Fixed Assets	-	-	-	-	-	-	37,251,215	-	-	37,251,215
TOTAL FUND EQUITY	<u>\$1,543,675</u>	<u>\$579,826</u>	<u>\$1,587,741</u>	<u>\$110,762</u>	<u>\$49,261</u>	<u>\$-0-</u>	<u>\$37,251,215</u>	<u>\$-0-</u>	<u>\$37,251,215</u>	<u>\$41,122,480</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$2,423,675</u>	<u>\$599,826</u>	<u>\$1,587,741</u>	<u>\$110,762</u>	<u>\$216,934</u>	<u>\$24,159,421</u>	<u>\$37,251,215</u>	<u>\$24,159,421</u>	<u>\$37,251,215</u>	<u>\$66,349,574</u>

The Notes to Statements are an integral part of this statement

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 COMBINED STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID
 AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES AND FIDUCIARY FUND
 FOR THE YEAR ENDED JUNE 30, 2006

STATEMENT 2

	Governmental Fund Types		Fiduciary	Total
	General	Special Revenue	Fund Types Working Cash	(Memorandum Only)
REVENUE COLLECTED				
Local Sources	\$ 7,629,703	\$ 747,756	\$ 78,187	\$ 11,299,867
State Sources	3,268,392	563,903	-	3,832,295
Federal Sources	190,195	-	-	190,195
On Behalf Payments	511,690	-	-	511,690
Total Revenue Collected	\$ 11,599,980	\$ 1,311,659	\$ 78,187	\$ 15,834,047
EXPENDITURES PAID				
Current:				
Instruction	\$ 9,344,629	\$ 238,512	-	\$ 9,583,141
Supporting Services	3,622,219	1,385,865	-	5,070,961
Nonprogram Charges	786,400	-	-	786,400
Debt Service	-	-	-	-
On Behalf Payments	511,690	-	-	2,709,151
Total Expenditures Paid	\$ 14,264,938	\$ 1,624,377	\$ - 0 -	\$ 18,661,343
Excess Revenue Collected Over (Under) Expenditures Paid	\$ (2,664,958)	\$ (312,718)	\$ 78,187	\$ (2,827,296)
OTHER FINANCING SOURCES/(USES)				
Other Financing Sources	\$ 1,814,500	\$ 20,000	-	\$ 3,542,364
Other Financing Uses	-	-	-	(1,814,500)
Total Other Financing Sources (Uses)	\$ 1,814,500	\$ 20,000	\$ (106,636)	\$ 1,727,864
Excess Revenue Collected and Other Sources Over (Under) Expenditures Paid and Other Uses	\$ (850,458)	\$ (292,718)	\$ (28,449)	\$ (1,099,432)
Fund Balance - July 1, 2005	2,394,133	892,544	77,710	4,990,697
Fund Balance - June 30, 2006	\$ 1,543,675	\$ 599,826	\$ 49,261	\$ 3,891,265

The Notes to Statements are an integral part of this statement

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 COMBINED STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID
 AND CHANGES IN FUND BALANCES -
 BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL -
 ALL BUDGETED GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUND
 FOR THE YEAR ENDED JUNE 30, 2006

STATEMENT 3

	General		Special Revenue		Debt Service		Capital Projects		Working Cash	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
REVENUE COLLECTED										
Local Sources	\$ 7,335,500	\$ 7,629,703	\$ 752,400	\$ 747,756	\$ 2,748,500	\$ 2,842,592	\$ 2,500	\$ 1,629	\$ 78,600	\$ 78,187
State Sources	3,041,600	3,268,392	595,500	563,903	-	-	-	-	-	-
Federal Sources	157,600	190,195	-	-	-	-	-	-	-	-
Total Revenue Collected	<u>\$10,534,700</u>	<u>\$11,088,290</u>	<u>\$1,347,900</u>	<u>\$1,311,659</u>	<u>\$2,748,500</u>	<u>\$2,842,592</u>	<u>\$ 2,500</u>	<u>\$ 1,629</u>	<u>\$ 78,600</u>	<u>\$ 78,187</u>
EXPENDITURES PAID										
Current										
Instruction	\$ 8,546,150	\$ 9,344,629	\$ 208,600	\$ 238,512	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supporting Services	3,471,600	3,622,219	1,283,500	1,385,865	-	-	170,800	62,877	-	-
Nonprogram Charges	725,000	786,400	-	-	-	-	-	-	-	-
Debt Service	-	-	-	-	2,663,600	2,709,151	-	-	-	-
Provision for Contingency	20,000	-	2,000	-	-	-	-	-	-	-
Total Expenditures Paid	<u>\$12,762,750</u>	<u>\$13,753,248</u>	<u>\$1,494,100</u>	<u>\$1,624,377</u>	<u>\$2,663,600</u>	<u>\$2,709,151</u>	<u>\$ 170,800</u>	<u>\$ 62,877</u>	<u>\$ -</u>	<u>\$ -</u>
Excess of Revenue Collected Over (Under) Expenditures Paid	<u>\$ (2,228,050)</u>	<u>\$ (2,664,958)</u>	<u>\$ (146,200)</u>	<u>\$ (312,718)</u>	<u>\$ 84,900</u>	<u>\$ 133,441</u>	<u>\$ (168,300)</u>	<u>\$ (61,248)</u>	<u>\$ 78,600</u>	<u>\$ 78,187</u>
OTHER FINANCING SOURCES/(USES)										
Other Financing Sources	\$ 300,000	\$ 1,814,500	\$ -	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 1,707,864
Other Financing Uses	-	-	-	-	-	-	-	-	(300,000)	(1,814,500)
Total Other Financing Sources (Uses)	<u>\$ 300,000</u>	<u>\$ 1,814,500</u>	<u>\$ -</u>	<u>\$ 20,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (106,636)</u>
Excess Revenue Collected and Other Sources Over (Under) Expenditures Paid and Other Uses	<u>\$ (1,928,050)</u>	<u>\$ (850,458)</u>	<u>\$ (146,200)</u>	<u>\$ (292,718)</u>	<u>\$ 84,900</u>	<u>\$ 133,441</u>	<u>\$ (168,300)</u>	<u>\$ (61,248)</u>	<u>\$ 78,600</u>	<u>\$ (28,449)</u>
Fund Balance - July 1, 2005	-	2,394,133	-	892,544	-	1,454,300	-	172,010	-	77,710
Fund Balance - June 30, 2006	-	<u>\$ 1,543,675</u>	-	<u>\$ 599,826</u>	-	<u>\$1,587,741</u>	-	<u>\$ 110,762</u>	-	<u>\$ 49,261</u>

The Notes to Statements are an integral part of this statement.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The District's accounting policies conform to the cash basis of accounting as defined by the Illinois State Board of Education Audit Guide.

(a) PRINCIPLES USED TO DETERMINE SCOPE OF ENTITY:

The District's reporting entity includes the District's governing board and all related organizations for which the District exercises oversight responsibility.

The District has developed criteria to determine whether outside agencies with activities which benefit the citizens of the District, including joint agreements which serve pupils from numerous districts, should be included within its financial reporting entity. The criteria include, but are not limited to, whether the District exercises oversight responsibility (which includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters), scope of public service and special financing relationships.

(b) BASIS OF PRESENTATION - FUND ACCOUNTING:

The accounts of the District are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets and liabilities (arising from cash transactions), fund balance, revenue collected and expenditures paid. The District maintains individual funds required by the State of Illinois. The various funds are summarized by type in the financial statements. These funds are grouped as required for reports filed with the Illinois State Board of Education. District resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The following fund types and account groups are used by the District:

GOVERNMENTAL FUND TYPES:

Governmental funds are those through which most governmental functions of the District are financed. The acquisition, use and balances of the District's expendable financial resources and the related liabilities (arising from cash transactions) are accounted for through governmental funds.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

(b) BASIS OF PRESENTATION - FUND ACCOUNTING: (continued)

GOVERNMENTAL FUND TYPES: (continued)

The General Fund, which consists of the Educational Fund and the Operations and Maintenance Fund, is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. Tort Immunity and Special Education are included in these funds.

Special Revenue Funds, which include both the Transportation Fund and the Municipal Retirement/Social Security Fund, are used to account for revenue collected from specific sources (other than those accounted for in the Debt Service Fund, Capital Project Funds or Fiduciary Funds) that are legally restricted to expenditures paid for specified purposes.

The Debt Service Fund (Bond and Interest Fund) accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

The Capital Projects Fund (which includes the Fire Prevention and Safety Fund and the Site and Construction Fund) accounts for financial resources to be used for the acquisition or construction of major capital facilities.

FIDUCIARY FUND TYPES:

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.

The Expendable Trust Fund (Working Cash Fund) accounts for financial resources held by the District to be used for temporary interfund loans to the General Fund and Transportation Fund.

The Agency Funds (Activity Funds) include both Student Activity Funds and Convenience Accounts. They account for assets held by the District as an agent for the students and teachers. These funds are custodial in nature and do not involve the measurement of the results of operations. The amounts due to the activity fund organizations are equal to the assets.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

(b) BASIS OF PRESENTATION - FUND ACCOUNTING: (continued)

GOVERNMENTAL AND EXPENDABLE TRUST FUNDS - MEASUREMENT FOCUS:

The financial statements of all governmental funds and expendable trust funds focus on the measurement of spending or "financial flow" and the determination of changes in financial position, rather than upon net income determination. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Governmental fund operating statements present increases (revenue collected and other financing sources) and decreases (expenditures paid and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

GENERAL FIXED ASSETS AND GENERAL LONG-TERM DEBT ACCOUNT GROUP:

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. Fixed assets used in governmental fund type operations are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds.

The two account groups are not "funds". They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

(c) BASIS OF ACCOUNTING:

Basis of accounting refers to when revenue collected and expenditures paid are recognized in the accounts and how they are reported on the financial statements. The District maintains its accounting records for all funds and account groups on the cash basis of accounting under guidelines prescribed by the Illinois State Board of Education. Accordingly, revenue is recognized when cash is received.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

(c) BASIS OF ACCOUNTING: (continued)

In the same manner, expenditures are recognized upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash exists which arises from a previous cash transaction. Liabilities of a fund, similarly, result from previous cash transactions.

Cash-basis financial statements omit recognition of receivables and payables and other accrued and deferred items that do not arise from previous cash transactions.

Proceeds from sales of bonds are included as other financing sources in the appropriate fund on the date received. Related bond principal payable in the future is recorded at the same time in the General Long-Term Debt Account Group.

(d) BUDGETS AND BUDGETARY ACCOUNTING:

The District's budget for all governmental fund types and for the expendable trust fund is prepared on the cash basis of accounting which is the same basis that is used in financial reporting. This allows for comparability between budget and actual amounts. This is an acceptable method in accordance with Chapter 122, Paragraph 17.1 of the Illinois Revised Statutes. The budget was passed on September 19, 2005.

For each fund, total fund expenditures may not legally exceed the budgeted amounts. The budget lapses at the end of each fiscal year.

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

- (i) Prior to July 1, the Superintendent submits to the Board of Education a proposed operating budget for the fiscal year commencing on that date. The operating budget includes proposed expenditures paid and the means of financing them.
- (ii) A public hearing is conducted to obtain taxpayer comments.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

(d) BUDGETS AND BUDGETARY ACCOUNTING: (continued)

- (i) Prior to October 1, the budget is legally adopted by the Board of Education through passage of a resolution.
- (ii) Formal budgetary integration is employed as a management control device during the year.
- (iii) The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10 percent of the total of such fund as set forth in the budget.
- (iv) The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption.

(e) INVESTMENTS:

Investments are stated at the lower of cost or market. Gains or losses on the sale of investments are recognized upon realization. The District has adopted a formal written investment and cash management policy. The institutions in which investments are made must be approved by the Board of Education.

(f) GENERAL FIXED ASSETS:

General Fixed assets have been acquired for general governmental purposes. At the time of purchase, assets are recorded as expenditures paid in the Governmental or Activity Funds and capitalized at cost in the general fixed assets account group. Donated general fixed assets are stated at estimated fair market value as of the date of acquisition. Depreciation accounting is not considered applicable (except to determine the per capita tuition charge).

(g) TOTAL MEMORANDUM ONLY:

The "Total Memorandum Only" column represents the aggregation (by addition) of the line-item amounts reported for each fund type and account group. No consolidation or other eliminations were made in arriving at the totals; thus they do not present consolidated information.

These totals are presented only to facilitate financial analysis and are not intended to reflect the financial position or results of operations of the District as a whole.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 2 PROPERTY TAXES:

The District's property tax is levied each year on all taxable real property located in the District on or before the last Tuesday in December. The levy was passed by the Board on December 15, 2005. The property taxes attach as an enforceable lien on property as of January 1 and are payable in two installments on June 1 and September 1. The District receives significant distributions of tax receipts approximately one month after these due dates.

The following are the actual tax rates levied per \$100.00 of assessed valuation:

	<u>LIMIT</u>	<u>TAX RATES</u>	
		<u>ACTUAL</u>	
		<u>2005 LEVY</u>	<u>2004 LEVY</u>
Educational	2.5500	1.8928	1.9344
Operations and Maintenance	.5000	.3254	.3347
Working Cash	.0500	.0283	.0294
Tort Immunity	none	.0265	.0275
Transportation	.2000	.1239	.1286
Municipal Retirement	none	.0509	.0528
Social Security	none	.0409	.0424
Bond and Interest	none	1.0003	1.0324
Special Education	.0400	.0202	.0209
Lease Purchases	.0500	<u>.0218</u>	<u>.0226</u>
		<u>3.5310</u>	<u>3.6257</u>

NOTE 3 SPECIAL TAX LEVIES AND RESTRICTED EQUITY:

(a) TORT IMMUNITY:

Revenue collected and the related expenditures paid of this restricted tax levy are accounted for in the Operations and Maintenance Fund. A total of \$72,514 was collected and all was spent.

(b) SPECIAL EDUCATION:

Revenue collected and the related expenditures paid of this restricted tax levy are accounted for in the Educational Fund. A total of \$114,754 was collected and all was spent.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 4 CASH AND INVESTMENTS:

The District is allowed to invest in securities as authorized by Sections 2 and 6 of the Public Funds Investment Act (30 ILCS 235/2 and 6) and Section 8-7 of the School Code.

(a) Deposits and Certificates of Deposit:

At June 30, 2006, the carrying amount of the District's deposits was \$4,938,938 which excludes a \$160 petty cash fund held at the District. The deposits and investments are categorized in accordance with risk factors created by governmental reporting standards.

	<u>Category #1</u>	<u>Category #2</u>	<u>Category #3</u>	<u>Bank Balance</u>	<u>Carrying Amount</u>
Peotone Bank					
Checking Accounts	\$ 100,000	\$ 430,457	\$ -	\$ 530,457	\$ 110,909
Peotone Bank Money					
Market Accounts	-	4,214,722	-	4,214,722	4,214,722
Peotone Bank					
Certificates of Deposit	-	75,000	-	75,000	75,000
First Community					
Bank Accounts	<u>100,000</u>	<u>438,307</u>	<u>-</u>	<u>538,307</u>	<u>538,307</u>
	<u>\$200,000</u>	<u>\$5,158,486</u>	<u>\$ - 0 -</u>	<u>\$5,358,486</u>	<u>\$4,938,938</u>

Category #1 includes deposits covered by depositing insurance or collateral held by the District in the District's name.

Category #2 includes deposits covered by collateral held by the financial institution's trust department in the District's name.

Category #3 includes deposits which are uncollateralized or for which the collateral is held by the financial institution's trust department, but not in the District's name.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 5 COMMON BANK ACCOUNT:

Separate bank accounts are not maintained for all District funds. Certain funds maintain their uninvested cash balances in a common checking account, with accounting records being maintained to show the portion of the common bank account balance attributable to each participating fund.

NOTE 6 CHANGES IN GENERAL FIXED ASSETS:

	BALANCE JULY 1, <u>2005</u>	ADDITIONS	DELETIONS	BALANCE JUNE 30, <u>2006</u>
Land	\$ 1,603,948	\$ -	\$ -	\$ 1,603,948
Land Improvements	483,247	170,007	-	653,254
Building and Improvements	28,374,199	-	-	28,374,199
Other Equipment	3,879,586	45,713	-	3,925,299
Transportation Equipment	<u>2,446,946</u>	<u>247,569</u>	<u>-</u>	<u>2,694,515</u>
Total General Fixed Assets	<u>\$36,787,926</u>	<u>\$ 463,289</u>	<u>\$ -</u>	<u>\$37,251,215</u>

NOTE 7 LAND PURCHASE

On March 16, 1999 the District purchased land to build a new school in the amount of \$1,014,737. The District borrowed the funds from First Community Bank and Trust to execute the "Contract for Deed". The principal amount bears interest at the rate of 4.25% per annum and is payable annually along with equal annual principal payments of \$101,474 over the next ten years beginning March 16, 2000. The principal and interest payments due during the next fiscal year end June 30, 2007 is due on March 17, 2007 in the amount of \$114,412. The current principal balance is \$304,421.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 8 EMPLOYEE RETIREMENT PLANS:

(a) TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS:

The school district (employer) 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 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 through June 30, 2006 was 9.4 percent of creditable earnings. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer.

In addition, virtually all employers and members pay a contribution to the Teachers' Health Insurance Security (THIS) Fund, a separate fund in the State Treasury that is not a part of this retirement plan. The employer THIS Fund contribution was 0.6 percent during the year ended June 30, 2006, and the member THIS Fund health insurance contribution was 0.8 percent.

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

On-behalf contributions. The State of Illinois makes employer pension contributions on behalf of the district. For the year ended June 30, 2006, State of Illinois contributions were based on 7.06 percent of creditable earnings, and the district recognized revenue and expenditures of \$511,690 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2005, and June 30, 2004, the State of Illinois contribution rates as percentages of creditable earnings were 11.76 percent (\$777,207) and 13.98 percent (\$795,623), respectively.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 8 EMPLOYEE RETIREMENT PLANS: (continued)

(a) TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS:
(continued)

The district makes other types of employer contributions directly to TRS.

2.2 formula contributions. Employers contribute 0.58 percent of creditable earnings for the 2.2 formula change. Contributions for the year ended June 30, 2006 were \$42,037. Contributions for the years ending June 30, 2005 and June 30, 2004 were \$38,332 and \$33,009, respectively.

Federal and trust fund contributions. When TRS members are paid from federal and 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 in the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and trust funds will be the same as the state contribution rate to TRS.

For the year ended June 30, 2006, the employer pension contribution was 7.06 percent of salaries paid from federal and trust funds. For the two years ended June 30, 2005, the employer pension contribution was 10.5 percent of salaries paid from those funds. For the year ended June 30, 2006, salaries totaling \$0 were paid from federal and trust funds that required employer contributions of \$0. For the years ended June 30, 2005, and June 30, 2004 required district contributions were \$0 and \$0, respectively.

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 and under which ERO program the member retires.

Under Public Act 94-0004, a "Pipeline ERO" program is provided for members to retire under the same terms as the ERO program that expired June 30, 2005, provided they meet certain conditions and retire on or before July 1, 2007. If members do not meet these conditions, they can retire under the "Modified ERO" program which requires higher member and employer contributions to TRS. Also, under Modified ERO, Public Act 94-0004 eliminates the waiver of member

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 8 EMPLOYEE RETIREMENT PLANS: (continued)

(a) TEACHER'S RETIREMENT SYSTEM OF THE STATE OF ILLINOIS:
(continued)

and employer ERO contributions that had been in effect for members with 34 years of service (unless the member qualifies for the Pipeline ERO).

Under the ERO program that expired on June 30, 2005 and the Pipeline ERO, the maximum employer contribution is 100 percent of the member's highest salary used in the final average salary calculation.

Under the Modified ERO, the maximum employer contribution is 117.5 percent.

Both the 100 percent and the 117.5 percent maximums apply when the member is age 55 at retirement.

For the year ended June 30, 2006, the district paid \$0 to TRS for employer contributions under the Pipeline ERO and Modified ERO programs. For the years ended June 30, 2005 and June 30, 2004, the district paid \$0 in employer ERO contributions.

Further information

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, 2005. The report for the year ended June 30, 2006 is expected to be available in late 2006.

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

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 8 EMPLOYEE RETIREMENT PLANS: (continued)

(b) ILLINOIS MUNICIPAL RETIREMENT FUND:

The District's defined benefit pension plan, Illinois Municipal Retirement (IMRF), provides retirement, disability, annual cost of living adjustments and death benefits to plan members and beneficiaries. IMRF acts as a common investment and administrative agent for local governments and school districts in Illinois. The Illinois Pension Code establishes the benefit provisions of the plan that can only be amended by the Illinois General Assembly.

IMRF issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.imrf.org/pubs/pubs_homepage.htm or by writing to the Illinois Municipal Retirement Fund, 2211 York Road, Suite 500, Oak Brook, Illinois 60523.

Employees participating in IMRF are required to contribute 4.50% of their annual covered salary. The member rate is established by state statute. The District is required to contribute at an actuarially determined rate. The employer rate for calendar year 2005 was 8.91% of payroll. The employer contribution requirements are established and may be amended by the IMRF Board of Trustees. IMRF's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on a closed basis (overfunded liability is amortized on open basis). The remaining amortization period at December 31, 2005 was 27 years.

For December 31, 2005 the District's annual pension cost of \$181,000 was equal to the District's required and actual contributions. The required contribution was determined as part of the December 31, 2003 actuarial valuation using the entry age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from .4% to 11.6% per year depending on age and service, attributable to seniority/merit, and (d) post-retirement benefit increases of 3% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 15% corridor. The assumptions used for the 2005 actuarial valuation were based on the 2002 - 2004 experience study.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 8 EMPLOYEE RETIREMENT PLANS: (continued)

NOT

(b) ILLINOIS MUNICIPAL RETIREMENT FUND: (CONTINUED)

TREND INFORMATION

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/05	181,000	100%	\$0
12/31/04	154,694	100%	0
12/31/03	137,713	100%	0
12/31/02	129,121	100%	0
12/31/01	105,529	100%	0
12/31/00	93,407	100%	0
12/31/99	93,626	100%	0
12/31/98	86,738	100%	0
12/31/97	77,444	100%	0
12/31/96	74,349	100%	0

REQUIRED SUPPLEMENTARY INFORMATION
Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability (AAL) - Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
12/31/05	3,176,552	3,286,914	110,362	96.64%	2,031,427	5.43%
12/31/04	2,803,099	3,006,263	203,164	93.24%	1,716,911	11.83%
12/31/03	2,647,726	2,707,709	59,983	97.78%	1,559,600	3.85%
12/31/02	2,513,626	2,607,187	93,561	96.41%	1,568,910	5.96%
12/31/01	2,266,104	2,282,252	16,148	99.29%	1,354,674	1.19%
12/31/00	2,095,309	2,027,455	(67,854)	103.35%	1,054,254	0.00%
12/31/99	1,941,630	1,880,108	(61,522)	103.27%	954,397	0.00%
12/31/98	1,627,202	1,738,940	111,738	93.57%	809,883	13.80%
12/31/97	1,336,443	1,556,088	219,645	85.88%	723,612	30.35%
12/31/96	1,064,794	1,356,236	291,442	78.51%	680,297	42.84%

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 8 EMPLOYEE RETIREMENT PLANS: (continued)

(b) ILLINOIS MUNICIPAL RETIREMENT FUND: (CONTINUED)

On a market value basis, the actuarial value of assets as of December 31, 2005 is \$3,215,964. On a market basis, the funded ration would be 97.84%.

Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2005 are based on the 2002 - 2004 Experience Study.

The principal changes were:

- The 1994 Group Annuity Mortality implemented.
- For Regular members, fewer normal and early retirements are expected to occur.

(c) SOCIAL SECURITY:

Employees not qualifying for coverage under the Illinois Downstate Teachers' Retirement System or the Illinois Municipal Retirement Fund are considered "non-participating employees". These employees and those qualifying for coverage under the Illinois Municipal Retirement Fund are covered under Social Security.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 9 BONDS OUTSTANDING

The annual cash flow requirement as of June 30, 2006 are as follows:

	BALANCE JULY 1, <u>2005</u>	<u>PROCEEDS</u>	<u>DECREASES</u>	BALANCE JUNE 30, <u>2006</u>
Series 1999	\$ 5,040,000	\$ -	\$4,750,000	\$ 290,000
Series 1999A	570,000	-	-	570,000
Series 2000A	300,000	-	-	300,000
Series 2000B	320,000	-	320,000	-
Series 2000C	765,000	-	60,000	705,000
Series 2000D	1,105,000	-	-	1,105,000
Series 2002A	8,705,000	-	-	8,705,000
Series 2002B	610,000	-	420,000	190,000
Series 2003 B	555,000	-	200,000	355,000
Series 2005	3,765,000	-	410,000	3,355,000
Series 2005A	1,275,000	-	1,275,000	-
Series 2005B	-	4,305,000	-	4,305,000
Series 2006A	-	1,700,000	-	1,700,000
Series 2006B	-	435,000	-	435,000
Series 2006C	-	<u>1,840,000</u>	-	<u>1,840,000</u>
Total	<u>\$23,010,000</u>	<u>\$8,280,000</u>	<u>\$7,435,000</u>	<u>\$23,855,000</u>

There is \$1,587,741 of current assets available in the debt service fund for the retirement of long term debt.

The Illinois School Code limits the amount of indebtedness to 13.8 percent of \$285,434,345, the most recent equalized valuation of the District. The District's remaining debt margin as of June 30, 2006 is \$15,230,519.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

BOND PAYMENT SCHEDULE

Year Ending June 30	Series 1999		Series 1999A		Series 2000A	
	Principal	Interest	Principal	Interest	Principal	Interest
2007	\$ -	\$ 8,195	\$ -	\$ 17,220	\$ -	\$ 8,415
2008	-	16,390	-	34,440	-	16,832
2009	50,000	14,790	-	34,440	-	16,832
2010	100,000	9,990	80,000	32,080	10,000	16,570
2011	140,000	3,395	170,000	24,620	10,000	16,040
2012	-	-	220,000	12,810	10,000	15,500
2013	-	-	100,000	3,050	10,000	14,960
2014	-	-	-	-	20,000	14,148
2015	-	-	-	-	20,000	13,057
2016	-	-	-	-	25,000	11,814
2017	-	-	-	-	30,000	10,280
2018	-	-	-	-	30,000	8,592
2019	-	-	-	-	35,000	6,747
2020	-	-	-	-	100,000	2,875
Total	<u>\$ 290,000</u>	<u>\$ 52,760</u>	<u>\$ 570,000</u>	<u>\$ 158,660</u>	<u>\$ 300,000</u>	<u>\$ 172,662</u>

Year Ending June 30	Series 2000C		Series 2000D		Series 2002A	
	Principal	Interest	Principal	Interest	Principal	Interest
2007	\$ 50,000	\$ 38,385	\$ -	\$ 30,755	\$ -	\$ 207,759
2008	50,000	35,510	-	61,510	-	415,522
2009	50,000	32,622	-	61,510	-	415,522
2010	50,000	29,723	-	61,510	-	415,522
2011	130,000	24,502	-	61,510	-	415,522
2012	105,000	17,688	-	61,510	100,000	413,398
2013	110,000	11,700	-	61,510	110,000	409,004
2014	85,000	6,441	55,000	60,039	205,000	401,610
2015	75,000	2,063	60,000	56,948	215,000	391,110
2016	-	-	165,000	50,831	335,000	377,360
2017	-	-	185,000	41,247	465,000	357,360
2018	-	-	205,000	30,420	505,000	333,110
2019	-	-	230,000	18,183	525,000	307,360
2020	-	-	205,000	5,842	820,000	275,375
2021	-	-	-	-	2,590,000	196,298
2022	-	-	-	-	2,835,000	68,043
Total	<u>\$ 705,000</u>	<u>\$ 198,634</u>	<u>\$1,105,000</u>	<u>\$ 663,325</u>	<u>\$ 8,705,000</u>	<u>\$5,399,875</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

BOND PAYMENT SCHEDULE

Year Ending June 30	<u>Series 2002B</u>		<u>Series 2003B</u>		<u>Series 2005</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ -	\$ 7,819	\$ 250,000	\$ 7,967	\$ -	\$ 64,935
2008	-	7,819	105,000	1,890	-	129,870
2009	-	7,819	-	-	-	129,870
2010	-	7,819	-	-	-	129,870
2011	-	7,819	-	-	-	129,870
2012	75,000	6,272	-	-	-	129,870
2013	90,000	2,868	-	-	145,000	126,970
2014	25,000	506	-	-	230,000	119,470
2015	-	-	-	-	290,000	109,070
2016	-	-	-	-	340,000	97,150
2017	-	-	-	-	410,000	83,445
2018	-	-	-	-	465,000	67,025
2019	-	-	-	-	540,000	47,795
2020	-	-	-	-	935,000	18,700
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-
Total	<u>\$ 190,000</u>	<u>\$ 48,741</u>	<u>\$ 355,000</u>	<u>\$ 9,857</u>	<u>\$ 3,355,000</u>	<u>\$1,383,910</u>

Year Ending June 30	<u>Series 2005B</u>		<u>Series 2006A</u>		<u>Series 2006B</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2007	\$ -	\$ 96,281	\$1,700,000	\$ 44,568	\$ 325,000	\$ 19,629
2008	-	192,562	-	-	110,000	2,695
2009	-	192,562	-	-	-	-
2010	-	192,562	-	-	-	-
2011	-	192,562	-	-	-	-
2012	-	192,562	-	-	-	-
2013	465,000	182,681	-	-	-	-
2014	520,000	161,100	-	-	-	-
2015	575,000	136,463	-	-	-	-
2016	635,000	109,238	-	-	-	-
2017	700,000	79,200	-	-	-	-
2018	770,000	46,125	-	-	-	-
2019	640,000	14,402	-	-	-	-
2020	-	-	-	-	-	-
Total	<u>\$ 4,305,000</u>	<u>\$1,788,300</u>	<u>\$1,700,000</u>	<u>\$ 44,568</u>	<u>\$ 435,000</u>	<u>\$ 22,324</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

BOND PAYMENT SCHEDULE

Year Ending June 30	Series 2006C	
	Principal	Interest
2007	\$ -	\$ 127,425
2008	-	98,440
2009	-	98,440
2010	-	98,440
2011	-	98,440
2012	-	98,440
2013	-	98,440
2014	-	98,440
2015	65,000	96,701
2016	15,000	94,561
2017	40,000	93,090
2018	190,000	86,938
2019	565,000	66,742
2020	660,000	33,973
2021	305,000	8,158
Total	<u>\$ 1,840,000</u>	<u>\$ 1,296,668</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 9 BONDS OUTSTANDING (continued)

BOND PAYMENT SCHEDULE

Year Ending June 30	Total <u>Principal</u>	Total <u>Interest</u>	Total Principal and Interest
2007	\$ 2,325,000	\$ 679,353	\$ 3,004,353
2008	265,000	1,013,480	1,278,480
2009	100,000	1,004,407	1,104,407
2010	240,000	994,086	1,234,086
2011	450,000	974,280	1,424,280
2012	510,000	948,050	1,458,050
2013	1,030,000	911,183	1,941,183
2014	1,140,000	861,754	2,001,754
2015	1,300,000	805,412	2,105,412
2016	1,515,000	740,954	2,255,954
2017	1,830,000	664,622	2,494,622
2018	2,165,000	572,210	2,737,210
2019	2,535,000	461,229	2,996,229
2020	2,720,000	336,765	3,056,765
2021	2,895,000	204,456	3,099,456
2022	2,835,000	68,043	2,903,043
	<u>\$23,855,000</u>	<u>\$ 11,240,284</u>	<u>\$ 35,095,284</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2006

NOTE 10 OVEREXPENDITURE OF BUDGET:

The following funds reflected an excess of actual expenditures over budget for the year ended June 30, 2006:

<u>Fund</u>	<u>Expenditures</u>	<u>Budget</u>
Transportation	1,144,622	1,061,300
IMRF	479,755	432,800
Education	12,042,848	11,152,600
Operations/Maintenance	1,710,400	1,610,150
Bond & Interest	2,709,151	2,663,600

NOTE 11 CONTINGENCIES:

The District has received funding from state and federal grants in the current and prior years which are subject to audits by the granting agencies. The School Board believes any adjustments that may arise from these audits will be insignificant to District operations.

NOTE 12 PENDING LITIGATION:

At June 30, 2006, Management or Counsel representing the District know of no pending litigation or claims, asserted or unasserted, which if asserted and paid would have a materially adverse effect on the financial position of the District.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

SUPPLEMENTAL FINANCIAL STATEMENTS

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 ARISING FROM CASH TRANSACTIONS --
 ALL GOVERNMENTAL FUND TYPES
 JUNE 30, 2006

STATEMENT 4

	Special Revenue		Debt Service	Capital Projects	Total
	Trans- portation	Municipal Retirement			
	\$ 566,179	\$ 33,647	\$ 1,587,741	\$ 110,762	\$ 4,722,004
	\$ -	\$ 20,000	\$ -	\$ -	\$ 900,000
	\$ 566,179	\$ 13,647	\$ 1,587,741	\$ 110,762	\$ 3,822,004
	\$ 566,179	\$ 13,647	\$ 1,587,741	\$ 110,762	\$ 3,822,004
	\$ 566,179	\$ 33,647	\$ 1,587,741	\$ 110,762	\$ 4,722,004

	General Operations and Maintenance		Total
	Educational		
ASSETS			
Cash and Investments	\$ 1,857,684	\$ 565,991	\$ 2,423,675
LIABILITIES	\$ 880,000	\$ -	\$ 880,000
FUND EQUITY			
Fund Balance			
Reserved	\$ -	\$ -	\$ -
Unreserved	\$ 977,684	\$ 565,991	\$ 1,543,675
Total Fund Equity	\$ 977,684	\$ 565,991	\$ 1,543,675
Total Liabilities and Fund Equity	\$ 1,857,684	\$ 565,991	\$ 2,423,675

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 COMBINING STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID
 AND CHANGES IN FUND BALANCE -
 ALL GOVERNMENTAL FUND TYPES
 JUNE 30, 2006

STATEMENT 5

	General Operations and Maintenance		Total	Special Revenue			Debt Service	Capital Projects
	Educational	Maintenance		Trans- portation	Municipal Retirement	Total		
REVENUE COLLECTED								
Local Sources	\$ 6,294,210	\$ 1,335,493	\$ 7,629,703	\$ 345,132	\$ 402,624	\$ 747,756	\$ 1,629	
State Sources	3,268,392	-	3,268,392	563,903	-	563,903	-	
Federal Sources	190,195	-	190,195	-	-	-	-	
Total Revenue Collected	\$ 9,752,797	\$ 1,335,493	\$ 11,088,290	\$ 909,035	\$ 402,624	\$ 1,311,659	\$ 1,629	
EXPENDITURES PAID								
Instruction	\$ 9,344,629	\$ -	\$ 9,344,629	\$ -	\$ 238,512	\$ 238,512	\$ -	
Supporting Services	1,911,819	1,710,400	3,622,219	1,144,622	241,243	1,385,865	62,877	
Nonprogram Charges	786,400	-	786,400	-	-	-	-	
Debt Service	-	-	-	-	-	-	-	
Community Services	-	-	-	-	-	-	-	
Total Expenditures Paid	\$ 12,042,848	\$ 1,710,400	\$ 13,753,248	\$ 1,144,622	\$ 479,755	\$ 1,624,377	\$ 62,877	
Excess of Revenue Collected Over (Under) Expenditures Paid	\$ (2,290,051)	\$ (374,907)	\$ (2,664,958)	\$ (235,587)	\$ (77,131)	\$ (312,718)	\$ (61,248)	

	Special Revenue		Debt Service	Capital Projects
	Trans- portation	Municipal Retirement		
OTHER FINANCING SOURCES/(USES)				
Permanent Transfer - Working Cash Fund	\$ 1,500,000	\$ 314,500	\$ -	\$ -
Permanent Transfer - Other Funds	-	-	-	-
Other Sources	-	-	-	-
Excess of Revenue Collected and Other Sources Over (Under) Expenditures Paid and Other Uses	\$ (790,051)	\$ (60,407)	\$ 133,441	\$ (61,248)
Fund Balance - July 1, 2005	1,767,735	626,398	1,454,300	172,010
Fund Balance - June 30, 2006	\$ 977,684	\$ 565,991	\$ 1,587,741	\$ 110,762

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 COMBINING STATEMENT OF ASSETS AND LIABILITIES
 ARISING FROM CASH TRANSACTIONS -
 FIDUCIARY FUND TYPES - AGENCY FUNDS

JUNE 30, 2006 STATEMENT 6

<u>ASSETS</u>	
Cash	
	<u>216,934</u>
<u>LIABILITIES</u>	
Due to Organizations	
Fund Balance - Unreserved	<u>49,261</u>
Total Liabilities and Fund Equity	<u>216,934</u>

	BALANCE			BALANCE
	JULY 1,			JUNE 30,
	2005			2006
<u>ASSETS</u>		<u>ADDITIONS</u>	<u>REDUCTIONS</u>	
Cash	\$ 176,462	\$ 425,524	\$ 434,313	\$ 167,673
<u>LIABILITIES</u>				
Due to Organizations	\$ 176,462	\$ 425,524	\$ 434,313	\$ 167,673

STATEMENT 7

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ARISING FROM CASH TRANSACTIONS - AGENCY FUNDS
 SCHOOL ACTIVITY FUNDS

JUNE 30, 2006

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID
AND CHANGES IN FUND BALANCE

WORKING CASH FUND

JUNE 30, 2006

STATEMENT 8

	<u>FIDUCIARY FUND TYPE WORKING CASH</u>
REVENUE COLLECTED	
General Levy	\$ 77,317
Interest	870
Total Revenue Collected	<u>\$ 78,187</u>
OTHER FINANCING SOURCES (USES)	
Other Financing Sources	\$ 1,707,864
Other Financing Uses	<u>(1,814,500)</u>
Total Other Financing (Uses) Sources	<u>\$ (106,636)</u>
Excess of Revenue Collected Over (Under) Other Financing Uses	\$ (28,449)
FUND BALANCE JULY 1, 2005	<u>77,710</u>
FUND BALANCE JUNE 30, 2006	<u>\$ 49,261</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

EDUCATIONAL FUND

STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2006

SCHEDULE A

<u>REVENUE COLLECTED</u>	<u>Budget</u>	<u>Actual</u>
Taxes:		
General Levy	\$ 5,090,000	\$ 5,138,652
Special Education Levy	115,500	114,754
Corporate Replacement Taxes	<u>280,000</u>	<u>411,912</u>
Total Taxes	\$ 5,485,500	\$ 5,665,318
Earnings on Investments	20,000	15,281
Tuition	113,000	78,396
Food Service	230,000	256,654
Pupil Activities	115,000	120,336
Textbooks	130,000	157,637
Contributions and Donations	-	-
Other Revenue from Local Sources	30,000	588
General State Aid	2,390,000	2,415,519
Special Education	418,600	588,299
Vocational Education	1,000	-
Early Childhood	123,000	138,464
Reading Improvements Block Grant	40,000	42,646
State Free Lunch and Breakfast	1,000	1,717
Safety and Educational Improvement	50,000	59,864
State Library Grant	-	1,419
Driver Education	18,000	17,068
Other Revenue from State Sources	-	3,396
Federal - Special Education - IDEA	-	2,976
Federal Food Service	51,000	53,482
Title V Programs	4,500	3,511
Safe and Drug Free Schools	4,100	3,473
Title II - Eisenhower	34,000	36,958
Medicaid Matching Fund	54,000	75,122
Other Revenue from Federal Sources	<u>10,000</u>	<u>14,673</u>
Total Revenue Collected	\$ <u>9,322,700</u>	\$ <u>9,752,797</u>

EX

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
EDUCATIONAL FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2006

SCHEDULE A

<u>EXPENDITURES PAID</u>	<u>Budget</u>	<u>Actual</u>
Regular Programs:		
Salaries	\$ 4,502,800	\$ 4,956,187
Employee Benefits	1,123,700	1,224,753
Purchased Services	128,100	113,521
Supplies and Materials	484,250	443,134
Capital Outlay	43,500	42,832
Other Objects	3,900	1,617
Total Regular Programs	<u>\$ 6,286,250</u>	<u>\$ 6,782,044</u>
Special Programs:		
Salaries	\$ 1,289,900	\$ 1,525,665
Employee Benefits	311,800	369,762
Purchased Services	71,100	62,223
Supplies and Materials	33,300	33,163
Capital Outlay	1,000	1,037
Total Special Programs	<u>\$ 1,707,100</u>	<u>\$ 1,991,850</u>
Vocational Programs:		
Salaries	\$ 128,000	\$ 166,626
Employee Benefits	30,400	36,908
Purchased Services	1,500	1,014
Supplies and Materials	20,400	13,248
Capital Outlay	500	500
Total Vocational Programs	<u>\$ 180,800</u>	<u>\$ 218,296</u>
Interscholastic Programs:		
Salaries	\$ 172,100	\$ 189,091
Employee Benefits	36,900	35,535
Purchased Services	46,700	44,031
Supplies and Materials	38,000	37,246
Total Interscholastic Programs	<u>\$ 293,700</u>	<u>\$ 305,903</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
EDUCATIONAL FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2006

SCHEDULE A

<u>EXPENDITURES PAID</u> (continued)	<u>Budget</u>	<u>Actual</u>
Gifted Programs:		
Salaries	\$ 59,000	\$ 35,392
Employee Benefits	17,300	10,003
Purchased Services	1,000	304
Supplies and Materials	1,000	837
Total Gifted Programs	<u>\$ 78,300</u>	<u>\$ 46,536</u>
Support Services - Pupils:		
Salaries	\$ 131,000	\$ 144,947
Employee Benefits	30,400	26,512
Purchased Services	43,000	32,208
Supplies and Materials	10,500	20,701
Total Support Services - Pupils	<u>\$ 214,900</u>	<u>\$ 224,368</u>
Support Services - Instructional Staff:		
Salaries	\$ 149,000	\$ 134,589
Employee Benefits	21,500	27,731
Purchased Services	55,300	85,525
Supplies and Materials	38,600	8,340
Capital Outlay	3,000	1,344
Other Objects	15,000	15,542
Total Support Services - Instructional Staff	<u>\$ 282,400</u>	<u>\$ 273,071</u>
Support Services - General Administration:		
Salaries	\$ 164,200	\$ 168,588
Employee Benefits	26,100	32,933
Purchased Services	51,200	49,063
Supplies and Materials	1,600	2,215
Other Objects	28,000	43,899
Total Support Services - General Administration	<u>\$ 271,100</u>	<u>\$ 296,698</u>

EX

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
EDUCATIONAL FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2006

SCHEDULE A

	<u>Budget</u>	<u>Actual</u>
<u>EXPENDITURES PAID (continued)</u>		
Support Services - School Administration:		
Salaries	\$ 500,300	\$ 512,147
Employee Benefits	93,200	95,080
Purchased Services	3,600	2,771
Supplies and Materials	1,250	648
Capital Outlay	1,000	-
Other Objects	1,000	960
Total Support Services - School Administration	<u>\$ 600,350</u>	<u>\$ 611,606</u>
Support Services - Business:		
Salaries	\$ 271,900	\$ 271,361
Employee Benefits	39,300	38,022
Purchased Services	28,700	26,946
Supplies and Materials	158,800	156,278
Capital Outlay	1,500	-
Other Objects	2,500	400
Total Support Services - Business	<u>\$ 502,700</u>	<u>\$ 493,007</u>
Other Support Services:		
Other Objects	\$ -	\$ 13,069
Total Other Support Services	<u>\$ - 0 -</u>	<u>\$ 13,069</u>
Nonprogram Charges:		
Tuition	\$ 725,000	\$ 786,400
Total Nonprogram Charges	<u>\$ 725,000</u>	<u>\$ 786,400</u>
Provisions for Contingencies	<u>\$ 10,000</u>	<u>\$ - 0 -</u>
Total Expenditures Paid	<u>\$ 11,152,600</u>	<u>\$ 12,042,848</u>
Excess of Revenue Collected Over (Under) Expenditures Paid	<u>\$ (1,829,900)</u>	<u>\$ (2,290,051)</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 EDUCATIONAL FUND
 STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2006

SCHEDULE A

	<u>Budget</u>	<u>Actual</u>
OTHER FINANCING SOURCES (USES)		
Other Financing Sources	\$ 300,000	\$ 1,500,000
Other Financing Uses	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>\$ 300,000</u>	<u>\$ 1,500,000</u>
Excess of Revenue Collected and Other Sources Over (Under) Expenditures Paid	<u>\$ (1,529,900)</u>	<u>\$ (790,051)</u>
FUND BALANCE JULY 1, 2005		<u>1,767,735</u>
FUND BALANCE JUNE 30, 2006		<u>\$ 977,684</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
OPERATIONS AND MAINTENANCE FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2006 SCHEDULE B

<u>REVENUE COLLECTED</u>	<u>Budget</u>	<u>Actual</u>
Taxes:		
General Levy	\$ 885,000	\$ 940,812
Tort Immunity Levy	<u>73,000</u>	<u>72,514</u>
Total Taxes	\$ 958,000	\$1,013,326
Earnings on Investments	6,000	7,748
Contributions from Private Sources	230,000	252,289
Other Revenue from Local Sources	<u>18,000</u>	<u>62,130</u>
Total Revenue Collected	<u>\$ 1,212,000</u>	<u>\$1,335,493</u>
 <u>EXPENDITURES PAID</u>		
Support Services - Business		
Salaries	\$ 500,000	\$ 513,874
Employee Benefits	80,000	85,058
Purchased Services	348,150	388,898
Supplies and Materials	413,000	585,593
Capital Outlay	249,000	119,153
Other Objects	<u>10,000</u>	<u>17,824</u>
Total Support Services - Business	<u>\$ 1,600,150</u>	<u>\$1,710,400</u>
Provisions for Contingencies	<u>\$ 10,000</u>	<u>\$ -</u>
Total Expenditures Paid	<u>\$ 1,610,150</u>	<u>\$1,710,400</u>
Excess of Revenue Collected Over (Under) Expenditures Paid	<u>\$ (398,150)</u>	<u>\$ (374,907)</u>
 <u>OTHER FINANCING SOURCES (USES)</u>		
Other Financing Sources	\$ -	\$ 314,500
Other Financing Uses	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>\$ -</u>	<u>\$ 314,500</u>
Excess of Revenue Collected and Other Sources Over (Under) Expenditures Paid	<u>\$ (398,150)</u>	<u>\$ (60,407)</u>
FUND BALANCE JULY 1, 2005		<u>626,398</u>
FUND BALANCE JUNE 30, 2006		<u>\$ 565,991</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 BOND AND INTEREST FUND
 STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2006

SCHEDULE C

	<u>Budget</u>	<u>Actual</u>
<u>REVENUE COLLECTED</u>		
Taxes:		
General Levy	\$2,740,000	\$2,728,179
Total Taxes	\$2,740,000	\$2,728,179
Earnings on Investments	<u>8,500</u>	<u>114,413</u>
Total Revenue Collected	<u>\$2,748,500</u>	<u>\$2,842,592</u>
<u>EXPENDITURES PAID</u>		
Debt Service:		
Purchased Services	\$ 5,600	\$ 4,506
Other Objects - Interest	2,658,000	1,039,645
Other Objects - Principal	<u>-</u>	<u>1,665,000</u>
Total Expenditures Paid	<u>\$2,663,600</u>	<u>\$2,709,151</u>
Total Revenue Collected Over (Under) Expenditures Paid	<u>\$ 84,900</u>	<u>\$ 133,441</u>
<u>OTHER FINANCING SOURCES (USES)</u>		
Other Financing Sources	\$ -	\$ -
Other Financing Uses	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
Excess of Revenue Collected and Other Sources Over (Under) Expenditures Paid	<u>\$ 84,900</u>	<u>\$ 133,441</u>
FUND BALANCE JULY 1, 2005		<u>1,454,300</u>
FUND BALANCE JUNE 30, 2006		<u>\$1,587,741</u>

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PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 TRANSPORTATION FUND
 STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2006

SCHEDULE D

<u>REVENUE COLLECTED</u>	<u>Budget</u>	<u>Actual</u>
Taxes:		
General Levy	\$ 341,000	\$ 339,050
Total Taxes	\$ 341,000	\$ 339,050
Transportation Fees	1,000	300
Earnings on Investments	6,300	5,782
Transportation Aid:		
Regular and Vocational	330,000	345,845
Special	265,500	218,058
Total Revenue Collected	<u>\$ 943,800</u>	<u>\$ 909,035</u>
<u>EXPENDITURES PAID</u>		
Pupil Transportation Services:		
Salaries	\$ 533,000	\$ 596,991
Employee Benefits	11,200	12,147
Purchased Services	71,100	70,026
Supplies and Materials	180,000	211,386
Capital Outlay	259,000	247,569
Other Objects	5,000	6,503
Total Pupil Transportation Services	<u>\$1,059,300</u>	<u>\$1,144,622</u>
Provision for Contingencies	<u>\$ 2,000</u>	<u>\$ -</u>
Total Expenditures Paid	<u>\$1,061,300</u>	<u>\$1,144,622</u>
Excess of Revenue Collected Over (Under) Expenditures Paid	<u>\$ (117,500)</u>	<u>\$ (235,587)</u>
FUND BALANCE JULY 1, 2005		<u>801,766</u>
FUND BALANCE JUNE 30, 2006		<u>\$ 566,179</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
MUNICIPAL RETIREMENT FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2006

SCHEDULE E

	<u>Budget</u>	<u>Actual</u>
<u>REVENUE COLLECTED</u>		
Taxes:		
General Levy	\$ 140,400	\$ 139,262
Social Security/Medicare Levy	112,700	111,905
Corporate Replacement Taxes	<u>150,000</u>	<u>150,000</u>
Total Taxes	\$ 403,100	\$ 401,167
Earnings on Investments	<u>1,000</u>	<u>1,457</u>
Total Revenue Collected	<u>\$ 404,100</u>	<u>\$ 402,624</u>
 <u>EXPENDITURES PAID</u>		
Instruction:		
Employee Benefits	<u>\$ 208,600</u>	<u>\$ 238,512</u>
Support Services:		
Employee Benefits	<u>\$ 224,200</u>	<u>\$ 241,243</u>
Non Program Charges:		
Employee Benefits	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures Paid	<u>\$ 432,800</u>	<u>\$ 479,755</u>
Excess of Revenue Collected Over (Under) Expenditures Paid	<u>\$ (28,700)</u>	<u>\$ (77,131)</u>
 <u>OTHER FINANCING SOURCES (USES)</u>		
Other Financing Sources	\$ -	\$ -
Other Financing Uses	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
Excess of Revenue Collected and Other Sources Over (Under) Expenditures Paid	<u>\$ (28,700)</u>	<u>\$ (77,131)</u>
FUND BALANCE JULY 1, 2005		<u>90,778</u>
FUND BALANCE JUNE 30, 2006		<u>\$ 13,647</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 FIRE PREVENTION AND SAFETY FUND
 STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED JUNE 30, 2006 SCHEDULE F

	<u>Budget</u>	<u>Actual</u>
<u>REVENUE COLLECTED</u>		
Earnings on Investments	\$ 2,500	\$ 1,629
Total Revenue Collected	<u>\$ 2,500</u>	<u>\$ 1,629</u>
 <u>EXPENDITURES PAID</u>		
Support Service - Business		
Salaries	\$ 15,000	\$ 11,192
Employee Benefits	800	831
Purchased Services	-	-
Capital Outlay	<u>155,000</u>	<u>50,854</u>
Total Expenditures Paid	<u>\$ 170,800</u>	<u>\$ 62,877</u>
 Excess of Revenue Collected Over (Under) Expenditures Paid	 \$ (168,300)	 \$ (61,248)
 Other Financing Sources	 -	 -
Other Financing Uses	<u>-</u>	<u>-</u>
Total	<u>\$ - 0 -</u>	<u>\$ - 0 -</u>
 Excess of Revenue Collected Over (Under) Expenditures Paid and Other Financing Sources (Uses)	 <u>\$ (168,300)</u>	 \$ (61,248)
 FUND BALANCE JULY 1, 2005		<u>172,010</u>
 FUND BALANCE JUNE 30, 2006		<u>\$ 110,762</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WORKING CASH FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2006 SCHEDULE G

	<u>Budget</u>	<u>Actual</u>
<u>REVENUE COLLECTED</u>		
Taxes:		
General Levy	\$ 78,100	\$ 77,317
Total Taxes	\$ 78,100	\$ 77,317
Earnings on Investments	500	870
Total Operating Receipts	<u>\$ 78,600</u>	<u>\$ 78,187</u>
 <u>EXPENDITURES PAID</u>	 <u>\$ - 0 -</u>	 <u>\$ - 0 -</u>
Excess of Revenue Collected Over (Under) Expenditures Paid	 <u>\$ 78,600</u>	 <u>\$ 78,187</u>
 <u>OTHER FINANCING SOURCES (USES)</u>		
Other Financing Sources	\$ 300,000	\$ 1,707,864
Other Financing Uses	<u>(300,000)</u>	<u>(1,814,500)</u>
Total Other Financing Sources (Uses)	<u>\$ - 0 -</u>	<u>\$ (106,636)</u>
Excess of Revenue Collected and Other Sources Over (Under) Expenditures Paid	 <u>\$ 78,600</u>	 \$ (28,449)
 FUND BALANCE JULY 1, 2005		 <u>77,710</u>
 FUND BALANCE JUNE 30, 2006		 <u>\$ 49,261</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U

SCHEDULE OF 2005 AND 2004 TAX LEVIES, RATES AND COLLECTIONS

FOR THE YEAR ENDED JUNE 30, 2006

SCHEDULE H

FUND	EXTENDED BY COUNTY CLERK		CUMULATIVE AMOUNT RECEIVED ON <u>2005 LEVY</u>
	<u>2005 LEVY</u>	<u>RATES</u>	
Educational	\$ 5,401,339	1.8928	\$ 2,697,486
Operations and Maintenance	928,569	0.3254	463,418
Transportation	353,564	0.1239	176,612
Municipal Retirement	145,249	0.0509	72,456
Working Cash	80,758	0.0283	40,253
Tort Immunity	75,621	0.0265	37,738
Special Education	119,852	0.0420	59,877
Bond and Interest	2,854,480	1.0003	1,425,476
Social Security	<u>116,713</u>	<u>0.0409</u>	<u>58,368</u>
	\$ 10,076,145	3.5310	\$ 5,031,684

Assessed Valuation: \$285,434,345

FUND	EXTENDED BY COUNTY CLERK		<u>PRIOR YEAR RECEIPTS</u>	<u>CURRENT RECEIPTS</u>
	<u>2004 LEVY</u>	<u>RATES</u>		
Educational	\$ 4,979,382	1.9344	\$ 2,534,162	\$ 2,441,042
Operations and Maintenance	861,559	0.3347	438,431	422,321
Transportation	331,032	0.1286	168,627	162,431
Municipal Retirement	135,914	0.0528	69,351	66,803
Working Cash	75,679	0.0294	38,476	37,062
Tort Immunity	70,788	0.0275	36,101	34,774
Special Education	111,974	0.0435	57,001	54,906
Bond and Interest	2,657,524	1.0324	1,352,345	1,302,652
Social Security	<u>109,143</u>	<u>0.0424</u>	<u>55,576</u>	<u>53,533</u>
	\$ 9,332,995	3.6257	\$ 4,750,070	\$ 4,575,524

Assessed Valuation: \$257,486,249

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
SCHOOL ACTIVITY FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CASH BALANCES - STUDENT ACTIVITY FUNDS

JUNE 30, 2006

SCHEDULE I

	Cash Balance			Cash Balance June 30, 2006
	June 30, 2005	<u>Receipts</u>	<u>Disbursements</u>	
Class of 2009	\$ -	\$ 1,987.00	\$ 1,056.45	\$ 930.55
Class of 2008	(945.00)	4,269.00	2,511.40	812.60
Class of 2007	3,436.60	12,568.50	14,880.85	1,124.25
Class of 2006	3,155.24	423.00	449.00	3,129.24
Class of 2005	2,051.72	-	35.00	2,016.72
Class of 2004	2,139.32	-	162.76	1,976.56
Class of 2003	2,684.60	-	2,684.60	-
Class of 2002	1,973.64	-	1,973.64	-
Class of 2000	-	-	-	-
IHSA Music Contest	130.75	-	-	130.75
Prom	8,806.83	-	37.42	8,769.41
Foreign Language	282.69	12,478.70	12,640.24	121.15
FFA	4,093.59	10,477.39	9,822.52	4,748.46
FCCLA	402.05	-	-	402.05
FFA/FCCLA Concessions	136.14	-	-	136.14
HS Golf	62.73	600.00	393.77	268.96
Earth Day	533.80	-	-	533.80
Boys Regional Baseball	75.00	196.00	814.00	(543.00)
VICA/Skills USA	1,748.66	3,587.00	3,185.27	2,150.39
HS American Studies Class	90.92	-	-	90.92
HS Bowling	1,024.52	682.87	1,565.80	141.59
HS Boys Baseball	-	5,845.00	2,277.50	3,567.50
HS Boys Basketball Team	3,280.79	9,887.05	8,709.89	4,457.95
HS Boys Basketball Tourn	-	-	-	-
Soccer Tournament	1,868.14	1,780.00	223.00	3,425.14
Industrial Tech Resale	2,640.24	6,901.75	6,342.84	3,199.15
HS PE Department	93.83	-	-	93.83
HS Track	2,978.81	5,776.66	6,674.79	2,080.68
HS BB Cheerleaders	553.21	13,487.73	16,666.34	(2,625.40)
HS Girls BB team	331.93	5,332.66	5,988.85	(324.26)
HS Girls Sectional Basketball	1,842.83	322.00	-	2,164.83
HS Girls Reg Tournament	4,810.09	1,161.50	814.00	5,157.59
HS Girls Volleyball Team	2,435.68	2,737.66	2,507.65	2,665.69
HS Girls Softball	414.60	11,173.90	11,323.77	264.73

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
SCHOOL ACTIVITY FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CASH BALANCES - STUDENT ACTIVITY FUNDS

JUNE 30, 2006

SCHEDULE I

	Cash Balance			Cash Balance
	June 30,	Receipts	Disbursements	June 30,
	2005			2006
HS Reg Wrestlers Tournament	\$ 1,758.89	\$ -	\$ -	\$ 1,758.89
HS Student Council	3,070.16	27,059.13	26,898.92	3,230.37
Boys Regional Basketball	-	4,774.00	4,133.45	640.55
Intramural	23.58	-	-	23.58
HS Dance Team	1,473.13	10,719.36	10,521.60	1,670.89
Lettermen	4,769.02	13,432.24	12,666.83	5,534.43
Yearbook	5,522.37	20,331.21	24,840.87	1,012.71
HS Band	2,451.89	3,615.00	4,375.06	1,691.83
HS Choir	1,946.86	-	5.30	1,941.56
HS Show Choir	755.07	-	27.45	727.62
National Honor Society	350.14	2,517.00	2,475.85	391.29
Newspaper	880.13	770.00	1,234.81	415.32
HS Football	601.00	11,617.00	7,942.05	4,275.95
PHS Pop Fund	8,255.47	6,691.48	10,767.88	4,179.07
Performing Arts	9,566.35	9,753.00	12,847.22	6,472.13
Radio	85.04	-	-	85.04
Special Ed	127.24	93.00	-	220.24
Thespians	59.73	2,486.00	2,457.30	88.43
Football Playoffs	4,002.71	-	1,410.00	2,592.71
HS Wrestlers	358.39	1,878.00	1,449.42	786.97
Scholastic Bowl	156.29	160.00	-	316.29
Operation Future	15.64	-	-	15.64
Tech Prep	45.00	-	-	45.00
JH Athletic Activities	-	7,600.22	2,902.56	4,697.66
JH Activities Account	5,724.58	35,113.67	37,379.38	3,458.87
JH Cheerleaders	708.00	-	-	708.00
JH Boys Basketball	-	-	-	-
JH Band	253.83	510.00	480.51	283.32
JH Chorus	1,653.84	-	-	1,653.84
JH English	2.69	-	-	2.69
JH Science	61.00	-	-	61.00
JH Student Council	80.40	450.00	450.00	80.40
JH Video	15,311.87	20,963.72	23,896.19	12,379.40
JH Kan/Will	-	6,690.24	6,515.24	175.00

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
SCHOOL ACTIVITY FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CASH BALANCES - STUDENT ACTIVITY FUNDS

JUNE 30, 2006

SCHEDULE I

	Cash Balance June 30, 2005	<u>Receipts</u>	<u>Disbursements</u>	Cash Balance June 30, 2006
	\$	\$	\$	\$
JH Audio Visual	-	-	-	-
Elementary Recycling 3	-	-	-	-
Peotone Elementary	5,380.29	2,882.44	3,001.65	5,261.08
Peotone Elem Yearbook	1,709.70	-	2,185.85	(476.15)
Peotone Elem Teachers Sup	-	-	-	-
Peotone Elem Sunshine	100.00	-	-	100.00
Peotone Elem PTO Media	1.33	-	-	1.33
Peotone Elem Faculty	1,067.00	2,743.33	3,059.70	750.63
Green Garden Elementary	(15.46)	514.50	230.71	268.33
Green Garden Faculty Fund	259.91	698.93	714.35	244.49
Green Garden Sunshine	28.76	722.00	676.81	73.95
Wilton Center Elem Faculty	188.95	-	833.25	(644.30)
Wilton Center Elem School	524.79	610.33	544.78	590.34
General Fund	854.24	31,182.07	30,299.21	1,737.10
Interest	3,109.44	1,815.64	284.49	4,640.59
Gym Suits	2,371.03	7,520.50	6,150.56	3,740.97
Career Center	1,232.50	-	-	1,232.50
Student Insurance	1,306.50	-	-	1,306.50
Booster Club	22,222.30	30,060.81	32,123.33	20,159.78
High School Staff	578.25	348.00	444.21	482.04
Lambert Fund	186.20	-	-	186.20
B Starkey Football Memor	1,274.20	-	-	1,274.20
HS Captains	82.11	-	-	82.11
HS Tad	102.51	26.75	26.75	102.51
River Valley Conference	497.16	-	-	497.16
Yearbook Andriano	(1,068.22)	-	-	(1,068.22)
Computer P/R Fund	1,516.18	1,105.70	-	2,621.88
Calculator Fund	(692.09)	-	-	(692.09)
Resale Computer Supplies	-	-	-	-
WYSE	204.02	-	-	204.02
WE Environmental/Ecology	-	-	-	-
JH Ecology Club	295.60	20.89	-	316.49
Green Garden Elem Class 200	10.49	-	-	10.49
JH Art/Jones	101.30	-	-	101.30

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
SCHOOL ACTIVITY FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CASH BALANCES - STUDENT ACTIVITY FUNDS
JUNE 30, 2006

SCHEDULE I

	Cash Balance June 30, 2005	Receipts	Disbursements	Cash Balance June 30, 2006
River Valley Conference/JIM	\$ -	\$ -	\$ -	\$ -
High School Library	647.16	89.80	-	736.96
HS Volleyball Regional	(1,102.00)	2,538.00	2,528.00	(1,092.00)
HS Soccer Sectional	518.40	-	-	518.40
JR Hi Wrestling	690.00	937.01	1,627.01	-
Peotone Elem Library	90.45	30.00	-	120.45
Student ID Account	1,912.79	2,928.70	-	4,841.49
Wilton Center Pride Day	-	-	-	-
Junior High Library	1,614.54	7,484.43	8,373.68	725.29
FFA/VICA Concessions	169.45	16,006.95	15,731.38	445.02
Landscaping Committee	-	-	-	-
Conner Shaw Center	4,262.99	9,633.99	10,831.31	3,065.67
HS Science Club	1.75	-	-	1.75
JH Play Activity	885.00	1,012.00	-	1,897.00
Junior High Track	49.01	1,443.00	1,472.09	19.92
HS Parking Permits	64.00	252.00	64.00	252.00
Smiles	25.00	-	-	25.00
HS Girls Soccer	-	4,016.99	3,690.35	326.64
	<u>\$176,461.79</u>	<u>\$425,524.40</u>	<u>\$ 434,312.71</u>	<u>\$ 167,673.48</u>