

**ANNUAL FINANCIAL REPORT
KOMAREK SCHOOL
DISTRICT NO. 94
NORTH RIVERSIDE, ILLINOIS
JUNE 30, 2013**

**KOMAREK SCHOOL DISTRICT NO. 94
TABLE OF CONTENTS
JUNE 30, 2013**

	<u>Exhibit</u>	<u>Page</u>
Independent Auditors' Report		1
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>		3
Management's Discussion and Analysis		5
Basic Financial Statements:		
Government-wide Financial Statements		
Statement of Net Position	A	11
Statement of Activities	B	12
Fund Financial Statements		
Balance Sheets – Governmental Funds	C	13
Statement of Revenue, Expenditures and Changes in Fund Balance – Governmental Funds	D	16
Statement of Fiduciary Assets and Liabilities	E	19
Notes to the Basic Financial Statements		20
Required Supplementary Information:		
Illinois Municipal Retirement Fund		36
Other Post-Employment Benefits		37
	<u>Schedule</u>	
Combining Balance Sheet – General Fund	1	38
Combining Schedule of Revenue, Expenditures and Changes in Fund Balance – General Fund	2	39
Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – Educational Account	3	45
Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – Working Cash Account	4	51

KOMAREK SCHOOL DISTRICT NO. 94
TABLE OF CONTENTS
JUNE 30, 2013

	<u>Schedule</u>	<u>Page</u>
Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – Operations and Maintenance Fund	5	52
Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual –Debt Service Fund	6	53
Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – Transportation Fund	7	54
Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – Municipal Retirement/Social Security Fund	8	55
Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – Tort Fund	9	57
Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – Fire Prevention and Safety Fund	10	58
Notes to Required Supplementary Information		59
Statistical Section:		
Summary of Assessed Valuations, Tax Extensions and Collections	11	60
Schedule of Bonded Debt Maturities – Series 2009A	12	61
Schedule of Bonded Debt Maturities – Series 2009B	13	62
Schedule of Bonded Debt Maturities – Series 2012A	14	63
Schedule of Bonded Debt Maturities – Series 2012B	15	64
Per Capita Operating Cost and Tuition Charge	16	65



SINCE 1917

EVANS, MARSHALL & PEASE, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

1875 Hicks Road
Rolling Meadows, Illinois 60008

PAUL H. THERMEN, C.P.A.
JEFFERY M. ROLLEFSON, C.P.A.

INDEPENDENT AUDITOR'S REPORT

To the Board of Education
Komarek School District No. 94
North Riverside, Illinois

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Komarek School District No. 94, North Riverside, Illinois, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Komarek School District No. 94, as of June 30, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedules of funding progress – Illinois Municipal Retirement Fund and other post-employment benefits, and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Komarek School District No. 94's basic financial statements. The statistical section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 3, 2013, on our consideration of Komarek School District No. 94's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Komarek School District No. 94's internal control over financial reporting and compliance.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, in fiscal year ended June 30, 2013, the District adopted new accounting guidance, Government Accounting Standard Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Evans, Marshall & Pease, P.C.

Evans, Marshall and Pease, PC
Certified Public Accountants

Rolling Meadows, Illinois
October 3, 2013

(20)



EVANS, MARSHALL & PEASE, P.C.

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

1875 Hicks Road
Rolling Meadows, Illinois 60008

PAUL H. THERMEN, C.P.A.
JEFFERY M. ROLLEFSON, C.P.A.

**INDEPENDENT AUDITOR'S 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
Komarek School District No. 94
North Riverside, 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 financial statements of Komarek School District No. 94, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Komarek School District No. 94's financial statements, and have issued our report thereon dated October 3, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Komarek School District No. 94'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 Komarek School District No. 94's internal control. Accordingly, we do not express an opinion on the effectiveness of Komarek School District No. 94'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 a 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 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 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 Komarek School District No. 94'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.

Evans, Marshall & Pease, P.C.

Evans, Marshall and Pease, PC
Certified Public Accountants

Rolling Meadows, IL
October 3, 2013

Komarek School District 94
Management's Discussion and Analysis
For the Year Ended June 30, 2013

The management's discussion and analysis of Komarek School District 94's (the "District") financial performance provides an overall review of the District's financial activities for the year ending June 30, 2013. The management of the District encourages readers to consider the information presented herein in conjunction with the basic financial statements to enhance their understanding of the District's financial performance. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- Komarek School District 94 continues to work with a balanced budget, despite diminishing revenues. This is due to careful planning and "belt tightening" by the District. Part of the challenge has been to increase the amount of technology in the school building and not put the Education Fund into the negative.
- The District renovated all of the bathrooms in the school and converted several to handicapped accessible during the summer of 2013.
- The District is carefully using the funds generated by a Working Cash Bond sale, which was completed in September, 2012. We are hoping that this money will supplement the budget until the tax increment financing district in Broadview expires in 2016.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the District's basic financial statements. The basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the financial statements

This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the fiscal year being reported. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements present the functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities). The District has no business-type activities; that is, functions that are intended to recover all or a significant portion of their costs through user fees and charges. The District's governmental activities include instructional services (regular education, special education and other), supporting services, operation and maintenance of facilities and transportation services.

Komarek School District 94
Management's Discussion and Analysis
For the Year Ended June 30, 2013

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: government funds and fiduciary funds (the District maintains no proprietary funds).

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a school district's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the Educational Account, Operations & Maintenance Fund, Debt Service Fund, Transportation Fund, Municipal Retirement Fund, Working Cash Account, Tort Fund and Fire Prevention & Safety Fund, all of which are considered to be major funds. The District considers all of its funds to be major funds.

The District adopts an annual budget for each of the funds listed above. A budgetary comparison statement has been provided for each fund to demonstrate compliance with this budget.

Fiduciary funds are used to account for resources held for the benefit of parties outside the school district, such as student activities funds. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that for the government-wide financial statements.

Notes to the financial statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's progress in funding its obligation to provide pension benefits to its non-certified employees.

District-Wide Financial Analysis

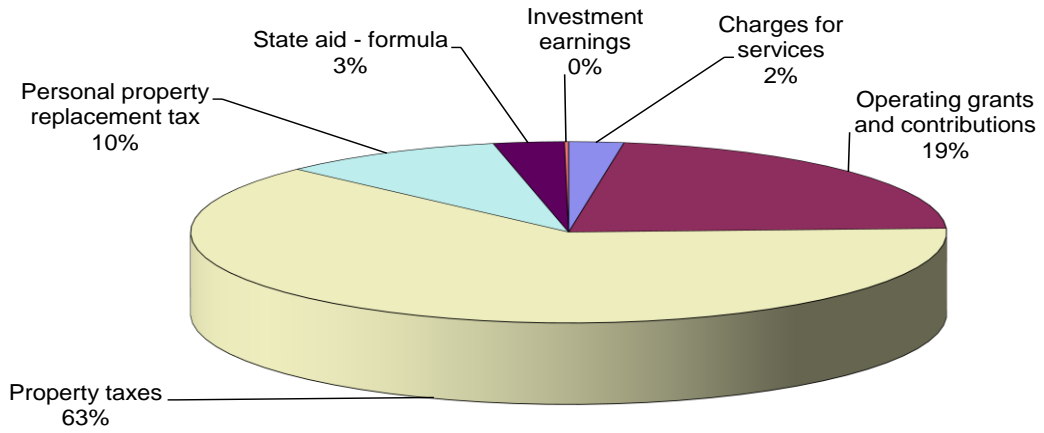
The District's net position for FY13 and FY12 are as follows:

Komarek School District 94
Management's Discussion and Analysis
For the Year Ended June 30, 2013

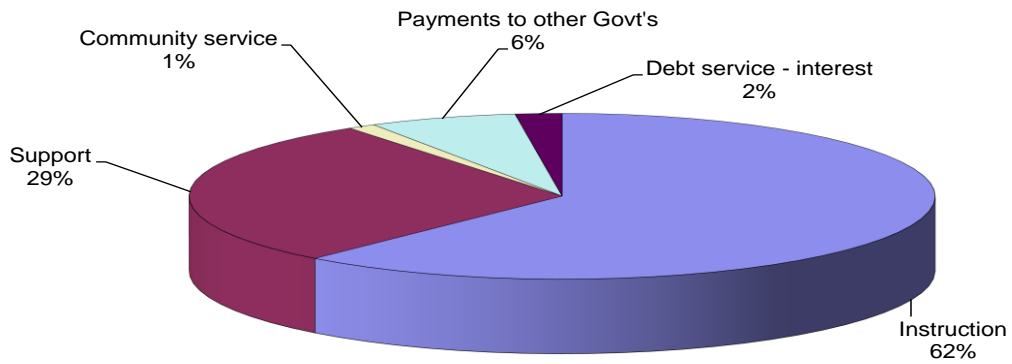
Condensed Statement of Net Position:

	2012	2013
Current and Other Assets	\$ 4,703,865	\$ 5,342,472
Capital Assets	2,702,302	2,682,472
Total Assets	7,406,167	8,024,944
Deferred charge on refunding	-	134,666
Long Term Debt Outstanding	2,654,283	3,563,541
Other Liabilities	2,560,710	2,685,849
Total Liabilities	5,214,993	6,249,390
Net Position		
Investment in Net Capital Assets	78,019	(557,032)
Restricted	1,760,267	1,848,193
Unrestricted	352,888	619,059
Total Net Position	\$ 2,191,174	\$ 1,910,220
	Governmental Activities	
	2012	2013
Revenue		
Property Taxes	\$ 4,091,424	\$ 4,129,985
Corporate Personal Property Replacement	615,761	629,153
Program Revenues	1,371,236	1,599,050
State Aid	194,794	198,580
Unrestricted Investment Earnings	9,693	11,800
Total Received	6,282,908	6,568,568
Expenses		
Instruction	4,003,879	4,194,907
Support Services	1,830,651	1,966,992
Community Services	78,517	83,118
Payments to other LEAs and Govt. Units	379,822	438,602
Interest on Long-Term Debt	121,435	137,661
Total	6,414,304	6,821,280
Change in Net Position	\$ (131,396)	\$ (252,712)

REVENUE FY13



EXPENDITURES FY13



Komarek School District 94
Management's Discussion and Analysis
For the Year Ended June 30, 2013

Financial Analysis of the District's Funds

As the District completed the year, its governmental funds reported combined fund balances of \$4,315,556 which was a \$1,438,778 increase over FY12.

The bond sale in 2012 has helped keep the fund revenues healthy. The District started the year with \$2,876,778, which was significantly more than in past years. One of the biggest expenses in the Education Fund, teacher salaries, was kept in check due to a new collective bargaining agreement. The new agreement eliminated automatic step raises and now goes with a flat percentage raise. In the long term, this will save the District.

In the O & M Fund, net change in fund balance decreased by \$146,903. Despite this slight deficit, the District will use reserves to start the year with a fund balance of \$1,113,788.

The Transportation Fund is very healthy despite the State's efforts to eliminate all transportation funding.

The Municipal Retirement Fund will also benefit from the fall of 2012 Working Cash Bond sale. The carryover in this fund totaled \$154,062.

Capital Assets and Debt

The District spent \$148,490 on general improvements and equipment during fiscal year ended June 30, 2013. Long term debt was increased \$909,258 to a balance at year-end of \$3,563,541.

General Fund Budgetary Highlights

District 94 has taken the necessary steps to maintain healthy fund balances for FY14 and the years ahead. Through a Working Cash Bond sale and permanent transfer of funds, the District has been able to bolster shrinking fund balances in the General (Educational) Fund and the Municipal Retirement Fund.

The District population has currently stabilized and the projections have it remaining near its current enrollment. The Board of Education successfully negotiated a new, four-year agreement with the teachers. This agreement helps keep salary and insurance costs at a reasonable amount for the duration of the contract.

The District is committed to working within its budgetary means. Careful planning and a frugal approach to spending are necessary for the District to continue with positive fund balances. The future of school district finances continues to remain in flux due to imposed State mandates, the impending Teacher pension shift, and greatly reduced support with General State Aide, Pre School, Special Education, and Mandated Categoricals.

Factors Bearing on the District's Future

The major factor affecting the District at this time is the uncertainty of the Teacher Pension issue. It is almost guaranteed that the State will shift the State's obligation to the school district. What is uncertain is how this shift will take place. It remains very difficult to project finances with this question pending.

- The Working Cash Bond Sale will help keep the District in good financial shape until the TIF on the Broadview Mall ends in 2016. At that time, the District will have to carefully assess the Levy in order to recoup the new growth that will be available.

Komarek School District 94
Management's Discussion and Analysis
For the Year Ended June 30, 2013

- The new collective bargaining agreement will help the District keep Education Fund expenditures in check.
- The District continues to improve the physical plant through small projects and careful maintenance.

Requests for Information

This financial report is designed to provide the District's citizens, taxpayers, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact the Business Office:

Mrs. Kathy Gibson
8940 W. 24th Street
North Riverside, IL 60546
(708) 447-8030, ext. 1109

BASIC FINANCIAL STATEMENTS

KOMAREK SCHOOL DISTRICT NO. 94
STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities
ASSETS	
Current assets:	
Cash and investments	\$ 2,880,757
Receivables (net of allowance for uncollectibles):	
Property taxes	2,199,950
Replacement taxes	121,409
Intergovernmental receivable	116,062
Prepaid items	24,294
Total Current Assets	5,342,472
Non-Current assets:	
Capital Assets, not being depreciated:	
Land	36,050
Depreciable Capital Assets, net of accumulated depreciation:	
Land improvements	2,396
Buildings and improvements	1,986,766
Equipment	657,260
Total Depreciable Capital Assets, net of depreciation	2,646,422
Total Non-Current Assets	2,682,472
Total Assets	8,024,944
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on refunding	134,666
LIABILITIES	
Current liabilities:	
Accounts payable	27,578
Salaries and wages payable	437,838
Interest payable	8,075
Unearned revenue	2,199,950
Teacher pension payable	12,408
Total Current Liabilities	2,685,849
Non-Current liabilities:	
Due within one year	330,686
Due in more than one year	3,232,855
Total Non-Current Liabilities	3,563,541
Total Liabilities	6,249,390
NET POSITION	
Investment in net capital assets	(557,032)
Restricted	1,848,193
Unrestricted	619,059
Total Net Position	\$ 1,910,220

The accompanying notes to the financial statements are an integral part of this statement.

KOMAREK SCHOOL DISTRICT NO. 94
 STATEMENT OF ACTIVITIES
 YEAR ENDED JUNE 30, 2013

Functions/ Programs	Expenses	Program Revenues Received			Excess (Deficiency) of Revenues over Expenses and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Instruction	\$ 4,194,907	\$ 70,579	\$ 1,326,864	\$ -	\$ (2,797,464)
Support	1,966,992	83,653	117,954	-	(1,765,385)
Community service	83,118	-	-	-	(83,118)
Payments to other LEAs and governmental units	438,602	-	-	-	(438,602)
Debt service:					
Interest and fees	137,661	-	-	-	(137,661)
Total Governmental Activities	\$ 6,821,280	\$ 154,232	\$ 1,444,818	\$ -	(5,222,230)
General Revenues Received:					
Taxes:					
					629,153
					3,784,128
					345,857
					198,580
					11,800
					<u>4,969,518</u>
					<u>(252,712)</u>
					2,191,174
					<u>(28,242)</u>
					<u>2,162,932</u>
					<u>\$ 1,910,220</u>

The accompanying notes to the financial statements are an integral part of this statement.

(THIS PAGE INTENTIONALLY LEFT BLANK)

KOMAREK SCHOOL DISTRICT NO. 94
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2013

	General Fund	Operations and Maintenance Fund	Transportation Fund	Municipal Retirement Fund
ASSETS				
Cash and investments	\$ 1,233,138	\$ 903,437	\$ 275,494	\$ 111,812
Receivables (net of allowance):				
Property taxes	1,664,755	232,217	50,572	56,764
Replacement taxes	91,057	30,352	-	-
Intergovernmental receivable	100,515	-	15,547	-
Prepaid items	8,370	15,924	-	-
Total Assets	<u>\$ 3,097,835</u>	<u>\$ 1,181,930</u>	<u>\$ 341,613</u>	<u>\$ 168,576</u>
LIABILITIES				
Accounts payable	\$ 19,564	\$ 8,014	\$ -	\$ -
Salaries and wages payable	436,885	931	-	22
Unearned revenue	424,940	59,197	12,887	14,492
Total Liabilities	<u>881,389</u>	<u>68,142</u>	<u>12,887</u>	<u>14,514</u>
FUND EQUITY				
Fund Balances:				
Nonspendable	8,370	15,924	-	-
Restricted	-	1,097,864	328,726	154,062
Unassigned	2,208,076	-	-	-
Total Fund Balances	<u>2,216,446</u>	<u>1,113,788</u>	<u>328,726</u>	<u>154,062</u>
Total Liabilities and Fund Balances	<u>\$ 3,097,835</u>	<u>\$ 1,181,930</u>	<u>\$ 341,613</u>	<u>\$ 168,576</u>

The accompanying notes to the financial statements are an integral part of this statement.

Debt Service Fund	Tort Fund	Fire Prevention & Safety Fund	Total Governmental Funds
\$ 354,896	\$ -	\$ 1,980	\$ 2,880,757
195,642	-	-	2,199,950
-	-	-	121,409
-	-	-	116,062
-	-	-	24,294
<u>\$ 550,538</u>	<u>\$ -</u>	<u>\$ 1,980</u>	<u>\$ 5,342,472</u>
\$ -	\$ -	\$ -	\$ 27,578
-	-	-	437,838
49,984	-	-	561,500
<u>49,984</u>	<u>-</u>	<u>-</u>	<u>1,026,916</u>
-	-	-	24,294
500,554	-	1,980	2,083,186
-	-	-	2,208,076
<u>500,554</u>	<u>-</u>	<u>1,980</u>	<u>4,315,556</u>
<u>\$ 550,538</u>	<u>\$ -</u>	<u>\$ 1,980</u>	<u>\$ 5,342,472</u>

KOMAREK SCHOOL DISTRICT NO. 94
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

Total fund balances-governmental funds (Exhibit C) \$ 4,315,556

Amounts reported for governmental activities in the statement of assets and liabilities arising from cash transactions are different because:

When capital assets that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets of the District as a whole.

Cost of capital assets:	\$ 4,774,156	
Accumulated depreciation	<u>(2,091,684)</u>	
		2,682,472

For modified accrual purposes tax collections made within 60 days after year end are included as revenue in the fiscal year. However, for accrual basis these collections are not recognized until the subsequent year end. (1,638,450)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Long term liabilities payable	(3,563,716)	
Interest payable	(8,075)	
Teacher pension payable	(12,408)	
Unamortized bond premium	175	
Deferred refunding charge	<u>134,666</u>	
		<u>(3,449,358)</u>

Total net position-governmental activities (Exhibit A) \$ 1,910,220

The accompanying notes to the financial statements are an integral part of this statement.

(THIS PAGE INTENTIONALLY LEFT BLANK)

KOMAREK SCHOOL DISTRICT NO. 94
GOVERNMENTAL FUNDS
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013

	General Fund	Operations & Maintenance Fund	Transportation Fund	Municipal Retirement Fund
<u>Revenue:</u>				
Property taxes	\$ 3,751,591	\$ 635,694	\$ 118,806	\$ 122,954
Replacement taxes	450,151	150,050	-	28,952
State aid	1,407,998	47,500	62,174	-
Federal aid	134,124	-	-	-
Interest	5,196	3,933	1,074	256
Other	154,232	-	-	-
<u>Total Revenue</u>	<u>5,903,292</u>	<u>837,177</u>	<u>182,054</u>	<u>152,162</u>
<u>Expenditures:</u>				
Instruction:				
Regular programs	3,077,543	-	-	31,685
Pre-K programs	76,948	-	-	6,084
Special programs	740,476	-	-	62,010
Other instructional programs	182,200	-	-	69
Support services:				
Pupils	145,995	-	-	637
Instructional staff	145,578	-	-	3,723
General administration	303,797	-	-	10,874
School administration	286,683	-	-	9,257
Business	213,170	-	-	42,019
Transportation	-	-	135,053	-
Operations and maintenance	-	537,879	-	-
Community services	71,850	-	-	11,268
Payments to other LEAs and governmental units	438,602	-	-	-
Debt service:				
Principal	-	-	-	-
Interest and other	-	-	-	-
Capital Outlay	76,894	71,201	-	-
<u>Total Expenditures</u>	<u>5,759,736</u>	<u>609,080</u>	<u>135,053</u>	<u>177,626</u>
<u>Excess (Deficiency) of Revenue</u>				
<u>Over Expenditures Before</u>				
<u>Other Financing Sources (Uses)</u>				
	143,556	228,097	47,001	(25,464)
<u>Other Financing Sources (Uses)</u>				
Capital leases	59,100	-	-	-
Permanent transfer	250,000	(375,000)	-	125,000
Bonds issued	925,000	-	-	-
Premium on bonds issued	-	-	-	-
Transfer to escrow agent	-	-	-	-
Transfer of debt service interest	(6,975)	-	-	-
Transfer of debt service principal	(47,402)	-	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>1,179,723</u>	<u>(375,000)</u>	<u>-</u>	<u>125,000</u>
<u>Net Change in Fund Balances</u>	<u>1,323,279</u>	<u>(146,903)</u>	<u>47,001</u>	<u>99,536</u>
<u>Fund Balance, Beginning of Year</u>	<u>893,167</u>	<u>1,260,691</u>	<u>281,725</u>	<u>54,526</u>
<u>Fund Balance, End of Year</u>	<u>\$ 2,216,446</u>	<u>\$ 1,113,788</u>	<u>\$ 328,726</u>	<u>\$ 154,062</u>

The accompanying notes to the financial statements are an integral part of this statement.

Debt Service Fund	Tort Fund	Fire Prevention & Safety Fund	Total Governmental Funds
\$ 435,230	-	\$ 594	\$ 5,064,869
-	-	-	629,153
-	-	-	1,517,672
-	-	-	134,124
1,338	-	3	11,800
-	-	-	154,232
<u>436,568</u>	<u>-</u>	<u>597</u>	<u>7,511,850</u>
-	-	-	3,109,228
-	-	-	83,032
-	-	-	802,486
-	-	-	182,269
-	-	-	146,632
-	-	-	149,301
-	-	-	314,671
-	-	-	295,940
-	-	-	255,189
-	-	-	135,053
-	-	-	537,879
-	-	-	83,118
-	-	-	438,602
287,402	-	-	287,402
126,896	-	-	126,896
-	-	-	148,095
<u>414,298</u>	<u>-</u>	<u>-</u>	<u>7,095,793</u>
<u>22,270</u>	<u>-</u>	<u>597</u>	<u>416,057</u>
-	-	-	59,100
-	-	-	-
1,270,000	-	-	2,195,000
16,151	-	-	16,151
(1,247,530)	-	-	(1,247,530)
6,975	-	-	-
47,402	-	-	-
<u>92,998</u>	<u>-</u>	<u>-</u>	<u>1,022,721</u>
115,268	-	597	1,438,778
<u>385,286</u>	<u>-</u>	<u>1,383</u>	<u>2,876,778</u>
<u>\$ 500,554</u>	<u>\$ -</u>	<u>\$ 1,980</u>	<u>\$ 4,315,556</u>

KOMAREK SCHOOL DISTRICT NO. 94
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUE,
EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES

Total net change in fund balances-governmental funds (Exhibit D)		\$ 1,438,778
For modified accrual purposes tax collections made within 60 days after year end are included as revenue in the fiscal year. However, for accrual basis these collections are not recognized until the subsequent year end.		(934,884)
When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balance decreases by the amount of financial resources expended, whereas net position decreases by the amount of depreciation expense charged for the year. Capital outlays for items below the District's capitalization policy limits and repairs and maintenance are expensed.		
Depreciation expense	\$ (166,953)	
Disposal of assets	(972)	
Capital outlay	<u>148,095</u>	(19,830)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. The expenses include the changes in:		
Teacher pension payable		9,308
Interest payable used in the governmental activities are not payable from current resources and therefore are not reported in the governmental funds.		
Interest payable		266
Repayment of debt principal is reported as an expenditure in governmental funds and thus, has the effect of reducing fund balance because current financial resources have been used. For the District as a whole, however, the principal reduces the liabilities in the statement of net position and does not result in an expense in the statement of activities. The District's debt was reduced by principal payments made to bond holders.		
Principal payments made	287,402	
Interest and other	<u>(11,031)</u>	276,371
Proceeds from capital leases are reported as other financing sources in the governmental funds but as debt in the government-wide statements		(2,254,100)
Premiums, deferred refunding charges, and issuance costs on debt are recorded as financing sources and expenditures in the governmental funds respectively. However, in government-wide statements they are capitalized and amortized. This is the amount by which the amounts of discount and issuance costs exceeded their amortization.		
Discount/Premium amortization	(16,151)	
Transfer to escrow agent	<u>1,247,530</u>	<u>1,231,379</u>
Change in net position of governmental activities (Exhibit B)		<u>\$ (252,712)</u>

The accompanying notes to the financial statements are an integral part of this statement.

KOMAREK SCHOOL DISTRICT NO. 94
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2013

	<u>Total Agency Funds</u>
ASSETS	
Cash and investments	<u>\$ 30,420</u>
Total Assets	<u><u>\$ 30,420</u></u>
LIABILITIES	
Due to student groups	<u>\$ 30,420</u>
Total Liabilities	<u><u>\$ 30,420</u></u>

The accompanying notes to the financial statements are an integral part of this statement.

(THIS PAGE INTENTIONALLY LEFT BLANK)

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Komarek School District 94 (the "District") conform to accounting principles generally accepted in the United States of America, as applicable to local governmental units of this type. The following is a summary of the more significant accounting policies of the District.

A. The Reporting Entity

In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include or exclude a potential component unit in the reporting entity is made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The definition of a component unit is a legally separate organization for which the District is financially accountable and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The District is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the District. The District also may be financially accountable if an organization is fiscally dependent on the District regardless of whether the organization has (1) a separately elected governing board, (2) a governing board appointed by a higher level of government or (3) a jointly appointed board. There are no component units, as defined by GASB, which are included in the District's reporting entity. Even though there are local government agencies within the geographic area served by the District, such as the municipality, library and park district, these agencies have been excluded from the report because they are legally separate and the District is not financially accountable for them.

Also, the District is not included as a component unit in any other governmental reporting entity, as defined by GASB pronouncements.

B. Basis of Presentation

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. The effect of interfund activity has been removed from these statements. All of the District's operating activities are considered "governmental activities", that is, activities that are normally supported by taxes and intergovernmental revenues. The District has no operating activities that would be considered "business activities".

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues instead.

Fund Financial Statements

The accounts of the District in the governmental fund financial statements are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, reserves, fund balance, revenues and expenditures. Fund accounting segregates funds according to their intended purpose, and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Separate financial statements are provided for all governmental funds and fiduciary funds even though the fiduciary funds are excluded from the government-wide financial statements.

C. Measurement Focus and Basis of Accounting

The government-wide financial statements and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

Governmental funds are used to account for the District's general government activities. Governmental fund financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they are both "measurable and available." "Measurable" means that the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured principal and interest on general long-term debt which is recognized when due, and certain compensated absences, claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Also, in accordance with GASB No. 24, on-behalf payments (payments made by a third party for the benefit of the District, such as payments made by the state to the Teachers' Retirement System) have been recognized in the financial statements.

Property taxes, replacement taxes, certain state and federal aid, and interest on investments are susceptible to accrual. Other receipts become measurable and available when cash is received by the District and are recognized as revenue at that time.

Grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant and accordingly, when such funds are received they are recorded as deferred revenues until earned.

The District's governmental funds include the following major funds:

General Fund – (consisting of the Educational Account and Working Cash Account) is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund. This fund is primarily used for most of the instructional and administrative aspects of the District's operations. The revenue consists largely of local property taxes and state government aid.

Working Cash Account – accounts for financial resources held by the District to be used as temporary interfund loans for working capital requirements to the General Fund and the Special Revenue Fund's Operation and Maintenance and Transportation Funds. Money loaned by the Working Cash Account to other funds must be repaid within one year. As allowed by the School Code of Illinois, this fund may be permanently abolished and become a part of the General Fund or it may be partially abated to the General Fund, Special Revenue Funds, Debt Service Funds, or the Fire Prevention and Life Safety Fund.

Special Revenue Funds – are used to account for the proceeds of specific revenue sources (other than those accounted for in the Debt Service Fund, Capital Projects Funds, or Fiduciary Funds) that are legally restricted to expenditures for specified purposes.

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Each of the District's Special Revenue Funds has been established as a separate fund in accordance with the fund structure required by the State of Illinois for local educational agencies. These funds account for local property taxes restricted to specific purposes. A brief description of the District's Special Revenue Funds follows:

Operations and Maintenance Fund – is used for expenditures made for repair and maintenance of the District's building and land. Revenue consists primarily of local property taxes.

Transportation Fund – accounts for all revenue and expenditures made for student transportation. Revenue is derived primarily from local property taxes and state reimbursement grants.

Municipal Retirement/Social Security Fund – accounts for the District's portion of pension contributions to the Illinois Municipal Retirement Fund, payments to Medicare and payments to the Social Security System for non-certified employees. Revenue to finance the contributions is derived primarily from local property taxes and personal property replacement taxes.

Debt Service Fund – is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. The primary revenue source is local property taxes levied specifically for debt service.

Capital Projects Funds – is used to account for the financial resources to be used for the acquisition or construction of, and/or additions to, major capital facilities.

Tort Account – accounts for revenues and expenses related to District liability issues.

Fire Prevention and Life Safety Fund – is used to account for State-approved life safety projects financed through serial bond issues.

Fiduciary Fund - is 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.

Agency Funds – include Student Activity Funds, Convenience Accounts and Other Agency Funds. These funds are custodial in nature and do not involve the measurement of the results of operations. Although the Board of Education has the ultimate responsibility for Activity Funds, they are not local education agency funds. Student Activity Funds account for assets held by the District which are owned, operated and managed generally by the student body, under the guidance and direction of adults or a staff member, for educational, recreational or cultural purposes. Convenience Accounts account for assets that are normally maintained by a local education agency as a convenience for its faculty, staff, etc.

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

D. Assets, Deferred Inflows/Outflows, Liabilities and Net Assets or Equity

Deposits and Investments

State statutes authorize the District to invest in obligations of the U.S. Treasury, certain highly-rated commercial paper, corporate bonds, repurchase agreements, and the State Treasurer's Investment Pool. Investments are stated at fair value. Changes in fair value of investments are recorded as investment income.

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund receivables/payables" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds." These amounts are eliminated in the governmental activities column in the statement of net assets.

Property Tax Revenues

The District must file its tax levy ordinance by the last Tuesday in December of each year. The District's 2011 levy ordinance was approved during the December 13, 2011 board meeting. The District's property tax is levied each year on all taxable real property located in the District and it becomes a lien on the property on January 1 of that year. The owner of real property on January 1 in any year is liable for taxes of that year. The District's annual property tax levy is subject to two statutory limitations: Individual fund rate ceilings and the Property Tax Extension Limitation Act (PTELA).

The tax rate ceilings are applied at the fund level. These ceilings are established by state law subject to change only by the approval of the voters of the District. The District's current rate ceilings are as follows: Educational - \$3.500; Operations and Maintenance - \$0.550; Transportation - \$0.000; Working Cash - \$0.050; and, Special Education - \$0.400. (The rates are stated per hundred dollars of equalized assessed valuation.)

The PTELA limitation is applied in the aggregate to the total levy (excluding certain levies for the repayment of debt). PTELA limits the increase in total taxes billed to the lower of 5% or the percentage increase in the Consumer Price Index (CPI) for the preceding year. The amount can be exceeded to the extent there is "new growth" in the District's tax base. The new growth consists of new construction, annexations and tax increment finance district property becoming eligible for taxation.

Property taxes are collected by the Cook County Collector/Treasurer, who remits to the District its share of collections. Taxes levied in one year become due and payable in two installments: the first due on March 1 and the second due on the later of August 1 or 30 days after the second installment tax bill is mailed (typically, this is due in late August or early September). The first installment is an estimated bill, and is one-half of the prior year's total tax. The second installment is based on the current levy, assessment and equalization, and any changes from the prior year will be reflected in the second installment bill. The District collects taxes shortly after the due dates, usually within 45 days.

The 2011 property tax levy is recognized as a receivable in fiscal 2012, net of estimated uncollectible amounts approximately 1%. The District considers that the first installment 2012 levy is to be used to finance operations in fiscal 2013. The District has determined that the second installment of the 2012 levy is to be used to finance operations in fiscal 2014 and has deferred the corresponding receivable.

Personal Property Replacement Taxes

Personal property replacement taxes are first allocated to the Municipal Retirement/Social Security Fund, with the balance allocated to the remaining funds at the discretion of the District.

Prepaid Items

Certain payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2012

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Capital Assets

Capital assets, which include land, land improvements, buildings, building improvements, vehicles, equipment, and construction-in-progress are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial individual cost of more than \$300 and an estimated useful life of 5 years or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Depreciation of capital assets is provided using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land improvements	20-80
Buildings and Improvements	20-80
Equipment	5-20

The District does not depreciate land and construction in progress.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts, as well as issuance costs are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District only has one item that qualifies for this category. It is deferred charge on refunding reported in the government-wide statement of position. A deferred charge results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District currently does not have this type of item.

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Comparative Data

Comparative totals for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations.

Eliminations and Reclassifications

In the process of aggregating data for the government-wide financial statements, some amounts reported as interfund activity and balances were eliminated or reclassified.

NOTE 2 – FUND BALANCE REPORTING

Governmental fund balances are to be classified into five major classifications; Nonspendable, Restricted, Committed, Assigned, and Unassigned.

Nonspendable – the nonspendable fund balance classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example inventories and prepaid amounts.

Restricted – the restricted fund balance classification refers to amounts that are subject to outside restrictions, not controlled by the District. Items such as restrictions imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation. Special Revenue Funds are by definition restricted for those specified purposes. The District has several revenue sources received within different funds that also fall into these categories –

- *Special Education* – revenues and the related expenditures of this restricted tax levy are accounted for in the Educational Account. Expenditures exceeded revenues for this purpose, resulting in no restricted fund balance.
- *State Grants* – proceeds from state grants and the related expenditures have been included in the Educational and Transportation Funds. At June 30, 2013, expenditures exceeded revenues from state grants, resulting in no restricted balance.
- *Federal Grants* – proceeds from federal grants and the related expenditures have been included in the Educational Account. At June 30, 2013, expenditures exceeded revenues from federal grants, resulting in no restricted balance.
- *Social Security* – expenditures and the related expenditures of this restricted tax levy are accounted for in the Municipal Retirement/Social Security Fund. Expenditures disbursed exceeded revenue received, resulting in no restricted balance.

Committed – the committed fund balance refers to amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of 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.

Assigned – The assigned fund balance classification refers to amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The District administration and board can assign balances.

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 2 – FUND BALANCE REPORTING (Cont'd)

Unassigned – the unassigned fund balance classification is the residual classification for amounts in the General Fund for amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund.

Expenditures of fund balances – unless specifically identified, expenditures reduce restricted balances first, then to 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 3 – DEPOSITS AND INVESTMENTS

Under the Illinois Compiled Statutes, the Proviso Township School Treasurer is the lawful custodian of all school funds. The Treasurer is appointed by the Township School Trustees, an independently elected body, to serve the school districts in the township. The Treasurer is the direct recipient of property taxes, replacement taxes and most state and federal aid and disburses school funds upon lawful order of the school board. The Treasurer invests excess funds at his discretion, subject to the legal restrictions discussed below. For these purposes, the Treasurer is permitted to combine monies from more than one fund of a single district and to combine monies of more than one district in the township. Monies combined under these circumstances, as well as investment earnings, are accounted for separately for each fund and/or district.

Cash and investments, other than the student activity and convenience accounts, petty cash, and imprest funds, are part of a common pool for all school districts and cooperatives within the township. The Treasurer maintains records that segregate the cash and investment balance by district or cooperative. Income from investments is distributed monthly based upon the District's percentage participation in the pool. All cash for all funds, including cash applicable to the Debt Service Fund and the Illinois Municipal Retirement/Social Security Fund, is not deemed available for purposes other than those for which these balances are intended.

The Treasurer's investment policies are established by the Proviso Township School Trustees as prescribed by the *Illinois School Code* and the *Illinois Compiled Statutes*. The Treasurer is authorized to invest in obligations of the U.S. Treasury, backed by the full faith and credit of the U.S. Government, certificates of deposit issued by commercial banks and savings and loan associations, and commercial paper rated within the three highest classifications by at least two standard rating services (subject to certain limitations).

Because all cash and investments are pooled by a separate legal governmental agency (Treasurer), categorization by risk category is not determinable. Further information about whether investments are insured, collateralized, or uncollateralized is available from the Treasurer's financial statements.

Deposits of the student activity and imprest funds, which are held in the District's custody, consist of deposits with financial institutions. The following is a summary of such deposits:

	<u>Carrying Amount</u>	<u>Bank Balance</u>
Cash deposits	<u>\$ 31,920</u>	<u>\$ 34,508</u>

The deposits shown above were fully covered by depository insurance.

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the District for the year ended June 30, 2013 was as follows:

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 4 – CAPITAL ASSETS (Cont'd)

	Balance July 1, 2012	Increases	Decreases	Balance June 30, 2013
Capital Assets not Being Depreciated:				
Land	\$ 36,050	\$ -	\$ -	\$ 36,050
Total Capital Assets not Being Depreciated	<u>36,050</u>	<u>-</u>	<u>-</u>	<u>36,050</u>
Capital Assets Being Depreciated:				
Land improvements	94,743	-	-	94,743
Buildings and improvements	3,426,628	395	-	3,427,023
Equipment	1,072,636	148,095	4,391	1,216,340
Total Capital Assets Being Depreciated	<u>4,594,007</u>	<u>148,490</u>	<u>4,391</u>	<u>4,738,106</u>
Less: Accumulated Depreciation for:				
Land improvements	92,165	182	-	92,347
Buildings and improvements	1,361,389	78,869	-	1,440,258
Equipment	474,201	87,902	3,024	559,079
Total Accumulated Depreciated	<u>1,927,755</u>	<u>166,953</u>	<u>3,024</u>	<u>2,091,684</u>
Net Capital Assets Being Depreciated	<u>2,666,252</u>	<u>(18,463)</u>	<u>1,367</u>	<u>2,646,422</u>
Net Governmental Activities Capital Assets	<u>\$ 2,702,302</u>	<u>\$ (18,463)</u>	<u>\$ 1,367</u>	<u>\$ 2,682,472</u>

Depreciation expense was recognized in the operating activities of the District as follows:
Governmental Activities

Instruction	\$ 26,228
Support	<u>140,725</u>
Total depreciation expense - governmental activities	<u>\$ 166,953</u>

NOTE 5 – LONG-TERM LIABILITIES

General Obligation Bonds. General obligation bonds are direct obligations and pledge the full faith and credit of the District. General obligation bonds currently outstanding are as follows:

Purpose	Interest Rates	Amount
Limited School Bonds - 2009A	3.00% - 4.00%	\$ 1,075,000
Limited School Bonds - 2009B	1.20% - 2.60%	130,000
Working Cash Bonds - 2012A	1.10% - 2.10%	915,000
Refunding Bonds - 2012B	2.00% - 3.00%	<u>1,270,000</u>
Total		<u>\$ 3,390,000</u>

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 5 – LONG-TERM LIABILITIES (Cont'd)

Annual debt service requirements to maturity for long-term debt are as follows:

<u>Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 330,686	\$ 100,921	\$ 431,607
2015	338,452	92,619	431,071
2016	344,578	85,727	430,305
2017	290,000	77,306	367,306
2018	295,000	70,692	365,692
2019-2024	<u>1,965,000</u>	<u>201,157</u>	<u>2,166,157</u>
Total	<u>\$3,563,716</u>	<u>\$ 628,422</u>	<u>\$ 4,192,138</u>

The District is subject to the Illinois School Code, which limits the amount of certain indebtedness to 6.9% of the most recent available equalized assessed valuation of the district. As of June 30, 2013, the statutory debt limit for the District was \$9,280,496, providing a debt margin of \$5,716,781, which is the most recent information available.

Changes in General Long-term Liabilities. During the year ended June 30, 2013, the following is the long-term liability activity for the District:

	<u>Balance July 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2013</u>	<u>Due Within One Year</u>
Capital leases	\$ 162,017	\$ 59,100	\$ 47,401	\$ 173,716	\$ 55,686
General Obligation Bonds					
10/03/12 Working Cash	-	925,000	10,000	915,000	120,000
10/03/12 Refunding	-	1,270,000	-	1,270,000	-
06/09/09 Refunding	2,180,000	-	1,105,000	1,075,000	25,000
06/01/09 Refunding	<u>360,000</u>	<u>-</u>	<u>230,000</u>	<u>130,000</u>	<u>130,000</u>
Total Bonds Payable	<u>2,540,000</u>	<u>2,195,000</u>	<u>1,345,000</u>	<u>3,390,000</u>	<u>275,000</u>
Unamortized bond premium	(19,493)	16,151	(3,167)	(175)	-
Less deferred charges	<u>28,241</u>		<u>28,241</u>	<u>-</u>	<u>-</u>
Total Long Term Debt	<u>\$ 2,654,283</u>	<u>\$ 2,270,251</u>	<u>\$ 1,360,993</u>	<u>\$ 3,563,541</u>	<u>\$ 330,686</u>

Capital Leases

The capital leases are paid through the general revenues of the Educational Account.

Advance Refunding

The District issued \$1,270,000 in refunding bonds to advance refund \$1,105,000 of outstanding Series 2009A bonds. These monies were deposited in an irrevocable trust with an escrow agent to provide funds for the future debt service payment on the refunded bonds. As a result this portion of the Series 2009A bonds are considered defeased and the liability for those bonds has been removed from the statement of net position.

The reacquisition price exceeded the net carrying amount of the old debt by \$142,530. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt. The District advance refunded a portion of the Series 2009A bonds to reduce its total debt service payments and realized an economic loss (difference between the present values of the debt service payments on the old and new debt) of \$115,193.

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 5 – LONG-TERM LIABILITIES (Cont'd)

In prior years, the District defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all 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. At June 30, 2013, \$1,230,000 of bonds outstanding are considered defeased.

NOTE 6 – RISK MANAGEMENT

The District is exposed to various risks of loss related to employee health benefits; workers' compensation claims; theft of, damage to, and destruction of assets; and natural disasters. To protect the District from such risks, the District participates in the following public entity risk pools: School Employees Loss Fund (SELF) for workers' compensation claims; and Suburban School Cooperative Insurance Pool (SSCIP) for property damage and injury claims. The District pays annual premiums to the pools for insurance coverage. The arrangements with the pools provide that the pools will be self-sustaining through member premiums, and will reinsure through commercial companies for claims in excess of certain levels established by the pools.

The District continues to carry commercial insurance for all other risks of loss, including torts and professional liability insurance. There have been no significant reductions in insurance coverage from coverage in the prior years. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

NOTE 7 – JOINT AGREEMENTS

The District is a member of LaGrange Area Department of Special Education (LADSE), a joint agreement that provides certain special education services to residents of many school districts. It is also a member of the risk management pools listed above. The District believes that because it does not control the selection of the governing authority, and because of the control over employment of management personnel, operations, scope of public service, and special financing relationships exercised by the joint agreement governing boards, these are not included as component units of the District.

NOTE 8 – RETIREMENT FUND COMMITMENTS

A. Teachers' Retirement System of the State of Illinois

The District (employer) participates in the Teachers' Retirement System of the State of Illinois (TRS). TRS is a cost-sharing multiple-employer defined benefit pension plan that was created by the Illinois legislature for the benefit of Illinois public school teachers employed outside the city of Chicago.

The Illinois Pension Code outlines the benefit provisions of TRS, and amendments to the plan can be made only by legislative action with the Governor's approval. The State of Illinois maintains the 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 non-annuitants who are employed by a TRS-covered employer to provide services for which teacher certification is required. The active member contribution rate for the year ended June 30, 2013 was 9.4 percent of creditable earnings. The same contribution rate applies to members whose first contributing service is on or after 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, 2012 and 2011.

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 8 – RETIREMENT FUND COMMITMENTS (Cont'd)

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

- **On-Behalf Contributions to TRS** – The State of Illinois makes employer pension contributions on behalf of the District. For the year ended June 30, 2013, State of Illinois contributions were based on 28.05 percent of creditable earnings not paid from federal funds, and the District recognized revenue and expenditures of \$790,526 in pension contributions that the State of Illinois paid directly to TRS. For the years ended June 30, 2012 and June 30, 2011, the State of Illinois contribution rates as percentages of creditable earnings not paid from federal funds were 24.91 percent (\$692,569) and 23.10 percent (\$638,953), respectively.

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

- **2.2 Formula Contributions** – Employers contribute 0.58 percent of total creditable earnings for the 2.2 formula change. This rate is specified by statute. Contributions for the year ended June 30, 2013 were \$16,573. Contributions for the years ending June 30, 2012 and June 30, 2011 were \$16,126 and \$16,232, respectively.
- **Federal and Special Trust Fund Contributions** – When TRS members are paid from federal and special trust funds administered by the District, there is a statutory requirement for the District to pay an employer pension contribution from those funds. Under a policy adopted by the TRS Board of Trustees that was first effective for the fiscal year ended June 30, 2006, employer contributions for employees paid from federal and special trust funds will be the same as the state contribution rate to TRS.

For the year ended June 30, 2013, the employer pension contribution was 28.05 percent of salaries paid from federal and special trust funds. For the years ended June 30, 2012 and 2011, the employer contribution was 24.91 and 23.10 percent of salaries paid from federal and special trust funds, respectively. For the year ended June 30, 2013, salaries totaling \$39,081 were paid from federal and special trust funds that required employer contributions of \$10,962. For the years ended June 30, 2012 and June 30, 2011, required District contributions were \$7,797 and \$7,517, respectively.

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

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

For the year ended June 30, 2013, the District paid \$-0- to TRS for employer contributions under the ERO program. For the years ended June 30, 2012 and June 30, 2011 the District paid \$-0- and \$-0- in employer ERO contributions, respectively.

- **Salary increases over 6 percent and excess sick leave** Public Act 94-0004 added two additional employer contributions to TRS.
 - If an employer grants salary increases over 6 percent and those salaries are used to calculate a retiree's final average salary, the employer makes a contribution to TRS. The contribution will cover the difference in actuarial cost of the benefit based on actual salary increases and the benefit based on salary increases of up to 6 percent.

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 8 – RETIREMENT FUND COMMITMENTS (Cont'd)

For the year ended June 30, 2013, the District paid \$5,242 to TRS for employer contributions due on salary increases in excess of 6 percent. For the years ended June 30, 2012 and June 30, 2011, the District paid \$-0- and \$-0- to TRS for employer contributions due on salary increases in excess of 6 percent, respectively.

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

For the year ended June 30, 2013, the District paid \$-0- to TRS for sick leave days granted in the excess of the normal annual allotment. For the years ended June 30, 2012 and June 30, 2011, the District paid \$-0- and \$-0- in employer contributions granted for sick leave days, respectively.

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, 2012. The report for the year ended June 30, 2013, is expected to be available in late 2013.

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

B. THIS Fund Contributions

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 may participate in the state administered participating provider option plan or choose from several managed care options.

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

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

- **On-Behalf Contributions to THIS Fund** – The State of Illinois makes employer retiree health insurance contributions on behalf of the District. State contributions are intended to match contributions to THIS Fund from active members which were 0.92 percent of pay during the year ended June 30, 2013. State of Illinois contributions were \$26,288 and the District recognized revenue and expenditures of this amount during the year.

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 8 – RETIREMENT FUND COMMITMENTS (Cont’d)

State contributions intended to match active member contributions during the years ended June 30, 2012 and June 30, 2011 were 0.88 percent of pay, both years. State contributions on behalf of District employees were \$24,466 and \$24,627 respectively.

- **Employer Contributions to THIS Fund** – The District also makes contributions to THIS Fund. The employer THIS Fund contribution was 0.69 percent during the year ended June 30, 2013 and 0.66 percent during the years ended June 30, 2012 and June 30, 2011. For the year ended June 30, 2013, the District paid \$19,716 to the THIS Fund. For the years ended June 30, 2012 and June 30, 2011, the District paid \$18,350 and \$18,471 to the THIS Fund, respectively, which was 100 percent of the required contribution.

Further information on 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 2013 report is listed under “Central Management Services.” Prior reports are available under “Healthcare and Family Services.”

C. Illinois Municipal Retirement Fund

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

Funding Policy. As set by statute, your employer Regular plan members are required to contribute 4.50 percent of their annual covered salary. The statute requires employers to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer contribution rate for calendar year 2012 used by the employer was 10.40 percent of annual covered payroll. The employer annual required contribution rate for calendar year 2012 was 10.94 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 calendar year 2012 was \$80,772.

Three-Year Trend Information for the Regular Plan

Fiscal Year <u>Ending</u>	Annual Pension Cost (APC)	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
12/31/12	\$ 80,772	95%	\$3,987
12/31/11	74,929	88	9,123
12/31/10	68,043	88	8,157

The required contribution for 2012 was determined as part of the December 31, 2010, actuarial valuation using the entry age normal actuarial cost method. The actuarial assumptions at December 31, 2009, included (a) 7.5 percent investment rate of return (net of administrative and direct investment

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 8 – RETIREMENT FUND COMMITMENTS (Cont'd)

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 your employer Regular plan assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor between the actuarial and market value of assets. The employer Regular plan's unfunded actuarial accrued liability at December 31, 2010 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, 2012, the most recent actuarial valuation date, the Regular plan was 80.79 percent funded. The actuarial accrued liability for benefits was \$1,567,178 and the actuarial value of assets was \$1,266,171, resulting in an underfunded actuarial accrued liability (UAAL) of \$301,007. The covered payroll for calendar year 2012 (annual payroll of active employees covered by the plan) was \$738,319 and the ratio of the UAAL to the covered payroll was 41 percent.

The schedule of funding progress, presented as RSI following the notes to the financial statements, presents multi-year 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 9 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the balance sheet date but before the financial statements are issued or available to be issued. There are two types of subsequent events: recognized (events that relate to conditions present at the balance sheet date) and non-recognized (events or conditions that did not exist at the balance sheet date but arose after that date).

There have been no recognized or non-recognized subsequent events that have occurred between June 30, 2013, and the date of this audit report requiring disclosure in the financial statements.

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The District's plan covers eligible employees' medical benefits under the Teacher's Retirement Insurance Program. Coverage is limited and based upon meeting certain eligibility requirements.

Funding Policy

Funding is financed on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation

The District's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and to amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation to the Plan.

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (Cont'd)

Annual Required Contribution (ARC)	\$ 23,880
Adjustment to annual required contribution	<u>(82)</u>
Annual OPEB cost	23,798
Contributions made	<u>(37,093)</u>
Change in net OPEB obligation	(13,295)
Net OPEB Obligation - beginning of the year	<u>4,436</u>
Net OPEB Obligation/(Asset) - end of year	<u><u>\$ (8,859)</u></u>

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the 2013 fiscal year and the two preceding years is as follows:

Fiscal Year End Date	Annual OPEB Cost	Net OPEB Obligation
6/30/2013	\$ 23,798	\$ (8,859)
6/30/2012	2,218	4,436
6/30/2011	2,218	2,218

Funding Status and Funding Progress

As of June 30, 2013, the actuarial accrued liability for benefits was \$144,162, all of which is unfunded. The projection of future benefit payments, for an ongoing plan, involved estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Methods and Assumptions

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

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2013

NOTE 10 – OTHER POST-EMPLOYMENT BENEFITS (Cont'd)

Contribution Rates:	
District	NA
Plan members	0.00%
Actuarial valuation date	July 1, 2012
Actuarial cost method	NA
Amortization period	30 years
Asset valuation method	NA
Actuarial assumptions:	
Investment rate of return	4.00%
Projected salary increases	NA

NOTE 11 – OPERATING LEASES

The District entered into an agreement to lease various copiers over a sixty month period. The minimum annual lease payments are as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Lease</u> <u>Obligation</u>
2014	\$ 29,659
2015	<u>3,011</u>
Total	<u><u>\$ 32,670</u></u>

NOTE 12 – TORT EXPENDITURES

The District spent tort monies on Workers Compensation \$26,857 and Liability Insurance \$31,369 during the fiscal year ended June 30, 2013.

NOTE 13 – PERMANENT TRANSFERS

The District transferred from the Operations and Maintenance Fund \$250,000 to the Educational Account and \$125,000 to the Municipal Fund to meet ordinary and necessary expenses. The District abated the Working Cash Account in the amount of \$925,000 to the Educational Account to meet ordinary and necessary expenses. The Educational Account transferred \$54,377 to the Debt Service Fund for capital lease payments.

NOTE 14 – RESTATEMENT OF OPENING NET POSITION

The District restated opening net position for the adoption of the new Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement changes the way issuance costs are expensed. The restatement reduced the July 1, 2012, net position by 28,242.

REQUIRED SUPPLEMENTARY INFORMATION

Komarek School District #94

ILLINOIS MUNICIPAL RETIREMENT FUND
 REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress

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 Payrol (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/2012	\$ 1,266,171	\$ 1,567,178	\$ 301,007	80.79%	\$ 738,319	40.77%
12/31/2011	1,074,223	1,386,810	312,587	77.46%	696,365	44.89%
12/31/2010	929,488	1,242,180	312,692	74.83%	697,162	44.85%

Komarek School District #94

OTHER POST-EMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress

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 Payrol (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
7/1/2012	\$ -	\$ 290,419	\$ 290,419	0.00%	\$ 3,604,745	8.06%
7/1/2009	-	151,778	151,778	0.00%	3,506,848	4.33%

KOMAREK SCHOOL DISTRICT NO. 94
GENERAL FUND
COMBINING BALANCE SHEET
JUNE 30, 2013

ASSETS	Educational Account	Working Cash Account	Total
Cash and investments	\$ 822,030	\$ 411,108	\$ 1,233,138
Receivables (net of allowance):			
Property taxes	1,664,755	-	1,664,755
Replacement taxes	91,057	-	91,057
Intergovernmental receivable	100,515	-	100,515
Prepaid items	8,370	-	8,370
 Total Assets	 <u>\$ 2,686,727</u>	 <u>\$ 411,108</u>	 <u>\$ 3,097,835</u>
LIABILITIES			
Accounts payable	\$ 19,564	\$ -	\$ 19,564
Salaries and wages payable	436,885	-	436,885
Unearned revenue	424,940	-	424,940
 Total Liabilities	 <u>881,389</u>	 <u>-</u>	 <u>881,389</u>
FUND EQUITY			
Fund Balances:			
Nonspendable	8,370	-	8,370
Undesignated	1,796,968	411,108	2,208,076
 Total Fund Balances	 <u>1,805,338</u>	 <u>411,108</u>	 <u>2,216,446</u>
 Total Liabilities and Fund Balances	 <u>\$ 2,686,727</u>	 <u>\$ 411,108</u>	 <u>\$ 3,097,835</u>

KOMAREK SCHOOL DISTRICT NO. 94
GENERAL FUND
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			Total	2012
	Original & Final Budget	Educational Account	Working Cash Account		
Revenue:					
Local Sources:					
General tax levy	\$ 2,922,836	\$ 3,464,154	\$ -	\$ 3,464,154	\$ 3,197,284
Special education levy	48,800	287,437	-	287,437	183,051
Corporate replacement taxes	600,000	450,151	-	450,151	445,758
Earnings on investments	35,000	3,368	1,828	5,196	3,026
Summer school tuition	700	1,265	-	1,265	440
Preschool tuition	25,997	5,074	-	5,074	7,580
Before/after tuition	79,000	64,240	-	64,240	56,455
Sales to pupils-lunch	71,843	44,243	-	44,243	53,770
Sales to pupils-breakfast	2,800	3,023	-	3,023	2,555
Sales to adults	10	-	-	-	-
Pupil activities	7,000	8,345	-	8,345	7,124
Rentals-regular textbooks	36,300	27,842	-	27,842	29,924
Rentals-other	200	200	-	200	100
Other	-	-	-	-	4,378
Total Local Sources	3,830,486	4,359,342	1,828	4,361,170	3,991,445
State Sources:					
General state aid	218,000	198,580	-	198,580	194,794
Special education-private facility	56,000	53,807	-	53,807	41,901
Special education-extraordinary	80,000	65,764	-	65,764	68,631
Special education-personnel	130,000	140,022	-	140,022	142,855
Special education-orphanage	-	(1,041)	-	(1,041)	3,503
Special education-summer school	850	1,097	-	1,097	813
State on behalf payments - retirement	-	816,814	-	816,814	710,919
State free lunch and breakfast	1,800	1,188	-	1,188	1,932
Early childhood - block grant	50,000	131,767	-	131,767	47,705
ADA safety and educational block grant	8,000	-	-	-	-
Total State Sources	544,650	1,407,998	-	1,407,998	1,213,053
Federal Sources:					
Title I - Low income	36,000	48,275	-	48,275	49,649
Title II - Teacher quality	10,500	7,092	-	7,092	6,844
Title IV - Formula - Safe & drug free school	1,000	-	-	-	-
Special education I.D.E.A.	1,000	1,459	-	1,459	2,704
National School Lunch Program	57,000	68,352	-	68,352	55,665
Commodities	-	8,398	-	8,398	12,436
ARRA - Other	-	548	-	548	429
Total Federal Sources	105,500	134,124	-	134,124	127,727
Total Revenue	4,480,636	5,901,464	1,828	5,903,292	5,332,225

KOMAREK SCHOOL DISTRICT NO. 94
GENERAL FUND
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			Total	2012
	Original & Final Budget	Educational Account	Working Cash Account		
<u>Expenditures:</u>					
Instruction:					
Regular Programs:					
Salaries	\$ 1,759,014	\$ 1,862,165	\$ -	\$ 1,862,165	\$ 1,827,000
Employee benefits	317,609	253,038	-	253,038	268,429
State on behalf payments - retirement	-	816,814	-	816,814	710,919
Purchased services	79,680	34,138	-	34,138	14,640
Supplies and materials	65,450	84,315	-	84,315	55,094
Capital outlay	3,300	1,497	-	1,497	3,397
Other objects	25,830	27,073	-	27,073	25,830
Total	2,250,883	3,079,040	-	3,079,040	2,905,309
Pre-K Programs:					
Salaries	70,569	74,282	-	74,282	87,586
Employee benefits	1,900	1,510	-	1,510	1,778
Purchased services	100	-	-	-	-
Supplies and materials	2,000	1,156	-	1,156	2,117
Capital outlay	100	-	-	-	-
Total	74,669	76,948	-	76,948	91,481
Special Programs:					
Salaries	442,128	627,909	-	627,909	585,952
Employee benefits	100,429	111,062	-	111,062	113,527
Purchased services	1,000	180	-	180	-
Supplies and materials	2,500	1,325	-	1,325	12,546
Capital outlay	1,000	-	-	-	-
Total	547,057	740,476	-	740,476	712,025
Interscholastic Programs:					
Salaries	127,260	163,215	-	163,215	154,085
Employee benefits	18,787	9,262	-	9,262	10,599
Purchased services	3,500	2,848	-	2,848	4,090
Supplies and materials	2,500	1,758	-	1,758	336
Total	152,047	177,083	-	177,083	169,110
Summer School:					
Salaries	3,500	5,090	-	5,090	5,380
Employee benefits	60	27	-	27	31
Total	3,560	5,117	-	5,117	5,411
Total Instruction	3,028,216	4,078,664	-	4,078,664	3,883,336

KOMAREK SCHOOL DISTRICT NO. 94
GENERAL FUND
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			Total	2012
	Original & Final Budget	Educational Account	Working Cash Account		
<u>Expenditures:</u>					
Supporting Services:					
Pupils:					
Attendance and Social Work Services:					
Salaries	\$ 38,000	\$ 44,466	\$ -	\$ 44,466	\$ 42,962
Employee benefits	6,917	6,408	-	6,408	7,461
Supplies and materials	75	75	-	75	-
Total	44,992	50,949	-	50,949	50,423
Health:					
Salaries	16,110	17,601	-	17,601	16,876
Purchased services	1,000	900	-	900	910
Supplies and materials	700	653	-	653	567
Total	17,810	19,154	-	19,154	18,353
Speech Pathology and Audiology:					
Salaries	60,000	66,798	-	66,798	69,895
Employee benefits	15,993	8,959	-	8,959	7,671
Supplies and materials	250	135	-	135	150
Total	76,243	75,892	-	75,892	77,716
Total Pupils	139,045	145,995	-	145,995	146,492
Instructional Staff:					
Improvement of Instruction Services:					
Employee benefits	-	5,460	-	5,460	7,735
Purchased services	6,000	3,886	-	3,886	3,037
Total	6,000	9,346	-	9,346	10,772
Education Media:					
Salaries	27,858	29,057	-	29,057	25,047
Employee benefits	8,690	7,032	-	7,032	7,199
Purchased services	48,200	72,933	-	72,933	43,948
Supplies and materials	37,386	18,364	-	18,364	46,618
Capital outlay	3,864	73,882	-	73,882	217,241
Total	125,998	201,268	-	201,268	340,053

KOMAREK SCHOOL DISTRICT NO. 94
GENERAL FUND
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			Total	2012
	Original & Final Budget	Educational Account	Working Cash Account		
<u>Expenditures:</u>					
Assessment and Testing:					
Supplies and materials	\$ 12,000	\$ 8,846	\$ -	\$ 8,846	\$ 19,639
Total	12,000	8,846	-	8,846	19,639
Total Instructional Staff	143,998	219,460	-	219,460	370,464
General Administration:					
Board of Education:					
Salaries	45,942	49,255	-	49,255	46,127
Benefits	26,563	15,584	-	15,584	15,338
Purchased services	49,500	30,838	-	30,838	40,121
Supplies and materials	3,000	1,849	-	1,849	304
Capital outlay	1,000	-	-	-	-
Other	8,500	5,318	-	5,318	7,920
Total	134,505	102,844	-	102,844	109,810
Executive Administration:					
Salaries	153,072	159,655	-	159,655	153,672
Employee benefits	26,306	39,780	-	39,780	36,138
Purchased services	300	300	-	300	300
Other	1,300	1,218	-	1,218	1,212
Total	180,978	200,953	-	200,953	191,322
Total General Administration	315,483	303,797	-	303,797	301,132
School Administration:					
Office of the Principal:					
Salaries	203,432	212,978	-	212,978	197,956
Employee benefits	63,978	72,318	-	72,318	70,108
Purchased services	200	102	-	102	321
Supplies and materials	1,000	1,135	-	1,135	1,224
Other	750	150	-	150	1,168
Total	269,360	286,683	-	286,683	270,777

KOMAREK SCHOOL DISTRICT NO. 94
GENERAL FUND
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			Total	2012
	Original & Final Budget	Educational Account	Working Cash Account		
<u>Expenditures:</u>					
Business:					
Fiscal:					
Salaries	\$ 50,039	\$ 52,190	\$ -	\$ 52,190	\$ 50,139
Employee benefits	488	5,919	-	5,919	5,257
Purchased services	19,750	16,821	-	16,821	13,089
Supplies and materials	100	224	-	224	196
Other	200	275	-	275	125
Total	70,577	75,429	-	75,429	68,806
Food Services:					
Salaries	17,900	19,820	-	19,820	23,744
Purchased services	800	889	-	889	1,132
Supplies and materials	97,700	117,032	-	117,032	109,302
Capital outlay	300	1,515	-	1,515	-
Total	116,700	139,256	-	139,256	134,178
Total Support Business	187,277	214,685	-	214,685	202,984
Total Supporting Services	1,055,163	1,170,620	-	1,170,620	1,291,849
Community Services:					
Salaries	60,155	64,235	-	64,235	62,156
Employee benefits	8,190	7,340	-	7,340	6,575
Supplies and materials	600	275	-	275	613
Total	68,945	71,850	-	71,850	69,344
<u>Payments to Other LEAs and Governmental Units</u>					
Payments for Special Education Programs:					
Tuition	260,000	438,602	-	438,602	379,822
Total Payments to Other LEAs and Governmental Units	260,000	438,602	-	438,602	379,822
Total Expenditures	4,412,324	5,759,736	-	5,759,736	5,624,351

KOMAREK SCHOOL DISTRICT NO. 94
GENERAL FUND
COMBINING SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013			Total	2012
	Original & Final Budget	Educational Account	Working Cash Account		
<u>Excess (deficiency) of Revenue Over Expenditures Before Other Financing Sources (Uses)</u>	\$ 68,312	\$ 141,728	\$ 1,828	\$ 143,556	\$ (292,126)
<u>Other Financing Sources (Uses):</u>					
Capital lease	-	59,100	-	59,100	206,862
Permanent transfer	-	1,175,000	(925,000)	250,000	-
Bonds issued	-	-	925,000	925,000	-
Transfer of debt service interest	-	(6,975)	-	(6,975)	(7,762)
Transfer of debt service principal	-	(47,402)	-	(47,402)	(47,883)
<u>Total Other Financing Sources (Uses)</u>	-	1,179,723	-	1,179,723	151,217
<u>Net Change in Fund Balances</u>	<u>\$ 68,312</u>	1,321,451	1,828	1,323,279	(140,909)
<u>Fund Balance, Beginning of Year</u>		483,887	409,280	893,167	1,034,076
<u>Fund Balance, End of Year</u>		<u>\$ 1,805,338</u>	<u>\$411,108</u>	<u>\$ 2,216,446</u>	<u>\$ 893,167</u>

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Revenue:</u>			
Local Sources:			
General tax levy	\$ 3,108,437	\$ 3,464,154	\$ 3,196,316
Special education levy	231,750	287,437	183,051
Corporate replacement taxes	450,000	450,151	445,758
Earnings on investments	4,500	3,368	1,642
Summer school tuition	800	1,265	440
Preschool tuition	8,200	5,074	7,580
Before/after tuition	55,000	64,240	56,455
Sales to pupils-lunch	70,500	44,243	53,770
Sales to pupils-breakfast	2,600	3,023	2,555
Pupil activities	8,000	8,345	7,124
Rentals-regular textbooks	38,500	27,842	29,924
Rentals-other	100	200	100
Other	-	-	4,378
<u>Total Local Sources</u>	<u>3,978,387</u>	<u>4,359,342</u>	<u>3,989,093</u>
State Sources:			
General state aid	190,000	198,580	194,794
Special education-private facility	50,000	53,807	41,901
Special education-extraordinary	68,000	65,764	68,631
Special education-personnel	147,820	140,022	142,855
Special education-orphanage	4,420	(1,041)	3,503
Special education-summer school	800	1,097	813
State on behalf payments - retirement	-	816,814	710,919
State free lunch and breakfast	1,800	1,188	1,932
Early childhood - block grant	60,467	131,767	47,705
<u>Total State Sources</u>	<u>523,307</u>	<u>1,407,998</u>	<u>1,213,053</u>
Federal Sources:			
Title I - Low income	35,077	48,275	49,649
Title II - Teacher quality	7,091	7,092	6,844
Title IV - Formula - Safe & drug free school	2,000	-	-
Special education I.D.E.A.	-	1,459	2,704
National School Lunch Program	50,700	68,352	55,665
Commodities	-	8,398	12,436
ARRA - Other	277	548	429
<u>Total Federal Sources</u>	<u>95,145</u>	<u>134,124</u>	<u>127,727</u>
<u>Total Revenue</u>	<u>4,596,839</u>	<u>5,901,464</u>	<u>5,329,873</u>

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Expenditures:</u>			
Instruction:			
Regular Programs:			
Salaries	\$ 1,900,973	\$ 1,862,165	\$ 1,827,000
Employee benefits	322,121	253,038	268,429
State on behalf payments - retirement	-	816,814	710,919
Purchased services	42,493	34,138	14,640
Supplies and materials	90,515	84,315	55,094
Capital outlay	3,200	1,497	3,397
Other objects	49,857	27,073	25,830
Total	<u>2,409,159</u>	<u>3,079,040</u>	<u>2,905,309</u>
Pre-K Programs:			
Salaries	81,548	74,282	87,586
Employee benefits	1,605	1,510	1,778
Purchased services	100	-	-
Supplies and materials	2,000	1,156	2,117
Capital outlay	100	-	-
Total	<u>85,353</u>	<u>76,948</u>	<u>91,481</u>
Special Programs:			
Salaries	579,000	627,909	585,952
Employee benefits	116,500	111,062	113,527
Purchased services	1,000	180	-
Supplies and materials	3,800	1,325	12,546
Total	<u>700,300</u>	<u>740,476</u>	<u>712,025</u>
Interscholastic Programs:			
Salaries	160,000	163,215	154,085
Employee benefits	10,978	9,262	10,599
Purchased services	4,200	2,848	4,090
Supplies and materials	2,500	1,758	336
Total	<u>177,678</u>	<u>177,083</u>	<u>169,110</u>
Summer School:			
Salaries	4,500	5,090	5,380
Employee benefits	60	27	31
Total	<u>4,560</u>	<u>5,117</u>	<u>5,411</u>
<u>Total Instruction</u>	<u>3,377,050</u>	<u>4,078,664</u>	<u>3,883,336</u>

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Expenditures:</u>			
Supporting Services:			
Pupils:			
Attendance and Social Work Services:			
Salaries	\$ 44,718	\$ 44,466	\$ 42,962
Employee benefits	7,660	6,408	7,461
Supplies and materials	75	75	-
Total	52,453	50,949	50,423
Health:			
Salaries	16,835	17,601	16,876
Purchased services	1,000	900	910
Supplies and materials	700	653	567
Total	18,535	19,154	18,353
Speech Pathology and Audiology:			
Salaries	74,429	66,798	69,895
Employee benefits	7,832	8,959	7,671
Supplies and materials	200	135	150
Total	82,461	75,892	77,716
Total Pupils	153,449	145,995	146,492
Instructional Staff:			
Improvement of Instruction Services:			
Employee benefits	4,400	5,460	7,735
Purchased services	3,000	3,886	3,037
Total	7,400	9,346	10,772
Education Media:			
Salaries	29,112	29,057	25,047
Employee benefits	7,400	7,032	7,199
Purchased services	91,079	72,933	43,948
Supplies and materials	11,050	18,364	46,618
Capital outlay	12,000	73,882	217,241
Total	150,641	201,268	340,053

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Expenditures:</u>			
Assessment and Testing:			
Supplies and materials	\$ 10,000	\$ 8,846	\$ 19,639
Total	10,000	8,846	19,639
Total Instructional Staff	168,041	219,460	370,464
General Administration:			
Board of Education:			
Salaries	47,964	49,255	46,127
Benefits	29,000	15,584	15,338
Purchased services	48,200	30,838	40,121
Supplies and materials	2,000	1,849	304
Capital outlay	500	-	-
Other	8,500	5,318	7,920
Total	136,164	102,844	109,810
Executive Administration:			
Salaries	159,960	159,655	153,672
Employee benefits	27,990	39,780	36,138
Purchased services	300	300	300
Other	1,300	1,218	1,212
Total	189,550	200,953	191,322
Total General Administration	325,714	303,797	301,132
School Administration:			
Office of the Principal:			
Salaries	212,587	212,978	197,956
Employee benefits	70,890	72,318	70,108
Purchased services	200	102	321
Supplies and materials	900	1,135	1,224
Capital outlay	350	-	-
Other	800	150	1,168
Total	285,727	286,683	270,777

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Expenditures:</u>			
Business:			
Fiscal:			
Salaries	\$ 52,291	\$ 52,190	\$ 50,139
Employee benefits	5,760	5,919	5,257
Purchased services	13,800	16,821	13,089
Supplies and materials	100	224	196
Other	275	275	125.00
Total	<u>72,226</u>	<u>75,429</u>	<u>68,806</u>
Food Services:			
Salaries	21,600	19,820	23,744
Purchased services	889	889	1,132
Supplies and materials	109,550	117,032	109,302
Capital outlay	2,000	1,515	-
Total	<u>134,039</u>	<u>139,256</u>	<u>134,178</u>
Total Support Business	<u>206,265</u>	<u>214,685</u>	<u>202,984</u>
Total Supporting Services	<u>1,139,196</u>	<u>1,170,620</u>	<u>1,291,849</u>
Community Services:			
Salaries	62,973	64,235	62,156
Employee benefits	8,000	7,340	6,575
Supplies and materials	-	275	613
Total	<u>70,973</u>	<u>71,850</u>	<u>69,344</u>
<u>Payments to Other LEAs and Governmental Units</u>			
Payments for Regular Education Programs:			
Tuition	9,000	-	-
Payments for Special Education Programs:			
Tuition	<u>378,000</u>	<u>438,602</u>	<u>379,822</u>
<u>Total Payments to Other LEAs and Governmental Units</u>	<u>387,000</u>	<u>438,602</u>	<u>379,822</u>
<u>Total Expenditures</u>	<u>4,974,219</u>	<u>5,759,736</u>	<u>5,624,351</u>

KOMAREK SCHOOL DISTRICT NO. 94
EDUCATIONAL ACCOUNT
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Excess (Deficiency) of Revenue Over Expenditures Before Other Financing Sources (Uses)</u>	<u>\$ (377,380)</u>	<u>\$ 141,728</u>	<u>\$ (294,478)</u>
<u>Other Financing Sources (Uses):</u>			
Capital leases	-	59,100	-
Permanent transfer	1,175,000	1,175,000	-
Transfer of debt service interest	-	(6,975)	(7,762)
Transfer of debt service principal	(46,678)	(47,402)	(47,883)
<u>Total Other Financing Sources (Uses)</u>	<u>1,128,322</u>	<u>1,179,723</u>	<u>(55,645)</u>
<u>Net Change in Fund Balances</u>	<u>\$ 750,942</u>	1,321,451	(350,123)
<u>Fund Balance, Beginning of Year</u>		483,887	627,148
<u>Fund Balance, End of Year</u>		<u>\$ 1,805,338</u>	<u>\$ 277,025</u>

KOMAREK SCHOOL DISTRICT NO. 94
 WORKING CASH ACCOUNT
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2013
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Revenue:</u>			
<u>Local Sources:</u>			
General levy	\$ 800	\$ -	\$ 968
Earnings on investments	2,000	1,828	1,384
<u>Total Local Sources</u>	<u>2,800</u>	<u>1,828</u>	<u>2,352</u>
<u>Total Revenues Collected</u>	<u>2,800</u>	<u>1,828</u>	<u>2,352</u>
<u>Expenditures:</u>			
	-	-	-
<u>Excess of Revenue Over Expenditures</u>			
<u>Before Other Financing Sources (Uses)</u>	<u>2,800</u>	<u>1,828</u>	<u>2,352</u>
<u>Other Financing Sources (Uses):</u>			
Permanent transfer	(925,000)	(925,000)	-
Bonds issued	925,000	925,000	-
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Net Change in Fund Balances</u>	<u>\$ 2,800</u>	1,828	2,352
<u>Fund Balance, Beginning of Year</u>		<u>409,280</u>	<u>406,928</u>
<u>Fund Balance, End of Year</u>		<u>\$ 411,108</u>	<u>\$ 409,280</u>

KOMAREK SCHOOL DISTRICT NO. 94
 OPERATIONS AND MAINTENANCE FUND
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2013
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2013

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Revenue:</u>			
Local Sources:			
General tax levy	\$ 747,050	\$ 635,694	\$ 779,210
Corporate replacement taxes	86,000	150,050	148,586
Earnings on investments	4,900	3,933	4,120
<u>Total Local Sources</u>	<u>837,950</u>	<u>789,677</u>	<u>931,916</u>
State Sources:			
Maintenance grant	47,500	47,500	-
<u>Total State Sources</u>	<u>47,500</u>	<u>47,500</u>	<u>-</u>
<u>Total Revenue</u>	<u>885,450</u>	<u>837,177</u>	<u>931,916</u>
<u>Expenditures:</u>			
Facilities Acquisition and Construction Services:			
Purchased services	28,000	11,588	43,737
<u>Total Facilities Acquisition and Construction Services</u>	<u>28,000</u>	<u>11,588</u>	<u>43,737</u>
Operations and Maintenance of Plant Services:			
Salaries	181,450	164,633	162,637
Employee benefits	32,710	26,710	24,291
Purchased services	253,350	244,339	141,212
Supplies and materials	102,000	90,609	90,522
Capital outlay	97,500	71,201	57,183
Non-capitalized outlay	10,000	-	-
<u>Total Supporting Services</u>	<u>677,010</u>	<u>597,492</u>	<u>475,845</u>
<u>Total Expenditures</u>	<u>705,010</u>	<u>609,080</u>	<u>519,582</u>
<u>Excess of Revenue Over Expenditures Before Other Financing (Uses)</u>	<u>180,440</u>	<u>228,097</u>	<u>412,334</u>
<u>Other Financing (Uses):</u>			
Permanent transfer	(375,000)	(375,000)	-
<u>Total Other Financing (Uses)</u>	<u>(375,000)</u>	<u>(375,000)</u>	<u>-</u>
<u>Net Change in Fund Balances</u>	<u>\$ (194,560)</u>	(146,903)	412,334
<u>Fund Balance, Beginning of Year</u>		1,260,691	848,357
<u>Fund Balance, End of Year</u>		<u>\$ 1,113,788</u>	<u>\$ 1,260,691</u>

KOMAREK SCHOOL DISTRICT NO. 94
DEBT SERVICE FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Revenue:</u>			
<u>Local Sources:</u>			
General tax levy	\$ 321,862	\$ 435,230	\$ 381,110
Earnings on investments	2,100	1,338	1,280
<u>Total Local Sources</u>	<u>323,962</u>	<u>436,568</u>	<u>382,390</u>
<u>Total Revenue</u>	<u>323,962</u>	<u>436,568</u>	<u>382,390</u>
<u>Expenditures:</u>			
<u>Debt Service:</u>			
Principal retirement	230,125	287,402	267,883
Interest on bonds	93,800	89,942	100,862
Other	-	36,954	475
<u>Total Supporting Services</u>	<u>323,925</u>	<u>414,298</u>	<u>369,220</u>
<u>Total Expenditures</u>	<u>323,925</u>	<u>414,298</u>	<u>369,220</u>
<u>Excess (Deficiency) of Revenue Over Expenditures Before Other Financing Sources</u>	<u>37</u>	<u>22,270</u>	<u>13,170</u>
<u>Other Financing Sources</u>			
Transfer of debt service interest	-	6,975	7,762
Bonds issued	-	1,270,000	-
Premium on bonds issued	-	16,151	-
Transfer to escrow agent	-	(1,247,530)	-
Transfer of debt service principal	46,678	47,402	47,883
<u>Total Other Financing Sources</u>	<u>46,678</u>	<u>92,998</u>	<u>55,645</u>
<u>Net Change in Fund Balances</u>	<u>\$ 46,715</u>	115,268	68,815
<u>Fund Balance, Beginning of Year</u>		<u>385,286</u>	<u>316,471</u>
<u>Fund Balance, End of Year</u>		<u>\$ 500,554</u>	<u>\$ 385,286</u>

KOMAREK SCHOOL DISTRICT NO. 94
 TRANSPORTATION FUND
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2013
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Revenue:</u>			
Local Sources:			
General tax levy	\$ 103,968	\$ 118,806	\$ 118,509
Earnings on investments	1,000	1,074	1,022
<u>Total Local Sources</u>	<u>104,968</u>	<u>119,880</u>	<u>119,531</u>
State Sources:			
Transportation aid - regular	-	-	89
Transportation - special education	62,358	62,174	62,836
<u>Total State Sources</u>	<u>62,358</u>	<u>62,174</u>	<u>62,925</u>
<u>Total Revenue</u>	<u>167,326</u>	<u>182,054</u>	<u>182,456</u>
<u>Expenditures:</u>			
Supporting Services:			
Pupil Transportation Services:			
Purchased services	103,000	135,053	93,758
<u>Total Supporting Services</u>	<u>103,000</u>	<u>135,053</u>	<u>93,758</u>
<u>Total Expenditures</u>	<u>103,000</u>	<u>135,053</u>	<u>93,758</u>
<u>Net Change in Fund Balances</u>	<u>\$ 64,326</u>	47,001	88,698
<u>Fund Balance, Beginning of Year</u>		<u>281,725</u>	<u>193,027</u>
<u>Fund Balance, End of Year</u>		<u>\$ 328,726</u>	<u>\$ 281,725</u>

KOMAREK SCHOOL DISTRICT NO. 94
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Revenue:</u>			
Local Sources:			
General tax levy	\$ 83,811	\$ 122,954	\$ 107,271
Corporate replacement taxes	23,000	28,952	21,417
Earnings on investment	750	256	253
<u>Total Local Sources</u>	<u>107,561</u>	<u>152,162</u>	<u>128,941</u>
<u>Total Revenue</u>	<u>107,561</u>	<u>152,162</u>	<u>128,941</u>
<u>Expenditures:</u>			
Instruction:			
Regular programs	36,070	31,685	33,849
Pre-K programs	6,415	6,084	5,935
Special education programs	55,700	62,010	54,410
Summer school programs	80	69	78
<u>Total Instruction</u>	<u>98,265</u>	<u>99,848</u>	<u>94,272</u>
Pupil Services:			
Attendance and Social Work	721	637	651
<u>Total Pupil Services</u>	<u>721</u>	<u>637</u>	<u>651</u>
Instructional Staff:			
Educational media services	3,919	3,723	3,893
<u>Total Instructional Staff</u>	<u>3,919</u>	<u>3,723</u>	<u>3,893</u>
General Administration:			
Board services	50	-	-
Executive administration services	10,590	10,874	10,210
<u>Total General Administration</u>	<u>10,640</u>	<u>10,874</u>	<u>10,210</u>
School Administration:			
Office of the principal services	9,115	9,257	8,684
<u>Total School Administration</u>	<u>9,115</u>	<u>9,257</u>	<u>8,684</u>

KOMAREK SCHOOL DISTRICT NO. 94
MUNICIPAL RETIREMENT/SOCIAL SECURITY FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED JUNE 30, 2013
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
Business:			
Fiscal services	\$ 9,115	\$ 9,484	\$ 8,756
Operations and maintenance of plant services	29,631	32,535	30,414
<u>Total Business</u>	38,746	42,019	39,170
Community Services:			
Daycare	9,410	11,268	9,173
<u>Total Supporting Services</u>	72,551	77,778	71,781
<u>Total Expenditures</u>	170,816	177,626	166,053
<u>Excess of Revenue Over Expenditures Before Other Financing Sources</u>	(63,255)	(25,464)	(37,112)
<u>Other Financing Sources:</u>			
Permanent transfers	125,000	125,000	-
<u>Total Other Financing Sources</u>	125,000	125,000	-
<u>Net Change in Fund Balances</u>	\$ 61,745	99,536	(37,112)
<u>Fund Balance, Beginning of Year</u>		54,526	91,638
<u>Fund Balance, End of Year</u>		\$ 154,062	\$ 54,526

KOMAREK SCHOOL DISTRICT NO. 94
 TORT FUND
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2013
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Revenue:</u>			
Local Sources:			
General tax levy	\$ -	\$ -	\$ 620
Earnings on investments	-	-	(5)
<u>Total Local Sources</u>	-	-	615
<u>Total Revenue</u>	-	-	615
<u>Expenditures:</u>	-	-	-
<u>Total Support Services</u>	-	-	-
<u>Total Expenditures</u>	-	-	-
<u>Net Change in Fund Balances</u>	<u>\$ -</u>	-	615
<u>Fund Balance, Beginning of Year</u>		-	(615)
<u>Fund Balance, End of Year</u>		<u>\$ -</u>	<u>\$ -</u>

KOMAREK SCHOOL DISTRICT NO. 94
 FIRE PREVENTION AND SAFETY FUND
 SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
 FOR THE YEAR ENDED JUNE 30, 2013
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 2012

	2013		2012
	Original & Final Budget	Actual	Actual
<u>Revenue:</u>			
Local Sources:			
General tax levy	\$ -	\$ 594	\$ (732)
Earnings on investments	-	3	(2)
<u>Total Local Sources</u>	-	597	(734)
<u>Total Revenue</u>	-	597	(734)
<u>Expenditures:</u>	-	-	-
<u>Total Support Services</u>	-	-	-
<u>Total Expenditures</u>	-	-	-
<u>Net Change in Fund Balances</u>	<u>\$ -</u>	597	(734)
<u>Fund Balance, Beginning of Year</u>		1,383	2,117
<u>Fund Balance, End of Year</u>		<u>\$ 1,980</u>	<u>\$ 1,383</u>

(THIS PAGE INTENTIONALLY LEFT BLANK)

KOMAREK SCHOOL DISTRICT NO. 94
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2013

A. Budgetary Data

Except for the exclusion of on-behalf payments from other governments, discussed below, the budgeted amounts for the Governmental Funds are adopted on the modified accrual basis, which is consistent with accounting principles generally accepted in the United States of America.

The Board of Education follows these procedures in establishing the budgetary data reflected in the general purpose financial statements.

1. The Administration submits to the Board of Education a proposed operating budget for the fiscal year commencing on July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted and the proposed budget is available for inspection to obtain taxpayer comments.
3. Prior to September 30, the budget is legally adopted through passage of an ordinance. By the last Tuesday in December, a tax levy ordinance is filed with the county clerk to obtain tax revenues.
4. Management is authorized to transfer budget amounts, provided funds are transferred between the same function and object codes. The Board of Education is authorized to transfer up to a legal level of 10% of the total budget between functions within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Board of Education, after following the public hearing process mandated by law.
5. Formal budgetary integration is employed as a management control device during the year for all governmental funds.
6. All budget appropriations lapse at the end of the fiscal year.
7. The Board of Education passed the budget on September 11, 2012.

B. Budget Reconciliations

The Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds (GAAP basis) includes “on-behalf” payments received and made for the amounts contributed by the State of Illinois for the employer’s share of the Teachers Retirement System pension. The District does not budget for either of these amounts. The differences between the budget and GAAP basis are as follows:

	Revenues	Expenditures
General Fund Budgetary Basis	\$ 5,078,080	\$ 4,934,524
To adjust for on-behalf payments received	816,814	-
To adjust for on-behalf payments made	-	816,814
General Fund GAAP Basis	\$ 5,894,894	\$ 5,751,338

Excess of Expenditures Over Budget

For the year ended June 30, 2013 expenditures exceeded budget in the General Fund by \$777,119, Debt Service Fund \$90,373, Municipal Retirement/Social Security Fund \$6,810, and Transportation Fund \$32,053. The over-expenditure was funded by available fund balance.

(THIS PAGE INTENTIONALLY LEFT BLANK)

STATISTICAL SECTION

KOMAREK SCHOOL DISTRICT NO. 94
SCHEDULE OF ASSESSED VALUATIONS, TAX EXTENSIONS
AND COLLECTIONS
JUNE 30, 2013

	TAX LEVY YEAR		
	2012	2011	2010
<u>Assessed Valuation</u>	<u>\$ 134,499,940</u>	<u>\$ 144,718,385</u>	<u>\$ 177,267,712</u>
<u>Tax Extensions By Levy:</u>			
Educational	\$ 3,075,615	\$ 2,681,495	\$ 2,986,092
Special Education	247,200	238,703	50,265
Operations and Maintenance	463,500	769,153	562,755
Bond and Interest	390,498	336,368	331,643
Transportation	100,940	103,968	102,717
Municipal Retirement	113,300	83,811	109,273
Working Cash	1	1	1
<u>Total</u>	<u>\$ 4,391,054</u>	<u>\$ 4,213,499</u>	<u>\$ 4,142,746</u>
<u>Tax Rates:</u>			
Educational	2.2867	1.8529	1.6843
Special Education	0.1838	0.1649	0.0284
Operations and Maintenance	0.3446	0.5315	0.3175
Bond and Interest	0.2903	0.2324	0.1871
Transportation	0.0750	0.0718	0.0579
Municipal Retirement	0.0842	0.0579	0.0616
<u>Total</u>	<u>3.2646</u>	<u>2.9114</u>	<u>2.3368</u>

KOMAREK SCHOOL DISTRICT NO. 94
SCHEDULE OF BONDED DEBT MATURITIES AND INTEREST
JUNE 30, 2013

LIMITED SCHOOL BONDS - ISSUE JUNE 1, 2009A

<u>FISCAL YEAR</u>	<u>BONDS ISSUED</u>	<u>BONDS DEFEASED</u>	<u>INTEREST PAYABLE</u>	<u>TOTAL</u>
2014	\$ 105,000	\$ 80,000	\$ 40,950	\$ 65,950
2015	240,000	190,000	39,825	89,825
2016	250,000	200,000	38,263	88,263
2017	260,000	205,000	36,488	91,488
2018	265,000	210,000	34,494	89,494
2019	275,000	220,000	32,431	87,431
2020	285,000	-	25,700	310,700
2021	300,000	-	14,000	314,000
2022	200,000	-	4,000	204,000
Total	<u>\$ 2,180,000</u>	<u>\$ 1,105,000</u>	<u>\$ 266,151</u>	<u>\$ 1,341,151</u>

Bond maturity: December 1
Interest date: June and December 1
Interest rate: 3.00% - 4.00%
Paying agent: Wells Fargo Bank

KOMAREK SCHOOL DISTRICT NO. 94
 SCHEDULE OF BONDED DEBT MATURITIES AND INTEREST
 JUNE 30, 2013

LIMITED SCHOOL BONDS - ISSUE OCTOBER 1, 2009B

<u>FISCAL YEAR</u>	<u>BONDS ISSUED</u>	<u>INTEREST PAYABLE</u>	<u>TOTAL</u>
2014	<u>\$ 130,000</u>	<u>\$ 2,112</u>	<u>\$ 2,112</u>
Total	<u><u>\$ 130,000</u></u>	<u><u>\$ 2,112</u></u>	<u><u>\$ 2,112</u></u>

Bond maturity: December 1
 Interest date: June and December 1
 Interest rate: 1.20%-2.60%
 Paying agent: Wells Fargo Bank

KOMAREK SCHOOL DISTRICT NO. 94
 SCHEDULE OF BONDED DEBT MATURITIES AND INTEREST
 JUNE 30, 2013

TAXABLE LIMITED SCHOOL BONDS - ISSUE OCTOBER 3, 2012A

<u>FISCAL YEAR</u>	<u>BONDS ISSUED</u>	<u>INTEREST PAYABLE</u>	<u>TOTAL</u>
2014	\$ 120,000	14,012	\$ 134,012
2015	230,000	11,712	241,712
2016	235,000	8,222	243,222
2017	235,000	4,169	239,169
2018	95,000	998	95,998
Total	<u>\$ 915,000</u>	<u>\$ 39,113</u>	<u>\$ 954,113</u>

Bond maturity: December 1
 Interest date: June and December 1
 Interest rate: 1.10%-2.10%
 Paying agent: Wells Fargo Bank

KOMAREK SCHOOL DISTRICT NO. 94
SCHEDULE OF BONDED DEBT MATURITIES AND INTEREST
JUNE 30, 2013

LIMITED REFUNDING SCHOOL BONDS - ISSUE OCTOBER 3, 2012B

<u>FISCAL YEAR</u>	<u>BONDS ISSUED</u>	<u>INTEREST PAYABLE</u>	<u>TOTAL</u>
2014	\$ -	36,650	\$ 36,650
2015	-	36,650	36,650
2016	-	36,650	36,650
2017	-	36,650	36,650
2018	145,000	35,200	180,200
2019	245,000	30,075	275,075
2020	25,000	26,025	51,025
2021	25,000	25,275	50,275
2022	135,000	22,875	157,875
2023	350,000	15,600	365,600
2024	345,000	5,175	350,175
Total	<u>\$ 1,270,000</u>	<u>\$ 306,825</u>	<u>\$ 1,576,825</u>

Bond maturity: December 1
Interest date: June and December 1
Interest rate: 2.00%-3.00%
Paying agent: Wells Fargo Bank

KOMAREK SCHOOL DISTRICT NO. 94
SCHEDULE OF PER CAPITA TUITION CHARGE
AND AVERAGE DAILY ATTENDANCE

	Year Ended June 30,		
	2013	2012	2011
Average Daily Attendance	479.42	493.63	465.37
Operating costs			
Educational	\$ 4,934,524	\$ 4,900,996	\$ 4,616,309
Operations and maintenance	609,080	519,582	477,466
Bond and interest	414,298	369,220	321,528
Transportation	135,053	93,758	92,248
Municipal retirement/social security	177,626	166,053	155,460
Subtotal	6,270,581	6,049,609	5,663,011
Less revenues/expenditures of non-regular programs			
Pre-K	83,032	97,416	84,755
Summer school	5,186	5,411	4,812
Capital outlay	148,095	277,821	48,385
Debt principal retired	287,402	267,883	221,720
Payments to other districts & gov't units	438,602	379,822	319,306
Community services	83,118	78,595	53,324
Subtotal	1,045,435	1,106,948	732,302
Operating Costs	5,225,146	4,942,661	4,930,709
Operating Costs Per Pupil	10,899	10,013	10,595
Tuition Charge			
Operating costs	5,225,146	4,942,661	4,930,709
Less-revenues from specific programs, such as special education or lunch programs	579,890	531,324	562,167
Net Operating Costs	4,645,256	4,411,337	4,368,542
Depreciation Allowance	166,953	207,159	138,732
Allowable Tuition Costs	4,812,209	4,618,496	4,507,274
Tuition Charge Per Pupil - Based on ADA	\$ 10,038	\$ 9,356	\$ 9,685