

Peotone Community Public
School District 207U

Annual Financial Report
and Other Financial Information

June 30, 2008

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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September 18, 2008

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, 2008 as listed in the table of contents. These financial statements are the responsibility of the school district's Board of Education. 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.

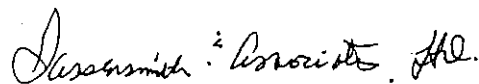
As is more fully described in Note #1, these financial statements were prepared on the cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles.

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, 2008, and its revenue received and expenditures disbursed during the fiscal year then ended, on the basis of accounting described in Note #1.

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

In accordance with Government Auditing Standards, we have also issued a separate report dated September 18, 2008, on our consideration of Peotone Community Public School District No. 207U's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering 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 accompanying schedules listed as "Supplemental Information" in the table of contents 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. The "Supplemental Information" has been subjected to the auditing procedures applied in the audit of the financial statements referred to above and, in our opinion, is fairly stated in all material respects in relation to the financial statements as a whole.



Gassensmith & Associates, Ltd.
Certified Public Accountants

September 18, 2008

Report on Compliance and on Internal Control Over Financial Reporting
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, 2008, and have issued our report thereon dated September 18, 2008. 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.

Compliance

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 grants, 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 that are required to be reported under Government Auditing Standards.

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

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

reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a 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 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.

This report is intended for the information 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

STATEMENT 1

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCES
ARISING FROM CASH TRANSACTIONS - REGULATORY BASIS
JUNE 30, 2008

Assets	Educational	Operations and Maintenance	Bond and Interest	Transportation	Municipal Retirement/Social Security	Working Cash	Fire Prevention and Safety	Trust and Agency Funds	General Fixed Assets	General Long Term Debt	Total (Memorandum Only)
Cash and Cash Equivalents	1,516,503	859,556	1,732,744	297,475	8,788	92,248	4,048	139,706			4,651,068
Investments								75,000			75,000
Loans to Other Funds	166,299										166,299
Other Assets	53	9									62
Land											
Buildings									1,628,948		1,628,948
Improvements other than Buildings									28,374,199		28,374,199
Equipment Other than Trans or Food Service									694,100		694,100
Transportation Equipment									4,002,563		4,002,563
Food Service Equipment									3,085,121		3,085,121
Amounts Available in Debt Service Funds										1,732,744	1,732,744
Amounts to be provided for Payment of Bonds										22,862,256	22,862,256
Amounts to be provided for Payment of Other Long Term Debt										101,474	101,474
Total Assets	1,682,855	859,565	1,732,744	297,475	8,788	92,248	4,048	214,706	37,784,931	24,696,474	67,373,934
Liabilities and Fund Balances											
Liabilities											
Due to Organizations											
Tax Anticipation Warrants Payable											
Bonds Payable		166,299								24,595,000	24,595,000
Loans from Other Funds										101,474	101,474
Other Long-term Liabilities										24,696,474	24,696,474
Total Liabilities	- 0 -	166,299	- 0 -	- 0 -	- 0 -	- 0 -	- 0 -	214,706	- 0 -		25,077,479
Fund Balances:											
Reserved											
Unreserved	1,682,855	693,266	1,732,744	297,475	8,788	92,248	4,048		37,784,931		4,511,424
Investments in General Fixed Assets											37,784,931
Total Fund Balances	1,682,855	693,266	1,732,744	297,475	8,788	92,248	4,048	- 0 -	37,784,931	- 0 -	42,296,355
Total Liabilities and Fund Balances	1,682,855	859,565	1,732,744	297,475	8,788	92,248	4,048	214,706	37,784,931	24,696,474	67,373,834

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

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, 2008

	Educational	Operations and Maintenance	Bond and Interest
Revenue Received:			
Local Sources	7,413,832	1,275,565	3,282,438
State Sources	4,620,860		
Federal Sources	267,820		
Total Direct Receipts	12,302,512	1,275,565	3,282,438
Receipts for On-Behalf Payments	1,063,605		
Total Receipts	13,366,117	1,275,565	3,282,438
Expenditures Disbursed:			
Instruction	10,587,270		
Support Services	1,974,186	1,847,505	
Community Services			
Nonprogrammed Charges	1,143,964		3,497,298
Debt Service	39,501		3,497,298
Total Direct Disbursements	13,744,921	1,847,505	
Disbursements for On-Behalf Payments	1,063,605		
Total Disbursements	14,808,526	1,847,505	3,497,298
Excess (Deficiency) of Receipts Over Disbursements	(1,442,409)	(571,940)	(214,860)
Other Financing Sources:			
Sale of Bonds			
Permanent Transfer of Working Cash - Abatement	2,002,800	532,518	
Other Financing (Uses):			
Permanent Transfer of Working Cash - Abatement			
Total Other Financing Sources and (Uses)	2,002,800	532,518	0
Excess (Deficiency) of Receipts Over Disbursements and Other Financing Sources (Uses)	560,391	(39,422)	(214,860)
Beginning Fund Balance - July 1, 2007	1,122,464	732,688	1,947,604
Changes in Fund Balance	0	0	0
Ending Fund Balance - June 30, 2008	1,682,855	693,266	1,732,744

The accompanying notes are an integral part of these statements

	Transportation	Municipal Retirement/Social Security	Working Cash	Fire Prevention and Safety	Total Memorandum (Only)
	413,264	585,104	92,290	24,026	13,086,519
	773,565				5,394,425
	1,186,829	585,104	92,290	24,026	267,820
					18,748,764
	1,186,829	585,104	92,290	24,026	1,063,605
					19,812,369
	1,630,048	291,065			10,878,335
		286,060			5,737,799
			0	0	1,143,964
	1,630,048	577,125	0	0	3,536,799
					21,296,897
	1,630,048	577,125	0		1,063,605
					22,360,502
	(443,219)	7,979	92,290	24,026	(2,548,133)
			2,402,800		2,402,800
			(2,535,318)		2,535,318
	0	0	(132,518)	0	(2,535,318)
					2,402,800
	(443,219)	7,979	(40,228)	24,026	(145,333)
	740,694	809	132,476	(19,978)	4,656,757
	0	0	0	0	0
	297,475	8,788	92,248	4,048	4,511,424

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF REVENUE RECEIVED - ALL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Statement 3

	Educational	Operations and Maintenance	Bond and Interest
Revenue Received:			
Receipts from Local Sources:			
Ad Valorem Taxes Levied:			
General Levy	6,159,464	1,059,069	3,268,293
Tort Immunity Levy		75,554	
Special Education Levy	144,180		
Social Security/Medicare Levy			
Payments in Lieu of Taxes:			
Corporate Personal Property	372,144		
Replacement Taxes	66,423		
Tuition	32,741	23,102	14,145
Interest on Investments			
Food Services:			
Sales to Pupils	321,883		
Sales to Adults			
Other Food Services			
Pupil Activities	137,862		
Textbooks:			
Regular Textbooks	167,388		
Rentals		20,220	
Contributions from Private Sources		89,915	
Refund of Prior Years' Expenditures			
Local Fees			
Other Local Revenue	11,747	7,705	
Total Receipts from Local Sources	7,413,832	1,275,565	3,282,438

	Transportation	Municipal Retirement/Social Security	Working Cash	Fire Prevention and Safety	Total (Memorandum Only)
	408,632	158,871	91,771		11,146,100
		132,226		24,000	75,554
		292,300			144,180
	3,677	1,707	519	26	156,226
					664,444
					66,423
					75,917
					321,883
					137,862
					167,388
					20,220
					89,915
	955				20,407
	413,264	585,104	92,290	24,026	13,086,519

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

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
STATEMENT OF REVENUE RECEIVED - ALL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

	Educational	Operations and Maintenance	Bond and Interest
Receipts from State Sources:			
Unrestricted Grants-in-Aid:			
General State Aid - Sec 18-8.05	3,430,669		
Restricted Grants-in-Aid:			
Special Education:			
Private Facility	126,214		
Extraordinary	189,606		
Personnel	499,801		
Summer School	6,056		
Transportation Aid:			
Regular/Vocational			
Special Education	221,729		
Early Childhood	47,364		
Reading Improvement Block Grant			
School Safety & Educational Improvement			
Block Grant	70,073		
State Library Grant	1,466		
Other State Funds	27,882		
Total Receipts from State Sources	4,620,860	0	0
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	2,358		
Food Service:			
National School Lunch Program	51,905		
Special Milk Program	11,187		
Title IV - Safe & Drug Free Schools:			
Formula	1,867		
Vocational Education:			
Title II - Eisenhower Professional			
Development	33,194		
Medical Matching	160,033		
Other Federal	7,276		
Total Receipts from Federal Sources	267,820	0	0
Total Direct Receipts	12,302,512	1,275,565	3,282,438

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

	Transportation	Municipal Retirement/ Social Security	Working Cash	Fire Prevention and Safety	Total (Memorandum Only)
					3,430,669
					126,214
					189,606
					499,801
					6,056
	426,263				426,263
	347,302				347,302
					221,729
					47,364
					70,073
					1,466
					27,882
	773,565	0	0	0	5,394,425
					2,358
					51,905
					11,187
					1,867
					33,194
					160,033
					7,276
		0	0	0	267,820
	1,186,829	585,104	92,290	24,026	18,748,764

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, 2008

Statement 4

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Instruction:			
Regular Programs:			
Salaries	5,416,553	5,360,600	(55,953)
Employee Benefits	1,333,571	1,467,548	133,977
Purchased Services	146,558	138,150	(8,408)
Supplies and Materials	449,673	495,050	45,377
Capital Outlay	34,581	45,000	10,419
Other Objects	2,239	3,400	1,161
Total Regular Programs	<u>7,383,175</u>	<u>7,509,748</u>	<u>126,573</u>
Special Education Programs:			
Salaries	1,978,419	1,950,187	(28,232)
Employee Benefits	468,124	421,377	(46,747)
Purchased Services	39,869	48,924	9,055
Supplies and Materials	89,427	93,957	4,530
Capital Outlay	3,898	4,000	102
Tuition			
Total Special Education Programs	<u>2,579,737</u>	<u>2,518,445</u>	<u>(61,292)</u>
Vocational Programs:			
Salaries	133,533	168,300	34,767
Employee Benefits	27,757	42,100	14,343
Purchased Services	910	1,500	590
Supplies and Materials	23,646	23,700	54
Capital Outlay		500	500
Total Vocational Programs:	<u>185,846</u>	<u>236,100</u>	<u>50,254</u>
Interscholastic Programs:			
Salaries	208,251	218,700	10,449
Employee Benefits	37,263	40,900	3,637
Purchased Services	57,973	45,700	(12,273)
Supplies and Materials	38,659	39,000	341
Other Objects			
Total Interscholastic Programs:	<u>342,146</u>	<u>344,300</u>	<u>2,154</u>
Gifted Program:			
Salaries	75,720	65,000	(10,720)
Employee Benefits	20,317	20,800	483
Purchased Services		500	500
Supplies and Materials	329	750	421
Other Objects			
Total Gifted Programs	<u>96,366</u>	<u>87,050</u>	<u>(9,316)</u>
Total Instruction	<u>10,587,270</u>	<u>10,695,643</u>	<u>108,373</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, 2008

Statement 4

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Supporting Services:			
Support Services - Pupils			
Guidance Services:			
Salaries	97,018	98,400	1,382
Employee Benefits	23,121	24,370	1,249
Purchased Services	34,441	35,000	559
Supplies and Materials	<u>1,490</u>	<u>2,500</u>	<u>1,010</u>
Total Guidance Services:	<u>156,070</u>	<u>160,270</u>	<u>4,200</u>
Health Services:			
Salaries	66,626	60,300	(6,326)
Employee Benefits	5,956	7,000	1,044
Purchased Services	859	1,000	141
Supplies and Materials	7,597	10,000	2,403
Other Objects			
Total Health Services:	<u>81,038</u>	<u>78,300</u>	<u>(2,738)</u>
Other Support Services - Pupils:			
Supplies and Materials	<u>4,321</u>	<u>-</u>	<u>(4,321)</u>
Total Support Services - Pupils	<u>241,429</u>	<u>238,570</u>	<u>(2,859)</u>
Support Services - Instructional Staff:			
Improvement of Instructional Services:			
Salaries	149,192	126,000	(23,192)
Employee Benefits	22,083	21,000	(1,083)
Purchased Services	24,868	43,100	18,232
Supplies and Materials	1,981	16,600	14,619
Capital Outlay	1,545	3,000	1,455
Other Objects	<u>15,482</u>	<u>15,000</u>	<u>(15,482)</u>
Total Improvement of Instructional Svc.	<u>215,151</u>	<u>224,700</u>	<u>(5,451)</u>
Educational Media Services:			
Salaries	48,502	49,100	598
Employee Benefits	10,215	11,500	1,285
Purchased Services			
Supplies and Materials	<u>32,978</u>	<u>30,500</u>	<u>(2,478)</u>
Total Educational Media Services	<u>91,695</u>	<u>91,100</u>	<u>(595)</u>
Total Support Services - Instructional Staff	<u>306,846</u>	<u>315,800</u>	<u>(6,046)</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, 2008

Statement 4

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Support Services - General Administration:			
Board of Education Services:			
Salaries	35,988	36,500	512
Employee Benefits	45	100	55
Purchased Services	64,578	58,100	(6,478)
Supplies and Materials		100	100
Other Objects	<u>31,339</u>	<u>29,000</u>	<u>(2,339)</u>
Total Board of Education Services:	<u>131,950</u>	<u>123,800</u>	<u>(8,150)</u>
Executive Administration Services:			
Salaries	105,000	109,200	
Employee Benefits	13,090	15,500	2,410
Purchased Services	1,444	2,000	556
Supplies and Materials	2,708	1,500	(1,208)
Other Objects			
Total Executive Admin Services:	<u>122,242</u>	<u>128,200</u>	<u>1,758</u>
Total Support Services - General Admin.	<u>254,192</u>	<u>252,000</u>	<u>(6,392)</u>
Support Services - School Administration			
Office of the Principal Services:			
Salaries	478,691	516,500	37,809
Employee Benefits	93,121	91,000	(2,121)
Purchased Services	3,111	3,600	489
Supplies and Materials	676	1,250	574
Capital Outlay	1,000	1,000	-
Other Objects	<u>1,000</u>	<u>1,000</u>	<u>(1,000)</u>
Total Office of the Principal Service	<u>577,599</u>	<u>614,350</u>	<u>35,751</u>
Support Services - Business			
Director of Business Support Services:			
Salaries	77,200	69,500	(7,700)
Employee Benefits	1,627	-	(1,627)
Purchased Services	272	500	228
Supplies and Materials	1,043	1,000	(43)
Capital Outlay	3,000	3,000	-
Other Objects	<u>500</u>	<u>500</u>	<u>-</u>
Total Director of Business Support Services	<u>83,642</u>	<u>74,500</u>	<u>(9,142)</u>
Fiscal Services			
Salaries	85,215	94,500	9,285
Employee Benefits	18,246	28,400	10,154
Purchased Services	1,500	1,400	(100)
Supplies and Materials	<u>6,800</u>	<u>6,800</u>	<u>-</u>
Total Fiscal Services	<u>111,761</u>	<u>131,100</u>	<u>19,339</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, 2008

Statement 4

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Operation and Maintenance of			
Plant Services:			
Salaries			
Purchased Services	25,096	27,000	1,904
Supplies and Materials			
Total Operation and Maintenance of			
Plant Services:	<u>25,096</u>	<u>27,000</u>	<u>1,904</u>
Food Services:			
Salaries	151,734	144,500	(7,234)
Employee Benefits	13,656	18,000	4,344
Purchased Services	809	2,000	1,191
Supplies and Materials	205,612	171,000	(34,612)
Capital Outlay			
Other Objects		<u>2,000</u>	<u>2,000</u>
Total Food Services	<u>371,811</u>	<u>337,500</u>	<u>(34,311)</u>
Total Support Services - Business	<u>592,310</u>	<u>570,100</u>	<u>(22,210)</u>
Other Support Services:			
Salaries			
Employee Benefits			
Purchased Services			
Supplies and Materials			
Other Objects	<u>1,810</u>		<u>(1,810)</u>
Total Other Supporting Services:	<u>1,810</u>	<u>0</u>	<u>(1,810)</u>
Total Supporting Services	<u>1,974,186</u>	<u>1,990,820</u>	<u>(3,566)</u>
Nonprogrammed Charges:			
Payments to Other Governmental Units			
(In-state):			
Payments for Special Education Programs:			
Purchased Services	968,198	865,000	(103,198)
Payments for Vocational Education			
Programs:			
Purchased Services	<u>175,766</u>	<u>177,000</u>	<u>1,234</u>
Total Payments to Other Governmental			
Units (In-State):	<u>1,143,964</u>	<u>1,042,000</u>	<u>(101,964)</u>
Debt Service			
Debt Service Interest	<u>39,501</u>		<u>(39,501)</u>
Provision for Contingencies		<u>10,000</u>	<u>10,000</u>
Total Direct Disbursements	<u>13,744,921</u>	<u>13,738,463</u>	<u>(26,658)</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, 2008

Statement 5

	Actual	Budget	Unexpended Budget
Expenditures Disbursed:			
Supporting Services:			
Support Services - Business			
Facilities Acquisition & Construction Services:			
Purchased Services	107,795	100,000	(7,795)
Capital Outlay	135,302	135,000	(302)
Other Objects	10,346	10,500	154
Total Facilities Acquisition & Construction Services	253,443	245,500	(7,943)
Operation and Maintenance of Plant Services:			
Salaries	574,035	557,000	(17,035)
Employee Benefits	101,364	95,000	(6,364)
Purchased Services	379,311	351,200	(28,111)
Supplies and Materials	529,039	508,000	(21,039)
Capital Outlay	10,313	65,000	54,687
Other Objects	10,000	10,000	(10,000)
Total Operation and Maintenance of Plant Services	1,594,062	1,586,200	(27,862)
 Total Support Services - Business	 1,847,505	 1,831,700	 (35,805)
 Provision for Contingencies	 0	 0	 0
 Total Direct Disbursements	 1,847,505	 1,831,700	 (35,805)

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, 2008

Statement 6

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Debt Services:			
Debt Service - Interest:			
Bonds	1,122,413	3,540,000	2,417,587
Debt Service - Bond Principal	2,370,000		(2,370,000)
Debt Service - Other	<u>4,885</u>		<u>(4,885)</u>
 Total Direct Disbursements	 <u>3,497,298</u>	 <u>3,540,000</u>	 <u>42,702</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, 2008

Statement 7

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Supporting Services:			
Support Services - Business			
Pupil Transportation Services:			
Salaries	753,145	723,300	(29,845)
Employee Benefits	27,722	25,000	(2,722)
Purchased Services	69,824	89,100	19,276
Supplies and Materials	408,960	305,500	(103,460)
Capital Outlay	365,293	331,000	(34,293)
Other Objects	5,104	5,000	(104)
Total Support Services - Business	<u>1,630,048</u>	<u>1,478,900</u>	<u>(151,148)</u>
Provision for Contingencies		<u>2,000</u>	<u>2,000</u>
Total Direct Disbursements	<u><u>1,630,048</u></u>	<u><u>1,480,900</u></u>	<u><u>(149,148)</u></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)
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2008

Statement 8

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Instruction:			
Regular Programs:			
Employee Benefits	160,870	158,735	(2,135)
Special Education Programs:			
Employee Benefits	124,822	117,200	(7,622)
Vocation Programs:			
Employee Benefits	960	1,650	690
Interscholastic Programs			
Employee Benefits	3,641	4,800	1,159
Gifted			
Employee Benefits	772	200	(572)
Total Instruction	<u>291,065</u>	<u>282,585</u>	<u>(8,480)</u>
Supporting Services:			
Support Services - Pupils			
Guidance Services:			
Employee Benefits	1,407	1,400	(7)
Health Services:			
Employee Benefits	10,561	10,400	(161)
Other Support Services - Pupils:			
Employee Benefits			
Total Support Services - Pupils	<u>11,968</u>	<u>11,800</u>	<u>(168)</u>
Support Services - Instructional Staff:			
Improvement of Instruction Services:			
Employee Benefits	2,153	1,850	(303)
Educational Media Services:			
Employee Benefits	703	750	47
Total Support Services - Instructional Staff	<u>2,856</u>	<u>2,600</u>	<u>(256)</u>
Support Services - General Administration:			
Board of Education Services:			
Employee Benefits	5,896	6,200	304
Executive Administration Services:			
Employee Benefits	1,523	1,650	127
Total Support Services - General Admin.	<u>7,419</u>	<u>7,850</u>	<u>431</u>
Support Services - School Administration:			
Office of the Principal Services:			
Employee Benefits	5,554	6,800	1,246

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, 2008

Statement 8

	Actual	Budget	Unexpended Budget
Support Services - Business			
Director of Business Support:			
Employee Benefits	10,865	7,800	(3,065)
Fiscal Services:			
Employee Benefits	14,068	15,500	1,432
Operation and Maintenance of Plant Services:			
Employee Benefits	90,225	94,200	3,975
Pupil Transportation Services:			
Employee Benefits	120,514	117,800	(2,714)
Food Services:			
Employee Benefits	22,591	21,200	(1,391)
Total Support Services - Business	258,263	256,500	(1,763)
Other Support Services:			
Employee Benefits			
Total Support Services	286,060	285,550	(510)
Community Services:			
Employee Benefits	_____	_____	_____
Total Direct Disbursements	577,125	568,135	(8,990)

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, 2008

Statement 9

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Support Services:			
Support Services - Business:			
Facilities Acquisition & Construction			
Capital Outlay			
Operation & Maintenance of Plant			
Salaries			
Employee Benefits			
 Total Direct Disbursements	 <u>0</u>	 <u>0</u>	 <u>0</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, 2008

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, 2008

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, 2008

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, 2008

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 \$990,262 has been utilized for the calculation of the per capita tuition charge and accumulated depreciation totaling \$13,053,189 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, 2008

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 17, 2007.

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, 2008

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, 2008

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 2007 levy was passed by the Board on December 17, 2007. 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 \$5,738,894 from the 2007 tax levy prior to June 30, 2008. The balance of taxes shown in these financial statements are from the 2006 and prior tax levies.

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

	Maximum	Actual 2007	Actual 2006
	<u>Rate</u>	<u>Rate</u>	<u>Rate</u>
Educational	4.0000	1.6939	1.8237
Operations & Maintenance	.7500	.2911	.3092
Transportation	None	.1154	.1178
Bond and Interest	None	.9241	.9410
Municipal Retirement	None	.0424	.0484
Social Security	None	.0366	.0389
Tort Immunity	None	.0180	.0253
Special Education	.8000	.0181	.0192
Working Cash	.0500	.0254	.0270
Lease Purchases	1.0000	<u>.0241</u>	<u>.0208</u>
Total		<u>3.1891</u>	<u>3.3713</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

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 \$75,554 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 \$144,180 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, 2008

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, 2008, the carrying amount of the District's deposits with financial institutions, which includes demand deposits, savings accounts, repurchase agreements and certificates of deposits was \$4,511,193 and the bank balance was \$4,807,885. As of June 30, 2008, 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	4,111,193	4,407,885
Category #3	-0-	-0-
Category #4	-0-	-0-
	<u>\$4,511,193</u>	<u>\$4,807,885</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

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, 2008, the district had no investments.

Note #5 Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	Balance July 1, <u>2007</u>	<u>Additions</u>	<u>Deletions*</u>	Balance June 30, <u>2008</u>
Land	1,603,948	25,000		1,628,948
Buildings	28,374,199			28,374,199
Improvements Other Than Buildings	683,787	10,313		694,100
Transportation Equip.	2,886,602	198,519		3,085,121
Equipment Other than Transportation/Food Service	<u>3,958,539</u>	<u>44,024</u>	<u> </u>	<u>4,002,563</u>
Totals	<u>37,507,075</u>	<u>277,856</u>	<u>- 0 -</u>	<u>37,784,931</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, 2008

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 funding 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, 2008 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. The active member contribution rate was also 9.4 percent for the years ended June 30, 2007 and 2006.

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

On-behalf contributions to TRS. The State of Illinois makes employer pension contributions on behalf of the district. For the year ended June 30, 2008, State of Illinois contributions were based on 13.11 percent of creditable earnings not paid from federal funds, and the district recognized revenue and expenditures of \$1,063,605 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2007 and June 30, 2006, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 9.78 (\$743,013) and 7.06 percent (\$511,690), respectively.

The state contributions for the year ended June 30, 2008 were based on an actuarial formula. 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.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note #6 Retirement Fund Commitments (continued)

A. Teachers' 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 total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2008 were \$47,055. Contributions for the years ended June 30, 2007 and June 30, 2006 were \$44,064 and \$42,037, respectively.

Federal and special 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 special trust funds will be the same as the state contribution rate to TRS.

For the year ended June 30, 2008, the employer pension contribution was 13.11 percent of salaries paid from federal and special trust funds. For the year ended June 30, 2007 and 2006, the employer contribution was 9.78 and 7.06 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2008, salaries totaling \$0 were paid from federal and special trust funds that required employer contributions of \$0. For the years ended June 30, 2007 and June 30, 2006, 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, 2008

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 met certain conditions and retire on or before July 1, 2007. If members did 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 qualified for the Pipeline ERO).

Under the Pipeline ERO, the maximum employer contribution was 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, 2008, the district paid \$0 to TRS for employer contributions under the Pipeline ERO and Modified ERO programs. For the years ended June 30, 2007 and June 30, 2006, 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 additional 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, 2008, the district paid \$0 to TRS for employer contributions due on salary increases in excess of 6 percent. For the year ended June 30, 2007 and June 30, 2006, the district paid \$0 and \$0 to TRS for employer contributions due on salary increases in excess of 6 percent, respectively.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

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 as TRS service credit, the employer makes a contribution to TRS. The contribution is based on the number of excess sick leave days used as service credit, the highest salary used to calculate final average salary, and the TRS total normal cost rate (17.62 percent of salary during the year ended June 30, 2008).

For the year ended June 30, 2008, the district paid \$0 to TRS for sick leave days granted in the excess of the normal annual allotment. For the years ended June 30, 2007 and June 30, 2006, the district paid \$0 and \$0 in employer contributions for sick leave days, respectively.

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, 2007. The report for the year ended June 30, 2008, is expected to be available in late 2008.

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. THIS Fund

The district participates in the Teacher Health Insurance Security (THIS) Fund, a cost-sharing, multiple-employer defined benefit postemployment healthcare plan that was established by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago. The THIS Fund provides medical, prescription and behavioral health benefits, but does not provide vision, dental or life assurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants may participate in the state administered participating provider option plan or choose from several managed care options.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note #6 Retirement Fund Commitments (continued)

Note

B. THIS Fund (continued)

C.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provision of THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. The Illinois Department of Healthcare and Family Services (HFS) and the Illinois Department of Central Management Services (CMS) administer the plan with the cooperation of TRS. The director of HFS determines the rates and premiums for annuitants and dependent beneficiaries and establishes the cost-sharing parameters. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to the TRS who are not employees of the state make a contribution to THIS.

The percentage of employer required contributions in the future will be determined by the director of Healthcare and Family Services and will not exceed 105 percent of the percentage of salary actually required to be paid in the previous fiscal year.

▶ **On behalf contributions to THIS Fund.** The State of Illinois makes employer retiree health insurance contributions on behalf of the district. State contributions are intended to match contributions to THIS Fund from active members which were 0.84 percent of pay during the year ended June 30, 2008. State of Illinois contributions were \$68,149 and the district recognized revenue and expenditures of this amount during the year.

▶ **Employer contributions to THIS Fund.** The district also makes contributions to THIS Fund. The employer THIS Fund contribution was .63 percent during the year ended June 30, 2008 and 0.60 percent during the years ended June 30, 2007 and 2006. For the year ended June 30, 2008, the district paid \$51,111 to the THIS Fund.

Further information on THIS Fund. The publicly available financial report of the THIS Fund may be obtained by writing to the Department of Healthcare and Family Services, 201 South Grand Ave, Springfield, IL 62763-3838.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS -
JUNE 30, 2008

Note #6 Retirement Fund Commitments (continued)

C. 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 2007 was 8.97% 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 amortized on open basis). The remaining amortization period at December 31, 2007 was 25 years.

For December 31, 2007, the District's annual pension cost of \$235,785 was equal to the District's required and actual contributions. The required contribution was determined as part of the December 31, 2005 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 0.4% to 10.0% 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 2007 actuarial valuation were based on the 2002-2004 experience study.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note #6 Retirement Fund Commitments (continued)

C. Illinois Municipal Retirement Fund (continued)

TREND INFORMATION

Actuarial Valuation <u>Date</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
12/31/07	235,785	100%	\$0
12/31/06	221,489	100%	0
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	86,739	100%	0
12/31/97	77,444	100%	0

Note #7 Long-Term Debt

As of June 30, 2008, the District had long-term debt outstanding in the amount of \$24,696,474. 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, 2009 is due on March 17, 2009 in the amount of \$105,787. The current principal balance is \$101,474.

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 \$24,595,000.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note #7 Long-Term Debt (continued)

During the year ended June 30, 2008, the following transactions occurred in the General Long-Term Debt Account Group:

	Balance July 1, <u>2007</u>	<u>Proceeds</u>	<u>Decrease</u>	Balance June 30, <u>2008</u>
Series 2000A	300,000			300,000
Series 2000C	655,000		50,000	605,000
Series 2000D	1,105,000			1,105,000
Series 2002A	8,705,000			8,705,000
Series 2002B	190,000			190,000
Series 2003B	105,000		105,000	-
Series 2005	3,355,000			3,355,000
Series 2005B	4,305,000			4,305,000
Series 2006B	110,000		110,000	-
Series 2006C	1,840,000			1,840,000
Series 2007A	2,400,000		2,040,000	360,000
Series 2007B	1,495,000		65,000	1,430,000
Series 2007C	-	2,400,000		2,400,000
Total	24,565,000	2,400,000	2,370,000	24,595,000

The annual debt service requirements to maturity, including principal and interest, for long-term debt as of June 30, 2008 are as follows:

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>	<u>Fiscal Debt Service</u>
10/01/08	1,900,000.00	66,733.33	1,966,733.33	
11/01/08	410,000	524,566.88	934,566.88	
04/01/09		10,708.33	10,708.33	
05/01/09		515,916.87	515,916.87	3,427,925.41
10/01/09	500,000	12,500.00	512,500.00	
11/01/09	60,000	515,916.88	575,916.88	
05/01/10		514,204.37	514,204.37	1,602,621.25
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, 2008

Note #7 Long-Term Debt (continued)

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt</u> <u>Service</u>	<u>Fiscal Debt</u> <u>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>24,595,000</u>	<u>9,957,379.79</u>	<u>34,552,379.79</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, 2008, the District's legal debt limit was \$51,194,790. Qualifying outstanding debt as of June 30, 2008 totaled \$24,696,474, leaving a debt margin of \$26,498,316.

Note #8 Tax Anticipation Warrants

There were \$900,000 in outstanding tax anticipation warrants beginning July 1, 2007. \$900,000 were retired July 1, 2007 through June 30, 2008. The outstanding tax anticipation warrants were \$0 at June 30, 2008.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

Note #9 Interfund Loans and Transfers

There was one interfund loans during the year ended June 30, 2008.

The District made the following loans during the year ended June 30, 2008:

<u>From</u>	<u>To</u>	
Education	Operations & Maintenance	\$166,299

The above loan 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, 2008, disbursements exceeded amounts budgeted in the following funds:

	<u>Expenditures</u>	
	<u>Budget</u>	<u>Actual</u>
Education Fund	13,738,463	13,747,921
Operations & Maintenance	1,831,700	1,847,505
Transportation Fund	1,478,900	1,630,048
IMRF Fund	568,135	577,125

Note #12 Deficit Fund Balances

As of June 30, 2008, the District had no deficit fund balances.

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT NO. 207U
WILL COUNTY, ILLINOIS
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2008

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, 2008, 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, 2008

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]
12/31/07	4,080,747	4,102,237	21,490	99.48%	2,628,597	0.82%
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%

On a market value basis, the actuarial value of assets as of December 31, 2007 is \$4,336,801. On a market basis, the funded ratio would be 105.72%.

* Digest of Changes

The actuarial assumptions used to determine the actuarial accrued liability for 2007 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.

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, 2008

Schedule 1

Year Ending June 30	Series 2000A		Series 2000C		Series 2000D	
	Principal	Interest	Principal	Interest	Principal	Interest
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>147,415</u>	<u>605,000</u>	<u>124,739</u>	<u>1,105,000</u>	<u>571,060</u>

Year Ending June 30	Series 2002A		Series 2002B		Series 2005	
	Principal	Interest	Principal	Interest	Principal	Interest
2009		415,522		7,819		129,870
2010		415,522		7,819		129,870
2011		415,522		7,819		129,870
2012	100,000	413,398	75,000	6,272		129,870
2013	110,000	409,004	90,000	2,868	145,000	126,970
2014	205,000	401,610	25,000	506	230,000	119,470
2015	215,000	391,110			290,000	109,070
2016	335,000	377,360			340,000	97,150
2017	465,000	357,360			410,000	83,445
2018	505,000	333,110			465,000	67,025
2019	525,000	307,360			540,000	47,795
2020	820,000	275,375			935,000	18,700
2021	2,590,000	196,298				
2022	2,835,000	68,043				
Total	<u>8,705,000</u>	<u>4,776,594</u>	<u>190,000</u>	<u>33,103</u>	<u>3,355,000</u>	<u>1,189,105</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, 2008

Schedule 1

Year Ending June 30	Series 2005B		Series 2006C		Series 2007A	
	Principal	Interest	Principal	Interest	Principal	Interest
2009		192,562		98,440	360,000	7,200
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>1,499,457</u>	<u>1,840,000</u>	<u>1,070,803</u>	<u>360,000</u>	<u>7,200</u>

Year Ending June 30	Series 2007B		Series 2007C	
	Principal	Interest	Principal	Interest
2009		78,105	1,900,000	75,483
2010		78,105	500,000	8,750
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>1,430,000</u>	<u>447,968</u>	<u>2,400,000</u>	<u>84,233</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
 WILL COUNTY, ILLINOIS
 SCHEDULE OF TAXES EXTENDED AND COLLECTED
 JUNE 30, 2008

Schedule 2

	Educational Levy	Special Education Levy	Tort Immunity Levy	Operations & Maintenance Levy
<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
Taxes Collected	<u>5,903,465</u>	<u>129,659</u>	<u>81,871</u>	<u>1,000,783</u>
<u>2007 Levy</u>				
Assessed Valuation	370,976,741			
Tax Rate per \$100	<u>1.6939</u>	<u>0.0422</u>	<u>0.0180</u>	<u>0.2911</u>
Taxes Extended	6,282,789	156,523	66,763	1,079,710
Advance Taxes Received Prior to June 30, 2008	<u>3,048,148</u>	<u>76,094</u>	<u>32,391</u>	<u>523,830</u>
Taxes Receivable	<u>3,234,641</u>	<u>80,429</u>	<u>34,372</u>	<u>555,880</u>

	Bond and Interest Levy	Trans- portation Levy	Municipal Retirement Levy	Social Security Levy	Working Cash Levy	Total All Levies
	<u>0.9410</u>	<u>0.1178</u>	<u>0.0484</u>	<u>0.0389</u>	<u>0.0270</u>	<u>3.3713</u>
	3,094,231	382,347	157,093	126,259	87,635	<u>10,942,153</u>
	<u>3,045,855</u>	<u>381,094</u>	<u>140,710</u>	<u>125,718</u>	<u>87,351</u>	<u>10,896,506</u>
	<u>0.9241</u>	<u>0.1154</u>	<u>0.0424</u>	<u>0.0366</u>	<u>0.0254</u>	<u>3.1891</u>
	3,427,549	428,026	157,265	135,752	94,210	<u>11,828,587</u>
	<u>1,662,904</u>	<u>207,651</u>	<u>76,298</u>	<u>65,861</u>	<u>45,707</u>	<u>5,738,894</u>
	<u>1,764,645</u>	<u>220,365</u>	<u>80,967</u>	<u>69,891</u>	<u>48,503</u>	<u>6,089,693</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
SCHEDULE OF LEGAL DEBT MARGIN
JUNE 30, 2008

Schedule 3

Assessed Valuation as of January 1, 2007	370,976,741
Debt Limitation Percentage	13.8%
Debt Limitation	<u>51,194,790</u>
Total Bonded Indebtedness Subject to Debt Limitation Provisions	24,595,000
Other Indebtedness Subject to Debt Limitation Provisions Notes Payable	<u>101,474</u>
Total Indebtedness Subject to Debt Limitation Provisions	<u>24,696,474</u>
Legal Debt Margin	<u>26,498,316</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, 2008

Schedule 4

	<u>TRUST AND AGENCY</u>
<u>ASSETS</u>	
Cash	<u>214,706</u>
<u>LIABILITIES</u>	
Due to Organizations	214,706
Fund Balance - Unreserved	<u> </u>
Total Liabilities and Fund Equity	<u>214,706</u>

PEOTONE COMMUNITY PUBLIC SCHOOL DISTRICT 207U
WILL COUNTY, ILLINOIS
SCHOOL ACTIVITY FUND

Schedule 5

STATEMENT OF REVENUE COLLECTED, EXPENDITURES PAID AND
CASH BALANCES - STUDENT ACTIVITY FUNDS
JUNE 30, 2008

	Cash Balance June 30, 2007	Receipts	Disbursements	Cash Balance June 30, 2008
Class of 2011	-	1,304.00	655.50	648.50
Class of 2010	1,033.00	4,890.00	2,940.00	2,983.00
Class of 2009	2,806.35	18,680.00	21,138.10	348.25
Class of 2008	1,458.35	1,412.00	2,370.35	500.00
Class of 2007	500.00			500.00
Class of 2006	500.87			500.87
Class of 2005	2,016.72			2,016.72
Class of 2004	-			-
IHSA Music Contest	130.75			130.75
Prom	8,769.41			8,769.41
Foreign Language	847.34	12,412.62	13,124.97	134.99
FFA	4,528.24	34,201.58	31,466.02	7,263.80
FCCLA	402.05			402.05
FFA/FCCLA Concessions	136.14			136.14
HS Golf	2.46	3,210.00	2,970.00	242.46
Earth Day	533.80			533.80
Boys Regional Baseball	(843.00)		314.17	(1,157.17)
Skills USA	1,984.16	5,755.40	7,136.24	603.32
HS American Studies Class	90.92			90.92
HS Bowling	338.39	636.00	636.00	338.39
HS Boys Baseball	4,509.53	4,509.17	6,258.87	2,759.83
HS Boys Basketball Team	5,568.89	5,066.40	5,480.37	5,154.92
HS Boys Basketball Summer	-	4,550.00	4,550.00	-
Soccer Tournament	4,306.36	4,898.00	7,318.54	1,885.82
Industrial Tech Resale	4,367.74	5,143.25	6,361.83	3,149.16
HS PE Department	93.83			93.83
HS Track	1,385.19	6,015.65	5,388.95	2,011.89
HS BB Cheerleaders	97.84	18,343.38	18,020.13	421.09
HS Girls BB team	1,818.40	6,779.09	5,938.43	2,659.06
HS Girls Sectional Basketbal	479.83			479.83
HS Girls Reg Tournament	5,157.59	50.00	1,961.81	3,245.78
HS Girls Volleyball Team	2,962.36	3,611.58	3,695.88	2,878.06

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, 2008

Schedule 5

	Cash Balance June 30, 2007	Receipts	Disbursements	Cash Balance June 30, 2008
HS Girls Softball	1,032.42	5,742.50	5,847.23	927.69
HS Reg Wrestlers Tourname:	1,694.25	2,547.00	1,978.50	2,262.75
HS Student Council	3,247.90	24,942.62	24,689.84	3,500.68
Boys Regional Basketball	1,085.95			1,085.95
Intramural	23.58			23.58
HS Dance Team	1,731.09	30,128.31	23,021.81	8,837.59
Lettermen	2,676.44	7,223.68	8,715.05	1,185.07
HS Yearbook	3,265.34	21,515.91	19,622.70	5,158.55
HS Band	346.86	11,490.50	11,416.36	421.00
HS Choir	1,941.56		68.58	1,872.98
HS Show Choir	727.62			727.62
National Honor Society	443.31	3,505.00	3,264.46	683.85
Newspaper	306.17	512.05	661.77	156.45
HS Football	928.85	26,246.00	20,045.33	7,129.52
PHS Pop Fund	2,411.21	8,196.18	5,498.39	5,109.00
Performing Arts	6,080.29	11,630.39	12,074.39	5,636.29
Radio	85.04			85.04
Special Ed	220.24	15.10		235.34
Thespians	241.73	956.95	986.20	212.48
Football Playoffs	2,592.71	850.00	2,335.98	1,106.73
HS Wrestlers	2,280.08	2,288.58	2,558.93	2,009.73
Scholastic Bowl	562.54	414.00	544.42	432.12
Operation Future	15.64			15.64
Tech Prep	45.00			45.00
JH Athletic Activities	1,020.09	8,505.41	9,927.97	(402.47)
JH Activities Account	4,273.94	39,362.93	39,145.73	4,491.14
JH Cheerleaders	708.00			708.00
JH Band	319.57	1,170.17	401.14	1,088.60
JH Chorus	1,653.84			1,653.84
JH English	2.69			2.69
JH Science	803.95	389.00	176.97	1,015.98
JH Student Council	80.40	247.00	250.00	77.40

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JH Video	14,328.95	14,447.15	19,069.69	9,706.41
JH Kan/Will	-	848.44	848.44	-
HS Volleyball Summer Camj	-	2,760.00	2,760.00	-
HS Recycling 3	-	54.23	35.00	19.23
Peotone Elementary	7,865.49	3,329.27	2,974.10	8,220.66
Peotone Elem Yearbook	-			-
Peotone Elem Sunshine	100.00			100.00
Peotone Elem PTO Media	1.33			1.33
Peotone Elem Faculty	100.47	3,576.40	3,489.76	187.11
Green Garden Elementary	267.79	831.35	1,099.14	-
Green Garden Faculty Fund	430.68	1,352.84	1,416.09	367.43
Green Garden Sunshine	26.64	690.00	231.95	484.69
Wilton Center Elem Faculty	517.70	900.92	910.77	507.85
Wilton Center Elem School	303.77	225.50	484.67	44.60
General Fund	3,005.81	39,959.96	37,905.26	5,060.51
Interest	6,410.18	5,437.36	4,807.48	7,040.06
Gym Suits	4,663.88	11,779.60	15,089.83	1,353.65
Career Center	1,232.50			1,232.50
Student Insurance	1,306.50			1,306.50
Booster Club	26,239.68	37,426.00	32,621.55	31,044.13
High School Staff	800.04	735.00	433.50	1,101.54
Lambert Fund	0.20	250.00		250.20
B Starkey Football Memor	1,274.20			1,274.20
HS Captains	82.11			82.11
HS Tad	385.71	750.00	336.69	799.02
River Valley Conference	497.16			497.16
Yearbook Andriano	(1,068.22)			(1,068.22)
Computer P/R Fund	639.60	2,145.44	1,247.03	1,538.01
Calculator Fund	(692.09)			(692.09)
WC/GG Library	-	163.63	10.95	152.68
WYSE	204.02			204.02
HS AP & Proctor	-	6,384.00	5,776.00	608.00

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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	791.96	68.20	320.75	539.41
HS Volleyball Regional	(1,092.00)			(1,092.00)
HS Soccer Sectional	1,841.55	1,936.00	4,479.57	(702.02)
Peotone Elem Library	115.50	203.95	186.76	132.69
HS Girls BKB Summer Cmp	-	2,990.00	2,390.00	600.00
Student ID Account	6,599.04	4,366.50	3,548.39	7,417.15
JH IESA State Series	-	1,692.00	1,348.77	343.23
Junior High Library	3,887.58	9,334.16	8,752.18	4,469.56
FFA/Skills Concessions	511.65	15,398.32	15,510.57	399.40
HS Football Summer Camp	-	2,295.00		2,295.00
Conner Shaw Center	4,600.95	11,174.15	8,246.06	7,529.04
HS Science Club	46.75	8.50		55.25
JH Play Activity	2,620.57	679.00	1,225.18	2,074.39
Junior High Track	599.92	1,760.00	1,777.25	582.67
HS Parking Permits	252.00	9,572.00	562.56	9,261.44
Smiles	25.00			25.00
HS Girls Soccer	1,716.52	2,723.50	2,736.86	1,703.16
	<u>190,701.18</u>	<u>547,595.77</u>	<u>523,590.71</u>	<u>214,706.24</u>