

Peotone Community Public
School District 207U

Annual Financial Report
and Other Financial Information

June 30, 2007

PEOTONE COMMUNITY PUBLIC
SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS

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PEOTONE COMMUNITY PUBLIC
SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS

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GASSENSMITH & ASSOCIATES, LTD.

323 SPRINGFIELD AVENUE JOLIET, ILLINOIS 60435

CERTIFIED PUBLIC ACCOUNTANTS

815-744-6200

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July 31, 2007

Independent Auditors' Report

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

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, 2007, 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, these financial statements are issued to comply with regulatory provisions 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, 2007, 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, 2007, 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 July 31, 2007, 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.

The Summary of Funding Progress relative to the Illinois Municipal Retirement Fund is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted primarily of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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.

Dassena Smith & Associates, Ltd.

Gassensmith & Associates, Ltd.
Certified Public Accountants

GASSENSMITH & ASSOCIATES, LTD.

CERTIFIED PUBLIC ACCOUNTANT

323 SPRINGFIELD AVENUE JOLIET, ILLINOIS 60435

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July 31, 2007

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*

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

We have audited the financial statements of Peotone Community Public School District No. 207U as of and for the year ended June 30, 2007, and have issued our report thereon dated July 31, 2007. 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 as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Peotone Community Public School District No. 207U's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Entity's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

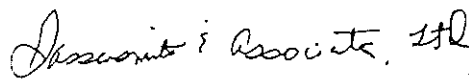
Board of Education
Peotone Community Public
School District No. 207U

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control. Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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 management, others within the Peotone Community Public School District No. 207U Board of Education, 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.
Certified Public Accountants

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS - REGULATORY BASIS
JUNE 30, 2007

<u>Assets</u>	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Bond and Interest</u>	<u>Transportation</u>
Cash and Cash Equivalents	1,997,702	730,946	1,947,604	740,694
Investments				
Loans to Other Funds	24,000			
Other Assets	762	1,742		
Land				
Buildings				
Improvements other than Buildings				
Equipment Other than Trans or Food Service				
Transportation Equipment				
Food Service Equipment				
Amounts Available in Debt Service Funds				
Amounts to be provided for Payment of Bonds				
Amounts to be provided for Payment of Other Long Term Debt				
Total Assets	<u>2,022,464</u>	<u>732,688</u>	<u>1,947,604</u>	<u>740,694</u>
 <u>Liabilities and Fund Balances</u>				
<u>Liabilities</u>				
Due to Organizations				
Tax Anticipation Warrants Payable	900,000			
Bonds Payable				
Loans from Other Funds				
Other Long-term Liabilities				
Total Liabilities	<u>900,000</u>	<u>- 0 -</u>	<u>- 0 -</u>	<u>- 0 -</u>
 <u>Fund Balances:</u>				
Reserved				
Unreserved	1,122,464	732,688	1,947,604	740,694
Investments in General Fixed Assets				
Total Fund Balances	<u>1,122,464</u>	<u>732,688</u>	<u>1,947,604</u>	<u>740,694</u>
Total Liabilities and Fund Balances	<u>2,022,464</u>	<u>732,688</u>	<u>1,947,604</u>	<u>740,694</u>

The accompanying notes are an integral part of these financial statements.

STATEMENT I

<u>Municipal Retirement/ Social Security</u>	<u>Working Cash</u>	<u>Fire Prevention and Safety</u>	<u>Trust and Agency Funds</u>	<u>General Fixed Assets</u>	<u>General Long Term Debt</u>	<u>Total (Memorandum Only)</u>
809	132,476	4,022	115,701 75,000			5,669,954 75,000 24,000 2,504
				1,603,948		1,603,948
				28,374,199		28,374,199
				683,787		683,787
				3,958,539		3,958,539
				2,886,602		2,886,602
					1,947,604	1,947,604
					22,617,396	22,617,396
					202,947	202,947
<u>809</u>	<u>132,476</u>	<u>4,022</u>	<u>190,701</u>	<u>37,507,075</u>	<u>24,767,947</u>	<u>68,046,480</u>
			190,701			190,701
					24,565,000	24,565,000
		24,000				24,000
					202,947	202,947
<u>- 0 -</u>	<u>- 0 -</u>	<u>24,000</u>	<u>190,701</u>	<u>- 0 -</u>	<u>24,767,947</u>	<u>25,882,648</u>
809	132,476	(19,978)		37,507,075		4,656,757 37,507,075
809	132,476	(19,978)	- 0 -	37,507,075	- 0 -	42,163,832
<u>809</u>	<u>132,476</u>	<u>4,022</u>	<u>190,701</u>	<u>37,507,075</u>	<u>24,767,947</u>	<u>68,046,480</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF REVENUE RECEIVED, EXPENDITURES DISBURSED,
OTHER FINANCING SOURCES (USES) AND CHANGES IN FUND BALANCES -
ALL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Educational	Operations and Maintenance	Bond and Interest
Revenue Received:			
Local Sources	6,709,196	1,346,155	2,888,586
State Sources	3,956,270		
Federal Sources	283,513		
Total Direct Receipts	<u>10,948,979</u>	<u>1,346,155</u>	<u>2,888,586</u>
Receipts for On-Behalf Payments	<u>743,013</u>		
Total Receipts	<u>11,691,992</u>	<u>1,346,155</u>	<u>2,888,586</u>
Expenditures Disbursed:			
Instruction	9,848,498		
Support Services	1,927,167	1,584,138	
Community Services			
Nonprogrammed Charges	998,805		
Debt Service	29,729		2,528,723
Total Direct Disbursements	<u>12,804,199</u>	<u>1,584,138</u>	<u>2,528,723</u>
Disbursements for On-Behalf Payments	<u>743,013</u>		
Total Disbursements	<u>13,547,212</u>	<u>1,584,138</u>	<u>2,528,723</u>
Excess (Deficiency) of Receipts Over Disbursements	(1,855,220)	(237,983)	359,863
Other Financing Sources:			
Sale of Bonds			
Permanent Transfer of Working Cash - Abatement	2,000,000	404,680	
Other Financing (Uses):			
Permanent Transfer of Working Cash - Abatement			
Total Other Financing Sources and (Uses)	<u>2,000,000</u>	<u>404,680</u>	<u>0</u>
Excess (Deficiency) of Receipts Over Disbursements and Other Financing Sources (Uses)	144,780	166,697	359,863
Beginning Fund Balance - July 1, 2006	977,684	565,991	1,587,741
Changes in Fund Balance	<u>0</u>	<u>0</u>	<u>0</u>
Ending Fund Balance - June 30, 2007	<u>1,122,464</u>	<u>732,688</u>	<u>1,947,604</u>

The accompanying notes are an integral part of these statements

Statement 2

Transportation	Municipal Retirement/ Social Security	Working Cash	Fire Prevention and Safety	Total (Memorandum Only)
364,404	513,863	83,215	276	11,905,695
1,066,496				5,022,766
				283,513
<u>1,430,900</u>	<u>513,863</u>	<u>83,215</u>	<u>276</u>	<u>17,211,974</u>
				743,013
<u>1,430,900</u>	<u>513,863</u>	<u>83,215</u>	<u>276</u>	<u>17,954,987</u>
	260,707			10,109,205
1,256,385	265,994		131,016	5,164,700
				998,805
				2,558,452
<u>1,256,385</u>	<u>526,701</u>	<u>0</u>	<u>131,016</u>	<u>18,831,162</u>
				743,013
<u>1,256,385</u>	<u>526,701</u>	<u>0</u>	<u>131,016</u>	<u>19,574,175</u>
174,515	(12,838)	83,215	(130,740)	(1,619,188)
		2,404,680		2,404,680
				2,404,680
		(2,404,680)		(2,404,680)
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,404,680</u>
174,515	(12,838)	83,215	(130,740)	785,492
566,179	13,647	49,261	110,762	3,871,265
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>740,694</u>	<u>809</u>	<u>132,476</u>	<u>(19,978)</u>	<u>4,656,757</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF REVENUE RECEIVED - ALL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Bond and Interest</u>
Revenue Received:			
Receipts from Local Sources:			
Ad Valorem Taxes Levied:			
General Levy	5,499,179	939,373	2,871,568
Tort Immunity Levy		77,087	
Special Education Levy	123,023		
Social Security/Medicare Levy			
Payments in Lieu of Taxes:			
Corporate Personal Property			
Replacement Taxes	380,378		
Tuition	113,844		
Interest on Investments	16,457	16,597	17,018
Food Services:			
Sales to Pupils	283,088		
Sales to Adults			
Other Food Services			
Pupil Activities	134,766		
Textbooks:			
Rentals:			
Regular Textbooks	156,637		
Rentals		16,364	
Contributions from Private Sources		214,276	
Refund of Prior Years' Expenditures			
Local Fees			
Other Local Revenue	1,824	82,458	
Total Receipts from Local Sources	<u>6,709,196</u>	<u>1,346,155</u>	<u>2,888,586</u>

The accompanying notes are an integral part of these financial statements.

Statement 3

<u>Transportation</u>	<u>Municipal Retirement/ Social Security</u>	<u>Working Cash</u>	<u>Fire Prevention and Safety</u>	<u>Total (Memorandum Only)</u>
358,884	148,551	82,696		9,900,251
				77,087
	119,443			123,023
				119,443
	244,184			624,562
5,520	1,685	519	276	113,844
				58,072
				283,088
				134,766
				156,637
				16,364
				214,276
				84,282
<u>364,404</u>	<u>513,863</u>	<u>83,215</u>	<u>276</u>	<u>11,905,695</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF REVENUE RECEIVED - ALL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Bond and Interest</u>
Receipts from State Sources:			
Unrestricted Grants-in-Aid:			
General State Aid - Sec 18-8.05	2,913,936		
Restricted Grants-in-Aid:			
Special Education:			
Private Facility	106,872		
Extraordinary	136,083		
Personnel	502,709		
Orphanage	23,277		
Summer School	4,455		
Transportation Aid:			
Regular/Vocational			
Special Education			
Early Childhood	124,316		
Reading Improvement Block Grant	44,496		
School Safety & Educational Improvement			
Block Grant	73,597		
State Library Grant	1,429		
Other State Funds	25,100		
Total Receipts from State Sources	<u>3,956,270</u>	<u>0</u>	<u>0</u>
Receipts from Federal Sources:			
Unrestricted Grants-in-Aid Received			
Directly from the Federal Government			
Federal Impact Aid			
Restricted Grants-in-Aid Received			
Directly from the Federal Government			
Through the State			
Title V - Innovation & Flexibility Formula	3,753		
Food Service:			
National School Lunch Program	54,980		
Special Milk Program	9,931		
Title IV - Safe & Drug Free Schools:			
Formula	3,523		
Vocational Education:			
Other	10,915		
Title II - Eisenhower Professional			
Development	35,135		
Other Federal	165,276		
Total Receipts from Federal Sources	<u>283,513</u>	<u>0</u>	<u>0</u>
Total Direct Receipts	<u>10,948,979</u>	<u>1,346,155</u>	<u>2,888,586</u>

The accompanying notes are an integral part of these financial statements.

Statement 3

<u>Transportation</u>	<u>Municipal Retirement/ Social Security</u>	<u>Working Cash</u>	<u>Fire Prevention and Safety</u>	<u>Total (Memorandum Only)</u>
				2,913,936
				106,872
				136,083
				502,709
				23,277
				4,455
623,876				623,876
442,620				442,620
				124,316
				44,496
				73,597
				1,429
				25,100
<u>1,066,496</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,022,766</u>
				3,753
				54,980
				9,931
				3,523
				10,915
				35,135
				165,276
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>283,513</u>
<u>1,430,900</u>	<u>513,863</u>	<u>83,215</u>	<u>276</u>	<u>17,211,974</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF EXPENDITURES DISBURSED
(AND COMPARISON WITH BUDGET)
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Statement 4

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Instruction:			
Regular Programs:			
Salaries	5,037,708	5,018,900	(18,808)
Employee Benefits	1,279,958	1,513,600	233,642
Purchased Services	123,522	126,800	3,278
Supplies and Materials	450,223	319,150	(131,073)
Capital Outlay	34,023	38,500	4,477
Other Objects	1,694	3,900	2,206
Total Regular Programs	<u>6,927,128</u>	<u>7,020,850</u>	<u>93,722</u>
Special Education Programs:			
Salaries	1,785,035	1,577,000	(208,035)
Employee Benefits	488,302	385,500	(102,802)
Purchased Services	59,749	8,100	(51,649)
Supplies and Materials	33,703	33,300	(403)
Capital Outlay	820	1,000	180
Tuition			
Total Special Education Programs	<u>2,367,609</u>	<u>2,004,900</u>	<u>(362,709)</u>
Vocational Programs:			
Salaries	161,622	174,000	12,378
Employee Benefits	39,343	40,000	657
Purchased Services		1,500	1,500
Supplies and Materials	18,023	10,200	(7,823)
Capital Outlay	300	500	200
Total Vocational Programs:	<u>219,288</u>	<u>226,200</u>	<u>6,912</u>
Interscholastic Programs:			
Salaries	201,589	193,000	(8,589)
Employee Benefits	38,957	36,900	(2,057)
Purchased Services	47,507	45,700	(1,807)
Supplies and Materials	40,760	38,000	(2,760)
Other Objects			
Total Interscholastic Programs:	<u>328,813</u>	<u>313,600</u>	<u>(15,213)</u>
Gifted Program:			
Salaries	3,434	37,000	33,566
Employee Benefits	1,726	10,600	8,874
Purchased Services		1,000	1,000
Supplies and Materials	500	1,000	500
Other Objects			
Total Gifted Programs	<u>5,660</u>	<u>49,600</u>	<u>43,940</u>
Total Instruction	<u>9,848,498</u>	<u>9,615,150</u>	<u>(233,348)</u>

The accompanying notes are an integral part of these financial statements.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF EXPENDITURES DISBURSED
(AND COMPARISON WITH BUDGET)
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Statement 4

	Actual	Budget	Unexpended Budget
Supporting Services:			
Support Services - Pupils			
Guidance Services:			
Salaries	90,495	92,000	1,505
Employee Benefits	22,069	23,000	931
Purchased Services	35,245	33,000	(2,245)
Supplies and Materials	2,646	2,500	(146)
Total Guidance Services:	<u>150,455</u>	<u>150,500</u>	<u>45</u>
Health Services:			
Salaries	57,433	58,000	567
Employee Benefits	5,746	11,200	5,454
Purchased Services	827	1,000	173
Supplies and Materials	10,264	4,000	(6,264)
Other Objects			
Total Health Services:	<u>74,270</u>	<u>74,200</u>	<u>(70)</u>
Other Support Services - Pupils:			
Supplies and Materials	5,741	8,000	2,259
Total Support Services - Pupils	<u>230,466</u>	<u>232,700</u>	<u>2,234</u>
Support Services - Instructional Staff:			
Improvement of Instructional Services:			
Salaries	115,766	125,100	9,334
Employee Benefits	19,820	17,000	(2,820)
Purchased Services	27,017	55,200	28,183
Supplies and Materials	1,775	2,000	225
Capital Outlay	2,341	3,000	659
Other Objects	7,971		(7,971)
Total Improvement of Instructional Svc.	<u>174,690</u>	<u>202,300</u>	<u>27,610</u>
Educational Media Services:			
Salaries	46,697	48,000	1,303
Employee Benefits	10,678	11,100	422
Purchased Services		100	100
Supplies and Materials	30,433	30,000	(433)
Total Educational Media Services	<u>87,808</u>	<u>89,200</u>	<u>1,392</u>
Assessment and Testing:			
Purchased Services			
Total Support Services - Instructional Staff	<u>262,498</u>	<u>291,500</u>	<u>29,002</u>

The accompanying notes are an integral part of these financial statements.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS

Statement 4

STATEMENT OF EXPENDITURES DISBURSED
(AND COMPARISON WITH BUDGET)

EDUCATIONAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Actual	Budget	Unexpended Budget
Support Services - General Administration:			
Board of Education Services:			
Salaries	34,290	33,600	(690)
Employee Benefits	45	100	55
Purchased Services	66,806	20,000	(46,806)
Supplies and Materials	12	100	88
Other Objects	34,116	28,000	(6,116)
Total Board of Education Services:	<u>135,269</u>	<u>81,800</u>	<u>(53,469)</u>
Executive Administration Services:			
Salaries	105,000	105,000	-
Employee Benefits	15,388	21,000	5,612
Purchased Services	428	3,000	2,572
Supplies and Materials	1,544		(1,544)
Other Objects			
Total Executive Admin Services:	<u>122,360</u>	<u>129,000</u>	<u>6,640</u>
Total Support Services - General Admin.	<u>257,629</u>	<u>210,800</u>	<u>(46,829)</u>
Support Services - School Administration			
Office of the Principal Services:			
Salaries	525,610	526,100	490
Employee Benefits	104,729	96,600	(8,129)
Purchased Services	2,842	3,600	758
Supplies and Materials	863	1,250	387
Capital Outlay	383	1,000	617
Other Objects	260		(260)
Total Office of the Principal Service	<u>634,687</u>	<u>628,550</u>	<u>(6,137)</u>
Support Services - Business			
Director of Business Support Services:			
Salaries	65,739	70,000	4,261
Employee Benefits	2,680	7,300	4,620
Purchased Services	275	500	225
Supplies and Materials	1,558	1,000	(558)
Capital Outlay	657	3,000	2,343
Other Objects	435	500	65
Total Director of Business Support Services	<u>71,344</u>	<u>82,300</u>	<u>10,956</u>
Fiscal Services			
Salaries	84,928	85,300	372
Employee Benefits	17,767	18,000	233
Purchased Services	986	1,400	414
Capital Outlay	6,589	1,400	(5,189)
Total Fiscal Services	<u>110,270</u>	<u>106,100</u>	<u>(4,170)</u>

The accompanying notes are an integral part of these financial statements.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF EXPENDITURES DISBURSED
(AND COMPARISON WITH BUDGET)
EDUCATIONAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Statement 4

	Actual	Budget	Unexpended Budget
Operation and Maintenance of			
Plant Services:			
Salaries			
Purchased Services	24,232		(24,232)
Supplies and Materials			
Total Operation and Maintenance of			
Plant Services:	<u>24,232</u>	<u>0</u>	<u>(24,232)</u>
Food Services:			
Salaries	135,883	135,000	(883)
Employee Benefits	10,469	18,000	7,531
Purchased Services	1,012	2,500	1,488
Supplies and Materials	187,055	156,000	(31,055)
Capital Outlay			
Other Objects			
Total Food Services	<u>334,419</u>	<u>311,500</u>	<u>(22,919)</u>
Total Support Services - Business	<u>540,265</u>	<u>499,900</u>	<u>(40,365)</u>
Other Support Services:			
Salaries			
Employee Benefits			
Purchased Services			
Supplies and Materials			
Other Objects	1,622		(1,622)
Total Other Supporting Services:	<u>1,622</u>	<u>0</u>	<u>(1,622)</u>
Total Supporting Services	<u>1,927,167</u>	<u>1,863,450</u>	<u>(63,717)</u>
Nonprogrammed Charges:			
Payments to Other Governmental Units			
(In-state):			
Payments for Special Education Programs:			
Purchased Services	825,744	590,000	(235,744)
Payments for Vocational Education			
Programs:			
Purchased Services	173,061	145,000	(28,061)
Total Payments to Other Governmental			
Units (In-State):	<u>998,805</u>	<u>735,000</u>	<u>(263,805)</u>
Debt Service			
Debt Service Interest	29,729		(29,729)
Provision for Contingencies		1,000	1,000
Total Direct Disbursements	<u>12,804,199</u>	<u>12,214,600</u>	<u>(589,599)</u>

The accompanying notes are an integral part of these financial statements.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF EXPENDITURES DISBURSED
(AND COMPARISON WITH BUDGET)
OPERATIONS AND MAINTENANCE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Statement 5

	Actual	Budget	Unexpended Budget
Expenditures Disbursed:			
Supporting Services:			
Support Services - Business			
Operation and Maintenance of Plant Services:			
Salaries	520,247	527,000	6,753
Employee Benefits	81,448	86,000	4,552
Purchased Services	307,532	321,500	13,968
Supplies and Materials	431,134	475,000	43,866
Capital Outlay	30,533	65,000	34,467
Other Objects	332		(332)
Total Operation and Maintenance of Plant Services	<u>1,371,226</u>	<u>1,474,500</u>	<u>103,274</u>
Facilities Acquisition & Construction Services:			
Purchased Services	88,009	100,000	11,991
Capital Outlay	114,639	115,000	361
Other Objects	10,264	10,000	(264)
Total Facilities Acquisition & Construction Services	<u>212,912</u>	<u>225,000</u>	<u>12,088</u>
Total Support Services - Business	<u>1,584,138</u>	<u>1,699,500</u>	<u>115,362</u>
Provision for Contingencies	<u>0</u>	<u>1,000</u>	<u>1,000</u>
Total Direct Disbursements	<u>1,584,138</u>	<u>1,700,500</u>	<u>116,362</u>

The accompanying notes are an integral part of these financial statements.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF EXPENDITURES DISBURSED
(AND COMPARISON WITH BUDGET)
BOND AND INTEREST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Statement 6

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Debt Services:			
Debt Service - Interest:			
Bonds	245,573	2,860,000	2,614,427
Debt Service - Bond Principal	2,275,000		(2,275,000)
Debt Service - Other	<u>8,150</u>		<u>(8,150)</u>
 Total Direct Disbursements	 <u>2,528,723</u>	 <u>2,860,000</u>	 <u>331,277</u>

The accompanying notes are an integral part of these financial statements.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF EXPENDITURES DISBURSED
(AND COMPARISON WITH BUDGET)
TRANSPORTATION FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Statement 7

	Actual	Budget	Unexpended Budget
Expenditures Disbursed:			
Supporting Services:			
Support Services - Business			
Pupil Transportation Services:			
Salaries	676,030	643,800	(32,230)
Employee Benefits	18,056	12,000	(6,056)
Purchased Services	74,958	73,100	(1,858)
Supplies and Materials	292,501	260,000	(32,501)
Capital Outlay	192,087	259,000	66,913
Other Objects	2,753	5,000	2,247
Total Support Services - Business	1,256,385	1,252,900	(3,485)
Provision for Contingencies		2,000	2,000
Total Direct Disbursements	1,256,385	1,254,900	(1,485)

The accompanying notes are an integral part of these financial statements.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF EXPENDITURES DISBURSED
(AND COMPARISON WITH BUDGET)
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Statement 8

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Instruction:			
Regular Programs:			
Employee Benefits	144,944	149,600	4,656
Special Education Programs:			
Employee Benefits	109,710	97,300	(12,410)
Vocation Programs:			
Employee Benefits	1,524	1,800	276
Interscholastic Programs			
Employee Benefits	4,479	4,900	421
Gifted			
Employee Benefits	50	700	650
Total Instruction	<u>260,707</u>	<u>254,300</u>	<u>(6,407)</u>
Supporting Services:			
Support Services - Pupils			
Guidance Services:			
Employee Benefits	1,312	1,500	188
Health Services:			
Employee Benefits	9,732	9,700	(32)
Other Support Services - Pupils:			
Employee Benefits			
Total Support Services - Pupils	<u>11,044</u>	<u>11,200</u>	<u>156</u>
Support Services - Instructional Staff:			
Improvement of Instruction Services:			
Employee Benefits	1,670	2,500	830
Educational Media Services:			
Employee Benefits	666	700	34
Total Support Services - Instructional Staff	<u>2,336</u>	<u>3,200</u>	<u>864</u>
Support Services - General Administration:			
Board of Education Services:			
Employee Benefits	5,768	5,700	(68)
Executive Administration Services:			
Employee Benefits	1,523	2,100	577
Total Support Services - General Admin.	<u>7,291</u>	<u>7,800</u>	<u>509</u>
Support Services - School Administration:			
Office of the Principal Services:			
Employee Benefits	6,355	6,500	145

The accompanying notes are an integral part of these financial statements.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF EXPENDITURES DISBURSED
(AND COMPARISON WITH BUDGET)
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Statement 8

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Support Services - Business			
Director of Business Support:			
Employee Benefits	7,252	1,000	(6,252)
Fiscal Services:			
Employee Benefits	14,396	13,700	(696)
Operation and Maintenance of Plant Services:			
Employee Benefits	87,581	93,000	5,419
Pupil Transportation Services:			
Employee Benefits	109,949	103,000	(6,949)
Food Services:			
Employee Benefits	<u>19,790</u>	<u>19,400</u>	<u>(390)</u>
Total Support Services - Business	<u>238,968</u>	<u>230,100</u>	<u>(8,868)</u>
Other Support Services:			
Employee Benefits			
Total Support Services	<u>265,994</u>	<u>258,800</u>	<u>(7,194)</u>
Community Services:			
Employee Benefits	<u> </u>	<u> </u>	<u> </u>
Total Direct Disbursements	<u>526,701</u>	<u>513,100</u>	<u>(13,601)</u>

The accompanying notes are an integral part of these financial statements.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF EXPENDITURES DISBURSED
(AND COMPARISON WITH BUDGET)
FIRE PREVENTION & SAFETY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Statement 9

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Support Services:			
Support Services - Business:			
Facilities Acquisition & Construction			
Capital Outlay	104,135	91,500	(12,635)
Operation & Maintenance of Plant			
Salaries	25,041	15,000	(10,041)
Employee Benefits	<u>1,840</u>	<u>900</u>	<u>(940)</u>
 Total Direct Disbursements	 <u>131,016</u>	 <u>107,400</u>	 <u>(23,616)</u>

The accompanying notes are an integral part of these financial statements.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

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 the Reporting Entity:

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

Component Units

The District has developed criteria to determine whether outside agencies with activities that 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 includes, but is 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.

Joint agreements have been determined not to be part of the reporting entity after applying the manifesting of oversight, scope of public service and special financing relationships criteria and are, therefore, excluded from the accompanying financial statements because the District does not control the assets, operations or management of the joint agreements. In addition, the District is not aware of any entity which would exercise such oversight as to result in the District being considered a component unit of the entity.

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 received and expenditures disbursed. The District maintains individual funds required by the State of Illinois. The various funds are summarized by type in the financial statements.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #1 Summary of Significant Accounting Policies: (continued)

B. Basis of Presentation - Fund Accounting: (continued)

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 funds and account groups are used by the District:

Governmental Funds -

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.

The Educational Fund and the Operations and Maintenance Fund are the general operating funds of the District. They are used to account for all financial resources except those required to be accounted for in another fund. Tort Immunity and Special Education tax levies are included in these funds.

The 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 Transportation Fund and the Illinois Municipal Retirement/Social Security Fund, are used to account for cash received from specific sources (other than those accounted for in the Debt Service Fund, Capital Projects Funds or Fiduciary Funds) that are legally restricted to cash disbursements for specified purposes.

The Working Cash Fund accounts for financial resources held by the District to be used for temporary interfund loans to other funds.

The Fire Prevention and Safety Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Trust Funds).

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #1 Summary of Significant Accounting Policies: (continued)

B. Basis of Presentation - Fund Accounting: (continued)

Fiduciary Funds:

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

The Agency Funds include Student Activity Funds. They account for assets held by the District as an agent for the students, teachers and other entities. 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.

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 (cash receipts and other financing sources) and decreases (cash disbursements 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:

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. The District records purchases of property and equipment as expenditures of various funds when paid. The District maintains a detailed list of property and equipment purchased for insurance purposes.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #1 Summary of Significant Accounting Policies: (continued)

B. Basis of Presentation - Fund Accounting: (continued)

General Fixed Assets and General Long-term Debt Account Group:(continued)

No depreciation has been provided on fixed assets in these financial statements. Current depreciation of \$999,073 has been utilized for the calculation of the per capita tuition charge and accumulated depreciation totaling \$12,062,927 has been reported on the Illinois Local Education Agency annual financial report (ISBE Form 50-35). Depreciation has been computed over the estimated useful lives of the assets using the straight-line method.

The estimated useful lives are as follows:

Buildings	50 years
Improvements	20 years
Transportation Equipment	5 years
Other Equipment	10 years

Long-term liabilities expected to be financed from Debt Service Funds are accounted for in the General Long-Term Debt Account Group, not in the governmental funds. Proceeds from sales of bonds are included as receipts in the appropriate fund on the date received. Related principal payable in the future is recorded at the same time in the General Long-Term Debt Account 90.

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

C. Basis of Accounting

Basis of accounting refers to when revenues received and expenditures disbursed 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, revenues are recognized and recorded in the accounts when cash is received. In the same manner, expenditures are recognized and recorded upon the disbursement of cash. Assets of a fund are only recorded when a right to receive cash

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #1 Summary of Significant Accounting Policies: (continued)

C. Basis of Accounting (continued)

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 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 budget for all Governmental Funds 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 105, Section 5, Paragraph 17.1 of the Illinois Compiled Statutes. The budget was passed on September 18, 2006.

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 on the financial statements:

1. 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 disbursed and the means of financing them.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to October 1, the budget is legally adopted through passage of a resolution.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #1 Summary of Significant Accounting Policies: (continued)

D. Budgets and Budgetary Accounting: (continued)

4. Formal budgetary integration is employed as a management control device during the year.
5. The Board of Education may make transfers between the various items in any fund not exceeding in the aggregate 10% of the total of such fund as set forth in the budget.
6. The Board of Education may amend the budget (in other ways) by the same procedures required of its original adoption

E. Cash and Cash Equivalents

Cash includes amounts in demand deposits and interest-bearing demand deposits and time deposit (savings) accounts. Cash equivalents include amounts in time deposits and other investments with original maturities of less than 90 days.

F. Investments:

Investments are stated at cost or amortized costs, which approximates market. The District, under 30 ILCS 235/2, may legally invest in all securities guaranteed by the full faith and credit of the United States, as well as interest-bearing savings accounts, certificates of deposit or time deposits constituting direct obligations of banks insured by FDIC and savings and loan associates insured by FSLIC. The District may also invest in short-term obligations of the Federal National Mortgage Association, the Public Treasurer's Investment Pool as well as all interest-bearing obligations of the State of Illinois.

G. Inventories

Inventory consists of expendable supplies held for consumption. The cost is recorded as an expenditure disbursed at the time the individual inventory items are purchased.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #1 Summary of Significant Accounting Policies: (continued)

H. 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 consolidations 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.

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 2006 levy was passed by the Board on December 18, 2006. 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 District received \$5,169,764 from the 2006 tax levy prior to June 30, 2007. The balance of taxes shown in these financial statements are from the 2005 and prior tax levies.

The following are the tax rates applicable to the various levies per \$100 of assessed valuation:

	Maximum	Actual 2006	Actual 2005
	<u>Rate</u>	<u>Rate</u>	<u>Rate</u>
Educational	4.0000	1.8237	1.8928
Operations & Maintenance	.7500	.3092	.3254
Transportation	None	.1178	.1239
Bond and Interest	None	.9410	1.0003
Municipal Retirement	None	.0484	.0509
Social Security	None	.0389	.0409
Tort Immunity	None	.0253	.0265
Special Education	.8000	.0192	.0202
Working Cash	.0500	.0270	.0283
Lease Purchases	1.0000	<u>.0208</u>	<u>.0218</u>
Total		<u>3.3713</u>	<u>3.5310</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

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 Educational Fund. A total of \$77,087 was collected and all of it 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 \$123,023 was collected and all was spent.

Note #4 Deposits and Investments

The District is allowed to invest in securities as authorized by the District's investment policy, Sections 2 and 6 of the Public Funds Investment Act (30 ILCS 235) and Section 8-7 of the School Code of Illinois. These include the following items:

- (1) bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;
2. in interest-bearing savings accounts, interest-bearing certificates of deposits or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act;
3. in money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in (1) or (2) above and to agreements to repurchase such obligations;
4. in the Illinois Funds. Any public agency may also invest any public funds in a fund managed, operated and administered by a bank, subsidiary of a bank or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advise regarding the investment of any public funds;

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #4 Deposits and Investments (continued)

5. in the Illinois School District Liquid Asset Fund Plus;
6. in any investment as authorized by the Public Funds Investment Act and Acts amendatory thereto. Paragraph 6 supersedes paragraphs 1-5 and controls in the event of conflict.

Custodial Credit Risk Related to Deposits with Financial Institutions

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's general investment policy requires all amounts deposited or invested with financial institutions in excess of any insurance limit shall be collateralized by securities eligible for District investment or any other high-quality, interest-bearing security rated at least AA/Aa by one or more standard rating services to include Standard & Poor's, Moody's or Fitch. The market value of the pledged securities shall equal or exceed the portion of the deposit requiring collateralization.

The District's investment policy states the preferred method for safekeeping of collateral is to have securities registered in the District's name and held by a third-party custodian. Safekeeping practices should qualify for the Government Accounting Standards Board's Statement III, Category I, the highest recognized safekeeping procedures.

At June 30, 2007, the carrying amount of the District's deposits with financial institutions, which includes demand deposits, savings accounts, repurchase agreements and certificates of deposits was \$5,554,253 and the bank balance was \$5,977,889. As of June 30, 2007, the following District's bank balances (certificates of deposit, checking and savings accounts) were exposed to custodial credit risk as follows (carrying amounts are presented as additional information only):

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Category #1	\$ 400,000	\$ 400,000
Category #2	5,154,253	5,577,889
Category #3	-0-	-0-
Category #4	-0-	-0-
	<u>\$5,554,253</u>	<u>\$5,977,889</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #4 Deposits and Investments (continued)

Category #1 includes deposits that are insured or are collateralized with securities held by an independent financial institution.

Category #2 includes deposits that are uninsured and collateralized with securities held by the pledging financial institution.

Category #3 includes deposits which are uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the district's name.

Category #4 includes deposits which are uninsured and uncollateralized.

Investments

As of June 30, 2007, the district had no investments.

Note #5 Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance July 1, 2006	<u>Additions</u>	<u>Deletions*</u>	Balance June 30, 2007
Land	1,603,948			1,603,948
Buildings	28,374,199			28,374,199
Improvements Other Than Buildings	653,254	30,533		683,787
Transportation Equip.	2,694,515	192,087		2,886,602
Equipment Other than Transportation/Food Service	<u>3,925,299</u>	<u>33,240</u>		<u>3,958,539</u>
Totals	<u>37,251,215</u>	<u>255,860</u>	<u>- 0 -</u>	<u>37,507,075</u>

*To remove fully depreciated equipment and equipment sold or traded.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #6 Retirement Fund Commitments

A. Teachers' Retirement System of the State of Illinois

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 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, 2007 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, 2007, and the member THIS Fund health insurance contribution was 0.80 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, 2007, State of Illinois contributions were based on 9.78 percent of creditable earnings, and the district recognized revenue and expenditures of \$743,013 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2006 and June 30, 2005, the State of Illinois contribution rates as percentages of creditable earnings were 7.06 percent (\$511,690) and 11.76 percent (\$777,207), respectively.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #6 Retirement Fund Commitments (continued)

A. Teachers' Retirement System of the State of Illinois (continued)

The state contributions to TRS for the years ended June 30, 2007 and June 30, 2006 were based on dollar amounts specified by the statute and were not actuarially determined. The state contributions for the year ended June 30, 2005 were based on an actuarial formula.

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. This rate is specified by statute. Contributions for the year ended June 30, 2007 were \$44,064. Contributions for the years ended June 30, 2006 and June 30, 2005 were \$42,037 and \$38,332, 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, 2007, the employer pension contribution was 9.78 percent of salaries paid from federal and trust funds. For the year ended June 30, 2006, the employer contribution was 7.06 percent of salaries paid from federal and trust funds. For the year ended June 30, 2005, the employer pension contribution was 10.5 percent of salaries paid from those funds. For the year ended June 30, 2007, salaries totaling \$0 were paid from federal and trust funds that required employer contributions of \$0. For the years ended June 30, 2006 and June 30, 2005, 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.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #6 Retirement Fund Commitments (continued)

A. Teachers' Retirement System of the State of Illinois (continued)

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 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 ending June 30, 2007, the district paid \$0 to TRS for employer contributions under the Pipeline ERO and Modified ERO programs. For the years ended June 30, 2006 and June 30, 2005, the district paid \$0 and \$0 in employer ERO contributions, respectively.

Salary increases over 6 percent and excess sick leave.

Public Act 94-0004 added two new employer contributions to TRS.

▶ 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, 2007, the district paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent. For the year ended June 30, 2006, the district paid \$0 in employer contributions due on salary increases in excess of 6 percent.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #6 Retirement Fund Commitments (continued)

A. Teachers' Retirement System of the State of Illinois (continued)

▶ If an employer grants sick leave days in excess of the normal annual allotment and those days are used at 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 used to calculate final average salary, and the TRS total normal cost rate (17.60 percent of salary during the year ended June 30, 2007).

For the year ended June 30, 2007, the district paid \$0 to TRS for sick leave days granted in the excess of the normal annual allotment. For the year ended June 30, 2006, the district paid \$0 in employer contributions for sick leave days.

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, 2006. The report for the year ended June 30, 2007, is expected to be available in late 2007.

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.

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.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #7 Long-Term Debt (continued)

During the year ended June 30, 2007, the following transactions occurred in the General Long-Term Debt Account Group:

	Balance July 1, <u>2006</u>	<u>Proceeds</u>	<u>Decrease</u>	Balance June 30, <u>2007</u>
Series 1999	290,000		290,000	- 0 -
Series 1999A	570,000		570,000	- 0 -
Series 2000A	300,000			300,000
Series 2000C	705,000		50,000	655,000
Series 2000D	1,105,000			1,105,000
Series 2002A	8,705,000			8,705,000
Series 2002B	190,000			190,000
Series 2003B	355,000		250,000	105,000
Series 2005	3,355,000			3,355,000
Series 2005B	4,305,000			4,305,000
Series 2006A	1,700,000		1,700,000	- 0 -
Series 2006B	435,000		325,000	110,000
Series 2006C	1,840,000			1,840,000
Series 2007A		2,400,000		2,400,000
Series 2007B		1,495,000		1,495,000
Total	<u>23,855,000</u>	<u>3,895,000</u>	<u>3,185,000</u>	<u>24,565,000</u>

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of June 30, 2007 are as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Debt Service</u>
05/01/07		484,336.87	484,336.87	484,336.87
11/01/07	2,370,000	617,596.88	2,987,596.88	
05/01/08		524,566.87	524,566.87	3,512,163.75
11/01/08	410,000	524,566.88	934,566.88	
05/01/09		515,916.87	515,916.87	1,450,483.75
11/01/09	60,000	515,916.88	575,916.88	
05/01/10		514,204.37	514,204.37	1,090,121.25
11/01/10	310,000	514,204.38	824,204.38	

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #6 Retirement Fund Commitments (continued)

B. Illinois Municipal Retirement Fund (continued)

TREND INFORMATION (continued)

Actuarial Valuation Date	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
12/31/01	105,529	100%	0
12/31/00	93,407	100%	0
12/31/99	93,626	100%	0
12/31/98	86,739	100%	0
12/31/97	77,444	100%	0

Note #7 . Long-Term Debt

As of June 30, 2007, the District had long-term debt outstanding in the amount of \$24,767,947. The long-term debt consists of the following:

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 ended June 30, 2008 is due on March 17, 2008 in the amount of \$110,099. The current principal balance is \$202,947.

Bonded indebtedness –

Bonded indebtedness is reflected in the General Long-Term Debt Account Group. Current requirements for principal and interest expenditures are payable solely from future revenues of the Bond and Interest Fund which consists principally of property taxes collected by the District and interest earnings. Bonded indebtedness consists of numerous bonds in the amount of \$24,565,000.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #7 Long-Term Debt (continued)

During the year ended June 30, 2007, the following transactions occurred in the General Long-Term Debt Account Group:

	Balance July 1, <u>2006</u>	<u>Proceeds</u>	<u>Decrease</u>	Balance June 30, <u>2007</u>
Series 1999	290,000		290,000	- 0 -
Series 1999A	570,000		570,000	- 0 -
Series 2000A	300,000			300,000
Series 2000C	705,000		50,000	655,000
Series 2000D	1,105,000			1,105,000
Series 2002A	8,705,000			8,705,000
Series 2002B	190,000			190,000
Series 2003B	355,000		250,000	105,000
Series 2005	3,355,000			3,355,000
Series 2005B	4,305,000			4,305,000
Series 2006A	1,700,000		1,700,000	- 0 -
Series 2006B	435,000		325,000	110,000
Series 2006C	1,840,000			1,840,000
Series 2007A		2,400,000		2,400,000
Series 2007B		1,495,000		1,495,000
Total	<u>23,855,000</u>	<u>3,895,000</u>	<u>3,185,000</u>	<u>24,565,000</u>

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of June 30, 2007 are as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Debt Service</u>
05/01/07		484,336.87	484,336.87	484,336.87
11/01/07	2,370,000	617,596.88	2,987,596.88	
05/01/08		524,566.87	524,566.87	3,512,163.75
11/01/08	410,000	524,566.88	934,566.88	
05/01/09		515,916.87	515,916.87	1,450,483.75
11/01/09	60,000	515,916.88	575,916.88	
05/01/10		514,204.37	514,204.37	1,090,121.25
11/01/10	310,000	514,204.38	824,204.38	

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #7 Long-Term Debt (continued)

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Debt Service</u>
05/01/11		505,576.87	505,576.87	1,329,781.25
11/01/11	470,000	505,576.88	975,576.88	
05/01/12		493,727.50	493,727.50	1,469,304.38
11/01/12	1,125,000	493,727.50	1,618,727.50	
05/01/13		468,343.75	468,343.75	2,087,071.25
11/01/13	1,345,000	468,343.75	1,813,343.75	
05/01/14		436,447.50	436,447.50	2,249,791.25
11/01/14	1,515,000	436,447.50	1,951,447.50	
05/01/15		400,451.25	400,451.25	2,351,898.75
11/01/15	1,745,000	400,451.25	2,145,451.25	
05/01/16		359,752.50	359,752.50	2,505,203.75
11/01/16	2,065,000	359,752.50	2,424,752.50	
05/01/17		311,332.50	311,332.50	2,736,085.00
11/01/17	2,165,000	311,332.50	2,476,332.50	
05/01/18		260,877.50	260,877.50	2,737,210.00
11/01/18	2,535,000	260,877.50	2,795,877.50	
05/01/19		200,348.75	200,348.75	2,996,226.25
11/01/19	2,720,000	200,348.75	2,920,348.75	
05/01/20		136,416.25	136,416.25	3,056,765.00
11/01/20	2,895,000	136,416.25	3,031,416.25	
05/01/21		68,040.00	68,040.00	3,099,456.25
11/01/21	2,835,000	68,040.00	2,903,040.00	2,903,040.00
Total	<u>24,565,000</u>	<u>11,493,938.75</u>	<u>36,058,938.75</u>	

Under Section 5/19-1 of the Illinois School Code, the District is allowed to incur qualifying debt up to 13.8% of its latest equalized assessed value. As of June 30, 2007, the District's legal debt limit was \$44,800,713. Qualifying outstanding debt as of June 30, 2007 totaled \$24,767,947, leaving a debt margin of \$20,032,766.

Note #8 Tax Anticipation Warrants

There were \$900,000 in outstanding tax anticipation warrants beginning July 1, 2006. \$900,000 were retired and \$900,000 were issued July 1, 2006 through June 30, 2007. The outstanding tax anticipation warrants were \$900,000 at June 30, 2007.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #9 Interfund Loans and Transfers

There was one interfund loans during the year ended June 30, 2007.

The District made the following transfers during the year ended June 30, 2007:

<u>From</u>	<u>To</u>	
Education	Fire Prevention & Safety	\$24,000

The above transfer was made to cover general operating costs.

Note #10 Common Bank Accounts

Separate bank accounts are not maintained for all District funds; instead, 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 #11 Disbursements and Transfers in Excess of Budget

For the year ended June 30, 2007, disbursements exceeded amounts budgeted in the following funds:

	<u>Expenditures</u>	
	<u>Budget</u>	<u>Actual</u>
Education Fund	12,214,600	12,804,199
Transportation Fund	1,254,900	1,256,385
Municipal Retirement/Social Security	513,100	526,701
Fire Prevention & Safety	107,400	131,016

Note #12 Deficit Fund Balances

As of June 30, 2007, the District had a deficit fund balance in the Fire Prevention & Safety Fund of (19,978).

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2007

Note #13 Self-Insurance Plan

All employees of the District are covered under the State of Illinois Unemployment Insurance Act. The District elected to be self-insured and therefore is liable to the State for any payments made to an unemployed worker claiming benefits.

Note #14 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 #15 Pending Litigation

At June 30, 2007, 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
WILL COUNTY, ILLINOIS
REQUIRED SUPPLEMENTARY INFORMATION
ILLINOIS MUNICIPAL RETIREMENT FUND
SCHEDULE OF FUNDING PROGRESS
JUNE 30, 2007

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued 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]
12/31/06	3,584,924	3,645,540	60,616	98.34%	2,299,995	2.64%
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%

On a market value basis, the actuarial value of assets as of December 31, 2006 is \$3,863,723. On a market basis, the funded ratio would be 105.98%.

* Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2006 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.

SLEP Member contribution rate changed from 6.50% to 7.50% effective June 1, 2006.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT
ARISING FROM CASH TRANSACTIONS -
GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Schedule 1

Year Ending June 30	Series 2000A		Series 2000C		Series 2000D	
	Principal	Interest	Principal	Interest	Principal	Interest
2008		16,832	50,000	35,510		61,510
2009		16,832	50,000	32,622		61,510
2010	10,000	16,570	50,000	29,723		61,510
2011	10,000	16,040	130,000	24,502		61,510
2012	10,000	15,500	105,000	17,688		61,510
2013	10,000	14,960	110,000	11,700		61,510
2014	20,000	14,148	85,000	6,441	55,000	60,039
2015	20,000	13,057	75,000	2,063	60,000	56,948
2016	25,000	11,814			165,000	50,831
2017	30,000	10,280			185,000	41,247
2018	30,000	8,592			205,000	30,420
2019	35,000	6,747			230,000	18,183
2020	100,000	2,875			205,000	5,842
Total	<u>300,000</u>	<u>164,247</u>	<u>655,000</u>	<u>160,249</u>	<u>1,105,000</u>	<u>632,570</u>

Year Ending June 30	Series 2002A		Series 2002B		Series 2003B	
	Principal	Interest	Principal	Interest	Principal	Interest
2008		415,522		7,819	105,000	1,890
2009		415,522		7,819		
2010		415,522		7,819		
2011		415,522		7,819		
2012	100,000	413,398	75,000	6,272		
2013	110,000	409,004	90,000	2,868		
2014	205,000	401,610	25,000	506		
2015	215,000	391,110				
2016	335,000	377,360				
2017	465,000	357,360				
2018	505,000	333,110				
2019	525,000	307,360				
2020	820,000	275,375				
2021	2,590,000	196,298				
2022	2,835,000	68,043				
Total	<u>8,705,000</u>	<u>5,192,116</u>	<u>190,000</u>	<u>40,922</u>	<u>105,000</u>	<u>1,890</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT
ARISING FROM CASH TRANSACTIONS -
GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Schedule 1

Year Ending June 30	Series 2005		Series 2005B		Series 2005	
	Principal	Interest	Principal	Interest	Principal	Interest
2008		129,870		192,562		129,870
2009		129,870		192,562		129,870
2010		129,870		192,562		129,870
2011		129,870		192,562		129,870
2012		129,870		192,562		129,870
2013	145,000	126,970	465,000	182,681	145,000	126,970
2014	230,000	119,470	520,000	161,100	230,000	119,470
2015	290,000	109,070	575,000	136,463	290,000	109,070
2016	340,000	97,150	635,000	109,238	340,000	97,150
2017	410,000	83,445	700,000	79,200	410,000	83,445
2018	465,000	67,025	770,000	46,125	465,000	67,025
2019	540,000	47,795	640,000	14,402	540,000	47,795
2020	935,000	18,700			935,000	18,700
2021						
2022						
Total	<u>3,355,000</u>	<u>1,318,975</u>	<u>4,305,000</u>	<u>1,692,019</u>	<u>3,355,000</u>	<u>1,318,975</u>

Year Ending June 30	Series 2005B		Series 2006B		Series 2006C	
	Principal	Interest	Principal	Interest	Principal	Interest
2008		192,562	110,000	2,695		98,440
2009		192,562				98,440
2010		192,562				98,440
2011		192,562				98,440
2012		192,562				98,440
2013	465,000	182,681				98,440
2014	520,000	161,100				98,440
2015	575,000	136,463			65,000	96,701
2016	635,000	109,238			15,000	94,561
2017	700,000	79,200			40,000	93,090
2018	770,000	46,125			190,000	86,938
2019	640,000	14,402			565,000	66,742
2020					660,000	33,973
2021					305,000	8,158
Total	<u>4,305,000</u>	<u>1,692,019</u>	<u>110,000</u>	<u>2,695</u>	<u>1,840,000</u>	<u>1,169,243</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
SCHEDULE OF CHANGES IN GENERAL LONG-TERM DEBT
ARISING FROM CASH TRANSACTIONS -
GENERAL LONG-TERM DEBT GROUP OF ACCOUNTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Schedule 1

Year Ending June 30	<u>Series 2007A</u>		<u>Series 2007B</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2008	2,040,000	79,200	65,000	100,312
2009	360,000	7,200		78,105
2010				78,105
2011			170,000	73,515
2012			180,000	64,065
2013			195,000	53,940
2014			205,000	43,037
2015			215,000	31,488
2016			230,000	19,250
2017			235,000	6,463
2018				
2019				
2020				
2021				
Total	<u>2,400,000</u>	<u>86,400</u>	<u>1,495,000</u>	<u>548,280</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
SCHEDULE OF TAXES EXTENDED AND COLLECTED
JUNE 30, 2007

	<u>Educational Levy</u>	<u>Special Education Levy</u>	<u>Tort Immunity Levy</u>	<u>Operations & Maintenance Levy</u>
<u>2005 Levy</u>				
Assessed Valuation	283,434,345			
Tax Rate per \$100	<u>1.8928</u>	<u>0.0420</u>	<u>0.0265</u>	<u>0.3254</u>
Taxes Extended	<u>5,401,339</u>	<u>119,852</u>	<u>75,621</u>	<u>928,569</u>
Taxes Collected	<u>5,399,828</u>	<u>121,380</u>	<u>76,052</u>	<u>928,723</u>
 <u>2006 Levy</u>				
Assessed Valuation	324,642,850			
Tax Rate per \$100	<u>1.8237</u>	<u>0.0400</u>	<u>0.0253</u>	<u>0.3092</u>
Taxes Extended	5,919,063	129,829	82,117	1,003,579
Advance Taxes Received Prior to June 30, 2007	<u>2,796,837</u>	<u>61,520</u>	<u>38,773</u>	<u>474,068</u>
Taxes Receivable	<u>3,122,226</u>	<u>68,309</u>	<u>43,344</u>	<u>529,511</u>

Schedule 2

<u>Bond and Interest Levy</u>	<u>Trans- portation Levy</u>	<u>Municipal Retirement Levy</u>	<u>Social Security Levy</u>	<u>Working Cash Levy</u>	<u>Total All Levies</u>
<u>1.0003</u>	<u>0.1239</u>	<u>0.0509</u>	<u>0.0409</u>	<u>0.0283</u>	<u>3.5310</u>
<u>2,854,480</u>	<u>353,564</u>	<u>145,249</u>	<u>116,713</u>	<u>80,758</u>	<u>10,076,145</u>
<u>2,854,159</u>	<u>355,071</u>	<u>146,562</u>	<u>118,358</u>	<u>81,591</u>	<u>10,081,724</u>
<u>0.9410</u>	<u>0.1178</u>	<u>0.0484</u>	<u>0.0389</u>	<u>0.0270</u>	<u>3.3713</u>
<u>3,054,231</u>	<u>382,347</u>	<u>157,093</u>	<u>126,259</u>	<u>87,635</u>	<u>10,942,153</u>
<u>1,442,885</u>	<u>180,425</u>	<u>74,445</u>	<u>59,453</u>	<u>41,358</u>	<u>5,169,764</u>
<u>1,611,346</u>	<u>201,922</u>	<u>82,648</u>	<u>66,806</u>	<u>46,277</u>	<u>5,772,389</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
SCHEDULE OF LEGAL DEBT MARGIN
JUNE 30, 2007

Schedule 3

Assessed Valuation as of January 1, 2006	324,642,850
Debt Limitation Percentage	13.8%
Debt Limitation	<u>44,800,713</u>
Total Bonded Indebtedness Subject to Debt Limitation Provisions	24,565,000
Other Indebtedness Subject to Debt Limitation Provisions Notes Payable	<u>202,947</u>
Total Indebtedness Subject to Debt Limitation Provisions	<u>24,767,947</u>
Legal Debt Margin	<u>20,032,766</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
COMBINING SCHEDULE OF ASSETS, LIABILITIES AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS -
FIDUCIARY FUND TYPES - AGENCY FUNDS
JUNE 30, 2007

Schedule 4

	<u>TRUST AND AGENCY</u>
<u>ASSETS</u>	
Cash	<u>190,701</u>
<u>LIABILITIES</u>	
Due to Organizations	190,701
Fund Balance - Unreserved	<u> </u>
Total Liabilities and Fund Equity	<u>190,701</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
SCHOOL ACTIVITY FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CASH BALANCES - STUDENT ACTIVITY FUNDS
JUNE 30, 2007

Schedule 5

	Cash Balance June 30, 2006	Receipts	Disbursements	Cash Balance June 30, 2007
Class of 2010		2,303.00	1,270.00	1,033.00
Class of 2009	930.55	4,687.00	2,811.20	2,806.35
Class of 2008	812.60	18,049.56	17,403.81	1,458.35
Class of 2007	1,124.25		624.25	500.00
Class of 2006	3,129.24	837.00	3,465.37	500.87
Class of 2005	2,016.72			2,016.72
Class of 2004	1,976.56		1,976.56	-
IHSA Music Contest	130.75			130.75
Prom	8,769.41			8,769.41
Foreign Language	121.15	18,299.74	17,573.55	847.34
FFA	4,748.46	11,039.48	11,259.70	4,528.24
FCCLA	402.05			402.05
FFA/FCCLA Concessions	136.14			136.14
HS Golf	268.96	605.00	871.50	2.46
Earth Day	533.80			533.80
Boys Regional Baseball	(543.00)		300.00	(843.00)
Skills USA	2,150.39	2,616.72	2,782.95	1,984.16
HS American Studies Class	90.92			90.92
HS Bowling	141.59	324.00	127.20	338.39
HS Boys Baseball	3,567.50	6,458.00	5,515.97	4,509.53
HS Boys Basketball Team	4,457.95	11,844.15	10,733.21	5,568.89
Soccer Tournament	3,425.14	6,447.00	5,565.78	4,306.36
Industrial Tech Resale	3,199.15	7,354.00	6,185.41	4,367.74
HS PE Department	93.83			93.83
HS Track	2,080.68	13,067.22	13,762.71	1,385.19
HS BB Cheerleaders	(2,625.40)	19,853.01	17,129.77	97.84
HS Girls BB team	(324.26)	5,436.00	3,293.34	1,818.40
HS Girls Sectional Basketbal	2,164.83	1,120.00	2,805.00	479.83
HS Girls Reg Tournament	5,157.59			5,157.59
HS Girls Volleyball Team	2,665.69	3,086.64	2,789.97	2,962.36
HS Girls Softball	264.73	8,240.00	7,472.31	1,032.42
HS Reg Wrestlers Tourname.	1,758.89	2,050.36	2,115.00	1,694.25
HS Student Council	3,230.37	25,346.68	25,329.15	3,247.90

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
SCHOOL ACTIVITY FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CASH BALANCES - STUDENT ACTIVITY FUNDS
JUNE 30, 2007

Schedule 5

	Cash Balance June 30, 2006	Receipts	Disbursements	Cash Balance June 30, 2007
Boys Regional Basketball	640.55	4,502.00	4,056.60	1,085.95
Intramural	23.58			23.58
HS Dance Team	1,670.89	16,443.37	16,383.17	1,731.09
Lettermen	5,534.43	13,414.89	16,272.88	2,676.44
HS Yearbook	1,012.71	28,485.41	26,232.78	3,265.34
HS Band	1,691.83	4,730.28	6,075.25	346.86
HS Choir	1,941.56			1,941.56
HS Show Choir	727.62			727.62
National Honor Society	391.29	2,200.42	2,148.40	443.31
Newspaper	415.32	399.00	508.15	306.17
HS Football	4,275.95	12,660.00	16,007.10	928.85
PHS Pop Fund	4,179.07	3,368.20	5,136.06	2,411.21
Performing Arts	6,472.13	11,877.54	12,269.38	6,080.29
Radio	85.04			85.04
Special Ed	220.24			220.24
Thespians	88.43	2,168.40	2,015.10	241.73
Football Playoffs	2,592.71			2,592.71
HS Wrestlers	786.97	3,942.51	2,449.40	2,280.08
Scholastic Bowl	316.29	495.00	248.75	562.54
Operation Future	15.64			15.64
Tech Prep	45.00			45.00
JH Athletic Activities	4,697.66	3,384.49	7,062.06	1,020.09
JH Activities Account	3,458.87	38,866.09	38,051.02	4,273.94
JH Cheerleaders	708.00			708.00
JH Band	283.32	355.00	318.75	319.57
JH Chorus	1,653.84			1,653.84
JH English	2.69			2.69
JH Science	61.00	1,647.00	904.05	803.95
JH Student Council	80.40	225.00	225.00	80.40
JH Video	12,379.40	10,890.82	8,941.27	14,328.95
JH Kan/Will	175.00		175.00	-
Peotone Elementary	5,261.08	5,170.63	2,566.22	7,865.49
Peotone Elem Yearbook	(476.15)	476.15		-

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
SCHOOL ACTIVITY FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CASH BALANCES - STUDENT ACTIVITY FUNDS
JUNE 30, 2007

Schedule 5

	Cash Balance June 30, 2006	<u>Receipts</u>	<u>Disbursements</u>	Cash Balance June 30, 2007
Peotone Elem Sunshine	100.00			100.00
Peotone Elem PTO Media	1.33			1.33
Peotone Elem Faculty	750.63	2,450.24	3,100.40	100.47
Green Garden Elementary	268.33	1,102.06	1,102.60	267.79
Green Garden Faculty Fund	244.49	1,181.39	995.20	430.68
Green Garden Sunshine	73.95	662.00	709.31	26.64
Wilton Center Elem Faculty	(644.30)	2,199.23	1,037.23	517.70
Wilton Center Elem School	590.34	384.66	671.23	303.77
General Fund	1,737.10	42,952.05	41,683.34	3,005.81
Interest	4,640.59	1,866.36	96.77	6,410.18
Gym Suits	3,740.97	8,655.50	7,732.59	4,663.88
Career Center	1,232.50			1,232.50
Student Insurance	1,306.50			1,306.50
Booster Club	20,159.78	39,724.33	33,644.43	26,239.68
High School Staff	482.04	800.00	482.00	800.04
Lambert Fund	186.20		186.00	0.20
B Starkey Football Memor	1,274.20			1,274.20
HS Captains	82.11			82.11
HS Tad	102.51	342.94	59.74	385.71
River Valley Conference	497.16			497.16
Yearbook Andriano	(1,068.22)			(1,068.22)
Computer P/R Fund	2,621.88	873.15	2,855.43	639.60
Calculator Fund	(692.09)			(692.09)
WYSE	204.02			204.02
JH Ecology Club	316.49			316.49
Green Garden Elem Class 20	10.49			10.49
JH Art/Jones	101.30			101.30
High School Library	736.96	55.00		791.96
HS Volleyball Regional	(1,092.00)			(1,092.00)
HS Soccer Sectional	518.40	4,484.25	3,161.10	1,841.55
Peotone Elem Library	120.45	10.00	14.95	115.50
Student ID Account	4,841.49	2,772.00	1,014.45	6,599.04
Junior High Library	725.29	11,396.90	8,234.61	3,887.58

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
SCHOOL ACTIVITY FUND
STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CASH BALANCES - STUDENT ACTIVITY FUNDS
JUNE 30, 2007

Schedule 5

	Cash Balance June 30, 2006	Receipts	Disbursements	Cash Balance June 30, 2007
FFA/Skills Concessions	445.02	16,425.21	16,358.58	511.65
Conner Shaw Center	3,065.67	11,970.28	10,435.00	4,600.95
HS Science Club	1.75	45.00		46.75
JH Play Activity	1,897.00	1,332.00	608.43	2,620.57
Junior High Track	19.92	580.00		599.92
HS Parking Permits	252.00			252.00
Smiles	25.00			25.00
HS Girls Soccer	326.64	10,166.00	8,776.12	1,716.52
	<u>167,673.48</u>	<u>497,197.31</u>	<u>474,169.61</u>	<u>190,701.18</u>