

Peotone Community Unit  
School District 207U

Annual Financial Report

Peotone, Illinois

June 30, 2014

**RECEIVED**  
SEP 22 2014

BY:.....



PEOTONE COMMUNITY UNIT  
SCHOOL DISTRICT 207U  
PEOTONE, ILLINOIS

TABLE OF CONTENTS  
JUNE 30, 2014

	<u>Page No.</u>
<u>Financial Section</u>	
Independent Auditors' Report	1 - 3
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <u>Government Auditing Standards</u>	4 - 5
<u>Basic Financial Statements</u>	
<u>Statement</u>	
Statement of Assets, Liabilities and Fund Balances Arising from Cash Transactions - Regulatory Basis	1      6 - 7
Statement of Revenue Received, Expenditures Disbursed, Other Financing Sources (Uses) and Changes in Fund Balances - All Funds	2      8 - 9
Statement of Revenue Received - All Funds	3      10 - 13
Statement of Expenditures Disbursed (and Comparison with Budget)	
Educational Fund	4      14 - 19
Operations and Maintenance Fund	5      20
Debt Services Fund	6      21
Transportation Fund	7      22
Municipal Retirement/Social Security Fund	8      23 - 24
Tort Fund	9      25
Notes to Financial Statements	26 - 50
<u>Other Information</u>	
Illinois Municipal Retirement - Schedule of Funding Progress	51



PEOTONE COMMUNITY UNIT  
SCHOOL DISTRICT 207U  
PEOTONE, ILLINOIS

TABLE OF CONTENTS  
JUNE 30, 2014

<u>Supplemental Information</u>	<u>Schedule</u>	<u>Page No.</u>
Detailed Schedule of General Long-Term Debt of the District	1	52 - 53
Schedule of Taxes Extended and Collected	2	54 - 55
Schedule of Legal Debt Margin	3	56
Statement of Assets, Liabilities and Fund Balances - Trust and Agency Fund	4	57
Statement of Revenue Received and Expenditures Disbursed - Trust and Agency Fund	5	58 - 61
 <u>Federal Awards Section</u>		
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133		62 - 64
Schedule of Expenditures of Federal Awards		65
Notes to the Schedule of Expenditures of Federal Awards		66
Summary of Findings and Questionable Costs		67 - 68
Summary Schedule of Prior Year Findings		69



**Independent Auditors' Report**

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

We have audited the accompanying basic financial statements of Peotone Community Unit School District 207U (District), Peotone, Illinois, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Illinois State Board of Education. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express 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 involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial

To The Board of Education  
Peotone Community Unit  
School District 207U

statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described more fully in Note #1, the District has prepared these financial statements using accounting practices prescribed or permitted by the Illinois State Board of Education, which practices differ from accounting principles generally accepted in the United States of America. Also, as described in Note #1, the District prepares its financial statements on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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.

#### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District as of June 30, 2014, or changes in financial position for the fiscal year then ended.

#### **Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the assets and liabilities arising from cash transactions of the District as of June 30, 2014, its revenue received and expenditures disbursed during the fiscal year then ended, on the basis of accounting described in Note #1.

#### **Other Reporting Required by Government Auditing Standards**

In accordance with Government Auditing Standards, we have also issued a report dated September 17, 2014, on our consideration of the District's internal control over financial reporting and on our test of its compliance with certain provisions of laws, regulations, contracts

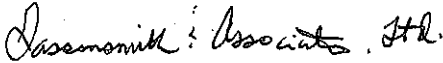


To The Board of Education  
Peotone Community Unit  
School District 207U

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 or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

### **Other Matters**

Our audit was conducted 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 purposes of additional analysis and are not a required part of the financial statements. The "Supplementary Information" is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

  
Gassensmith & Associates, Ltd.  
Certified Public Accountants

September 17, 2014

Independent Auditors' 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 Unit School  
District 207U  
Peotone, Illinois

We have audited, in accordance with the 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, the basic financial statements of Peotone Community Unit School District 207U (District) as of and for the year ended June 30, 2014, and have issued our report thereon dated September 17, 2014. Our opinion was adverse because the financial statements are not prepared in accordance with generally accepted accounting principles. However, the financial statements were found to be fairly stated on the cash basis of accounting, in accordance with regulatory reporting requirements established by the Illinois State Board of Education, which is a comprehensive basis of accounting other than generally accepted accounting principles.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* 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 and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and

To the Board of Education  
Peotone Community Unit School District 207U

corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

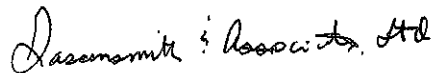
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

  
Gassensmith & Associates, Ltd.  
Certified Public Accountants

September 17, 2014

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 200U  
WILL COUNTY, ILLINOIS  
STATEMENT OF REVENUE RECEIVED - ALL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Debt Services</u>
Revenue Received:			
Revenue from Local Sources			
Ad Valorem Taxes Levied By Local Education Agency			
Designated Purpose Levies	7,261,315	1,272,023	4,230,333
Leasing Levy	103,569	-	-
Special Education Levy	75,791	-	-
Social Security/Medicare Only Levy	-	-	-
Payments In Lieu Of Taxes			
Corporate Personal Property Replacement Taxes	544,298	-	-
Tuition			
Regular Tuition From Pupils Or Parents (In State)	48,315	-	-
Adult - Tuition From Other Sources (Out Of State)	-	-	-
Transportation Fees			
Regular Transportation Fees From Other Leas (In State)	-	-	-
Earnings On Investments			
Interest On Investments	914	2	-
Food Service			
Sales To Pupils - Lunch	99,895	-	-
Sales To Pupils - A La Carte	67,985	-	-
District/School Activity Income			
Admissions - Athletic	26,196	-	-
Admissions - Other	31,125	-	-
Fees	176,180	-	-
Textbook Income			
Rentals - Regular Textbook	78,430	-	-
Other Revenue From Local Sources			
Rentals	-	46,107	-
Contributions And Donations From Private Sources	-	32,218	-
Drivers' Education Fees	18,842	-	-
Other Local Revenues	38,013	1,934	-
Total Revenue From Local Sources	<u>8,570,868</u>	<u>1,352,284</u>	<u>4,230,333</u>

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

## Statement 3

<u>Transportation</u>	<u>Municipal Retirement/ Social Security</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>Tort</u>	<u>Fire Prevention and Safety</u>	<u>Total (Memorandum Only)</u>
502,124	241,600	-	164,692	322,095	-	13,994,182
-	-	-	-	-	-	103,569
-	-	-	-	-	-	75,791
-	288,238	-	-	-	-	288,238
-	60,477	-	-	-	-	604,775
-	-	-	-	-	-	48,315
-	-	-	-	-	-	-
5,800	-	-	-	-	-	5,800
-	-	-	3,008	-	2	3,926
-	-	-	-	-	-	99,895
-	-	-	-	-	-	67,985
-	-	-	-	-	-	26,196
-	-	-	-	-	-	31,125
-	-	-	-	-	-	176,180
-	-	-	-	-	-	78,430
-	-	-	-	-	-	46,107
-	-	-	-	-	-	32,218
3,320	-	-	-	-	-	22,162
29,856	-	-	-	-	-	69,803
<u>541,100</u>	<u>590,315</u>	<u>-</u>	<u>167,700</u>	<u>322,095</u>	<u>2</u>	<u>15,774,697</u>

(Continued)

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 200U  
WILL COUNTY, ILLINOIS  
STATEMENT OF REVENUE RECEIVED - ALL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Educational</u>	<u>Operations and Maintenance</u>	<u>Debt Services</u>
Revenue From State Sources			
Unrestricted Grants-In-Aid			
General State Aid - Sec. 18-8.05	900,642	-	-
Restricted Grants-In-Aid			
Special Education - Private Facility Tuition	303,288	-	-
Special Education - Extraordinary	286,096	-	-
Special Education - Personnel	517,193	-	-
Special Education - Summer School	1,998	-	-
CTE - Agriculture Education	1,573	-	-
State Free Lunch And Breakfast	1,069	-	-
Driver Education	18,800	-	-
Transportation - Regular/Vocational	-	-	-
Transportation - Special Education	-	-	-
School Infrastructure - Maintenance	-	39,618	-
Other Restricted Revenue From State Sources	1,381	-	-
Total Receipts From State Sources	<u>2,032,040</u>	<u>39,618</u>	<u>-</u>
Revenue From Federal Sources			
Restricted Grants-In-Aid Received From Federal Government			
Thru The State			
National School Lunch Program	74,814	-	-
Special Milk Program	4,620	-	-
Title I - Low Income	199,929	-	-
Federal - Special Education - Preschool Flow - Through	10,813	-	-
Federal - Special Education - IDEA - Flow Through /			
Low Incidence	227,112	-	-
Federal - Special Education - IDEA - Room And Board	82,452	-	-
Title II - Eisenhower - Professional Development Formula	27,221	-	-
Medicaid Matching Funds - Administrative Outreach	24,725	-	-
Medicaid Matching Funds - Fee-For-Service Program	22,355	-	-
Other Restricted Revenue From Federal Sources	16,970	-	-
Total Receipts From Federal Sources	<u>691,011</u>	<u>-</u>	<u>-</u>
Total Direct Receipts	<u>11,293,919</u>	<u>1,391,902</u>	<u>4,230,333</u>

The accompanying notes are an integral part of these statements.

Statement 3

<u>Transportation</u>	<u>Municipal Retirement/ Social Security</u>	<u>Capital Projects</u>	<u>Working Cash</u>	<u>Tort</u>	<u>Fire Prevention and Safety</u>	<u>Total (Memorandum Only)</u>
-	-	-	-	-	-	900,642
-	-	-	-	-	-	303,288
-	-	-	-	-	-	286,096
-	-	-	-	-	-	517,193
-	-	-	-	-	-	1,998
-	-	-	-	-	-	1,573
-	-	-	-	-	-	1,069
-	-	-	-	-	-	18,800
491,207	-	-	-	-	-	491,207
508,234	-	-	-	-	-	508,234
-	-	-	-	-	-	39,618
-	-	-	-	-	-	1,381
<u>999,441</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,071,099</u>
-	-	-	-	-	-	74,814
-	-	-	-	-	-	4,620
-	-	-	-	-	-	199,929
-	-	-	-	-	-	10,813
-	-	-	-	-	-	227,112
-	-	-	-	-	-	82,452
-	-	-	-	-	-	27,221
-	-	-	-	-	-	24,725
-	-	-	-	-	-	22,355
-	-	-	-	-	-	16,970
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>691,011</u>
<u>1,540,541</u>	<u>590,315</u>	<u>-</u>	<u>167,700</u>	<u>322,095</u>	<u>2</u>	<u>19,536,807</u>

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF EXPENDITURES DISBURSED  
(AND COMPARISON WITH BUDGET)  
EDUCATIONAL FUND  
JUNE 30, 2014

Statement 4

Expenditures Disbursed:	Actual	Budget	Unexpended Budget
<b>Instruction</b>			
<b>Regular Programs</b>			
Salaries	4,410,778	4,086,175	(324,603)
Employee Benefits	1,024,488	1,417,505	393,017
Purchased Services	131,701	122,000	(9,701)
Supplies And Materials	182,762	217,050	34,288
Other Objects	1,000	1,000	-
Termination Benefits	-	7,500	7,500
<b>Total Regular Programs</b>	<u>5,750,729</u>	<u>5,851,230</u>	<u>100,501</u>
<b>Pre-K Programs</b>			
Salaries	46,354	39,250	(7,104)
Employee Benefits	-	11,800	11,800
Purchased Services	-	200	200
<b>Total Pre-K Programs</b>	<u>46,354</u>	<u>51,250</u>	<u>4,896</u>
<b>Special Education Programs</b>			
Salaries	1,802,497	1,611,210	(191,287)
Employee Benefits	570,667	505,350	(65,317)
Purchased Services	81,948	36,200	(45,748)
Supplies And Materials	82,559	43,000	(39,559)
Capital Outlay	-	200	200
<b>Total Special Education Programs</b>	<u>2,537,671</u>	<u>2,195,960</u>	<u>(341,711)</u>
<b>Vocational Programs</b>			
Salaries	178,742	180,700	1,958
Employee Benefits	50,784	51,500	716
Purchased Services	500	1,500	1,000
Supplies And Materials	18,016	29,400	11,384
<b>Total Vocational Programs</b>	<u>248,042</u>	<u>263,100</u>	<u>15,058</u>
<b>Interscholastic Programs</b>			
Salaries	129,886	133,500	3,614
Employee Benefits	37,614	39,500	1,886
Purchased Services	107,902	111,700	3,798
Supplies And Materials	30,748	29,400	(1,348)
<b>Total Interscholastic Programs</b>	<u>306,150</u>	<u>314,100</u>	<u>7,950</u>

The accompanying notes are an integral part of these financial statements



PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF EXPENDITURES DISBURSED  
(AND COMPARISON WITH BUDGET)  
EDUCATIONAL FUND  
JUNE 30, 2014

Statement 4  
(continued)

Expenditures Disbursed:	Actual	Budget	Unexpended Budget
Gifted School Programs			
Salaries	1,621	-	(1,621)
Employee Benefits	215	-	(215)
Total Gifted School Programs	<u>1,836</u>	<u>-</u>	<u>(1,836)</u>
Driver's Education Programs			
Salaries	35,199	36,650	1,451
Employee Benefits	9,251	9,350	99
Supplies And Materials	4,257	2,500	(1,757)
Total Driver's Education Programs	<u>48,707</u>	<u>48,500</u>	<u>(207)</u>
Total Instruction	<u>8,939,489</u>	<u>8,724,140</u>	<u>(215,349)</u>
Support Services - Pupils			
Attendance And Social Work Services			
Salaries	119,337	142,100	22,763
Employee Benefits	29,694	33,000	3,306
Total Social Work Services	<u>149,031</u>	<u>175,100</u>	<u>26,069</u>
Guidance Services			
Salaries	110,131	110,600	469
Employee Benefits	34,552	32,300	(2,252)
Purchased Services	10,267	12,000	1,733
Supplies And Materials	1,980	2,000	20
Total Guidance Services	<u>156,930</u>	<u>156,900</u>	<u>(30)</u>
Health Services			
Salaries	81,371	49,000	(32,371)
Employee Benefits	16,570	8,000	(8,570)
Purchased Services	-	200	200
Supplies And Materials	6,200	5,000	(1,200)
Total Health Services	<u>104,141</u>	<u>62,200</u>	<u>(41,941)</u>

The accompanying notes are an integral part of these financial statements

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF EXPENDITURES DISBURSED  
(AND COMPARISON WITH BUDGET)  
EDUCATIONAL FUND  
JUNE 30, 2014

Statement 4  
(continued)

Expenditures Disbursed:	Actual	Budget	Unexpended Budget
Psychological Services			
Salaries	126,298	130,000	3,702
Employee Benefits	22,955	22,250	(705)
Total Psychological Services	<u>149,253</u>	<u>152,250</u>	<u>2,997</u>
Speech Pathology & Audiology			
Salaries	162,309	161,500	(809)
Employee Benefits	-	-	-
Total Speech Pathology & Audiology	<u>162,309</u>	<u>161,500</u>	<u>(809)</u>
Other Support Services - Pupils			
Supplies and Materials	4,999	6,000	1,001
Total Other Support Services - Pupils	<u>4,999</u>	<u>6,000</u>	<u>1,001</u>
Total Support Services - Pupils	<u>726,663</u>	<u>713,950</u>	<u>(12,713)</u>
Improvement Of Instruction Services			
Salaries	35,164	229,372	194,208
Employee Benefits	8,460	78,600	70,140
Purchased Services	63,144	49,550	(13,594)
Supplies And Materials	4,420	8,796	4,376
Capital Outlay	-	2,000	2,000
Other Objects	16,244	15,000	(1,244)
Total Improvement Of Instruction Services	<u>127,432</u>	<u>383,318</u>	<u>255,886</u>
Support Services - Instructional Staff			
Educational Media Services			
Salaries	63,029	66,620	3,591
Employee Benefits	15,719	16,570	851
Supplies And Materials	6,673	26,500	19,827
Total Educational Media Services	<u>85,421</u>	<u>109,690</u>	<u>24,269</u>
Total Support Services - Instructional Staff	<u>212,853</u>	<u>493,008</u>	<u>280,155</u>

The accompanying notes are an integral part of these financial statements

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF EXPENDITURES DISBURSED  
(AND COMPARISON WITH BUDGET)  
EDUCATIONAL FUND  
JUNE 30, 2014

Statement 4  
(continued)

Expenditures Disbursed:	Actual	Budget	Unexpended Budget
Support Services - General Administration			
Board Of Education Services			
Salaries	40,113	40,900	787
Employee Benefits	45	-	(45)
Purchased Services	47,799	58,100	10,301
Other Objects	37,956	25,000	(12,956)
Total Board Of Education Services	<u>125,913</u>	<u>124,000</u>	<u>(1,913)</u>
Executive Administration Services			
Salaries	147,000	147,000	-
Employee Benefits	45,360	34,700	(10,660)
Purchased Services	100	6,000	5,900
Supplies And Materials	1,424	1,000	(424)
Total Executive Administration Services	<u>193,884</u>	<u>188,700</u>	<u>(5,184)</u>
Tort Immunity Services			
Other Objects	19,769	8,000	(11,769)
Total Tort Immunity Services			
Total Support Services - Gen Admin.	<u>339,566</u>	<u>320,700</u>	<u>(18,866)</u>
Support Services - School Administration			
Office Of The Principal Services			
Salaries	453,787	465,400	11,613
Employee Benefits	99,452	93,530	(5,922)
Purchased Services	1,016	6,000	4,984
Supplies And Materials	-	1,900	1,900
Total Office Of The Principal Services	<u>554,255</u>	<u>566,830</u>	<u>12,575</u>
Support Services - Business:			
Direction of Business Support			
Salaries	94,219	78,000	(16,219)
Employee Benefits	8,281	12,700	4,419
Purchased Services	470	1,000	530
Supplies and Materials	611	500	(111)
Other Objects	70	500	430
Total Direction of Business Support	<u>103,651</u>	<u>92,700</u>	<u>(10,951)</u>

The accompanying notes are an integral part of these financial statements

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF EXPENDITURES DISBURSED  
(AND COMPARISON WITH BUDGET)  
EDUCATIONAL FUND  
JUNE 30, 2014

Statement 4  
(continued)

Expenditures Disbursed:	Actual	Budget	Unexpended Budget
<b>Fiscal Services</b>			
Salaries	70,078	113,000	42,922
Employee Benefits	17,062	16,500	(562)
Purchased Services	832	1,800	968
Supplies And Materials	16,657	12,500	(4,157)
Total Fiscal Services	<u>104,629</u>	<u>143,800</u>	<u>39,171</u>
<b>Operation &amp; Maintenance of Plant Services</b>			
Purchased Services	14,296	22,000	7,704
Total Pupil Transportation Services	<u>14,296</u>	<u>22,000</u>	<u>7,704</u>
<b>Food Services</b>			
Salaries	129,720	185,000	55,280
Employee Benefits	22,717	23,100	383
Purchased Services	1,500	500	(1,000)
Supplies And Materials	115,810	182,200	66,390
Total Food Services	<u>269,747</u>	<u>390,800</u>	<u>121,053</u>
Total Support Services - Business	<u>492,323</u>	<u>649,300</u>	<u>156,977</u>
<b>Plan, Research, Evaluation Services</b>			
Purchased Services	-	800	800
Total Plan, Research, Evaluation Services	<u>-</u>	<u>800</u>	<u>800</u>
<b>Information Services</b>			
Salaries	224,736	126,500	(98,236)
Employee Benefits	47,355	21,900	(25,455)
Purchased Services	9,149	11,000	1,851
Supplies And Materials	215,907	208,000	(7,907)
Capital Outlay	-	1,000	1,000
Total Information Services	<u>497,147</u>	<u>368,400</u>	<u>(128,747)</u>
Total Support Services	<u>2,822,807</u>	<u>3,112,988</u>	<u>290,181</u>
<b>Community Services</b>			
Supplies and Materials	1,723	1,000	(723)
Total Community Services	<u>1,723</u>	<u>1,000</u>	<u>(723)</u>

The accompanying notes are an integral part of these financial statements

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF EXPENDITURES DISBURSED  
(AND COMPARISON WITH BUDGET)  
EDUCATIONAL FUND  
JUNE 30, 2014

Statement 4  
(continued)

Expenditures Disbursed:	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Payments To Other Governments			
Payments For Special Education Programs			
Purchased Services	906,196	1,320,000	413,804
Payments for CTE			
Purchased Services	122,044	-	(122,044)
Tuition	-	-	-
Total Payments To Other Governments	<u>1,028,240</u>	<u>1,320,000</u>	<u>291,760</u>
Provision For Contingencies	-	-	-
 Total Expenditures	 <u>12,792,259</u>	 <u>13,158,128</u>	 <u>365,869</u>

The accompanying notes are an integral part of these financial statements

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS

Statement 5

STATEMENT OF EXPENDITURES DISBURSED  
(AND COMPARISON WITH BUDGET)  
OPERATIONS AND MAINTENANCE FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Supporting Services:			
Support Services - Business			
Facilities Acquisition and Construction Services			
Non-Capitalized Equipment	-	-	-
Other Objects	-	-	-
Total Facilities Acquisition and Construction Services	-	-	-
Operation and Maintenance of Plant Services:			
Salaries	522,653	578,000	55,347
Employee Benefits	132,989	124,000	(8,989)
Purchased Services	521,907	532,660	10,753
Supplies and Materials	419,763	416,840	(2,923)
Capital Outlay	39,250	38,000	(1,250)
Other Objects	( 12,574)	1,000	13,574
Non-Capitalized Equipment	3,694	-	(3,694)
Total Operation and Maintenance of Plant Services	<u>1,627,682</u>	<u>1,690,500</u>	<u>62,818</u>
Total Support Services - Business	<u>1,627,682</u>	<u>1,690,500</u>	<u>62,818</u>
Debt Services-Interest on Long-Term Debt:			
Other Objects	<u>60,564</u>	<u>61,000</u>	<u>436</u>
Total Expenditures	<u><u>1,688,246</u></u>	<u><u>1,751,500</u></u>	<u><u>63,254</u></u>

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

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF EXPENDITURES DISBURSED  
(AND COMPARISON WITH BUDGET)  
DEBT SERVICES FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Statement 6

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Debt Services:			
Debt Service -			
Interest	1,116,480	1,116,500	20
Debt Service -			
Principal	3,136,000	3,080,000	(56,000)
Debt Service - Other	<u>6,100</u>	<u>7,000</u>	<u>900</u>
 Total Expenditures	 <u>4,258,580</u>	 <u>4,203,500</u>	 <u>(55,080)</u>

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

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF EXPENDITURES DISBURSED  
(AND COMPARISON WITH BUDGET)  
TRANSPORTATION FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Statement 7

	Actual	Budget	Unexpended Budget
Expenditures Disbursed:			
Supporting Services:			
Support Services - Business			
Pupil Transportation Services:			
Salaries	785,861	763,023	(22,838)
Employee Benefits	24,752	22,900	(1,852)
Purchased Services	519,233	493,300	(25,933)
Supplies and Materials	329,413	370,000	40,587
Capital Outlay	-	-	-
Other Objects	19,955	7,000	(12,955)
Total Pupil Transportation Services	1,679,214	1,656,223	(22,991)
Total Support Services - Business	1,679,214	1,656,223	(22,991)
Total Expenditures	1,679,214	1,656,223	(22,991)

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



PEOTONE COMMUNITY UNIT 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, 2014

Statement 8

Expenditures Disbursed:	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Instruction:			
Regular Programs:			
Employee Benefits	91,124	78,950	(12,174)
Pre-K Programs:			
Employee Benefits	-	26,060	26,060
Special Education Programs:			
Employee Benefits	134,674	119,250	(15,424)
Special Education Programs-Pre-K:			
Employee Benefits	2,879	-	(2,879)
CTE Programs:			
Employee Benefits	2,733	2,615	(118)
Interscholastic Programs			
Employee Benefits	1,898	2,310	412
Gifted			
Employee Benefits	24	-	(24)
Driver's Education Programs:			
Employee Benefits	496	500	4
Total Instruction	<u>233,828</u>	<u>229,685</u>	<u>(4,143)</u>
Supporting Services:			
Support Services - Pupils			
Attendance & Social Work Services:			
Employee Benefits	1,721	2,000	279
Guidance Services:			
Employee Benefits	6,187	5,550	(637)
Health Services:			
Employee Benefits	15,170	9,150	(6,020)
Other Support Services - Pupils:			
Employee Benefits	3,707	3,270	(437)
Total Support Services - Pupils	<u>26,785</u>	<u>19,970</u>	<u>(6,815)</u>
Support Services - Instructional Staff:			
Improvement of Instruction Services:			
Employee Benefits	1,403	3,550	2,147
Educational Media Services:			
Employee Benefits	-	750	750
Total Support Services - Instructional Staff	<u>1,403</u>	<u>4,300</u>	<u>2,897</u>

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

PEOTONE COMMUNITY UNIT 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, 2014

Statement 8  
(continued)

Expenditures Disbursed:	Actual	Budget	Unexpended Budget
Support Services - General Administration:			
Board of Education Services:			
Employee Benefits	7,389	7,150	(239)
Executive Administration Services:			
Employee Benefits	2,131	1,100	(1,031)
Total Support Services - General Administration	9,520	8,250	(1,270)
Support Services - School Administration:			
Office of the Principal Svc:			
Employee Benefits	6,459	6,400	(59)
Support Services - Business:			
Director of Business Support:			
Employee Benefits	18,110	950	(17,160)
Fiscal Services:			
Employee Benefits	13,027	18,800	5,773
Operation and Maintenance of Plant Services:			
Employee Benefits	91,204	86,200	(5,004)
Pupil Transportation Svc:			
Employee Benefits	145,660	129,950	(15,710)
Food Services:			
Employee Benefits	22,122	30,650	8,528
Internal Services:			
Employee Benefits	24,198	-	(24,198)
Total Support Services - Business	314,321	266,550	(47,771)
Support Services - Central:			
Information Services:			
Employee Benefits	-	19,175	19,175
Total Support Services - Central	-	19,175	19,175
Total Support Services	358,488	324,645	(33,843)
Total Expenditures	592,316	554,330	(37,986)

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

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF EXPENDITURES DISBURSED  
(AND COMPARISON WITH BUDGET)  
TORT FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Statement 9

	<u>Actual</u>	<u>Budget</u>	<u>Unexpended Budget</u>
Expenditures Disbursed:			
Support Services:			
General Administration			
Unemployment insurance Payments			
Purchased Services	-	35,000	35,000
Insurance payments			
Purchased Services	176,128	190,000	13,872
Educational, Inspectional, Supervisory Services Related to Loss Prevention			
Purchased Services	15,442	61,000	45,558
Legal Services			
Purchased Services	<u>7,168</u>	<u>25,000</u>	<u>17,832</u>
Total Support Services - General Administration	<u>198,738</u>	<u>311,000</u>	<u>112,262</u>
Total Expenditures	<u><u>198,738</u></u>	<u><u>311,000</u></u>	<u><u>112,262</u></u>

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

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

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 Annual Financial Report is a regulatory report prepared in accordance with the requirements of the Illinois State Board of Education and does not include the government-wide financial statements including the statement of net assets and the statement of activities required by accounting principles generally accepted in the United States of America.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #1 Summary of Significant Accounting Policies (continued)

B. Basis of Presentation - Fund Accounting (continued)

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. 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. The Special Education tax levy is included in these funds.

The Debt Services 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 the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #1 Summary of Significant Accounting Policies (continued)

B. Basis of Presentation - Fund Accounting (continued)

Governmental Funds - (continued)

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

The Tort Fund accounts for financial resources to be used for the payment of insurance and tort related expenses.

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

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. The 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.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

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

Capital assets purchased or acquired with an original cost of \$1,500 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. 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.

No depreciation has been provided on fixed assets in these financial statements. Current depreciation of \$698,943 has been utilized for the calculation of the per capita tuition charge and accumulated depreciation totaling \$18,201,955 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	3 - 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 Group.

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.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #1 Summary of Significant Accounting Policies (continued)

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 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 23, 2013 and amended June 26, 2014.

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.



PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #1 Summary of Significant Accounting Policies (continued)

D. Budgets and Budgetary Accounting (continued)

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.
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 cost, 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. 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 UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #3 Fund Balance Reporting (continued)

B. Restricted Fund Balance (continued)

4. Federal Grants

Proceeds from federal grants and the related expenditures have been included in the Educational Fund. At June 30, 2014, expenditures disbursed from federal grants exceeded revenues received for those specific purposes in the Educational Fund, resulting in no restricted fund balance.

5. Social Security

Cash disbursed and the related cash receipts of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Revenue received did not exceed expenditures disbursed for this purpose, resulting in no restricted fund balance.

C. Committed Fund Balance

The committed fund balance classification refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority (the School Board). Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.

The School Board commits fund balance by making motions or passing resolutions to adopt policy or approve contracts. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements

Employee contracts for services rendered during the school year for employees electing twelve month pay schedules are recorded as disbursements in the fiscal year when such checks are drawn. At June 30, 2014, the total amount of unpaid contracts for services performed during the fiscal year ended June 30, 2014 amounted to \$212,715. This amount is included in the financial statements as Unreserved in the Education Fund.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #3 Fund Balance Reporting (continued)

D. Assigned Fund Balance

The assigned fund balance classification refers to amounts that are constrained by the governments' intent to be used for a specific purpose, but are neither restricted nor committed. Intent may be expressed by (a) the School Board itself or (b) the financial committee or by the Superintendent when the School Board has delegated the authority to assign amounts to be used for specific purposes.

Under the assigned fund balance definition \$340,404 of the Transportation Fund Balance is assigned for lease of school buses. This balance is included in the financial statements as Unreserved in the Transportation Fund.

E. Unassigned Fund Balance

The unassigned fund balance classification is the residual classification for amounts in the General Operating Funds for amounts that have not been restricted, committed or assigned to specific purposes within the General Funds. Unassigned Fund Balance amounts are shown in the financial statements as Unreserved Fund Balances in the Educational, Operations and Maintenance, Transportation and Working Cash Funds.

F. Regulatory - Fund Balance Definitions

Reserved Fund Balances are those balances that are reserved for a specified purpose, other than the regular purpose of any given fund. Unreserved Fund Balances are all balances that are not reserved for a specific purpose other than the specified purpose of a fund.

G. Reconciliation of Fund Balance Reporting

The first five columns of the following table represent Fund Balance Reporting according to generally accepted accounting principles. The last two columns represent Fund Balance Reporting under the regulatory basis of accounting utilized in preparation of the financial statements.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #3 Fund Balance Reporting (continued)

G. Reconciliation of Fund Balance Reporting (continued)

<u>Fund</u>	<u>Generally Accepted Accounting Principles</u>					<u>Regulatory Basis</u>	
	<u>Nonspend- able</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>	<u>Unassigned</u>	<u>Financial Statements - Reserved</u>	<u>Financial Statements - Unreserved</u>
Educational	-	-	212,715	-	950,827	-	1,163,542
Operations & Maintenance	-	-	-	-	518,759	-	518,759
Debt Service	-	2,019,398	-	-	-	-	2,019,398
Transportation Municipal	-	-	-	340,404	378,964	-	719,368
Retirement	-	633,330	-	-	-	-	633,330
Working Cash	-	-	-	-	6,788,892	-	6,788,892
Tort Liability	-	305,312	-	-	-	-	305,312
Fire Prevention & Safety	-	4,125	-	-	-	-	4,125

H. Expenditures of Fund Balance

Unless specifically identified, expenditures act to reduce restricted balances first, then committed balances, next assigned balances, and finally act to reduce unassigned balances. Expenditures for a specifically identified purpose will act to reduce the specific classification of fund balance that is identified.

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. 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;

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #4 Deposits and Investments (continued)

3. 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. 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;
5. the Illinois School District Liquid Asset Fund Plus;
6. 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.

At June 30, 2014, the carrying amount of the District's deposits with financial institutions, which includes demand deposits, savings accounts and certificates of deposits was \$12,435,247 (excludes \$160 petty cash and includes activity funds of \$282,521) and the bank balance was \$1,2447,200 (includes activity funds of \$285,079). As of June 30, 2014, all of the bank balances are insured or collateralized with securities held by the pledging financial institution's trust department or agent in the District's name.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #5 Changes in General Fixed Assets

A summary of changes in general fixed assets follows:

	<u>Balance</u> <u>7/1/2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/2014</u>
Non-depreciable fixed assets:				
Land	2,973,996	-	-	2,973,996
Depreciable fixed assets:				
Buildings:	28,474,702	-	-	28,474,702
Improvements	839,002	-	-	839,002
Transportation				
Equipment	3,181,418	-	-	3,181,418
Equipment	<u>4,536,032</u>	<u>39,250</u>	-	<u>4,575,282</u>
Total Fixed Assets	40,005,150	39,250	-	40,044,400
Accumulated Depreciation:				
Buildings:	9,488,259	569,494	-	10,057,753
Improvements	514,045	42,241	-	556,286
Transportation				
Equipment	3,096,233	188	-	3,096,421
Equipment	<u>4,404,858</u>	<u>86,637</u>	-	<u>4,491,495</u>
Total Accumulated				
Depreciation	<u>17,503,395</u>	<u>698,560</u>	-	<u>18,201,955</u>
Fixed Assets, Net	<u><u>22,501,755</u></u>	<u><u>(659,310)</u></u>	-	<u><u>21,842,445</u></u>

Note #6 Lease Commitments

Operating Leases

During the fiscal year 2014, the school district entered into a five year lease agreement with Sovereign Leasing, Inc. to lease 42 school buses. The lease is payable in five annual installments of \$340,404. In July 2013, the district entered into a sixty month lease agreement to lease a bus barn. The District is currently obligated under operating lease agreements for office equipment.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #6 Lease Commitments (continued)

The annual future obligation for the District is as follows:

Fiscal Year	<u>Amount</u>
<u>Ended</u>	
6/30/15	440,496
6/30/16	434,455
6/30/17	378,669
6/30/18	370,329
6/30/19	<u>347,329</u>
Total	<u>\$1,971,278</u>

During the current year the District paid \$456,124 for lease expenses.

Note #7 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 licensure is required. The active member contribution rate for the year ended June 30, 2014, was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after Jan 1, 2011, the effective date of the benefit changes contained in Public Act 96-0889. These contributions, which may be paid on behalf of employees by the employer, are submitted to TRS by the employer. The active member contribution rate was also 9.4 percent for the years ended June 30, 2013 and 2012.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #7 Retirement Fund Commitments (continued)

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

**Further Information on TRS**

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, 2013. The report for the year ended June 30, 2014, is expected to be available in late 2014.

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 <http://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 retired 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 insurance benefits to annuitants of the Teachers' Retirement System (TRS). Annuitants not enrolled in Medicare may participate in the state administered participating provider option plan or choose from several managed care options. Beginning February 1, 2014, annuitants who were enrolled in Medicare Parts A and B may be eligible to enroll in Medicare Advantage plans.

The State Employees Group Insurance Act of 1971 (5 ILCS 375) outlines the benefit provision of the THIS Fund and amendments to the plan can be made only by legislative action with the Governor's approval. Effective July 1, 2012, in accordance with Executive Order 12-01, the plan is administered by the Illinois Department of Central Management Services (CMS) with the cooperation of TRS. Section 6.6 of the State Employees Group Insurance Act of 1971 requires all active contributors to the TRS who are not employees of the state to make a contribution to the THIS Fund.



PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #7 Retirement Fund Commitments (continued)

B. THIS Fund (continued)

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 the THIS Fund.** The State of Illinois makes employer retiree health insurance contributions on behalf of the district. State contributions are intended to match contributions to the THIS Fund from active members which were 0.97 percent of pay during the year ended June 30, 2014. State of Illinois contributions were \$71,997 and the district recognized revenue and expenditures of this amount during the year.

State contributions intended to match active member contributions during the years ended June 30, 2013 and June 30, 2012 were 0.92 and 0.88 percent of pay, respectively. State contributions on behalf of district employees were \$66,792 and \$62,175, respectively.

**Employer contributions to the THIS Fund.** The district also makes contributions to the THIS Fund. The employer THIS Fund contribution was 0.72 percent during the year ended June 30, 2014 and 0.69 and 0.66 percent during the years ended June 30, 2013 and June 30, 2012, respectively. For the year ended June 30, 2014, the district paid \$53,441 to the THIS Fund. For the years ended June 30, 2013 and June 30, 2012, the district paid \$50,094 and \$46,631 to the THIS Fund, respectively, which was 100 percent of the required contribution.

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

C. Illinois Municipal Retirement Fund

**Plan Description.** The District's defined benefit pension plan for Regular employees provides retirement and disability benefits, post retirement increases and death benefits to plan members and beneficiaries. Your employer plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #7 Retirement Fund Commitments (continued)

C. Illinois Municipal Retirement Fund (continued)

Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information (RSI). That report may be obtained on-line at [www.imrf.org](http://www.imrf.org).

**Funding Policy.** As set by statute, the District's Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2013 was 1.16 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

**Annual Pension Cost.** The required contribution for fiscal year 2014 was \$268,812.

**Three-Year Trend Information for the Regular Plan**

Fiscal Year	Annual Pension	Percentage of APC	Net Pension
<u>Ending</u>	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
6/30/2014	268,812	100%	\$0
6/30/2013	234,598	100%	\$0
6/30/2012	238,054	100%	\$0

The required contribution for 2013 was determined as part of the December 31, 2011, actuarial valuation using the entry age actuarial cost method. The actuarial assumptions at December 31, 2011 included (a) 7.5 percent investment rate of return (net of administrative and direct expenses), (b) projected salary increases of 4.00% a year, attributable to inflation, (c) additional projected salary increases ranging from 0.4% to 10% per year depending on age and service, attributable to seniority/merit and (d) post-retirement benefit increases of 3% annually. The actuarial value of the District's regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #7 Retirement Fund Commitments (continued)

C. Illinois Municipal Retirement Fund (continued)

a 20% corridor between the actuarial and market value of assets. The employer regular plan's unfunded actuarial accrued liability at December 31, 2011 is being amortized as a level percentage of projected payroll on an open 30 year basis.

**Funded Status and Funding Progress.** As of December 31, 2013, the most recent actuarial valuation date, the regular plan was 84.09 percent funded. The actuarial accrued liability for benefits was \$5,238,870 and the actuarial value of assets was \$4,405,343, resulting in an underfunded actuarial accrued liability (UAAL) of \$833,527. The covered payroll for calendar year 2013 (annual payroll of active employees covered by the plan) was \$2,408,713 and the ratio of the UAAL to the covered payroll was 35 percent.

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

Note #8 Long-Term Debt

As of June 30, 2014, the District had long-term debt outstanding in the amount of \$25,478,000. During the fiscal year, the following changes occurred in long-term debt account:

	Balance <u>June 30,</u> 2013	<u>Additions</u>	<u>Reductions</u>	Balance <u>June 30, 2014</u>
General Obligation Bonds	27,370,000	-	3,080,000	24,290,000
Note Payable -Land	1,244,000	-	56,000	1,188,000
Total	<u>28,614,000</u>	<u>-</u>	<u>3,136,000</u>	<u>25,478,000</u>

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #8      Long-Term Debt (continued)

The long-term debt consists of the following and is reflected in the General Long-Term Debt Account Group:

The summary of bonds and notes payable at June 30, 2014 is as follows:

Purpose	Interest Rates	Carrying Amount
Refunding School Bonds, Series 2005 - dated February 15, 2005	3.70%-4.00%	2,350,000
Refunding School Bonds, Series 2005B - dated September 1, 2005	4.25%-4.50%	2,110,000
Taxable Refunding School Bonds, Series 2006C - dated January 15, 2006	5.35%	1,840,000
Taxable Refunding Bonds, Series 2007B - dated February 1, 2007	5.40%-5.50%	680,000
Refunding School Bonds, Series 2008B - dated December 1, 2008	3.75%-4.00%	1,975,000
Refunding School Bonds, Series 2010C - dated February 15, 2010	3.00%-3.90%	200,000
Taxable Limited Tax School Bonds, Series 2010F - dated December 29, 2010	2.25%-3.12%	1,540,000
Taxable Refunding School Bonds, Series 2010G - dated December 29, 2010	4.25%-5.25%	5,120,000
General Obligation Refunding School Bonds, Series 2012, dated October 1, 2012	2.35%-2.75%	3,020,000
Taxable General Obligation Limited School Bonds, Series 2013, dated February 1, 2013	1.20%-3.40%	<u>5,455,000</u>
Total Bonds		<u>24,290,000</u>
Note Payable-Land	4.80%	<u>1,188,000</u>
Total General Obligations		<u><u>25,478,000</u></u>

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #8 Long-Term Debt (continued)

The principal and interest payments for these general obligations are paid from Debt Service Fund, except interest for the Note Payable-Land which is paid out of the Operation and Maintenance Fund.

Annual debt service payments required to service all outstanding general obligation bonds at June 30, 2014 are as follows:

Year Ending	Total Debt		
<u>June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Service</u>
2015	3,498,000	959,662	4,457,662
2016	3,828,000	834,076	4,662,076
2017	4,225,000	689,087	4,914,087
2018	2,160,000	572,884	2,732,884
2019	4,667,000	423,508	5,090,508
2020-2024	6,690,000	348,066	7,038,066
2025-2028	410,000	50,384	460,384
Total	<u>25,478,000</u>	<u>3,877,667</u>	<u>29,355,667</u>

*Advance Refunding of Debt*

In the current and prior years, the District defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. The District has \$6,380,000 of defeased bonds outstanding at June 30, 2014.

*Legal Debt Margin*

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, 2014, the District's legal debt limit was \$45,336,900. Qualifying outstanding debt as of June 30, 2014 totaled \$25,478,000, leaving a debt margin of \$19,858,900.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #9 Other Postemployment Benefits

The District is legally required to provide postemployment healthcare benefits to former employees and retirees. Former employees, who are not retirees, are provided healthcare benefits mandated by the Consolidated Omnibus Budget Reconciliation Act (COBRA). Former employees, who are qualified under COBRA, may apply for coverage by the District's health plan. The cost is 100% funded on a monthly pay-as-you-go basis by the former employee based upon the actual cost of the health plan for the chosen level of coverage. In addition, the District is responsible for paying the actual dollar amount of Teachers' Retirement Insurance Program (TRIP) insurance for certain eligible employees under the retirement provision of the contractual agreement.

Illinois statutes mandate that a municipal government must offer its retirees a health insurance plan equivalent to that offered to active employees. Illinois statutes enable a government to make the health plan benefits supplemental to Medicare and to offer these supplemental benefits at a different retiree contribution rate than regular benefits provided by the group plan. State statutes do not presently require the government to pay any portion of the cost of the plan for retired employees.

Statement No. 45 of the Governmental Accounting Standards Board Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (GASB 45) was applicable for the District's year ended June 30, 2013. That Statement requires the District to recognize the obligation of other postemployment benefits (OPEB) in periods when the related services are received by the District. GASB 45 requires a systematic, measurement and recognition of OPEB cost (expense) over a period that approximates employees' years of service and also requires providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. The District did implement the provisions of GASB 45 and determined the obligation to be immaterial to the financial statements.

Note #10 Tax Anticipation Warrants

There were no outstanding tax warrants at June 30, 2014.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #11 Interfund Loans and Transfers

There were no interfund loans at June 30, 2014. There were no transfers during the year ended June 30, 2014.

Note #12 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 #13 Expenditures in Excess of Budget

The following funds had an excess of disbursements over budget for the year ended June 30, 2014:

	Budgeted Disbursements	Actual Disbursements	Variance
Debt Service	4,203,500	4,258,580	55,080
Transportation	1,656,223	1,679,214	22,991
IMRF/SS	554,330	592,316	37,986

Note #14 Deficit Fund Balances

As of June 30, 2014, the District did not have a deficit fund balance in any fund.

Note #15 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. During the current year the District paid \$13,170 for unemployment claims.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT NO. 207U  
WILL COUNTY, ILLINOIS  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2014

---

Note #16 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 #17 Pending Litigation

At June 30, 2014, 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.

Note #18 Compensated Absences - Vacation and Sick Leave

Non-certified employees of the District are entitled to paid vacation, paid sick days and personal days off, depending on job classification, length of service and other factors. The District's policy is to recognize the costs of compensated absences when actually paid to employees in accordance with the cash basis.

Note #19 Joint Venture - Southern Will County Cooperative for Special Education (SOWIC):

The Southern Will County Cooperative for Special Education is a jointly governed organization that was formed for the purpose of providing special education for the handicapped children in the ten member school districts. The governing board consists of the superintendents of the member school districts. The degree of control exercised by any participating school district is limited to its representation on the governing board. Financial information can be obtained by writing to Southern Will County Cooperative for Special Education, 1207 North Larkin Ave, Joliet, IL 60435.

Note #20 Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. During the year ended June 30, 2013, there were no significant reductions in coverage. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.



PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
OTHER INFORMATION  
ILLINOIS MUNICIPAL RETIREMENT FUND  
SCHEDULE OF FUNDING PROGRESS  
JUNE 30, 2014

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]
12/31/13	4,405,343	5,238,870	833,527	84.09%	2,408,713	34.60%
12/31/12	5,317,005	6,295,469	978,464	84.46%	2,322,751	42.13%
12/31/11	4,858,217	5,840,839	982,622	83.18%	2,375,788	41.36%

On a market value basis, the actuarial value of assets as of December 31, 2013 is \$5,300,465. On a market basis, the funded ratio would be 101.18%.

The actuarial value of assets and accrued liability cover active and inactive members who have service credit with Peotone SD 207U. They do not include amounts for retirees. The actuarial accrued liability for retirees is 100% funded.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
DETAILED SCHEDULE OF GENERAL LONG-TERM DEBT  
JUNE 30, 2014

Schedule 1

Year Ending June 30	<u>Series 2005-Refunded 2010</u>		<u>Series 2005B-Refunded 2010</u>		<u>Series 2006C</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	-	91,030	-	94,950	65,000	96,701
2016	-	91,030	-	94,950	15,000	94,561
2017	410,000	83,445	700,000	79,200	40,000	93,090
2018	465,000	67,025	770,000	46,125	190,000	86,938
2019	540,000	47,795	640,000	14,400	565,000	66,742
2020	935,000	18,700	-	-	660,000	33,973
2021	-	-	-	-	305,000	8,158
	<u>2,350,000</u>	<u>399,025</u>	<u>2,110,000</u>	<u>329,625</u>	<u>1,840,000</u>	<u>480,163</u>

Year Ending June 30	<u>Series 2007B</u>		<u>Series 2008B-Refunded 2010</u>		<u>Series 2010C</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2015	215,000	31,488	850,000	60,938	50,000	6,300
2016	230,000	19,250	1,125,000	22,500	75,000	4,238
2017	235,000	6,463	-	-	75,000	1,462
Total	<u>680,000</u>	<u>57,201</u>	<u>1,975,000</u>	<u>83,438</u>	<u>200,000</u>	<u>12,000</u>

Year Ending June 30	<u>Series 2010F</u>	
	<u>Principal</u>	<u>Interest</u>
2015	<u>1,540,000</u>	<u>24,063</u>
Total	<u>1,540,000</u>	<u>24,063</u>

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
DETAILED SCHEDULE OF GENERAL LONG-TERM DEBT  
JUNE 30, 2014

Schedule 1  
(continued)

Year Ending June 30	Series 2010G		Series 2012		Series 2013	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	-	261,250	-	79,957	715,000	155,170
2016	-	261,250	-	79,957	2,320,000	111,440
2017	-	261,250	295,000	76,493	2,400,000	36,000
2018	165,000	257,744	500,000	66,775	-	-
2019	2,360,000	195,238	485,000	54,463	-	-
2020	2,595,000	68,119	685,000	38,981	-	-
2021	-	-	1,075,000	14,781	-	-
Total	<u>5,120,000</u>	<u>1,304,850</u>	<u>3,040,000</u>	<u>411,407</u>	<u>5,435,000</u>	<u>302,610</u>

Year Ending June 30	Note Payable-Land	
	Principal	Interest
2015	63,000	57,816
2016	63,000	54,900
2017	70,000	51,684
2018	70,000	48,277
2019	77,000	44,871
2020	77,000	41,236
2021	86,000	37,376
2022	86,000	33,191
2023	93,000	29,005
2024	93,000	24,546
2025	100,000	19,954
2026	100,000	15,086
2027	105,000	10,220
2028	105,000	5,124
Total	<u>1,188,000</u>	<u>473,286</u>

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
SCHEDULE OF TAXES EXTENDED AND COLLECTED  
JUNE 30, 2014

---

		Educational <u>Levy</u>	Special Education <u>Levy</u>	Lease <u>Levy</u>	Tort Immunity <u>Levy</u>
<u>2012 Levy</u>					
Assessed Valuation	348,029,306				
Tax Rate per \$100		<u>2.0605</u>	<u>0.0215</u>	<u>0.0294</u>	<u>0.0914</u>
Taxes Extended		7,169,453	74,808	102,297	318,024
Taxes Collected		<u>7,158,299</u>	<u>74,625</u>	<u>102,137</u>	<u>317,601</u>
<u>2013 Levy</u>					
Assessed Valuation	328,528,260				
Tax Rate per \$100		<u>2.2373</u>	<u>0.0234</u>	<u>0.0319</u>	<u>0.0992</u>
Taxes Extended		7,169,453	74,808	102,297	318,024
Advance Taxes Received Prior to June 30, 2014		<u>3,794,927</u>	<u>39,689</u>	<u>54,109</u>	<u>168,261</u>
Taxes Receivable		<u><u>3,374,526</u></u>	<u><u>35,119</u></u>	<u><u>48,188</u></u>	<u><u>149,763</u></u>

Schedule 2

<u>Operations &amp; Maintenance Levy</u>	<u>Debt Services 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>0.3629</u>	<u>1.1836</u>	<u>0.1425</u>	<u>0.0686</u>	<u>0.0818</u>	<u>0.0493</u>	<u>4.0915</u>
1,262,701	4,118,304	495,825	238,692	284,621	171,538	<u>14,236,263</u>
<u>1,260,736</u>	<u>4,111,899</u>	<u>495,051</u>	<u>238,318</u>	<u>284,181</u>	<u>171,269</u>	<u>14,214,116</u>
<u>0.3900</u>	<u>1.3201</u>	<u>0.1547</u>	<u>0.0744</u>	<u>0.0888</u>	<u>0.0482</u>	<u>4.4680</u>
1,262,701	4,118,304	495,825	238,692	284,621	171,538	<u>14,236,263</u>
<u>661,516</u>	<u>2,239,158</u>	<u>262,398</u>	<u>126,197</u>	<u>150,623</u>	<u>81,757</u>	<u>7,578,635</u>
<u>601,185</u>	<u>1,879,146</u>	<u>233,427</u>	<u>112,495</u>	<u>133,998</u>	<u>89,781</u>	<u>6,657,628</u>

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
SCHEDULE OF LEGAL DEBT MARGIN  
JUNE 30, 2014

Schedule 3

---

Assessed Valuation as of January 1, 2013	328,528,260
Debt Limitation Percentage	13.8%
Debt Limitation	<u>45,336,900</u>
Total Bonded Indebtedness Subject to Debt Limitation Provisions	25,478,000
Other Indebtedness Subject to Debt Limitation Provisions	<u>-</u>
Total Indebtedness Subject to Debt Limitation Provisions	<u>25,478,000</u>
Legal Debt Margin	<u><u>19,858,900</u></u>

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF ASSETS, LIABILITIES AND  
FUND BALANCES  
TRUST AND AGENCY FUND  
JUNE 30, 2014

---

Schedule 4

	<u>TRUST AND AGENCY</u>
<u>ASSETS</u>	
Cash	<u>282,521</u>
<u>LIABILITIES</u>	
Due to Organizations	282,521
Fund Balance - Unreserved	<u>-</u>
Total Liabilities and Fund Equity	<u>282,521</u>

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF REVENUES RECEIVED AND  
EXPENDITURES DISBURSED  
TRUST AND AGENCY FUND  
JUNE 30, 2014

Schedule 5

STUDENT ACTIVITY ACCOUNTS:	Cash Balance June 30, <u>2013</u>	<u>Revenues</u>	<u>Expenditures</u>	Cash Balance June 30, <u>2014</u>
Class of 2017	-	1,900	1,197	703
Class of 2016	158	3,516	2,246	1,428
Class of 2015	(1,819)	17,560	14,472	1,269
Class of 2014	3,519	1,983	3,633	1,869
Class of 2013	5,988	1,008	1,008	5,988
Class of 2012	-	-	-	-
Class of 2011	425	-	-	425
Class of 2010	1,599	-	1,599	-
Class of 2009	448	-	-	448
Class of 2008	500	-	-	500
Class of 2007	500	-	-	500
Class of 2006	501	-	-	501
Class of 2005	500	-	-	500
BDI Band Festival	(90)	-	400	(490)
Prom	5,492	2,606	5,606	2,492
Connor Shaw Pop	947	304	-	1,251
Foreign Language	671	7,123	7,402	392
FFA	7,564	18,081	22,814	2,831
FFA/FCCLA Concessions	136	-	-	136
HS Golf	275	1,803	1,315	763
Connor Shaw Newspaper	120	-	-	120
Skills USA	-	7,114	5,855	1,259
Journalism	1,373	-	712	661
HS Bowling	378	553	553	378
HS Boys Baseball	1,644	2,651	3,153	1,142
HS Boys Basketball Team	829	8,060	6,555	2,334
HS Boys Basketball Summer	569	4,420	4,867	122
HS General Athletic	45	5,300	5,032	313
Industrial Tech Resale	2,013	3,354	-	5,367



PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF REVENUES RECEIVED AND  
EXPENDITURES DISBURSED  
TRUST AND AGENCY FUND  
JUNE 30, 2014

Schedule 5  
(continued)

STUDENT ACTIVITY ACCOUNTS:	Cash Balance June 30, <u>2013</u>	<u>Revenues</u>	<u>Expenditures</u>	Cash Balance June 30, <u>2014</u>
JH Behavior Incentive Prog	1,641	1,274	726	2,189
HS Track	(224)	1,125	(35)	936
HS BB Cheerleaders	784	4,877	5,608	53
HS Girls BB team	422	835	700	557
HS Auditorium	6,532	5,628	668	11,492
HS Girls Volleyball Team	3,312	2,735	2,494	3,553
HS Girls Softball	2,485	7,990	5,952	4,523
HS Student Council	3,103	14,061	13,504	3,661
Boys Regional Basketball	55	-	-	55
Poms Summer Camp	750	-	750	0
HS Dance Team	1,105	5,065	4,845	1,325
Lettermen	480	1,258	1,384	353
HS Yearbook	10,497	12,753	19,093	4,157
HS Band	1,621	2,432	1,903	2,151
HS Choir	1,342	-	348	994
HS Show Choir	2,741	750	2,583	908
National Honor Society	223	2,722	1,564	1,381
Newspaper	150	-	-	150
HS Football	1,265	18,597	16,708	3,155
PHS Pop Fund	285	2,962	2,808	439
Performing Arts	7,446	6,025	4,986	8,484
Connor Shaw Drama	810	-	-	810
Thespians	240	361	277	324
HS Wrestlers	1,792	7,977	6,965	2,804
Scholastic Bowl	275	650	428	497
JH Pop Fund	403	728	1,624	(493)
HS Excel Edge ACT Test	1	-	-	1
JH Athletic Activities	1,541	12,196	11,666	2,071
JH Activities Account	13,551	26,295	31,289	8,557

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF REVENUES RECEIVED AND  
EXPENDITURES DISBURSED  
TRUST AND AGENCY FUND  
JUNE 30, 2014

Schedule 5  
(continued)

STUDENT ACTIVITY ACCOUNTS:	Cash Balance June 30, <u>2013</u>	<u>Revenues</u>	<u>Expenditures</u>	Cash Balance June 30, <u>2014</u>
JH Cheerleaders	417	-	-	417
JH Band	1,957	384	239	2,102
JH Chorus	356	1,159	-	1,515
JH English	3	-	-	3
JH Science	848	660	265	1,243
JH Student Council	365	850	318	897
JH Video	824	3,774	3,661	937
PHS FB Tunnel	1,395	1,053	1,945	503
HS Recycling 3	117	35	110	42
Peotone Elementary	8,125	2,973	3,532	7,566
Peotone Elem Sunshine	100	-	-	100
PE Devil Dash	1	-	-	1
Peotone Elem POP	1,301	1,045	948	1,398
Green Garden Elementary	557	18,368	5,944	12,981
Green Garden Faculty Fund	378	-	182	196
Wilton Center Elem Faculty	307	50	122	235
Wilton Center Elem School	5,894	2,175	7,668	401
General Fund	2,471	20,813	17,764	5,520
Interest	9,057	258	4,945	4,370
Gym Suits	6,739	3,836	5,619	4,956
Textbooks	1,746	2,322	2,318	1,750
Education Foundation	3,009	17,104	15,694	4,419
Booster Club	10,754	24,559	23,435	11,878
High School Staff	750	860	686	924
Lambert Fund	250	-	-	250
B Starkey Football Memor	1,274	-	-	1,274
HS Tad	330	410	441	300
Interstate 8 Conference	497	-	-	497
Computer P/R Fund	3,103	2,274	2,308	3,069

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U  
WILL COUNTY, ILLINOIS  
STATEMENT OF REVENUES RECEIVED AND  
EXPENDITURES DISBURSED  
TRUST AND AGENCY FUND  
JUNE 30, 2014

Schedule 5  
(continued)

STUDENT ACTIVITY ACCOUNTS:	Cash Balance June 30, 2013	<u>Revenues</u>	<u>Expenditures</u>	Cash Balance June 30, 2014
FB Cheer	10,616	2,120	11,475	1,261
WC/GG Library	47	64	-	111
WYSE	204	-	-	204
HS AP & Proctor	988	6,897	6,301	1,584
JE PE Gym Suits	3,002	3,763	3,702	3,063
JH PALS	(101)	1,142	866	175
HS Baseball Fld Renovations	-	3,180	3,180	0
High School Library	492	40	-	532
HS Boys Soccer	5,907	5,230	3,871	7,267
HS Baseball Summer Camp	187	-	-	187
Peotone Elem Library	255	-	-	255
HS Girls BKB Summer Cmp	619	2,415	-	3,034
Student ID Account	13,995	1,750	88	15,657
JH IESA State Series	285	4,233	3,427	1,091
Junior High Library	4,528	6,222	8,910	1,840
FFA/Skills Concessions	5	22,501	18,432	4,074
HS Football Summer Camp	45	4,480	867	3,658
Conner Shaw Center	3,197	5,784	6,977	2,004
HS Science Club	1,119	3,659	2,750	2,028
JH Play Activity	1,910	2,736	1,527	3,119
Junior High Track	114	1,337	1,092	359
HS Parking Permits	47,926	10,340	288	57,978
Smiles	416	-	-	416
HS Girls Soccer	794	4,790	3,173	2,411
JH Art	60	740	487	313
HS Devil Dash	726	1,555	1,488	793
HS Physics	714	1,852	1,491	1,075
	<u>259,889</u>	<u>428,421</u>	<u>405,789</u>	<u>282,521</u>

Independent Auditors' Report on Compliance  
for Each Major Program and on Internal Control over  
Compliance Required by OMB Circular A-133

To the Board of Education  
Peotone Community Unit School District 207U  
Peotone, Illinois

**Report on Compliance for Each Major Federal Program**

We have audited Peotone Community Unit School District 207U's (District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2014. the District 's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its federal programs.

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the District 's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

To the Board of Education  
Peotone Community Unit  
School District 207U

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

### **Opinion on Each Major Federal Program**

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

### **Report on Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on a major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combinations of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not

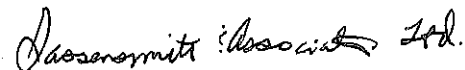
To the Board of Education  
Peotone Community Unit  
School District 207U

identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133**

We have audited the financial statements of the District as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated September 17, 2014. Our audit opinion was adverse because the school district's policy is to prepare its financial statements to comply with regulatory provisions prescribed by the Illinois State Board of Education, which is a comprehensive basis of accounting other than generally accepted in the United States of America and the standards applicable to financial audits contained in Governmental Auditing Standards, issued by the Comptroller General of the United States. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

  
Gassensmith & Associates, Ltd.  
Certified Public Accountants

Joliet, Illinois  
September 17, 2014

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U

Schedule of Expenditures of Federal Awards  
Year Ended June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	ISBE Project No. /Federal Project No.	Federal Expenditures		Total by CFDA Number	Major Programs
			Year 2013	2014		
<u>U.S. Department of Health and Human Services</u>						
Passed through Illinois Healthcare & Family Services						
Medicaid program administration	93.778	2013-4900	28,724	24,725	\$ 24,725	
<u>U.S. Department of Human Services</u>						
Passed through Illinois Department of Human Services						
STEP	84.126	2013	22,168	16,970	16,970	
<u>U.S. Department of Agriculture</u>						
Passed through Illinois State Board of Education						
National School Lunch Program	10.555	2013-4210 2014-4210	77,606	12,993 61,822	74,815	
Special Milk Program	10.556	2013-4215 2014-4215	2,396	697 3,922	4,619	
Non-cash Commodities	10.555	N/A	20,351	16,521	22,124	
Dept. of Defense Fresh Fruits and Vegetables	10.555	N/A	4,421	5,603		
<u>U.S. Department of Education</u>						
Passed through Illinois State Board of Education						
Special Education - IDEA	84.027A	2013-4625	44,625	26,575	26,575	X
Special Education -IDEA-Flow Through/ Low Incidence	84.027A	2013-4620	197,127	55,877	282,989	X
Special Education -IDEA-Flow Through/ Low Incidence		2014-4620		227,112		
Special Education -IDEA-Flow Through Preschool	84.173A	2014-4600		10,813	10,813	
Title I - Low Income	84.010A	2013-4300	148,593	-		X
Title I - Low Income	84.010A	2014-4300	-	163,872	163,872	X
Title II - Teacher Quality	84.367A	2013-4932	32,943	-		
Title II - Teacher Quality	84.367A	2014-4932	-	29,548	29,548	
Total Federal Award Expenditures			<u>\$ 578,954</u>	<u>\$ 657,050</u>	<u>\$ 657,050</u>	

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U

Notes to Schedule of Expenditures of Federal Awards  
June 30, 2014

Note 1 Accounting Basis

The schedule of expenditures of federal awards includes the federal grant activity of the Peotone Community Unit School District 207U, Illinois and is presented 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.

*Reconciliation Of Schedule of Expenditures Of Federal Awards To Basic Financial Statements*

Revenues Per Schedule of Expenditures Of Federal Awards	\$690,780
Add-Medicaid Fees-For-Service Program	22,355
Minus Non-Cash Commodities	<u>(22,124)</u>
Total Federal Revenues Per Basic Financial Statements	<u><u>\$691,011</u></u>

Note 2 Subrecipients

Of the federal expenditures in the schedule, Peotone Community Unit School District 207U provided no federal awards to subrecipients.



PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U

Summary of Findings and Questionable Costs  
June 30, 2014

A. SUMMARY OF AUDIT RESULTS

1. We have audited the financial statements of Peotone Community Unit School District 207U as of and for the year ended June 30, 2014. The District's policy is to prepare its financial statements on the cash basis, which is a comprehensive basis of accounting other than generally accepted accounting principles. The auditor's report expresses an adverse opinion on the financial statements prepared in accordance with a comprehensive basis of accounting other than generally accepted accounting principles.

INTERNAL CONTROL OVER FINANCIAL REPORTING

2. No reportable conditions relating to the audit of the combined financial statements are reported in the Report on Compliance and on Internal Controls Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the combined financial statements of Peotone Community Unit School District 207U were disclosed during the audit.

FEDERAL AWARDS

4. No reportable conditions relating to the audit of the major federal award programs are reported in the Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance With OMB Circular A-133.
5. The Auditor's Report on Compliance for the major federal award programs for Peotone Community Unit School District 207U expresses an unqualified opinion on all major federal programs.
6. There were no audit findings relative to the major federal award programs for the Peotone Community Unit School District 207U.
7. The programs tested as major programs include Special Education Custer-(CFDA 84.027A, 84.173A) and Title I (CFDA 84.010A).
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. Peotone Community Unit School District 207U was determined to be a low-risk auditee.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U

Summary of Findings and Questionable Costs  
June 30, 2014

B. FINDINGS - FINANCIAL STATEMENTS AUDIT

Our opinion was adverse because financial statements are not prepared in accordance with generally accepted accounting principles.

C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

No findings were reported relative to the major federal award programs for Peotone Community Unit School District 207U.

PEOTONE COMMUNITY UNIT SCHOOL DISTRICT 207U

Summary Schedule of Prior Audit Findings  
June 30, 2014

There are no prior audit findings that affected federally funded programs.

